

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the “Agreement”) is made and entered into by and between Real Time Staffing Services, LLC., d/b/a Select Staffing (“Respondent”) and the United States Department of Justice, Civil Rights Division, Office of Special Counsel for Immigration-Related Unfair Employment Practices (“Office of Special Counsel”) and is effective as of the date last executed.

WHEREAS, on July 3, 2013, the Office of Special Counsel opened an independent investigation of the employment eligibility verification processes at two of Respondent’s branches (DJ Nos. 197-82-94 and 197-12C-1425) under the anti-discrimination provision of the Immigration & Nationality Act, 8 U.S.C. § 1324b (the “Act”).

WHEREAS, the Office of Special Counsel concluded based upon its investigation that there is reasonable cause to believe that Respondent engaged in a pattern or practice of unfair documentary practices in violation of 8 U.S.C. § 1324b(a)(6) by requiring non-U.S. citizens, but not similarly-situated U.S. citizens, to present specific documents during the employment eligibility verification process to establish their work authority.

WHEREAS, Respondent denies that it committed immigration-related discrimination or engaged in unfair documentary practices in alleged violation of 8 U.S.C. § 1324b(a)(6) during the employment eligibility verification process.

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

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

1. Respondent shall pay a civil penalty to the United States Treasury in the amount of two-hundred and thirty thousand dollars (\$230,000).
2. The monies discussed in paragraph 1 shall be paid via the FedWire electronic fund transfer system. The civil penalty shall be paid in three equal installments, the first of which (\$76,667) shall be paid within ten (10) business days, the second of which shall be paid within 70 business days, and the third of which shall be paid within 130 business days of Respondent’s receipt of a fully signed copy of this Agreement and fund transfer instructions. The Office of Special Counsel will provide Respondent instructions for the FedWire electronic transfer.
3. Respondent shall set aside a fund of thirty-five thousand dollars (\$35,000) to compensate work-authorized individuals who suffered economic damages at the Everett, Washington or Temecula, California branches, including lack of consideration for job assignment, denied or delayed job placement, suspension, termination, or other periods of lost work, as a result of Respondent’s alleged employment eligibility verification or reverification

practices (“economic victims”) from July 3, 2011, to the effective date of this Agreement.

- (a) Within thirty (30) days following the effective date of this Agreement, Respondent’s Everett and Temecula branches shall, after reviewing all relevant application materials, personnel files and Forms I-9 in its possession from the time period above, transmit to the Office of Special Counsel Attachment A in the form of a Microsoft Excel spreadsheet listing the names, last known mailing address, and, if available, electronic mail address and telephone number for all non-U.S. citizen unsuccessful applicants, former employees, current employees, or other employees in Respondent’s database;
- (b) Within 30 days of receipt of Attachment A from Respondent pursuant to 3(a), the Office of Special Counsel shall notify by certified U.S. mail, and, where an electronic mail address has been provided, by electronic mail, all non-U.S. citizen unsuccessful applicants, former employees, current employees, or other employees whose information was provided by Respondent to the Office of Special Counsel, of their potential eligibility for a back pay award under this Agreement;
- (c) Should Respondent subsequently identify additional non-U.S. citizen unsuccessful applicants, former employees, current employees, or other employees not already identified in 3(a), Respondent shall provide the Office of Special Counsel the individual’s name, last known mailing address, and if available, electronic mail address and telephone number within 5 days of identifying such an individual. Within fifteen (15) days of such notification from Respondent, the Office of Special Counsel shall notify the individual by certified U.S. mail of their potential eligibility for a back pay award under this Agreement,
- (d) The notice required pursuant to paragraphs 3(b) and 3(c) is set forth in Attachment B. All individuals will be given forty-five (45) days from the date they receive the notice to contact the Office of Special Counsel if the individual believes s/he lost wages as a result of Respondent’s alleged discriminatory documentary practices;
- (e) Should any notices sent pursuant to paragraphs 3(b) and 3(c) be subsequently returned to the Office of Special Counsel, the Office of Special Counsel shall thereafter make good faith efforts to separately transmit to each listed individual the notice described in paragraphs 3(b) and 3(c) above. The Office of Special Counsel reserves the right to ask Respondent to confirm the contact information for any individuals whose notices are returned;
- (f) Within one-hundred and twenty (120) days following the effective date of this Agreement or within five (5) days of the date an individual contacted

the Office of Special Counsel, whichever is later, but no later than two-hundred and ten (210) days following the effective date of this Agreement, the Office of Special Counsel shall provide Respondent with a list of the name, Social Security number, date of birth, and relevant application and/or employment dates of each individual that contacted the Office of Special Counsel to file a claim for back pay under this Agreement;

- (g) Within fifteen (15) days after receiving a list of claimants under paragraph 3(f) from the Office of Special Counsel, Respondent will provide the Office of Special Counsel with the Form I-9 for each claimant, if not already provided, and payroll information corresponding to the period of time of each claimant's employment eligibility verification, and the four pay-periods that immediately follow and any other information Respondent deems relevant regarding such claimants;
- (h) Within two-hundred (200) days from the effective date of this Agreement or within twenty (20) days of receiving payroll information from Respondent, whichever is later, but no later than two-hundred and sixty(260) days following the effective date of this Agreement, the Office of Special Counsel shall determine in its sole and ultimate discretion and notify Respondent of the amount of back pay the Office of Special Counsel proposes to award each individual claimant;
- (i) Within two hundred and ninety (290) days from the effective date of this Agreement, the Office of Special Counsel will send all individuals with economic damages a notice in the form of Attachment C indicating the award of back pay, as determined by the Office of Special Counsel, in addition to a release of liability;
- (j) Should any individuals with economic damages disagree with the amount of the back pay award, they will be required to contact the Office of Special Counsel and provide the basis for their objection and any supporting documentation within fourteen (14) days of their receipt of the notice in the form of Attachment C. The Office of Special Counsel shall then determine in its sole and ultimate discretion within 14 days of receipt of such a request the final amount of back pay to be awarded each such individual;
- (k) Respondent shall pay the amount owed to all economic victims, as determined by the Office of Special Counsel, within three-hundred and ninety (390) days following the effective date of this Agreement, subject to Respondent's receipt of any necessary documentation to process payment and an executed release of liability;
- (l) Any language in communications to individuals with economic damages relating to the release of claims against Respondent shall be submitted to

the Office of Special Counsel for approval, and must be confined to the release of claims referenced in this Agreement;

- (m) If the \$35,000 fund described in paragraph 3 is insufficient to cover the claims of individuals with economic damages, Respondent shall compensate these individuals a pro rata share of the \$35,000 sum. The Office of Special Counsel shall make the pro rata determination and share calculations and advise Respondent and the individuals with economic damages of its determinations. The Parties agree that Respondent's total liability to individuals with economic damages paid pursuant to paragraph 3 shall not exceed \$35,000; and
- (n) Respondent shall provide to the Office of Special Counsel a certified record signed by Respondent's counsel of the name of and relief provided to each individual compensated within ten (10) days of providing relief to the individual.

Any monies used to compensate individuals pursuant to paragraph 3 shall be paid by check or direct deposit payable to each respective individual. All checks shall be mailed via certified mail. Respondent may withhold applicable taxes and withholdings.

- 4. Within three-hundred (300) days from the effective date of this Agreement, Respondent shall use its best efforts to place into the staffing pool all work-authorized individuals who the Office of Special Counsel has identified as "economic victims" from the Everett, Washington and Temecula, California branches. In using its best efforts, Respondent shall at a minimum:
  - (a) Using last known mailing address, email address and phone number, invite all identified economic victims to resubmit an application; and
  - (b) Submit a report to the Office of Special Counsel documenting the steps taken to place such individuals into the staffing pool and the results of such efforts.

Individuals identified under paragraph four (4) will be required to file a new application and meet all applicable job related requirements.

- 5. Respondent shall not discriminate on the basis of citizenship status or national origin in violation of 8 U.S.C. § 1324b.
- 6. Respondent will 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. Respondent shall avoid discrimination in the employment eligibility verification and re-verification 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; and (c) permitting all employees to present any document or combination of documents acceptable by law.

7. Respondent will not intimidate, threaten, coerce, or retaliate against any person for his or her participation in this matter or the exercise of any right or privilege secured by 8 U.S.C. § 1324b.
8. Unless they have already done so in connection with their participation in the E-Verify Program, the Everett, Washington and Temecula, California branches of Respondent shall post an English and Spanish version of the Office of Special Counsel “If You Have The Right to Work” poster (“OSC Poster”), in color and measuring no smaller than 18” x 24”, 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 Notice will be posted within fourteen (14) days from the effective date of this Agreement and will remain posted for three (3) years thereafter.
9. Beginning not more than fourteen (14) days from the date that Respondent receives a fully signed copy of this Agreement, the Everett, Washington and Temecula, California branches of Respondent will provide a letter-size copy of the OSC Poster in English and the applicant’s preferred language, if requested and available on the Office of Special Counsel’s website, and the OSC Poster is available in that language, with all paper employment applications, and a mandatory electronic link to the English and Spanish versions of the OSC Poster with all electronic applications, and will continue to do so for three (3) years thereafter.
10. For three (3) years from the effective date of this Agreement, the Everett, Washington branch, Temecula, California branch, and corporate headquarters of the Respondent shall ensure that all individuals who are responsible for formulating, carrying out, and/or conducting training on Respondent’s 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 and/or using the E-Verify system (“Human Resources Personnel”), and all corporate personnel involved in human resources (“Corporate 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), and the most current USCIS E-Verify Manual (M-775) (“Manual”), available at [www.uscis.gov/USCIS/Verification/E-Verify/E-Verify\\_Native\\_Documents/manual-employer\\_comp.pdf](http://www.uscis.gov/USCIS/Verification/E-Verify/E-Verify_Native_Documents/manual-employer_comp.pdf). Copies of these documents and future revisions of the Form I-9, Handbook, and Manual can be obtained from the United States Citizenship and Immigration Services at [www.uscis.gov](http://www.uscis.gov).
11. Within thirty (30) days of receipt of a fully signed copy of this Agreement, Respondent will review the employment policies maintained by its corporate headquarters, as well as those maintained by the Everett, Washington and Temecula, California branches, as they

relate to nondiscrimination on the basis of citizenship status and national origin and shall, as necessary, revise such policies to:

- (a) Prohibit (1) the requesting of 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 hiring and firing process; and (3) any difference in treatment of individuals, on the basis of citizenship status or national origin, during the Form I-9 employment eligibility verification and re-verification process.
- (b) Refer applicants and employees who complain, formally or informally, of discrimination in the hiring, firing, or Form I-9 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, in addition to referring such applicants and employees to Respondent's hotline.
- (c) Provide that Respondent shall not take 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.

Respondent shall also amend its policies for hotline staff to instruct them to directly contact the Office of Special Counsel's hotline (1-800-255-8155) should they have any questions regarding discrimination in the employment eligibility verification and/or re-verification processes.

During the three (3) years following the effective date of this Agreement (the "Reporting Period"), Respondent shall provide any changes in corporate employment policies or those maintained by the Everett, Washington or Temecula, California branches, as they relate to nondiscrimination on the basis of citizenship status and national origin to the Office of Special Counsel for review at least thirty (30) days prior to the effective date of such revised policies.

12. Within ninety (90) days of receipt of a fully signed copy of this Agreement, all Everett, Washington and Temecula, California Human Resources Personnel, Corporate Human Resources Personnel, and all staff on Respondent's human resources hotline ("Hotline Staff") shall attend an in-person Employer/HR Representative training provided by the Office of Special Counsel on their duty to comply with 8 U.S.C. § 1324b, the appropriate use of E-Verify, and the employment eligibility verification and re-verification process as it relates to discrimination on the basis of citizenship status or national origin. Respondent will pay all employees their normal rate of pay, and the training will occur during the employees' normally scheduled workdays and work hours. The Office of Special Counsel, at its own cost, will travel to Respondent's corporate headquarters,

Everett, Washington branch, and Temecula, California branch to conduct these trainings. The Office of Special Counsel will work with Respondent to develop a training presentation that relates directly to Respondent's industry and specific questions.

- (a) Within one-hundred and eight (180) days of a fully signed copy of this agreement, the Office of Special Counsel shall also conduct webinar trainings for all Select Staffing personnel nationwide who are responsible for formulating, carrying out, and/or conducting training on Respondent's 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 and/or using the E-Verify system. Respondent shall pay all employees their normal rate of pay, and the training will occur during the employees' normally scheduled workdays and work hours. The Office of Special Counsel will work with Respondent to develop a training presentation that relates directly to Respondent's industry and specific questions.
  - (b) For a period of three years from the effective date of this Agreement, all new Human Resources Personnel and Corporate Human Resources Personnel hired by Respondent after the trainings described in this paragraph have been conducted shall attend an Office of Special Counsel Employer/HR webinar within sixty (60) days of hire.
  - (c) Respondent shall compile attendance records listing the individuals who comply with the training requirements as described in this paragraph in the form of Attachment D, including their full name, title, signature, and the date of the training, and send them via email to [Abigail.Olson@usdoj.gov](mailto:Abigail.Olson@usdoj.gov) within ten (10) days of the training session.
  - (d) Every three months for a period of three years from the effective date of this Agreement, the Office of Special Counsel will provide Respondent with a schedule of upcoming Employer/HR Representative webinars available to additional Respondent personnel.
13. During the Reporting Period, the Office of Special Counsel reserves the right to make reasonable inquiries to Respondent necessary to determine Respondent's compliance with this Agreement. As a part of such review, the Office of Special Counsel may require written reports concerning compliance, inspect Respondent's premises, examine witnesses, and examine and copy Respondent's documents at the expense of the Office of Special Counsel.
14. Every six (6) months during the Reporting Period, Respondent shall provide the Office of Special Counsel with copies of the completed Forms I-9 for the Everett, Washington, and Temecula, California branches, including attachments, and its E-Verify transaction history for all non-U.S. citizen employees hired by those branches of Respondent in that

six-month period. Respondent shall provide the documents in electronic form unless requested otherwise.

15. If the Office of Special Counsel has reason to believe that the Everett, Washington or Temecula, California branch of Respondent is in violation of any provision of this Agreement, the Office of Special Counsel shall promptly notify Respondent of the purported violation. Respondent 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 to the Office of Special Counsel's satisfaction before Respondent is deemed by the Office of Special Counsel to be in violation of this Agreement.
16. Notwithstanding paragraph 15, this Agreement does not affect the right of any individual to file a charge alleging an unfair immigration-related employment practice against Respondent 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 Respondent's employment practices. Nothing in this paragraph waives or otherwise tolls any time limit for an individual to file a charge or for investigating and filing a complaint.
17. This Agreement resolves any and all differences between the parties relating to the instant independent investigation of Respondent's employment eligibility verification process at its branches in Everett, Washington and Temecula, California, through the date this Agreement is signed by all parties.
18. The provisions of paragraph 1 notwithstanding, the Office of Special Counsel shall not seek from Respondent any additional civil penalty for the pattern or practice of unfair documentary practices in violation of 8 U.S.C. § 1324b(a)(6) that are the subject of the investigation of Respondent's branch in Everett, Washington and Temecula, California, through the effective date of this Agreement.
19. This Agreement may be enforced in the United States District Court for the Western District of Washington.
20. The Office of Special Counsel and Respondent agree that, as of the effective date of this Agreement, litigation concerning the violations of 8 U.S.C. § 1324b that the Office of Special Counsel has reasonable cause to believe that the Everett, Washington and Temecula, California branches of Respondent committed is not reasonably foreseeable. To the extent that either 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.
21. 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 and the Office of Special Counsel 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 invalid.

22. The Office of Special Counsel and Respondent agree to bear their own costs, attorneys' fees and other expenses incurred in this action.
23. 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.

**Select Staffing**

By: Paul J. Sorensen  
Paul J. Sorensen  
President

Dated: 8/12/2014

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

By: Alberto Ruisanchez  
Alberto Ruisanchez  
Deputy Special Counsel

Dated: 8/15/14

C. Sebastian Aloit  
Special Litigation Counsel

Richard Crespo  
Trial Attorney

Abigail Olson  
Equal Opportunity Specialist