

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the “Agreement”) is entered into by and between DC Precision Machining, Inc. (“Respondent”) and the United States Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section (“IER”) (together, “the parties”).

### I. BACKGROUND

WHEREAS, on March 18, 2019, IER accepted as complete a charge filed by [REDACTED] (“Charging Party”) against Respondent, DJ# 197-11-972 (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, on March 28, 2019, IER notified Respondent that it had initiated an investigation (“IER Investigation”) based on the Charging Party’s allegations to determine whether Respondent had engaged in any discriminatory conduct in violation of 8 U.S.C. § 1324b;

WHEREAS, the IER Investigation determined that there is reasonable cause to believe that, from at least January 1, 2017 through at least May 31, 2019, Respondent routinely requested unnecessary and specific employment eligibility verification documents for the Form I-9 process based on each new employee’s citizenship status, constituting a pattern or practice of unfair documentary practices in violation of 8 U.S.C. § 1324b(a)(6);

WHEREAS, the IER Investigation also determined that there is reasonable cause to believe that Respondent subjected the Charging Party, a native-born U.S. citizen, to this discriminatory practice by rejecting legally sufficient work authorization documentation and requesting an additional specific document for the Form I-9 process based on her citizenship status, then terminated her employment when she refused to present the requested document, in violation of 8 U.S.C. §§ 1324b(a)(1) and (a)(6);

WHEREAS, this Agreement is not an admission of violations or intentional wrongdoings of any kind on the part of Respondent;

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 shall be two years following the Effective Date.
2. Respondent shall pay civil penalties to the United States Treasury in the amount of thirteen thousand four hundred dollars (\$13,400).
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 seven days after the Effective Date. Respondent shall pay the monies discussed in paragraph 2 via the FedWire electronic fund transfer system within 14 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](mailto:jenna.grambort@usdoj.gov) and [IER@usdoj.gov](mailto:IER@usdoj.gov). The email confirming payment shall have Respondent’s name and the investigation number, DJ # 197-11-972, in the subject line.
4. Respondent shall, within 15 days from the Effective Date, send the Charging Party, by email and certified mail, a request for the Charging Party to elect a method of payment for the payment referenced in paragraph 5, an IRS Form W-4, and a Release of Claims form (Attachment A).
5. Respondent shall pay the Charging Party, within 15 days from its receipt of the Charging Party’s payment election in writing, signed Attachment A, and IRS Form W-4, the amount of \$21,360.55, 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. Respondent shall pay the Charging Party using the method of payment selected in the Charging Party’s payment election form. On the day of payment, Respondent shall confirm via email to Jenna Grambort at [jenna.grambort@usdoj.gov](mailto:jenna.grambort@usdoj.gov) and [IER@usdoj.gov](mailto:IER@usdoj.gov) that payment was made and attach an image of the check.
6. Within 45 days after remitting the Charging Party’s W-2 form for calendar year 2021 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 5 to the appropriate periods. On the day Respondent submits the documentation, Respondent shall confirm via email to Jenna Grambort at [jenna.grambort@usdoj.gov](mailto:jenna.grambort@usdoj.gov) and [IER@usdoj.gov](mailto:IER@usdoj.gov) that such documentation was submitted and provide a copy of such documentation.
7. Pursuant to 8 U.S.C. § 1324b, Respondent shall not discriminate against applicants or employees on the basis of citizenship, immigration status or national

origin, during their recruitment, hiring, firing, and employment eligibility verification or reverification (collectively, “EEV process”).

8. Respondent shall avoid discrimination in the EEV process by (a) honoring 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); (b) not requesting more or different documents than are required by law; (c) not rejecting valid documents due to an individual’s citizenship, immigration status, or national origin; and (d) permitting all employees to present any document or combination of documents acceptable by law.
9. Respondent shall remove any reference to the IER Investigation or this Agreement in the Charging Party’s personnel file and other employment records, and shall not make any such reference in the future.
10. 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, unless required by law.
11. Respondent shall not intimidate, threaten, coerce, or retaliate against any person for their participation in an IER investigation or exercise of any right or privilege secured by 8 U.S.C. § 1324b.
12. If Respondent is currently an E-Verify user or begins to use E-Verify during the term of this Agreement, 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.
13. 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 the term of the Agreement.
14. 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.

15. 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](http://www.uscis.gov/I-9), and the most current USCIS E-Verify Manual (M-775) ("Manual"), available at [www.e-verify.gov/e-verify-user-manual](http://www.e-verify.gov/e-verify-user-manual). 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](http://www.uscis.gov).
  
16. Within 60 days of the Effective Date, Respondent shall revise and/or create employment policies to prohibit discrimination in hiring, employment eligibility verification and reverification, including completion of the Form I-9, and provide them to IER for review. 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 requesting more or different Form I-9 documents, specifying Form I-9 documents, or rejecting reasonably genuine Form I-9 documents, because of an individual's citizenship, immigration status, or national origin; and
  - (b) 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.

17. Within 180 days of the Effective Date, all Human Resources Personnel and any other individuals whose job duties involve the EEV process shall receive training on 8 U.S.C. § 1324b and avoiding discrimination on the basis of citizenship, immigration status or national origin, as follows:
  - (a) The training will consist of viewing a free online Employer/HR webinar presentation, and participants shall register at [www.justice.gov/crt/webinars](http://www.justice.gov/crt/webinars).

- (b) All participants 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 who are hired in or promoted to a Human Resources Personnel position 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, and the date of the training, and send the records via email to Jenna Grambort at [jenna.grambort@usdoj.gov](mailto:jenna.grambort@usdoj.gov) and [IER@usdoj.gov](mailto: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 # 197-11-972, in the subject line.
- 18. 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.
- 19. 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.
- 20. Beginning 180 days from the Effective Date, and continuing every four months during the term of this Agreement, Respondent shall provide IER with copies of the Forms I-9 for all individuals hired or reverified within the previous four-month period, including photocopies of documents and associated E-Verify paperwork.
- 21. 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.

22. 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.
23. 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.
24. 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 penalties or pursue any other type of enforcement action 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.

### **III. ADDITIONAL TERMS**

25. 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 Investigation, DJ # 197-11-972. 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.
26. The United States District Court for the Northern District of California 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.
27. 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.

28. The parties agree that, as of the Effective Date of this Agreement, litigation concerning the violations of 8 U.S.C. § 1324b that IER has reasonable cause to believe that Respondent committed is not reasonably foreseeable. To the extent that either party previously implemented a litigation hold to preserve documents, electronically stored information, or things related to this matter, the party is no longer required to maintain such a litigation hold. Nothing in this paragraph relieves either party of any other obligations imposed by this Agreement.
29. The parties agree to bear their own costs, attorneys' fees and other expenses incurred in this investigation.
30. 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.

**DC Precision Machining, Inc.**

By: Craig Wahlstrom  
Craig Wahlstrom  
General Manager

Dated: 2021-Sept-14

A. Ulrich  
Ulrich Kanter  
Executive Vice President – Head of Operations and IT

Dated: 2021 - Sept - 14

**Immigrant and Employee Rights Section**

By: [Signature]  
Alberto Ruisanchez  
Deputy Special Counsel

Dated: 9/15/21

Jodi Danis  
Special Litigation Counsel

Jenna Grambort  
Trial Attorney