

Conciliation Agreement  
Between the  
U.S. Department of Labor  
Office of Federal Contract Compliance Programs  
and  
Span-America Medical Systems, Inc.  
70 Commerce Center  
Greenville, South Carolina 29615

**PART I. PRELIMINARY STATEMENT**

The Office of Federal Contract Compliance Programs ("OFCCP") evaluated Span-America Medical Systems, Inc., located at 70 Commerce Center, Greenville, South Carolina 29615 ("Span-America Greenville"), and alleges that Span-America Greenville was not in compliance with Executive Order 11246, as amended ("E.O. 11246" or "Executive Order"), and its implementing regulations at 41 Code of Federal Regulations (C.F.R.) Sections 60-1 – 60-3. OFCCP notified Span-America Greenville of the specific preliminary findings in a Predetermination Notice issued on June 3, 2019. 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 Span-America Greenville enter into this Conciliation Agreement ("Agreement"), incorporating the attachments by reference, and agree to all the terms stated below.

**PART II. GENERAL TERMS AND CONDITIONS**

- A. In exchange for Span-America Greenville's fulfillment of all obligations in Parts IV. and V. of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under E.O. 11246, based on the violations described in more detail in Part IV. below. However, OFCCP has the right to initiate legal proceedings to enforce the Agreement itself or to correct and obtain relief for the violations described in Part IV. if Span-America Greenville violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations, including during the exemption period, if OFCCP deems that Span-America Greenville is in breach of the agreement. In exchange for Span-America's fulfillment of all obligations in Parts IV. and V. of the Agreement, OFCCP further agrees not to initiate any new audits at the Reviewed Establishment until at least two years after Span-America submits the final progress report described in Part V. of this Agreement and OFCCP confirms to Span-America that it has fully complied with the terms of this Agreement (including any extension periods).
- B. Span-America Greenville agrees that OFCCP may review its compliance with this Agreement. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents as may be relevant to the matter under investigation and pertinent to Span-America Greenville's compliance. Span-America Greenville will permit reasonable access to its premises during normal

business hours for these purposes and will provide OFCCP with all relevant reports and documents requested.

- C. This Agreement does not constitute an admission by Span-America Greenville of any violation of or noncompliance with any laws or of any other wrongdoing whatsoever, including but not limited to any violation of E.O. 11246, Section 503 of the Rehabilitation Act of 1973, as amended ("Section 503"), the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended ("VEVRAA") and their implementing regulations at 41 C.F.R. Chapter 60, or any other laws, nor has there been an adjudicated finding that Span-America Greenville violated any laws.
- D. Span-America Greenville understands that nothing in this Agreement relieves Span-America Greenville of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, and other applicable equal employment laws.
- E. Span-America Greenville promises not to harass, intimidate, threaten, discriminate against, or otherwise retaliate against any individual because the individual benefits from this Agreement, or 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).
- F. OFCCP and Span-America Greenville ("the parties") understand the terms of this Agreement and enter into it voluntarily.
- G. This document and its attachments contain the complete and final understanding of the parties with respect to the matters referenced in the Agreement. This Agreement contains all of the 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 and signed by all parties.
- H. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
- I. This Agreement becomes effective on the day it is signed by the Regional Director of the Pacific Region (the "Effective Date").
- J. This Agreement will expire sixty (60) days after Span-America Greenville submits the final progress report required in Part V. below, unless OFCCP notifies Span-America Greenville in writing prior to the expiration date that Span-America Greenville has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date OFCCP determines Span-America Greenville has met all of its obligations under the Agreement.
- K. Each party shall bear its own fees and expenses with respect to this matter.

L. If Span-America Greenville violates this Agreement:

1. The procedures set forth at 41 C.F.R. § 60-1.34 will govern:
  - i. If OFCCP believes that Span-America Greenville violated any term of the Agreement while it was in effect, OFCCP will send Span-America Greenville a written notice stating the alleged violations and summarizing any supporting evidence.
  - ii. Span-America Greenville will have 15 days from receipt of such notice to demonstrate in writing that it has not violated the Agreement, unless such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
  - iii. If Span-America Greenville 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. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
2. Span-America Greenville may be subject to the sanctions set forth in Section 209 of the Executive Order, and/or other appropriate relief for violation of this Agreement.

M. The parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor, and cannot be used as evidence that Span-America Greenville is not in violation of any applicable federal, state, or local laws, including but not limited to E.O. 11246, Section 503, VEVRAA, Title VII of the Civil Rights Act of 1964, and the Americans with Disabilities Act.

N. 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.

O. All references to "days" in this Agreement are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a Federal holiday, that deadline will be extended to the next business day.

### **PART III. SPECIAL TERMS AND CONDITIONS**

- A. Span-America agrees to review the Reviewed Establishment for violations similar to those identified in Part IV. of this Agreement. If like violations are identified, Span-America agrees to implement corrective actions.
- B. OFCCP will not schedule the Span-America establishment listed in the Preliminary Statement above for a compliance evaluation for a two-year period from the date it submits its final progress report or the date OFCCP confirms to Span-America it has fully complied with the terms of this Agreement, whichever date is later.
- C. The scheduling exemption is limited to regularly scheduled compliance evaluations and OFCCP retains the right to investigate complaints of discrimination at the establishment covered by this Agreement under E.O. 11246, Section 503, and VEVRAA.
- D. If Span-America violates the terms of this Agreement, OFCCP reserves the right to bring an enforcement action per the terms of 41 C.F.R. § 60-1.34 and the scheduling exemption will be void.
- E. This Agreement will not relieve Span-America from its annual ongoing OFCCP requirements of equal employment opportunity through affirmative action and non-discrimination across its entire workforce, including establishing, maintaining and monitoring an up-to-date AAP.

### **PART IV. VIOLATIONS AND REMEDIES**

#### **1. FAILURE TO PROVIDE EQUAL EMPLOYMENT OPPORTUNITY**

- A. STATEMENT OF VIOLATION: OFCCP alleges that Span-America Greenville discriminated against black and white applicants for Production Operator positions for the period of January 1, 2015 through December 31, 2016, in violation of 41 C.F.R. § 60-1.4(a)(1). Specifically, OFCCP found statistically-significant differences in the hiring rates of these black and white applicants when compared to similarly-qualified Hispanic applicants, resulting in a standard deviation of (b) (7)(E) against black applicants and (b) (7)(E) against white applicants with shortfalls of 12 black hires and 4 white hires, respectively. After examining personnel records and conducting interviews, OFCCP determined that this practice of disproportionately hiring Hispanic applicants was based on race and not legitimate differences in qualifications.

B. REMEDY FOR AFFECTED CLASS:

Span-America Greenville has agreed to the following make-whole relief and remedies:

1. Notice: Within forty-five (45) days of the Effective Date of this Agreement, Span-America Greenville will notify black and white applicants listed in Attachment A (hereinafter "Class Members") of the terms of this Agreement by regular mail. Span-America Greenville shall include the Notice to Affected Class (Attachment B, hereinafter "Notice"), Information Verification & Employment Interest Form (Attachment C, hereinafter "Interest Form"), Release of Claims Under Executive Order 11246 (Attachment D, hereinafter "Release"), Request for Taxpayer Identification Number and Certification (Attachment E, hereinafter "W-9 Form") and W-4 Form (Attachment F) and a postage-paid return envelope. No later than seven (7) calendar days after expiration of the response deadline set out in the Notice, Span-America Greenville will notify OFCCP of all letters returned as undeliverable, and 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 completed and signed Interest Form, Release, W-9 Form, and W-4 Form. OFCCP will then attempt to obtain and provide updated addresses to Span-America Greenville within thirty (30) days of receiving the list from Span-America Greenville. Span-America Greenville agrees to send by regular mail a second Notice, Interest Form, Release, W-9 Form, W-4 Form, and postage-paid return envelope to all individuals for whom updated addresses were obtained within seven (7) days of receiving the updated addresses from OFCCP.

Eligibility. All Class Members who sign and return a completed Interest Form, Release, W-4 Form, and W-9 Form to Span-America Greenville within thirty (30) calendar days of the postmarked date on the envelope containing the first or second Notice will be deemed to be Eligible Class Members who will receive an equal share of the monetary settlement and, if indicating an interest in employment, will be eligible to be considered for a job pursuant to this Agreement. If an individual receives, but does not return, the Interest Form, Release, W-4 Form, and W-9 Form to Span-America Greenville within thirty (30) calendar days of the postmarked date on the envelope containing the first or second Notice, he/she will no longer be entitled to a monetary payment, consideration for a job, or any other relief under this Agreement..

2. Within five (5) calendar days after the response deadline set out in the second mailing Notice (or after the first mailing notice, if there is no second mailing), Span-America Greenville will provide OFCCP with a list of the Eligible Class Members. Within fifteen (15) calendar days after receiving the list, OFCCP will approve the final list of Eligible Class Members or discuss with Span-America Greenville any issues necessary to finalize the list, such as the inclusion or exclusion of certain individuals. All Eligible Class Members are entitled to their

equal share of the monetary settlement regardless of whether they are interested in employment with Span-America Greenville.

3. Monetary Settlement. In settlement of all potential claims for back pay and interest for Production Operator positions, Span-America Greenville agrees to pay a total amount of Sixty-Two Thousand Two Hundred Sixty-Nine Dollars and Seventeen Cents (\$62,269.17) (hereinafter "the Settlement Fund") to Eligible Class Members. This amount represents \$53,772.88 in back pay and \$8,496.29 in interest. This monetary settlement is a negotiated amount that represents back pay and interest, less interim earnings, and takes into account the average tenure of those persons hired into Production Operator positions during the review period. Within forty-five (45) days after OFCCP approves the final list of Eligible Class Members, Span-America Greenville will distribute the Settlement Fund, less legal deductions required by law, equally among all Eligible Class Members by mailing a check to each Eligible Class Member representing the Eligible Class Members' pro rata share of the total amount of the Settlement Fund. Span-America Greenville will make all legal deductions required by law (such as federal, state, and/or local taxes and FICA) from the portion of the payment representing back pay only and shall pay to the Internal Revenue Service the employer's share of social security withholding attributable to the back pay portion of the Settlement Fund. Span-America Greenville will mail a Form W-2 (representing the amount of back pay) and, as appropriate, a Form 1099 (representing the amount of interest) to each Eligible Class Member either with the check or consistent with Span-America Greenville's business practices.
  
4. Within ten (10) days of Span-America Greenville's receipt of a returned check to an Eligible Class Member, Span-America Greenville will notify OFCCP of this fact via e-mail sent to Compliance Officer (b) (7)(E), (b) (7)(C) at (b) (7)(E), (b) (7)(C) @dol.gov and District Director Marvin Jordan at (b) (7)(C) @dol.gov. OFCCP will attempt to locate the Eligible Class Member and, if OFCCP obtains an alternative address, Span-America Greenville will mail the check to the Eligible Class Member. Any check that remains uncashed 120 days after the date mailed to the Eligible Class Member will be void. In the event that any uncashed checks exceed 10% of the Settlement Fund total, Span-America Greenville will make a second distribution to all Eligible Class Members who cashed their first check. If the amount of uncashed checks is equal to or less than 10% of the Settlement Fund, Span-America Greenville shall use the uncashed funds to provide equal employment opportunity training to the Span-America Greenville workforce.
  
5. Employment. As Production Operator positions become available, Span-America Greenville will extend conditional offers to Eligible Class Members who (1) express interest in employment as a Production Operator with Span-America Greenville, (2) timely return signed Interest, Release, W-4 Forms, and W-9 Forms (3) are not currently employed by Span-America, (4) have not previously been employed by Span-America with a circumstance prohibiting re-employment, and

(5) meet Span-America Greenville's job requirements.<sup>1</sup> Span-America Greenville will extend conditional job offers until twelve (12) black and four (4) white Eligible Class Members have been hired as Production Operators or until the list of Eligible Class Members expressing an interest in employment is exhausted by race, whichever occurs first. For example, once Span-America Greenville hires 4 white eligible class members, it is no longer required to offer any other remaining white eligible class members a production operator position, as its hiring obligation for white eligible class members will be satisfied. Eligible Class Members will be considered based on the date of their original application. For class members who have the same application date, Span-America Greenville will determine the order of consideration based on the date the Interest Form, Release, W-4 Form, and W-9 forms were received. If receipt dates are also the same, then eligible class members will be listed in alphabetical order by last name. Span-America Greenville must initiate its hiring of Eligible Class Members within ninety (90) days of the response deadline set out in the Notification, provided positions are available. If Span-America is not able to hire twelve (12) black and four (4) white Eligible Class Members, by the Agreement termination date discussed herein, OFCCP may extend the hiring terms of this Agreement for up to an additional twenty-four (24) months or until Span-America Greenville satisfies its hiring requirement(s), whichever occurs first. Once Span-America Greenville exhausts the list of Eligible Class Members by race, its hiring obligation is fulfilled.

Eligible Class Members shall be responsible for notifying Span-America Greenville of any changes in their contact information. Conditional job offers will be made in writing and sent by first-class mail or email. Eligible Class Members will be allowed up to seven (7) days to accept a conditional job offer and an additional seven (7) days to report for work after receiving a conditional job offer from Span-America Greenville or the offer will be withdrawn by Span-America Greenville and Span America Greenville will be under no further obligation to hire such Eligible Class Member under this Agreement. The seniority date of each Eligible Class Member who accepts an offer and is hired will be his or her original application date. The seniority date shall be used solely for purposes of determining seniority for vacation and layoffs. Once hired, Eligible Class Members will be subject to the same probationary period, attendance, performance standards, leaves of absence, job-bidding requirements, and any other applicable waiting periods as other similarly-situated newly-hired Production Operator employees at Span-America Greenville. The parties agree that Span-America Greenville's hiring needs vary and are largely dictated by its customers and that this Agreement does not obligate Span-America Greenville to

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<sup>1</sup> The job requirements are (1) complete an updated employment application; (2) be age 18 or over; (3) meet qualifications that are required for the Production Operator position; (4) agree to submit to and pass all pre-employment screenings (including a post-offer drug screen and post-offer background check); (5) be eligible to work for Span-America Greenville in the United States; and (6) agree to accept work hours, wages, overtime, and shift requirements according to Span America Greenville's needs and assignments.

hire when it has no business need to hire. Notwithstanding the employment commitment outlined in this Agreement, OFCCP acknowledges that, during the term of this Agreement, Span-America Greenville can continue to recruit, consider, and hire applicants for Production Operator, other than eligible recipients, as business needs dictate. However, Eligible Class Members who are qualified and have expressed an interest in employment will receive primary consideration for hire.

C. NON-MONETARY REMEDIES:

Span-America Greenville will ensure that all applicants are afforded equal employment opportunities. Span-America Greenville represents that it has ceased using any selection procedures, practices, and/or policies which negatively affected the hiring of black and white applicants in Production Operator positions and agrees to implement the corrective actions detailed below.

1. Hiring Process

- a. Modify, As Necessary, Hiring Procedures: Span-America Greenville agrees to comply with all OFCCP regulations concerning hiring procedures, including 41 C.F.R. § Part 60-3. Span-America Greenville will not use any hiring procedure that has an adverse impact, as defined in 41 C.F.R. § 3.4D, on applicants of a particular race or ethnicity unless Span-America Greenville properly validates the procedure pursuant to these regulations.
- b. Review and Revisions, As Required: Span-America Greenville will review or revise, as necessary and in writing, the practices, policies and procedures it uses to select applicants for Production Operator positions (hereinafter "Revised Hiring Process"). Specifically, Span-America Greenville will:
  - i. Create or revise, as necessary, a job description and hiring process for Production Operator positions which describe the essential functions; the minimum qualifications, including required skills and certifications; and the criteria used in each step of the hiring process, including any application screens, interviews, tests, credit checks, review of criminal history, reference checks, testing, or other hiring procedure;
  - ii. Develop specific, job-related qualification standards for Production Operator positions that reflect the duties, functions, and competencies of the position to minimize the potential for race stereotyping or other unlawful discrimination;
  - iii. Ensure all policies and qualification standards are uniformly applied to all applicants for Production Operator positions; and

- iv. List clearly on its recruiting materials and job postings the minimum qualifications, including required skills and certifications, for Production Operator positions
- c. Recordkeeping and Retention: Span-America Greenville will update or implement procedures, as necessary, to ensure applicants are tracked and hiring decisions are documented at each step in the hiring process. Span-America Greenville will ensure that documents are retained in accordance with 41 C.F.R. § 60-1.12(a) and 41 C.F.R. § 60-3.
- d. Training: Within ninety (90) days of the Effective Date of this Agreement, Span-America Greenville will train all individuals involved in any way in recruiting, selecting, or tracking applicants for Production Operator positions on the Revised Hiring Process. The training will include instruction in: the proper implementation of the recruitment, tracking and hiring 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 C.F.R. § 60-1.12(a) and 41 C.F.R. § Part 60-3. Span-America Greenville will meet with local management and all individuals responsible for the Production Operator hiring process and review its equal employment obligations and nondiscrimination policies related to hiring. Specific attention will be directed to ensure that black and white applicants who benefit from the provisions of this agreement are not retaliated against.
- e. Monitoring: Span-America Greenville agrees to monitor hiring rates at each step of its hiring process for Production Operator positions. Where it is determined that a hiring procedure has an adverse impact, as defined in 41 C.F.R. § 3.4D, on the hiring of applicants of a particular race, ethnicity, or gender, Span-America Greenville will eliminate the procedure, choose an alternative procedure, or validate the procedure in accordance with the Uniform Guidelines on Employee Selection Procedures codified at 41 C.F.R. Part 60-3. Span-America Greenville agrees to maintain and make available to OFCCP records concerning the impact of the hiring process for Production Operator at the Greenville, South Carolina facility. This includes the number of persons hired by race, the number of applicants who applied by race, and the hiring procedures utilized. This information will be maintained until the expiration of this Agreement or as long as required by the regulations, whichever is later.

**2. FAILURE TO IDENTIFY PROBLEM AREAS & ACTION-ORIENTED PROGRAMS**

- A. STATEMENT OF VIOLATION: Span-America Greenville allegedly failed to comply with 41 C.F.R. § 60-2.17(b) and (c), which requires contractors to perform in-depth analyses of their total employment process to determine whether and where impediments to equal employment opportunity exist, including evaluating the contractor's hiring process to determine whether there are gender, race, or ethnicity based disparities; and to develop and execute action-oriented programs designed to correct any problem areas identified in its analyses.
- B. REMEDY: Span-America Greenville agrees to perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist. At a minimum, Span-America Greenville will evaluate:
1. The workforce by organizational unit and job group to determine whether there are problems of minority or female utilization, or of minority or female distribution;
  2. Personnel activity (applicant flow, hires, terminations, promotions, and other personnel actions) to determine whether there are selection disparities;
  3. Hiring, recruitment, referral, and other personnel procedures to determine whether they result in disparities in the employment or advancement of minorities or women; and
  4. Any other areas that might impact the success of the affirmative action program.

Span-America Greenville also agrees to develop and execute action-oriented programs designed to correct any problem areas identified pursuant to 41 C.F.R. § 60-2.17(b) and to attain established goals and objectives. In order for these action-oriented programs to be effective, Span-America Greenville will ensure that they consist of more than following the same procedures which have previously produced inadequate results. Furthermore, Span-America Greenville will demonstrate that it has made good faith efforts to remove identified barriers, expand employment opportunities, and produce measurable results.

**3. INTERNAL AUDIT AND REPORTING**

- A. STATEMENT OF VIOLATION: Span-America Greenville allegedly failed to develop and implement an auditing system that periodically measures the effectiveness of its total affirmative action program, as required by 41 C.F.R. § 60-2.17(d). Specifically, Span-America Greenville allegedly failed to adequately

monitor applicant and hiring activity such that disparities could be detected and corrected. In addition, Span-America Greenville allegedly failed to apply the Internet Applicant Rule as defined under 41 C.F.R. § 60-1.3 when constructing its applicant pools for its overall adverse impact analyses of hiring activity. Span-America Greenville denies these allegations.

- B. REMEDY: Span-America Greenville agrees to develop and implement an auditing system that periodically measures the effectiveness of its total affirmative action program. These actions include monitoring records of all personnel activity, at all levels, to ensure nondiscrimination; requiring internal reporting on a scheduled basis as to the degree to which equal employment opportunity and organizational objectives are attained; reviewing report results with all levels of management and advising top management of program effectiveness with recommendations to improve unsatisfactory performance. In connection with fulfilling the requirements under 41 C.F.R. § 60-2.17(d) to analyze the impact of its employee hiring procedures, Span-America Greenville will include in its overall adverse impact analyses each job seeker who satisfies the four criteria of an Internet Applicant, as defined under 41 C.F.R. § 60-1.3.

#### **PART V. REPORTING**

Span-America Greenville will submit the documents and reports described below to:

Marvin R. Jordan, District Director  
Phoenix District Office  
U.S. Department of Labor, OFCCP  
230 North 1<sup>ST</sup> Avenue, Suite 503  
Phoenix, AZ 85003

- A. Within sixty (60) calendar days of the Effective Date of this Agreement, Span-America Greenville will submit a copy of the written Revised Hiring Process described in Part IV. C.1.b of this Agreement.
- B. Within ninety (90) calendar days of the Effective Date of this Agreement, Span-America Greenville will submit documentation that all managers, supervisors and other personnel involved in recruiting, selecting, or tracking applicants for Production Operator positions at Span-America's Greenville, South Carolina establishment have been trained on the Revised Hiring Process. The documentation will 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.
- C. Within the prescribed timeframes, Span-America Greenville must submit all documents and information referenced in Part IV. of this Agreement.

D. In addition to the notifications and reports associated with Violation 1, Span-America Greenville agrees to submit three progress reports pursuant to Violations 2 and 3 as prescribed below.

Report	Due Date	Period Covered
1	January 31, 2020	Effective Date – December 31, 2019
2	January 31, 2021	January 1, 2020 – December 31, 2020
3	January 31, 2022	January 1, 2021 – December 31, 2021

Each progress report will contain the following, as applicable:

1. Documentation of monetary payments to all Eligible Class Members as specified in Part IV. of this Agreement. The documentation must include the names of Eligible Class Members who were paid, and, for each Eligible Class Member, the number and the amount of the check and the date the check cleared the bank. Span-America Greenville must provide OFCCP with copies of all canceled checks upon request.
2. Documentation of specific hiring activity for Eligible Class Members who were hired as Production Operators in accordance with this Agreement, including name, date of hire, job title hired into, rate of pay and proof of retroactive seniority.
3. For Eligible Class Members who were considered for employment but were not hired, Span-America Greenville will provide the reason for non-placement along with all relevant documentation (e.g., documentation that the Eligible Class Member declined the offer).
4. The total number of applicants and hires for Production Operator positions, with a breakdown by applicable race/ethnicity of Production Operator applicants and hires during the reporting period, including all temporary, part-time and seasonal workers who were referred to and/or assigned to work at Span-America Greenville by a staffing firm or employment agency. The log must contain, for each applicant, their name or applicant ID, race, gender, date applied, status as an internet applicant, disposition, disposition date, stage in the hiring process where the candidate was disqualified from further consideration, and date of hire (if applicable).
5. For the Production Operator job title, a description of the qualifications Span-America Greenville used as a screening device and the stage of the hiring process at which the screening device was used.
6. For the Production Operator job title, the results of Span-America Greenville's analysis as to whether its total hiring process has adverse impact, as defined by 41 C.F.R. § 60-3.4C and D; when the total hiring process has an adverse impact, the results of Span-

America Greenville's evaluation of the individual components of the hiring process for adverse impact.

7. The actions taken by Span-America Greenville, where action was appropriate, after determining that any component of the hiring process has an adverse impact on members of any race or ethnic group.
8. Documentation that Span-America Greenville developed and implemented an internal audit and reporting system that periodically measures the effectiveness of its affirmative action program.
9. Documentation that Span-America Greenville has performed an in-depth analysis of its total hiring process to determine whether or where impediments to equal opportunity exists.
10. A list of specific action-oriented programs, where applicable, that Span-America has implemented to correct problem areas as it relates to its hiring process, and to ensure there are no impediments to equal opportunity or affirmative action.

**TERMINATION DATE:** This Agreement will remain in effect pursuant to the terms in Part II., Paragraph J.

**INTEGRATION CLAUSE:** This Agreement represents the full Agreement between Span-America Greenville and OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Span-America Greenville nor OFCCP relies upon any promise, representation of fact or law, or other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement of the parties affected and may not be modified by any oral agreement.

**Attachments**

- A. List of Eligible Class Members
- B. Notice to Affected Class
- C. Information Verification & Employment Interest Form
- D. Release of Claims Under Executive Order 11246
- E. Request for Taxpayer Identification Number and Certification (W-9 Form)
- F. W-4 Form

**PART VI. SIGNATURES**

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Span-America Medical Systems, Inc., 70 Commerce Center, Greenville, South Carolina.

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

~~JAMES FERGUSON~~  
President & CEO  
Span-America Medical Systems, Inc.

DATE: 9/23/19

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

~~(D) (1)(E), (D) (1)(C)~~  
Compliance Officer  
Office of Federal Contract Compliance  
Programs  
Phoenix District Office

DATE: 9/24/2019

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

MARVIN R. JORDAN  
District Director  
Office of Federal Contract Compliance  
Programs  
Phoenix District Office

DATE: 9/24/2019

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

JANE SUHR  
Regional Director  
Office of Federal Contract Compliance  
Programs  
Pacific Region

DATE: 9/26/2019



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Span-America Medical Systems, Inc.  
Conciliation Agreement  
Attachment B

[Insert Span-America Medical Systems, Inc. Letterhead]

### NOTICE TO AFFECTED CLASS

Dear [NAME]:

Span-America Medical Systems, Inc. ("Span-America") and the Department of Labor's Office of Federal Contract Compliance Programs ("OFCCP") have entered into a Conciliation Agreement ("Agreement") to remedy the alleged violations of Executive Order 11246 ("E.O. 11246") that OFCCP found during a compliance review of Span-America, at the 70 Commerce Center, Greenville, South Carolina facility. OFCCP's analysis showed that during the period January 1, 2015 to December 31, 2016, Span-America disproportionately hired black and white applicants as compared to Hispanic applicants in Production Operator positions. Span-America denies any violation of E.O. 11246 and there has not been any adjudicated finding that Span-America violated any laws, or engaged in any discrimination against you or any other applicant. OFCCP and Span-America entered into the Agreement to resolve the matter without resorting to further legal proceedings.

You have been identified as one of the individuals who applied for the Production Operator position during the 2015 – 2016 period. Under the Agreement, you may be eligible to receive a payment representing a pro rata share of back pay and interest (less deductions required by law) and a job offer for a Production Operator position. Under the terms of the Agreement, it may take up to six months from the date of this letter before you receive your payment.

As Production Operator positions come available, Span-America will be making conditional offers to some of the individuals who receive this Notice. You are not guaranteed to receive a job offer. If you are interested in such a job, you must express your interest in the enclosed Information Verification and Employment Interest form. Those receiving this Notice who are deemed eligible for a conditional job offer will be considered for a Production Operator position as they become available after the claims process is complete. In order to receive a conditional job offer under this Agreement, you must meet the following job requirements: 1) complete and submit an updated employment application; 2) be age 18 or older; 3) be eligible to work in the United States; 4) meet qualifications that are required for the Production Operator position, which may include a criminal background review and/or drug test; and 5) agree to accept wages, work hours, overtime, and shift requirements according to Span-America's needs and assignments.

In order to be eligible for a payment or job offer, you must complete, sign, and return enclosed Information Verification and Employment Interest, Release of Claims Under Executive Order 11246, W-4, and Request for Taxpayer Identification Number and Certification (W-9) forms. These forms should be mailed, as soon as possible, to:

Trina McGowan  
Director of Human Resources  
Span-America  
Post Office Box 5231  
Greenville, SC 29606

Your mailing *must* be postmarked or delivered to the above address no later than 30 days after the date this Notice was mailed (postmarked) to you for you to be entitled to participate in this settlement.

You may use the enclosed postage-paid return envelope to return the completed and signed Information Verification and Employment Interest, Release of Claims under Executive Order 11246, W-4, and Request for Taxpayer Identification Number and Certification (W-9) forms. If you have any questions, you may call Trina McGowan at Span-America at (864) 288-8877, or the Phoenix District Office of OFCCP at (602) 514-4660. Your call will be returned as soon as possible.

**IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENT(S) WITHIN 30 DAYS OF THE DATE THE ENVELOPE CONTAINING THIS NOTICE WAS POSTMARKED, YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT OR A JOB OFFER FROM SPAN-AMERICA.**

Enclosures: Information Verification and Employment Interest Form  
Release of Claims Under Executive Order 11246  
Request for Taxpayer Identification Number and Certification (W-9)  
W-4

**Attachment C**  
**INFORMATION VERIFICATION AND EMPLOYMENT INTEREST FORM**

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

**INSTRUCTIONS FOR FILING A CLAIM TO BE CONSIDERED FOR MONEY (BACK WAGES) AND A CONDITIONAL JOB OFFER FROM THE SETTLEMENT**

**DEADLINE TO RESPOND IS date here**

If you complete this Form, you may be eligible for a monetary payment from the settlement described in the Notice and you may also express your interest in a conditional job offer. You can receive a monetary payment even if you do not express interest in a job.

To receive an award (money and a possible job offer), you must complete and return this Form, the Release of Claims Under Executive Order 11246 form, **and** the W-4 and W-9 forms, postmarked or hand-delivered on or before date here to

**Settlement Administrator**  
**Trina McGowan**  
**Director of Human Resources**  
**Span-America**  
**Post Office Box 5231**  
**Greenville, SC 29606**  
**(864) 288-8877**

If you do not submit a properly completed Information Verification and Employment Interest Form, Release, W-4 and W-9 on or before date here, then your claim will not be on time, **you will not receive any money from this settlement, and you will not be considered for a job offer as part of the settlement.**

Enclosed is a stamped, pre-addressed envelope you can use to return the Information Verification Form, Release, and W-4 and W-9 by date here.

**This Form will only be used for the following purposes:**

- (1) To confirm important information needed in order to make sure you are eligible to receive money under this settlement and to process your payment, and**
- (2) To allow you to express interest in the jobs being offered as a result of the settlement.**

**Step 1: Please 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: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

It is very important that you notify the settlement administrator if your address or other contact information changes within the next twelve months or if you have questions about this Form, the Release, W-4, W-9, or the settlement.

**Notify the following at the address below if your address changes within the next 12 months:**

**Settlement Administrator  
Trina McGowan  
Director of Human Resources  
Span-America  
Post Office Box 5231  
Greenville, SC 29606  
(864) 288-8877**

**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.*

For purposes of this settlement, it is necessary to verify your race (check one):

Hispanic or Latino

Caucasian (not Hispanic or Latino)

African-American (not Hispanic or Latino)

Asian (not Hispanic or Latino)

Native American (not Hispanic or Latino)

Native Hawaiian or Other Pacific Islander (not Hispanic or Latino)

Two or More Races (not Hispanic or Latino)

**Step 2: Inform us if you are interested in a Production Operator job with Span-America and if you have previously worked for Span-America (choose all that apply):**

**Yes**, I am interested in a Production Operator position with Span-America at its facility located at 70 Commerce Center, Greenville, SC. I understand that to be eligible for a Production Operator position, I must meet all of the job qualifications, including: (1) complete and submit an updated employment application, (2) be age 18 or over, (3) be eligible to work in the United States, (4) meet qualifications that are required for the Production Operator position, which may include a criminal background review and/or drug test, and (5) agree to accept wages, work hours, overtime, and shift requirements according to Span-America's needs and assignments. I understand that no relocation assistance will be offered.

**No**, I am not interested in a Production Operator position with Span-America at its facility located at 70 Commerce Center, Greenville, SC.

I am **currently employed** by Span-America in the position of \_\_\_\_\_.

I was **previously employed** by Span-America:

Name at time of employment: \_\_\_\_\_

Dates of employment: \_\_\_\_\_

**Step 3: Sign and return this Form, along with the signed Release, W-4 and W-9.**

I certify the above as true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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

## RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

This Release of Claims under Executive Order 11246 ("Release") is a legal document. The Release states that in return for Span-America Medical Systems, Inc. ("Span-America") paying you money and a potential job offer as a Production Operator at Span-America in Greenville, SC, you agree that you will not file any lawsuit against Span-America for allegedly violating Executive Order 11246 in connection with its selection procedures for applicants for the Production Operator position. It also says that Span-America does not admit it violated any laws. By signing this Release, you confirm you had sufficient time to look at the settlement documents, to talk with others about the documents, including an attorney if you choose, and that no one pressured you into signing the documents. Finally, the Release says that if you do not sign and return the documents by a certain date, you will not receive any money or a potential job offer as part of the settlement.

In consideration of the payment of a pro rata share of back pay and interest (less deductions required by law) and a potential job offer into a Production Operator position by Span-America to me, which I agree is acceptable, I \_\_\_\_\_ agree to the following: print name

### I.

I hereby waive, release and forever discharge Span-America, 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 that are actionable or could have been brought 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. By signing this agreement, I agree that I have been made whole for any claim that could have been brought under Executive Order 11246 relating to my non-selection for employment with Span-America through the Effective Date of this Release. By signing this Release, I agree not to seek and/or accept any additional make whole relief obtained through any action based on or involving my non-selection, through the effective date of this Release. Here, make whole relief is defined as the total earnings lost, and includes: salary or wages, overtime, premium pay and shift differentials, incentive pay, raises, bonuses, lost sales commissions, cost-of-living increases, tips, medical and life insurance, fringe benefits, pensions, stock options, and awards.

### II.

I understand that Span-America denies that it treated me unlawfully or unfairly in any way and that Span-America 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 December 5, 2016. I further agree that the payment of the aforesaid sum by Span-America and potential job offer to me is not to be construed as an admission of any liability by Span-America.

**III.**

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

**IV.**

I understand that if I do not sign this Release and return it to Span-America, along with the Information Verification and Employment Interest form, W-4 and W-9 WITHIN 30 DAYS OF THE DATE THE ENVELOPE CONTAINING THIS RELEASE WAS POSTMARKED, I will not be entitled to receive any payment (less deductions required by law) or a potential job offer for a Production Operator position from Span-America.

IN WITNESS WHEREOF, I have signed this document on \_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

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

# Request for Taxpayer Identification Number and Certification

**Give Form to the  
requester. Do not  
send to the IRS.**

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	<p><b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.</p>	
	<p><b>2</b> Business name/disregarded entity name, if different from above</p>	
	<p><b>3</b> Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.</p> <p><input type="checkbox"/> Individual/sole proprietor or single-member LLC    <input type="checkbox"/> C Corporation    <input type="checkbox"/> S Corporation    <input type="checkbox"/> Partnership    <input type="checkbox"/> Trust/estate</p> <p><input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____</p> <p><b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</p> <p><input type="checkbox"/> Other (see instructions) ▶ _____</p>	<p><b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) _____</p> <p>Exemption from FATCA reporting code (if any) _____</p> <p><small>(Applies to accounts maintained outside the U.S.)</small></p>
	<p><b>5</b> Address (number, street, and apt. or suite no.) See instructions.</p>	<p>Requester's name and address (optional)</p>
	<p><b>6</b> City, state, and ZIP code</p>	
	<p><b>7</b> List account number(s) here (optional)</p>	

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; height: 20px;"></td> </tr> </table>				
<b>or</b>				
<b>Employer identification number</b>				
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; height: 20px;"></td> </tr> </table>				

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

*If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

**Note:** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

## What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note: ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

### Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

### Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

## Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

## Line 6

Enter your city, state, and ZIP code.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/Businesses](http://www.irs.gov/Businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN; sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
5. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee <sup>1</sup> The actual owner <sup>1</sup>
6. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor <sup>*</sup>

For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

**\*Note:** The grantor also must provide a Form W-9 to trustee of trust.

**Note:** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**Secure Your Tax Records From Identity Theft**

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov) or report them at [www.ftc.gov/complaint](http://www.ftc.gov/complaint). You can contact the FTC at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see [www.IdentityTheft.gov](http://www.IdentityTheft.gov) and Pub. 5027.

Visit [www.irs.gov/IdentityTheft](http://www.irs.gov/IdentityTheft) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.

# Form W-4 (2019)

**Future developments.** For the latest information about any future developments related to Form W-4, such as legislation enacted after it was published, go to [www.irs.gov/FormW4](http://www.irs.gov/FormW4).

**Purpose.** Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. Consider completing a new Form W-4 each year and when your personal or financial situation changes.

**Exemption from withholding.** You may claim exemption from withholding for 2019 if **both** of the following apply.

- For 2018 you had a right to a refund of **all** federal income tax withheld because you had **no** tax liability, **and**
- For 2019 you expect a refund of **all** federal income tax withheld because you expect to have **no** tax liability.

If you're exempt, complete **only** lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2019 expires February 17, 2020. See Pub. 505, Tax Withholding and Estimated Tax, to learn more about whether you qualify for exemption from withholding.

## General Instructions

If you aren't exempt, follow the rest of these instructions to determine the number of withholding allowances you should claim for withholding for 2019 and any additional amount of tax to have withheld. For regular wages, withholding must be based on allowances you claimed and may not be a flat amount or percentage of wages.

You can also use the calculator at [www.irs.gov/W4App](http://www.irs.gov/W4App) to determine your tax withholding more accurately. Consider

using this calculator if you have a more complicated tax situation, such as if you have a working spouse, more than one job, or a large amount of nonwage income not subject to withholding outside of your job. After your Form W-4 takes effect, you can also use this calculator to see how the amount of tax you're having withheld compares to your projected total tax for 2019. If you use the calculator, you don't need to complete any of the worksheets for Form W-4.

Note that if you have too much tax withheld, you will receive a refund when you file your tax return. If you have too little tax withheld, you will owe tax when you file your tax return, and you might owe a penalty.

**Filers with multiple jobs or working spouses.** If you have more than one job at a time, or if you're married filing jointly and your spouse is also working, read all of the instructions including the instructions for the Two-Earners/Multiple Jobs Worksheet before beginning.

**Nonwage income.** If you have a large amount of nonwage income not subject to withholding, such as interest or dividends, consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Otherwise, you might owe additional tax. Or, you can use the Deductions, Adjustments, and Additional Income Worksheet on page 3 or the calculator at [www.irs.gov/W4App](http://www.irs.gov/W4App) to make sure you have enough tax withheld from your paycheck. If you have pension or annuity income, see Pub. 505 or use the calculator at [www.irs.gov/W4App](http://www.irs.gov/W4App) to find out if you should adjust your withholding on Form W-4 or W-4P.

**Nonresident alien.** If you're a nonresident alien, see Notice 1392, Supplemental Form W-4 Instructions for Nonresident Aliens, before completing this form.

## Specific Instructions

### Personal Allowances Worksheet

Complete this worksheet on page 3 first to determine the number of withholding allowances to claim.

**Line C. Head of household please note:** Generally, you may claim head of household filing status on your tax return only if you're unmarried and pay more than 50% of the costs of keeping up a home for yourself and a qualifying individual. See Pub. 501 for more information about filing status.

**Line E. Child tax credit.** When you file your tax return, you may be eligible to claim a child tax credit for each of your eligible children. To qualify, the child must be under age 17 as of December 31, must be your dependent who lives with you for more than half the year, and must have a valid social security number. To learn more about this credit, see Pub. 972, Child Tax Credit. To reduce the tax withheld from your pay by taking this credit into account, follow the instructions on line E of the worksheet. On the worksheet you will be asked about your total income. For this purpose, total income includes all of your wages and other income, including income earned by a spouse if you are filing a joint return.

**Line F. Credit for other dependents.** When you file your tax return, you may be eligible to claim a credit for other dependents for whom a child tax credit can't be claimed, such as a qualifying child who doesn't meet the age or social security number requirement for the child tax credit, or a qualifying relative. To learn more about this credit, see Pub. 972. To reduce the tax withheld from your pay by taking this credit into account, follow the instructions on line F of the worksheet. On the worksheet, you will be asked about your total income. For this purpose, total

Separate here and give Form W-4 to your employer. Keep the worksheet(s) for your records.

<b>Form W-4</b> Department of the Treasury Internal Revenue Service		<b>Employee's Withholding Allowance Certificate</b>		OMB No. 1545-0074 <b>2019</b>	
<b>1</b> Your first name and middle initial		Last name		<b>2</b> Your social security number	
Home address (number and street or rural route)		<b>3</b> <input type="checkbox"/> Single <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate. Note: If married filing separately, check "Married, but withhold at higher Single rate."			
City or town, state, and ZIP code		<b>4</b> If your last name differs from that shown on your social security card, check here. You must call 800-772-1213 for a replacement card. <input type="checkbox"/>			
<b>5</b> Total number of allowances you're claiming (from the applicable worksheet on the following pages) . . . . .				<b>5</b>	
<b>6</b> Additional amount, if any, you want withheld from each paycheck . . . . .				<b>6</b> \$	
<b>7</b> I claim exemption from withholding for 2019, and I certify that I meet <b>both</b> of the following conditions for exemption.		<ul style="list-style-type: none"> <li>• Last year I had a right to a refund of <b>all</b> federal income tax withheld because I had <b>no</b> tax liability, <b>and</b></li> <li>• This year I expect a refund of <b>all</b> federal income tax withheld because I expect to have <b>no</b> tax liability.</li> </ul>			
If you meet both conditions, write "Exempt" here . . . . .		<input type="checkbox"/>		<b>7</b>	
Under penalties of perjury, I declare that I have examined this certificate and, to the best of my knowledge and belief, it is true, correct, and complete.					
<b>Employee's signature</b> (This form is not valid unless you sign it.) ▶					
<b>8</b> Employer's name and address (Employer: Complete boxes 8 and 10 if sending to IRS and complete boxes 8, 9, and 10 if sending to State Directory of New Hires.)		<b>9</b> First date of employment		<b>10</b> Employer identification number (EIN)	
<b>Date</b> ▶					

income includes all of your wages and other income, including income earned by a spouse if you are filing a joint return.

**Line G. Other credits.** You may be able to reduce the tax withheld from your paycheck if you expect to claim other tax credits, such as tax credits for education (see Pub. 970). If you do so, your paycheck will be larger, but the amount of any refund that you receive when you file your tax return will be smaller. Follow the instructions for Worksheet 1-6 in Pub. 505 if you want to reduce your withholding to take these credits into account. Enter "-0-" on lines E and F if you use Worksheet 1-6.

### Deductions, Adjustments, and Additional Income Worksheet

Complete this worksheet to determine if you're able to reduce the tax withheld from your paycheck to account for your itemized deductions and other adjustments to income, such as IRA contributions. If you do so, your refund at the end of the year will be smaller, but your paycheck will be larger. You're not required to complete this worksheet or reduce your withholding if you don't wish to do so.

You can also use this worksheet to figure out how much to increase the tax withheld from your paycheck if you have a large amount of nonwage income not subject to withholding, such as interest or dividends.

Another option is to take these items into account and make your withholding more accurate by using the calculator at [www.irs.gov/W4App](http://www.irs.gov/W4App). If you use the calculator, you don't need to complete any of the worksheets for Form W-4.

### Two-Earners/Multiple Jobs Worksheet

Complete this worksheet if you have more than one job at a time or are married filing jointly and have a working spouse. If you

don't complete this worksheet, you might have too little tax withheld. If so, you will owe tax when you file your tax return and might be subject to a penalty.

Figure the total number of allowances you're entitled to claim and any additional amount of tax to withhold on all jobs using worksheets from only one Form W-4. Claim all allowances on the W-4 that you or your spouse file for the highest paying job in your family and claim zero allowances on Forms W-4 filed for all other jobs. For example, if you earn \$60,000 per year and your spouse earns \$20,000, you should complete the worksheets to determine what to enter on lines 5 and 6 of your Form W-4, and your spouse should enter zero ("-0-") on lines 5 and 6 of his or her Form W-4. See Pub. 505 for details.

Another option is to use the calculator at [www.irs.gov/W4App](http://www.irs.gov/W4App) to make your withholding more accurate.

**Tip:** If you have a working spouse and your incomes are similar, you can check the "Married, but withhold at higher Single rate" box instead of using this worksheet. If you choose this option, then each spouse should fill out the Personal Allowances Worksheet and check the "Married, but withhold at higher Single rate" box on Form W-4, but only one spouse should claim any allowances for credits or fill out the Deductions, Adjustments, and Additional Income Worksheet.

### Instructions for Employer

**Employees, do not complete box 8, 9, or 10. Your employer will complete these boxes if necessary.**

**New hire reporting.** Employers are required by law to report new employees to a designated State Directory of New Hires. Employers may use Form W-4, boxes 8, 9,

and 10 to comply with the new hire reporting requirement for a newly hired employee. A newly hired employee is an employee who hasn't previously been employed by the employer, or who was previously employed by the employer but has been separated from such prior employment for at least 60 consecutive days. Employers should contact the appropriate State Directory of New Hires to find out how to submit a copy of the completed Form W-4. For information and links to each designated State Directory of New Hires (including for U.S. territories), go to [www.acf.hhs.gov/css/employers](http://www.acf.hhs.gov/css/employers).

If an employer is sending a copy of Form W-4 to a designated State Directory of New Hires to comply with the new hire reporting requirement for a newly hired employee, complete boxes 8, 9, and 10 as follows.

**Box 8.** Enter the employer's name and address. If the employer is sending a copy of this form to a State Directory of New Hires, enter the address where child support agencies should send income withholding orders.

**Box 9.** If the employer is sending a copy of this form to a State Directory of New Hires, enter the employee's first date of employment, which is the date services for payment were first performed by the employee. If the employer rehired the employee after the employee had been separated from the employer's service for at least 60 days, enter the rehire date.

**Box 10.** Enter the employer's employer identification number (EIN).

**Personal Allowances Worksheet (Keep for your records.)**

<b>A</b>	Enter "1" for yourself . . . . .	<b>A</b>	<u>      </u>
<b>B</b>	Enter "1" if you will file as married filing jointly . . . . .	<b>B</b>	<u>      </u>
<b>C</b>	Enter "1" if you will file as head of household . . . . .	<b>C</b>	<u>      </u>
<b>D</b>	Enter "1" if: <span style="font-size: 2em; vertical-align: middle;">}</span> <ul style="list-style-type: none"> <li>• You're single, or married filing separately, and have only one job; or</li> <li>• You're married filing jointly, have only one job, and your spouse doesn't work; or</li> <li>• Your wages from a second job or your spouse's wages (or the total of both) are \$1,500 or less.</li> </ul>	<b>D</b>	<u>      </u>
<b>E</b>	<b>Child tax credit.</b> See Pub. 972, Child Tax Credit, for more information. <ul style="list-style-type: none"> <li>• If your total income will be less than \$71,201 (\$103,351 if married filing jointly), enter "4" for each eligible child.</li> <li>• If your total income will be from \$71,201 to \$179,050 (\$103,351 to \$345,850 if married filing jointly), enter "2" for each eligible child.</li> <li>• If your total income will be from \$179,051 to \$200,000 (\$345,851 to \$400,000 if married filing jointly), enter "1" for each eligible child.</li> <li>• If your total income will be higher than \$200,000 (\$400,000 if married filing jointly), enter "-0-" . . . . .</li> </ul>	<b>E</b>	<u>      </u>
<b>F</b>	<b>Credit for other dependents.</b> See Pub. 972, Child Tax Credit, for more information. <ul style="list-style-type: none"> <li>• If your total income will be less than \$71,201 (\$103,351 if married filing jointly), enter "1" for each eligible dependent.</li> <li>• If your total income will be from \$71,201 to \$179,050 (\$103,351 to \$345,850 if married filing jointly), enter "1" for every two dependents (for example, "-0-" for one dependent, "1" if you have two or three dependents, and "2" if you have four dependents).</li> <li>• If your total income will be higher than \$179,050 (\$345,850 if married filing jointly), enter "-0-" . . . . .</li> </ul>	<b>F</b>	<u>      </u>
<b>G</b>	<b>Other credits.</b> If you have other credits, see Worksheet 1-6 of Pub. 505 and enter the amount from that worksheet here. If you use Worksheet 1-6, enter "-0-" on lines E and F . . . . .	<b>G</b>	<u>      </u>
<b>H</b>	Add lines A through G and enter the total here . . . . .	<b>H</b>	<u>      </u>

For accuracy, **complete all worksheets that apply.**

- If you plan to **itemize** or **claim adjustments to income** and want to reduce your withholding, or if you have a large amount of nonwage income not subject to withholding and want to increase your withholding, see the **Deductions, Adjustments, and Additional Income Worksheet** below.
- If you **have more than one job at a time** or are **married filing jointly and you and your spouse both work**, and the combined earnings from all jobs exceed \$53,000 (\$24,450 if married filing jointly), see the **Two-Earners/Multiple Jobs Worksheet** on page 4 to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line H on line 5 of Form W-4 above.

**Deductions, Adjustments, and Additional Income Worksheet**

**Note:** Use this worksheet *only* if you plan to itemize deductions, claim certain adjustments to income, or have a large amount of nonwage income not subject to withholding.

<b>1</b>	Enter an estimate of your 2019 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes (up to \$10,000), and medical expenses in excess of 10% of your income. See Pub. 505 for details . . . . .	<b>1</b>	\$ <u>      </u>
<b>2</b>	Enter: <span style="font-size: 2em; vertical-align: middle;">}</span> <ul style="list-style-type: none"> <li>\$24,400 if you're married filing jointly or qualifying widow(er)</li> <li>\$18,350 if you're head of household</li> <li>\$12,200 if you're single or married filing separately</li> </ul>	<b>2</b>	\$ <u>      </u>
<b>3</b>	<b>Subtract</b> line 2 from line 1. If zero or less, enter "-0-" . . . . .	<b>3</b>	\$ <u>      </u>
<b>4</b>	Enter an estimate of your 2019 adjustments to income, qualified business income deduction, and any additional standard deduction for age or blindness (see Pub. 505 for information about these items) . . . . .	<b>4</b>	\$ <u>      </u>
<b>5</b>	<b>Add</b> lines 3 and 4 and enter the total . . . . .	<b>5</b>	\$ <u>      </u>
<b>6</b>	Enter an estimate of your 2019 nonwage income not subject to withholding (such as dividends or interest) . . . . .	<b>6</b>	\$ <u>      </u>
<b>7</b>	<b>Subtract</b> line 6 from line 5. If zero, enter "-0-". If less than zero, enter the amount in parentheses . . . . .	<b>7</b>	\$ <u>      </u>
<b>8</b>	<b>Divide</b> the amount on line 7 by \$4,200 and enter the result here. If a negative amount, enter in parentheses. Drop any fraction . . . . .	<b>8</b>	<u>      </u>
<b>9</b>	Enter the number from the <b>Personal Allowances Worksheet</b> , line H, above . . . . .	<b>9</b>	<u>      </u>
<b>10</b>	<b>Add</b> lines 8 and 9 and enter the total here. If zero or less, enter "-0-". If you plan to use the <b>Two-Earners/Multiple Jobs Worksheet</b> , also enter this total on line 1 of that worksheet on page 4. Otherwise, <b>stop here</b> and enter this total on Form W-4, line 5, page 1 . . . . .	<b>10</b>	<u>      </u>

### Two-Earners/Multiple Jobs Worksheet

**Note:** Use this worksheet *only* if the instructions under line H from the **Personal Allowances Worksheet** direct you here.

- 1 Enter the number from the **Personal Allowances Worksheet**, line H, page 3 (or, if you used the **Deductions, Adjustments, and Additional Income Worksheet** on page 3, the number from line 10 of that worksheet) 1 \_\_\_\_\_
  - 2 Find the number in **Table 1** below that applies to the **LOWEST** paying job and enter it here. **However**, if you're married filing jointly and wages from the highest paying job are \$75,000 or less and the combined wages for you and your spouse are \$107,000 or less, don't enter more than "3" 2 \_\_\_\_\_
  - 3 If line 1 is **more than or equal to** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter "-0-") and on Form W-4, line 5, page 1. **Do not** use the rest of this worksheet. 3 \_\_\_\_\_
- Note:** If line 1 is **less than** line 2, enter "-0-" on Form W-4, line 5, page 1. Complete lines 4 through 9 below to figure the additional withholding amount necessary to avoid a year-end tax bill.
- 4 Enter the number from line 2 of this worksheet 4 \_\_\_\_\_
  - 5 Enter the number from line 1 of this worksheet 5 \_\_\_\_\_
  - 6 **Subtract** line 5 from line 4 6 \_\_\_\_\_
  - 7 Find the amount in **Table 2** below that applies to the **HIGHEST** paying job and enter it here 7 \$ \_\_\_\_\_
  - 8 **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding needed 8 \$ \_\_\_\_\_
  - 9 **Divide** line 8 by the number of pay periods remaining in 2019. For example, divide by 18 if you're paid every 2 weeks and you complete this form on a date in late April when there are 18 pay periods remaining in 2019. Enter the result here and on Form W-4, line 6, page 1. This is the additional amount to be withheld from each paycheck 9 \$ \_\_\_\_\_

Table 1				Table 2			
Married Filing Jointly		All Others		Married Filing Jointly		All Others	
If wages from <b>LOWEST</b> paying job are—	Enter on line 2 above	If wages from <b>LOWEST</b> paying job are—	Enter on line 2 above	If wages from <b>HIGHEST</b> paying job are—	Enter on line 7 above	If wages from <b>HIGHEST</b> paying job are—	Enter on line 7 above
\$0 - \$5,000	0	\$0 - \$7,000	0	\$0 - \$24,900	\$420	\$0 - \$7,200	\$420
5,001 - 9,500	1	7,001 - 13,000	1	24,901 - 84,450	500	7,201 - 36,975	500
9,501 - 19,500	2	13,001 - 27,500	2	84,451 - 173,900	910	36,976 - 81,700	910
19,501 - 35,000	3	27,501 - 32,000	3	173,901 - 326,950	1,000	81,701 - 158,225	1,000
35,001 - 40,000	4	32,001 - 40,000	4	326,951 - 413,700	1,330	158,226 - 201,600	1,330
40,001 - 46,000	5	40,001 - 60,000	5	413,701 - 617,850	1,450	201,601 - 507,800	1,450
46,001 - 55,000	6	60,001 - 75,000	6	617,851 and over	1,540	507,801 and over	1,540
55,001 - 60,000	7	75,001 - 85,000	7				
60,001 - 70,000	8	85,001 - 95,000	8				
70,001 - 75,000	9	95,001 - 100,000	9				
75,001 - 85,000	10	100,001 - 110,000	10				
85,001 - 95,000	11	110,001 - 115,000	11				
95,001 - 125,000	12	115,001 - 125,000	12				
125,001 - 155,000	13	125,001 - 135,000	13				
155,001 - 165,000	14	135,001 - 145,000	14				
165,001 - 175,000	15	145,001 - 160,000	15				
175,001 - 180,000	16	160,001 - 180,000	16				
180,001 - 195,000	17	180,001 and over	17				
195,001 - 205,000	18						
205,001 and over	19						

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cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws; and to the Department of Health and Human Services for use in the National Directory of New Hires. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

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The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.