

CONCILIATION AGREEMENT

Between

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

and

DESIGNED METAL CONNECTIONS dba PERMASWAGE
14800 South Figueroa Street,
Gardena, CA 90248

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs (OFCCP) evaluated Designed Metal Connections dba Permaswage's (Permaswage) establishment located at 14800 South Figueroa Street, Gardena, California, beginning on April 6, 2018. OFCCP found that Permaswage failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503), and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA) and their respective implementing regulations at 41 C.F.R. Chapter 60.

OFCCP notified Permaswage of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on March 31, 2021.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and Permaswage enter into this Conciliation Agreement (Agreement) and its attachments, and the parties agree to all the terms therein.

The attachments to this Agreement are deemed incorporated into this Agreement.

PART II. GENERAL TERMS & CONDITIONS

1. In exchange for Permaswage's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503, and/or VEVRAA based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Permaswage violates any provision of this Agreement, as set forth in Paragraph 11, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
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2. OFCCP may review Permaswage's compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Permaswage will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all hard copy or electronic reports and documents OFCCP requests, including those specified in this Agreement.
3. Permaswage denies any violation of E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended ("Section 503), the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended ("VEVRAA"), and their implementing regulations at 41 C.F.R. Chapter 60, or any other laws, and there has not been an adjudication on the merits regarding any such violation.
4. Nothing in this Agreement relieves Permaswage of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.
5. Permaswage 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.
6. Permaswage agrees that it 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.
7. The parties understand the terms of this Agreement and enter into it voluntarily.
8. This Agreement 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.
9. This Agreement becomes effective on the day it is signed by the Regional Director (Effective Date).
10. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
11. This Agreement will expire sixty (60) days after Permaswage submits its final progress report required in Part VI, below, unless OFCCP notifies Permaswage in writing before the expiration date that Permaswage has failed to fulfill all of its obligations under the Agreement. In this instance, the Agreement is automatically extended until the date that OFCCP determines that Permaswage has met all of its obligations under the Agreement.

12. If Permaswage violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34, 41 C.F.R. 60-300.63, and/or 41 C.F.R. 60-741.63 will govern:
 - i. OFCCP will send Permaswage a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. Permaswage shall have fifteen (15) days from receipt of the notice to respond, except in those cases in which such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
 - iii. If Permaswage 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.
 - iv. In the event of a breach of this Agreement by Permaswage, 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 in the Agreement.
 - b. Permaswage may be subject to the sanctions set forth in: Section 209 of the Executive Order, 41 C.F.R. 60-1.27, 41 C.F.R. 60-300.66, 41 C.F.R. 60-741.66, and/or other appropriate relief for violating this Agreement.
13. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
14. 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.
15. Each party shall bear its own fees and expenses with respect to this matter.
16. 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 parties' 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.
17. 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.

PART III. DISCRIMINATION VIOLATIONS

E.O. 11246 – COMPENSATION DISCRIMINATION VIOLATION

VIOLATION 1:

Since at least January 1, 2018, and continuing thereafter, OFCCP alleges that Permaswage discriminated against female employees in the Finishing Job Category based on gender by paying them less than comparable male employees, in violation of 41 CFR 60-1.4(a)(1).

During the compliance evaluation, OFCCP reviewed employment policies, practices, and records; interviewed management and non-management employees; studied individual employee compensation data and other evidence; conducted an on-site inspection of the worksite; analyzed the revised data submitted after the on-site, during Early Resolution negotiations, and after OFCCP's issuance of the Pre-Determination Notice on October 28, 2020.

OFCCP also evaluated and analyzed Permaswage's compensation system and through regression and other analyses, found statistically and practically significant pay disparities in hourly base pay based on gender after controlling for legitimate explanatory factors. Based upon the analysis conducted and the evidence gathered during the compliance evaluation, OFCCP finds that Permaswage paid female employees in the Finishing Job Category at a rate significantly less than their male counterparts. Permaswage's compensation practices resulted in unlawful discrimination against female employees based on gender.

SECTION 503 – DISABILITY DISCRIMINATION

VIOLATION 2:

During the period of April 2016 through May 2018, OFCCP alleges that Permaswage failed to make reasonable accommodations to the known physical or mental limitations of employees who were qualified individuals with a disability, as required by 41 CFR 60-741.21(a)(6)(i).

During the compliance evaluation, OFCCP reviewed employment policies, practices, and personnel records; interviewed management and non-management employees; and conducted an on-site inspection of the worksite. OFCCP also analyzed the accommodation log that was included in Permaswage's AAP submission dated May 7, 2018.

Based on the information gathered during the review, OFCCP alleges that Permaswage did not engage in an interactive process with multiple employees who requested reasonable accommodations on the basis of a disability.

PART IV. FINANCIAL & NON-FINANCIAL REMEDIES

REMEDY 1:

Permaswage will modify its compensation system as necessary in order to eliminate any disparity

between males and females in the Finishing Job Category. Permaswage will provide the following “make-whole relief” to the female class members identified in Attachment A-1.

- a) Notice: Send notification to the class members to inform them of their rights and the potential remedies, using the language appearing in Attachment C-1.
- b) Monetary Settlement: Provide back pay plus quarterly compounded interest at the IRS underpayment rate for the class members, as described in Attachment A. Additionally, Permaswage must make salary adjustments to remedy any current pay that the class members would have received had it not been for the discrimination described above; and
- c) Training: Provide training to its managers and all other employees involved in the compensation process, and develop as well as implement procedures to ensure proper application and self-monitoring of the revised compensation system.

Financial Remedy

1. Settlement Fund

- a. **Settlement Fund Account.** Within fifteen (15) days after the Effective Date, Permaswage will deposit a total of \$122,000 in back pay and interest in an FDIC-insured interest-bearing account maintained by Permaswage at the prevailing interest rate. By the deadline set forth in the Timeline, Permaswage will notify OFCCP when this action is complete and provide appropriate documentation, including the name and address of the FDIC-insured banking institution, the account number for the settlement fund, the date of deposit, the deposit amount, and bank records showing the deposit amount. By the dates set forth in the Timeline, Permaswage will provide OFCCP with confirmation showing the current balance of the account, list of transactions and the amount of accrued interest on the account. The settlement fund is a negotiated amount that represents estimated back pay and accrued interest. Permaswage’s share of taxes on the portion representing back pay (such as federal, state and/or local taxes and Federal Income Contributions Act (FICA)) is not part of the Settlement Fund. Permaswage will be responsible for any bank account fees.

2. Allocation

- a. **Total Amount to be Allocated.** The back pay and interest amounts of the Settlement Fund, plus any additional interest that accrues on these interest-bearing accounts, will be distributed among the eligible class members as explained in this Section. Individual shares will include appropriate deductions for each individual’s share of employee payroll deductions required by law on the portion representing back pay only, such as federal (FICA/Federal Unemployment Tax Act (FUTA)), state or local insurance premiums or taxes or other deductions required by federal or state law.

- b. **Affected Class Members Eligible to Receive Payments.** The Settlement Fund will be distributed to all Affected Class Members (identified in Attachment A) who timely respond to the Notice Process as explained below, and whose eligibility is verified (hereinafter, Eligible Class Members). These individuals will be listed on the Final List of Eligible Class Members (Final List). The process of determining the Final List is explained below under Notice Process. OFCCP will determine the final amount for each Eligible Class Member based on the formula used in Attachment A to approximate the payment amounts if all Eligible Class Members sign and return the required documents provided in Attachment C, and its sub-parts, or other terms provided in this Agreement.
- c. **Payments to Eligible Class Members.** OFCCP will provide Permaswage a list of the payment amount for each Eligible Class Member on the Final List by the date set forth on the Timeline (OFCCP Reviews and Approves Final List and Distribution Amounts). Permaswage will issue checks or make electronic payments to each Eligible Class Member in the stated amount, along with appropriate tax reporting forms (such as W-2 and Internal Revenue Service (IRS) Form 1099) by the date set forth on the Timeline. OFCCP will receive timely documentation of all payments made and any payments returned undelivered or any checks not cashed, as set forth on the Timeline. Any check that remains uncashed 180 days after the initial date the check was mailed to the Eligible Class Member will be void. With respect to any uncashed funds, Permaswage will make a second distribution, in a pro-rata amount, using the formula in Attachment A, to all Eligible Class Members who cashed their first checks.
- d. **Tax Payments, Forms and Reporting.** Permaswage will pay its share of social security withholdings, and any other tax payments required by law from additional funds separate from the Settlement Fund. Permaswage shall mail to each Eligible Class Member an IRS Form W-2 for that portion of the payment representing back pay and an IRS Form 1099 for that portion of the payment representing interest. These IRS forms will be provided to the Eligible Class Members either at the time of payment, electronically or with the settlement checks, or at the end of the year, when the payment was made. No Eligible Class Member will be required to complete a W-4 or W-9 in order to receive payments under this settlement.

3. Notice Process

- a. **OFCCP and Permaswage Obligations under the Notice Process.** The Notice Process set forth in this Agreement, at Attachment C, is intended to provide Affected Class Members a meaningful opportunity to understand their rights and obligations and act on them in a timely manner. This includes providing notice in both English and Spanish to the affected workers and providing technical assistance to Affected Class Members seeking information about their rights and obligations under this Agreement. Permaswage agrees to provide the Notice Documents to the Affected Class Members via First Class U.S. Mail addressed to the Affected Class Members at their most recent address. As specified in the

Timeline and as otherwise necessary to fulfill this Agreement, Permaswage and OFCCP may meet and confer about 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 Permaswage agree not to unreasonably withhold consent to reasonable modifications proposed by either party.

- b. **Notice Documents.** Permaswage will distribute Notice Documents to Affected Class Members identified in Attachment A, consistent with the sample Notice Documents contained in Attachment C. The Notice Documents will include a Notice, Release of Claims, and Information Verification Forms. The Notice Documents may also include other materials such as standard OFCCP or U.S. Department of Labor materials, instructions or a cover sheet, or other information that better enables Affected Class Members to understand their rights and obligations and act on them in a timely manner. The Notice Documents will make clear that the information about the settlement is being provided by or on behalf of the U.S. Department of Labor. As specified in the Timeline and as otherwise necessary to fulfill this Agreement, the parties agree to discuss any reasonable modifications of the sample Notice Documents or additions to the materials distributed by Permaswage, if proposed by either party.
- c. **Timeline.** Attachment B sets forth the agreed Timeline for Notice and for the parties' other obligations under this Agreement. The parties will discuss any reasonable modifications to the Timeline proposed by either party.
- d. **Search for Affected Class Members.** OFCCP shall provide Permaswage with complete contact information in its possession to obtain on the Affected Class Members by the date set forth in the Timeline.
- e. **Distribution of Mail Notice to Affected Class Members.** Permaswage will provide initial notice by regular first-class mail. Permaswage will send copies of all of the Notice Documents as defined above, including a postage-paid return envelope, by First Class U.S. mail to the best available mailing address for each Affected Class Member, by the date set forth in the Timeline. If envelopes from the initial mail notice are returned with forwarding addresses, Permaswage will re-mail the Notice Documents, to the forwarding address provided, within five (5) days of receipt of the forwarding address.

Based on the response to the initial mail notice, the parties will assess the results of the initial mail notice and attempt to ensure that the second round of mail notice maximizes the potential response rate. A second mail notice will be sent to Affected Class Members with valid addresses who failed to respond to the first mail notice, unless the parties agree otherwise.

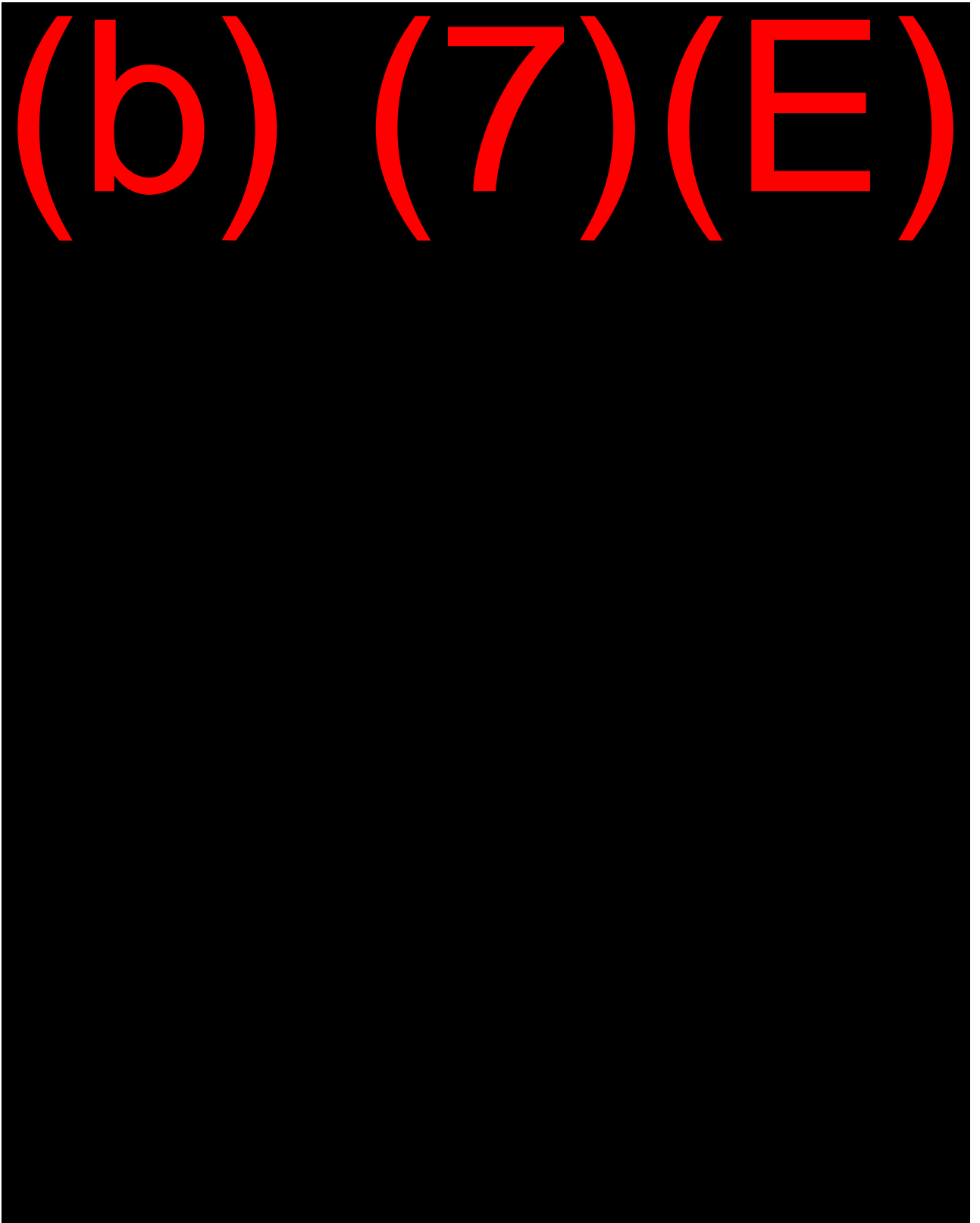
- f. **Notice Deadline.** The final deadline for any Affected Class Member to respond to the Notice is set forth in the Timeline. The parties will prominently display this deadline on all materials they distribute regarding this Agreement and

explain that failure to respond by this deadline will result in a forfeiture of any relief provided by this Agreement.

- g. **Technical Assistance.** The parties will timely respond to any inquiries from Affected Class Members using information consistent with this Agreement and the Notice Documents and will document all inquiries and the result. OFCCP will provide contact information for individuals to contact OFCCP regarding this Agreement. The parties will prominently display this contact information on all materials they distribute regarding this Agreement. Permaswage will provide OFCCP contact information to any Affected Class Member with questions or concerns.
- h. **Exchange of Information Regarding Affected Class Members.** Permaswage and OFCCP will timely exchange information regarding Affected Class Members, including updated contact information and the results of any technical assistance provided.
- i. **Final List of Eligible Class Members.** The Final List will include all Affected Class Members who timely respond to the Notice by the deadline set forth in the Timeline and whose eligibility is verified by OFCCP. OFCCP will present the Final List to Permaswage by the date set forth in the Timeline. The parties will discuss any outstanding issues or questions regarding the Final List. Either party may identify potentially eligible Class Members who may have been erroneously excluded from the original or any subsequent list. OFCCP shall make the final determinations of eligibility but will make every effort to negotiate in good faith to resolve any dispute about the Final List. Permaswage will provide to OFCCP any information in its possession necessary to determine the Final List.
- j. **Documentation of Payments.** By the deadline set forth in the Timeline, Permaswage will provide OFCCP with confirmation of all payments to Eligible Class Members, including the amounts paid, the date payment was sent, the date payment was received or the check cashed, and any uncashed or returned checks. In the event of a second distribution, Permaswage will provide a similar documentation on the second distribution.
- k. **Permaswage's Expenses.** Permaswage will pay all expenses associated with carrying out its duties pursuant to this Section, from funds separate and apart from the amount designated in this Agreement for the Settlement.

Review of Compensation Procedures:

1. Permaswage will review, and as necessary, revise its compensation practices, and establish monitoring and oversight practices to ensure that employees in the Finishing Job Category are treated without regard to their gender and race in all aspects of its compensation practices as required by 41 CFR 60-1.4(a)(1).
2. Within 90 days of the Effective Date of this Agreement, and annually for two years



4. Permaswage will continue to present a training program for all individuals involved in the compensation process at the Gardena facility. Individuals attending this training

will include, at a minimum, all human resources and compliance personnel, supervisors, and managers. At a minimum, the training should include a broad understanding of equal opportunity rights and responsibilities, and training on any new policies or procedures in effect.

REMEDY 2:

Permaswage will make reasonable accommodations to the known physical or mental limitations of an otherwise qualified applicant or employee with a disability as defined in 41 CFR § 60-741.2(g)(1)(i),(ii), unless Permaswage determines during the interactive process that the accommodation would impose an undue hardship on the operation of its business. A qualified individual with a disability is not required to accept an accommodation, aid, service, opportunity, or benefit which such qualified individual chooses not to accept. However, if such individual rejects a reasonable accommodation, aid, service, opportunity, or benefit that is necessary to enable the individual to perform the essential functions of the position held or desired, and cannot, as a result of that rejection, perform the essential functions of the position, the individual will not be considered a qualified individual with a disability, pursuant to 41 CFR § 60-741.2(g)(1)(i),(ii). Permaswage agrees to:

- a) Training: Provide training to its supervisors, managers, and human resources personnel involved in the reasonable accommodation process and termination process; provide reasonable accommodation training to all employees, and provide information to all employees regarding their right to make individual complaints to OFCCP/EEOC.
- b) Revised Procedures and Self-Monitoring: Review and revise, if necessary, reasonable accommodation procedures and termination procedures to remove barriers to equal employment opportunity and develop as well as implement procedures to ensure proper application and self-monitoring.

PART V. TECHNICAL VIOLATIONS
AFFIRMATIVE ACTION PROGRAM VIOLATIONS

VIOLATION 3:

Since at least January 1, 2018, Permaswage failed to develop and execute action-oriented programs designed to correct any problem areas identified pursuant to 41 CFR 60-2.17(b) and to attain established goals and objectives, as required by 41 CFR. 60-2.17(c). Specifically, Permaswage did not take any action during the review period to specifically address female underutilization that the company identified in Job Group 7A.

REMEDY 3:

Permaswage will develop and execute action-oriented programs designed to correct any problem areas identified pursuant to 41 CFR 60-2.17(b) and to attain established goals and objectives, as required by 41 CFR 60-2.17(c). Specifically, in job groups with placement goals, Permaswage must demonstrate that it has made good faith efforts to remove identified barriers, expand employment opportunities, and produce measurable results.

VIOLATION 4:

Since at least January 1, 2018, Permaswage failed to develop and implement an internal audit and reporting system that periodically measures the effectiveness of its total affirmative action program, as required by 41 CFR 60-2.17(d). Specifically, Permaswage's internal audit and reporting system failed to identify the lack of action-oriented programs designed to correct the underutilization of females in Job Group 7A.

REMEDY 4:

Permaswage will develop and implement an internal audit and reporting system that periodically measures the effectiveness of its total affirmative action program, as required by 41 CFR 60-2.17(d). The actions listed below are key to a successful affirmative action program:

- a) Monitor records of all personnel activity, including referrals, placements, transfers, promotions, terminations, and compensation, at all levels to ensure the nondiscriminatory policy is carried out;
- b) Require internal reporting on a scheduled basis as to the degree to which equal employment opportunity and organizational objectives are attained;
- c) Review report results with all levels of management; and
- d) Advise top management of program effectiveness and submit recommendations to improve satisfactory performance.

SECTION 503 VIOLATION

VIOLATION 5:

Since at least January 1, 2018, Permaswage failed to undertake appropriate outreach and positive recruitment activities that were reasonably designed to effectively recruit qualified individuals with disabilities, document these activities, assess their effectiveness, and document its review, in

violation of 41 CFR 60-741.44(f). Specifically, interviews with Permaswage officials confirmed the failure to undertake appropriate outreach and positive recruitment activities.

REMEDY 5:

Permaswage will undertake appropriate outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified individuals with disabilities, document these activities, assess their effectiveness, and document its review, as required by 41 CFR 60-741.44(f).

VEVRAA VIOLATION

VIOLATION 6:

Since at least January 1, 2017, Permaswage failed to immediately list all employment openings with either the state workforce agency job bank or a local employment service delivery system serving the location where the openings occurred in violation of 41 CFR 60-300.5(a)2-6.

REMEDY 6:

Permaswage will list all employment openings as they occur with an appropriate employment service delivery system (ESDS) (either the state workforce agency job bank or a local ESDS) where the openings occur, in a manner and format that will allow the ESDS to provide priority referrals of protected veterans to Permaswage, as required by 41 CFR 60-300.5(a)2-6. With its initial listing, and as subsequently needed to update the information, Permaswage must also advise the employment service delivery system that it is a federal contractor that desires priority referrals of protected veterans for job openings at all locations within the state, and provide the employment service delivery system with the name and address of each of its hiring locations within the state and the contact information for the contractor official responsible for hiring at each location, in accordance with 41 CFR 60-300.5(a)4. Should any of the information in the disclosures change since it was last reported to the ESDS, Permaswage shall provide updated information simultaneously with its next job listing.

PART VI. OFCCP MONITORING PERIOD

1. **Recordkeeping.** Permaswage agrees to retain all records relevant to the violations cited in Parts III and IV above and the reports submitted in compliance with Paragraph 2, 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. Permaswage will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

2. **Contractor Reports.** Permaswage agrees to furnish OFCCP with the following reports during the Monitoring Period. Each report will contain the documentation specified according to the dates scheduled:

- a. Progress Report 1: Due on August 10, 2023 covering the period of Effective Date through 90 days after Effective Date.

Documentation of:

- i. Report on Pay Adjustments: Permaswage must report on all pay adjustments made to date pursuant to the Agreement as well as the date of the adjustment. The report should include the number of salary adjustments made and the amount awarded to each recipient as well as their job group/position and work location.
- ii. Report on Compensation Data: Permaswage must submit individualized pay data for all employees in the Finishing Job Category.
- iii. Pay Equity Analysis: A copy of the pay analyses conducted pursuant to the Agreement (Part IV – Remedy 1 – Review of Compensation Procedures – Paragraph 2) and the results of the analyses.

- b. Progress Report 2: Due on August 11, 2024 covering the period of August 4, 2023 through August 4, 2024.

Documentation of:

- i. Report on Pay Adjustments: Permaswage must report on all pay adjustments made to date pursuant to the Agreement as well as the date of the adjustment. The report should include the number of salary adjustments made and the amount awarded to each recipient as well as their job group/position and work location.
- ii. Report on Compensation Data: Permaswage must submit individualized pay data for all employees in the Finishing Job Category.
- iii. Pay Analysis: A copy of the pay analyses conducted pursuant to the Agreement (Part IV – Remedy 1 – Review of Compensation Procedures – Paragraph 2) and the results of the analyses.
- iv. A copy of the written revised compensation policy and written procedures to ensure that all documents pertaining to compensation decisions are retained in accordance with 41 C.F.R. 60-1.12(a).
- v. Documentation to verify that all managers, supervisors, and human resources personnel involved in making compensation decisions for the employees in the Finishing Job Category have received training on all new and revised policies, procedures and programs developed under this

Agreement. The documentation must include the dates of the training, the names and job titles of all attendees, an outline of topics discussed during the training, and the name and job title of each person who conducted the training.

- vi. Documentation to verify that Permaswage revised reasonable accommodation procedures and termination procedures to remove barriers to equal employment opportunity. Specifically, if reasonable accommodation is sought prior to transfer to another work area, Permaswage should provide time to the employee to obtain any necessary documentation and explore reasonable accommodations prior to transfer.
- vii. Documentation to verify that Permaswage implemented procedures to ensure all reasonable accommodation requests are reviewed and monitored by Human Resources.
- viii. Reasonable accommodation log for the covered period, including name, title, supervisor name, date of request, accommodation requested, disposition, date of disposition, and reason for denial.
- ix. Documentation to verify that all managers, supervisors, and human resources personnel involved in the reasonable accommodation and termination processes have received training on Permaswage's relevant policies and procedures within the last 12 months. The documentation must include the dates of the training, the names and job titles of all attendees, an outline of topics discussed during the training, and the name and job title of each person who conducted the training.
- x. Documentation to verify that all employees have received training on Permaswage's reasonable accommodation policy. The documentation must include the dates of the training, the names and job titles of all attendees, an outline of topics discussed during the training, and the name and job title of each person who conducted the training.
- xi. Documentation to verify that Permaswage provided information to all employees regarding their right to make individual complaints to OFCCP and EEOC.
- xii. Information on Permaswage's affirmative action goals for females in Job Group 7A, effective January 1, 2024. This report should include:
 - a) Job group representation at the start of the AAP year (i.e., total incumbents, and total female incumbents);
 - b) The percentage placement rates (placement goals) established for females at the start of the reporting period; and

- c) The actual number of placements (hires plus promotions) made during the reporting period into Job Group 7A (i.e., total placements and total female placements). For goals not attained, describe the specific good faith efforts made for females to remove identified barriers, expand equal employment opportunity, and produce measurable results.
 - d) Copies of all correspondence received from each of the organizations used during the reporting period to recruit qualified females in Job Group 7A.
- xiii. Documentation to verify that Permaswage developed and implemented an auditing system that periodically measures the effectiveness of its total affirmative action program in accordance with 41 C.F.R. 60-2.17(d). Permaswage will provide the results of its internal audit for the covered period and describe the actions it took to address any area of unsatisfactory performance.
- xiv. Documentation to verify that Permaswage undertook appropriate outreach and positive recruitment activities reasonably designed to effectively recruit qualified individuals with disabilities and conducted an assessment of its efforts. This documentation should include a copy of the sections of Permaswage's AAP that list:
 - a) Its outreach activities with supporting documentation;
 - b) An assessment of the effectiveness of each activity; and
 - c) A copy of Permaswage's annual assessment of the totality of its outreach activities, as required by 41 C.F.R. 60-741.44(f)(3).

Permaswage should note that 41 C.F.R. 60-741.44(f) lists examples of several resources that may aid contractors in effectively recruitment and employment qualified individuals with disabilities.

- xv. Documentation to verify that Permaswage listed all employment openings as they occurred with an appropriate employment service delivery system (ESDS) where the openings occur, in a manner and format that will allow the ESDS to provide priority referrals of protected veterans to Permaswage. Permaswage will also provide documentation that it advised the ESDS that it is a federal contractor that desires priority referrals of protected veterans for job openings at all locations within the state, and provide the ESDS with the name and address of each of its hiring locations within the state and the contact information for Permaswage's official responsible for hiring at each location.

- c. Progress Report 3: Due on August 12, 2025 covering the period of August 5, 2024 through August 5, 2025.

Documentation of:

- i. Report on Pay Adjustments: Permaswage must report on all pay adjustments made since Progress Report 2 to date, pursuant to the Agreement as well as the date of the adjustment. The report should include the number of salary adjustments made and the amount awarded to each recipient as well as their job group/position and work location.
- ii. Report on Compensation Data: Permaswage must submit individualized pay data for all employees in the Finishing Job Category.
- iii. Pay Analysis: A copy of the pay analyses conducted pursuant to the Agreement (Part IV – Remedy 1 – Review of Compensation Procedures – Paragraph 2) and the results of the analyses, for the employees in the Finishing Job Category.
- iv. Reasonable accommodation log for the covered period, including name, title, supervisor name, date of request, accommodation requested, disposition, date of disposition, reason for denial.
- v. Information on Permaswage’s affirmative action goals for females in Job Group 7A, effective January 1, 2025. This report should include:
 - e) Job group representation at the start of the AAP year (i.e., total incumbents, and total female incumbents);
 - f) The percentage placement rates (placement goals) established for females at the start of the reporting period; and
 - g) The actual number of placements (hires plus promotions) made during the reporting period into Job Group 7A (i.e., total placements and total female placements). For goals not attained, describe the specific good faith efforts made for females to remove identified barriers, expand equal employment opportunity, and produce measurable results.
 - h) Copies of all correspondence received from each of the organizations used during the reporting period to recruit qualified females in Job Group 7A.
- vi. Permaswage will provide the results of its internal audit conducted pursuant to 41 C.F.R. 60-2.17(d) for the covered period and describe the actions it took to address any area of unsatisfactory performance.

- vii. Documentation to verify that Permaswage undertook appropriate outreach and positive recruitment activities reasonably designed to effectively recruit qualified individuals with disabilities and conducted an assessment of its efforts. This documentation should include a copy of the sections of Permaswage's AAP that list:
 - a) Its outreach activities with supporting documentation;
 - b) An assessment of the effectiveness of each activity; and
 - c) A copy of Permaswage's annual assessment of the totality of its outreach activities, as required by 41 C.F.R. 60-741.44(f)(3).
 - viii. Documentation to verify that Permaswage listed all employment openings as they occurred with an appropriate employment service delivery system (ESDS) where the openings occur, in a manner and format that will allow the ESDS to provide priority referrals of protected veterans to Permaswage. Permaswage will also provide documentation that it advised the ESDS that it is a federal contractor that desires priority referrals of protected veterans for job openings at all locations within the state, and provide the ESDS with the name and address of each of its hiring locations within the state and the contact information for Permaswage's official responsible for hiring at each location.
- d. **Affirmative Action Programs.** Permaswage will submit its current year AAP for E.O. 11246, Section 503, and VEVRAA with the first Progress Report and annually thereafter while the CA monitoring period is in effect.
- e. **Reports on Modifications to Personnel Practices.** In each Progress Report, Permaswage will report on all modifications of personnel practices made to date pursuant to the Agreement, and subsequent to each prior Progress Report, and provide documentation of its compliance with the remedy provisions of this Agreement. If any of the relevant documents such as job postings or policies have not been modified since being provided during a prior reporting period, a statement to that effect is sufficient.

Permaswage will submit reports to Compliance Officer (b) (7)(C), (b) (6) at (b) (7)(C), (b) (6)@dol.gov. Permaswage and OFCCP have a common interest in the information being provided in the reports pursuant to this Agreement. The reports Permaswage provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, may contain confidential and proprietary business information, and are customarily kept private or closely-held, and Permaswage believes the reports should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request. In the event of a FOIA request, OFCCP will promptly notify Permaswage of the FOIA request and provide Permaswage an opportunity to object to disclosure. OFCCP will withhold disclosure of such reports to the maximum extent allowable by law.

3. **Close of Monitoring Period and Termination of Agreement.** This Agreement shall remain in effect until the monitoring period is completed. The monitoring period will close once OFCCP accepts Permaswage's final progress report as set forth in Part VI, Paragraph 2 above. If OFCCP fails to notify Permaswage in writing within sixty (60) days of the date of the final progress report that Permaswage has not fulfilled all of its obligations under the Agreement, OFCCP will be deemed to have accepted the final report and the Monitoring Period and this Agreement will terminate. If OFCCP notifies Permaswage within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Permaswage has met all of its obligations under the Agreement.

PART VII. SIGNATURES

The person signing this Agreement on behalf of Permaswage personally warrants that he or she is fully authorized to do so, that Permaswage has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Permaswage.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Designed Metal Connections dba Permaswage, 14800 South Figueroa Street, Gardena, California.

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

Stella Zielinski
Senior Director of Human Resources
Designed Metal Connections dba Permaswage
Gardena, California

DATE: 05/04/2023

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

Jane Suhr
Regional Director
Pacific Region

DATE: 5/5/2023

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

Agnes Huang
District Director
Los Angeles District Office

DATE: May 5, 2023

Attachments:

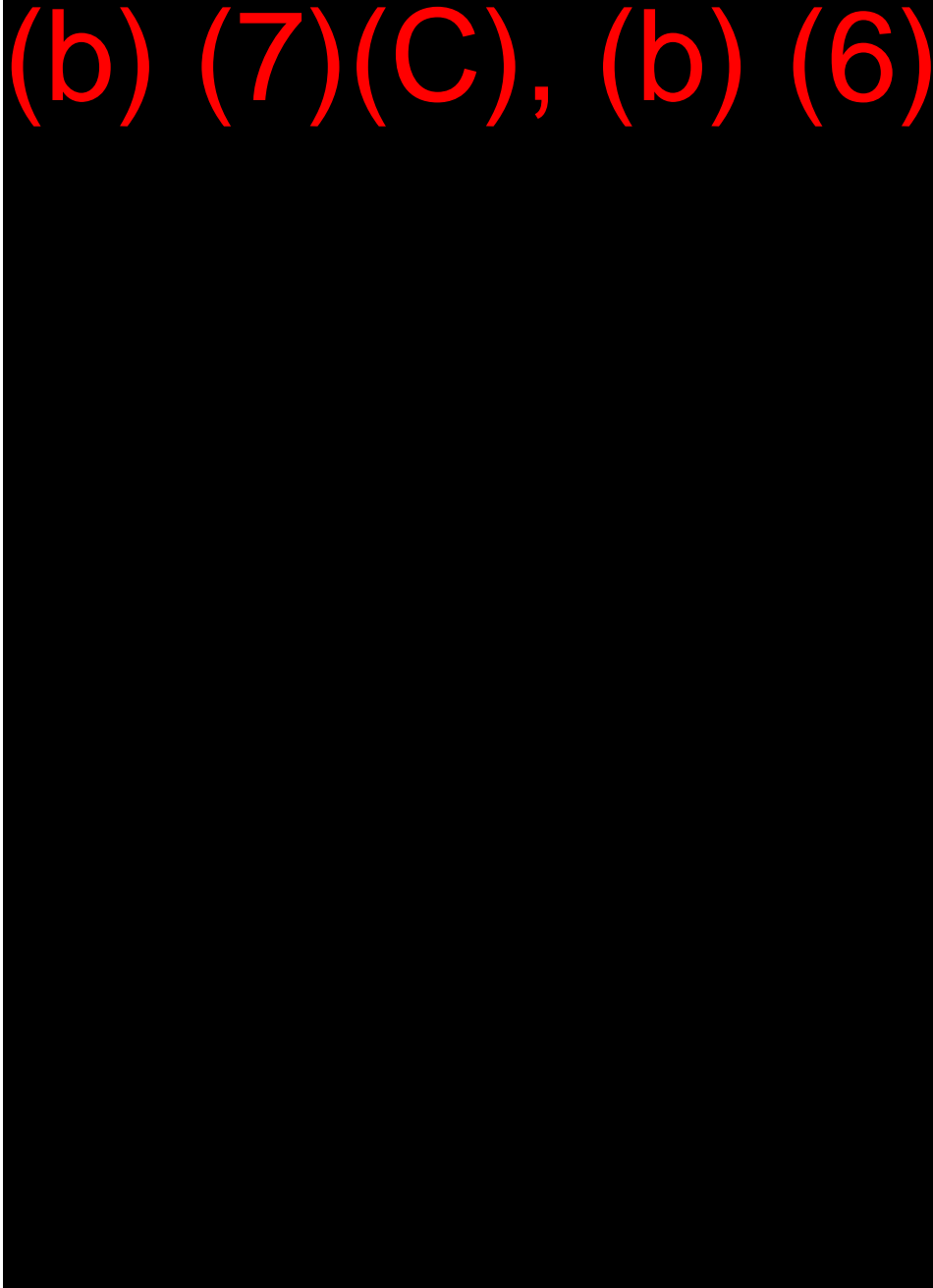
- A. Class Member List
- B. Timeline
- C. Notice Documents

ATTACHMENT A

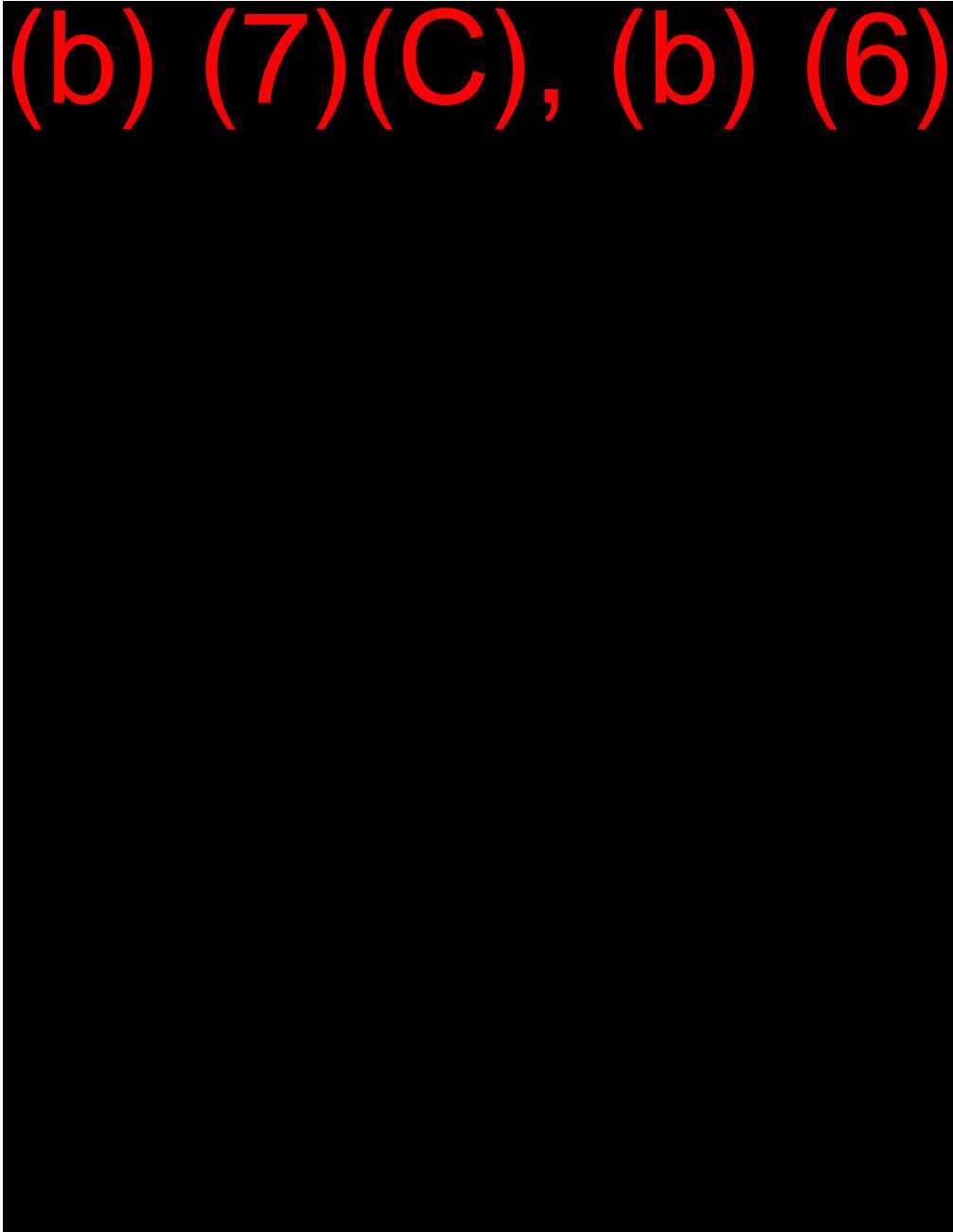
LIST OF AFFECTED CLASS MEMBERS

Class Member ID	Minimum Backpay Distribution for Each Class Member	Minimum Interest Payment for Each Class Member	Minimum Backpay and Interest for Each Class Member
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(b) (7)(C), (b) (6)



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



		Total:	\$122,000.00
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ATTACHMENT B

TIMELINE

ACTIVITY	DATE
Deposit Funds in Settlement Account	15 Days from Effective Date (5/20/2023)
Notify OFCCP of Deposit & Provide Appropriate Documentation	20 Days from Effective Date (5/25/2023)
Permaswage Mails Notice Documents (First Mailing)	30 Days from Effective Date (6/4/2023)
Deadline for Affected Class Members to Reply to 1 st Notice	60 Days from Effective Date (7/4/2023)
Permaswage Notifies OFCCP of Undeliverable Mailings (1 st Round)	90 Days from Effective Date (8/3/2023)
OFCCP Provides Updated Contact Information to Permaswage	110 Days from Effective Date (8/23/2023)
Permaswage Mails Notice Documents (Second Mailing)	130 Days from Effective Date (9/12/2023)
Deadline for Affected Class Members to Reply to 2 nd Notice	160 Days from Effective Date (10/12/2023)
Permaswage Provides OFCCP with Proposed List of Eligible Class Members	170 Days from Effective Date (10/22/2023)
OFCCP Reviews and Approves Final List and Distribution Amounts	200 Days from Effective Date (11/21/2023)
Permaswage Mails Checks to Eligible Class Members	210 Days from Effective Date (12/1/2023)
Permaswage Provides OFCCP with Documentation of Payment	Within 15 Days of Check Clearing
Distribution of Remaining Funds to Eligible Class Members	Within 20 Days of Last Check from the First Backpay Distribution Becoming Void
Permaswage Provides OFCCP with Documentation of Payment (2 nd Distribution)	Within 15 Days of Check Clearing
Progress Report #1	8/10/2023
Progress Report #2	8/11/2024
Progress Report #3	8/12/2025

ATTACHMENT C-1

NOTICE TO AFFECTED CLASS MEMBERS

Dear [name]:

Designed Metal Connections dba Permaswage and the Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) have entered into a Conciliation Agreement (Agreement) to remedy the violation of Executive Order 11246 (E.O. 11246) that OFCCP found during a compliance review of Permaswage's Gardena establishment. OFCCP's analysis showed that as of January 1, 2018, Permaswage has paid female employees in the Finishing Job Category significantly less per year than male comparators. Permaswage has not admitted to any violation of E.O. 11246 and there has not been any adjudicated finding that Permaswage violated any laws. OFCCP and Permaswage entered into the Agreement to resolve the matter without resorting to further legal proceedings.

You have been identified as one of the individuals who worked in the Finishing group on January 1, 2018. Under the Agreement, you may be eligible to receive a payment [insert appropriate amount/description such as "of at least \$ _____"] (less deductions required by law). Under the terms of the Agreement it may take up to [number] months from the date of this letter before you receive your payment. In order to be eligible for a payment, you must complete, sign, and return enclosed Information Verification Form and Release of Claims under Executive Order 11246, as Amended. The forms should be mailed as soon as possible to the address below. In order for you to be eligible to participate in the settlement, your documents must be received by [insert date by which class members must respond].

[Name]

[Position]

Designed Metal Connections dba Permaswage

[Address]

You may use the enclosed postage-paid return envelope to return the completed and signed Information Verification Form and Release of Claims under Executive Order 11246, as Amended.

If you have any questions you may call [name] at Permaswage at [phone number], or OFCCP Compliance Officer (b) (7)(C), (b) (6) at (310) 268-██████████. Your call will be returned as soon as possible.

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

Sincerely,

[Name]

Enclosures
Information Verification Form
Release of Claims under Executive Order 11246, as Amended

ATTACHMENT C-2

INFORMATION VERIFICATION FORM

You must complete this form in order to be eligible for the monetary payment under the terms of the Conciliation Agreement (Agreement) between Permaswage 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 Permaswage at the address below if your address, email address or phone number changes within the next twelve (12) months.

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENT TO THE ADDRESS BELOW BY [DATE CLASS MEMBERS MUST RESPOND], YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

Designed Metal Connections dba Permaswage
Attn: Name, Title
[Address]

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

Signature

Date

ATTACHMENC C-3

RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246, AS AMENDED

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 (Release) under Executive Order 11246 as amended, is a legal document. The document states that in return for Designed Metal Connections dba Permaswage (Permaswage) paying you money, you agree that you will not file any lawsuit against Permaswage for allegedly violating Executive Order 11246, as amended, in its compensation on the basis of gender in the Finishing Job Category positions. It also says that Permaswage does not admit it violated any laws. 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 documents by a certain date, you will not receive any money.

In consideration of payment by Permaswage to me, which I agree is acceptable, I agree to the following:

I.

I hereby waive, release and forever discharge Permaswage, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, directors, officers, employees, agents, successors, and assigns, 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, which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate to my compensation on the basis of my gender at any time prior to the date of my signature on this Release. By signing this agreement, I agree that I have been made whole for any claim that could have been brought under Executive Order 11246, as amended, relating to my compensation with Permaswage through the Effective Date of this Release.

II.

I understand that Permaswage denies that it treated me unlawfully or unfairly in any way and that Permaswage entered into a Conciliation Agreement with the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP) and agreed to make the payment described above to resolve alleged disparities in compensation and to resolve the matter without further legal proceedings in the compliance review initiated by OFCCP on April 6, 2018. I further agree that the payment of the aforesaid sum by Permaswage to me is not to be construed as an admission of any liability by Permaswage.

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 contact listed on the enclosed Notice to Affected Class Members, by the deadline listed on the Notice, I will not be entitled to receive any payment (less deductions required by law) from Permaswage.

IN WITNESS WHEREOF, I have signed this document on this ____ day of _____,
20__.

Printed Name

Signature