

EARLY RESOLUTION CONCILIATION AGREEMENT

Between

**THE U.S. DEPARTMENT OF LABOR
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS**

And

**TERADYNE, INC.
600 RIVERPARK DRIVE
NORTH READING, MA 01864-2635**

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs (“OFCCP”) is currently evaluating Teradyne, Inc.’s (“Contractor”) 500, 600 and 700 Riverpark Drive, North Reading, MA establishment¹ (collectively, the “Reviewed Establishment”) for compliance with Executive Order 11246 as amended (“E.O. 11246”), and its implementing regulations at 41 Code of Federal Regulations (CFR) Parts 60-1 through 60-3, Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. Section 793 (“Section 503”) and/or the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended, 38 U.S.C. Section 4212 (“VEVRAA”), and their implementing regulations at 41 C.F.R. Sections 60-1,60-2, 60-300, and/or 60-741. As a result of the evaluation, the OFCCP is alleging that the Contractor was not in compliance with E.O. 11246.

In the interest of resolving the alleged violations without engaging in enforcement proceedings, and in exchange for sufficient and valuable consideration described in this document, OFCCP and the Contractor enter into this Early Resolution Conciliation Agreement (“Agreement”), and the parties agree to all the terms therein. OFCCP recognizes the Contractor’s commitment to prospective improvements in workplace equity, opportunity, and diversity in crafting this forward-looking resolution that will foster enhanced oversight of more workers for at least the next five years. The attachments to this Agreement are deemed incorporated into this Agreement.

PART II. GENERAL TERMS AND CONDITIONS

1. In exchange for the Contractor’s fulfillment of all obligations of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503, and/or VEVRAA based on the alleged violations described in more detail in Part IV below. However, OFCCP has the right to initiate legal proceedings to enforce the Agreement itself or to correct and obtain relief for the alleged violations described in Part IV if the Contractor violates this Agreement. Nothing in this Agreement

¹ OFCCP scheduled the 700 Riverpark Drive establishment on November 3, 2016. Teradyne submitted the 500, 600 and 700 Riverpark Drive locations under one AAP on December 7, 2016 and noted that the three (3) buildings comprise Teradyne’s Headquarters established under one AAP and are the Reviewed Establishment.

precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations, including during the five (5) year exemption period for compliance evaluations if OFCCP deems that the Contractor is in breach of the Agreement. In exchange for the Contractor's fulfillment of all obligations in the Agreement, OFCCP further agrees not to initiate any new compliance evaluations at the Reviewed Establishment until at least 60 days after the Contractor submits the final progress report described in Part VII of this Agreement and the OFCCP confirms to the Contractor that it has fully complied with the terms of this Agreement, and the exemption period available in the selection methodology in place five (5) years from the Effective Date of this Agreement has expired.

The Contractor agrees that OFCCP may review its 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 the Contractor's compliance. With reasonable notice, the Contractor will permit access to its premises at 500, 600 and 700 Riverpark Drive, North Reading, MA during normal business hours for these purposes and will provide OFCCP with all reports and documents as required under this Agreement.

2. This Agreement does not constitute an admission by the Contractor of any violation of or noncompliance with E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended ("Section 503"), the Vietnam Era Veterans' Readjustment Assistance Act of 1974 ("VEVRAA") and their implementing regulations at 41 CFR Chapter 60, or other laws, nor has there been an adjudication on the merits regarding any such alleged violation.
3. The Contractor understands that nothing in this Agreement relieves the Contractor of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, and other applicable equal employment opportunity laws.
4. The Contractor will not retaliate against any potential or actual beneficiary of this Agreement or against any person who files a complaint, who has provided information or assistance, or who participates in any manner in any proceeding in this matter.
5. OFCCP and the Contractor ("the parties") understand the terms of this Agreement and enter into it voluntarily.
6. This Agreement, including its attachments, constitutes the entire Agreement and represents the complete and final understanding of the parties. This Agreement contains all of the terms binding the parties and it supersedes all prior written and oral negotiations and agreements. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by all parties. If an administrative error is found, OFCCP will work in good faith with all parties to make the corrections.
7. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.

8. This Agreement becomes effective on the day it is signed by the Northeast Regional Director (the "Effective Date").
9. This Agreement will expire sixty (60) days after the Contractor submits the final progress report required in Part VII below, unless OFCCP notifies the Contractor in writing prior to the expiration date that the Contractor has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date OFCCP determines the Contractor has met all of its obligations under the Agreement, or for at least five years, whichever is later (referred to herein as the "scheduling exemption period"). Furthermore, at the expiration of the scheduling exemption period, any Contractor establishment selected for a compliance evaluation will be selected in accordance with the scheduling methodology in place at that time.
10. Each party shall bear its own fees and expenses with respect to this matter.
11. If the Contractor violates this Agreement,
 - a. The procedures set forth at 41 CFR 60-1.34 will govern:
 - i. OFCCP will send the Contractor a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. The Contractor will have fifteen (15) days from receipt of such notice to demonstrate in writing that it has not violated the Agreement, unless such a delay would result in irreparable injury to the employment rights of affected employees.
 - iii. If the Contractor is unable to demonstrate that it has not violated the Agreement, or if OFCCP alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other requirement for the Reviewed Establishment.
 - iv. In the event of a breach of this Agreement by the contractor, OFCCP may elect to proceed to a hearing on the entire case and seek full make-whole relief, and not be limited to the terms agreed to in the Agreement.
 - b. The Contractor may be subject to the sanctions set forth in Section 209 of E.O. 11246, and/or other appropriate relief for violation of this Agreement.
12. The parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor, and cannot be used as evidence that the Contractor is not in compliance with any applicable federal, state, or local laws, including but not limited to E.O. 11246, Section 503, and VEVRAA. The Contractor and OFCCP agree that any release of claims

required by this Agreement will only pertain to claims under E.O. 11246, Section 503, and/or VEVRAA.

13. This Agreement is limited to the facts of this case. Neither this Agreement, nor any part of the negotiations that occurred in connection with this Agreement, shall constitute admissible evidence with respect to either party's policies, practices, or positions in any lawsuit, legal proceeding, administrative proceeding, compliance evaluation or audit, except for legal or administrative proceedings concerning the enforcement or interpretation of this specific Agreement.
14. All references to "days" in this Agreement are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a federal holiday, that deadline will be extended to the next business day.
15. This Agreement is between OFCCP and the Contractor and does not confer any rights or benefits to any other parties, other than any successor to, parent of, or subsidiary of the Contractor.

PART III. SPECIAL TERMS AND CONDITIONS

1. The Contractor agrees to conduct an in-depth review of all of its establishments to ensure nondiscriminatory selection practices. If violations similar to those identified in Part IV of this Agreement are identified, the Contractor agrees to implement corrective actions at all of its establishments where violations were found, consistent with the remedy provisions of this Agreement.
2. OFCCP agrees that the Reviewed Establishment covered under this Agreement shall not be subject to a scheduled OFCCP compliance evaluation for five years from the date of this Agreement or during the waiting period stipulated in OFCCP's scheduling methodology in place at the expiration of this Agreement.
3. The five (5) year scheduling exemption is limited to regularly scheduled compliance evaluations and OFCCP retains the right to investigate complaints of discrimination at the Reviewed Establishment covered by the Agreement under E.O. 11246, Section 503, and VEVRAA.
4. If the Contractor violates the terms of this Agreement, OFCCP reserves the right to bring an enforcement action per the terms of 41 CFR § 60-1.34 and the five (5) year scheduling exemption will be void.
5. This Agreement does not relieve the Contractor of its annual ongoing OFCCP requirements of equal employment opportunity through affirmative action and non-discrimination across its entire workforce, including the monitoring of up-to-date Affirmative Action Programs (AAPs) and personnel activity.

6. This Agreement between the Contractor and OFCCP does not provide the Contractor with any grant of immunity or exemption from its obligations to comply with E.O. 11246, Section 503, and VEVRAA.
7. This Agreement between the Contractor and OFCCP may be modified upon the written consent of the parties, and such consent will not be unreasonably withheld.

PART IV. ALLEGED VIOLATION

1. HIRING

OFCCP asserts that the Contractor is not in compliance with the nondiscrimination requirements of the equal opportunity clause of E.O. 11246 § 202 and 41 CFR §60-1.4(a)(1). OFCCP's analyses of the Contractor's hiring process and selection procedures revealed statistically significant disparities during the period of June 30, 2014 through June 30, 2016. OFCCP alleges that those disparities resulted in discrimination against twenty-two (22) Asian and three (3) Hispanic applicants for the Hardware Engineer and Software Engineer Co-op Technician positions.

PART V. FINANCIAL and NON-MONETARY REMEDIES

1. Settlement Fund

The total Settlement Fund amount is \$125,000 and consists of \$121,175.00 in back pay and \$3,825.00 in interest to resolve the specific alleged violations set forth above.

2. Notice Process

- a. OFCCP and Contractor Obligations under the Notice Process.** The Notice Process set forth in this Agreement is intended to provide the class members identified in Attachment A ("Class Members") a meaningful opportunity to understand their rights and obligations and act on them in a timely manner. As specified in the timeline set forth below and as otherwise necessary to fulfill this Agreement, Contractor and OFCCP will regularly meet and confer in person, by phone and/or by email on the notice process to determine how best to carry out the Notice provisions of this Agreement, and to decide whether any activity, deadline or document should be modified. OFCCP and Contractor agree not to unreasonably withhold consent to reasonable modifications proposed by either party.
- b. Distribution of Mail Notice and Forms to Class Members.** Within fifteen (15) calendar days of the effective date, Contractor will send the following by Certified U.S. Mail, return receipt requested, to each of the Class Members: the Notice Form (Attachment B), the Information Verification Form (Attachment C), the Release of Claims Form (Attachment D), and a postage-paid return envelope addressed to the Contractor's Settlement Administrator. The Contractor's Settlement Administrator is

Tychelle Jackson, Settlement Administrator, c/o Gaucher Associates, Inc., 50 Oliver Street, Suite 212, North Easton, MA 02356.

- c. **Reports to OFCCP.** Within forty-five (45) calendar days from the notice mailing date, the Contractor will provide OFCCP with a report containing the following information with respect to each of the Class Members:
- Full name and address the mailing was sent to, whether the mailing was delivered to the addressee (Y or N), whether Attachment C was returned (Y or N), whether the returned Attachment C is complete (Y or N), an explanation of what is missing if incomplete, whether Attachment D was returned (Y or N), whether Attachment D is complete (Y or N), and an explanation of what is missing if incomplete.
 - Contractor will also provide a copy of each envelope from the initial notice mailing that is returned either as undeliverable or with a forwarding address. Any mailing returned with a forwarding address will be re-mailed with all of the original contents to the forwarding address within five (5) days of receipt of the forwarding address.
 - Contractor will also provide copies of each Attachment C and/or D that are incomplete.

Within fifteen (15) days upon OFCCP's receipt of the above report and copies from the Contractor, the parties will meet and confer for the purpose of assessing the results of the initial notice mailings so as to ensure that the second round of notice mailings maximizes the potential response rate. OFCCP will conduct independent efforts to communicate about this Agreement with Class Members who received but failed to respond to the First Notice mailing, who returned forms that are incomplete or otherwise unacceptable, or whose mailings were returned undelivered. OFCCP will provide to the Contractor any updated information it obtains from these communications. The Contractor and OFCCP will timely exchange information regarding Class Members, including updated contact information and the results of any technical assistance provided.

Within ten (10) calendar days of receipt from OFCCP of updated addresses for Class Members, the Contractor will send a Second Notice mailing to Class Members for whom the OFCCP has provided updated addresses or other related information.

- d. **Final Deadline.** The final deadline for Class Members to provide complete and acceptable versions of the Information Verification Forms (Attachment C), and Release of Claims Forms (Attachment D) will be forty-five (45) days from the date of the Second Notice mailing. The parties will prominently display this deadline on all materials they distribute via paper or online regarding this Agreement, and explain that failure to respond by this deadline will result in a forfeiture of any relief provided under this Agreement.

- e. **Final List of Eligible Class Members.** Within ten (10) days of the Final Deadline date, the Contractor will provide OFCCP with an updated status report similar to that provided to OFCCP forty-five (45) days following the first notice mailing (see above), as well as a proposed Final List of Eligible Class Members, consisting of those Class Members who provided complete and acceptable versions of Attachments C and D within the deadline set forth above. The parties will meet and confer on any outstanding issues or questions regarding the Final List of Eligible Class Members within five (5) calendar days. Following the submission of the Contractor's report and proposed Final List of Eligible Class Members, OFCCP will approve the Final List no later than ten (10) days following the submission of the proposed Final List.

- f. **Payments to Eligible Affected Class Members.** Within fifteen (15) days of OFCCP's approval of the Final List, the Contractor will provide the OFCCP with a list of the payment amounts for each Eligible Affected Class Member on the Final List. OFCCP will review and approve the list of payment amounts within five (5) days. Upon receiving OFCCP's approved list, the Contractor will issue checks to each person on the Final List of Eligible Class Members in the stated amounts. Checks will be mailed by the Contractor within fifteen (15) days of OFCCP's approval of the list of the payment amounts. Any check that remains uncashed one hundred and twenty (120) days after the date on the check will be void. Within one hundred and thirty (130) days of the issuance of the checks, the Contractor will report to the OFCCP the status of all payments, including copies of the checks and evidence that they were cashed, as well as all voided or returned checks.

Within thirty (30) days of reporting on the status of payments, and after consultation with and approval by OFCCP, the Contractor will issue second checks in the total amount of the uncashed checks in equal amounts and will distribute those checks in a second mailing to all Eligible Affected Class Members who cashed their first check. All uncashed checks will be voided 120 days from their issuance date.

The Contractor will report the results of this second mailing to the OFCCP with copies of cancelled checks within 130 days of the mailing of the checks. With respect to any uncashed funds, Contractor will have sixty (60) days to deposit the monies with the State of Massachusetts Department of the Treasury, Unclaimed Property Division with the last known addresses for the class members.

- g. **Contractor's Expenses.** Contractor will pay all expenses associated with carrying out its duties pursuant to this Part, from funds separate and apart from the amount designated in this Agreement for the Settlement Fund.

3. Allocation

- a. **Total Amount to be Allocated.** The total back-pay and interest amount of the Settlement Fund will be distributed equally among the Eligible Class Members who have provided full and complete responses to Attachments C and D. Payments will include appropriate deductions for each individual's share of payroll deductions

required by law on the portion representing back pay only, such as federal (FICA/FUTA) state/local insurance premiums or taxes).

- b. **Tax Payments, Forms and Reporting.** Contractor will pay the employer's share of social security withholdings, and any other tax payments required by law from additional funds separate from the Settlement Fund. Contractor shall provide to each Class Member who cashed a check an IRS W-2 form for that portion of the payments representing back pay and IRS Form 1099 for that portion of the payment representing interest. These IRS forms will be provided to the Class Members either at the time of payment, or on its annual schedule for the issuance of W-2 forms to its employees. No Eligible Affected Class Member will be required to complete a W-4 or I-9 in order to receive payments under this settlement.

4. **Nonmonetary Remedy, Job Opportunities.** As vacancies occur in the Reviewed Establishment for the Hardware Engineering Co-op or Software Engineering Co-op positions, Contractor shall make bona fide job offers to Hispanic and Asian applicants who have expressed interest in employment and who are not currently employed by Contractor in either of the Engineering Co-op positions at issue until at least one (1) Asian or Hispanic is hired.

PART VI: ADDITIONAL RELIEF PER EARLY RESOLUTION CONCILIATION AGREEMENT

1. The Agreement will be in effect for a five (5) year period beginning on the Effective Date of the Agreement.
2. To proactively facilitate compliance with E.O. 11246, the Contractor will take the steps described below to enhance its compliance with E.O. 11246 in the hiring of all Engineering Co-op jobs to ensure nondiscriminatory hiring practices.
3. **Review and Revision of the Hiring Process, Implementation and Training.** Within six (6) months of the effective date of this Agreement, the Contractor will review and revise, in writing, the practices, policies and procedures used corporate-wide to recruit, track and hire applicants for open Engineering Co-op positions to ensure that practices, policies and procedures are neutral with respect to race, ethnicity and gender (hereinafter the "Revised Hiring Procedures") and will provide training on the Revised Hiring Procedures to all personnel involved in the hiring process. With respect to the Revised Hiring Procedures and training to be conducted, the Contractor agrees to the following:
 - a. Review written procedures for recruiting job seekers and applicants into Engineering Co-op positions, including mandatory listing and outreach efforts.
 - b. Use non-discriminatory qualifications and written criteria to select and/or reject job seekers and applicants at each step of the hiring process for Engineering Co-op positions, including the qualifications and criteria to be used in any application screen, interview, test, post offer screening or other selection procedures. The

Contractor will also review procedures, as appropriate, to limit subjectivity in the hiring process with respect to the evaluation and use of basic qualifications.

- c. Review procedures to ensure that for Engineering Co-op positions: (i) job seekers and applicants are tracked and decisions are documented at each step in the hiring process, and (ii) documents, including the records required for job seekers, are retained in accordance with 41 CFR § 60-1.12(a) and 41 CFR § 60-3.
- d. Conduct impact ratio analyses of hiring into Engineering Co-op positions in accordance with 41 CFR § 3.4 and 3.15A (*i.e.*, comparing the number of applicants versus the number of hires, by race/ethnicity to the extent known, for the applicable job title during the applicable time period) on at least an annual basis. The Contractor will provide OFCCP with the results of these analyses as set forth in Part VII below. If a statistically significant selection rate is found in the total selection process for any job title, the Contractor will analyze each component of the hiring process to determine the step or steps potentially causing the statistically significant impact and will promptly make adjustments to the hiring process as reasonably warranted in order to eliminate the statistical significance. The Contractor will consider alternatives to selection criteria, including tests, at steps where statistically significant impact is found, if any. The Contractor will report to OFCCP its impact ratio analysis and any adjustments made, if applicable, during each relevant twelve (12) month reporting period required by Part VII. The Contractor will retain all records relevant to hiring, placement, selection processes and records used in the impact ratio analyses including records related to any adjustments to its hiring processes.
- e. The Contractor will train all individuals involved in recruiting, selecting or tracking applicants for Engineering Co-op positions on any Revised Hiring Procedures adopted in accordance with this Agreement.
- f. The Contractor will provide reports to OFCCP based on the reporting requirement in Part VII. As part of this Agreement, the Contractor agrees to the monitoring of hiring activity as outlined in paragraph 'd' of this Part for any indication of statistically significant impact based on race/ethnicity and will investigate and remedy any statistically significant disparity identified. During the five (5) year period this Agreement is in effect, the monitoring reports will also include appropriate recommendations, if any, to alter or change the hiring process, its implementation, or training, to ensure a nondiscriminatory hiring process.

PART VII. REPORTS REQUIRED DURING OFCCP MONITORING PERIOD

1. **Recordkeeping.** Contractor agrees to retain all records relevant to the alleged violations cited in Part IV above and the reports submitted in compliance with Paragraph 3, below. These records include underlying data and information such as Human Resources Information System (HRIS) and payroll data, job applications and personnel records, and any other records or data used to generate the required reports. Contractor will retain the

records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

2. **Confidentiality.** Contractor will submit the documents and reports described below to:

Office of Federal Contract Compliance Programs
ATTN: Rhonda Aubin-Smith, Boston District Director
Boston District Office
15 New Sudbury Street
JFK Federal Building, Room E-235
Boston, MA 02203

Email option: (b) (6), (b) (7)(C)@dol.gov

Contractor and OFCCP have a common interest in the information being provided in the reports pursuant to this Agreement. To the extent any of the reports Contractor provides in accordance with this Agreement are customarily kept private or closely-held, and the Contractor believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Contractor will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will treat any such documents received as confidential documents to the maximum extent allowed by law. In the event of a FOIA request for any material provided by Contractor to OFCCP as specified in this Agreement, OFCCP shall provide notice to the Contractor of such request and shall treat information obtained in the compliance evaluation as confidential to the maximum extent the information is exempt from public disclosure under the FOIA, 5 U.S.C. 552.

3. **Contractor Reports.**

- a. **Schedule and Content.** Contractor agrees to furnish OFCCP with the following five (5) reports during the monitoring period according to the following schedule:

Progress Report 1: Due on March 15, 2021, covering the period of October 1, 2020 through December 31, 2020.

Progress Report 2: Due March 15, 2022, covering the period of January 1, 2021 through December 31, 2021.

Progress Report 3: Due March 15, 2023, covering the period of January 1, 2022 through December 31, 2022.

Progress Report 4: Due March 15, 2024, covering the period of January 1, 2023 through December 31, 2023.

Progress Report 5: Due March 15, 2025, covering the period of January 1, 2024 through December 31, 2024.

- b. Progress Report 1 must include proof of training conducted on the Revised Hiring Procedures made pursuant to Part VI.
- c. Each Progress Report must include:
 - i. The total number of applicants and hires separately for Hardware Engineering Co-op and Software Engineering Co-op positions by race and ethnic group, where known, for the Reviewed Establishment.
 - ii. Report on the Contractor's impact ratio analyses conducted pursuant to Part VI above. Where statistically significant selection rates were identified, the Contractor will provide a narrative on actions taken, including analyses and, if applicable, remedies to correct any statistically significant differences in hiring.
 - iii. Documentation of all bona fide job offers to Hispanic and Asian applicants made pursuant to Part V above.
 - iv. Contractor will provide certification that it has implemented its current year Executive Order 11246 AAP for the Reviewed Establishment.

PART VIII. SIGNATURES

The person signing this Agreement on behalf of Contractor personally warrants that he or she is fully authorized to do so, that Contractor has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Contractor. This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Teradyne, Inc., 600 Riverpark Drive, North Reading, MA 01864-2635.

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

Michael Callahan
Vice President and Corporate Controller
Teradyne, Inc.

DATE: October 2, 2020

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

Diana Sen
Northeast Regional Director
Northeast Region
OFCCP

DATE: 10/05/2020

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

Mandi B. Costa
Assistant District Director
Boston District Office
Northeast Region

DATE: 10/05/2020

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

Rhonda Aubin-Smith
District Director
Boston District Office
Northeast Region

DATE: 10/05/2020

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

(b) (6), (b) (7)(E)

Compliance Officer
Boston District Office
Northeast Region

DATE: 10/05/2020

Attachments:

- A. Class List
- B. Notice to Affected Class Members
- C. Information Verification Form
- D. Release of Claims
- E. Timeline

ATTACHMENT A: LIST OF AFFECTED CLASS MEMBERS

Last Name	First Name
(b) (6), (b) (7)(C)	

ATTACHMENT B - NOTICE

You may be eligible to get money because of a legal settlement between Teradyne, Inc. and the U.S. Department of Labor

We are writing to provide information about a legal settlement between the U.S. Department of Labor and Teradyne, Inc. (“Contractor”) that may benefit you. This settlement involves allegations of discrimination in hiring, and our records show that you may be one of the class members covered by the settlement. If you take the steps described in this Notice by the deadline below, you may be eligible for a one-time payment of back wages.

ARE YOU AFFECTED?

Asians and Hispanics who were not selected for Hardware Engineer and Software Engineer Co-op positions at Contractor’s 500, 600 and 700 Riverpark Drive, North Reading, Massachusetts Establishment between June 30, 2014 and June 30, 2016 are covered by this settlement.

WHAT IS THIS SETTLEMENT ABOUT?

The U.S. Department of Labor’s Office of Federal Contract Compliance Programs (OFCCP) conducted a review of Contractor’s hiring practices during June 30, 2014 to June 30, 2016. OFCCP is the government agency responsible for enforcing the nondiscrimination and equal employment opportunity through affirmative action requirements that apply to federal contractors. OFCCP alleges that Contractor discriminated against Asians and Hispanics. Contractor does not admit those claims. Ultimately, OFCCP and Contractor have agreed to resolve the issue through a Conciliation Agreement. A Conciliation Agreement is a legal document that explains the terms of an agreement between Contractor and OFCCP.

WHAT DOES THIS MEAN FOR YOU?

Because you applied for employment during the relevant time frame, and were not selected, this settlement may provide you with some specific benefits:

- (1) **You may be eligible to receive a payment of at least \$5,000** (before adjustments for taxes and payroll contributions). This amount represents your share of back wages and other payments. Contractor is making to settle the issues found. The final amount you will receive will be reduced by deductions for items such as income tax withholding and Social Security contributions.

To get these benefits, you will need to release or agree to give up certain legal claims, and sign the enclosed form.

WHAT IS YOUR NEXT STEP?

You should read this Notice and the enclosed Release of Claims Under Executive Order 11246 (“Release”) form.

Please do not ignore these forms or throw them away. Otherwise, you could miss an opportunity to receive money from Contractor.

To be eligible for a payment, you must complete and sign **both** of the enclosed forms — (1) the

Information Verification form and (2) the Release of Claims Under Executive Order 11246 form — and return them to:

[Name and address for return of form or instructions/email for electronic submission]

DEADLINE: The form must be received by [INSERT specific date for First or Second Notice deadline date in Attachment E]

You may receive some or all of these benefits only if these forms confirm that you are one of the individuals covered by the settlement. After correct completion and submission of these forms, a final decision will be made about your eligibility.

If you fail to return both of the required forms by the deadline above, or if your forms do not verify your eligibility, you will not be eligible to receive any money, or any other benefits that may be available to you under this settlement.

HOW CAN YOU GET MORE INFORMATION?

If you have any questions, you may contact Assistant District Direct Mandi B. Costa at (617) (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C) @dol.gov. You can also visit the U.S. Department of Labor web site about this case at www.dol.gov/ofccp/cml.

ATTACHMENT C - INFORMATION VERIFICATION

You must complete this form in order to be eligible for the monetary payment under the terms of the Conciliation Agreement (“Agreement”) between Teradyne Inc. and the Department of Labor’s Office of Federal Contract Compliance Programs. Please print legibly, except for the signature.

Name: _____

Address: _____

Telephone Nos.: Home: _____ Cell: _____ Work: _____

Email: _____

Notify [Settlement Administrator] at the address below if your address, email address or phone number changes within the next twelve months.

Your Social Security Number or Tax Identification Number (to be used for tax purposes only):
_____ - _____ - _____

For purposes of this settlement, it is necessary to verify your race:

- | | |
|---|--|
| <input type="checkbox"/> Caucasian | <input type="checkbox"/> Asian |
| <input type="checkbox"/> African American | <input type="checkbox"/> Native American |
| <input type="checkbox"/> Hispanic | |

I, (print name) _____, certify the above is true and correct.

Signature

Date

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE ADDRESS BELOW BY [date class members must respond], YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

Please return this form no later than _____ to:

*[Name of Settlement Administrator]
[Address of Settlement Administrator]*

ATTACHMENT D – RELEASE OF CLAIMS

RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

PLEASE CAREFULLY READ THE ENCLOSED NOTICE BEFORE COMPLETING THIS RELEASE. YOU MUST RETURN A SIGNED RELEASE TO RECEIVE MONEY FROM THE SETTLEMENT

This Release of Claims under Executive Order 11246 ("Release") is a legal document. The document states that, in return for Teradyne, Inc. ("Contractor") paying you money, you agree that you will not file any lawsuit against Contractor for alleged hiring discrimination under Executive Order 11246. It also says that Contractor does not admit it violated any laws enforced by the Office of Federal Contract Compliance Programs (OFCCP). This Release says you had sufficient time to look at the document, to talk with others about the document, including an attorney if you choose, and that no one pressured you into signing the document. Finally, it says that if you do not sign and return the document by a certain date, you will not receive any money.

In consideration of payment of at least \$5,000 (less deductions required by law) by Contractor to me, which I agree is acceptable, I (print name) _____ agree to the following:

I.

By signing this Release, I agree that I have been made whole for any claim that could have been brought under Executive Order 11246 relating to Contractor's hiring practices through the effective date of this Release. I hereby release Contractor, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its shareholders, owners, directors, officers, employees, agents, and assigns from any claim for additional make-whole relief obtained through any action based on or involving Contractor's hiring practices through the effective date of this Release that could have been brought under Executive Order 11246. Here, make-whole relief is defined as the total earnings lost, and includes salary or wages, overtime, premium pay and shift differentials, incentive pay, raises, bonuses, lost sales commissions, cost-of-living increases, tips, medical and life insurance, fringe benefits, pensions, stock options, and awards.

II.

I understand that Contractor does not admit that it treated me unlawfully or unfairly in any way and that Contractor entered into a Conciliation Agreement with the U.S. Department of Labor, OFCCP and agreed to make the payment described above to resolve alleged disparities in hiring and to resolve the matter without further legal proceedings in the compliance reviews initiated by OFCCP related to the facility covered by the Conciliation Agreement. I further agree that the payment of the aforesaid sum by Contractor to me is not to be construed as an admission of any liability by Contractor.

III.

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

IV.

I understand that if I do not sign this Release and return it to the Settlement Administrator, by **[INSERT specific date]**, I will not be entitled to receive any payment (less deductions required by law).

I have signed this document of my own free will.

Signature: _____ Date: _____

Printed Name: _____

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE ADDRESS BELOW BY [date class members must respond], YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

Please return this form no later than _____ to:

*[Name of Settlement Administrator]
[Address of Settlement Administrator]*

ATTACHMENT D - TIMELINE: NOTICE TO CLASS MEMBERS

STEP	TIMING	ACTIVITY
1	Within 15 days of the Agreement effective date	Contractor will send First Notice Mailing to Class Members which will contain Attachments B, C and D and a postage-paid return address envelope.
2	Within 45 days of above	Contractor will provide a written report to OFCCP as provided for in ERCA of the results of the First Notice Mailing and will provide copies of any returned envelopes as well as any incomplete and/or unacceptable forms.
3	Within 15 days of above	The parties confer on the results of the first mailing and OFCCP provides the Contractor with updated addresses for any Class Member whose envelope was returned as undeliverable. (NOTE: If there were no returned envelopes, skip to Step 6.)
4	Within 10 days of receiving the updated addresses.	Contractor will send Second Notice Mailing to updated Class Member List which will contain Attachments B, C and D and a postage-paid return address envelope.
5	Within 45 days from the date of the Second Notice mailing	The final deadline for Class Members to provide complete and acceptable Attachment C and D
6	Within 10 days of Final Deadline date	Contractor will provide a written report to OFCCP as provided for in ERCA of the results of the Second Notice Mailing and will provide copies of any returned envelopes as well as any incomplete and/or unacceptable forms. Contractor will also transmit to OFCCP a draft list of Eligible Class Members.

ATTACHMENT E - TIMELINE

STEP	TIMING	ACTIVITY
7	Within 5 days of receipt of draft final list	The parties will meet and confer on any outstanding issues or questions regarding the Final List of Eligible members
8	Within 10 days of receipt of draft final list	OFCCP will approve Final List.
9	Within 15 days of OFCCP's approval of Final List	Contractor will provide list of payment amounts for each class member.
10	Within 5 days of Contractor providing list of payment amounts	OFCCP approves list of payment amounts
11	Within 15 days of above	Contractor mails checks to Final List of Eligible Class Members.
12	120 days from above	All uncashed checks are voided.
13	Within 130 days of above	Contractor will report to the OFCCP the status of all payments, including copies of checks, evidence of cashing and checks returned as undeliverable.
14	Within 30 days of above.	Contractor mails checks with re-allocated funds to Eligible Class Members.
15	120 days from above	All uncashed checks are voided.
16	10 days from above	Contractor reports the results of the second mailing to OFCCP in the format that the first mailing was reported
17	60 days from above	Contractor will deposit any undeliverable or uncashed checks to the State of MA Dept. of the Treasury, Unclaimed Property Division with evidence of said deposit.