

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (“Agreement”) is made and entered into by and between Honda Aircraft Company, LLC (“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 8, 2017, IER notified Respondent that it had initiated an independent investigation, DJ # 197-54M-69 (“Investigation”), to determine whether Respondent had engaged in any discriminatory conduct, including any pattern or practice of unfair immigration-related employment in violation of the Immigration and Nationality Act’s anti-discrimination provision, 8 U.S.C. § 1324b (the “Act”).

WHEREAS, IER determined based upon the Investigation that there is reasonable cause to believe that Respondent engaged in hiring discrimination in violation of 8 U.S.C. § 1324b(a)(1) by publishing job announcements from at least August 2015 through December 2016, specifying that only applicants who are lawful permanent residents and/or U.S. citizens would be considered for employment in the advertised positions, without legal justification for those citizenship status restrictions and implementing the published restrictions in hiring for the positions.

WHEREAS, Respondent was subject to the International Traffic in Arms Regulations (“ITAR”) and/or the Export Administration Regulations (“EAR”) from at least August 2015 until at least December 2016.

WHEREAS neither the ITAR nor the EAR require employers to restrict hiring to U.S. citizens or lawful permanent residents, but instead permit covered entities to hire, without obtaining a license or other approval, all “U.S. Persons,” including, *inter alia*, lawful permanent residents, citizens or nationals of the United States, refugees and asylees.

WHEREAS, Respondent, on its own initiative, changed its policies and procedures to prohibit citizenship status requirements in its job postings after receiving notice of the IER Investigation.

WHEREAS, the Parties wish to resolve IER’s reasonable cause findings 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 Investigation, the Parties agree as follows:

II. TERMS OF SETTLEMENT

1. This Agreement becomes effective as of the date of the last party signs the Agreement, referred to as the “Effective Date.” The term of this Agreement is two years following the Effective Date.

2. Respondent shall pay a civil penalty to the United States Treasury in the amount of forty-four thousand six hundred twenty six dollars (\$44,626.00). Respondent shall provide IER with the name, title, email address, and telephone number of the individual responsible for effectuating payment no later than three days after the Effective Date of this Agreement.
3. Respondent agrees to pay the monies discussed in paragraph 2 via the FedWire electronic fund transfer system within 10 days of the Effective Date of this Agreement or receipt of fund transfer instructions from IER, whichever is later. On the day of payment, Respondent shall confirm via email to Gloria Yi and Tran-Chau Le at Gloria.Yi@usdoj.gov and Tran-Chau.Le@usdoj.gov that payment was made.
4. In accordance with 8 U.S.C. § 1324b, Respondent shall not discriminate, including by directing any third party to discriminate pursuant to a contract or other means, on the basis of citizenship, immigration status or national origin in violation of 8 U.S.C. § 1324b. Respondent also shall not intimidate, threaten, coerce, or retaliate against any person for his or her participation in the IER Investigation or the exercise of any right or privilege secured by 8 U.S.C. § 1324b. Nothing contained in this Agreement shall prevent Respondent from lawfully complying with the data access restrictions within the ITAR or the EAR, as applicable, including any that may relate to "U.S. Persons."
5. If not already posted, Respondent shall post an English and Spanish version of the IER's "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/page/file/926651/download>, in all places where notices to employees and job applicants are normally posted. The IER Poster will be posted within 14 days from the Effective Date of this Agreement and will remain posted for at least two years thereafter.
6. Within 60 days of the Effective Date, Respondent shall review its policies, written procedures, checklists, training materials, and internal guidelines relating to hiring, firing, assignment, badging, data access and/or other documents that identify workers based on citizenship or foreign national status. Consistent with other applicable laws, regulations, and Executive Orders, Respondent shall revise its policies, procedures, checklists, materials, and guidelines to:
 - (a) prohibit unlawful discrimination under 8 U.S.C. §1324b on the basis of citizenship, immigration status, or national origin in the hiring, firing, and recruitment processes, including for employment to work on or have access to materials governed by the ITAR or the EAR (as applicable);
 - (b) prohibit and refrain from including questions related to an applicant or employee's specific citizenship status or national origin where the position at issue does not require access to materials controlled under the ITAR or the EAR;
 - (c) include citizenship, immigration status, and national origin as prohibited bases of discrimination under its policy and any similar Equal Employment Opportunity ("EEO") statements Respondent includes in printed or electronic materials

available to the public or employees, except to the extent otherwise required or permitted by law;

- (d) refer applicants and employees who complain, formally or informally, of discrimination in the hiring, firing, or recruitment processes to IER by:
 - i. directing the affected individual to the IER Poster, IER's worker hotline (800-255-7688) and website (www.justice.gov/ier); and
 - ii. advising the affected individual of his or her right to file a charge of discrimination with IER; and
- (e) prohibit retaliation, intimidation or reprisal against an employee or applicant 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.

For two years from the Effective Date, Respondent will provide all such revisions described in this paragraph to IER for review at least 30 days prior to the implementation date of such revisions.

7. All of Respondent's employees who have any role in hiring, recruiting, interviewing, onboarding, firing, equal employment, or employment eligibility verification processes or have a role in contract negotiations or security and badging that implicate any of those processes ("Hiring Personnel") shall be trained on their duty to comply with 8 U.S.C. § 1324b as it relates to discrimination on the basis of citizenship, immigration status and national origin. The Parties agree that:

- (a) The training required under this paragraph shall consist of Hiring Personnel: i) viewing a free IER webinar, lasting no more than one hour, within 60 days of the Effective Date on date(s) and time(s) as agreed upon by the Parties; and ii) reviewing educational materials published by IER regarding hiring discrimination within 30 days of Respondent's receipt of the material.
- (b) All employees will be paid their normal rate of pay, and the training required under this paragraph will occur during their normally scheduled workdays and work hours. Respondent shall bear all costs associated with the training.
- (c) Respondent shall compile a list of all individuals who completed the training described in this paragraph, including their full name, title, signature, and the date they attended the IER webinar and the date they reviewed the educational materials, and send them via email to Gloria.Yi@usdoj.gov and Tran-Chau.Le@usdoj.gov or any other individual IER designates with 10 days of completing training.
- (d) For a period of two years from the Effective Date, all new Personnel who assumed their duties after the training described in this paragraph has been conducted shall attend an IER Employer/HR webinar and review the educational

materials IER provided within 60 days of hire or assumption of duties. Respondent shall compile and send training records for these individuals pursuant to paragraph 7(c), and shall additionally include their dates of hire.

8. All of Respondent's job postings, including those advertised electronically through a third party site, must be reviewed and approved, prior to publication, by a Respondent employee who has been trained pursuant to paragraph seven.
9. During the term of this Agreement, IER reserves the right to make reasonable inquiries to Respondent to determine Respondent's compliance with this Agreement. As a part of such review, IER may require written reports concerning compliance, inspect Respondent's premises, examine witnesses, and examine and copy Respondent's documents.
10. 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 without opening an investigation. IER will then give Respondent 30 days from the date IER notifies it to cure the violation to IER's satisfaction before IER deems Respondent to be in violation of this Agreement.
11. This Agreement does not affect the right of any individual to file a charge alleging an unfair immigration-related employment practice, IER's authority to investigate or file a complaint on behalf of any such individual, or IER's authority to conduct an independent investigation of Respondent's employment practices.

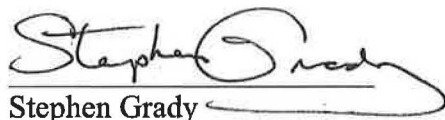
III. ADDITIONAL TERMS OF SETTLEMENT

12. 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. 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 Parties' right to argue that other terms in the Agreement are material.
13. This Agreement may be enforced in the United States District Court for the District of North Carolina or any other court of competent jurisdiction to seek any remedy authorized at law or in equity. 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.
14. Should any court declare or determine that any provision(s) of this Agreement is/are illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected and said illegal or invalid part(s), term(s) or provision(s) shall be deemed not to be a part of this Agreement. The Parties shall not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement invalid.

15. The Parties agree that, as of the Effective Date, 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 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.
16. The Parties shall bear their own costs, attorneys' fees and other expenses incurred in this action.
17. 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.

Honda Aircraft Company, LLC

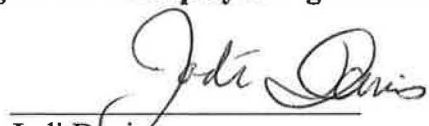
By:


Stephen Grady
General Counsel

Dated: 1/30/19

Immigrant and Employee Rights Section

By:


Jodi Danis
Special Litigation Counsel

Dated: 2/1/19

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