

Early Resolution Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
Rosemount Aerospace Inc.
14300 Judicial Road
Burnsville, Minnesota 55306
R00300803

I. Preliminary Statement

The Office of Federal Contract Compliance Programs ("OFCCP") evaluated the Rosemount Aerospace Inc. ("Contractor") establishment located at 14300 Judicial Rd., Burnsville, Minnesota 55306. OFCCP found that Contractor failed to comply with Executive Order 11246, as amended ("E.O. 11246" or the "Executive Order"), and the respective implementing regulations at 41 CFR Chapter 60.

In the interest of resolving the alleged violations without engaging in further legal proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and Contractor (collectively, the "Parties") enter into this Early Resolution 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.

II. General Terms and Conditions

1. In exchange for Contractor's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246 based on the violations described in Parts III and VII below. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Contractor 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.
2. OFCCP may review Contractor'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. Contractor 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 it requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves Contractor 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.
4. Contractor and OFCCP agree that any release of claims required by this Agreement will only pertain to claims of hiring discrimination under E.O. 11246.

5. Contractor 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.
6. The parties understand the terms of this Agreement and enter into it voluntarily.
7. 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.
8. This Agreement becomes effective on the day it is signed by the Regional Director of the Midwest Region ("Effective Date").
9. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
10. This Agreement will expire sixty (60) days after Contractor submits its final progress report required in Section VIII, below, unless OFCCP notifies Contractor in writing before the expiration date that Contractor 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 Contractor has met all of its obligations under the Agreement.
11. If Contractor violates this Agreement:
 - a. The procedures at 41 C.F.R. § 60-1.34 will govern:
 - i. OFCCP will send Contractor a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. Contractor 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 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.
 - iv. In the event of a breach of this Agreement by Contractor, per 41 C.F.R. § 60-1.34, 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. Contractor may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 CFR § 60-1.27 and/or other appropriate relief for violating this Agreement.
- 12. Contractor denies any violation of the Executive Order. Additionally, there has not been an adjudication on the merits regarding any such violation.
- 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 OFCCP.
- 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 any OFCCP policy, practice or position 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, and in the Timeline included as Attachment B, 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.

III. Preliminary Findings

Alleged Race Discrimination in Hiring: OFCCP alleges that Contractor discriminated against Black applicants who applied for Assembler I positions in violation of E.O. 11246 section 202 and 41 CFR § 60-1.4(a)(1). Specifically, OFCCP found statistically significant differences in the hiring rates of Black applicants for the Assembler I position at the Burnsville, MN establishment when compared to Asian applicants during the period January 1, 2018 through June 30, 2019, resulting in a shortfall of 26 Black hires.

IV. Financial Remedy

1. Settlement Fund

- a. The settlement fund is a negotiated amount that represents estimated back pay and accrued interest. Contractor agrees to pay a total of \$712,500 in back pay and accrued interest. Contractor's share of statutory taxes on the portion representing back pay, such as Federal Income Contributions Act (FICA) and Federal Unemployment Tax Act (FUTA), and other state and local taxes, is not part of the Settlement Fund.

- b. **Claims Administrator.** Contractor may engage a Claims Administrator for the Settlement Fund. If a Claims Administrator is engaged by the Contractor, their duties may include, but are not limited to, establishing the Settlement Fund account, finding updated contact information for “Affected Applicants” in Attachment A, mailing notices, responding to inquiries from Affected Applicants, providing reports to Contractor and OFCCP, and issuing payments from the Settlement Fund, as described below. All fees for services by the Claims Administrator will be paid for by Contractor. No funds from the Settlement Fund will be used to cover Claims Administrator fees.
- c. **Settlement Fund Account.** Within forty-five (45) days after the Effective Date, Contractor will deposit a total of \$712,500 in an FDIC-insured interest-bearing account at the prevailing interest rate. This account may be maintained by the Claims Administrator if one is used. Contractor 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 (Attachment B), Contractor will provide OFCCP with copies of bank records showing the current balance of the account, list of transactions and the amount of accrued interest on the account. Contractor will be responsible for any fees associated with the FDIC-insured interest-bearing account.
- d. **Specific Settlement Fund Amounts.** The total Settlement Fund amount includes \$627,000 in back pay and \$85,500 in interest to resolve the alleged violations set forth above.

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 pursuant to this Agreement. Individual distributions 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), state or local insurance premiums or taxes.
- b. **Affected Applicants Eligible to Receive Payments.** The Settlement Fund will be distributed equally to all persons who are identified by OFCCP as “Affected Applicants” in Attachment A who timely respond to the Notice Process, as explained below and whose eligibility is verified by OFCCP (hereinafter referred to as “Class Member(s)”). Class Members will be established by OFCCP on a “Final List of Class Members” (hereinafter, “Final List”). The Settlement Fund will be distributed to the Class Members on the Final List in equal shares. All Class Members are entitled to their share of the monetary settlement regardless of whether or not they are currently interested in employment with Contractor.

- c. **Payments to Class Members.** Contractor will issue checks as the sole payor or make electronic payments to each 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. Reasonable efforts will be made to ensure that all Class Members listed on the Final List have an opportunity to claim their portion of the settlement. Where it is determined that a Class Member did not receive a check or that a check was lost, OFCCP and the Contractor will work together to provide a replacement check before any funds are redistributed to other class members. Any check that remains uncashed 180 days after the initial date the check was mailed to the Class Member will be void. With respect to any uncashed funds, Contractor will make a second distribution in equal shares to all Class Members who cashed their first check, but only if the total amount that would be distributed to each Class Member exceeds \$20 (twenty dollars). Contractor will mail the second distribution to such participants by the date specified in the Timeline. With respect to any uncashed checks from either the initial or second distribution, as applicable, Contractor will deposit the monies in the name of any Class Member who did not cash his/her/their check with the State of Minnesota Department of Commerce Unclaimed Property Division in accordance with any and all state and local applicable laws and regulations (<https://minnesota.findyourunclaimedproperty.com/app/submit-a-report>). No portion of these funds shall revert directly or indirectly to Contractor or any of its affiliates. Contractor will notify each class member whose check is sent to the State of Minnesota Department of Commerce Unclaimed Property Division.
- d. **Tax Payments, Forms and Reporting.** Contractor will pay its share of social security withholdings, and any other tax payments required by law from additional funds separate from the Settlement Fund. Contractor shall mail to each 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 Class Members either at the time of payment, electronically or with the settlement checks, or at the end of the year. No Class Member will be required to complete a W-4 or W-9 in order to receive payments under this settlement.¹ Pursuant to the Tax Cuts and Jobs Act (TCJA), OFCCP will report to the IRS via a form 1098-F when an employer (or individual) is required to pay fines, penalties, restitution, remediation, or other costs in excess of \$50,000 as a result of a violation of law or an investigation or inquiry into a violation of law.²

¹ IRS guidance states that an employer can assume a single deduction in the absence of a W-4 form. See 26 CFR 31.3402(f)(2)-1(a).

² The IRS issued its implementing regulations in January 2021.

<https://www.federalregister.gov/documents/2021/01/19/2021-00741/denial-of-deduction-for-certain-fines-penalties-and-other-amounts-related-information-reporting>

3. Notice Process

- a. **OFCCP and Contractor Obligations under the Notice Process.** The Notice Process set forth in this agreement is intended to provide Affected Applicants a meaningful opportunity to understand their rights and obligations and act on them in a timely manner. This includes providing technical assistance to Affected Applicants seeking information about their rights and obligations under this Agreement. As specified in the Timeline 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. **Notice Documents.** Contractor will distribute Notice Documents contained in Attachment C to Affected Applicants identified in Attachment A. The Notice Documents include a Notice, Information Verification Form, and Release of Claims. The Notice Documents make clear 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 will meet and confer on any reasonable modifications of the Notice Documents or additions to the materials distributed by Contractor, 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 meet and confer on any reasonable modifications to the Timeline proposed by either party.
- d. **Search for Affected Applicants.** OFCCP shall provide Contractor with complete contact information in its possession or its authority to obtain on the Affected Applicants by the date set forth in the Timeline.
- e. **Distribution of Mail Notice to Affected Applicants.** Contractor will provide initial notice by regular first-class mail. Contractor will send copies of all of the Notice Documents as defined above, including a postage-paid return envelope, by first class mail to the address provided by each Affected Applicant at the time of application, by the date set forth in the Timeline. If envelopes from the initial mail notice are returned with forwarding addresses, Contractor will re-mail the Notice Documents within five (5) days of receipt of the forwarding address.

Per the Timeline, Contractor will provide OFCCP with specific information pertaining to Affected Applicants in Microsoft Excel. Based on the response to the initial mail notice, the parties will meet and confer by the date set forth in the Timeline to assess the results of the initial mail notice and to ensure that the second round of mail notice maximizes the potential response rate. OFCCP may attempt to locate those Affected Applicants who did not respond and may reach out to Affected Applicants who did not submit both forms, or who failed to sign a form. OFCCP will provide Contractor with information for a second mailing in accordance with the

Timeline. Contractor will send a second mail notice to Affected Applicants with valid addresses who fail to respond to the first mail notice unless the parties agree otherwise.

- f. **Notice Deadline.** The final deadline for any Affected Applicant to respond to the notice is set forth in the Timeline. The parties will prominently display this deadline on all materials they distribute in paper or online form 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 Applicants using information consistent with this Agreement and the Notice Documents. The parties will document all inquiries and any actions taken. The parties will prominently display contact information for the Contractor representative and OFCCP representative on all materials distributed to Affected Applicants in paper or online form regarding this Agreement. Contractor will provide OFCCP contact information to any Affected Applicant with questions or concerns.
- h. **Exchange of Information Regarding Affected Applicants.** Contractor and OFCCP will timely exchange information regarding Affected Applicants, including updated contact information and the results of any technical assistance provided.
- i. **Final List of Class Members.** The Final List will include all Affected Applicants who timely responded to the Notice by the deadline set forth in the Timeline and whose eligibility is verified by OFCCP. The Final List of Class Members will be prepared as follows. Within the timeframes established in the Timeline, Contractor will provide OFCCP with the list of Affected Applicants who timely responded to notices in accordance with the Agreement, and OFCCP will approve a Final List of Class Members. The parties will meet and confer on any outstanding issues or questions regarding the Final List of Class Members. Either party may identify potentially eligible Affected Applicants 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 of Class Members. Contractor will provide to OFCCP any information necessary to determine the Final List of Class Members.
- j. **Final List of Job Offer Eligible Class Members.** An additional list of Class Members who timely expressed an interest in employment in an Assembler I position and who are not currently employed in the Assembler I position will also be maintained. These individuals will be known as Job Offer Eligible Class Members. Contractor will provide OFCCP with the list of Job Offer Eligible Class Members as well as documentation to support contractor's reason for exclusion on the list, i.e., documentation to support current employment in the Assembler I position. OFCCP will approve the Final List of Job Offer Eligible Class Members. The parties will meet and confer on any outstanding issues or questions regarding the Final List of Job Offer Eligible Class Members. Either party may identify potentially eligible Affected

Applicants 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 of Job Offer Eligible Class Members. Contractor will provide to OFCCP any information necessary to determine the Final List of Job Offer Eligible Class Members.

- k. **Documentation of Payments.** By the deadline set forth in the Timeline, Contractor will provide OFCCP with copies of cancelled checks or electronic documentation of all payments to 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, the Contractor will provide a similar documentation on the second distribution.
- l. **Contractor Expenses.** Contractor 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.

V. Additional Individual Relief

1. Job Opportunities

- a. **Description of Job Opportunities.** As vacancies occur in the Assembler I position, Contractor shall make bona fide job offers with retroactive seniority to Class Members who have expressed interest in employment and who are not currently employed by Contractor in the Assembler I position ("Job Offer Eligible Class Members") until 26 Job Offer Eligible Class Members are hired or the list of Job Offer Eligible Class Members is exhausted, whichever comes first. Until that time, these Job Offer Eligible Class Members will have priority over all other candidates for hire into the Assembler I position. As vacancies occur in the Assembler I position, Contractor shall contact the Job Offer Eligible Class Members with a written conditional job offer in the order in which they submitted their Information Verification Form, or, if the Form was received on the same day, in the order of their original application date. Contractor will make at least two attempts by phone and two attempts by email to contact Job Offer Eligible Class Members who have expressed an interest in employment with Contractor on the Information Verification Form. Offers of employment to the Job Offer Eligible Class Members shall be conditional and will require the individual to possess the minimum qualifications and satisfy any other conditions of employment as Assembler I applicants outside of this agreement. If the Job Offer Eligible Class Member rejects the job offer or fails to satisfy any of the conditions for employment, the Contractor may withdraw the job offer and shall be under no obligation to hire the individual or make any further job offers to the individual pursuant to the Agreement.

New hires must start on a Monday. Therefore, the report-to-work date for individuals hired pursuant to this Agreement shall be no later than the first Monday fourteen (14) days after the date that the conditional offer of employment is accepted and the

conditions satisfied. The individual must report to work on the day designated or provide Contractor notice of good cause for their absence on or before that date. If good cause is provided, the individual must report to work on the next Monday after the original designated start date. Otherwise, Contractor may withdraw the job offer and shall be under no obligation to hire the individual or make any further job offers to the individual pursuant to this Agreement, but Contractor will remain obligated to continue making conditional job offers to the remaining Job Offer Eligible Class Members until 26 Assembler I positions are filled or the list of Job Offer Eligible Class Members is exhausted, whichever comes first.

Contractor agrees to pay individuals hired pursuant to this provision at least the current entry level wage for the Assembler I position that is in effect at the time of the hire, any applicable sign-on bonuses, and shall provide all regular and on-the-job training currently provided to employees in that position.

- b. **Reporting.** Contractor will document the job offers and hires, including job offers made, reasons for rejection, and Job Offer Eligible Class Member hired and terminated during the monitoring period as set forth in Section VIII, OFCCP Monitoring Period, below.

VI. Modifications to Employment Practices and Other Non-Monetary Relief

1. **Compliance.** Contractor will ensure that all applicants are afforded equal employment opportunities.
2. **Review Hiring Process.** In accordance with the Timeline, Contractor will review and, if appropriate, revise, the practices, policies, and procedures it uses to select applicants for Assembler I positions. Contractor's hiring process shall:
 - a. Ensure that all applicants are afforded equal employment opportunities. Contractor's revised hiring process shall comply with all OFCCP regulations concerning selection procedures, including 41 CFR Part 60-3.
 - b. Ensure that applicants at Contractor are tracked, and decisions are documented at each step in the hiring process. Contractor shall maintain procedures to ensure that documents are retained in accordance with 41 C.F.R §§ 60-1.12(a) and 60-3.
3. **Training.**
 - a. **Hiring Process.** Contractor will train all management and individuals involved in any way in recruiting, selecting, or tracking applicants for Assembler I positions at Contractor on its hiring process and OFCCP's recordkeeping obligations. The training will include instruction on the proper implementation of the recruitment, tracking and selection procedures; neutral application of the specified qualifications and criteria that will be used at each step in the hiring process; procedures to be used to document the decisions made at each step in the hiring process and the procedures to be used to ensure that documents are retained in accordance with 41 CFR §§ 60-

1.12(a) and 60-3. Additionally, the training will cover the requirement that Contractor must not retaliate against applicants who benefit from the provisions of the Agreement. Contractor will maintain a record of the date of each training, and the name and job title of each manager and employee attending the training.

- b. The training must ensure that individuals who have completed the training understand and can implement the requirements to (1) follow nondiscriminatory hiring practices, (2) consistently and fairly implement the hiring process, and (3) properly document the results of their decisions and retain appropriate records.

- 4. **Recordkeeping and Retention.** Contractor will implement or revise, as appropriate, procedures to ensure that applicants are tracked, and decisions are documented, at each step in the hiring process. Contractor will implement or revise, as appropriate, procedures to ensure that documents (including any notes taken during applicant interviews) are retained in accordance with 41 CFR §§ 60-1.12(a) and 60-3.
- 5. **Monitoring.** Contractor agrees to monitor Assembler I selection rates at each step of its selection process. If Contractor adds or changes a step in its process, the additional step will also be analyzed. When Contractor finds that a selection procedure or qualification has an adverse impact, as defined by 41 CFR § 60-3.4(D), on the hiring of applicants of a particular race or sex, Contractor will eliminate the procedure, identify a legitimate business need for the selection procedure, choose an alternative procedure, or validate the procedure in accordance with the Uniform Guidelines on Employee Selection Procedures codified at 41 CFR Part 60-3. Contractor agrees to maintain and make available to OFCCP records concerning the impact of the selection process for Assembler I positions at Contractor. The records will include the race of applicants, hires, and the selection process utilized. Contractor will retain this information until the expiration of the Agreement or as long as required by the regulations, whichever is later.

VII. Technical Violations and Remedies

- 1. **VIOLATION:** During the period of January 1, 2018 to June 30, 2019, OFCCP found that Contractor failed to keep and preserve complete and accurate personnel and employment records for a period of not less than two years from the date of the making of the record or the personnel action, which ever occurred later, in violation of 41 CFR § 60-1.12(a) and (e). Specifically, Contractor did not maintain interview notes created in connection with Assembler I positions.

REMEDY: Contractor will keep and preserve complete and accurate personnel and employment records, as required by 41 CFR § 60-1.12(a) and (e) and will keep and preserve those records for a period of not less than two years from the date of the making of the record or the personnel action, whichever occurs later.

VIII. OFCCP Monitoring Period

1. **Recordkeeping.** Contractor agrees to retain all records relevant to the violations cited in the Sections above and the reports submitted in compliance with Paragraph 2, below. These records include underlying data and information such as Applicant Tracking System ("ATS"), Human Resources Information System ("HRIS") and payroll data, recruitment efforts, job postings, job applications, 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. Contractor Reports.

a. **Schedule and Instructions.** Contractor will submit four Progress Reports covering each six-month period of this Agreement. The Progress Reports shall cover successive six-month periods and shall be submitted 30 calendar days after the close of that six-month period, in accordance with the Timeline. Contractor must submit the documents and reports described below via email to OFCCP Milwaukee District Office, Attn: (b) (6), (b) (7)(C) Technical Expert at (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 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 extent required by law.

b. **Reporting on Financial Remedy.** Within the prescribed timeframes, Contractor will submit all documents and information referenced in Section IV of the Agreement, including but not limited to the following:

- i. Names of Class Members who were paid;
- ii. The number and the amount of the check and the date the check cleared the bank; and
- iii. Copies of all canceled checks or electronic documentation of all payments to Eligible Class Members.

3. **Reports on Job Offers.** In each Progress Report, Contractor will report on all job offers and hires made to date pursuant to the Agreement until all of the job opportunities for the reviewed establishment are filled or the list of Job Offer Eligible Class Members is exhausted, whichever occurs first. This includes:

- a. Documentation of all job offers made to Job Offer Eligible Class Members, including the name and race of individuals offered jobs, the date of the offer, the date the offer was accepted or rejected, and the starting pay rate.
 - b. Documentation of Job Offer Eligible Class Members who expressed interest in job offers who did not successfully complete the application process, including the name and race of these individuals, and the reason Contractor determined they were not eligible for hire, along with all relevant documentation (e.g., failed to meet minimum qualifications, qualified Eligible Applicant declined a job offer). This includes individuals who did not receive job offers because all available positions were filled.
 - c. A list of Eligible Applicants who were hired and/or terminated during the life of the Agreement, including the employment start dates for hires and/or the reason for termination.
 - d. A statement of the number of available positions remaining to be filled and the number of Job Offer Eligible Class Members still on the list.
 - e. If Contractor has not filled all of the positions specified in this Agreement by the Progress Report date, a statement of the reason this action is not complete and the efforts being taken and planned to complete it in the next reporting period.
 - f. If Contractor fails to meet its hiring obligations under this Agreement by the close of the Monitoring Period, OFCCP reserves its rights under Section II, Paragraphs 10 and 11 of this Agreement to extend the monitoring period or to pursue enforcement remedies.
4. **Reports on Modifications to Personnel Practices.** In each Progress Report Contractor will report on all modifications of personnel practices made to date pursuant to the Agreement 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. The reports must include:
- a. Documentation of the implementation of and modifications to the Revised Hiring Process described in Section VI, Paragraph 2.
 - b. For each individual who applied for an Assembler I position at the Contractor facility during the six-month reporting period, an electronic database that contains the following information for each individual: First and Last Name, Applicant ID or other Unique ID, Race, Reason for Non-Selection or Hire, as applicable, Date of Hire (as applicable), and Department into which Hired.
 - c. For Assembler I positions at the Burnsville, MN establishment, the results of Contractor's analysis as to whether its total selection process has an adverse impact as

defined in 41 C.F.R § 60-3.4D. For purposes of these analyses, hires made pursuant to this Agreement will be omitted.

- d. For each instance where the total selection process has an adverse impact, as defined in 41 C.F.R § 60-3.4D, the results of Contractor's evaluation of the individual components of the selection process for adverse impact, and/or the actions taken by Contractor upon determining that any component of the selection process has an adverse impact on members of protected groups.
 - e. Documentation of the training on the Revised Hiring Process and equal employment opportunity obligations described in Section VI, Paragraph 3. The documentation must include the name and job title of each employee attending the training discussed in Section VI, Paragraph 3a, and the date of the training.
5. **Reporting Pursuant to Technical Violation and Remedy.** Contractor will report on the following in each Progress Report:
- a. Pursuant to Technical Violation No. 1: Documentation demonstrating that Contractor is maintaining interview notes for the Assembler I position.
6. **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 Contractor's final progress report as set forth in Part II, Paragraph 10 above. If OFCCP fails to notify Contractor in writing within sixty (60) days of the date of the final progress report that Contractor 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 Contractor within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Contractor has met all of its obligations under the Agreement.

{Signature Page Follows}

IX. 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 Rosemount Aerospace Inc., 14300 Judicial Road, Burnsville, Minnesota 55306.

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

MARK SKAROHLID
Vice President & General Manager
Rosemount Aerospace Inc.
Burnsville, Minnesota 55306

DATE: 07 August 2023

CARMEN Digitally signed by
CARMEN NAVARRO
Date: 2023.08.08
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NAVARRO

CARMEN NAVARRO
Regional Director
OFCCP, Midwest Region

DATE: 8/8/23

Attachments:

- A. List of Affected Applicants
- B. Timeline
- C. Notice Documents

Attachment A: List of Affected Applicants

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Attachment B: Timeline

CA Signed by OFCCP Regional Director: Effective Date			
8/7/2023			Effective Date (ED)
Establishment of Account for Settlement Fund			
Estimated Due Date	# of Days from Last Action	Total # of Days from ED	Action Required
9/21/2023	45	45	Contractor opens account for settlement fund.
9/26/2023	5	50	Within 5 days of establishing the account, contractor notifies OFCCP that account is open.
Establishing Eligible Applicant List (Final List)			
Estimated Due Date	# of Days	Total # of Days from ED	Action Required
9/6/2023	30	30	Contractor provides initial notice by regular first class mail to Affected Applicants.
TBD	5		If envelopes from the initial mail notice are returned with forwarding addresses, Contractor will re-mail the Notice Documents within 5 days of receipt of the forwarding address.
biweekly			Contractor notifies OFCCP of all letters returned as undeliverable. If a Notice is returned with a forwarding address, the contractor will re-mail the Notice Documents within 5 days of receipt of the forwarding address.
10/21/2023	45	75	Parties will meet and confer to assess the results of the initial mail notice and to ensure that the second round of mail notice maximizes the potential response rate. To facilitate this assessment, Contractor will send OFCCP a list in MS Excel of all Affected Applicants with the following information: First Name, Last Name, notice returned as undeliverable - Y/N, re-mailed to forwarding address - Y/N; Information Verification Form received by Contractor - Y/N, Release of Claims Form Received by Contractor - Y/N, Release of Claims Form Acceptable - Y/N.
11/5/2023	15	90	Within 15 days of receipt of this list, OFCCP will attempt to locate the Affected Applicants whose letters were returned as undeliverable or who did not respond.
11/20/2023	30	105	Contractor will send second mailing within 30 days after meeting with OFCCP.

1/4/2024	120	150	Final deadline for Affected Employees to respond to the notice.
1/19/2024	15	165	Contractor provides list of Eligible Class Members who will participate in the settlement fund as well as the priority employment list.
2/3/2024	15	180	OFCCP reviews and approves final Eligible Class Member List and the priority employment list.
Disbursement of Settlement Fund			
Estimated Due Date	# of Days	Total # of Days from ED	Action Required
3/4/2024	30	210	Contractor disburses the settlement fund based on amounts provided by OFCCP with the final Eligible Class Member list.
Varies	7		Contractor will notify OFCCP within 7 calendar days of payments that were returned as undeliverable.
Varies	15		OFCCP will provide alternate address to contractor.
Varies	15		Contractor will re-mail checks with new address provided by OFCCP.
6/2/2024	90	300	First Check Deadline: Contractor will notify OFCCP of any checks uncashed after 90 days. Contractor will provide OFCCP with copies of cancelled checks or electronic documentation 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.
6/2/2024	90	300	Eligible Class Members have 90 days to cash their checks, after which the checks become void.
7/2/2024	30	330	Contractor will make a second distribution, as appropriate, 30 calendar days after initial checks are void.
8/16/2024	45	375	Second Check Deadline: Eligible Class Members who have been issued second checks have 45 days to cash checks. As appropriate, Contractor will provide OFCCP with copies of cancelled checks or electronic documentation 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.

Job Opportunities			
Varies			As positions become available, Contractor shall make at least two attempts to reach Job Offer Eligible Class Members by phone and two attempts by email to invite to apply to positions. See CA for reporting requirements.
Closing the Settlement Fund			
Estimated Due Date	# of Days	Total # of Days from ED	Action Required
9/30/2024	45	420	The settlement fund closes 45 days after the second distribution.

Monitoring and Progress Reports				
Reporting Activity			Days	Due Date
Contractor provides OFCCP with revised hiring process, if applicable, and documentation of training in accordance with Section VI (Paragraphs 2 and 3).			180	2/3/2024
Report #	Days covered by report	Covering		Report Due Dates
1	181	9/1/2023	2/29/2024	3/31/2024
2	183	3/1/2024	8/31/2024	9/30/2024
3	180	9/1/2024	2/28/2025	3/31/2025
4	183	3/1/2025	8/31/2025	9/30/2025

NOTICE TO AFFECTED CLASS MEMBERS

{Postmark Date}

Dear *[name]*:

Rosemount Aerospace Inc. and the U.S. Department of Labor's Office of Federal Contract Compliance Programs ("OFCCP") have entered into a Conciliation Agreement to remedy alleged discrimination against Black Applicants for Assembler I positions during the period January 1, 2018 to June 30, 2019. Rosemount Aerospace Inc., located at 14300 Judicial Rd., Burnsville, MN 55306-4890, has not admitted to discriminating and there has not been any decision finding that Rosemount Aerospace Inc. violated any laws. OFCCP and Rosemount Aerospace Inc. entered into the Agreement to resolve the matter without resorting to further legal proceedings. Additional information on the agreement and a link to the Conciliation Agreement can be found on OFCCP's website at www.dol.gov/agencies/ofccp/classmembers.

You have been identified as an individual who applied for an Assembler I position during this time period but was not hired. As part of this Agreement, you are eligible to receive a distribution of at least \$[XXXX] less lawful payroll deductions. Under the terms of this Agreement it may take up to seven months from the date of this letter before you receive your distribution. In order to be eligible for a payment, you must complete, sign, and return **both** the enclosed Information Verification Form and Release of Claims Form. You may use the enclosed postage-paid return envelope to return the Information Verification Form and Release of Claims Form. The forms should be submitted as soon as possible to XXXXXX

[Name]
[Position]
[Contractor]
[Address]

In order for you to be eligible to participate in the settlement, both the Information Verification Form and Release of Claims Form must be completed in their entirety and postmarked by [insert date pursuant to timeline]. You may use the enclosed postage-paid return envelope to return the completed and signed Information Verification and Release of Claims Forms.

In addition to the monetary distribution, Rosemount Aerospace Inc. will be making job offers for Assembler I positions to a limited number of individuals receiving this notification. It is not certain that you will receive a job offer. If you are still interested in employment with Rosemount Aerospace Inc. in an Assembler I position, please check the appropriate boxes on the enclosed Information Verification Form. Those receiving this notice will be considered for Assembler I positions in the order that Rosemount Aerospace Inc. receives the Information Verification Form expressing an interest in employment. If you accept an offer of employment in an Assembler I position pursuant to this Agreement you will be required to possess the minimum qualifications for the position and satisfy other requirements of the hiring process. If you have

Attachment C: Notice Documents

any questions, you may call Lance Gibbons at Rosemount Aerospace Inc. at (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C)@rtx.com, or contact the OFCCP Midwest Regional Office at OFCCP-MWR@dol.gov or 312-596-7010. Your call will be returned as soon as possible.

IF YOU FAIL TO COMPLETE AND MAIL THE ENCLOSED DOCUMENTS TO ROSEMOUNT AEROSPACE INC. SO THAT THE ENVELOPE IS POSTMARKED BY [insert date pursuant to timeline], YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT OR TO BE CONSIDERED FOR A JOB OFFER.

Sincerely,

[Name]

Enclosures

Information Verification Form
Release of Claims Form

INFORMATION VERIFICATION FORM

You must complete this form in order to be eligible for the monetary payment and/or employment opportunities under the terms of the Conciliation Agreement between Rosemount Aerospace Inc. and the U.S. Department of Labor's Office of Federal Contract Compliance Programs. Please print legibly, except for the signature.

First Name: _____

Last Name: _____

Any other names you have used: _____

Home Phone: _____

Cell Phone: _____

Email: _____

Address: _____

Notify Rosemount Aerospace at the address below if your address, email address or phone number changes within the next twelve (12) months.

[Name]
[Position]
[Contractor]
[Address]
[Email Address]

Please provide your social security number: _____

Your Social Security Number is required in order to process your payment for tax purposes.
Your Social Security Number will not be used for any other purpose.

Attachment C: Notice Documents

Please indicate below whether you are currently interested in employment in an Assembler I position with Rosemount Aerospace. **No experience is necessary for Assembler I positions as on-the-job training will be provided.**

If you complete, sign, and return this Information Verification Form, you remain eligible for the monetary payment whether or not you are interested in employment at this time.

☐ Yes, I am still interested in employment with Rosemount Aerospace in an Assembler I position.

☐ No, I am not currently interested in employment with Rosemount Aerospace in an Assembler I Position.

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE ADDRESS BELOW BY *[insert date pursuant to Timeline]*, YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT OR TO BE CONSIDERED FOR A JOB OFFER.

[Name]
[Position]
[Contractor or Claims Administrator, as applicable]
[Address]

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

Signature

Date

RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

This Release of Claims ("Release") under Executive Order 11246, as amended, is a legal document. This document states that in return for Rosemount Aerospace Inc. paying you money, you agree that you will not file any lawsuit against Rosemount Aerospace Inc. for allegedly violating Executive Order 11246, as amended, in connection with its selection procedures for applicants for the Assembler positions. It also says that Rosemount Aerospace Inc. 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 document by a certain date, you will not receive any money.

In consideration of payment of at least \$[XXXX] (less deductions required by law) by Rosemount Aerospace Inc. to me, which I agree is acceptable, I agree to the following:

I.

I hereby waive, release and forever discharge Rosemount Aerospace Inc., its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, 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 the selection of applicants for the Assembler position at Rosemount Aerospace Inc. on the basis of my race at any time through the effective date of 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 non-selection with Rosemount Aerospace Inc. through the Effective Date of this Release.

II.

I understand that Rosemount Aerospace Inc. denies that it treated me unlawfully or unfairly in any way and that Rosemount Aerospace Inc. 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 hiring and to resolve the matter without further legal proceedings in the compliance review initiated by OFCCP on November 19, 2019. I further agree that the payment of the aforesaid sum by Rosemount Aerospace Inc. to me is not to be construed as an admission of any liability by Rosemount Aerospace Inc.

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.

Attachment C: Notice Documents

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 Rosemount Aerospace Inc.

IN WITNESS WHEREOF, I have signed this document of my own free will.

Printed Name

Signature

Date
