

Conciliation Agreement

Between

**U.S. Department of Labor
Office of Federal Contract Compliance Programs**

and

**G&K Services Co.
14700 Spring Avenue
Santa Fe Springs, California 90670**

PART I: General Provisions

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter "OFCCP") and G&K Services Co. (hereinafter "G&K") located at 14700 Spring Avenue, Santa Fe Springs, California 90670.
2. The violations identified in this Agreement were found during a compliance evaluation of G&K which began on March 03, 2011, and were specified in a Notice of Violation issued on May 18, 2012. OFCCP alleges that G&K has violated Executive Order 11246, as amended, and implementing regulations at 41 CFR Chapter 60 due to the specific violations cited in Part II below.
3. This Agreement does not constitute an admission by G&K of any violation of Executive Order 11246, as amended, and implementing regulations.
4. The provisions of this Agreement will be part of G&K's Affirmative Action Program (hereinafter "AAP"). Subject to the performance by G&K of all promises and representations contained herein, and its AAP, all identified violations in regard to the compliance of G&K at its Santa Fe Springs facility with all OFCCP programs will be deemed resolved. However, G&K 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.
5. G&K agrees that OFCCP may review compliance with this Agreement. As part of such 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 G&K's compliance. G&K shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve G&K from the obligation to comply with the requirements of Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of

1974, as amended (38 U.S.C. 4212) and implementing regulations, or any other equal employment statute or executive order or its implementing regulations.

7. G&K 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 to the OFCCP, or who files a complaint, or who participates in any manner in any proceeding under Executive Order 11246, as amended, and/or 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. This Agreement will be deemed to have been accepted by the Government on the date of signature by the Regional Director, unless the Director or Regional Director for OFCCP indicates otherwise within 45 days of the Regional Director's signature on this Agreement.
9. If at any time in the future, OFCCP believes that G&K has violated any portion of this Agreement during the term of this Agreement, G&K 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 G&K with 15 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 G&K 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 G&K to sanctions (as applicable) set forth in Section 209 of the Executive Order and other appropriate relief.

10. Any time an action or deadline falls on a weekend or federal holiday, performance of the obligation shall be the next business day.

PART II: Specific Provisions

1. **VIOLATION:** G&K failed to ensure that its employees were compensated without regard to his or her gender as required by 41 CFR 60-1.4(a) and 41 CFR 60-20.5. A review of compensation practices for the General Labor positions as of June 11, 2010 revealed that on average, females in the General Labor positions were compensated at a lesser rate than their male counterparts. OFCCP found that, upon hire, female General Laborers were disproportionately assigned to lower-paying laundry duties (\$8.00/hour), while male General Laborers were disproportionately assigned to higher-paying laundry duties, such as sort soil, wash alley and mat roller (\$9.00/hour). OFCCP determined that this assignment to different duties and payment of different hourly rates was based on sex and not based on a legitimate difference in work performed, responsibility level or skills and qualifications. Based on the examination of personnel records, and interviews with managers, human resources representatives, employees and selecting officials as well as anecdotal evidence gathered during the investigation, the female employees placed into the lower paying areas were as qualified as the male employees who were placed into higher paying duties within General Labor during the same time period. Therefore, G&K's compensation system resulted in a disparity adversely affecting female employees.

REMEDY: G&K agrees to revise its compensation practices and take steps to ensure that its compensation system provides an equal opportunity to all of its employees, regardless of race or gender. This applies to all aspects of compensation, including, but not limited to, initial salary at time of hire and progression into higher paying positions. G&K agrees to provide make-whole relief to all identified victims of discrimination, to include the following remedies:

- a) **Financial Settlement:** Within 120 days after the effective date of this Agreement, G&K will provide back pay in the aggregate amount of \$233,168.15 and interest in the aggregate amount of \$32,815.15 distributed equally to the class members ("CMs") listed on Attachment A¹ who respond properly within a timely fashion in accordance with the terms set forth in subparagraph (b) below. Such payment will constitute a full and final settlement of all financial claims related to this violation. G&K will submit to OFCCP documentation of payment of the financial settlements in accordance with the terms contained in "PART III: Reporting" of this Agreement. As set forth in Attachment C1, the payments will be made in a lump sum to each CM, less appropriate withholding and other deductions. G&K will send each CM an appropriate W-2 form for the portion of the payment designated as back pay and will pay the employer's share of FICA and all other applicable employer taxes on that portion. G&K will provide a 1099 form to each CM for the portion of the payment designated as interest. Within ten working days of G&K's receipt of a check to a CM returned as undeliverable, G&K will notify OFCCP of this fact via e-mail or facsimile. OFCCP will attempt to locate the CM and, if OFCCP obtains an alternate address, G&K will re-mail the check to such CM at such alternate address. Any check that remains uncashed 120 days after the initial date the check was mailed to the respective CM will be void. With respect to the uncashed funds, G&K will

¹ Attachment A - Class Member List

make a second distribution to all CMs who cashed their first check.

- b) **Location and Notification of Class Members:** Within 30 days after the effective date of this Agreement, G&K agrees to notify each CM of her rights under this Agreement by sending a certified letter, return receipt requested,² notifying the CM of this Conciliation Agreement and providing the CM with a verification form³ requesting current address, telephone number, social security number, and expression of interest in pursuing a higher paying position within the General Laborer job title. G&K will also include a Release of Claims⁴ and an employment application with the notification letter. CMs must return the completed verification form and release, and, if applicable, the completed employment application, to G&K within thirty (30) days of receipt of the letter or forfeit any consideration for back pay or higher paying opportunities. After the above 30-day response period expires, G&K will promptly notify OFCCP of any CMs who have not responded.
- c) **Job Offer:** After the 30-day response period has expired for all located CMs, G&K will extend bona fide offers of employment, as opportunities arise, for the higher paying "heavy duty" (or similarly titled) opportunities within the General Labor position, to CMs who have expressed an interest in pursuing an employment opportunity with the verification form and a completed employment application. . When "heavy duty" (or similarly titled) opportunities become available, job offers shall be made to currently employed CMs first and shall be made in order of, and based upon, the chronological date of, the CMs original application date, with the earliest date offered first.

G&K agrees to allow CMs to whom a job offer is made five (5) days in which to accept or reject the job offer. If the CM rejects the job offer, G&K's obligation to the CM under the Job Offer section of this Agreement ceases. G&K will provide written documentation to OFCCP of job offers made to qualified CMs, hires, and any rejections of job offers made to qualified CMs. G&K agrees to pay each CM hired pursuant to this Agreement the current wage for the higher paying "heavy duty" (or similarly titled) General Laborer position and provide all regular and on-the-job training.

These offers shall be consistent with the improvements to the employment process described in paragraph (d) below, but CMs receiving and accepting these offers shall receive opportunities for wage increases at least to the current level of the hourly rate for the "heavy duty" (or similarly titled) positions.

All currently employed female general laborers will be considered first (in order of their application date) prior to those applicants who are not currently employed with G & K.

² Attachment C1 - Notification Letter

³ Attachment D - Address and Social Security Verification and Employment Interest Form

⁴ Attachment E1 - Release of Claims

- d) **Employment Process:** G&K agrees to take proactive measures to ensure that the alleged violation does not recur. Within 60 days from the effective date of this Agreement, G&K agrees to do the following:
- o For all General Labor job vacancy postings, accurately and specifically describe the duties, functions and competencies required by the position being advertised. If pay rates vary based on the position being designated as "light duty" or "heavy duty" (or any other similar designation practice), postings should state this explicitly and applicants applying to that posting should have equal opportunity to be hired for or placed in the posting regardless of sex. This will help eliminate the potential for sex stereotyping that may arise if applicants are unaware of the actual job duties. G&K will list clearly on its recruiting and application materials both the requirements for General Laborer positions, the pay rates, and the procedures by which selections are made. G&K will ensure these standards are consistently applied to all applicants.
 - o Develop written guidelines for determining the starting wages to be assigned to newly hired General Laborers. Specifically, this written compensation policy will include a pay scale. These written guidelines should ensure nondiscrimination in rates of pay or any other forms of compensation.
 - o Review its selection procedures to ensure compliance with the Uniform Guidelines on Employee Selection Procedures as provided in 41 CFR 60-3.
 - o Implement a selection and placement procedure that does not disproportionately channel females from consideration for the higher paying General Laborer positions.
- e) **Training:** Within 90 days of the effective date of this Agreement, G&K must train all individuals involved in any way in the selection or compensation for General Laborer positions on all new and revised policies, procedures, and programs developed under 1(d) of Part II of this Agreement.
- f) **Self-Monitoring:** G&K will review its placement procedures annually to ensure nondiscriminatory selection practices are followed. G&K will continue performing adverse impact analysis to oversee and monitor its selection process and placement results and will monitor pay in the General Laborer position specifically to ensure no discrimination on the basis of sex. G&K will also perform an annual review of its compensation policies and practices for all positions to determine if there are any sex- or race-based disparities.
- g) **Outreach:** G&K agrees to conduct outreach aimed at identifying qualified female applicants for opportunities in the higher paying "heavy duty" (or similarly titled) General Laborer positions.
- h) **Other Facilities:** The parties acknowledge that other compliance evaluations of G&K are currently taking place in other laundry establishments throughout the United States at the time this Agreement is entered into. These compliance evaluations are ongoing and shall

not be affected in any manner by the entry by the parties into this Agreement, except as follows: G&K agrees that for each facility throughout the United States in which a statistically significant difference in compensation and/or placement rates is found by OFCCP in the General Labor job title within two years from the date hereof that is not contested by G&K, (1) G&K will provide injunctive remedies consistent with those listed in paragraphs (d) through (g) above; (2) G&K will provide back pay based on the average pay differences between men and women in the General Laborer (or similar) job category; (3) G&K will provide job offers to all the women in the General Laborer (or similar) job category on the same basis as set forth in paragraph (c) above; and (4) G&K will ensure its hiring and pay practices do not permit sex-based channeling or placement, or sex stereotyping in assignment to duties or determination of pay. In consideration thereof, with respect to the ongoing compliance evaluations referenced above, OFCCP will not require that light, medium, and heavy (or similarly titled) positions within the General Labor job title be compensated at the same rate of pay so long as there is a specific differentiation of duties, skills and responsibility levels within the General Labor job title as evidenced by written job descriptions, job analysis and employee interviews (indicating consistency with separate job descriptions and no job sharing, overlap of work performance or rotation among tasks). G&K retains the right to challenge any alleged violations and requests for back pay in locations other than Santa Fe Springs in the future without jeopardizing this Agreement as a whole.

(i) G&K agrees this violation will not be repeated.

2. **VIOLATION:** G&K failed to provide equal employment opportunity for male applicants in its hiring process in its laborers job group based on their sex in violation of 41 CFR 60-1.4 (a) and 41 CFR 60-20.3. Specifically, during the period of July 1, 2009 through June 30, 2010, G&K hired six males in the General Labor job title out of a pool of 355 qualified male applicants and hired seven females out of a pool of 65 qualified female applicants. The difference in selection is statistically significant with greater than two standard deviations.

Based upon the examination of personnel records, employment applications, the interviews of managers, employees and rejected applicants as well as other evidence gathered during the investigation, female applicants were selected for openings at a rate significantly greater than their male counterparts. The male applicants met the qualifications and were shown to be as qualified or better qualified than the female applicants who were hired during the same time period. Therefore, G&K's hiring process resulted in a disparity affecting male applicants.

REMEDY: G&K agrees to provide make-whole relief to all identified victims of discrimination, to include the following remedies:

- a) **Financial Settlement:** Within 180 days after the effective date of this Agreement, G&K will provide back pay in the aggregate amount of \$21,480 and interest in the aggregate amount of \$2,488.87 distributed equally to the CMs listed on Attachment B⁵ who respond properly within a timely fashion in accordance with the terms set forth in subparagraph

⁵ Attachment B- Class Member List

(b) below. Such payment will constitute a full and final settlement of all financial claims related to this violation. G&K will submit to OFCCP documentation of payment of the financial settlements in accordance with the terms contained in "PART III: Reporting" of this Agreement. As set forth on Attachment C, the payments will be made in a lump sum to each CM, less appropriate withholding and other deductions. G&K will send each CM an appropriate W-2 form for the portion of the payment designated as back pay and will pay the employer's share of FICA and all other applicable employer taxes on that portion. G&K will provide a 1099 form to each CM for the portion of the payment designated as interest. Within ten working days of G&K's receipt of a check to a CM returned as undeliverable, G&K will notify OFCCP of this fact via e-mail or facsimile. OFCCP will attempt to locate the CM and, if OFCCP obtains an alternate address, G&K will re-mail the check to such CM at such alternate address. Any check that remains uncashed 120 days after the initial date the check was mailed to the respective CM will be void. With respect to the uncashed funds, G&K will make a second distribution to all CMs who cashed their first check.

- b) Location and Notification of Class Members: Within 30 days after the effective date of this Agreement, G&K agrees to notify each CM of his rights under this Agreement by sending a certified letter, return receipt requested⁶ notifying the CM of this Agreement and providing the CM with a verification form⁷ requesting current address, telephone number, social security number, and expression of interest in pursuing an employment opportunity.

G&K will also include a Release of Claims⁸ and an employment application with the notification letter. CMs must return the completed verification form, release, and, if appropriate, employment application, to G&K within 30 days of receipt of the letter or forfeit any consideration for back pay or a job offer.

After the above 30-day response period expires, G&K will promptly notify OFCCP of any CMs who have not responded. OFCCP will have an additional 30 days from receipt of such notice from G&K to find the missing CMs and to provide contact information to G&K of those CMs it was subsequently able to find. Within 10 days of receipt of OFCCP's list, G&K will notify the newly located CMs and provide each with a verification form, release, and employment application form. Each newly located CM will have 30 days after receipt of the notification letter to respond.

Any CMs whom G&K and OFCCP are unable to locate will be excluded from the class. For those CMs who were located but failed to respond to G&K within 30 days of the CM's receipt of the notification letter, the lack of a response will be deemed to constitute a rejection of the financial settlement and job offer set forth in paragraphs (a) and (c). In that event, any and all back pay due to CMs who were not found, or did not respond, will be equally distributed to the remaining located CMs who responded within the 30-day

⁶ Attachment C2 - Notification Letter.

⁷ Attachment D - Address and Social Security Verification and Employment Interest Form.

⁸ Attachment E2 - Release of Claims.

period provided.

- c) **Job Offer:** After the 30-day response period has expired for all located CMs, G&K will extend bona fide offers of employment, as opportunities arise, for the "light duty" (or similarly titled) opportunities within the General Labor positions, to CMs who have expressed an interest in pursuing an employment opportunity until the earlier of three qualified CMs are hired and have reported to work or the CM list is exhausted. These offers of hire into the "light duty" (or similarly titled) General Laborer job category are distinct from the offers for specifically higher paying opportunities discussed under Violation 1 and should not limit or conflict with the offers to be made to remedy Violation 1. Job offers shall be made in order of, and based upon, the chronological date of, the original application date, with the earliest date offered first.

G&K agrees to allow CMs to whom a job offer is made five days in which to accept or reject the job offer. CMs who accept an offer of employment will be given at least 14 days to report to work. G&K will provide written documentation to OFCCP of job offers made to qualified CMs, hires, and any rejections of job offers made to qualified CMs. G&K agrees to pay each CM hired pursuant to this Agreement the current entry-level wage for the "light duty" laborer position and provide all regular and on-the-job training.

- d) **Employment Process:** G&K agrees to take proactive measures to ensure that the alleged violation does not recur. Within 60 days from the effective date of this Agreement, G&K agrees to do the following:
- Review its selection procedures to ensure that they are in compliance with the Uniform Guidelines on Employee Selection Procedures as provided in 41 CFR 60-3;
 - Implement a selection procedure that does not disproportionately eliminate male applicants from consideration for the laborer positions;
 - Ensure that job qualifications are uniformly applied to all applicants;
 - Maintain an applicant and hire data (applicant flow log) for the General Laborer position;
 - Provide training on compliance with Executive Order 11246, as amended, and its implementing regulations, to supervisory and management employees as well as its Human Resources employees involved in G&K's selection process;
 - Review its selection procedures to ensure nondiscriminatory selection practices are followed; and

- **Continue performing adverse impact analysis, to oversee and monitor its selection process and placement results.**

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PART III: Reporting

G&K agrees to retain records pertinent to the violations resolved by this Conciliation Agreement. G&K agrees to submit two (2) progress reports, as specified below, to the U.S. Department of Labor, Office of Federal Contract Compliance Programs, Los Angeles District Office, 1640 South Sepulveda Blvd., Suite 440, Los Angeles, California 90025.

REPORTING PERIOD

DUE DATE

Progress Report 1

Effective Date of Agreement – December 31, 2013,

February 14, 2014

Progress Report 2

January 1, 2014 -December 31, 2014

January 16, 2015

G&K will include the following information in the first report:

1. Copies of cancelled checks for the back pay and interest disbursed to CMs.
2. Copies of the notification letters G&K sent to the CMs.
3. Copies of completed Address and Social Security Verification and Employment Interest Forms (Attachment D) and Release of Claims (Attachment E) submitted by CMs to G&K.
4. Documentation of bona fide job offers made to all CMs, including those who were hired at G&K into the laborer positions and those who were offered positions at a higher hourly rate following the date of this Conciliation Agreement. Such documentation will include a list of CMs offered jobs, the date of the job offer, the date the offer was accepted or rejected and the starting salary.
5. A list of all CMs who were considered for employment pursuant to this Agreement, whom G&K determined, did not successfully complete the selection process. G&K will also provide the reason for G&K's determination that the CM failed to successfully complete the selection process.
6. Employment Process: G&K will provide the following:
 - o Documentation of a review of its selection procedures to ensure that they are in compliance with the Uniform Guidelines on Employee Selection Procedures as provided in 41 CFR 60-3.
 - o Documentation reflecting G&K's implementation of a selection procedure that does not disproportionately eliminate male applicants from consideration for the "light duty" (or similarly titled) laborer positions.

- Documentation of training on compliance with Executive Order 11246, as amended, and its implementing regulations, to supervisory and management employees as well as its Human Resources employees involved in G&K's selection process.
- Documentation that G&K reviewed its selection procedures annually to ensure nondiscriminatory selection practices are followed.
- Documentation of adverse impact analysis, to oversee and monitor its selection process and placement results.
- Documentation of review of compensation practices, to determine if race or gender-based disparities exist.
- Applicant and hire data (applicant flow log) for the General Laborer position
- Documentation that all General Laborer job vacancy postings accurately and specifically describe the duties, functions, and competencies required by the position being advertised. Evidence that recruiting and application materials list both the requirements for General Laborer positions, the pay rates, and the procedures by which selections are made.
- Evidence of written guidelines for determining the starting salaries to be assigned to newly hired General Laborers. Specifically, this written compensation policy will include a pay scale.
- Documentation reflecting G&K's implementation of a selection and placement procedure that does not disproportionately channel females from consideration for the higher paying General Laborer positions.
- Documentation of training provided to all individuals involved in any way in the selection or compensation for General Laborer positions on all new and revised policies, procedures, and programs developed under 1(d) of Part II of this Agreement.
- Documentation of G&K's review of its placement procedures annually to ensure nondiscriminatory selection practices are followed.
- Documentation of G&K's outreach aimed at identifying qualified female applicants for opportunities in the higher paying General Laborer positions.

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G&K will include the following information in the second report:

- Documentation of a review of its selection procedures to ensure that they are in compliance with the Uniform Guidelines on Employee Selection Procedures as provided in 41 CFR 60-3.
- Documentation reflecting G&K's implementation of a selection procedure that does not disproportionately eliminate male applicants from consideration for the "light duty" (or similarly titled) laborer positions.
- Documentation of training on compliance with Executive Order 11246, as amended, and its implementing regulations, to supervisory and management employees as well as its Human Resources employees involved in G&K's selection process.
- Documentation that G&K reviewed its selection procedures annually to ensure nondiscriminatory selection practices are followed.
- Documentation of adverse impact analysis to oversee and monitor its selection process and placement results.
- Documentation of review of compensation practices to determine if race or gender-based disparities exist.
- Applicant and hire data (applicant flow log) for the General Laborer position
- Documentation that for all General Labor job vacancy postings, accurately and specifically describe the duties, functions, and competencies required by the position being advertised. Evidence that recruiting and application materials list both the requirements for General Laborer positions, the pay rates, and the procedures by which selections are made. Evidence of written guidelines for determining the starting salaries to be assigned to newly hired General Laborers. Specifically, this written compensation policy will include a pay scale.
- Documentation reflecting G&K's implementation of a selection and placement procedure that does not disproportionately channel females from consideration for the higher paying General Laborer positions.
- Documentation of training provided to all individuals involved in any way in the selection or compensation for General Laborer positions on all new and revised policies, procedures, and programs developed under 1(d) of Part II of this Agreement.

- Documentation of G&K's review of its placement procedures annually to ensure nondiscriminatory selection practices are followed.
- Documentation of G&K's outreach aimed at identifying qualified female applicants for opportunities in the higher paying General Laborer positions.

Termination Date:

This Agreement shall remain in effect until January 31, 2015 or until the written acceptance of the progress report(s), whichever date is later.

[Remainder of this page left blank intentionally.]

PART IV: Signatures

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and G&K Services Co. located at 14700 Spring Avenue, Santa Fe Springs, California 90670.

DATE: 9-26-2013

EX 7C
[Redacted Signature]

ANGELA GRACZYK
General Manager
G&K Services Co.
5995 Opus Parkway
Suite 500
Minnetonka, MN 55391

DATE: 10/31/13

EX 7C
[Redacted Signature]

Compliance Officer
Office of Federal Contract Compliance Programs
Los Angeles District Office

DATE: 27 Sept 13

EX 7C
[Redacted Signature]

RANDALL R. ROSS
Vice President, Human Resources
G&K Services Co.
5995 Opus Parkway
Suite 500
Minnetonka, MN 55391

DATE: 10/31/13

EX 7C
[Redacted Signature]

ROBERT DOLES
Assistant District Director
Office of Federal Contract Compliance Programs
Los Angeles District Office

DATE: 10/31/2013

EX 7C
[Redacted Signature]

JANE SUHR
District Director
Office of Federal Contract Compliance Programs
Los Angeles District Office

DATE: 11/1/2013

EX 7C [REDACTED]

MELISSA SPEER
Acting Regional Director
Office of Federal Contract Compliance Programs
Pacific Regional Office

Attachment A

| No. | First Name | Last Name | House/Apt. Number | Street | City | State | Zip Code | PS ID Number | Hire Date |
|-----|------------|-----------|-------------------|--------|------|-------|----------|--------------|-----------|
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Pages 2 - 8 of Attachment A were all redacted under Exemption 7C and are being withheld to reduce the size of this document. Please notify OFCCP if you would like to see these redacted pages.

Attachment C1

NOTIFICATION LETTER

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Date: _____

[Name]
[Street]
[City, State, Zip Code]

Dear [Name]:

G&K Services Co. (hereinafter "G&K") and the Department of Labor's Office of Federal Contract Compliance Programs (hereinafter "OFCCP") have entered into a Conciliation Agreement (hereinafter "CA") to resolve alleged disparities in assignment of duties and compensation for the laborer position in G&K's facility in Santa Fe Springs, CA as of June 11, 2010. You have been identified as an individual who was not assigned duties or compensated appropriately as of the time frame referenced above.

G&K denies that it in any way acted unlawfully or unfairly in assigning duties or compensating individuals for laborer positions, and there has not been any finding by a court or a judge that G&K violated any laws. G&K decided to enter into the CA to avoid the costs and time associated with litigation.

G&K will make job offers for "heavy duty" positions to some of the people who are receiving this notification. Job offers will be made in order of, and based upon, the chronological date of the original application date, starting with the earliest date. If you are interested in applying for the "heavy duty" laborer position, please indicate your interest on the enclosed Address and Social Security Verification and Employment Interest Form, complete the enclosed G&K employment application and return BOTH documents to G&K at the address set forth below within 30 days of your receipt of this letter. Send only signed originals, not photocopies. If you choose to apply, you must meet the minimum qualifications for the position. Please also note that if you are offered a job, you will have 5 days in which to accept or reject the job offer. Additionally, if you accept a job offer you will be given at least 14 days to report to work.

As part of the CA, you are also eligible to receive a monetary distribution of at least \$4,508.19, subject to lawful payroll deductions. Under the terms of the CA, you may receive a payment up to six (6) months from the date of this letter. In order to be eligible for this distribution, you must execute and return the originals of BOTH of the following enclosed documents, (1) Address and Social Security Verification and Employment

Interest Form and (2) Release of Claims, each within 30 days of your receipt of this letter to:

G&K Services Co.
Attention: Colleen Keller
Executive Administrative Assistant
G&K Services Co.
5995 Opus Parkway
Suite 500
Minnetonka, MN 55391

PLEASE NOTE: If you fail to return any of the required documentation discussed above, in original unmodified form, within the specified **30 DAY** timeframe, you will forfeit any right to a monetary payment, a job offer, or to otherwise participate in this settlement. Any changes to the required documentation will invalidate the documents. If you have any questions, you may call me at (952) 912-5552 and your call will be returned as soon as possible.

Sincerely,

Nikki Kietzer
Senior Manager, Employee Relations
G&K Services Co.

cc: **EX 7C**

U.S. Department of Labor, Office of Federal Contract Compliance Programs
1640 S. Sepulveda Blvd., Suite 440, Los Angeles, CA 90025

Enclosures: Address and Social Security Verification and Employment Interest Form
G&K Employment Application
Release of Claims

Attachment C2

NOTIFICATION LETTER

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Date: _____

[Name]
[Street]
[City, State, Zip Code]

Dear [Name]:

G&K Services Co. (hereinafter "G&K") and the Department of Labor's Office of Federal Contract Compliance Programs (hereinafter "OFCCP") have entered into a Conciliation Agreement (hereinafter "CA") to resolve alleged disparities in hiring for the laborer position in G&K's facility in Santa Fe Springs, CA between July 1, 2009 and June 30, 2010. You have been identified as an individual who applied for such a position at this facility during this period, but was not hired.

G&K denies that it in any way acted unlawfully or unfairly in selecting individuals for laborer positions, and there has not been any finding by a court or a judge that G&K violated any laws. G&K decided to enter into the CA to avoid the costs and time associated with litigation.

G&K will make job offers for "light duty" positions to some of the people who are receiving this notification. Job offers will be made in order of, and based upon, the chronological date of the original application date, starting with the earliest date. If you are still interested in applying for the "light duty" laborer position, please indicate your interest on the enclosed Address and Social Security Verification and Employment Interest Form, complete the enclosed G&K employment application and return BOTH documents to G&K at the address set forth below within 30 days of your receipt of this letter. Send only signed originals, not photocopies. If you choose to reapply, you must meet the minimum qualifications for the position. Please also note that if you are offered a job, you will have 5 days in which to accept or reject the job offer. Additionally, if you accept a job offer you will be given at least 14 days to report to work.

As part of the CA, you are also eligible to receive a monetary distribution of at least \$74.67, subject to lawful payroll deductions. Under the terms of the CA, you may receive a payment up to six (6) months from the date of this letter. In order to be eligible for this distribution, you must execute and return the originals of BOTH of the following enclosed documents, (1) Address and Social Security Verification and Employment

Interest Form and (2) Release of Claims, each within 30 days of your receipt of this letter to:

G&K Services Co.
Attention: Colleen Keller
G&K Services Co.
Executive Administrative Assistant
5995 Opus Parkway
Suite 500
Minnetonka, MN 55391

PLEASE NOTE: If you fail to return any of the required documentation discussed above, in original unmodified form, within the specified **30 DAY** timeframe, you will forfeit any right to a monetary payment, a job offer, or to otherwise participate in this settlement. Any changes to the required documentation will invalidate the documents.

If you have any questions, you may call me at (952) 912-5552 and your call will be returned as soon as possible.

Sincerely,

Nikki Kietzer
Senior Manager, Employee Relations
G&K Services Co.

cc: **EX 7C**
U.S. Department of Labor, Office of Federal Contract Compliance Programs
1640 S. Sepulveda Blvd., Suite 440, Los Angeles, CA 90025

Enclosures: Address and Social Security Verification and Employment Interest Form
G&K Employment Application
Release of Claims

Attachment D1

Address and Social Security Verification and Employment Interest Form

You must complete this form in order to be eligible for any monetary distribution and/or employment opportunities under the terms of the Conciliation Agreement (CA) between G&K Services Co. and the U.S. Department of Labor's Office of Federal Contract Compliance Programs. Please print legibly, except for the signature.

Section 1

Name: _____

Telephone Number: _____

- I confirm that the address on the cover letter is correct.
- The address on the cover letter is not correct. My correct address is:
Address: _____

Notify G&K Services Co. at the address below if your address changes within the next 6 months.

Section 2

Your Social Security Number is required for tax purposes:

____--____--_____

Please check on the next page whether you are currently interested in employment into the "heavy duty" positions with G&K Services Co. To receive payment, you must return this form and the Release of Claims within 30 days of your receipt of the notification letter. Additionally, if you are interested in employment, you must complete and return the enclosed G&K employment application within 30 days of your receipt of the notification letter. Send only signed originals, not photocopies. Your documents should be sent to:

G&K Services Co.
5995 Opus Parkway, Suite 500
Minnetonka, MN 55391
Attention: Colleen Keller

Note, if you complete this Address and Social Security Verification and Employment Interest Form and the Release of Claims, you will be eligible for a monetary distribution whether or not you are interested in employment at this time.

Attachment D1
Address and Social Security Verification and Employment Interest Form
(Continued)

Section 3

- Yes, I am still interested in employment into the "heavy duty" positions with G&K Services Co, and enclosed is a completed application.
- No, I am not currently interested in employment into the "heavy duty" positions with G&K Services Co.

I certify the above as true and correct.

Signature

Date

All sections **MUST** be completed or your form will be disregarded and you will not be eligible to participate in the settlement between OFCCP and G&K Services Co.

Attachment D2
Address and Social Security Verification and Employment Interest Form

You must complete this form in order to be eligible for any monetary distribution and/or employment opportunities under the terms of the Conciliation Agreement (CA) between G&K Services Co. and the U.S. Department of Labor's Office of Federal Contract Compliance Programs. Please print legibly, except for the signature.

Section 1

Name: _____

Telephone Number: _____

- I confirm that the address on the cover letter is correct.
- The address on the cover letter is not correct. My correct address is:
Address: _____

Notify G&K Services Co. at the address below if your address changes within the next 6 months.

Section 2

Your Social Security Number is required for tax purposes:

_____ -- _____ -- _____

Please check on the next page whether you are currently interested in employment into the "light duty" positions with G&K Services Co. To receive payment, you must return this form and the Release of Claims within 30 days of your receipt of the notification letter. Additionally, if you are interested in employment, you must complete and return the enclosed G&K employment application within 30 days of your receipt of the notification letter. Send only signed originals, not photocopies. Your documents should be sent to:

G&K Services Co.
5995 Opus Parkway, Suite 500
Minnetonka, MN 55391
Attention: Colleen Keller

Note, if you complete this Address and Social Security Verification and Employment Interest Form, and the Release of Claims, you will be eligible for a monetary distribution whether or not you are interested in employment at this time.

Attachment E1

RELEASE OF CLAIMS

In consideration of the payment by G&K Services Co. (hereinafter "G&K") of at least \$4,508.19, less deductions required by law, which I agree is acceptable, and also in consideration of the Conciliation Agreement (hereinafter "CA") between G&K and the Office of Federal Contract Compliance Programs (hereinafter "OFCCP"), I _____, agree to the following:

I.

I hereby waive, release and forever discharge G&K, its parent, subsidiaries, affiliates, predecessors, successors and assigns, and its and their respective current, former and future officers, directors, agents, representatives, servants, employees, attorneys, (hereinafter collectively referred to as "G&K Services Co.") of and from any and all actions, causes of action, damages, liabilities, and claims arising out of or actionable under Executive Order 11246, as amended, and/or 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), which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate in any way to my not being appropriately compensated for employment at any time prior to the effective date of this Release of Claims.

II.

I understand that G&K denies that it treated me unlawfully or unfairly in any way and that G&K entered into a settlement with the OFCCP under which it agreed to make the payment described above to resolve this matter without further legal proceedings in the compliance evaluation initiated by OFCCP on March 3, 2011. I further agree that the payment of the above sum by G&K to me is not to be construed as an admission of any liability by G&K.

III.

I understand that if I am concerned about how the process described in this Release of Claims applies to me, I may contact the OFCCP for assistance, as follows:

EX 7C

Compliance Officer
U. S. Department of Labor/OFCCP
1640 South Sepulveda, Suite 440
Los Angeles, California 90025
Telephone Number: (310) 268-EX 7C

IV.

I declare that I have read this Release of Claims and that I have had a full opportunity to consider and understand its terms and to consult with my attorney or advisors. I further declare that I have decided of my own free will to sign this Release of Claims.

V.

I understand that if I do not sign this Release of Claims and return it to G&K within 30 days of my receipt, I will not be entitled to receive the payment referenced above from G&K.

IN WITNESS WHEREOF, I have set my hand to this Release of Claims on the _____ day of _____, 2013.

Signature

Attachment E2

RELEASE OF CLAIMS

In consideration of the payment by G&K Services Co. (hereinafter "G&K") of at least \$74.67, less deductions required by law, which I agree is acceptable, and also in consideration of the Conciliation Agreement (hereinafter "CA") between G&K and the Office of Federal Contract Compliance Programs (hereinafter "OFCCP"), I _____, agree to the following:

I.

I hereby waive, release and forever discharge G&K, its parent, subsidiaries, affiliates, predecessors, successors and assigns, and its and their respective current, former and future officers, directors, agents, representatives, servants, employees, attorneys, (hereinafter collectively referred to as "G&K Services Co.") of and from any and all actions, causes of action, damages, liabilities, and claims arising out of or actionable under Executive Order 11246, as amended, and/or 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), which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate in any way to my not being selected for employment at any time prior to the effective date of this Release of Claims.

II.

I understand that G&K denies that it treated me unlawfully or unfairly in any way and that G&K entered into a settlement with the OFCCP under which it agreed to make the payment described above to resolve this matter without further legal proceedings in the compliance evaluation initiated by OFCCP on March 3, 2011. I further agree that the payment of the above sum by G&K to me is not to be construed as an admission of any liability by G&K.

III.

I understand that if I am concerned about how the process described in this Release of Claims applies to me, I may contact the OFCCP for assistance, as follows:

EX 7C

Compliance Officer
U. S. Department of Labor/OFCCP
1640 South Sepulveda, Suite 440
Los Angeles, California 90025
Telephone Number: (310) 268-_____
EX 7C

IV.

I declare that I have read this Release of Claims and that I have had a full opportunity to consider and understand its terms and to consult with my attorney or advisors. I further declare that I have decided of my own free will to sign this Release of Claims.

V.

I understand that if I do not sign this Release of Claims and return it to G&K within 30 days of my receipt, I will not be entitled to receive the payment referenced above from G&K.

IN WITNESS WHEREOF, I have set my hand to this Release of Claims on the _____ day of _____, 2013.

Signature