

Conciliation Agreement
Between the
U.S. Department of Labor, Office of Federal Contract Compliance Programs and
American Ordnance LLC Iowa Army Ammunition Plant
17571 DMC Highway 79
Middletown, Iowa 52638
(100189724)

PART I: General Provisions

1. This Agreement is between the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP) and American Ordnance LLC (AO), 17571 DMC Highway 79, Middletown, Iowa 52638.
2. The violations identified in this Agreement were found during an investigation of a disability Complaint filed by (b) (6), (b) (7)(C) (Complainant) against AO (OFCCP Complaint No. 100189724), which began on April 9, 2014, and was expanded on July 16, 2015, to include a potential class of individuals with disabilities in the (b) (6), (b) (7)(C) position who have been denied accommodations and denied reinstatement during the jurisdictional review period. The OFCCP completed its investigation and violations were specified in a Notice of Results of Investigation (NORI) issued on March 21, 2016. The OFCCP alleges that AO has violated Section 503 of the Rehabilitation Act of 1973, as amended (Section 503) and Title 1 of the Americans with Disabilities Act of 1990, as amended (ADA).
3. This Agreement does not constitute an admission by AO of any violation of Section 503 and its implementing regulations and the ADA.
4. Subject to the performance by AO of all promises and representations contained herein, all named violations in the Complaint will be deemed resolved. However, AO is advised that the commitments contained in this Agreement do not preclude future determinations of noncompliance based on a finding that the commitments are not sufficient to achieve compliance. Additionally, nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
5. AO agrees that OFCCP may review compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents, as may be relevant to the matter under investigation and pertinent to AO compliance. AO shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve AO from the obligation to comply with the requirements of E.O.11246, Section 503, and/or VEVRAA, their implementing regulations, or any other equal employment statute or executive order or its implementing regulations.

7. AO agrees that there will be no retaliation of any kind against any beneficiary of this Agreement or against any person who has provided information or assistance, or who files a complaint, or who participates in any manner in any proceedings under Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212).
8. The parties understand the terms of this Agreement and enter into it voluntarily.
9. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
10. This Agreement will be deemed to have been accepted by the Government on the date of the signature by the Regional Director for OFCCP, unless the Director for OFCCP indicates otherwise within 45 calendar days of the Regional Director's signature on this Agreement. The date this Agreement is deemed to have been accepted by the Government is the execution date.
11. If at any time in the future, OFCCP believes that AO has violated any portion of this Agreement during the term of this Agreement, AO will be promptly notified of that fact in writing. This notification will include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide AO with 15 calendar days from receipt of the notification to respond in writing, except where OFCCP alleges that such a delay would result in irreparable injury.

Enforcement proceedings for violation of this Agreement may be initiated at any time after the 15-day period has elapsed, or sooner if irreparable injury is alleged, without issuing a Show Cause Notice.

Where OFCCP believes that AO has violated this Conciliation Agreement, OFCCP may seek enforcement of this Agreement itself and shall not be required to present proof of the underlying violations resolved by this Agreement.

Liability for violation of this Agreement may subject AO to sanctions set forth in 41 CFR 60-741.66 (2014) and/or other appropriate relief.

PART II: Specific Provisions

1. **VIOLATION**: OFCCP alleges that AO failed to provide equal employment opportunity to the Complainant by failing to accommodate [REDACTED] disability and failing to reinstate [REDACTED] during [REDACTED] recall period, in violation of 41 CFR 60-741.5 (a)(1) and 41 CFR 60-741.5(a)(1)(2014), 41 CFR 60-741.21(a),(f) and (g) and 41 CFR-60-741.21(a)(1),(6) and (7) (2014), 41 CFR 60- 741.44(d) and 41 CFR 60-741.44(d) (2014). The Complainant is an individual with a disability within the meaning of the ADA, Section 503, and OFCCP's regulations at 41 CFR 60-741.2 (n)(1) and 41 CFR 60-741.(2)(g) (2014).

REMEDY: AO agrees to provide the Complainant a make whole monetary payment of \$44,433.36 (\$32,357.50 in back pay, \$975.86 in interest, and a damage award of \$11,100.00) less legal deductions required by law from back pay only (such as federal, state and/ or local taxes and the Complainant's share of FICA taxes), which represents full relief as set forth under OFCCP's regulations at 41 CFR 60-742.5(e). The payment will be made within 30 days of the execution date of this Agreement, in a lump sum to the Complainant, less authorized withholding deductions required by law. AO will pay the Internal Revenue Service (IRS) the employer's share of social security withholdings and will mail the Complainant an IRS W-2 Form reporting the portion of the payment representing back pay and an IRS Form 1099 representing the remaining portion. These IRS forms will be mailed to the Complainant before March 31, 2017.

2. **VIOLATION:** OFCCP alleges that AO failed to provide equal employment opportunity to a class member by failing to accommodate his disability in violation of 41 CFR 60-741.5(a)(1) and 41 CFR 60-741.5(a)(1) (2014), 41 CFR 60-741.21(a), (f) and (g) and 41 CFR-60-741.21(a)(1), (6) and (7) (2014), 41 CFR 60-741.44(d) and 41 CFR 60-741.44(d) (2014). The class member is an individual with disabilities within the meaning of the ADA, Section 503, and OFCCP's regulations at 41 CFR 60-741.2(n)(1) and 41 CFR 60-741.2(g) (2014).

REMEDY: AO agrees to provide Class Member (b) (6), (b) (7)(C) with relief remedy in the sum of \$5,566.64 (\$5,398.84 in back pay and \$167.80 in interest), less legal deductions required by law from back pay only (such as federal, state and/ or local taxes and the Class Member's share of FICA taxes). The payment will be made within 30 days of the execution date of this Agreement, in a lump sum to the class member, less authorized withholding deductions required by law. AO will pay the Internal Revenue Service (IRS) the employer's share of social security withholdings and will mail the class member an IRS W-2 Form reporting the portion of the payment representing back pay and an IRS Form 1099 representing the remaining portion. These IRS forms will be mailed before March 31, 2017.

3. **VIOLATION:** OFCCP alleges that AO failed to make reasonable accommodations to the known physical or mental limitations of otherwise qualified employees with disabilities, in violation of 41 CFR 60-741.21(f) and 41 CFR 60-741.21(6) (2014).

OFCCP alleges that current employees and/or applicants who are able to perform the essential functions of the job were prevented from doing so because AO applied a Physical Agility Test (PAT) qualification standard without making allowable reasonable accommodations. OFCCP alleges that AO could make a reasonable accommodation to the PAT qualification standard that would allow current employees or applicants to perform the essential functions of the job.

REMEDY: AO will provide reasonable accommodations to qualified individuals with disabilities in all aspects of employment. AO will inform all employees how to request a reasonable accommodation. AO will, when necessary to determine an appropriate reasonable accommodation, engage each individual requesting an accommodation in an interactive process, and provide each individual with reasonable accommodation, in accordance with 41 CFR 60-741, Appendix A (2014).

AO will also audit and evaluate its reasonable accommodation procedures, whether written or unwritten, to determine whether it is providing reasonable accommodation and equal opportunity to individuals with disabilities, and take corrective action if warranted.

In addition, AO agrees to provide training to supervisory and management employees at the Middletown, Iowa location on reasonable accommodation and equal employment opportunity requirements of Section 503 of the Rehabilitation Act of 1973, as amended, and Title I of the Americans with Disabilities Act of 1990, as amended (ADA); and the implementing regulations. The training will take place within 120 days of the execution date of this Agreement.

Part III: Reporting

AO agrees to furnish two (2) reports to the OFCCP Chicago District Office at 230 S. Dearborn Street, Room 434, Chicago, Illinois. The first report will cover the payments made to the Complainant and the class member, and will be due within 105-days of the execution date of this Agreement. The second and final report covers the time period from August 1, 2016, through July 31, 2017, and will be due on or before August 15, 2017.

The first report, which is due within 105-days of the execution date of this Agreement, and will include documentation showing payment of the financial settlement to (b) (6), (b) (7)(C) (Complainant) and (b) (6), (b) (7)(C)

The second report will cover the twelve (12) month period from August 1, 2016, through July 31, 2017, and is due on August 15, 2017. This report will include the following:

1. AO agrees to submit documentation showing AO's compliance with its reasonable accommodations procedures, including but not necessarily limited to: (a) name of employee making the request, (b) the employee's disability-related limitation, (c) date of the request, (d) nature of the accommodation request, (e) how the request was granted, if applicable, and (f) if the request was denied, a detailed reason explaining why.

(a)AO will provide documentation of the training to AO's supervisory and management employees on reasonable accommodation and other equal employment opportunity requirements of Section 503 of the Rehabilitation Act of 1973, as amended, and/or Title I of the Americans with Disabilities Act of 1990, as amended (ADA); and the implementing regulations, including, but not necessarily limited to: dates of training, (b) course name, (c) description and content of the training program; (d) training log, (e) attendees' names and job titles, and (f) copies of sign-in sheets.

TERMINATION DATE: This Agreement will expire 90-days after OFCCP receives the reports required in Part III above or on the date that the District Director gives notice to AO that AO has satisfied its reporting requirements, whichever occurs earlier, unless OFCCP notifies AO in writing prior to the end of the 90-day period that AO has not satisfied its reporting requirements pursuant to this Agreement.

INTEGRATION CLAUSE: This Agreement represents the full Agreement between AO and the OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither AO nor the OFCCP relies upon any promise, representation of fact or law, or other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement of the Parties affected and may not be modified by any oral agreement.

PART IV: Signatures

Each person signing this Conciliation Agreement personally warrants he/she is fully authorized to do so, that he/she has entered into this Conciliation Agreement voluntarily and with full knowledge of the effect thereof, and that execution of this Agreement is fully binding. This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and American Ordnance.

(b) (6), (b) (7)(C)

Matthew Weingast
General Counsel
American Ordnance LLC

DATE: 3-15-2017

(b) (6), (b) (7)(C)

Bradley Anderson
Regional Director
Midwest Region

DATE: 3/27/2017

(b) (6), (b) (7)(C)

Shelley Gordon
Assistant District Director
Chicago District Office
Midwest Region

DATE: 3/23/2017

(b) (6), (b) (7)(C)

(b) (7)(C), (b) (7)(E)

Compliance Officer
Chicago District Office
Midwest Region

DATE: 3/23/2017

(b) (6), (b) (7)(C)

Michael J. Thomas
District Director
Chicago District Office
Midwest Region

DATE: 3/23/2017