

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement") is made and entered into by and between Ikon Systems, LLC d/b/a Ikonsys ("Ikon") and the United States Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section ("IER") as to Parts I through III, and by and between Ikon and [REDACTED] ("Charging Party") as to Part IV, and by and between IER, Ikon, and Charging Party (together, the "Parties") as to Part V.

### I. BACKGROUND

WHEREAS, on September 17, 2019, IER accepted as complete a charge (the "IER Charge") filed by the Charging Party, DJ # 197-75-152, alleging that Ikon discriminated against him based on his citizenship status by failing to fairly consider him for a job advertisement seeking non-U.S. citizens with immigration statuses associated with certain employment-based visas, in violation of 8 U.S.C. § 1324b(a)(1)(B);

WHEREAS, on September 18, 2019, IER notified Ikon that it had initiated an investigation ("IER Investigation") based on the Charging Party's allegations to determine whether Ikon 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 has determined that Ikon's recruiters, whom Ikon characterizes as employees of Ipsita Technolabs Pvt Ltd ("Ipsita"), are Ikon's agents;

WHEREAS, IER concluded based upon the IER Investigation that there is reasonable cause to believe that Ikon and its recruiters engaged in a pattern or practice of citizenship discrimination in violation of 8 U.S.C. § 1324b(a)(1)(B). Specifically, the IER investigation found that from at least May 8, 2019, to September 21, 2019, Ikon posted at least eight job advertisements for information technology ("IT") positions that solicited applications from non-U.S. citizens with immigration statuses associated with certain employment-based visas and, in so doing, harmed U.S. workers (U.S. citizens, U.S. nationals, recent lawful permanent residents, asylees, and refugees), by unlawfully deterring or failing to fairly consider them for hire, including the Charging Party;

WHEREAS, IER and Ikon wish to resolve IER's reasonable cause finding without further delay or expense, and to avoid the uncertainty and costs of litigation, and hereby acknowledge that they are voluntarily and freely entering into this Agreement;

NOW, THEREFORE, in consideration of the mutual promises contained below, and to fully and finally resolve all claims based on the IER investigation as of the date of the latest signature below, the Parties agree as follows:

## II. TERMS OF SETTLEMENT BETWEEN THE UNITED STATES AND IKON

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. Ikon shall pay a civil penalty to the United States Treasury in the amount of \$27,000.
3. The provisions of paragraph 2 notwithstanding, IER shall not seek from Ikon any additional civil penalty or any other relief for any alleged pattern or practice of citizenship status discrimination in violation of 8 U.S.C. § 1324b that is the subject of the IER Investigation through the Effective Date.
4. Ikon 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 3 business days from the Effective Date. Ikon shall pay the monies in paragraph 2 via the FedWire electronic fund transfer system in two equal installments, the first of which is due within 10 business days of receiving fund transfer instructions from IER, and the second of which is due no later than six months from the Effective Date or within 10 days of receiving additional fund transfer instructions from IER, whichever is later. Ikon shall send confirmation of the payment to Lisa Sandoval at [Lisa.Sandoval@usdoj.gov](mailto:Lisa.Sandoval@usdoj.gov) and Pablo A. Godoy at [Pablo.Godoy@usdoj.gov](mailto:Pablo.Godoy@usdoj.gov) on the day each payment is made. The emails confirming payment shall have Ikon's name and the investigation number, DJ # 197-75-152, in the subject line.
5. Ikon shall, for a six-month period beginning from the Effective Date, refer the Charging Party for client consideration for all positions he applies to and for which: a) Charging Party is minimally qualified; and b) he expresses an interest, including by confirming that the position meets his salary requirements and geographic preferences, during any screening and/or preliminary contact Ikon typically implements before referring a candidate to a client for selection consideration.
6. Ikon and its recruiters shall not discriminate on the basis of citizenship status, immigration status, or national origin in violation of 8 U.S.C. § 1324b, including not discriminating in its job postings, advertisements, recruitment activities, and consideration of applicants for referral or hiring. Additionally, Ikon and its recruiters shall not discriminate in 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.

7. Starting 30 days from the Effective Date, and every four months thereafter during the term of this Agreement, Ikon shall provide IER with a report that lists: a) all websites or other online portals where Ikon and/or its recruiters have posted a job advertisement or other solicitation of interest in employment opportunities during the reporting period (together, and hereinafter, "ad"); b) the full ad title, date on which it was posted, selected job-search filters and categories, if applicable, and the body of the ad as submitted to the website or portal, and, if different than what was posted, the full ad (including the title and tags) as it appeared on the website or portal; c) for each ad, contact information for applicants that is in Ikon's and its recruiters' possession or control; and d) the client(s) to whom each applicant was referred, if any, and whether the individual was hired. Ikon shall separately identify all ads that reference the citizenship or immigration status of potential applicants. If Ikon hires any individuals during the reporting period, it shall provide that individual's Form I-9.
8. Apart from receiving applications in response to ads Ikon and/or its recruiters post, if Ikon or its recruiters search for job openings with third parties and job candidates to refer for such openings, the report pursuant to paragraph 7 shall also include: a) search terms Ikon and its recruiters used to search for job openings and job candidates; b) the name and email address of each individual Ikon and its recruiters contacted based on the search results; and c) the name and email address of each individual Ikon and its recruiters referred to its clients based on the search results (regardless of whether the individual submitted an application in response to an Ikon job ad).
9. Ikon shall not retaliate against the Charging Party or any other individuals who participated in the IER Investigation. Ikon shall not disclose any information or documentation related to the IER Charge or IER Investigation to any employer or prospective employer of the Charging Party, and/or of any individuals who participated in the IER Investigation.
10. Within 60 days of the Effective Date, Ikon 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, and national origin in the processes of recruiting or referral for a fee, hiring and firing, in accordance with 8 U.S.C. § 1324b(a)(1);
  - b. Include citizenship status and immigration status as prohibited bases of discrimination, unless required to comply with a law, regulation, executive order, government contract, or Attorney General directive set forth in 8 U.S.C. § 1324b(a), as well as national origin. Such prohibitions shall also be included in any Equal Employment Opportunity statements Ikon provides in printed or electronic materials available to the public or employees;
  - c. Refer applicants and employees who make a complaint of discrimination based on citizenship or immigration status in connection with recruiting or

referring for a fee, hiring, firing, or Form I-9 employment eligibility verification and/or reverification 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/icr](http://www.justice.gov/icr)), and advise the affected individual of his or her right to file a charge of discrimination with IER;

- d. Prohibit asking questions related to an applicant's specific citizenship status or national origin, unless required by law, regulation, executive order, or government contract;
  - e. Provide that Ikon 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 a charge, or for participating in any investigation or action under 8 U.S.C. § 1324b; and
  - f. Prohibit recruiters whom Ikon directly employs and recruiters who provide recruiting services to Ikon under contract from using internet and job board search protocols that filter or exclude potential candidates based on citizenship status or visa type, except as permissible under 8 U.S.C. § 1324b.
11. During the term of this Agreement, Ikon shall include in any contract for recruiting services a provision requiring recruiters to comply with the policies referenced in paragraphs 10(a)-(f), and shall require them to sign an acknowledgment that they will comply with the requirements set forth in paragraph 6 of this Agreement when engaging in recruiting activities on behalf of Ikon. To the extent Ikon has existing contracts with third parties for recruiting services as of the Effective Date, Ikon shall modify those contracts to comply with this paragraph, and shall exercise any right to terminate or not renew the contract if such third party does not agree to the modification. For the term of this Agreement, Ikon shall retain copies of all such acknowledgements in a distinct, readily accessible electronic or physical location, and will produce them to IER, upon IER's request, within 5 business days.
12. Within 90 days of the Effective Date, Ikon shall ensure that all employees, agents, and contractors 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. 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. Ikon 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. Ikon 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 [Lisa.Sandoval@usdoj.gov](mailto:Lisa.Sandoval@usdoj.gov) and [Pablo.Godoy@usdoj.gov](mailto:Pablo.Godoy@usdoj.gov) within 10 business days of each training session. The emails transmitting attendance records shall have Ikon's name in the subject line.
13. During the term of this Agreement, IER reserves the right to make reasonable inquiries of Ikon to determine compliance with this Agreement. As part of such review, IER may require written reports concerning compliance, inspect Ikon's premises, examine witnesses, and examine and copy Ikon's documents.
14. Nothing in this Agreement limits IER's right to inspect Ikon'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 Ikon, 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 Ikon's employment practices occurring after the Effective Date or outside the scope of the Investigation.
16. If IER has reason to believe that Ikon has violated or is violating any provision of this Agreement, IER may exercise its discretion to notify Ikon in writing of the purported violation rather than initiate a new investigation or seek immediate judicial enforcement of the Agreement. Ikon 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 Ikon to be in violation of this Agreement and proceeds to take appropriate enforcement actions.

### **III. ADDITIONAL TERMS OF SETTLEMENT BETWEEN THE UNITED STATES AND IKON**

17. This Agreement sets forth the entire agreement between Ikon and IER and fully supersedes any and all prior agreements or understandings between the Ikon and

IER 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 Ikon and IER and shall not be construed against any one party in the event of a subsequent dispute concerning the terms of the Agreement. Ikon and IER 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. This Agreement resolves any and all differences under 8 U.S.C. § 1324b between Ikon and IER relating to IER Investigation, DJ # 197-75-152 through the Effective Date. Parts II and III do not resolve any claims the Charging Party may have pending before the Office of the Chief Administrative Hearing Officer or any other tribunal or court.

#### **IV. TERMS OF SETTLEMENT BETWEEN CHARGING PARTY AND IKON**

19. Within 7 calendar days of the Effective Date, Ikon shall pay the Charging Party \$15,000. In consideration for the payment, the adequacy of which is hereby expressly acknowledged, the Charging Party on behalf of his heirs and assigns, releases, absolves and discharges Ikon and any of its officers, or agents, representatives ("Releases Parties"), in their individual and representative capacities, from all 8 U.S.C. § 1324b claims through the Effective Date.
20. Within 3 business days of Ikon's compliance with paragraph 19, the Charging Party shall file a Motion to Dismiss with Prejudice OCAHO Case No. 2020B00061 and will also withdraw his complaint filed with the Department of Labor, and further releases Ikon from any and all legally waiveable claims, demands, debts, damages, costs, contracts, controversies, attorneys' fees, liabilities, or causes of action of whatever nature, at law or in equity, which he might have asserted against Ikon through the Effective Date.
21. Charging Party ██████████ acknowledges that he has read and understands Part IV of this Agreement, which constitutes a RELEASE AND WAIVER OF CLAIMS, and he is executing this Agreement knowingly, voluntarily and without coercion. He has been informed of the BENEFIT OF SEEKING COUNSEL, had the opportunity to seek the advice of counsel, and either has done so or expressly waives that right.

#### **V. TERMS OF SETTLEMENT BETWEEN THE UNITED STATES, IKON, AND CHARGING PARTY**

22. The Parties agree that, as of the Effective Date of this Agreement, litigation concerning the violations of 8 U.S.C. § 1324b that IER has reasonable cause to believe that Ikon committed is not reasonably foreseeable. To the extent that either party previously implemented a litigation hold to preserve documents or electronically stored information, 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 or of Ikon's obligation to preserve documents or electronically stored information due to litigation.

23. 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.
24. The Parties shall each bear their own costs, attorneys' fees, and other expenses incurred in this action.
25. The United States District Court for the Northern District of Texas 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.
26. 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.

**Ikon Systems, LLC**

By:



Deepak Shivva  
President

Dated:

12/04/2020

**Charging Party**

By:



Charging Party

Dated: December 2, 2020

**Immigrant and Employee Rights Section**

By:



Alberto J. Ruisanchez  
Deputy Special Counsel

Jodi Danis  
Special Litigation Counsel

Lisa Sandoval  
Pablo A. Godoy  
Trial Attorneys

Dated: 12/8/20