

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement") is entered into by and between WinCraft Incorporated ("Respondent"), and the United States Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section ("IER") (collectively, "the parties").

### I. BACKGROUND

WHEREAS, on October 31, 2019, IER notified Respondent that it had initiated an independent investigation of Respondent's employment eligibility verification practices to determine whether Respondent violated 8 U.S.C. § 1324b;

WHEREAS, on the basis of its investigation, DJ 197-39-144, IER concluded that there is reasonable cause to believe that Respondent engaged in a pattern or practice of citizenship discrimination by requesting specific documents from Lawful Permanent Residents ("LPRs"), such as a Permanent Resident Card ("PRC"), to establish their employment authorization and begin working, in violation of 8 U.S.C. § 1324b(a)(6);

WHEREAS, on the basis of the same IER investigation, IER also concluded that there is reasonable cause to believe that Respondent engaged in a pattern or practice of discrimination on the basis of citizenship status by unlawfully reverifying LPRs who had presented PRCs upon initial hire, in violation of 8 U.S.C. § 1324b(a)(6); and

WHEREAS, the parties wish to resolve IER's investigation and avoid contested litigation without further delay or expense and hereby acknowledge that they are voluntarily entering into Agreement;

NOW, THEREFORE, in consideration of the below mutual promises, and to fully and finally resolve the IER investigation as of the date of this Agreement, the parties agree as follows:

### II. TERMS OF SETTLEMENT

1. This Agreement shall become effective as of the date the last party signs the Agreement, referred to as the "Effective Date." The term of this Agreement is three (3) years following the Effective Date.
2. This Agreement resolves any and all differences between the parties with respect to IER's investigation designated as DJ 197-39-144 through the Effective Date. IER shall not seek from Respondent any additional relief beyond that referenced in this Agreement for the violations of 8 U.S.C. § 1324b(a)(6) that are the subject of the investigation through the Effective Date.
3. Respondent shall pay a civil penalty to the United States Treasury in the amount of \$5,400 (five thousand four hundred dollars).

4. Within two days of the Effective Date, Respondent shall provide IER with the name, title, email address, and telephone number of the individual responsible for effectuating payment of the civil penalty. Respondent shall pay the civil penalty discussed in paragraph 3 via the FedWire electronic fund transfer system within ten (10) business days of receiving fund transfer instructions from IER. On the day of payment, Respondent shall send confirmation of the payment to [Silvia.Dominguez-Reese@usdoj.gov](mailto:Silvia.Dominguez-Reese@usdoj.gov). The email confirming payment shall have "WinCraft Inc., DJ # 197-39-144" in the subject line.
5. Pursuant to 8 U.S.C. § 1324b, Respondent shall not discriminate against applicants or employees based on citizenship, immigration status, or national origin, during the recruitment, hiring, firing, and employment eligibility verification and reverification processes (together, the "EEV" process), or intimidate, threaten, coerce, or retaliate against any person for participating in IER's investigation or exercising any right or privilege secured by 8 U.S.C. § 1324b.
6. 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.
7. Respondent shall not intimidate, threaten, coerce, or retaliate against any person for his or her participation in IER's investigation or exercise of any right or privilege secured by 8 U.S.C. § 1324b.
8. For the term of this Agreement, 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 fourteen (14) days from the Effective Date of this Agreement.
9. Within sixty (60) days of the Effective Date, Respondent shall revise and/or create employment policies that prohibit: (1) requesting more or different documents than necessary; (2) specifying Form I-9 documents; or (3) rejecting reasonably-genuine Form I-9 documents, because of an individual's citizenship, immigration status, or national origin. The policies shall also prohibit discrimination because of citizenship, immigration status, and national origin in hiring, firing, or recruiting, in violation of 8 U.S.C. § 1324b. In addition, Respondent's policies shall 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 alleging violation(s) of 8 U.S.C. § 1324b, or participating in any lawful manner in any IER investigation or action under 8 U.S.C. § 1324b.

10. 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 EEV policies, including all managers and employees at all Respondent locations who have any role in the EEV process, such as completing the Form I-9 and/or using the E-Verify program (collectively, "Human Resources Personnel"), can readily access:
  - a. the most current version of the USCIS Handbook for Employers (M-274) ("Handbook"), available at [www.uscis.gov/I-9Central](http://www.uscis.gov/I-9Central), and
  - b. the most current version of the USCIS E-Verify Manual (M-775) ("Manual"), available at [www.uscis.gov/e-verify/publications/manuals-and-guides/e-verify-user-manual](http://www.uscis.gov/e-verify/publications/manuals-and-guides/e-verify-user-manual). Copies of these documents and future revisions of the Handbook, Manual and guidance can be obtained from the United States Citizenship and Immigration Services at [www.uscis.gov](http://www.uscis.gov).
  
11. Within ninety (90) days of the Effective Date, Respondent will ensure that all Human Resources Personnel at all Respondent locations receive training regarding their obligations to comply with 8 U.S.C. § 1324b, as follows:
  - (a) The training required under this paragraph shall consist of Human Resources Personnel: (i) viewing an IER Employer/HR Representative webinar, which is publicly available at <https://www.justice.gov/crt/webinars>; and (ii) reviewing the IER educational materials regarding 8 U.S.C. § 1324b that IER will identify for Respondent within thirty (30) days of the Effective Date.
  - (b) Respondent will pay its employees their normal rate of pay during the training, and the training will occur during the employee's normally scheduled workdays and work hours. Respondent shall bear all employee costs, if any, associated with these training sessions.
  - (c) Respondent shall compile attendance records listing the individuals who receive the training described in this paragraph, including their full name, job title, and the date(s) of the training sessions, and send the records via email to Silvia Dominguez-Reese at [Silvia.Dominguez-Reese@usdoj.gov](mailto:Silvia.Dominguez-Reese@usdoj.gov) (or any other individual IER designates) within ten (10) days of each training session.
  - (d) For the term of the Agreement, all new Human Resources Personnel who assumed their duties after the initial training described in this paragraph shall view an IER approved webinar and review the IER educational materials IER identified pursuant to paragraph 11(a) within 60 days of assumption of such duties. Respondent shall compile and send attendance records for these individuals pursuant to paragraph 11(c).
  
12. During the term of this Agreement, IER reserves the right to make reasonable inquires to Respondent to determine Respondent's compliance with this Agreement.

13. Nothing in this Agreement limits IER's right to inspect Respondent's Forms I-9 pursuant to 8 C.F.R. § 274a.2(b)(2)(ii).
14. If IER has reason to believe that Respondent is in violation of any provision of this Agreement during the term of this Agreement, IER may, in its sole discretion, notify Respondent of the purported violation without opening an investigation. Respondent will have fifteen (15) days to provide an explanation regarding the purported violation. In the event that Respondent's explanation does not satisfy IER's concern, Respondent will then have thirty (30) days from the date of IER's original notification to cure the purported violation to IER's satisfaction before IER deems Respondent to be in violation of this Agreement.
15. This Agreement does not affect the rights of any individual alleging an unfair immigration-related employment practice against Respondent. This Agreement also does not affect IER's authority to investigate or file a complaint on behalf of any such individual, or IER's authority to investigate Respondent's employment practices occurring after the Effective Date or outside the scope of IER's investigation.

### **III. ADDITIONAL TERMS OF SETTLEMENT**

16. 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.
17. This Agreement may be enforced in the United States District Court for the District of Minnesota. This paragraph, or the initiation of a lawsuit to enforce the Agreement under this paragraph, including any counterclaims asserted, does not constitute and should not be construed as a waiver of sovereign immunity or any other defense either party might have against a claim for enforcement.
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, and the 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.
19. The parties agree that, as of the Effective Date, litigation concerning the violations of 8 U.S.C. § 1324b that are the subject of IER's investigation 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. The parties agree to bear their own costs, attorneys' fees and other expenses incurred in this investigation.
21. 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.
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 signatures.

**WinCraft, Incorporated**

By:

  
[SIGNATORY] John Killen  
[TITLE] President & CEO

Dated: 09/01/2020

**Immigrant and Employee Rights Section**

By:



Dated: 10/5/20

Alberto Ruisanchez  
Deputy Special Counsel

C. Sebastian Aloom  
Special Litigation Counsel

Silvia Dominguez-Reese  
Trial Attorney

Katelyn Davis  
Paralegal Specialist