

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

Sapa Industrial Extrusions Inc.
(formerly Alcoa Extrusions Inc., and formerly located at)
68920 Tabler Rd.
Morris, Illinois 60450

PART I - GENERAL PROVISIONS

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter OFCCP) and Sapa Industrial Extrusions Inc. ("Sapa"), formerly Alcoa Extrusions Inc. ("Alcoa"), both of which were formerly located at 68920 Tabler Rd., Morris, Illinois (hereinafter "Morris plant").
2. The violations identified in this Agreement were found during a compliance review of Alcoa, which began on December 2, 2003 and they were specified in a Notice of Violations issued to Alcoa on September 30, 2008. OFCCP alleges that Alcoa has violated Executive Order 11246, as amended, and implementing regulations at 41 CFR Chapter 60 due to the specific violations cited in Part II below.
3. This Agreement does not constitute an admission by Sapa of any violation of Executive Order 11246, as amended, and implementing regulations at 41 CFR Chapter 60 due to the specific violations cited in Part II below.
4. Subject to the performance by Sapa of all promises and representations contained herein, all named violations in regard to the compliance by Alcoa with all OFCCP programs will be deemed resolved. However, Alcoa is advised that the commitments contained in this Agreement do not preclude future determinations of noncompliance based on a finding that the commitments are not sufficient to achieve compliance.
5. Sapa agrees that OFCCP may review compliance with this Agreement. As part of such review, OFCCP may require written reports, interview witnesses and examine and copy documents, as may be relevant to the matter under investigation and pertinent to Sapa's compliance.
6. Nothing herein is intended to relieve Sapa or Alcoa from the obligation to comply with the requirements of Executive Order 11246, as amended, and Section 503 of the Rehabilitation Act of 1973, as amended, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212, and implementing regulations, or any other equal employment statute or executive order or its implementing regulations.

7. Sapa agrees that there will be no retaliation of any kind against any beneficiary of this Agreement or against any person who has provided information or assistance, or who files a complaint, or who participates in any manner in any proceedings under Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212.
8. This Agreement will be deemed to have been accepted by the Government on the date of signature by the Regional Director for OFCCP, unless the Deputy Assistant Secretary for OFCCP indicates otherwise within 45 days of the Regional Director's signature of this Agreement.
9. If at any time in the future, OFCCP believes that Sapa has violated any portion of this Agreement during the term of this Agreement, Sapa will be promptly notified of that fact in writing. This notification will include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide Sapa with 15 days from the receipt of the notification to respond in writing, except where OFCCP alleges that such a delay would result in irreparable injury.

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

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

Liability for violation of this Agreement may subject Sapa to sanctions set forth in Section 209 of the Executive Order and/or other appropriate relief.

PART II - SPECIFIC PROVISIONS

1. VIOLATION: OFCCP has determined that Alcoa discriminated against 124 Black applicants for the Team Member job title based on their race in violation of Section 202, paragraph 1 of Executive Order 11246, as amended, and 41 C.F.R. § 60-1.4(a)(1). Specifically, from January 1, 2002 through December 31, 2002, OFCCP found adverse impact in hiring against Black applicants in the Team Member position that was statistically significant to a level of (b) (7)(E) standard deviations with a shortfall of 13. This means that 13 fewer Black applicants were hired than would have been expected in the absence of discrimination, given their representation in the qualified applicant pool.

REMEDY:

- 1) Sapa agrees to provide make-whole relief to the Black applicants who applied for employment from January 1, 2002 through December 31, 2002 for Team Member positions at the Morris plant. The Morris plant was closed by Sapa in 2009. The work that the employees at the Morris plant performed was moved to other Sapa facilities, the closest of which to the Morris plant is in Connersville, Indiana (the "Connersville plant"), which is 282 miles away from the Morris plant. No Morris plant employee was offered a transfer to the Connersville plant. Therefore, the make-whole relief will not include extending offers of employment opportunities; but, will include financial remuneration to all affected Black applicants who can be located.
- 2) Sapa agrees to provide make whole relief of back pay, interest, and benefits to the Black applicants listed in the attached "List of Black Applicants" (Attachment 1). The total sum of the relief to be paid by Sapa is \$450,000; this amount includes a previous deduction for interim earnings.
 - a) Sapa agrees to place \$450,000 into an interest bearing escrow account within 10 calendar days of its receipt of this Conciliation Agreement signed by the Regional Director (the "effective date"). Sapa will notify OFCCP within 7 calendar days of the inception of the account that this action is complete. In the notification, Sapa will identify to OFCCP a person who can be contacted who will be able to provide the current balance of the account. The total amount plus interest earned from the deposit of the amount into the interest bearing account will be known as the Settlement Fund.
 - b) Sapa will pay the Settlement Fund to the Black applicants listed in Attachment 1 who request payment within the timeframes set forth below. The Settlement Fund will be divided equally among the eligible Black applicants as defined in Paragraph 3d below. Each Black applicant's share will be reduced by the amount of the employee's share of federal, state, FICA insurance or local tax deductions. No monies specified in Part II will be paid prior to the expiration of the 45 day signature period.
 - c) Within ten (10) calendar days after the determination of eligible Black applicants, Sapa will send each, via certified mail, a check for the amount of the eligible Black applicant's share. Checks will be for the net amount due after all appropriate deductions have been made.
- 3) Notification Letter for Identification of Eligible Individuals:
 - a) Within 46 calendar days from the effective date of this Agreement, Sapa will send to all individuals listed on Attachment 1, a Notification Letter

(Attachment 2), along with the Enclosure (Attachment 2a), a Release of Claims ("Release," Attachment 2b) and an IRS Form W-4. Sapa will send the Notification Letter and its enclosures by both certified mail and first class mail. (The original will be sent by certified mail and a copy sent by first class mail). The Notification Letter and its enclosures will be mailed to the applicant's most recent address available in Sapa's records.

- b) The Notification Letter will explain the reason for the monetary payment. It will also explain the legal deductions that will be made. (Legal deductions are typically defined as employees' federal, state, and local taxes, as well as the employee's share of FICA insurance). It will inform each applicant that he/she is eligible to receive monetary payment under this Agreement. Further, the letter will clearly explain the time frames (30 calendar days from the receipt of the Notification Letter) to sign and mail (postmark) the Enclosure, Release and IRS Form W-4. It will identify to whom the signed Enclosure, Release and IRS Form W-4 are to be returned and it will give a contact name and telephone number at Sapa's designated agent if there are additional questions.
- c) Those individuals who do not respond (including unclaimed mail, undeliverable mail and incorrect addresses) within the 30-day period provided (reference paragraph 3d below) will be listed by name, address and Social Security number of record. This list will be sent to OFCCP, St. Louis District Office (1222 Spruce Street, Room 10.207, St. Louis, Missouri 63103) within 15 calendar days from the date that the time period for filing a response to the Notification Letter has expired. OFCCP will have 30 calendar days from receipt of the list to provide to Sapa an updated list of addresses. Within ten (10) calendar days of receiving the new addresses, Sapa will re-mail the Notification Letter along with the Enclosure, Release and IRS Form W-4 with instructions to the identified individuals. The individuals receiving the second mailing will have 30 calendar days from their receipt of the Notification Letter to return the signed Enclosure, Release and IRS Form W-4 to be postmarked by the 30th calendar day.
- d) The total number of Black applicants to receive payment will consist of those individuals from Attachment 1 who returned a signed copy of the Enclosure, Release and IRS Form W-4 within 30 calendar days from their receipt of the Notification Letter to be postmarked by the 30th calendar day. After the expiration of 45 calendar days from the date that Sapa re-mails the Notification Letter, any individual listed in Attachment 1, who has not responded within 30 calendar days of their receipt, will be ineligible to participate in the Settlement Fund detailed in this Agreement.

- 4) Sapa has advised OFCCP that it will require execution of the Release (Attachment 2b) as a condition of participating in the remedy under this Agreement and will require a completed IRS Form W-4 in order to process the payment of each Eligible Individual's share of the Settlement Fund. The OFCCP has reviewed and approved the Release, agrees that it will be sent to the applicants listed on Attachment 1 and agrees that any given applicant's participation in the Settlement Fund shall be conditioned on his/her execution and return of the Enclosure, Release and IRS Form W-4 to Sapa as set forth in paragraph 3(c) above.

Sapa commits that the violations will not be repeated.

PART III: REPORTING

1. Sapa agrees to retain all records pertinent to the violations resolved by this Conciliation Agreement and for the reports required under it, until the expiration date of this Conciliation Agreement or as required by the regulations, whichever is longer.
2. Sapa agrees to furnish the U. S. Department of Labor, OFCCP, 1222 Spruce Street, Room 10.207, St. Louis, Missouri 63103, with a progress report which is due as prescribed in the paragraph below.
3. Sapa will submit the following:
 - a. A report will be due 120 days after the effective date of this Agreement and will include:
 - (1) An update with regard to the list of individuals listed on Attachment 1 and an indication of whether payments were made.
 - (2) Evidence of the Settlement Fund's disbursement (cancelled checks and a statement of account).
 - b. This Conciliation Agreement will remain in full force and effect until OFCCP receives and approves Sapa's progress report.
 - c. Upon OFCCP's receipt and approval of Sapa's progress report, all violations arising out of or that could have arisen out of OFCCP's compliance review of Alcoa which began on December 2, 2003 will be deemed resolved. For purposes of this Part III, OFCCP's receipt and approval of Sapa's progress report shall be deemed made within 45 days of Sapa's mailing of the progress report to OFCCP unless OFCCP provides a written communication to the contrary, pursuant to Part IV of this Agreement, within that 45 day time period.

PART IV - NOTICES

Notices to Sapa and/or Alcoa relating to this Conciliation Agreement shall be sent to Cheryl Blackwell Bryson and Jon Zimring at Duane Morris, LLP, 190 South LaSalle Street, Suite 3700, Chicago, Illinois, 60603.

PART V - SIGNATURES

This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Sapa Industrial Extrusions, Inc.

Date 9/29/10
(b) (6), (b) (7)(C)

ROBERT RUBICKY
Director of Human Resources,
North America
for Sapa Industrial Extrusions, Inc.

Date 9/29/10

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

MAXINE L. MANUS
District Director
OFCCP, Midwest Region
St. Louis District Office

Date 9/29/2010
(b) (6), (b) (7)(C)

(b) (6), (b) (7)(E)
Compliance Officer
OFCCP, St. Louis District Office
Midwest Region

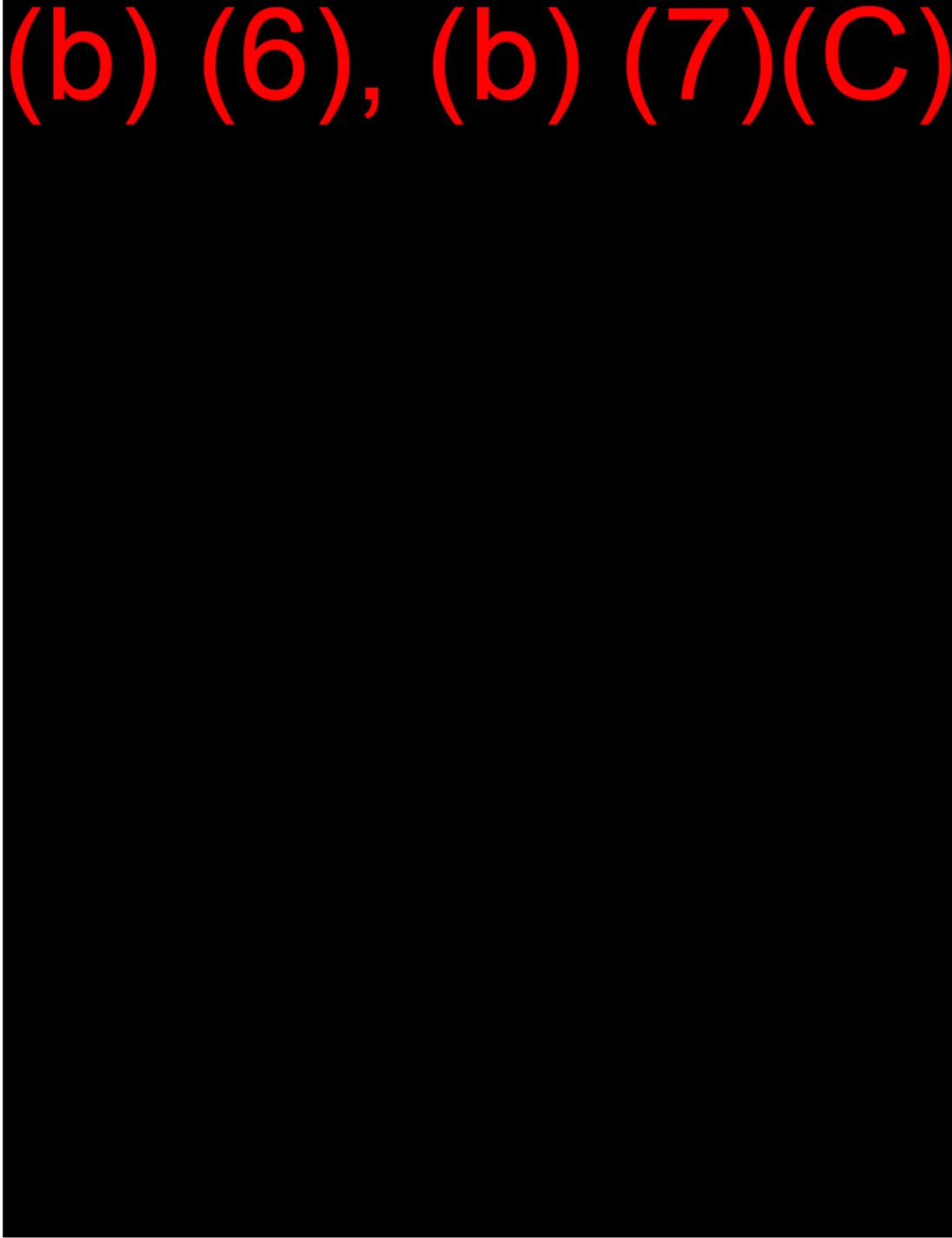
Date 10-5-2010

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

SANDRA SCOTT ZEIGLER
Regional Director
OFCCP, Midwest Region

ATTACHMENT 1

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



ATTACHMENT 2

LETTER TO APPLICANTS

CERTIFIED MAIL
and Regular Mail

Dear Former Alcoa Industrial Extrusions, Inc. Applicant:

We are writing to you with regard to your application for employment with Alcoa Extrusions Inc. ("Alcoa") at its plant located in Morris, Illinois (the "Morris plant"). Your application was submitted during the period of January 1, 2002 through December 31, 2002. Recently, the U.S. Department of Labor, Office of Federal Contract Compliance Programs (OFCCP) conducted an evaluation of the company's hiring practices during the period of time when you submitted your application. OFCCP is the government agency responsible for enforcement of the equal employment opportunity and affirmative action obligations of Government contractors. At the conclusion of their audit, OFCCP issued a report, which included a finding that Alcoa had not provided equal employment opportunity with respect to hiring Black applicants for Team Member positions. Sapa Industrial Extrusions, Inc. ("Sapa"), which acquired the Morris plant from Alcoa after 2002, and the OFCCP have reached a settlement Agreement to resolve this issue.

Under the terms of the Agreement, Sapa has agreed to a monetary settlement, which will be equally divided amongst those individuals who decide to participate in the settlement.

In order to be eligible to receive a share of the settlement, you must sign and complete the Enclosure, the Release and the IRS Form W-4 enclosed with this letter and mail them, within thirty (30) calendar days of your receipt of this letter, to "Sapa Industrial Extrusions, Inc. c/o Duane Morris, LLP" at the following address:

190 South LaSalle Street, Suite 3700
Chicago, Illinois 60603
Attention: Patricia A. Skinner

When you return the Enclosure, Release and IRS Form W-4, please be sure to sign all of them and to include your name, current address and telephone number, and your social security number. Payment will then be made directly to you by Sapa. Because such payments represent wages, legal deductions for taxes and the employee's share of FICA will be withheld. If you do not return the Enclosure, Release and IRS Form W-4 within the thirty (30) calendar day period, you will not be eligible to receive payment.

If you change your name, address, or telephone number, please be sure to mail or fax the changes to the address above or you may forfeit eligibility under this Agreement.

Sincerely,

Patricia A. Skinner
Duane Morris, LLP
on behalf of Sapa Industrial Extrusions, Inc.

ATTACHMENT 2a

Enclosure

_____ I hereby elect to receive a monetary payment out of the settlement.

Signature _____

Printed Name _____

Address _____

Telephone Number _____

Social Security Number _____

Date _____

Please xerox a copy for your records and return the original to:

By mail to:

Sapa Industrial Extrusions, Inc. c/o Duane Morris, LLP
190 South LaSalle Street, Suite 3700
Chicago, Illinois 60603
Attention: Patricia A. Skinner

ATTACHMENT 2b

RELEASE OF CLAIMS

In consideration of the payment to me agreed upon in the Conciliation Agreement between OFCCP and Sapa Industrial Extrusions, Inc. ("Sapa"), which I agree is acceptable, I agree to the following:

I. I hereby waive, release and forever discharge Sapa, its predecessors (including but not limited to Alcoa Industrial Extrusions, Inc. ("Alcoa")), successors, related entities, subsidiaries, parent organizations, subsidiaries, affiliates and organizations and their directors, officers, shareholders, employees, agents, successors, and assigns, of and from any and all actions, damages, liabilities, and claims actionable under Executive Order 11246, as amended, which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate in any way to my non-selection for employment at any time through the effective date of this Release.

II. I understand that Sapa and Alcoa deny that either treated me unfairly in any way and that Sapa entered into the above-referenced Conciliation Agreement with OFCCP and agreed to make the payment described above in the spirit of conciliation and to bring closure to the Compliance Review initiated by OFCCP on December 2, 2003. I further agree that the payment of the aforesaid sum by Sapa to me is not to be construed as an admission of any liability by Sapa or Alcoa.

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. 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 Sapa within thirty (30) days from the date I receive this Release, I will not be entitled to receive any payment less deductions required by law from Sapa.

IN WITNESS WHEREOF, I have set my hand to this _____ day of _____, 2010.

(Signature)

(Print Name)