

FOR IMMEDIATE RELEASE

SIGNAL INTERNATIONAL RESPONSE TO MISREPRESENTATIONS AND FALSE ALLEGATIONS CONTAINED IN "DAN RATHER REPORTS" SEGMENT.

For more information, contact: Erin Casey Hangartner --  
ehangartner@midrid.com

-----

**MOBILE, ALABAMA - 10 Nov 2011:** Signal International Inc., a leading Gulf of Mexico provider of marine and fabrication services headquartered in Mobile, Alabama strongly disagrees with and rebuts the "Dan Rather Reports" segment that contained statements which were contrary to evidence and testimony established to date and without any factual foundation. Signal will refrain from addressing all of the unfounded allegations as it will try these cases in a Court of law.

The following are a mere dozen points which Signal believes depicts the biased reporting as well as some of the false statements made by the individuals featured in the "report".

- 1. The individuals who were retained by Signal to lawfully recruit skilled fitters and welders from India misled both the workers as well as Signal.**

After Hurricanes Katrina and Rita there was a well documented and unprecedented need for skilled workers. The shortage of workers was coupled with a pivotal need to bring back oil and gas production in the Gulf of Mexico and repair damaged rigs.

Signal was contacted by a local labor provider, Michael Pol of Global Resources, regarding the use of the H2B program to supplement the workforce at Signal. Malvern C. Burnett, an attorney specializing in immigration law, licensed in both Mississippi and Louisiana, was introduced to Signal as the lawyer who would be processing the H2B visas as well as green cards for the workers. Sachin Dewan was a labor recruiter with whom they had worked with in the past - he would recruit workers in India who were first class fitters and welders.

Unbeknownst to Signal and the workers, an individual who enters the U.S. on an H2B visa **cannot** concurrently apply for a green card while in the U.S. on an H2B visa. Further applicants must return to India and await approval and this can take years - which was not conveyed to Signal by the recruiters. Signal **did**

apply for green cards for the workers who remained at Signal until the end of their H2B visa period.

As a result of this - and other - misrepresentations to Signal by the recruiters, Signal has filed cross claims against these individuals, in effect suing them for breach of contract and other causes of action. These pleadings have been posted on Signal's website yet were not reported by Dan Rather.

**2. Signal was told by Michael Pol that workers would pay recruiting fees between \$3,000.00 and \$4,000.00.**

This seemed to be a reasonable sum. Once Signal learned that some of the workers paid as much as \$20,000.00, management demanded that Burnett, Pol and Dewan return a portion of the money to these workers. They refused. Michael Pol was terminated based on his direct misrepresentation that the workers would be paying a reasonable fee to come to work for Signal. These fees were paid directly to the recruiters in India. Signal did not receive any money from the workers for recruiting.

**3. Signal made a commitment to the workers from India who had paid fees and still wanted to come to work at Signal under the H2B program.**

Signal made the decision to continue to bring the remaining workers to Signal to afford them the opportunity to work at Signal to pay off the loans that they had taken out to pay to the recruiters.

**4. Contrary to Dan Rather's story, Signal followed the law when workers absconded or were terminated from Signal.**

The Code of Federal Regulations mandate that an individual who comes to the U.S. to work on an H2B visa can only work for the company that petitioned for the H2B visa. As a result, if a worker leaves the company or is terminated, the petitioning company must comply with the law and report to the United States Citizenship and Immigration Services (USCIS) that the worker is no longer employed by the petitioner.

If a worker absconds, the petitioning company has no duty under law to provide transportation back to the worker's country. The law does provide, however, that transportation must be provided

by the company if the worker is terminated. Signal complied with both of these requirements.

**5. Signal made every effort to assist the workers who were not skilled so they would not have to return to India.**

A number of workers who came to Signal lacked the necessary skills to safely perform their jobs. Signal opened training facilities to assist them. Despite the training, some workers were not able to properly perform the job. Two workers were terminated for distracting other workers on a rig which is a violation of Signal's strict safety policy. Signal attempted to advise these workers about the reason for the termination, to provide them with transportation to the airport and give them plane tickets for their return trip home as required by law. At no time did Signal intend to illegally detain these men.

**6. Statements regarding the housing facilities at Signal were misleading and not accurately reported.**

After the large scale destruction brought on by Hurricanes Katrina and Rita, there was no housing available for the workers. Signal invested over \$6.5 million dollars to construct housing facilities.

The workers were aware of the housing charges prior to coming to the United States through advertisements in Indian and UAE newspapers as well as contracts signed between the individual workers and the recruiters in India.

Dick Marler, CEO, and Chris Cunningham, CFO, personally went to see where the workers were going to live in housing provided by Micheal Pol under a subcontract he had. When they saw the windowless trailers and the poor conditions there, they both **immediately** made the decision that no employee of Signal would live like that. Signal then contracted with GE Modular to build housing for the workers. Signal felt an obligation to these men - it would be unfair to the workers to have them come to the U.S. without a support infrastructure in place for them.

Signal expanded the facility by adding numerous additional buildings. Interestingly, once new bunkhouses were added, very few of the men decided to move into the newer bunkhouses and instead chose to stay with their friends in their current bunkhouses which had less space.

Maintenance was performed on the facility on a regular basis. All issues related to plumbing, lighting, etc. were addressed as soon as possible by either Signal maintenance or local companies.

For an accurate representation of the housing facility, Signal has posted a video on its website. Notably, this footage was taken by counsel for the plaintiffs in the case.

**7. Signal never intended to "make money" on the housing - they were not "for profit centers" as reported.**

There is a misunderstanding of the memo cited in the Rather story regarding the term "profit center" as it related to the housing facility. The term was being used to describe the accounting of the \$35 a day that was a credit against the over \$6 million dollars Signal had invested in building the facilities and the cost of the daily operations.

The camp was used over two years. Financially Signal had a slight loss against operating costs and did not recover **any** of the over \$6.5M invested in building the camp.

**8. Signal provided for every anticipated need of the H2B workers.**

The housing agreement signed by the workers obligated **both** the worker as well as Signal - just as a lease on an apartment obligates both parties. Signal maintained all services and amenities in the housing facility until the very end of the H2B visa period.

For \$35 per day, every guest worker was given housing and three meals daily, and was provided with reading rooms, prayer rooms, cafeteria, picnic tables, free transportation to and from town to attend church, shop at local stores and the like.

Laundry and housekeeping cleaning services were also provided as well as wireless internet, lounge areas with leather couches, pool tables, refrigerators, and flat screen TV's with both north and south Indian satellite programs.

Signal contracted for meals with the owner of an Indian restaurant in New Orleans to provide locally prepared and nutritious Indian food in the cafeteria. At the request of the workers, Signal provided enhancements to the meals to try to satisfy various cultural tastes from various regions in India.

Signal went so far as to find a local butcher to provide fresh goat at the request of some of the workers.

Signal also provided every Indian guest worker with two pairs of work pants, two work shirts, steel toed boots, sheets, pillows, pillow cases, comforters, towels, toothpaste, shaving cream, other toiletry items, and long distance phone cards to call family back home upon arrival in the U.S.

**9. These men were free to come and go as they pleased - no one from Signal ever stopped them from leaving the housing area.**

The Rather story was not accurate in reporting the freedom the Indian workers had to come and go as they pleased. Workers were not restricted. The facilities were open 24 hours a day seven days a week. There were no bed checks. There were no TSA type pat downs. There were security guards that prevented unauthorized personnel from entering the facilities in order to protect the workers and their belongings. These guards did not interfere with the workers or restrict their activities.

Many of the workers testified in depositions that they traveled with friends to Chicago, the beach at Galveston, Houston, Biloxi and other cities. Many returned to India to visit family for weeks at a time.

Hemant Khuttan, one of the two workers interviewed in the Dan Rather report, returned to India to be with his family after the death of his father. He returned to Signal after a month in India. Aby Raju, also featured in Dan Rather's piece, never requested time to return to India to see his wife and child.

**10. Contrary to the claims made in Dan Rather Reports, the H2B workers were paid the exact wages as every other worker of the same skill level and craft on the yards.**

The workers also received health benefits, vacation and sick days, rig bonuses, safety bonuses and overtime just as any Signal worker and at the same rate.

Hemant Khuttan, featured in the report, earned \$47,236.79 for a little over a year working with Signal.

Aby Raju, also on the program, worked at the Signal yard in Orange, TX. He was employed from December 22, 2006 through February 22, 2008. His hourly rate was \$18.40 per hour with an

overtime rate of \$28.35. Additionally, on June 22, 2007, he received an hourly raise to \$19.50.

Another former H2B worker who has sued Signal testified in his deposition that he grossed over \$78,000.00 for an average of \$5,200.00 per month.

The allegation that housing fees totaled almost one-third of the workers salaries are false.

H2B workers were also promoted to lead men and foremen in both Orange and Pascagoula and ran their own crews.

Signal made every effort to include these men into the Signal family. At Signal's Annual Family Day picnic, a cricket field was set up for the men to show off their skills at cricket.

**11. Officials from the Indian government came to Signal and spoke with the workers.**

Out of concern for the workers after initial allegations were made against Signal, Mr. K.P. Pillai, Consul and HOC of the Indian Consulate in Houston and a representative for Ronin Sen, Ambassador of India, came to Signal to view the housing facility and speak with workers. No action was ever taken on behalf of the Indian workers by these officials regarding Signal.

Later it was reported that the Indian government did however suspend the recruiting license of Sachin Dewan over the issue of recruiting fees. Signal does not know the details.

**12. Dan Rather failed to report that Signal was cleared by the Department of Justice, Civil Rights Division of discrimination against the Indian workers by Signal in March of 2008.**

The Department of Justice investigated the same allegations made by the Southern Poverty Law Center and Dewey & LeBouf, and taken up by the EEOC on behalf of some of the workers who were recruited immediately after Hurricanes Katrina and Rita.

The DOJ Civil Rights division not only declined to bring charges, but wrote a letter to Signal finding that there was no serious evidence to support any of the charges. The Civil Rights division of the Department of Justice wrote in a letter dated March 14, 2008, that it had found there was "insufficient

evidence of reasonable cause to believe the injured parties were discriminated against."

"Our company would never tolerate discrimination, and the Department of Justice, after extensive investigation, agreed there wasn't even enough evidence to constitute 'probable cause' to find any discrimination," said Signal International's CEO Richard Marler. "It is upsetting that Dan Rather chose to omit this letter and information from his report."