

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the “Agreement”) is made and entered into by and between Chancery Staffing Solutions, LLC (“Chancery”) and the United States Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section (“IER”) (together, the “Parties”).

I. BACKGROUND

WHEREAS, on May 9, 2017, IER accepted as complete a charge (the “IER Charge”) filed by [REDACTED] (“Charging Party”), alleging that Chancery’s predecessor entity TransPerfect Staffing Solutions, LLC (“TransPerfect Staffing”) terminated the Charging Party because of his dual citizenship in violation of the unfair immigration-related employment practices provisions of 8 U.S.C. § 1324b;

WHEREAS, on May 17, 2017, IER notified TransPerfect Staffing that it had initiated an investigation (“IER Investigation”) based on the Charging Party’s allegations to determine whether TransPerfect Staffing had engaged in any discriminatory conduct in violation of 8 U.S.C. § 1324b, including any pattern or practice of unfair immigration-related employment practices;

WHEREAS, IER determined based upon the IER Investigation that there is reasonable cause to believe that TransPerfect Staffing: (1) implemented an unlawful U.S. citizens-only requirement when it recruited, hired, and referred individuals to a client for a temporary project (the “Project”); and (2) implemented an unlawful prohibition against U.S. citizens with dual citizenship when it recruited, hired, and referred individuals to a client for the Project, in violation of 8 U.S.C. § 1324b(a)(1)(B);

WHEREAS, the Parties agree that Chancery is the continuation of TransPerfect Staffing under Nevada’s conversion statute, Nev. Rev. Stat. Ann § 92A.250(3)(d), and as such is liable for any violations of law committed by TransPerfect Staffing;

WHEREAS, Chancery denies the allegations of the IER Charge and denies that TransPerfect Staffing engaged in any discriminatory conduct in violation of federal, state, or local law, including without limitation any discrimination based on citizenship in violation of 8 U.S.C. § 1324b(a)(1)(B);

WHEREAS, on May 8, 2019, the United States filed a Complaint alleging that TransPerfect Staffing unlawfully imposed a U.S. citizens-only policy—which it later expanded to also exclude U.S. citizens with dual-citizenship—when recruiting, screening, nominating, and hiring temporary employees to fill at least 21 positions for the Project, in violation of 8 U.S.C. § 1324b(a)(1)(B) (“the Litigation”);

WHEREAS, Chancery denies the allegations in the Complaint and any engagement in citizenship status discrimination in violation of 8 U.S.C. § 1324b, and

states that avoiding the time and expense of continued litigation is the sole reason why Chancery is choosing to enter into this Agreement;

WHEREAS, Chancery denies that there are any victims of any of the patterns or practices of discrimination alleged in the Complaint and states that it promptly found new placements for the two individuals removed from the Project by its client; and IER contends that it has identified victims of the alleged patterns or practices of discrimination;

WHEREAS, IER and Respondent, without admitting liability, wish to resolve the Litigation without further delay or expense, and to avoid the uncertainty and costs of litigation, and hereby acknowledge that they each are voluntarily and freely entering into this Agreement;

NOW, THEREFORE, in consideration of the mutual promises contained below, and to fully and finally resolve the claims in the Litigation as of the date of this Agreement, the Parties agree as follows:

II. TERMS OF SETTLEMENT

1. This Agreement becomes effective as of the date of the latest signature below, which date is referenced hereafter as the “Effective Date,” and shall have a term of two years beginning from the Effective Date.
2. Chancery shall pay a civil penalty to the United States Treasury in the amount of \$27,000.00. The monies discussed in this paragraph shall be paid via the FedWire electronic fund transfer system within 10 business days of the Effective Date of this Agreement or receipt of fund transfer instructions from IER, whichever is later.
3. Chancery shall provide IER with the name, title, email address, and telephone number of the individual responsible for effectuating payment of the civil penalty no later than three business days after the Effective Date of this Agreement. On the day of payment, Chancery shall send confirmation of the payment to Gloria Yi at Gloria.Yi@usdoj.gov and Sejal Jhaveri at Sejal.Jhaveri@usdoj.gov. The email confirming payment shall have Chancery’s name in the subject line.
4. The provisions of paragraph 2 notwithstanding, IER shall not seek from Chancery any additional civil penalty or any other relief for any alleged pattern or practice of unfair immigration-related employment practices in violation of 8 U.S.C. § 1324b that are the subject of the Litigation and underlying IER Investigation through the Effective Date. The Parties agree that the only actions that Chancery shall be required to undertake as a result of the IER Investigation and the Litigation are set forth in this Agreement. Within 15 federal business days after the Agreement is executed, the Parties shall jointly file a Notice of Settlement and Joint Motion to Dismiss the action with prejudice before the Office of the Chief

Administrative Hearing Officer.

5. Chancery shall not:
 - a. Discriminate on the basis of citizenship status, immigration status, or national origin in violation of 8 U.S.C. § 1324b, including not discriminating in recruiting, referring job applicants, hiring, or firing on the basis of citizenship status, immigration status or national origin except as required in order to comply with a law, regulation, executive order, government contract, or Attorney General directive; or
 - b. 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.
6. Chancery shall remove, and shall not make in the future, any reference to the IER Charge, IER Investigation, the Litigation, or this Agreement in any personnel files or other employment records of the Charging Party and/or any other individuals who spoke with IER during the pendency of the IER Investigation or the Litigation.
7. Chancery shall not disclose any information or documentation related to the IER Charge, IER Investigation, or the Litigation to any employer or prospective employer of the Charging Party and/or of any other individuals who spoke with IER during the pendency of the IER Investigation or the Litigation.
8. Chancery shall provide back pay to individuals determined to be eligible to receive such relief pursuant to the back pay process set forth in Attachment A. Such eligible individuals (“Claimants”) are defined as (i) all non-U.S. citizens who were admitted to practice law in the District of Columbia between March 29, 2017 and July 15, 2017, who are protected individuals under 8 U.S.C. § 1324b(a)(3), and who were deterred from applying to or whom TransPerfect Staffing failed to recruit for or place on the Project because of their citizenship status, and (ii) all U.S. citizens who were admitted to practice law in the District of Columbia between March 29, 2017 and July 15, 2017 and were deterred from applying to or whom TransPerfect Staffing failed to recruit for or place on the Project because of their status as dual citizens. Chancery shall pay back pay of \$3,840 to each Claimant, provided that each such Claimant shall be required to sign a release of claims, as set forth in Attachment A, as a condition precedent to receipt of any such payments.
9. Chancery shall ensure that it has posted 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 in Chancery’s Washington, D.C. offices where Chancery normally posts or provides notices to employees and job applicants, including, but not limited to, any intranet site or as an attachment to an email sent

to employees and/or job applicants that includes onboarding notices. Chancery shall post the IER Poster within 14 days from the Effective Date, and it shall remain posted for at least the term of this Agreement.

10. Within 60 days of the Effective Date, Chancery shall create (or revise) and implement employment policies, to the extent not already done so, that:
 - a. Prohibit discrimination on the basis of citizenship status, immigration status, or national origin in the hiring and firing process;
 - b. Include citizenship status, immigration status, and national origin as prohibited bases of discrimination; such prohibitions shall also be included in any Equal Employment Opportunity (EEO) statements Chancery provides in printed or electronic materials available to the public or employees;
 - c. Make clear that the International Traffic in Arms Regulations (“ITAR”) do not authorize or require employers to hire only U.S. citizens or only U.S. citizens who are not citizens of another country and that the ITAR does not impose requirements on U.S. companies concerning the recruitment, selection, employment, promotion, or retention of foreign persons. Instead, the ITAR requires that employers obtain prior authorization from the State Department if foreign-person employees’ positions require access to information governed by the ITAR;
 - d. Refer applicants and employees who make a complaint (to Chancery’s Case Consultant, Project Manager, or personnel within the Human Resources Department or the Recruitment Department) of discrimination based on citizenship or immigration status in connection with the hiring, firing, or Form I-9 employment eligibility verification and/or reverification process promptly to IER by directing the affected individual to the IER Poster, IER’s worker hotline (800-255-7688), and IER’s website (www.justice.gov/ier), and advise the affected individual of his or her right to file a charge of discrimination with IER; and
 - e. Provide that Chancery shall not intimidate or take any retaliatory action against any individual for opposing any employment practice made unlawful by 8 U.S.C. § 1324b or which the individual reasonably believes to be unlawful under 8 U.S.C. § 1324b, for filing any charge, or participating in any investigation or action under 8 U.S.C. § 1324b.
11. During the term of this Agreement, Chancery will obtain a certification in writing from any client who requests that Chancery assign individuals to staff a project who have a specified citizenship status or exclude any protected individuals under 8 U.S.C. § 1324b(a)(3) based on citizenship status. In addition:

- a. The certification will include: the date of the request; the type of citizenship status restriction requested (*e.g.*, U.S. citizens only); the client's certification that the requested restriction is permissible under 8 U.S.C. § 1324b(a)(2)(C); and the specific law, regulation, executive order, or Attorney General determination, or a direct quote from the pertinent language of the government contract that purportedly provides the basis for the restriction;
 - b. At the time that Chancery sends the certification form to the client, it will provide any such client with IER's publication entitled "Information for Employers About Citizenship Status Discrimination" (available at <https://www.justice.gov/crt/page/file/1080256/download>) or any other educational material regarding citizenship status discrimination IER may designate at a later time;
 - c. Chancery will provide IER with the certifications obtained pursuant to this paragraph with client identifying information redacted, every three months during the term of this Agreement; and
 - d. The requirements of this paragraph will pertain to all client requests to staff a project located in New York, N.Y. or Washington, D.C.
12. Within 90 days of the Effective Date, Chancery shall ensure that all employees, agents, and contractors in New York, N.Y. or Washington, D.C. with any role in recruiting (including advertising positions and communicating with potential candidates), vetting, or nominating potential candidates for employment to clients, including but not limited to personnel within the Human Resources Department and the Recruitment Department (collectively, "Hiring Personnel"), receive training on their obligations to comply with 8 U.S.C. § 1324b, the limitations of the exceptions to otherwise impermissible hiring discrimination based on citizenship status, and the proper definition of a "U.S. person" for purposes of complying with the ITAR. In addition:
 - a. The training will consist of participating in a live IER-provided free webinar presentation on a mutually agreed upon date(s);
 - b. All employees will be paid their normal rate of pay, and the training will occur during their normally scheduled workdays and work hours. Chancery shall be responsible for all payroll costs and employee wages associated with these training sessions;
 - c. During the term of the Agreement, all Hiring Personnel who assume or resume their duties after the initial training period described in this paragraph has been conducted, shall participate in a free online IER Employer/HR webinar within 60 days of assuming or resuming their duties; and

- d. Chancery shall compile attendance records listing the individuals who attend the training(s) described in this paragraph, including their full name, job title, signature, and the date(s) of the training, and shall send the records via email to Gloria.Yi@usdoj.gov and Sejal.Jhaveri@usdoj.gov within 10 business days of each training session. The emails transmitting attendance records shall have Chancery's name in the subject line.
- 13. During the term of this Agreement, IER reserves the right to make reasonable inquiries of Chancery to ensure Chancery's compliance with the terms of this Agreement. Any such inquiries shall be directed to Chancery's General Counsel, Adam Mimeles, at [REDACTED] or any other person Chancery designates.
- 14. Nothing in this Agreement limits IER's right to inspect Chancery's Forms I-9 and attachments within three business days pursuant to 8 C.F.R. § 274a.2(b)(2)(ii) and 28 C.F.R. § 44.302(b).
- 15. This Agreement does not affect the right of any individual to file an IER charge alleging an unfair immigration-related employment practice against Chancery, IER's authority to investigate such charge or file a complaint on behalf of any such individual, or IER's authority to conduct an independent investigation of Chancery employment practices occurring after the Effective Date or outside the scope of the Investigation.
- 16. If IER has reason to believe that Chancery has violated or is violating any provision of this Agreement, IER may exercise its discretion to notify Chancery in writing of the purported violation rather than initiate a new investigation or seek immediate judicial enforcement of the Agreement. Chancery will then be given 30 calendar days from the date IER notifies it in which to cure the violation(s) to IER's satisfaction before IER deems Chancery to be in violation of this Agreement and proceeds to take appropriate enforcement actions.

III. ADDITIONAL TERMS OF SETTLEMENT

- 17. 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 subject matter herein. 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 District of Columbia 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, upon dismissal of the Litigation, further litigation concerning the IER Investigation is not reasonably foreseeable. Thus, as of the dismissal date, the Parties are no longer required to maintain litigation holds to preserve documents, electronically stored information, or things related to this matter. Nothing in this paragraph relieves either party of any other obligations imposed by this Agreement.
20. 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, term or provision 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 is invalid.
21. The Parties shall each bear their own costs, attorneys' fees and other expenses incurred in this action.
22. 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 or electronic signatures.

Chancery Staffing Solutions, LLC

By:



Adam Mimeles
General Counsel

Dated: February 12, 2020

Immigrant and Employee Rights Section

By:



Alberto J. Ruisanchez
Deputy Special Counsel

Dated: Feb. 18, 2020

Sebastian Aloot
Special Litigation Counsel

Gloria Yi
Sejal Jhaveri

Julia Heming Segal
Stacey Young
Trial Attorneys

Katelyn Davis
Michaela Olson
Paralegal Specialists