

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT AND GENERAL RELEASE is made and entered into by and among Sunlight Inc., d/b/a Beauty Smart, 12217 Penrose Trail, Raleigh, NC 27614 ("Respondent"), [REDACTED] ("Charging Party"), 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 March 10, 2009, the Office of Special Counsel received a charge filed by the Charging Party against Respondent alleging national origin discrimination in violation of the unfair immigration-related employment practices provisions of 8 U.S.C. § 1324b;

WHEREAS, the Office of Special Counsel, the Charging Party, and Respondent desire to settle fully and finally all claims arising from or in any way related to the aforementioned charge.

NOW, THEREFORE, in consideration of the premises and mutual promises herein contained, it is agreed as follows:

1. To fully and finally resolve all disputes among the parties hereto as of the date of this Agreement, Respondent agrees to pay to the United States Treasury the amount of Five Hundred Dollars and no cents (\$500.00).
2. Respondent agrees to pay Charging Party Two Thousand Dollars and no cents (\$2000.00) in back pay, minus applicable tax deductions, on the condition that Respondent complies with Paragraphs 16 and 17 of this Agreement.
3. The monies discussed in paragraph 1 shall be paid by check payable to the "United States Treasury," c/o Mac McConkey, and mailed by overnight delivery service, along with a copy of the fully signed settlement agreement, to the following address, within 30 days of Respondent's receipt of a fully-signed copy of this Agreement:

Mac McConkey, Budget Officer
U.S. Department of Justice
Civil Rights Division
1425 New York Avenue, Room 5050
Washington, D.C. 20005

On the same day the check is mailed, an e-mail will be sent to C. Sebastian Aloom at sebastian.aloom@usdoj.gov providing him with the overnight delivery service tracking number for this mailing.

4. The monies discussed in paragraph 2 shall be paid by check payable to Charging

Party and mailed to Charging Party within 5 business days upon the dismissal with prejudice of her complaint in [REDACTED] v. *Beauty Smart*; OCAHO No. 09B00021. On the same day a copy of such check shall be e-mailed to Sebastian Aloom at sebastian.aloom@usdoj.gov.

5. Respondent agrees that it shall not discriminate on the basis of citizenship status and national origin in violation of 8 U.S.C. § 1324b.
6. Respondent agrees that it will treat all individuals equally, without regard to citizenship or immigration status, or national origin, during the employment eligibility verification and reverification process, in: (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; and (c) permitting employees to present any document or combination of documents acceptable by law, regardless of their citizenship status.
7. Respondent agrees that it will not discriminate or retaliate against the Charging Party or any other person for his or her participation in this matter.
8. Respondent agrees to adopt and post in a location at each of Respondent's stores reasonable likely to be seen by Respondent's employees and applicants for employment, for a period of two years, the following Equal Employment Opportunity policy statement:

Equal Employment Opportunity Employer: It is the policy of Sunlight, Inc., d/b/a Beauty Smart that all actions in connection with any position or employee of Sunlight, Inc., d/b/a Beauty Smart shall be taken without regard to national origin or citizenship status.
9. Respondent agrees to post in the store in which a vacancy exists notice of each job vacancy for a period of not less than two weeks prior to filling the vacancy and in a manner and at a place reasonably likely to advise the general public of employment opportunities with Respondent.
10. Respondent agrees, for a period of two years, to publish in a newspaper of general circulation distributed in the city where any vacancy is located notice for at least two consecutive Sunday's prior to filling the vacancy identifying the nature of the position available (e.g., store manager or store clerk) and providing the work site location, salary range, application requirements and information on how interested individuals may obtain and/or file an application for employment.

11. Respondent agrees to retain, for a period of two years, the name, address and application materials of each person who seeks employment by Respondent and each person hired by the Respondent.
12. Respondent agrees to post a copy of the attached Notice provided by the United States Department of Justice (Attachment A) in all places where notices to employees and job applicants are normally posted. The Notice will be posted within thirty days from the date that Respondent receives a fully signed copy of this Agreement and will remain posted for one year thereafter.
13. Respondent agrees to distribute a copy of the attached Handbook for Employers (Attachment B), and Form I-9 (Attachment C), to all managers and employees who have any role in completing the Department of Homeland Security (DHS) Employment Eligibility Verification Form I-9, or who instruct employees or prospective employees on the proper completion of the form.
14. Within thirty days of receipt of a fully signed copy of this Agreement, Respondent will educate its personnel concerning their responsibilities under 8 U.S.C. § 1324b. All employees who are responsible for formulating and/or carrying out Respondent's employment eligibility verification policy, including all managers and employees who have any role in completing the Form I-9, and/or who instruct employees or prospective employees on the proper completion of the form, may view an educational videotape regarding 8 U.S.C. § 1324b to comply with this training requirement. The videotape will be provided by the Office of Special Counsel.
15. Respondent will circulate Attachment D to all persons attending educational sessions required by the preceding paragraph. Persons attending the training session or viewing the videotape shall complete Attachment D as evidence of Respondent's compliance with the preceding paragraph. The original of Attachment D, including signatures, will be mailed to the Office of Special Counsel by registered or certified mail, return receipt requested, within ten days of the training session.
16. The Charging Party agrees to withdraw with prejudice the charge filed against Respondent on March 10, 2009, with the Office of Special Counsel. The Charging Party's signature on this Agreement will constitute a request for such withdrawal. The Office of Special Counsel agrees to accept the withdrawal of this charge upon the satisfaction of

paragraphs 1 through 4 of this Agreement, and will dismiss the charge in accordance therewith.

17. The Charging Party hereby waives, releases and covenants not to sue, commence or continue any proceeding against Respondent with the Office of the Chief Administrative Hearing Officer, Executive Office for Immigration Review, U.S. Department of Justice, with respect to the charges she filed against Respondent on March 10, 2009, with the Office of Special Counsel, and agrees to file a motion to dismiss with prejudice the Charging Party's complaint in [REDACTED] *Beauty Smart*, OCAHO No. 09B00021, within seven days of receiving a fully executed copy of this Agreement.
18. Within five business days of Respondent's receipt of Charging Party's motion to dismiss with prejudice her complaint in [REDACTED] *Beauty Smart*, OCAHO No. 09B00021, and within five business days of Respondent's receipt of notice of dismissal of the charge filed against Respondent by Charging Party on March 10, 2009, with the Office of Special Counsel, the Respondent agrees to withdraw with prejudice its Motion for Sanctions, Attorneys Fees and Costs filed January 5, 2010.
19. This Agreement may be enforced in the United States District Court for the Middle District of North Carolina.
20. This Agreement, subject to paragraph 21 below, resolves any and all differences among the parties relating to the charge filed by the Charging Party through the date this Agreement is signed by all parties.
21. This Agreement does not affect the right of any individual (other than the Charging Party as set forth above in paragraphs 16 and 17) to file a charge alleging an unfair immigration related employment practice against Respondent with the Office of Special Counsel or the right of the Office of Special Counsel to investigate or file a complaint on behalf of any such individual.
22. The Office of Special Counsel and Respondent agree, in the event the Charging Party does not sign this Agreement by February 10, 2010, to be bound by the terms of this Agreement, except for paragraphs 2, 4, and 18, and that the failure to obtain the Charging Party's signature does not affect the validity of this Agreement. If the Charging Party fails to sign this Agreement by February 10, 2010, the Office of Special Counsel agrees that it will nonetheless close the investigation of the Charging Party's charge and all other pending investigations involving Beauty

Smart, in accordance with the terms of this Agreement, after Respondent complies with paragraphs 1 and 3.

- 23. 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. Respondent, the Office of Special Counsel and the Charging Party agree that they will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement is invalid.
- 24. This Agreement is neither an admission by Respondent of any act in violation of 8 U.S.C. § 1324b nor an admission by the United States of the merits of any of Respondent's defenses.
- 25. The Office of Special Counsel, Respondent, and the Charging Party agree to bear their own costs, attorneys' fees and other expenses incurred in this action, with respect to all parties that sign this Agreement.
- 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 signatures.

Dated: 2/4/2010

Sunlight Inc., d/b/a Beauty Smart

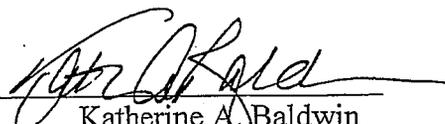
By: [Signature]
Mr. Jai Lee
President

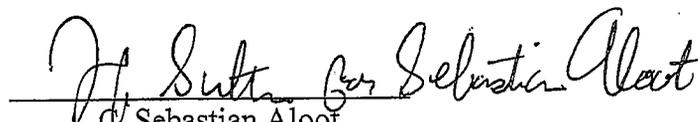
Dated: 2-8-2010

[Redacted Signature]

Charging Party/Complainant

Dated: 2/4/2010


Katherine A. Baldwin
Deputy Special Counsel


C. Sebastian Aloit
Senior Trial Attorney
Office of Special Counsel
for Immigration-Related
Unfair Employment
Practices

Attachments