

CONCILIATION AGREEMENT

Between

THE U. S. DEPARTMENT OF LABOR

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

And

SETEX, INC.

1111 McKinley Road

Saint Mary's, Ohio 45885

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs ("OFCCP") evaluated Setex, Inc.'s ("Setex") located at 1111 McKinley Rd, Saint Mary's, Ohio and alleges that Setex was not in compliance with the Executive Order 11246, as amended ("E.O. 11246"), and its implementing regulations at 41 C.F.R. Parts 60-1, 60-2, and 60-3. OFCCP notified Setex of the specific alleged violations found and the corrective actions requested in a Notice of Violation issued on July 28, 2016. In the interest of resolving the alleged violations without engaging in further legal proceedings and in exchange for the good and valuable consideration described in this document, OFCCP and Setex enter this contract ("Agreement") and agree to all the terms stated below.

PART II. GENERAL TERMS AND CONDITIONS

1. In exchange for Setex's fulfillment of all obligations in Parts III and IV of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under E.O. 11246, 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") based on the violations described in more detail in Part III below. However, OFCCP has the right to initiate legal proceedings to enforce the Agreement itself or to correct and obtain relief for the violations described in Part III if Setex violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. Setex agrees that OFCCP may review its compliance with this Agreement at the Saint Mary's, Ohio establishment. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Setex will permit access to its premises at the Saint Mary's, Ohio establishment during normal business hours for these purposes and will provide OFCCP with all reports and documents requested.

3. Setex understands that nothing in this Agreement relieves Setex 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.
4. Setex promises not to harass, intimidate, threaten, discriminate, or otherwise retaliate against any individual because the individual: benefits from this Agreement, files a complaint or participates in any investigation or proceeding under E.O. 11246, Section 503, and/or VEVRAA, or engages in any activity listed at 41 C.F.R. § 60-1.32(a).
5. The parties understand the terms of this Agreement and enter into it voluntarily.
6. This document and its attachments contain the complete and final understanding of the parties with respect to the matters referenced herein. This Agreement contains all terms by which the parties are bound and it supersedes all prior written or oral negotiations and agreements. There will be no modifications or amendments to this Agreement unless they are in writing, signed by all parties.
7. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
8. This Agreement becomes effective on the day it is signed by the Regional Director of the Midwest Region (the "Effective Date") unless the Director of OFCCP indicates otherwise within 45 calendar days of the date the Regional Director signs the Agreement.
9. In computing any time period specified in this Agreement, every calendar day shall be counted unless otherwise specified herein.
10. This Agreement will expire sixty (60) calendar days after Setex submits the final progress report required in Part IV (D), below, unless OFCCP notifies Setex in writing prior to the expiration date that Setex has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date that OFCCP determines Setex has met all of its obligations under the Agreement.
11. If Setex violates this Agreement,
 - A. The procedures set forth at 41 C.F.R. § 60-1.34 will govern:
 - 1) If OFCCP believes that Setex violated any term of the Agreement while it is in effect, OFCCP will send Setex a written notice stating the alleged violations and summarizing any supporting evidence. Such notice shall be provided to both Setex and Setex's counsel, Carmen N. Couden, Foley & Lardner LLP, 777 East Wisconsin Avenue, Milwaukee, WI 53202-5306.
 - 2) Setex will have 15 calendar 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.

- 3) If Setex is unable to demonstrate that it has not violated the Agreement, or if OFCCP alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other requirement.
- 4) OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.

B. Setex may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. § 60-300.66 (2014), 41 C.F.R. § 60-741.66 (2014) and/or other appropriate relief for violation of this Agreement.

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

PART III. SPECIFIC VIOLATIONS ALLEGED AND REMEDIES

1. ALLEGED HIRING DISCRIMINATION: RACE

A. **STATEMENT OF ALLEGED VIOLATION:** OFCCP alleges that Setex discriminated against 63 qualified black applicants (Class Members) based on race in the Assembly Technician position. The alleged discrimination allegedly occurred during the period of January 1, 2012 through December 31, 2013. OFCCP contends that Setex's failure to afford black applicants equal employment opportunities in hiring constitutes a violation of Section 202, Paragraph 1 of Executive Order 11246, as amended, and 41 CFR 60-1.4(a)(1).

Specifically, OFCCP asserts that the personnel activity data provided by Setex for the period January 1, 2012 through December 31, 2013, revealed that from an allegedly qualified pool of [REDACTED] black applicants, Setex hired [REDACTED] black applicants (b) (7)(E) for Assembly Technician positions. During the same period, from an allegedly qualified pool of [REDACTED] white applicants, Setex hired [REDACTED] white applicants (b) (7)(E) for Assembly Technician positions. The OFCCP claims that this allegedly disproportionate hiring pattern is statistically significant at the level of [REDACTED] standard deviations, with a shortfall of 10 black hires.

B. **REMEDY FOR AFFECTED CLASS:** Setex agrees to: (a) make all reasonable efforts to locate all 63 Class Members and provide all located Class Members with a make whole remedy, including back pay with interest; (b) make job offers to qualified Eligible Class Members (as defined later in this Agreement) in the Assembly Technician positions at the current rate of pay until one of the following has occurred: 10 Eligible Class Members are placed, the Eligible Class Member list is exhausted, or the reporting period described in this Agreement (June 30, 2017 through June 30, 2019) has ended without a need for ten (10) Assembly Technician hires; (c) prevent retaliation, harassment, and any other

form of reprisal or adverse action to Class Members based on or in relation to the terms of this Remedy; (d) review Setex's selection process and eliminate any practices that may have adversely contributed to the alleged selection disparities; (e) develop procedures to review at least annually, the selection process for ensuring nondiscrimination, and (f) take action to assure that this alleged violation does not occur in the future.

- 1) On or before June 30, 2017, Setex's designated settlement administrator ("Settlement Administrator") will notify the Class Members listed in Attachment A of the terms of this Agreement by First Class Mail. Settlement Administrator will use the last known address on file for each Class Member. Settlement Administrator shall include the Notice to Affected Class Members (Attachment B, hereinafter "Notice"), Information Verification & Employment Interest Form (Attachment C, hereinafter "Interest Form"), Release of Claims Form, (Attachment D, hereinafter "Release") and a postage- paid return envelope.

Each Class Member (or her/his legal representative in the event she/he is deceased) shall be instructed to respond by July 31, 2017. Those individuals for whom Settlement Administrator receives a notice from the U.S. Postal Service indicating that the mailed items were undeliverable or should be forwarded to a new mailing address shall be listed by name, address used for mailing, and Social Security Number of record in a Microsoft Excel report. This report shall be sent to OFCCP, attention [REDACTED], on or before August 15, 2017.

OFCCP will then attempt to obtain and provide updated addresses to Setex on or before August 30, 2017. On or before September 15, 2017, Settlement Administrator will mail, by First Class Mail, a second Notice, Interest Form, Release, and postage-paid return envelope to all individuals for whom updated addresses were provided by the OFCCP.

If a Class Member responds to either the first or second mailing and submits an incomplete response (including, but not limited to, one where a Social Security number was not provided) Setex must notify OFCCP by the following Monday of each week after receiving the incomplete response, and OFCCP will follow up with that individual to attempt to obtain the missing information. Setex will provide this notification to OFCCP by emailing Compliance Officer [REDACTED] at [REDACTED]. In that email Setex, will specify the deficiencies and attach an electronic copy of the incomplete paperwork.

- 2) Eligibility. The total number of Class Members to receive payment and/or future employment consideration shall consist of those individuals who responded to the first or second mailing and returned signed copies of the Interest Form and an unaltered Release postmarked on or before October 16, 2017 and shall be referred to in this Agreement as "Eligible Class Members." Any Eligible Class Member indicating an interest in employment, will be eligible to be considered for hire for an Assembly Technician position, provided they fully complete an employment

application and background check consent/disclosure form, pass a substance abuse screening test, pass a job-related criminal background check, present documents establishing that they are eligible to work in the United States, have a high school diploma or equivalent, and are able to work on second shift. Any Class Member listed on Attachment A who did not respond by October 16, 2017, shall not receive any portion of the Settlement Fund and shall not be eligible for any employment consideration or job offer under this Agreement.

On or before October 23, 2017, Setex will provide OFCCP with a list of the Eligible Class Members (individuals who returned the Interest Form and unaltered Release by the postmark deadline). All Eligible Class Members who appear on the final list of Eligible Class Members approved by OFCCP are entitled to an equal share of the Settlement Fund described below regardless of whether they are interested in employment with Setex.

- 3) Monetary Settlement. In settlement of all claims for back pay, interest and other monetary relief to the Eligible Class Members, Setex agrees to pay \$293,760.00, less legally required payroll deductions (such as federal, state and/or local taxes and the Eligible Class Members' share of FICA taxes, garnishments), in equal shares to all Eligible Class Members on the final approved list. This amount of \$293,760.00 shall be referred to in this Agreement as the "Settlement Fund" and is a negotiated amount that represents back pay (\$270,260.00) and interest (\$23,500.00) less interim earnings, and takes into account the tenure of those persons hired into the Assembly Technician positions during the review period.

Setex will pay the Internal Revenue Service ("IRS") the employer's share of Social Security withholdings and will mail each Eligible Class Member an IRS W-2 Form reporting the portion of the payment representing back pay and an IRS Form 1099 for the portion of the payment representing interest, if required. These IRS forms will be mailed at the end of the year to the last address on file with the Settlement Administrator. Setex will disburse the Settlement Fund within 30 calendar days after OFCCP approves the final list of Eligible Class Members.

For purposes of complying with this Agreement, on or before June 5, 2017, Setex's Settlement Administrator shall establish, and Setex shall deposit the sum of \$293,760.00 into, a federally-insured interest-bearing account at the prevailing interest rate, for purposes of complying with this Agreement. Setex's Settlement Administrator shall notify OFCCP on or before June 20, 2017 that these actions are complete. Setex or Settlement Administrator shall identify a person who can be contacted in order to obtain the account balance and interest information.

The interest that accrues on the total Settlement Fund will be included in the distribution to the Eligible Class Members. The interest earned on the Settlement Fund following the Effective Date of this Agreement shall be distributed to those Eligible Class Members.

Setcx (or Settlement Administrator on Setcx's behalf) shall distribute the Settlement Fund (including any accrued interest) equally among the Eligible Class Members. This monetary relief is not contingent upon accepting any job offer. On or before October 31, 2017, Setex (or Settlement Administrator on Setex's behalf) shall send a check via certified mail to each Eligible Class Member representing each such person's pro rata share of the Settlement Fund. After mailing the checks, Setex will provide OFCCP with a Microsoft Excel report containing the certified mail tracking number for each Eligible Class Member or indicate if the check was direct deposited.

For any checks mailed by Setex's Settlement Administrator which are returned as undeliverable, Setex shall notify OFCCP of this fact within 7 calendar days, via e-mail sent to (b) (7)(C), (b) (7)(E), (b) (7)(C), (b) (7)(E). OFCCP will have 15 calendar days to attempt to locate updated address information for the Eligible Class Member whose check was returned and, if OFCCP obtains an alternate address in the designated time period, OFCCP will provide the updated address information to Setex and Setex will arrange for the check to be re-mailed, by certified mail, within 15 calendar days of receiving the alternate or corrected address. Any checks that remain uncashed as of December 22, 2017 shall be void. With respect to the uncashed funds, Setex will arrange for a second distribution in equal shares to all Eligible Class Members who cashed their check, if the total amount of the undelivered checks would result in a payment of \$20.00 or more to each of those Eligible Class Members. The second distribution of uncashed funds will be mailed no later than December 31, 2017 (if there is a need). If the amount remaining after the first distribution would result in a payment of less than \$20.00 to each Eligible Class Member or if there is any remainder after the second distribution, Setex agrees to use the remainder to conduct internal EEO training. The Settlement Fund account will close on February 15, 2018, and any balance remaining in the Settlement Fund shall revert to Setex to be used in accordance with this paragraph.

- 4) Employment. Any Eligible Class Member who expresses an interest in employment, will be eligible for future employment consideration for an Assembly Technician position, provided he/she fully completes an employment application and background check consent/disclosure form, passes a substance abuse screening test, passes a job-related criminal background check, presents documents establishing that he/she is eligible to work in the United States, has a high school diploma or equivalent, and is able to work on second shift. These are the only job requirements that are to be used by Setex in determining qualifications for employment in the Assembly Technician position.

On or before November 15, 2017, Setex shall establish a priority employment list for the Eligible Class Members listing individuals in the order of the date their Interest Form and Release are received by Settlement Administrator ("Priority Employment List"). For those Eligible Class Members whose Interest Form and Release are received on the same date, the order of priority for that day shall be based on the date of the Eligible Class Members' first original employment applications with Setex (if known) and by alphabetical order the Eligible Class Members' last name if the

original application date is not known. However, any Eligible Class Member who was previously hired by Setex through November 15, 2017 shall not be offered a job pursuant to this Agreement. Along with submission of the Priority Employment List, Setex shall submit to OFCCP documentation of each such Eligible Class Member's previous hire's hire date, start date, job title and termination date, if applicable.

As Assembly Technician positions become available, Setex will use the Priority Employment List to make written offers of employment to qualified Eligible Class Members (not currently employed by Setex) who have expressed an interest in employment with Setex. Setex shall send the letter containing each written job offer by certified mail. The letter shall instruct the Eligible Class Member to respond, in person or in writing, to the offer within fourteen (14) days after receipt of the offer, or the offer will be withdrawn by Setex. In the event that the certified letter is not claimed within fourteen (14) days of the date of mailing, the offer shall be considered withdrawn fifteen (15) days after the date of mailing. Setex shall continue to make offers of employment using the Priority Employment List until one of the following has occurred: ten (10) Eligible Class Members are placed, the Eligible Class Member list is exhausted, or the reporting period described in this Agreement (June 30, 2017 through June 30, 2019) has ended without a need for ten (10) Assembly Technician hires.

The Eligible Class Members hired into Assembly Technician positions pursuant to this Agreement must be paid (b) (7)(E) hr. or the current starting wage rate for the Assembly Technician positions, whichever is higher, and must be provided with the same benefits and opportunity to earn overtime and shift differentials as other Assembly Technician employees. In addition, all Eligible Class Members hired must receive retroactive seniority as of the date of the first original application after January 1, 2012 as their hire date for all purposes, including job retention, job bidding and benefits.

Setex shall submit as part of its first and second progress reports to OFCCP the reasons for not hiring an Eligible Class Member on the Priority Employment List who received a job offer. Notwithstanding the procedures set forth in this section, if an Eligible Class Member applies for an Assembly Technician position and is hired after the effective date of this Agreement, but prior to the OFCCP's final approval of the Eligible Class Member list, that hiring decision will be credited against Setex's preferential hiring obligation.

- C. **NON-MONETARY REMEDIES.** Setex will ensure that all applicants are afforded equal employment opportunities. Setex agrees that it will not use any selection procedures, practices, and/or policies which have an adverse impact on the hiring of Black applicants for Assembly Technician positions, unless it complies with the regulatory requirements set forth in 41 C.F.R. Part 60-3. Setex agrees to continue and/or to implement the corrective actions detailed below:

- 1) **Use Non-Discriminatory Selection Procedures:** Setex agrees to comply with all OFCCP regulations concerning selection procedures, including 41 C.F.R. Part 60-3. Setex will not use any selection procedure that has an adverse impact, as defined in 41 C.F.R. § 60-3.4D, on applicants of a particular race unless it complies with the validation and other requirements set forth in these regulations.
- 2) **Review and Revisions Required:** Within 90 days of the Effective Date of this Agreement, Setex will review and document the practices, policies and procedures it uses to select applicants for Assembly Technician positions and will make revisions, if necessary. Setex's revised selection practices, policies, and procedures shall be referred to in this Agreement as the "Revised Hiring Process." Specifically, Setex will at the Saint Mary's, Ohio establishment:
 - a) create a job description and selection process for Assembly Technician positions which describes the essential functions; the minimum qualifications including required skills and certifications; and the criteria used in each step of the hiring process, including those used in any application screens, interviews, tests, credit checks, reviews of criminal history, reference checks, testing, or other selection procedures;
 - b) develop specific, job-related qualification standards for the Assembly Technician position that reflect the duties, functions, and competencies of the position;
 - c) ensure all policies and qualification standards are uniformly applied to all applicants regardless of race; and
 - d) list clearly on its recruiting materials and job postings the minimum qualifications for the Assembly Technician position, including required skills and certifications.
- 3) **Recordkeeping and Retention:** Setex will continue to implement procedures to ensure that applicants are tracked and decisions are documented at each step in the hiring process. Setex will ensure that these procedures are conducted and that all documents pertaining to these procedures are retained in accordance with 41 C.F.R. § 60-1.12(a) and Part 60-3.
- 4) **Training:** By August 1, 2017, Setex must train all individuals involved in any way in recruiting, selecting, or tracking applicants for Assembly Technician on the Revised Hiring Process. The training will include (but is not limited to) instruction in: the proper implementation of recruitment, tracking and selection procedures; neutral application of 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 Part 60-3. Setex will meet with management and all individuals responsible for the selection process and review its equal employment obligations and nondiscrimination policies related to hiring.

Specific instruction will be given to ensure that applicants, who benefit from the provisions of this Agreement, are not retaliated against.

- 5) **Monitoring:** Setex agrees to monitor selection rates at each step of its selection process for Assembly Technician positions at the Saint Mary's, Ohio establishment. Where it is determined that a selection procedure has an adverse impact, as defined in 41 C.F.R. §60-3.4D, on the hiring of applicants of a particular race, Setex will eliminate the procedure, choose an alternative procedure, or validate the procedure in accordance with the Uniform Guidelines on Employee Selection Procedures ("UGESP") codified at 41 C.F.R. Part 60-3. Setex agrees to maintain and, if requested by OFCCP during the term of this Agreement, make available to OFCCP records concerning the impact of the selection process for Assembly Technician positions at the Saint Mary's, Ohio establishment. This includes the number of persons hired by race, the number of applicants who applied by race, and the selection 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. ALLEGED RECORDKEEPING VIOLATION

- A. **STATEMENT OF ALLEGED VIOLATION:** OFCCP alleges that Setex failed to preserve all personnel and employment records for a period of not less than two years from the date of the making of the record or the personnel action involved, whichever occurred later, in violation of 41 CFR 60-1.12(a). Specifically, OFCCP asserts that Setex failed to keep post-it-notes used during the selection process, which should have been preserved by the contractor for a period of not less than two years from the date of the making of the record or the personnel action involved, whichever occurred later.

REMEDY: Setex agrees to preserve all personnel and employment records it makes or keeps in either electronic or hard copy format, including, but not limited to, all expressions of interest through the internet or related electronic data technologies, records related to internal and/or external databases, physical or online applications, completed applicant self-identification forms, resumes, testing materials and interview records, for a period of not less than two years from the date of the making of the record or the personnel action involved, whichever occurs later. Where a compliance evaluation has been initiated by OFCCP, Setex agrees to preserve all employment and personnel records beyond the two year period, if applicable, until OFCCP makes a final disposition as to the evaluation.

PART IV. REPORTS REQUIRED

1. Setex must submit the documents and reports described below to: (b) (7)(C), (b) (7)(D) Compliance Officer, OFCCP, 200 North High Street, Rm 409, Columbus, OH 43215.
 - A. No later than August 1, 2017, Setex must submit a copy of the written Revised Hiring Processes described in Part III.

- B. No later than August 1, 2017 Setex must submit documentation that all managers, supervisors and other personnel involved in recruiting, selecting, or tracking applicants for Assembly Technician positions at the Saint Mary's, Ohio establishment have been trained on the Revised Hiring Process. The documentation must include the dates of the training, the names and job titles of all attendees, an outline of the topics discussed in the training, and the name and job title of each person who conducted the training.
- C. Within the prescribed timeframes, Setex must submit all documents and information referenced in Part III.1.B.
- D. Setex must submit four (4) progress reports for the Saint Mary's Ohio establishment covering each period this Agreement is in effect. The first progress report will be due February 1, 2018 covering the Effective Date of this Agreement through December 31, 2017. The second report will be due August 1, 2018 covering the period of January 1, 2018 through June 30, 2018. The third report will be due February 1, 2019 covering the period of July 1, 2018 through December 31, 2018. The fourth report will be due August 1, 2019 covering the period of January 1, 2019 through June 30, 2019. Setex will submit the following in each report, if applicable to the particular reporting period:
 - 1) a. Copies of the notification letters sent to all Class Members in Attachment A and the current disposition of each Class Member contacted; and
 - b. Copies of all attachments, including Attachment C, returned by Class Members, as well as a list of those returned as undeliverable.
 - 2) Documentation of monetary payments to all Eligible Class Members as specified in Part III section I B (3). 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. Setex must provide OFCCP with copies of all canceled checks upon request;
 - 3) Documentation of specific hiring activity for Eligible Class Members who were hired in Assembly Technician positions at the Saint Mary's, Ohio establishment in accordance with this Agreement, including name, date of hire, job title hired into, rate of pay and proof of retroactive seniority and applicable benefits;
 - 4) For Eligible Class Members who were considered for employment in Assembly Technician positions at the Saint Mary's, Ohio establishment but were not hired, Setex will provide the reason for non-placement along with all relevant documentation (e.g., documentation that the Eligible Class Member declined a job offer);
 - 5) The total number of applicants and hires, and the breakdown by race of applicants and hires, for Assembly Technician positions at the Saint Mary's, Ohio establishment during the reporting period, including all temporary, part time, and seasonal workers

who applied for a regular Assembly Technician position at Setex and were referred for such position by a staffing firm or employment agency;

- 6) For Assembly Technician positions at the Saint Mary's, Ohio establishment, the results of Setex's analysis as to whether its total selection process has adverse impact, as defined in 41 C.F.R. § 60-3.4D, on black applicants. (For purposes of the adverse impact analysis, Setex must not include hires made of Eligible Class Members pursuant to this Agreement in that analysis; Setex must combine the data for the current report with the data from the previous report(s) to analyze at least a 12-month period);
 - 7) For each case where the total selection process has an adverse impact, as defined in 41 C.F.R. § 60-3.4D, the results of Setex's evaluation of the individual components of the selection process for adverse impact; and
 - 8) The actions taken by Setex upon determining that any component of the selection process for Assembly Technician positions at the Saint Mary's, Ohio establishment has an adverse impact on black individuals as set forth in Part III section C 5 above.
2. Setex will retain all records and data pertinent to the violations resolved by this Agreement and/or used to prepare required reports until this Agreement expires or as long as required by OFCCP's regulations, whichever date occurs later.

All dates and deadlines in this Agreement may be modified or extended by written agreement between Setex and the OFCCP. Further, if a deadline in this Agreement falls on a weekend or federal holiday, the deadline shall be deemed automatically extended to the following business day.

Setex denies that it has violated E.O. 11246, Section 503, VEVRAA or any other laws. Setex agrees to the terms of this Agreement solely for the purpose of amicably resolving all disputes and issues in this matter and without waiving the right to dispute similar claims or raise any legal or factual arguments with respect to any other OFCCP investigation in this future.

This Agreement constitutes full and final settlement and resolution of all issues, actions, causes of action and claims arising, or that could have arisen, out of the OFCCP's Notice of Violation issued on July 28, 2016. Further, this Agreement shall be binding upon the parties as to all issues, actions, causes of actions and claims within the scope of the applicable OFCCP Notice of Violation which have been or could have been advanced by the OFCCP.

PART V. SIGNATURES

This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument, and shall become effective when counterparts have been signed by each of the Parties and delivered to the other Parties; it being understood that all Parties need not sign the same counterparts.

The person signing the Conciliation Agreement on behalf of Setex, Inc. personally warrants he is fully authorized to do so, that Setex, Inc. has entered into this Conciliation Agreement voluntarily and with full knowledge of the effect thereof, and that execution of this Agreement is fully binding on Setex, Inc. This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Setex, Inc.

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

KAZUYA SHISHIDO-SAN
President
Setex, Inc.

Date: 5/1/2017

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

LAUREN B. HICKS
District Director
OFCCP, Indianapolis District Office

Date: 5.2.17

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

BRADLEY ANDERSON
Regional Director
OFCCP, Midwest Region

Date: 05/02/2017

Attachments:

- Attachment A List of Class Members
- Attachment B Notice to Affected Class Members
- Attachment C Information Verification and Employment Interest Form
- Attachment D Release of Claims

Setex, Inc. Class Members

Name

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Attachment A

38. (b) (7)(C), (b) (6)
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You may be eligible to get money and a job because of a legal settlement between Setex, Inc. and the U.S. Department of Labor but you must take action immediately

We are writing to provide information about a legal settlement between the U.S. Department of Labor and Setex, Inc (Setex) that may benefit you. This settlement involves claims of alleged discrimination in hiring, and our records show that you may be one of the applicants covered by the settlement. If you take the steps described in this Notice by the deadline below, you may be eligible for a money payment and/or a job with Setex.

ARE YOU AFFECTED?

Certain applicants who applied and were not hired for Assembly Technician positions at Setex's Saint Mary's, Ohio facility between January 1, 2012 and December 31, 2013 are covered by this settlement.

WHAT IS THIS SETTLEMENT ABOUT?

The U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) conducted a review of Setex's hiring practices during January 1, 2012 to December 31, 2013. OFCCP is the government agency responsible for enforcing the equal employment opportunity and affirmative action requirements that apply to federal contractors. OFCCP issued a Notice of Violations alleging that Setex discriminated against certain black applicants in hiring for Assembly Technician positions during the period of January 1, 2012 to December 31, 2013. Setex denies those claims. Ultimately, OFCCP and Setex have agreed to resolve the issue through a Conciliation Agreement. A Conciliation Agreement is a legal document that explains the terms of an agreement to settle a Notice of Violations issued by OFCCP.

WHAT DOES THIS MEAN FOR YOU?

Because you applied for an Assembly Technician position during the relevant time frame, and were not hired, this settlement may provide you with some specific benefits:

- (1) **You may be eligible to receive a payment of at least \$ _____** (before taxes). This payment represents your share of back wages and other payments Setex is making to settle the dispute in this matter. The final amount you will receive will be reduced by deductions for items such as income tax withholding and Social Security contributions.
- (2) Setex will be making job offers for 10 Assembly Technicians positions to some of the individuals receiving this notification. It is not guaranteed that you will receive a job offer. If you are interested in a job with Setex, please express your interest on the enclosed Claim Form by the deadline stated on the Claim Form.

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

WHAT IS YOUR NEXT STEP?

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

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

To be eligible for a payment and potential Assembly Technician job, you must complete, sign, and return **both** of the following enclosed documents, (1) Claim Form and (2) Release of Claims Form by [*X date*] to: _____

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

The documents must be received by [*insert actual date*].

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

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

HOW CAN YOU GET MORE INFORMATION?

If you have any questions, you may contact Compliance Officer (b) (7)(C), (b) (7)(E) at (b) (7)(C), (b) (7)(E) or email at (b) (7)(C), (b) (7)(E). You can also visit the U.S. Department of Labor website about this case at www.dol.gov/ofccp/cml.

IF YOU HAVE CONCERNS ABOUT THE VERACITY OF THESE DOCUMENTS OR ANY OF THE INFORMATION REQUESTED HEREIN YOU MAY VERIFY THE AUTHENTICITY IN TWO WAYS:

- [1] You may visit the official U.S. Department of Labor website about this case at www.dol.gov/ofccp/cml to verify the authenticity.
- [2] You may contact the federal government directly to verify. Please contact (b) (7)(C), (b) (7)(E)

(b) (7)(C), (b) (7)(E) Compliance Officer, Office of Federal Contract Compliance Programs, Columbus
District Office (b) (7)(C), (b) (7)(E)

Claim Form – Affected Applicants

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

INSTRUCTIONS FOR FILING A CLAIM TO BE CONSIDERED FOR MONEY AND/OR A JOB OFFER FROM THE SETTLEMENT

DEADLINE TO RESPOND IS XX DAY, XX MONTH, XXXX YEAR

If you complete this Claim Form, you may be eligible for a money payment from the settlement and you can express interest in a job offer. You can receive a money payment even if you do not express interest in a job.

To receive an award (such as money or a job offer), you must complete and return this Claim Form and Release Form postmarked or hand-delivered on or before [*Deadline above*], to

Setex, Inc.
1111 McKinley Rd
Saint Mary's, OH 45885

If you do not submit a properly completed Claim Form and Release Form on or before [*Deadline above*], then your claim will not be on time and **you will not receive any money from this settlement and you cannot be considered for a job offer.**

Enclosed is a stamped, pre-addressed envelope you can use. [*If there is a Settlement Administrator that can provide online claims processing, these documents can be modified accordingly*].

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

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

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

Name: _____

Home Phone: _____

Cell Phone: _____

Email Address: _____

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

Address: _____

Please 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.*

Notify us at the address below if your address changes within the next three months, or contact us if you have any questions about this claim form, the notice, or the settlement.
[Depending on the notice process, include contact information for OFCCP or settlement administrator.]

Name
Address
Phone
Email/website link

Step 2: Inform us if you are interested in a position:

- Yes, I am still interested in an Assembly Technician position with Setex, Inc. at Saint Mary's, OH.
- No, I am not currently interested in an Assembly Technician position with Setex, Inc.
- I am currently employed by Setex, Inc. in the position of _____

Step 3: Sign and return along with the Release Form

I certify the above as true and correct.

Signature: _____ Date: _____

Printed Name: _____

RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

PLEASE CAREFULLY READ THE ENCLOSED NOTICE BEFORE COMPLETING THIS RELEASE. YOU MUST RETURN A SIGNED RELEASE TO RECEIVE [MONEY AND/OR A POTENTIAL JOB OFFER] FROM THE SETTLEMENT

This Release of Claims under Executive Order 11246 ("Release") is a legal document. This document states that in return for Setex, Inc. ("Contractor") providing you with [money and/or a potential job offer], you agree that you will not file any lawsuit against Contractor for allegedly violating Executive Order 11246 in connection with alleged race discrimination in hiring for Assembly Technician positions between January 1, 2012 and December 31, 2013. It also says that Contractor disputes the allegations of discrimination and does not admit it violated any laws. This Release says you had sufficient time to look at the document, to talk with others about the document, including an attorney if you choose, and that no one pressured you into signing the document. Finally, it says that if you do not sign and return the document by a certain date, you will not receive any [money and will not be eligible for a potential job offer].

In consideration of [the payment of at least \$ _____ (less deductions required by law) and/or a potential job offer for an Assembly Technician position] by Contractor to me, which I agree is acceptable, I agree to the following:

I.

I hereby waive, release and forever discharge Contractor, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, owners, directors, officers, employees, agents, fiduciaries, 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 the alleged race discrimination in hiring for Assembly Technician positions between January 1, 2012 and December 31, 2013.

II.

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

III.

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

I understand that if I do not sign this Release and return it to [REDACTED] Compliance Officer, Department of Labor, Office of Federal Contract Compliance Programs such that it is received by [DATE], I will not be entitled to receive any [payment (less deductions required by law) and/or a potential job offer for an Assembly Technician position].

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

Signature: _____ Date: _____

Printed Name: _____