

CONCILIATION AGREEMENT

Between
The U. S. Department of Labor
Office of Federal Contract Compliance Programs

and

Intertek USA, Inc.
2 Riverway, Suite 500
Houston, TX 77056

PART I: GENERAL PROVISIONS:

1. This Conciliation Agreement (“Agreement”) is between the Office of Federal Contract Compliance Programs (“OFCCP”) and Intertek USA, Inc. (“Intertek”).
2. The violations identified in this Agreement were found during a compliance evaluation of Intertek USA, Inc. located at 2 Riverway, Suite 500, Houston, TX 77056, which began on May 17, 2012, and was specified in a Notice of Violation issued on June 6, 2013. OFCCP alleges that Intertek has violated Executive Order 11246, as amended (“Executive Order”) and implementing regulations at 41 CFR Chapter 60 due to the specific violation cited in Part II below.
3. This Agreement does not constitute an admission by Intertek of any violation of the Executive Order, Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (“Section 503”) and/or the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (“VEVRAA”), and implementing regulations.
4. The provisions of this Agreement will become part of Intertek’s written affirmative action program (“AAP”). Subject to the performance by Intertek of all promises and representations contained herein and in its AAP, all named violations in regard to the compliance of Intertek with all OFCCP programs will be deemed resolved. However, Intertek is advised that the commitments contained in this Agreement do not preclude future determinations of noncompliance based on a finding that the commitments are not sufficient to achieve compliance.
5. Intertek agrees that OFCCP may review 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 Intertek’s compliance. Intertek shall permit access to its premises during normal business hours for these purposes.

6. Nothing herein is intended to relieve Intertek from the obligation to comply with the requirements of the Executive Order, Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 ("Section 503") and/or the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 ("VEVRAA"), and implementing regulations, or any other equal employment statute or executive order or implementing regulations.
7. Intertek agrees that there will be no retaliation of any kind against any beneficiary of this Agreement or against any person who has provided information or assistance, or who files a complaint, or who participates in any manner in any proceeding under the Executive Order, Section 503, and/or VEVRAA.
8. This Agreement will be deemed to have been accepted by the Government on the date of signature by the Houston District Director ("District Director"), unless the Regional Director of the Southwest and Rocky Mountain Region, OFCCP, or the Director, OFCCP, indicates otherwise within 45 calendar days of the District Director's signature on this Agreement.
9. If at any time in the future, OFCCP believes that Intertek has violated any portion of this Agreement during the term of this Agreement, Intertek will be promptly notified of that fact in writing. This notification will include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide Intertek with 15 calendar days from receipt of the notification to respond in writing, except where OFCCP alleges that such a delay would result in irreparable injury.

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

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

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

PART II: SPECIFIC PROVISION:

1. VIOLATION: OFCCP found that Intertek is not in compliance with 41 CFR 60-1.4(a)(1). OFCCP's analysis of Intertek's compensation practices revealed race-based compensation disparities against (b) 7 e and (b) 7 e Sr. Accountant; (b) 7 e a (b) 7 e IT Analyst; and (b) 7 e, a H&E Project Manager. Each of the minorities was earning substantially less than similarly situated non-minority employees in the same positions. OFCCP was unable to identify a non-discriminatory reason for the salary differences.

REMEDY: Intertek agrees to correct the pay disparity in the form of back pay and salary adjustments for (b) 7 e. Intertek also agrees to implement an internal auditing system that effectively evaluates its compensation practices to determine whether there are other race or ethnicity-based disparities and remedy any pay disparities identified.

Intertek will adjust (b) 7 e salary to \$78,274 per year, (b) 7 e salary to \$61,000 per year and (b) 7 e salary to \$72,900 per year within 60 calendar days of the effective date of this Agreement (the effective date is the date of the District Director's signature). This is an increase of \$8,274, \$6,900 and \$12,900, respectively from the date that the compliance evaluation began.

Within 50 calendar days of the effective date of this Agreement, Intertek will notify (b) 7 e of the terms of this Agreement via internal means or by first class mail, return receipt requested by providing copies of the Notice to Class Member (Attachment 1, "Notice") and the Release of Claims Under Executive Order 11246 (Attachment 2, "Release"). Intertek will notify OFCCP within five (5) calendar days, if they are unable to contact the minorities. OFCCP will then initiate efforts to locate them and provide updated contact information to Intertek. To receive the monetary settlement, they must sign and return the Release and Interest Form to either OFCCP or Intertek within 30 calendar days from the date of delivery.

Within 90 days of the effective date of this Agreement, Intertek will pay back pay for loss wages, less legal deductions required by law on the portion representing back pay only (such as federal, state and/or local taxes and FICA) to the minorities as follows:

(b) 7 e	\$12, 636.67 (\$12,216.00 in back pay and \$420.67 in interest)
(b) 7 e	\$12,568.39 (\$12,150.00 in back pay and \$418.39 in interest)
(b) 7 e	\$25,508.36 (\$24,659.20 in back pay and \$849.16 in interest)

Intertek will pay to the Internal Revenue Service ("IRS") the employer's share of social security withholdings, and include the back pay as wages on an IRS W-2 Form and an IRS Form 1099 for that portion of the payment representing interest. These IRS forms will be delivered via internal means (with their pay checks, personally) or by first class mail with the settlement check or at the end of the year.

No disbursements of the monetary settlement covered by this Agreement are to be made prior to 45 calendar days following the effective date of this Agreement. Intertek will disburse the monetary settlement within ninety (90) days of the effective date of this Agreement.

PART III: REPORTING:

Intertek will submit two reports to OFCCP which will be sent to the:

District Director
U.S. DOL/OFCCP
2320 LaBranch Street, Suite 1103
Houston, Texas 77004

1. The first report will be submitted within 60 calendar days of the effective date of this Agreement and shall include the following:
 - a. Documentation (i.e. personnel action form, letter to employee and/or pay stub) to demonstrate that (b) 7 e received a salary adjustments in accordance with the terms of this Agreement.
 - b. Documentation that all managers, supervisors and other personnel involved in compensation decisions have been trained. The documentation will include the dates of the training, information covered, the names and job titles of all attendees, and the name and job title of each person who conducted the training.
 - c. A copy of the plan for effective monitoring to ensure that the violation does not recur.
2. The second report will be submitted within 100 calendar days of the effective date of this Agreement, copies of the Notices, Releases, cancelled back paychecks and letters returned as undeliverable, if applicable,

Intertek will retain records pertinent to the violation resolved by this Conciliation Agreement and to the reports submitted under it, including the underlying information on which the report are based, until the expiration of the Conciliation Agreement or consistent with regulatory requirements, whichever is later.

Intertek agrees not to repeat the above violation.

This Conciliation Agreement will expire 60 calendar days after receipt of the second progress report or on the date the District Director gives notice to Intertek that it has satisfied its reporting requirements, whichever occurs earlier, unless OFCCP notifies Intertek in writing prior to the expiration of the 60-day period that Intertek has not satisfied its reporting requirements pursuant to this Agreement.

PART IV: SIGNATURES:

This Conciliation Agreement is hereby executed by and between the OFCCP and Intertek USA, Inc.

(b) 7 c

DARRIN HARKNESS
Vice President, Human Resources,
Canada & USA
Intertek USA, Inc.

Date: July 2 2013

(b) 7 c

Compliance Officer
Houston District Office

Date: 7/8/13

(b) 7 c

KAREN HYMAN
Assistant District Director
Houston District Office

Date: 7/8/13

(b) 7 c

PATRICIA H. BYRD
District Director
Houston District Office

Date: 7/8/13

- Attachment 1: Notice to Class Member
- Attachment 2: Release of Claims Under EO 11246

PROGRESS REPORT TIMELINE

Intertek USA, Inc.

OFCCP Case No.: R00174169

Effective Date of Conciliation Agreement:		07/08/2013
Action Required on Each Report	Number of Days from Effective Date	Due Date
<div style="background-color: black; color: red; font-size: 48px; text-align: center; padding: 20px;">(b) 7 e</div>		
When does not occur.	60	09/06/2013
In the second report, Intertek shall provide: Copies of completed Notices and Releases. The company shall also provide cancelled back pay checks and letters returned as undeliverable, if applicable.	100	10/16/2013

Progress Report	Due Date	Covered Period		
		Beginning		End
First Report	60	09/06/2013	07/08/2013 thru	09/06/2013
Second Report	100	10/16/2013	09/07/2013 thru	10/16/2013
Expiration date of CA (sixty calendar days after receipt of the final progress report or on the date the District Director gives approval of the final report, whichever occurs earlier)		12/15/2013		

ATTACHMENT 1
NOTICE TO CLASS MEMBER

Dear:

Intertek USA, Inc. ("Intertek") and the Department of Labor's Office of Federal Contract Compliance Programs ("OFCCP") have entered into a Conciliation Agreement ("Agreement") to resolve an alleged pay disparity involving the position that you occupy, _____, at its Houston, TX facility for the period September 01, 2011 through August 31, 2012. Intertek has denied any wrongdoing and has agreed to resolve the matter without further legal proceedings.

As part of this Agreement, you are eligible to receive an annual salary adjustment to _____ and a monetary payment of _____, less lawful payroll deductions. Under the terms of this Agreement it may take up to two months from the date of this letter before you receive the monetary payment. In order to be eligible for this payment, you must fill out and sign the Release of Claims Under Executive Order 11246, and return it within thirty (30) calendar days of the date you received this letter to:

(b) 7 e

Manager, Human Resources
Intertek USA, Inc.
2 Riverway, Suite 500
Houston, TX 77056

By entering into this Agreement, Intertek has not admitted, nor has there been any adjudicated finding, that Intertek violated any laws. Intertek has entered into this Agreement to resolve the matter without further legal proceedings.

If you have any questions you may call Ms. **(b) 7 e** or OFCCP Compliance Officer **(b) 7 e** (713) 718-3800. Your call will be returned as soon as possible. If you fail to complete and return the enclosed Release of Claims to Intertek within thirty (30) calendar days after receipt of this letter, you will forfeit any right to a monetary payment pursuant to this settlement.

Sincerely,
(NAME)

Enclosure: Release of Claims

ATTACHMENT 2
RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

In consideration of the payment of _____, (less deductions required by law) by Intertek USA, Inc. ("Intertek") to me, which I agree is acceptable, I _____ agree to the following:

I.

I hereby waive, release and forever discharge Intertek, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, directors, officers, employees, agents, successors, and assigns, of and from any and all actions, causes of action, damages, liabilities, and claims arising out of or actionable under Executive Order 11246, as amended, which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate in any way to a disparity in pay at any time through the effective date of this Release.

II.

I understand that Intertek denies that it treated me unlawfully or unfairly in any way and that Intertek entered into a Conciliation Agreement with the US Department of Labor, Office of Federal Contract Compliance Programs ("OFCCP"), and agreed to make the payment described above to resolve the alleged pay disparity and to resolve the matter without further legal proceedings in the compliance evaluation initiated by OFCCP on May 17, 2012. I further agree that the payment of the aforesaid sum by Intertek to me is not to be construed as an admission of any liability by Intertek.

III.

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

IV.

I understand that if I do not sign this Release and return it to Intertek by (DATE) , I will not be entitled to receive the payment (less deductions required by law) from Intertek.

IN WITNESS WHEREOF, I have signed this document on this _____ day of

_____, 2013.

Signature