

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement") is made and entered into between Priority Fulfillment Services, Inc. and PFSweb, Inc. ("PFSWeb") (collectively referred to as "Respondents"), and the United States Department of Justice, Civil Rights Division, Office of Special Counsel for Immigration-Related Unfair Employment Practices ("Office of Special Counsel").

WHEREAS, on November 20, 2014, the Office of Special Counsel received two charges filed by \_\_\_\_\_ and \_\_\_\_\_ (collectively referred to as the "Charging Parties") against Prestigious Placement, DJ Nos. 197-12-29 and 197-12-30 (the "OSC Charges"), alleging a violation of the unfair immigration-related employment practices provisions of 8 U.S.C. § 1324b (the "Act").

WHEREAS, on February 4, 2015, the Office of Special Counsel expanded its investigation of the OSC Charges to include Respondents to determine whether Respondents engaged in unfair immigration-related employment practices against the Charging Parties in violation of the Act.

WHEREAS, the Office of Special Counsel concluded based upon its investigation of the OSC Charges that there is reasonable cause to believe that Respondents committed unfair immigration-related employment practices against the Charging Parties in violation of the Act. Specifically, the Office of Special Counsel found reasonable cause to believe that Respondents rejected the Charging Parties' valid Puerto Rican birth certificates, and required the Charging Parties to present naturalization documents to prove their citizenship status because Respondents perceived the Charging Parties to be foreign-born U.S. citizens.

WHEREAS, the Office of Special Counsel and Respondents wish to resolve the OSC Charges without further delay or expense and hereby acknowledge that they are voluntarily entering into this Agreement.

WHEREAS, Respondents understand their responsibilities under 8 U.S.C. § 1324b to treat all individuals equally, without regard to citizenship or immigration status, or national origin, during the hiring, firing, and employment eligibility verification and re-verification process.

NOW, THEREFORE, in consideration of the premises and mutual promises herein contained and to fully and finally resolve the OSC Charges as of the date of this Agreement, it is agreed as follows:

1. PFSweb shall pay a civil penalty to the United States Treasury in the amount of one thousand, two hundred dollars (\$1,200.00).
2. The monies discussed in paragraph 1 shall be paid via the FedWire electronic fund transfer system within ten (10) business days from the effective date of this Agreement. The Office of Special Counsel shall provide Respondents with fund transfer instructions.

Within two business (2) days of payment, Respondents shall confirm via email to Liza Zamd at [Liza.Zamd@usdoj.gov](mailto:Liza.Zamd@usdoj.gov) that payment was made.

3. Respondent PFSweb shall pay the Charging Parties two hundred dollars (\$200.00) each in back pay.
4. Respondents shall pay the monies discussed in paragraph 3 by check payable to the Charging Parties and mailed to the Charging Parties via express delivery service or express mail. Within two business (2) days of mailing the checks to the Charging Parties, Respondents shall send via email to Liza Zamd at [Liza.Zamd@usdoj.gov](mailto:Liza.Zamd@usdoj.gov) a copy of such checks and the express delivery service tracking number, if applicable.
5. Any release of claims Respondents may require the Charging Parties to sign as a condition of the payment of monies discussed in paragraph 3 shall be submitted to the Office of Special Counsel for approval. The release of claims must be limited to the allegations contained in the OSC Charges.
6. Respondents shall not intimidate, threaten, coerce, or retaliate against the Charging Parties or any other person for their participation in this matter or the exercise of any right or privilege secured by 8 U.S.C. § 1324b.
7. Respondents acknowledge that they have posted the Office of Special Counsel “If You Have The Right to Work” poster (“OSC Poster”), in color and measuring no smaller than 8.5” x 11”, an image of which is available at <http://www.justice.gov/crt/about/osc/htm/worker.php#>, in all places where notices to employees and job applicants are normally posted. The OSC Poster will remain posted for two (2) years after the effective date of this Agreement. The OSC Poster is posted in English and Spanish.
8. For two (2) years from the effective date of this Agreement, Respondents shall ensure that all individuals who are responsible for formulating, carrying out, and/or conducting training on Respondents' hiring, firing, equal employment, and employment eligibility verification policies, including all managers and employees who have any role making employment eligibility decisions, such as completing the Form I-9 (“Human Resources Personnel”), are in possession of 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-9Central](http://www.uscis.gov/I-9Central). Copies of the documents and future revisions of the Form I-9 and Handbook can be obtained from the United States Citizenship and Immigration Services at [www.uscis.gov](http://www.uscis.gov).
9. Within thirty (30) days of the effective date of this Agreement, Respondents shall revise its employment policies and training materials and will submit them for review and approval by the Office of Special Counsel. Respondents' policies and training material shall be revised to:

- (a) Prohibit (1) any requests for employment eligibility verification documents from any individual prior to making an offer of employment; (2) discrimination on the basis of citizenship status or national origin in the recruiting, hiring, and firing process; and (3) discrimination on the basis of citizenship status or national origin, during the employment eligibility verification and re-verification process.
  - (b) Refer applicants and employees who complain, formally or informally, of discrimination in the hiring, firing, or employment eligibility verification and re-verification process immediately to the Office of Special Counsel by directing the affected individual to the OSC Poster and the Office of Special Counsel's worker hotline and website, and advise the affected individual of his or her right to file a charge of discrimination with the Office of Special Counsel.
  - (c) 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 any lawful manner in any investigation or action under 8 U.S.C. § 1324b.
- 10. During the two (2) years following the effective date of this Agreement (the "Reporting Period"), Respondents shall provide any changes in their employment policies or training materials as they relate to nondiscrimination on the basis of citizenship status and national origin to the Office of Special Counsel for approval at least thirty (30) days prior to the proposed effective date of such revised policies and training materials.
- 11. Within ninety (90) days of the effective date of this Agreement, all Human Resources Personnel shall join the Office of Special Counsel's email distribution list, and shall attend a training on their duty to comply with 8 U.S.C. § 1324b, provided by the Office of Special Counsel.
  - (a) The training will consist of a live presentation or webinar, at the discretion of the Office of Special Counsel. Participants shall register for the webinar presentation at [www.justice.gov/crt/about/osc/webinars.php](http://www.justice.gov/crt/about/osc/webinars.php). If possible, the Office of Special Counsel will record the webinar and make it available electronically for Respondent personnel who were not able to attend the live presentation.
  - (b) All employees will be paid their normal rate of pay during the training, and the training will occur during their normally scheduled workdays and work hours. Respondents shall bear all costs associated with personnel attending these training sessions.
  - (c) For a period of two (2) years from the effective date of this Agreement, all new Human Resources Personnel that Respondents hire after the training described in this paragraph has been conducted shall attend an Office of

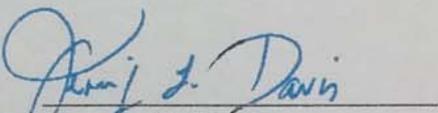
Special Counsel Employer/HR webinar within sixty (60) days of hire. Any individuals who have not been trained within sixty (60) days of hire pursuant to this paragraph shall not be permitted to perform any employment eligibility verification functions.

12. During the Reporting Period, the Office of Special Counsel reserves the right to make reasonable inquiries necessary to determine Respondents' compliance with this Agreement. As a part of such review, the Office of Special Counsel may require written reports concerning compliance, inspect Respondents' premises, examine witnesses, and examine and copy Respondents' applicable documents.
13. If the Office of Special Counsel has reason to believe that either Respondent is in violation of any provision of this Agreement, the Office of Special Counsel may in its sole discretion notify the Respondents of the purported violation without opening an investigation. The Respondents will then be given a thirty (30) day period from the date it is notified by the Office of Special Counsel in which to cure the violation before the Respondents are deemed by the Office of Special Counsel to be in violation of this Agreement.
14. This Agreement does not affect the right of any individual to file a charge alleging an unfair immigration-related employment practice against either or both Respondents with the Office of Special Counsel, the authority of the Office of Special Counsel to investigate or file a complaint on behalf of any such individual, or the authority of the Office of Special Counsel to conduct an independent investigation of either or both Respondents' employment practices.
15. The provisions of paragraph 1 and 2 notwithstanding, the Office of Special Counsel shall not seek from Respondents any additional civil penalty for unfair documentary practices in violation of 8 U.S.C. § 1324b that are subject of the OSC Charges through the date this Agreement is signed by all parties.
16. This Agreement may be enforced in the United States District Court for the Western District of Tennessee, or any other court of competent jurisdiction.
17. The Office of Special Counsel and Respondents agree that, as of the effective date of this Agreement, litigation is not reasonably foreseeable concerning the violations of 8 U.S.C. § 1324b that the Office of Special Counsel has reasonable cause to believe that Respondents committed. 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.
18. 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 thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement. Respondents and the Office of Special Counsel shall not,

individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement invalid.

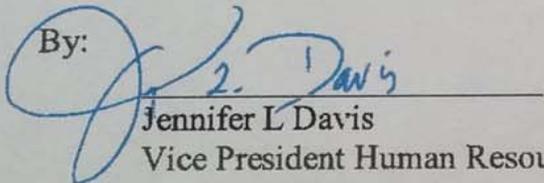
19. The Office of Special Counsel and Respondents shall bear their own costs, attorneys' fees and other expenses incurred in this action.
20. The Office of Special Counsel and Respondents agree that neither this Agreement nor the furnishing of any consideration under the Agreement shall be deemed or construed at any time or for any purpose as an admission by Respondents of wrongdoing or evidence of any liability or unlawful conduct of any kind.
21. 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 facsimile or electronic signatures.

**PFSweb, Inc.**

By:   
Jennifer L Davis  
Vice President Human Resources

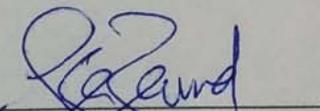
Dated: 6/18/2015

**Priority Fulfillment Services, Inc.**

By:   
Jennifer L Davis  
Vice President Human Resources

Dated: 6/18/2015

**Office of Special Counsel for Immigration-Related Unfair Employment Practices**

By:   
Alberto Ruisanchez  
Deputy Special Counsel

Dated: 6/18/15

Sebastian Aloat  
Special Litigation Counsel

Liza Zamd  
Trial Attorney