

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“Agreement”) is entered into by and between Lady M West Third LLC and Lady M Confections Co., Ltd. (collectively, “Respondents”), and the United States Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section (“IER”) (together, “the Parties”).

I. BACKGROUND

WHEREAS, on August 12, 2021, IER received a charge (“IER Charge”) filed by [REDACTED] (“Charging Party”), alleging Respondent Lady M Confections Co., Ltd committed unfair documentary practices in violation of the anti-discrimination provision of the Immigration and Nationality Act, 8 U.S.C. § 1324b (“Act”);

WHEREAS, on August 23, 2021, IER notified Respondent Lady M Confections Co., Ltd that IER had initiated an investigation of the IER Charge (designated as DJ # 197-12C-1710), and on January 5, 2022, notified Lady M Confections Co., Ltd that it also had initiated an independent investigation (designated as DJ # 197-52-1040) into its employment eligibility verification practices to determine whether it engaged in any pattern or practice of discrimination or other violations of the Act;

WHEREAS, also on January 5, 2022, IER notified Respondent Lady M West Third, LLC that it had initiated an independent investigation (designated as DJ # 197-12C-1718) into Lady M West Third’s employment eligibility verification practices to determine whether Lady M West Third, LLC engaged in any pattern or practice of discrimination or other violations of the Act;

WHEREAS, on the basis of its investigation of the IER Charge and its independent investigations (collectively the “IER Investigations”), IER concluded there is reasonable cause to believe that: 1) from at least January 1, 2020, to December 31, 2021, Respondents engaged in a pattern or practice of requesting that lawful permanent residents present a Permanent Resident Card for the Form I-9, in violation of 8 U.S.C. § 1324b(a)(6); and pursuant to that practice, 2) Respondents Lady M Confections Co., Ltd. and Lady M West Third, LLC requested more or different documents than necessary for the Form I-9 from the Charging Party, a non-U.S. citizen who had already provided valid, unexpired evidence of permanent work authorization, based on the Charging Party’s status as a non-U.S. citizen, in violation of 8 U.S.C. § 1324b(a)(6);

WHEREAS, the Parties wish to resolve the IER Investigations 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 IER Investigations 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 two years following the Effective Date.

2. Respondents shall pay a civil penalty to the United States Treasury in the amount of \$1,864.
3. Respondents shall give IER the name, title, email address, and telephone number of the individual responsible for effectuating payment of the civil penalties no later than the Effective Date. Respondents shall pay the monies discussed in paragraph 2 using the FedWire electronic fund transfer system within ten business days of receiving fund transfer instructions from IER. On the day Respondents make the payment, Respondents shall send an email to Tamara Hoflejzer at Tamara.Hoflejzer@usdoj.gov (or any other individual IER designates) to confirm that payment was made. The email confirming payment shall have Respondents’ names and the investigation number, DJ # 197-12C-1710, in the subject line.
4. This Agreement resolves any and all differences between the Parties with respect to the IER Investigations through the Effective Date. IER shall not seek from Respondents any additional civil penalty or relief on behalf of itself, beyond that referenced in paragraph 2, for the unfair documentary practices in violation of 8 U.S.C. § 1324b(a)(6) that were the subject of the IER Investigations through the Effective Date.
5. In accordance with 8 U.S.C. § 1324b, Respondents:
 - a. Shall not discriminate on the basis of citizenship, immigration status, or national origin in violation of 8 U.S.C. § 1324b.
 - b. Shall not discriminate in the employment eligibility verification and reverification processes.
 - c. 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 at initial hire, rehire, and during any lawful reverification of continued employment authorization.
 - d. Shall not intimidate, threaten, coerce, or retaliate against any person for their participation in this matter or the exercise of any right or privilege secured by 8 U.S.C. § 1324b.
6. Respondents 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, the IER Investigations, or this Agreement, unless required by law, and shall maintain any records pertaining to the charge, IER Investigations, or this Agreement in a file separate from the Charging Party’s personnel file.

7. Respondents 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. Respondents shall post the IER Poster within 14 days from the Effective Date of this Agreement and it will remain posted for two years from the Effective Date.
8. Throughout the term of this Agreement, Respondents shall give 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 Respondents give them 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.
9. During the term of this Agreement, Respondents shall ensure that all individuals who are responsible for formulating, providing training on, or implementing Respondents’ 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 (collectively called “Human Resources Personnel”), review and 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.
10. Within 60 days of the Effective Date, Respondents shall review any existing employment policies and revise such policies, or develop and propose new policies, and submit them to IER for review. These revised or new employment policies shall:
 - a. in accordance with 8 U.S.C. § 1324b, prohibit discrimination on the basis of citizenship or 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 status, immigration status, and national origin as prohibited bases of discrimination in any Equal Employment Opportunity statements that Respondents make in printed or electronic materials available to the public or employees;
 - 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. Respondents shall do so by directing the affected individuals to the IER Poster, IER's worker hotline at 1-800-255-7688 and website at <https://www.justice.gov/crt/immigrant-and-employee-rights-section>, and advise the affected individuals of their right to file a charge of discrimination with IER; and

- d. prohibit any retaliation/reprisal action against an applicant or employee for the purpose of interfering with any right or privilege secured by 8 U.S.C. § 1324b, 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.

IER shall review and approve such policies to ensure compliance with this Agreement and 8 U.S.C. § 1324b, and Respondents shall implement final revised policies within 15 days after IER's approval. During the term of this Agreement, Respondents shall provide any further revisions to such policies to IER for approval at least 30 days prior to the proposed effective date of such new or revised policies.

11. Within 90 days of the Agreement's Effective Date, all Human Resources Personnel shall participate in a training on 8 U.S.C. § 1324b, and the employment eligibility verification and reverification process as it relates to discrimination on the basis of citizenship, immigration status, or national origin.
 - a. The training shall consist of viewing the IER Employer/HR Representative webinar presentation, and participants shall register at <https://www.justice.gov/crt/webinars>.
 - b. All Human Resources Personnel will be paid their normal rate of pay for their time spent during the training, and the training will occur during the normally scheduled workday and work hours. Respondents shall bear all costs associated with these training sessions.
 - c. During the term of this Agreement, all new Human Resources Personnel hired or promoted after the training described in this paragraph has been conducted, shall attend an IER Employer/HR webinar within 60 days of hire or promotion.
 - d. Respondents shall confirm attendance of each trainee at each training session via email to Tamara Hoflejzer at Tamara.Hoflejzer@usdoj.gov within 10 days of each training session. The emails transmitting attendance records shall have Respondents' name and the investigation number, DJ # 197-12C-1710, in the subject line, as well as the name and title of each trainee and the date and time of each training.
12. 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 Respondents' compliance with this Agreement, including but not limited to, requiring written reports from Respondents concerning their compliance; inspecting Respondents' premises;

interviewing Respondents' employees, officials or other persons; and requesting copies of Respondents' documents. At IER's discretion, Respondents shall provide such documents in Excel or .csv format unless the Parties agree otherwise.

13. If IER has reason to believe that Respondents are in violation of any provision of this Agreement during the term of this Agreement, IER may, in its sole discretion, notify Respondents of the purported violation without opening an investigation. Upon such notification, Respondents shall have 15 days to provide an explanation regarding the purported violation. If Respondents' explanation does not satisfy IER's concern, Respondents will have 30 days from the date of IER's notification of dissatisfaction with Respondents' explanation to cure the purported violation to IER's satisfaction before IER deems Respondents to be in violation of this Agreement.
14. Every six months during the term of this Agreement, Respondents shall provide IER with all Forms I-9 where Respondents completed Section 2 or Section 3 within the previous six-month period.
15. Nothing in this Agreement limits IER's right to inspect Respondents' Forms I-9 within three business days pursuant to 8 C.F.R. § 274a.2(b)(2)(ii). Respondents shall, at IER's discretion, provide data from such documents in Excel spreadsheet format unless requested in another format.
16. 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 Respondents, IER's authority to investigate Respondents or file a complaint on behalf of any such individual, or IER's authority to conduct an independent investigation of Respondents' employment practices occurring after the Effective Date or outside of the scope of the IER Investigations.

III. ADDITIONAL TERMS OF SETTLEMENT

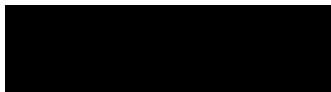
17. This Agreement is governed by the laws of the United States. This Agreement shall be deemed to have been drafted by both Parties and shall not be construed against any one party in the event of a subsequent dispute concerning the terms of the Agreement. The Parties agree that the paragraphs set forth in Part II of this Agreement (entitled "Terms of Settlement") are material terms, without waiver of either Party's right to argue that other terms in the Agreement are material.
18. The United States District Court for the Central 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.
19. The Parties agree that, as of the Effective Date, litigation concerning the alleged

violations of 8 U.S.C. § 1324b that are the subject of the IER Investigations is not reasonably foreseeable. To the extent that any 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.

20. 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 invalid term or provision shall be deemed not to be a part of this Agreement. The Parties will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement is invalid.
21. The Parties shall bear their own costs, attorney fees and other expenses incurred in this investigation.
22. 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.
23. 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 shall be bound by electronic signatures.

Lady M Confections Co., Ltd.

By:



Lady M Confections Co., Ltd.

Dated: 11/21/2022

Lady M West Third, LLC

By:



Lady M West Third, LLC

Dated: 11/21/2022

Immigrant and Employee Rights Section

By:



Alberto Ruisanchez
Deputy Special Counsel

Dated: 11-29-2022

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