

## **CONCILIATION AGREEMENT**

Between

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

and

MAYTAG AIRCRAFT CORPORATION  
6145 LEHMAN DRIVE, SUITE 300  
COLORADO SPRINGS, CO 80917

### **PART I. PRELIMINARY STATEMENT**

The Office of Federal Contract Compliance Programs ("OFCCP") initiated a complaint investigation of Maytag Aircraft Corporation's ("Maytag") facility located at the Pittsburgh Air Reserve Station, 2475 Defense Avenue, Coraopolis, PA on October 5, 2016 and found sufficient evidence to support that Maytag was not in compliance with the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 ("VEVRAA"), and its implementing regulations at 41 C.F.R. Section 60-300. In the interest of resolving the violations without engaging in further legal proceedings and in exchange for the good and valuable consideration described in this document, OFCCP and Maytag enter this contract ("Conciliation Agreement" or "Agreement") and agree to all the terms stated below.

### **PART II. GENERAL TERMS AND CONDITIONS**

1. In exchange for Maytag's fulfillment of all obligations in Parts III and IV of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under VEVRAA based on the violations described in more detail in Part III below. However, OFCCP has the right to initiate legal proceedings to enforce the Agreement itself or to correct and obtain relief for the violations described in Part III if Maytag violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. Maytag agrees that OFCCP may review its compliance with this Agreement. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Maytag will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all reports and documents requested.
3. Maytag understands that nothing in this Agreement relieves Maytag of its obligation to fully comply with the requirements of Executive Order 11246, as amended ("E.O. 11246"); Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 ("Section 503"); VEVRAA; their implementing regulations; and other applicable equal employment laws.

4. Maytag promises not to harass, intimidate, threaten, discriminate, or otherwise retaliate against any individual because the individual: benefits from this Agreement, files a complaint or participates in any investigation or proceeding under E.O. 11246, Section 503, and/or VEVRAA, or engages in any activity listed at 41 C.F.R. § 60-1.32(a).
5. The parties understand the terms of this Agreement and enter into it voluntarily.
6. This document and its attachments contain the complete and final understanding of the parties with respect to the matters referenced herein. This Agreement contains all terms by which the parties are bound and it supersedes all prior written or oral negotiations and agreements. There will be no modifications or amendments to this Agreement unless they are in writing, signed by all parties.
7. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
8. This Agreement becomes effective on the day it is signed by the Regional Director of the Mid-Atlantic Region (the "Effective Date") unless the Director of OFCCP indicates otherwise within 45 calendar days of the date the Regional Director signs the Agreement.
9. This Agreement will expire sixty (60) days after Maytag submits the final progress report required in Part IV, below, unless OFCCP notifies Maytag in writing prior to the expiration date that Maytag has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date that OFCCP determines Maytag has met all of its obligations under the Agreement.
10. If Maytag violates this Conciliation Agreement,
  - A. The procedures set forth at 41 C.F.R. § 60-1.34 will govern:
    - 1) If OFCCP believes that Maytag violated any term of the Agreement while it was in effect, OFCCP will send Maytag a written notice stating the alleged violations and summarizing any supporting evidence.
    - 2) Maytag will have 15 days from receipt of such notice to demonstrate in writing that it has not violated the Conciliation Agreement, unless such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
    - 3) If Maytag 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.
    - 4) OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.

B. Maytag may be subject to the sanctions set forth in 41 C.F.R. § 60-300.66 and/or other appropriate relief for violation of this Agreement.

11. This Agreement does not constitute an admission by Maytag of any violation of E.O. 11246, Section 503, VEVRAA, or other laws, nor has there been an adjudicated finding that Maytag violated any laws.

### **PART III. SPECIFIC VIOLATIONS AND REMEDIES**

**VIOLATION:** OFCCP found sufficient evidence to support that in July 2016, Maytag discriminated in their hiring practices for the dispatcher/truck driver medium position against three protected veteran applicants who were better qualified than the nonveteran applicant hired in violation of 41 CFR 60-300.21(a). Specifically, OFCCP determined that in July 2016, Maytag disregarded and/or failed to properly consider the training and skills the protected veteran applicants gained while in the military and/or working for Maytag. In addition, we found the contractor's reasons for not interviewing and/or hiring the protected veteran applicants to be unsupported by the evidence found during OFCCP's investigation of the complaint filed by one of the rejected protected veteran applicants.

**REMEDY:** Maytag will immediately implement the following:

- A. **Notice.** Within 15 calendar days of the Effective Date of this Agreement, Maytag must notify the protected veteran applicants listed in Attachment A, "List of Affected Class Members" of the terms of this Agreement by mailing by first class mail, return-receipt requested, to each individual in the affected class the: Notice (Attachment B, "Notice"), Claim Form (Attachment C, "Claim Form"), Release of Claims –VEVRA Form (Attachment D, "Release of Claims"), and a postage paid return envelope. Maytag will notify OFCCP of all letters returned as undeliverable on a weekly basis. In addition, within 15 days after expiration of the response deadline set out in the Claim Form, Maytag will provide OFCCP with a list of the individuals in the affected class who have not yet responded to the Notice and/or have not returned a signed Claim Form and Release of Claims. OFCCP will then attempt to obtain and provide updated addresses to Maytag within 15 days of receiving the list from Maytag. Maytag agrees to mail by first class mail, return-receipt requested, a second Notice, Claim Form, Release of Claims, and postage-paid return envelope to all individuals for whom updated addresses were obtained within 15 days of receiving the updated addresses.
- B. **Eligibility.** All members of the affected class listed on Attachment A who sign and return the Claim Form and the Release of Claims to Maytag so that it is returned postmarked within 30 calendar days of the receipt date, will receive their share of the monetary settlement. If an individual receives, but does not return the Claim Form and Release of Claims to Maytag so that it is returned postmarked within 30 calendar days of the receipt date of the envelope containing the first or second Notice, Claim Form, and Release of Claims, he will no longer be entitled to a payment under this Agreement.

Within 15 calendar days after the response deadline set out in the Claim Form, Maytag will provide OFCCP with a list of the Eligible Affected Veterans (individuals who returned the Claim Form and Release of Claims by the deadline). Within 15 calendar days after receiving the list, OFCCP will approve the final list of Eligible Affected Veterans or discuss with Maytag any issues necessary to finalize the list, such as the inclusion or exclusion of certain individuals.

- C. **Monetary Settlement.** Maytag agrees to distribute \$42,402.88 (\$40,907 in back pay and \$1495.88 in interest), less legal deductions required by law from back pay only (such as federal, state and/ or local taxes and the Eligible Affected Veterans' share of FICA taxes) to individuals on the final approved list of Eligible Affected Veterans in the amounts listed in Attachment A. Maytag will pay the Internal Revenue Service ("IRS") the employer's share of social security withholdings and will mail each victim an IRS W-2 Form reporting the portion of the payment representing back pay and an IRS Form 1099 for the portion of the payment representing interest. These IRS forms will be mailed at the end of the year. Maytag will disburse the monetary settlement to within 30 calendar days after OFCCP approves the final list of Eligible Affected Veterans.

Within 15 calendar days of Maytag's receipt of a check to an Eligible Affected Veteran returned as undeliverable, Maytag will notify OFCCP of this fact via e-mail sent to District Director Tracie Brown at (b) (6), (b) (7)(C)@dol.gov. OFCCP will attempt to locate the Eligible Affected Veteran and if OFCCP obtains an alternate address, Maytag will re-mail the check within 15 calendar days of receiving an alternate or corrected address. Any check that remains uncashed 120 days after the initial date the check was mailed to the Eligible Affected Veteran will be void.

**Non-Monetary Remedies** Maytag will ensure that all applicants are afforded equal employment opportunities. Maytag agrees to continue and/or implement the corrective actions detailed below:

- 1) Maytag agrees to immediately cease using the selection procedures, practices, and/or policies which negatively affected the hiring of protected veteran applicants for dispatcher/truck driver positions.
- 2) Maytag will examine, monitor and modify its selection procedures and practices as necessary to ensure the careful, thorough, and systematic consideration of the job qualifications of known protected veteran applicants, that the selection criteria are applied uniformly, and that the hiring decisions are made in a non-discriminatory manner.
- 3) Within 120 days of the effective date of this Agreement, Maytag will provide at least two hours of training to all human resource personnel, supervisors, and managers who have any responsibilities for hiring decisions on all federal equal employment opportunity laws, with a particular emphasis on the prohibitions against discrimination on the basis of an individual's status as a protected veteran or pre-JVA veteran.

#### **Part IV. REPORTS REQUIRED**

In order for OFCCP to monitor Maytag's progress toward fulfilling the provisions of this Agreement, Maytag must submit the specific documents and reports described below to: Tracie Brown, District Director, Federal Building Room 2103, 1000 Liberty Avenue, Pittsburgh, PA 15222.

The first report shall be due within 60 days of the effective date of this Agreement and will include the following:

1. Copies of the Notices (Attachment B, "Notice", Attachment C, "Claim Form", and Attachment D "Release of Claims"), and documentation that were mailed to each of the Affected Class Members listed in Attachment A.
2. A copy of Maytag's procedures for monitoring and auditing its selection procedures and practices to ensure that its nondiscriminatory policy is carried out.

The second progress report will be due seven months after the Effective Date of this Agreement and will include the following:

1. Copies of the completed Forms (Attachment B, "Notice" and Attachment C, "Claim Form", and Attachment D "Release of Claims"), received from each of the Eligible Affected Veteran (2<sup>nd</sup> Report only).
2. Documentation of monetary payments to all Eligible Affected Veterans as specified in Part III-C. This documentation must include the Eligible Affected Veterans who were paid, the number and the amount of the check, and the date the check cleared the bank. Maytag must provide OFCCP with copies of all canceled checks upon request (2<sup>nd</sup> Report only).
3. Documentation to demonstrate the result of Maytag's monitoring of its selection procedures and practices to ensure that its nondiscriminatory policy is carried out.
4. Documentation that all managers, supervisors and other personnel involved in hiring process have been trained on all federal equal employment opportunity laws, with a particular emphasis on the prohibitions against discrimination on the basis of an individual's status as a protected veteran or pre-JVA veteran. The documentation must include the dates of the training, the names and job titles of all attendees, an outline of the topics discussed in the training, and the name and job title of each person who conducted the training.

Maytag will retain all records and data pertinent to the violations resolved by this Agreement and/ or used to prepare required reports until this Agreement expires or as long as required by OFCCP's regulations, whichever date occurs later.

**TERMINATION DATE:** This Conciliation Agreement shall remain in full force and effect until 60 days following Maytag's submission of the final report or until OFCCP has deemed that

Maytag has met all conditions of this Agreement. The date of signature by the OFCCP Regional Director shall constitute the effective date of the Agreement.

**Part V. SIGNATURES**

This Conciliation Agreement is hereby executed by and between the OFCCP and Maytag Aircraft Corporation located at 6145 Lehman Drive, Suite 300, Colorado Springs, CO 80917.

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

DAVID NELSON  
President and CEO  
Maytag Aircraft Corporation  
Colorado Springs, CO

1/30/18

DATE

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

TRACIE BROWN  
District Director  
Pittsburgh District Office  
Mid-Atlantic Region

1/31/2018

DATE

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

MICHELE HODGE  
Regional Director  
U.S. Department of Labor/OFCCP  
Mid-Atlantic Region

2/1/2018

DATE

**ATTACHMENT A**

**List of Affected Class Members**

<b>Affected Class Member</b>	<b>Back pay + Interest + Benefits</b>
1. (b) (6), (b) (7)(C)	\$11,620.68
2. [REDACTED]	\$12,112.02
3. [REDACTED]	<u>\$18,670.18</u>
<b>Total</b>	<b>\$42,402.88</b>

## *Attachment B - Notice*

*If you are a protected veteran and applied for a dispatcher/truck driver medium position with Maytag Aircraft Corporation in or around July 2016, you may benefit from a recent legal settlement with the U.S. Department of Labor*

*We are writing to provide information about a legal settlement between the U.S. Department of Labor and Maytag Aircraft Corporation that may benefit you. This settlement involves claims of hiring discrimination, and our records show that you may be one of the applicants covered by the settlement. If you take the steps described in this Notice by the deadline below, you may be eligible for a payment of back wages [and other benefits e.g. pay adjustments or placement remedies].*

### **ARE YOU AFFECTED?**

Protected veterans who applied for a dispatcher/truck driver medium position at Maytag Aircraft Corporation's facility located at the Pittsburgh Air Reserve Station, Coraopolis, Pennsylvania beginning in July 2016 are covered by this settlement.

### **WHAT IS THIS SETTLEMENT ABOUT?**

The U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) conducted a review of Maytag Aircraft Corporation's hiring practices beginning in July 2016. OFCCP is the government agency responsible for enforcing the equal employment opportunity and affirmative action requirements that apply to federal contractors. OFCCP issued a Notification of Results of Investigation: Notification of Violations alleging that Maytag Aircraft Corporation discriminated against protected veterans in hiring applicants in dispatcher/truck driver medium positions beginning in July 2016. Maytag Aircraft Corporation denies those claims. Ultimately, OFCCP and Maytag Aircraft Corporation have agreed to resolve the issue through a Conciliation Agreement. A Conciliation Agreement is a legal document that explains the terms of an agreement to settle a Notification of Results of Investigation: Notification of Violations issued by OFCCP.

### **WHAT DOES THIS MEAN FOR YOU?**

You may be eligible to receive a payment of at least \$\_\_\_\_\_ (before taxes). This payment represents your share of back wages, interest and benefit payments Maytag Aircraft Corporation is making to settle the lawsuit. The final amount you will receive will be reduced by deductions for items such as income tax withholding and Social Security contributions.

To get these benefits, you will need to release (give up) certain legal claims, and sign the enclosed Claim and Release forms.

### **WHAT IS YOUR NEXT STEP?**

You should read this Notice, the Claim and Release forms, and any other information you received from the U.S. Department of Labor or the Settlement Administrator [*Administrator Name*].

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

To be eligible for a payment, you must complete, sign, and return **both** the following enclosed documents, (1) Claim Form and (2) Release of Claims postmarked within 30 calendar days of the receipt date, to: \_\_\_\_\_

[*Name and address for return of claim forms or instructions for electronic submission*]

***The documents must be received postmarked within 30 calendar days of the receipt date.***

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

**If you fail to return both of the required documents by the deadline [*or if your documents do not verify your eligibility*] you will not be eligible to receive any money or any other relief provided to you by the settlement.**

### **HOW CAN YOU GET MORE INFORMATION?**

If you have any questions, you may contact Tracie Brown, Pittsburgh District Director, 412-395-**(b) (6), (b) (7)(C)**@dol.gov. You can also visit the U.S. Department of Labor website about this case at [www.dol.gov/ofccp/cml](http://www.dol.gov/ofccp/cml).

## ATTACHMENT C – CLAIM FORM

# Claim Form – Affected Applicants

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**PLEASE CAREFULLY READ THE ENCLOSED NOTICE BEFORE COMPLETING THIS CLAIM FORM.**

### **INSTRUCTIONS FOR FILING A CLAIM TO BE CONSIDERED FOR MONEY (BACK WAGES) FROM THE SETTLEMENT**

**DEADLINE TO RESPOND:** Returned postmarked within 30 calendar days of the receipt date

If you complete this Claim Form, you may be eligible for a money payment from the settlement.

To receive an award (such as money), you must complete and return this Claim Form and Release Form postmarked within 30 calendar days of the receipt date, to

*[Name and Address]*

If you do not submit a properly completed Claim Form and Release Form **postmarked within 30 calendar days of the receipt date**, then your claim will not be on time and you will not receive any money from this settlement.

Enclosed is a stamped, pre-addressed envelope you can use.

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This Claim Form will only be used for the following purpose:

- (1) To confirm important information we need in order to make sure you are eligible to receive money under this settlement and process your payment.

**Step 1: Please confirm [or provide] the following contact information to process your payment (print legibly).**

Name: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

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

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Please verify [or provide] the last four digits of your social security number \_\_\_\_\_**

*The last four digits of your Social Security Number are required in order to process your payment for tax purposes. Your Social Security Number will not be used for any other purpose.*

**Notify us at the address below if your address changes within the next three months, or contact us if you have any questions about this claim form, the notice, or the settlement. If you have any questions contact [Contractor Settlement Administrator name and contact information.]**

**Name**  
**Address**  
**Phone**  
**Email/website link**

**Step 2: Sign and return along with the Release Form**

I certify the above as true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## ATTACHMENT D – RELEASE OF CLAIMS UNDER VEVRAA

### RELEASE OF CLAIMS UNDER the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA)

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

*This Release of Claims under the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA) ("Release") is a legal document. This document states that in return for Maytag Aircraft Corporation ("Contractor") providing you with money, you agree that you will not file any lawsuit against Contractor for allegedly violating VEVRAA in connection with the allegations of discrimination in hiring beginning in and around July 2016. It also says that Contractor 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 the payment of at least \$ \_\_\_\_\_ (less deductions required by law) by Contractor to me, which I agree is acceptable, I agree to the following:

#### I.

I hereby waive, release and forever discharge Contractor, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, owners, 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 the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (VEVRAA), which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate in any way to the allegations of discrimination in hiring and around beginning in July 2016.

#### II.

I understand that Contractor denies that it treated me unlawfully or unfairly in any way and that Contractor entered into a Conciliation Agreement with the U.S. Department of Labor, Office of Federal Contract Compliance Programs ("OFCCP") and agreed to make the payment described above to resolve without further legal proceedings all issues related to OFCCP's compliance reviews of Contractor initiated on October 5, 2016. I further agree that the payment of the aforesaid sum by Contractor to me is not to be construed as an admission of any liability by Contractor.

#### III.

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

I understand that if I do not sign this Release and return it to [Settlement Agent contact] such that it is postmarked within 30 calendar days of the receipt date, I will not be entitled to receive any payment (less deductions required by law).

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

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_