

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the “Agreement”) is entered into by and between IAS Logistics DFW, LLC, d/b/a Pinnacle Logistics (“Respondent”) and the United States Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section (“IER”) (together, “the parties”).

I. BACKGROUND

WHEREAS, on February 21, 2018, IER accepted as complete a charge filed pursuant to 8 U.S.C. § 1324b(b)(1) by [REDACTED] (“Charging Party”) against Respondent, DJ# 197-35-474 (the “IER Charge”), alleging unfair documentary practices and citizenship status discrimination in violation of the unfair immigration-related employment practices provisions of 8 U.S.C. § 1324b (“Act”);

WHEREAS, the Immigrant and Employee Rights Section’s investigation of the IER Charge (the “IER Investigation”) determined that there is reasonable cause to believe that (A) Respondent rejected valid employment eligibility verification documents and/or requested more, different or specific documents for the Form I-9 and E-Verify processes based on the Charging Party’s status as a non-U.S. citizen, in violation of 8 U.S.C. § 1324b(a)(6); and (B) discriminated against the Charging Party based on his citizenship status by terminating the Charging Party’s employment after he failed to present the requested document, in violation of 8 U.S.C. § 1324b(a)(1)(B);

WHEREAS, the parties wish to resolve the IER Investigation without further delay or expense and hereby acknowledge that they are voluntarily entering into this Agreement;

NOW, THEREFORE, in consideration of the mutual promises contained below and to fully and finally resolve the instant investigation as of the date of the latest signature below, the parties agree as follows:

II. TERMS OF SETTLEMENT

1. This Agreement becomes effective as of the date of the latest signature on the dually-signed Agreement, which date is considered to be and referenced herein as the “Effective Date.” The “term of this Agreement” is defined as and shall be two years following the Effective Date.
2. Respondent shall pay civil penalties to the United States Treasury in the amount of four thousand, two hundred and fifty dollars (\$4,250).
3. Respondent shall provide IER with the name, title, email address, and telephone number of the individual responsible for effectuating payment of the civil penalties no later than close of business on the Effective Date. Respondent shall pay the monies discussed in paragraph 2 via the FedWire electronic fund transfer

system within ten (10) business days of receiving fund transfer instructions from IER. On the day of payment, Respondent shall send confirmation of the payment to Jenna Grambort at jenna.grambort@usdoj.gov and IER@usdoj.gov. The email confirming payment shall have Respondent's name and the investigation number, DJ # 197-35-474, in the subject line.

4. Within 15 days from the Effective Date, Respondent shall send a check to the Charging Party in the amount of \$7,641.05, less any withholding required by law, which constitutes back pay plus accumulated interest calculated at the IRS underpayment rate, compounded daily, through the Effective Date. IER will provide Respondent with a mailing address for the Charging Party no later than five days from the Effective Date. On the day of payment, Respondent shall confirm via email to Jenna Grambort at jenna.grambort@usdoj.gov and IER@usdoj.gov that payment was made and attach an image of the check.
5. Within 45 days after remitting the Charging Party's W-2 form for calendar year 2020 to the Social Security Administration under IRS regulations, and pursuant to the provisions of IRS Publication 957, Respondent shall file a special report to the Social Security Administration allocating the payment made to the Charging Party in paragraph 4 to the appropriate periods. On the day Respondent submits the documentation, Respondent shall confirm via email to Jenna Grambort at jenna.grambort@usdoj.gov and IER@usdoj.gov that such documentation was submitted and provide a copy of such documentation.
6. In accordance with 8 U.S.C. § 1324b, Respondent shall not:
 - (a) discriminate on the basis of citizenship, immigration status or national origin in violation of 8 U.S.C. § 1324b.
 - (b) discriminate in the employment eligibility verification and reverification process; Respondent shall (i) honor documentation that on its face reasonably appears to be genuine, relates to the person, and satisfies the requirements of 8 U.S.C. § 1324a(b); (ii) not request more or different documents than are required by law; and (iii) permit all employees to present any document or combination of documents acceptable by law both at initial hire and during any lawful reverification of continued employment authorization.
 - (c) intimidate, threaten, coerce, or retaliate against any person for his or her participation in this matter or the exercise of any right or privilege secured by 8 U.S.C. § 1324b.
7. Respondent shall comply with the E-Verify rules and responsibilities set forth under its Memorandum of Understanding with E-Verify and the M-775 E-Verify User Manual, shall not request that its employees present specific documents for the Form I-9 and/or E-Verify processes based on citizenship status, and shall not

- prohibit employees from working because they received a Tentative Non-Confirmation result in E-Verify.
8. Respondent shall not disclose to any employer or prospective employer of the Charging Party any information or documentation related to the Charging Party's charge filed with IER.
 9. Respondent shall post an English and Spanish version of the IER "If You Have The Right to Work" poster ("IER Poster"), in color and measuring no smaller than 8.5" x 11", an image of which is available at <https://www.justice.gov/crt/worker-information#poster>, in all places where notices to employees and job applicants are normally posted. Respondent shall post the IER Poster within 14 days from the Effective Date of this Agreement and it will remain posted for three years thereafter.
 10. Throughout the term of this Agreement, Respondent shall provide a copy of the most current version of the Form I-9 Lists of Acceptable Documents ("Lists") to individuals at the same time and in the same manner as Respondent provides them with the Form I-9 to complete, and shall inform those individuals of their right to choose to present any documentation that is on the Lists or is otherwise acceptable for purposes of employment eligibility verification or reverification.
 11. During the term of this Agreement, Respondent shall ensure that all individuals who are responsible for formulating, providing training on, or implementing Respondent's hiring, firing, equal employment, and employment eligibility verification policies, including all managers and employees who have any role in the employment eligibility verification process, such as completing the Form I-9 and/or using the E-Verify program ("Human Resources Personnel"), have readily available the most current version of the Form I-9, USCIS Employment Eligibility Verification Handbook for Employers (M-274) ("Handbook"), available at www.uscis.gov/I-9, and the most current USCIS E-Verify Manual (M-775) ("Manual"), available at www.uscis.gov/USCIS/Verification/E-Verify/E-Verify_Native_Documents/manual-employer_comp.pdf. Copies of these documents and future revisions of the Form I-9, Handbook, and Manual can be obtained from the United States Citizenship and Immigration Services at www.uscis.gov.
 12. Within sixty (60) days of the Effective Date, Respondent shall review any existing employment policies and revise such policies, or develop and propose new policies, that relate to nondiscrimination in hiring, employment eligibility verification and reverification, including completion of the Form I-9, and provide them to IER for approval. IER shall review such policies and provide modifications as it deems necessary to promote compliance with 8 U.S.C. § 1324b, and Respondent shall implement the IER-approved policies within 30 days of IER approval. These revised or new employment policies shall:

- (a) prohibit discrimination on the basis of citizenship, immigration status, and national origin (1) in the hiring and firing process; (2) during the Form I-9 employment eligibility verification and reverification process; and (3) in the E-Verify process;
- (b) include citizenship, immigration status, and national origin as prohibited bases of discrimination; any Equal Employment Opportunity (EEO) statements Respondent includes in printed or electronic materials available to the public or employees shall also include these prohibited bases of discrimination;
- (c) refer applicants and employees who complain, formally or informally, of discrimination in the hiring, firing, or Form I-9 employment eligibility verification and reverification process immediately to the Immigrant and Employee Rights Section by directing the affected individual to the IER Poster and IER's worker hotline and website, and advise the affected individual of his or her right to file a charge of discrimination with the Immigrant and Employee Rights Section; and
- (d) prohibit any reprisal action against an employee for having opposed any employment practice made unlawful by 8 U.S.C. § 1324b, or for filing any charge, or participating in a lawful manner in any investigation or action under 8 U.S.C. § 1324b.

During the term of this Agreement, Respondent shall provide any revisions to employment policies or practices relating to nondiscrimination on the basis of citizenship, immigration status or national origin to IER for approval at least 30 days prior to the proposed effective date of such new or revised policies.

13. Within 120 days of the Effective Date, all Human Resources Personnel and any other individuals whose job duties involve E-Verify shall receive training on 8 U.S.C. § 1324b, the appropriate use of E-Verify, and the employment eligibility verification and reverification process as it relates to discrimination on the basis of citizenship, immigration status or national origin, as follows:
- (a) At IER's discretion, the training will consist of either (i) viewing a free IER webinar presentation and viewing a free E-Verify for Existing Users webinar presentation by U.S. Citizenship and Immigration Services (USCIS); or (ii) viewing a free live IER presentation at a time and location mutually agreed upon by the parties.
 - (b) All employees will be paid their normal rate of pay, and the training will occur during their normally scheduled workdays and

work hours. Respondent shall bear all of its costs associated with these training sessions.

- (c) During the term of the Agreement, all new Human Resources Personnel and personnel involved in the Form I-9 and E-Verify processes who are hired after the training described in this paragraph has been conducted shall attend an IER Employer/HR webinar training within 60 days of hire or promotion.
 - (d) Respondent shall compile attendance records listing the individuals who comply with the training as described in this paragraph, including each individual's full name, job title, signature, and the date of the training, and send the records via email to Jenna Grambort at jenna.grambort@usdoj.gov and IER@usdoj.gov within 10 days of each training session. The emails transmitting attendance records shall have Respondent's name and the investigation number, DJ # 197-35-474, in the subject line.
14. Within 180 days of the Effective Date, Respondent shall provide all Human Resources Personnel with follow-up training that assesses their understanding of proper Form I-9 and E-Verify processes. The follow-up training assessment shall be approved in advance by IER. Within 90 days after completion of the follow-up training assessment, Respondent shall provide the assessment results for each person who took the assessment via email to Jenna Grambort at jenna.grambort@usdoj.gov and IER@usdoj.gov.
15. Within 90 days of the Effective Date, all Human Resources Personnel and any authorized individuals who transmit Form I-9 information to E-Verify shall register for email updates from USCIS on the following topics by visiting <https://public.govdelivery.com/accounts/USDHSCIS/subscriber/new>:
- (a) Federal Register Announcements;
 - (b) Temporary Protected Status; and
 - (c) I-9 Central.
16. During the term of this Agreement, IER reserves the right to make such reasonable inquiries as it, in its discretion, believes necessary or appropriate to assess Respondent's compliance with this Agreement, including but not limited to, requiring written reports from Respondent concerning its compliance; inspecting Respondent's premises; interviewing Respondent's employees, officials or other persons; and requesting copies of Respondent's documents, including but not limited to E-Verify transaction histories and user audit reports. At IER's discretion, Respondent shall provide such documents in Excel or .csv format within 30 days of the request unless the parties agree otherwise.

17. Nothing in this Agreement limits IER's right to inspect Respondent's Forms I-9 within three business days pursuant to 8 C.F.R. § 274a.2(b)(2)ii. Respondent shall, at IER's discretion, provide data fields from such documents in Excel spreadsheet format unless requested otherwise.
18. If IER has reason to believe that Respondent is in violation of any provision of this Agreement, IER may, in its sole discretion, notify Respondent of the purported violation rather than initiate a new discrimination investigation or seek to judicially enforce the Agreement. If IER has exercised its discretion to notify Respondent of the purported violation, Respondent shall have 30 days from the date IER notifies it of the purported violation(s) to cure the violation(s) to IER's satisfaction.
19. This Agreement does not affect the right of any individual to file a charge under the Act alleging an unfair immigration-related employment practice against Respondent, IER's authority to investigate Respondent or file a complaint on behalf of any such individual, or IER's authority to conduct an independent investigation of Respondent's employment practices occurring after the Effective Date or outside of the scope of the Investigation.
20. This Agreement resolves any and all differences under 8 U.S.C. § 1324b between the parties relating to the IER Investigation through the Effective Date. The provisions of paragraph 2 notwithstanding, IER shall not seek from Respondent any additional civil penalty for the unfair documentary practice and citizenship status discrimination in violation of 8 U.S.C. § 1324b, that is the subject of the IER Investigation, through the Effective Date.
21. This Agreement sets forth the entire agreement between the parties and fully supersedes any and all prior agreements or understandings between the parties pertaining to the IER Investigations. This Agreement is governed by the laws of the United States. This Agreement shall be deemed to have been drafted by both parties and shall not be construed against any one party in the event of a subsequent dispute concerning the terms of the Agreement. The parties agree that the paragraphs set forth in Part II of this Agreement (entitled "Terms of Settlement") are material terms.
22. The United States District Court for the Northern District of Texas shall be the preferred venue for enforcement of any claims over which that court has subject matter jurisdiction. Otherwise, a party must bring any claim or counterclaim to enforce the agreement in a court of competent jurisdiction. This provision does not constitute a waiver of sovereign immunity or any other defense the United States might have against a claim for enforcement or counterclaims asserted against it.

23. Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected and the term or provision shall be deemed not to be a part of this Agreement. The parties agree that they will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement invalid.
24. The parties agree to bear their own costs, attorneys' fees and other expenses incurred in this investigation.
25. This Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. The parties agree to be bound by facsimile signatures.

IAS Logistics DFW, LLC

By: Mark Elser
Mark Elser
Chief Operating Officer

Dated: 10-15-2020

Immigrant and Employee Rights Section

By: Alberto Ruisanchez
Alberto Ruisanchez
Deputy Special Counsel

Dated: 11-12-2020

Sebastian Aloit
Special Litigation Counsel

Jenna Grambort
Trial Attorney