

**Conciliation Agreement
Between the
U.S. Department of Labor
Office of Federal Contract Compliance Programs
and
CARGILL MEAT SOLUTIONS CORPORATION
2510 E. LAKE SHORE DR., WACO, TEXAS 76705
1505 E. BURLINGTON AVE., FORT MORGAN, COLORADO 80701**

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs ("OFCCP") evaluated the following two Cargill Meat Solutions Corporation ("CMS") facilities located at 2510 E. Lake Shore Dr., Waco, Texas 76705 ("CMS Waco") and 1505 E. Burlington Ave., Fort Morgan, Colorado 80701 ("CMS Fort Morgan") (collectively referred to as the "Plants") and is alleging that CMS 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 (CFR) Sections 60-1 – 60-3 due to the specific purported violations cited in Part IV below.

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 CMS enter into this Early Resolution Conciliation Agreement ("Agreement"), and the parties agree to all the terms therein. The attachments to this Agreement are deemed incorporated into this Agreement.

PART II. GENERAL TERMS AND CONDITIONS

1. In exchange for CMS' 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, based on the alleged 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 CMS violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations, including during the 5-year scheduling exemption period defined in Part III, if CMS is in breach of the Agreement. In exchange for CMS' fulfillment of all obligations in Parts IV and V of the Agreement, OFCCP further agrees not to initiate any new compliance evaluations, compliance checks, focused reviews or corporate management compliance evaluations at CMS' Waco and Fort Morgan locations and the additional locations listed on Attachment 1, until at least 60 days after CMS submits the final progress report described in Part VI of this Agreement and OFCCP confirms to CMS that it has fully complied with the terms of this Agreement.
2. CMS agrees that OFCCP may review its compliance with this Agreement. As part of such review, OFCCP may require written reports, interview witnesses, and examine and copy documents for Waco and the other establishments that have proactively agreed to enhanced

compliance reporting as noted in Part VI of this Agreement (the "Reporting Establishments) as may be relevant to the matter under investigation and pertinent to CMS' compliance with Parts IV and V of this Agreement. Upon reasonable notice, CMS will permit access to its records during normal business hours for these purposes and will provide OFCCP with all reports and documents required pursuant to 41 CFR § 60-1.43, including those specified in this Agreement. CMS also agrees to allow OFCCP to come onsite at Cargill Waco during normal business hours as is necessary to review compliance with Parts IV and V of this Agreement.

3. This Agreement does not constitute an admission by CMS 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 ("VEVRAA") and their implementing regulations at 41 CFR Chapter 60, or other laws, nor has there been an adjudicated finding that Cargill violated any laws.
4. CMS understands that nothing in this Agreement relieves CMS 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.
5. CMS 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 CFR §§ 60-1.32(a).
6. OFCCP and CMS ("the parties") understand the terms of this Agreement and enter into it voluntarily.
7. This document and its attachments contain the complete and final understanding of the parties with respect to the matters referenced therein. This Agreement contains all 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.
8. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
9. This Agreement becomes effective on the day it is signed by the Regional Director of the Southwest and Rocky Mountain Region (the "Effective Date").
10. This Agreement will expire sixty (60) days after CMS submits the final progress report required in Part VI below, unless OFCCP notifies CMS in writing prior to the expiration date that CMS has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date OFCCP determines CMS has met all of its obligations under the Agreement.

11. Each party shall bear its own fees and expenses with respect to this matter.

12. If CMS violates the Conciliation Agreement,

A. The procedures set forth at 41 CFR §§ 60-1.34 will govern:

- 1) If OFCCP believes that CMS violated any term of the Agreement while it was in effect, OFCCP will send CMS a written notice stating the alleged violations and summarizing any supporting evidence with a copy to be simultaneously provided to counsel for CMS, Mr. Brian D. Barger, McGuireWoods LLP, P.O. Box 31247, Charlotte, North Carolina 28231.
- 2) CMS will have 15 days from receipt of such notice to demonstrate in writing that it has not violated the Conciliation Agreement, unless such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
- 3) If CMS 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 for CMS Waco and/or CMS Fort Morgan (i.e., those establishments with an open review at the time of this Agreement) and seek a full make-whole remedy for alleged victims
- 4) OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations regarding CMS Waco and CMS Fort Morgan resolved by this Agreement.

B. CMS 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. CMS reserves its defenses to the imposition of sanctions or other relief.

13. 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 CMS 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.

14. 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, compliance check, focused review or corporate management compliance evaluation, except for legal or

administrative proceedings concerning the enforcement or interpretation of this specific Agreement.

15. 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 automatically extended to the next business day. Further, all dates and deadlines in this Agreement may be modified or extended by written agreement of the parties.

PART III. SPECIAL TERMS AND CONDITIONS

- A. CMS agrees to the enhanced compliance obligations outlined in Part V of this Agreement. These additional commitments are not limited to the two establishments listed in Part I above.
- B. OFCCP will not schedule any of the Cargill Protein establishment(s) listed in the Preliminary Statement above and Attachment 1 for a compliance evaluation, compliance check, focused review or corporate management compliance evaluation for a five-year period from the effective date of this Agreement and until at least 60 days after CMS submits the final progress report described in Part VI of this Agreement and OFCCP confirms to CMS that it has fully complied with the terms of this Agreement (the “Five-Year Scheduling Exemption”).
- C. The Five-Year Scheduling Exemption is limited to regular, neutrally scheduled compliance evaluations, compliance checks, focused reviews and corporate management compliance evaluations, and OFCCP retains the right to investigate complaints of discrimination raised by aggrieved applicants, employees or other third-parties at establishments covered by this Agreement under E.O. 11246, Section 503, and VEVRAA.
- D. If CMS violates the terms of Part IV and V of this Agreement and there is no resolution of the same as outlined in Part II, Section 12.A., OFCCP reserves the right to bring an enforcement action per the terms of 41 CFR 60-1.34 and the Five-Year Scheduling Exemption will be void.
- E. If during the Five-Year Scheduling Exemption OFCCP schedules a different establishment of Cargill Incorporated not covered by this Agreement for a compliance evaluation, compliance check, focused review or corporate management compliance evaluation, OFCCP will conduct such action consistent with its normal policies and procedures.
- F. This Agreement will not relieve CMS from its annual ongoing OFCCP requirements of equal employment opportunity through affirmative action and non-discrimination across its entire workforce, including monitoring an up-to-date AAP.

PART IV. ALLEGED VIOLATIONS AND REMEDIES

1. VIOLATION: OFCCP alleged that CMS is not in compliance with 41 CFR § 60-1.4(a)(1). OFCCP's analysis of CMS' hiring process and selection procedures for the Plants led OFCCP to allege the following:

- *CMS Waco* – During the period of October 1, 2011 through September 30, 2012, OFCCP's analysis of the refined applicant and hiring data showed a statistical disparity that negatively affected female applicants for Laborer and Helpers Job Group 8 positions. OFCCP asserted a statistical disparity in hiring at [REDACTED] standard deviations with a shortfall of 14 female applicants.

During the period of April 8, 2011 through June 24, 2013, OFCCP's analysis of the refined applicant and hiring data showed a statistical disparity that negatively affected Black, American Indian/Alaskan Native, and White applicants for Laborer and Helpers Job Group 8 positions. OFCCP asserted statistical hiring disparities against Black applicants at [REDACTED] standard deviations with a shortfall of 45; against White applicants at [REDACTED] standard deviations with a shortfall of 18; as well as adverse impact against American Indian/Alaskan Native applicants.

- *CMS Fort Morgan* – During the period of February 1, 2014 through July 31, 2015, OFCCP's analysis of the refined applicant and hiring data showed a statistical disparity that negatively affected Hispanic and Asian applicants for Production Job Group 8 positions. CMS has, however, proactively hired class members equal to or over the following asserted shortfalls into Production Job Group 8 positions (14 Hispanic and 2 Asian), such that no further remedy is necessary.

CMS denies that it has failed to comply with E.O. 11246 and its implementing regulations or any other laws and denies that it has discriminated in any manner on the basis of any protected classification.

REMEDY: CMS agrees to the following with respect to CMS Waco as applicable and specified below.

- a. *CMS Waco - Revision of the Hiring Process, Implementation and Training*: The parties acknowledge that CMS previously revised the practices, policies and procedures it uses to recruit, track and hire applicants for Laborer and Helpers Job Group 8 positions at CMS Waco, as applicable for the facility, including but not limited to institution of a new online application and applicant tracking system, and previously trained all applicable individuals involved in such recruiting, selecting and tracking of applicants (herein after the "Revised Hiring Procedures"). With respect to the Revised Hiring Procedures and training conducted at CMS Waco, CMS agrees to the following:
 - i. That the Revised Hiring Procedures use non-discriminatory qualifications and written criteria to select and/or eliminate Laborer and Helpers Job Group 8

applicants at each step of the hiring process, including the qualifications and criteria to be used in any application screen, interview, test, post-offer screening or other selection procedures. CMS also acknowledges and agrees that the Revised Hiring Procedures limit subjectivity in the hiring process for Laborer and Helpers Job Group 8 openings with respect to the evaluation and use of minimum qualifications.

- ii. That the Revised Hiring Procedures ensure that: (i) applicants are tracked and decisions are documented at each step in the hiring process, and (ii) documents are retained in accordance with 41 CFR § 60-1.12(a) and Part 60-3.
 - iii. To conduct adverse impact analyses concerning Laborer and Helpers Job Group 8 hires (i.e., comparing the number of applicants vs. the number of hires, by race and by gender to the extent known, during the applicable time period) on at least an annual basis using CMS' regular Affirmative Action Program ("AAP") for a period of 12 months during the specified time period for CMS Waco as is set forth in Part VI below. CMS will also provide OFCCP with the results of its adverse impact analysis concerning Laborer and Helpers Job Group 8 applicants vs. hires during such specified 12 month period for CMS Waco as outlined in Part VI if the impact of the analysis is statistically significant. If statistically significant adverse impact is found in the total selection process for the 12 month period for CMS Waco set forth in Part VI, CMS will (a) conduct an additional adverse impact analysis comparing the number of applicants to offers and/or analyze the effect on offers from events outside of CMS' control (e.g., failing E-verify or drug screen), and (b) analyze each component of the hiring process to determine the step or steps potentially causing the adverse impact and promptly make adjustments to the hiring process as reasonably warranted in order to eliminate the adverse impact to the extent lawful. CMS will retain all records used in the adverse impact analysis and records related to any adjustments.
 - iv. To continue to fully implement the Revised Hiring Procedures.
- b. CMS Waco - Notification: In the 30 calendar days after the Effective Date of this Agreement, CMS and OFCCP will work together in good faith to finalize the CMS Waco class member list using the starting list included as Attachment 2. The list of individuals finalized by CMS and OFCCP during such 30 calendar day period shall be the "Class Members". In accordance with the timeline listed in Attachment 6 (the "Timeline"), CMS must notify the Class Members of the terms of this Agreement by mailing by first class mail to each Class Member the: Notice to Affected Class (Attachment 3, "Notice"), Information Verification Form (Attachment 4, "Verification Form"), the Release of Claims Under Executive Order 11246 (Attachment 5, "Release Form"), and a postage paid return envelope. CMS will provide OFCCP with a list of all Class Members with letters returned as undeliverable in accordance with the Timeline. Further, CMS will provide a list to OFCCP of those Class Members who have not yet responded to the Notice and/or have not returned a fully executed Verification Form and Release Form in accordance with the Timeline (including, for example, any Class Members who have returned only one of the two required forms or who failed to sign a form as required). OFCCP will then attempt to

obtain and provide updated addresses to CMS in accordance with the Timeline. For all such Class Members where OFCCP obtains updated contact information, OFCCP will provide relevant details, in writing, to CMS per the Timeline. CMS agrees to mail by first class mail a second Notice, Verification Form, Release Form and postage paid return envelope to all Class Members for whom updated addresses were obtained in accordance with the Timeline.

- c. CMS Waco - Eligibility: All Class Members for CMS Waco will have such time to complete, sign and return the Release Form and Verification Form to CMS as set forth in the Timeline. Those Class Members who timely complete, sign and return the Release Form and Verification Form ("Eligible Class Members") will equally share the monetary settlement as set forth below. If a Class Member has not returned a fully executed Release Form and Verification Form to CMS by the timeframes set forth in the Timeline, the Class Member will no longer be entitled to any monetary settlement or any other relief pursuant to this Agreement.

In accordance with the Timeline, CMS will provide OFCCP with a proposed list of the Eligible Class Members for CMS Waco along with a copy of each applicable Verification Form it received. Further, in accordance with the Timeline, OFCCP will review and approve the final list of Eligible Class Members or discuss with CMS any issues necessary to finalize the list, such as the inclusion or exclusion of certain Class Members. The monetary payment discussed in subparagraph e. below will be divided among all Eligible Class Members who are on the final approved list of Eligible Class Members. All Eligible Class Members are entitled to their share of the monetary settlement regardless of whether they are interested in employment with CMS.

OFCCP and CMS agree that there shall be no further liability for back pay, interest, or any other relief under this Agreement to any Class Member who cannot be located within the timeframes enumerated above or who does not submit a completed Verification Form and executed Release Form within the Notice deadline.

- d. CMS Waco - Offer of Employment: CMS has hired Class Members listed on Attachment 2 equal to or over the following asserted shortfalls into Laborer and Helpers Job Group 8 positions: 14 female, 45 Black, and 18 White Class Members; therefore, there is no offer of employment or hiring obligation for the Waco location.
- e. CMS Waco - Monetary Settlement: Regarding the Eligible Class Members for CMS Waco in accordance with the Timeline, CMS shall deposit \$300,000 (back pay of \$261,000 and interest of \$39,000) into an interest-bearing account with a reasonable interest rate. Per the Timeline, CMS will notify OFCCP that this action has been taken and will identify to OFCCP a person who can be contacted who will be able to provide the current balance of the account and the amount of accrued interest. The monetary settlement is a negotiated amount that represents estimated back pay and takes into account tenure, interest and interim earnings. The back pay and interest amount (plus a pro-rated share of additional interest that accrues on the interest-bearing account), less legal deductions required by law on the portion representing back pay only (such as federal, state and/or local taxes and FICA), will be equally distributed among

the Eligible Class Members. CMS will pay to the Internal Revenue Service (“IRS”) the employer’s share of social security withholdings, and shall mail to each Eligible Class Member an IRS W-2 Form for that portion of the payment to the Eligible Class Member representing back pay and an IRS Form 1099 for that portion of the payment to the Eligible Class Member representing interest. These IRS forms will be mailed to the Eligible Class Members either with the settlement checks and/or by the deadline imposed by applicable law. CMS will disburse the monetary settlement in accordance with the Timeline.

CMS shall provide OFCCP with a list of Eligible Class Members for CMS Waco via e-mail¹ whose check was returned as undeliverable per the Timeline. OFCCP will attempt to locate such Eligible Class Members and, in accordance with the Timeline, will provide CMS with any alternative addresses OFCCP obtains. CMS will re-mail checks per the Timeline to Eligible Class Members for CMS Waco for whom OFCCP provides an alternative address. Any check that remains uncashed as of the deadline set forth for the same in the Timeline shall be void. With respect to any uncashed funds as of the deadline set forth for the same in the Timeline, CMS shall make a second distribution per the Timeline to all Eligible Class Members for CMS Waco who cashed their check within the required Timeline period if the amount of such remaining uncashed funds would result in a payment of \$30.00 or more to each of such Eligible Class Members. If the total amount of uncashed funds would result in a payment of less than \$30.00 to each Eligible Class Member who cashed their check within the required Timeline period, CMS shall use those uncashed funds to provide training in equal employment opportunity to its personnel in addition to training it is obliged to provide under this Agreement.

TECHNICAL VIOLATIONS AND REMEDIES:

2. **VIOLATION:** OFCCP alleged that during the period of April 8, 2011 through June 24, 2013 CMS Waco did not maintain and make available for inspection certain limited personnel and employment records in accordance with the requirements of 41 CFR § 60-1.12; 41 CFR § 60-3.4 and 60-3.15.

REMEDY: CMS Waco will ensure that it has established and implemented procedures to collect and maintain records in accordance with the requirements of 41 CFR § 60-1.12(a) and Part 60-3.

3. **VIOLATION:** OFCCP alleged that CMS Waco is not in compliance with 41 CFR § 60-1.43; 60-2.17(b); 60-3.4; and 60-3.15A. On August 13, 2015, OFCCP requested all adverse impact analyses for the period of April 5, 2011 through at least June 30, 2013 and CMS Waco refused to produce the adverse impact analysis to OFCCP, asserting in part that the analyses were prepared for the primary purpose of obtaining and providing legal advice.

REMEDY: CMS Waco will conduct adverse impact analyses on at least an annual basis for

¹ CMS Waco -- email Compliance Officer, (b) (7)(C), (b) (7)(E) at (b) (7)(C), (b) (7)(E)@dol.gov and District Director Dinorah Boykin at (b) (6), (b) (7)(C)@dol.gov .

the purpose of determining whether adverse impact exists against applicants based on race, sex, or ethnic group in hiring, promotion and termination activities. These analyses will be done by job for each group constituting more than 2% of the labor force in the relevant labor area or 2% of the applicable workforce. If statistically significant disparities are identified in the total selection process, CMS Waco will evaluate each individual component of the selection process for adverse impact. If statistically significant disparities are found to exist in any of the individual components of the selection process, Cargill Waco will investigate the cause of the disparities and take appropriate forward looking action, such as providing refresher training, making additional changes to the hiring process, validating each such component in accordance with the Uniform Guidance on Employment Selection Procedures, or utilizing selection procedures which do not result in adverse impact. Further, CMS will provide its adverse impact analyses for CMS Waco to OFCCP as is set forth in Remedy 1.a.iii. of Part IV of this Agreement and the reports for CMS Waco specified in Part VI below.

4. **VIOLATION:** OFCCP alleged that Cargill Waco is not in compliance with 41 CFR § 60-300.5(a)2-6. During the period of April 8, 2011 through November 28, 2016, CMS Waco failed to immediately list all employment openings with either the state workforce agency job bank or a local employment service delivery system serving the location where the openings occurred.

REMEDY: CMS Waco will list all employment openings as they occur with an appropriate state workforce agency job bank or local employment service delivery system (“ESDS”) where the openings occur, in a manner and format that will allow the state workforce agency job bank or ESDS to provide priority referrals of protected veterans to CMS Waco, as required by 41 CFR § 60-300.5(a)2-6. With its initial listing, and as subsequently needed to update the information, CMS Waco will also advise the ESDS that it is a federal contractor that desires priority referrals of protected veterans for job openings at all locations within the state and provide the ESDS with the name and address of each of its hiring locations within the state and the contact information for CMS Waco’s official responsible for hiring at each location, in accordance with 41 CFR § 60-300.5(a)4. Should any of the information in the disclosures change since it was last reported to the ESDS, CMS Waco shall provide updated information simultaneously with its next job listing.

PART V. ENHANCED COMPLIANCE AGREEMENT

1. The Agreement will be in effect for a five-year period beginning on the Effective Date of the Agreement and until at least 60 days after CMS submits the final progress report described in Part VI of this Agreement and OFCCP confirms to CMS that it has fully complied with the terms of this Agreement (the “Five-Year Scheduling Exemption,” as defined earlier).
2. During a five-year period beginning on the Effective Date of the Agreement, to proactively facilitate compliance with Executive Order 11246, as amended, CMS will take the steps described below to enhance its compliance with Executive Order 11246 in the hiring of Job Group 8 positions at the establishments listed in the Preliminary Section and listed on Attachment 1.

3. CMS will evaluate its policies and procedures currently used to hire Job Group 8 positions at the establishments listed in the Preliminary Section and listed on Attachment 1 in an effort to ensure that CMS' selection process provides equal opportunity for female, Black, and White applicants.
4. The evaluation will cover the following areas at the establishments listed in the Preliminary Section and listed on Attachment 1:

Selection Procedures

- a. Procedures to recruit, screen, interview, select, reject, and hire Job Group 8 position applicants without regard to sex, sexual orientation, gender identity, race/ethnicity, color, national origin, and religion in compliance with Executive Order 11246.
 - b. Evaluation of recruitment efforts (methods and sources) for Job Group 8 positions.
 - c. Procedures to limit subjectivity and implicit bias in the hiring process, including identifying objective qualifications and criteria to be used to select and/or eliminate from further consideration persons expressing an interest in employment at each step of the hiring process (*i.e.*, application screen, interview, post-offer screen, etc.).
 - d. Procedures to ensure that persons expressing an interest in employment are tracked and decisions are documented at each step in the hiring process.
 - e. Procedures to ensure that documents are retained in accordance with 41 CFR 60-1.12(a) and Part 60-3.
 - f. Procedures to train all employees involved in the hiring process on the policies and practices related to CMS' selection of Job Group 8 positions.
 - g. Procedures to ensure that adverse impact analyses are conducted in accordance with 41 CFR Part 60-3, including evaluation of the individual components and qualifications if statistical disparities exist.
5. During the five-year period beginning on the Effective Date of the Agreement, CMS will conduct adverse impact analyses of Job Group 8 position hiring at each of the establishments listed in the Preliminary Section and listed on Attachment 1 consistent with the requirements of 41 CFR 60-3.4 and 3.15 on at least an annual basis and will certify its compliance with this commitment annually to OFCCP during CMS' annual meeting with OFCCP referenced in Subsection 6 below. If CMS finds statistically significant disparities in hiring Job Group 8 positions at any facility listed on Attachment 1, CMS Waco, or CMS Fort Morgan, CMS shall investigate the cause of the disparities and take appropriate forward looking action, such as providing refresher training or making additional changes to the hiring process. CMS is not required to provide the results of these specific adverse impact analyses to OFCCP for any of the facilities except as otherwise set forth in Remedy

1.a.iii. of Part IV of this Agreement or the reports specified in Part VI below, but may do so at its discretion.

6. During the five-year-period beginning on the Effective Date of the Agreement, CMS and OFCCP will meet once a year to discuss CMS' progress in implementing any actions adopted by CMS as a result of its evaluation outlined in Subsection 4 above, to discuss concerns, and to continue to chart a path toward a mutually-beneficial partnership. The parties will jointly agree on the timing, location, and structure of the meeting to facilitate maximum exchange of ideas. Should the parties deem a meeting unnecessary, it can be waived by mutual agreement.
7. This Enhanced Compliance Agreement between CMS and OFCCP does not provide CMS with any grant of immunity or protection from its requirement to comply with Executive Order 11246.
8. This Enhanced Compliance Agreement between CMS and OFCCP may be modified upon the written consent of the parties, and such consent will not be unreasonably withheld.
9. This Enhanced Compliance Agreement is between OFCCP and CMS (as collectively defined above) and does not confer any rights or benefits to any other parties, other than any successor to, parent of, or subsidiary of CMS or OFCCP. In case of a disagreement over the implementation of this Enhanced Compliance Agreement, the parties agree to negotiate in good faith prior to enforcement.

PART VI. REPORTS REQUIRED

CMS must submit the documents and reports described below to the Southwest and Rocky Mountain Regional Director.

CMS Waco Payment Reporting

CMS will submit the following in a progress report for CMS Waco , as applicable:

Documentation of monetary payments to all Eligible Class Members as specified in Part IV. 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. CMS must provide OFCCP with copies of all canceled checks upon request. Due Date: May 18, 2021.

Enhanced Compliance Agreement Reporting

CMS agrees to provide the following information for the locations and time periods specified in the chart below:

1. CMS' Affirmative Action Plan narrative for the applicable site's E.O. 11246 AAP, as well as such site's Section 503 and VEVRAA AAP, for the AAP year then in effect as of the first progress report due date for an applicable location. If, however, the AAP then

in effect as of the first progress report due date for an applicable location is only 4 months into such AAP start date, CMS will provide the information outlined above for the preceding AAP year then in effect as of the first progress report due date for an applicable location; and

2. The total number of applicants and hires and the breakdown by race, gender and ethnic group of applicants and hires for Job Group 8 positions during the applicable reporting period for each location specified below, including all temporary, part time, and seasonal employees who were referred to and/or assigned to work at CMS by a staffing firm or employment agency. This will be in two semi-annual progress reports covering a 6 month period of time per report and will be due on the dates in the table below:

Location	Periods of the Progress Reports	Progress Report Due Dates
2510 East Lake Shore Drive, Waco, TX	August 1, 2020 to January 31, 2021	April 2, 2021
	February 1, 2021 to July 31, 2021	September 25, 2021
65 Green Mountain Road, Hazleton, PA	August 1, 2021 to January 31, 2022	April 2, 2022
	February 1, 2022 to July 31, 2022	September 25, 2022
1301 Northpark Drive, Fort Worth, TX	August 1, 2022 to January 31, 2023	April 2, 2023
	February 1, 2023 to July 31, 2023	September 25, 2023
1529 23rd Street, Columbus, NE	August 1, 2022 to January 31, 2023	April 2, 2023
	February 1, 2023 to July 31, 2023	September 25, 2023
33 Dart Road, Newnan, GA	August 1, 2023 to January 31, 2024	April 2, 2024
	February 1, 2024 to July 31, 2024	September 25, 2024

If OFCCP finds statistically significant disparities in hiring for Job Group 8 for the reporting time period at issue at any facility listed above in the table, OFCCP will contact CMS and make

arrangements to meet (in person or via phone) to initially discuss and attempt to resolve the issues within 30 days of OFCCP's first notice to CMS of its findings. This may include requesting applicant flow data and hire data to confirm the progress report findings. Further, during an overall 90-day dialogue period from OFCCP's first notice to CMS of its findings, to the extent further refinements continue to show statistically significant disparities that cannot otherwise be explained to OFCCP's reasonable satisfaction, OFCCP will seek, as applicable, acceptable potential corrective action(s), examples of which include but are not limited to:

- (a) requesting additional sample records regarding disposition coding to verify coding accuracy and allow for further refinements and other statistical analysis;
- (b) CMS proactively agreeing to invite impacted class member applicants to participate again in the hiring process and extending offers / hires to an offsetting number of applicants to address any refined statistical shortfall, to the extent such class members remain available and can be contacted, thereby eliminating the need for potential records production under Subsection (a) and/or back pay under Subsection (c); and
- (c) back pay for potential class members, if necessary to the extent CMS does not agree to undertake the actions in Subsection (b).

TERMINATION DATE: This Agreement will expire pursuant to the terms in Part II, Paragraph 10.

INTEGRATION CLAUSE: This Agreement represents the full Agreement between CMS and OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither CMS 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

1. List of Facilities
2. List of Class Members
3. Notice Form
4. Verification Form
5. Release Form
6. Timeline

PART VII. SIGNATURES

The persons signing this Conciliation Agreement on behalf of CMS personally warrant that he/she is fully authorized to do so, that CMS 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 CMS. This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and CMS.

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

Leon Fletcher
Operations Director
Cargill Meat Solutions Corporation
Waco, TX

Date: 9/26/19

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

Tyler Luft
Facility Manager
Cargill Meat Solutions Corporation
Fort Morgan, CO

Date: 9/26/19

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

Melissa L. Speer
Regional Director
Southwest and Rocky Mountain Region
OFCCP

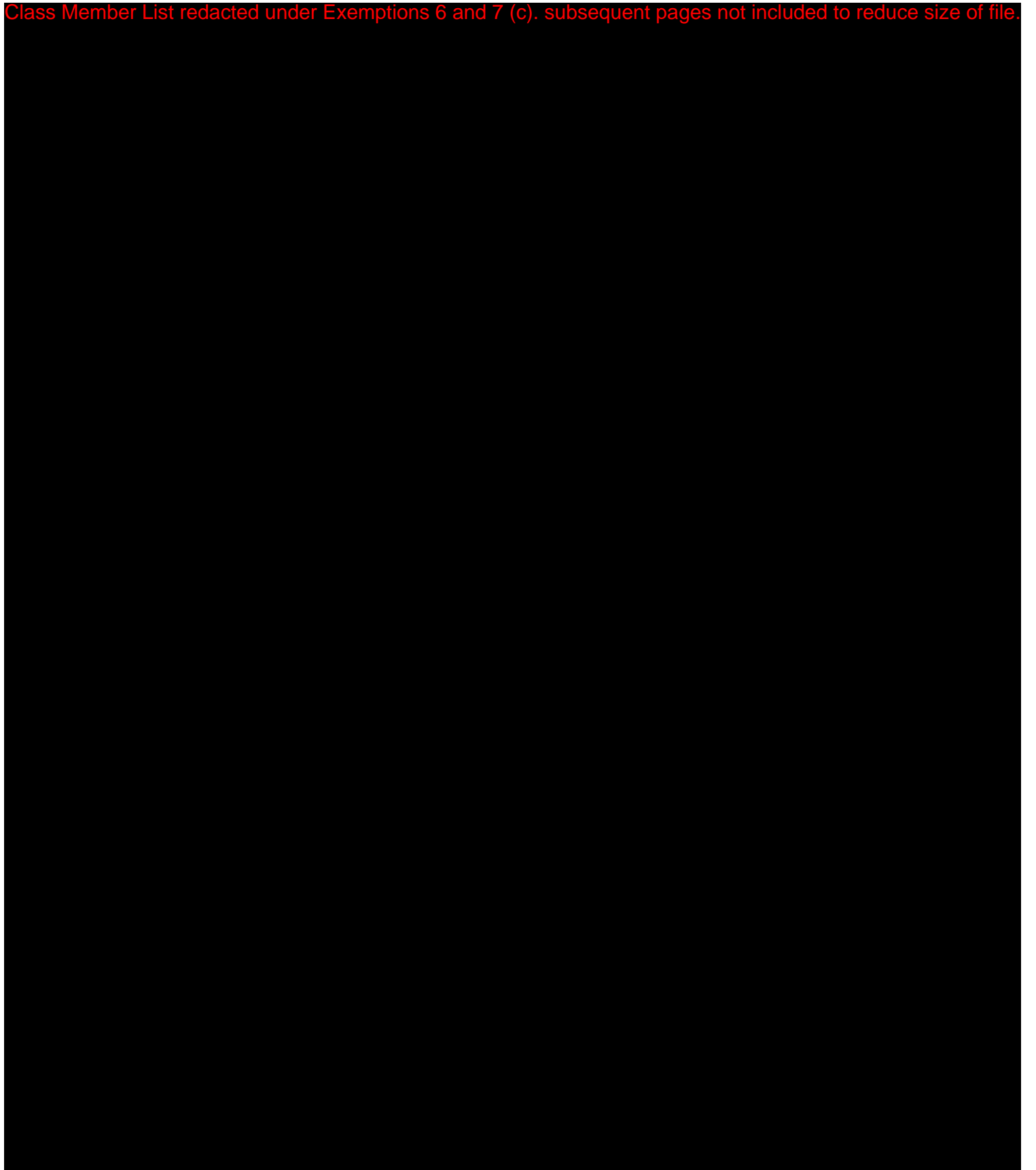
Date: 9-26-2019

**ATTACHMENT 1
LIST OF FACILITIES**

730 EAST RANDALL WOBBE ROAD	SPRINGDALE	AR	72764
3115 SOUTH FIG AVENUE	FRESNO	CA	93706
511 NORTH AVENUE	FRESNO	CA	93706
730 SPRECKELS AVENUE	MANTECA	CA	95336
13034 EXCELSIOR DRIVE	NORWALK	CA	90650
10602 TRADEMARK PARKWAY	RANCHO CUCAMONGA	CA	91730
2350 ACADEMY AVENUE	SANGER	CA	93657
383 INVERNESS PARKWAY	ENGLEWOOD	CO	80112
1505 EAST BURLINGTON AVENUE	FORT MORGAN	CO	80701
3205 SOUTHEAST 19TH AVENUE	FORT LAUDERDALE	FL	33316
14645 NORTHWEST 77TH AVENUE	MIAMI LAKES	FL	33014
3582 MC CALL PLACE NORTHEAST	ATLANTA	GA	30340
33 DART ROAD	NEWNAN	GA	30265
1750 SOUTH BENJAMIN AVENUE	MASON CITY	IA	50401
5042 STATE ROUTE 162	PONTOON BEACH	IL	62040
10420 WOODWARD AVENUE	WOODRIDGE	IL	60517
3201 EAST HIGHWAY 400	DODGE CITY	KS	67801
300 WEST 1ST STREET	WICHITA	KS	67202
825 EAST DOUGLAS AVENUE	WICHITA	KS	67202
3100 BONANZA ROAD	LAKE ODESSA	MI	48849
702 EAST 13TH STREET	ALBERT LEA	MN	56007
20021 176TH STREET NW	BIG LAKE	MN	55309
206 WEST 4TH STREET	MONTICELLO	MN	55362
14305 21ST AVENUE NORTH	PLYMOUTH	MN	55447
1001 EAST SMITH STREET	CALIFORNIA	MO	65018
3555 WEST ARROW	MARSHALL	MO	65340
1529 23RD STREET	COLUMBUS	NE	68601
2601 INDUSTRIAL ROAD	NEBRASKA CITY	NE	68410
491 COUNTY ROAD 9	SCHUYLER	NE	68661
1145 COMMERCE BOULEVARD	LOGAN	NJ	08085
65 GREEN MOUNTAIN ROAD	HAZLETON	PA	18202
1252 ROUTE 706	WYALUSING	PA	18853
1964 OLD DUNBAR ROAD	WEST COLUMBIA	SC	29172
2621 EUGENIA AVENUE	NASHVILLE	TN	37211
3709 EAST FIRST STREET	FORT WORTH	TX	76111
1301 NORTHPARK DRIVE	FORT WORTH	TX	76102
1530 WEST HIGHWAY 60	FRIONA	TX	79035
1200 INTERMODAL PARKWAY	HASLETT	TX	76052
2510 EAST LAKE SHORE DRIVE	WACO	TX	76705
135 HUFFMAN DRIVE	DAYTON	VA	22821
5688 SOUTH VALLEY PIKE	MT. CRAWFORD	VA	22841
480 CO-OP DRIVE	TIMBERVILLE	VA	22853
4700 NORTH 132ND STREET	BUTLER	WI	53007
200 SOUTH EMMER LANE	MILWAUKEE	WI	53233

Attachment 2
Class Member List

Class Member List redacted under Exemptions 6 and 7 (c). subsequent pages not included to reduce size of file.



**ATTACHMENT 3
NOTICE TO AFFECTED CLASS**

Dear [NAME]:

We are writing with regard to your application for employment at Cargill Meat Solutions Corporation ("CMS") at its Waco, Texas facility ("CMS"). Your application was submitted during the period of April 8, 2011 through June 24, 2013 for a Laborer and Helper Job Group 8 position. The Department of Labor's Office of Federal Contract Compliance Programs ("OFCCP") and CMS have entered into an agreement pursuant to Executive Order 11246 in which CMS agreed to certain monetary payments for individuals who submitted a job application during the period of time in question to resolve alleged hiring disparities. You have been identified as an individual who applied for a Job Group 8 Laborer and Helper position during that time period, but was not hired.

By entering into this Agreement, CMS has not admitted nor has there been any adjudicated finding that CMS violated any laws when you were not hired for the position for which you applied.

As part of this Agreement, you may be eligible to receive a distribution of at least \$ _____ less lawful payroll deductions. Under the terms of this Agreement it may take up to 240 days before CMS makes a distribution. In order to be eligible for a payment, you must complete, sign, and return the enclosed Information Verification Form and Release of Claims. You should complete and mail back the forms as soon as possible; they must be received at the address below no later than 30 calendar days from the date this Notice was mailed out (postmarked) for you to be entitled to participate in this settlement:

(NAME)
(POSITION)
(CONTRACTOR)
(ADDRESS)

You may use the enclosed postage-paid return envelope to return the completed and signed Information Verification and Employment Interest Form and Release of Claims. Upon receipt of these documents, a final determination will be made regarding your eligibility.

If you have any questions you may call [NAME] at CMS at [PHONE NUMBER], or OFCCP Compliance Officer _____ at () ____-____. Your call will be returned as soon as possible.

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO CMS WITHIN 30 CALENDAR DAYS OF THE DATE OF THE ENVELOPE CONTAINING THIS NOTICE, OR IF YOUR DOCUMENTS DO NOT VERIFY YOUR ELIGIBILITY, YOU MAY NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

Sincerely,

(NAME)

Enclosures

Information Verification Form

Release of Claims

**ATTACHMENT 4
INFORMATION VERIFICATION FORM**

You must complete this form in order to be eligible for the monetary payment under the terms of the Agreement between Cargill Meat Solutions Corporation ("CMS") and the Department of Labor's Office of Federal Contract Compliance Programs. Please print legibly, except for the signature.

Name: _____

Address: _____

Telephone Nos.: Home _____ Cell _____ Work _____

Email address: _____

Notify CMS at the address below if your address or phone number changes within the next twelve months.

Your Social Security Number (to be used for tax purposes only): _____ - _____ - _____

For purposes of this settlement, it is necessary to verify your gender and race:

Male Female

Caucasian African American Hispanic Asian Native American / Alaskan Native

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE ADDRESS BELOW WITHIN 30 CALENDAR DAYS OF THE DATE OF THE ENVELOPE CONTAINING THIS NOTICE, OR IF YOUR DOCUMENTS DO NOT VERIFY YOUR ELIGIBILITY, YOU MAY NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

(NAME) _____

(ADDRESS) _____

I, _____, certify the above is true and correct.

(print name)

Signature

Date

ATTACHMENT 5
RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

This Release of Claims under Executive Order 11246 ("Release") is a legal document. This document states that in return for Cargill Meat Solutions Corporation ("CMS") paying you money, you agree that you will not file any lawsuit against CMS for allegedly violating Executive Order 11246 in connection with its selection procedures for applicants for Job Group 8 Laborer and Helper positions. It also says that CMS does not admit it violated any laws. This Release says you had sufficient time to look at the document, to talk with others about the document, including an attorney if you choose, and that no one pressured you into signing the document. Finally, it says that if you do not sign and return the document by a certain date, you will not receive any money.

In consideration of the payment of at least _____ (less deductions required by law) by CMS to me, which I agree is acceptable, I _____
agree to the following: (Print Name)

I.

I hereby waive, release and forever discharge CMS, 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 my non-selection for employment as a Laborer and Helper Job Group 8 employee on the basis of my race or gender at any time through the effective date of this Release.

II.

I understand that CMS denies that it treated me unlawfully or unfairly in any way and that CMS 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 applicants and to resolve the matter without further legal proceedings in the compliance evaluation initiated by OFCCP. I further agree that the payment of the aforesaid sum by CMS to me is not to be construed as an admission of any liability by CMS.

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/or 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 for receipt by CMS BY THE FINAL ELIGIBILITY DEADLINE SPECIFIED IN CMS' AGREEMENT WITH OFCCP, I will not be entitled to receive the payment (less deductions required by law) from CMS.

IN WITNESS WHEREOF, I have signed this document on this _____ day of _____,
20__.

Signature

**ATTACHMENT 6
TIMELINE**

Effective Date of Conciliation Agreement: September 26, 2019

	Action	Number of Calendar Days from Effective Date	Due Date
1	CMS will set up an interest bearing account	30	10/28/19*
2	CMS will notify OFCCP of the creation of the settlement account and provide OFCCP with a contact person for account information	30	10/28/19*
3	OFCCP and CMS will work together to finalize the class member list, and OFCCP will provide related Class Member addresses to CMS for use in mailing	30	10/28/19*
4	CMS shall notify the Class Members of the terms of this Agreement by mailing the Notice, Verification Form, and Release, using the addresses from OFCCP; if no address is so obtained, then no notice is required	75	12/10/19
5	Deadline for first Notice Class Members to submit Verification Form and Release to CMS	105	1/9/20
6	CMS will provide OFCCP with a list of Class Members with letters returned as undeliverable, who did not respond to the Notice, or have not returned a fully executed Verification and Release form (as of 1/9/20)	120	1/24/20
7	OFCCP will initiate efforts to locate those Class Members with letters returned as undeliverable, who did not respond to the Notice, or have not returned a fully executed Verification and Release form per the list provided by CMS, and will provide any updated contact information to CMS	150	2/24/20*
8	CMS will mail a second Notice, Verification Form, and Release to Class Members for whom OFCCP finds an updated address	180	3/24/20
9	Deadline for second Notice Class Members to submit Verification Form and Release to CMS; also, the final eligibility deadline for <i>all</i> Class Members to submit and return for receipt by CMS a completed Verification Form and Release to CMS (i.e., from the first or second Notice) in	210	4/23/20

	order to be a potential Eligible Class Member, subject to final approval per lines 11 and 12 below (the "Final Eligibility Deadline")		
10	With respect to the Class Members who are part of the second mailing, CMS will provide OFCCP with a list of Class Members with letters returned as undeliverable, who did not respond to the Notice, or have not returned a fully executed Verification and Release form (as of 4/23/20). This is an update to the report in line 6.	225	5/8/20
11	CMS will provide OFCCP a proposed list of Eligible Class Members along with a copy of each applicable Verification Form received	255	6/8/20*
12	OFCCP will review and approve the final list of Eligible Class Members	285	7/7/20
13	CMS will distribute back pay and interest to Eligible Class Members per the Agreement	315	8/6/20
14	CMS will provide OFCCP a list of Eligible Class Members whose check was returned as undeliverable, as of 9/5/20.	360	9/21/20*
15	OFCCP will provide CMS any updated addresses it locates for Eligible Class Members whose check was returned as undeliverable	390	10/20/20
16	CMS will re-mail checks to Eligible Class Members for whom OFCCP provides an alternate address	420	11/19/20
17	Deadline to cash first checks	450	12/21/20*
18	CMS will make a second distribution using any funds from uncashed checks to Eligible Class Members who timely cashed their first check (if the funds would result in a payment of at least \$30 to such Eligible Class Members)	480	1/18/21
19	Deadline to cash second checks	540	3/19/21
20	First progress report – 2510 East Lake Shore Drive, Waco, TX location	N/A	4/2/21
21	Documentation of monetary payments to all Eligible Class Members, to include the names 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.	600	5/18/21

22	Second progress report – 2510 East Lake Shore Drive, Waco, TX location	N/A	9/25/21
23	First progress report – 65 Green Mountain Road, Hazleton, PA location	N/A	4/2/22
24	Second progress report - 65 Green Mountain Road, Hazleton, PA location	N/A	9/25/22
25	First progress report – 1301 Northpark Drive, Fort Worth, TX location	N/A	4/2/23
26	First progress report – 1529 23 rd Street, Columbus, NE location	N/A	4/2/23
27	Second progress report - 1301 Northpark Drive, Fort Worth, TX location	N/A	9/25/23
28	Second progress report – 1529 23 rd Street, Columbus, NE location	N/A	9/25/23
29	First progress report – 33 Dart Road, Newnan, GA location	N/A	4/2/24
30	Second progress report – 33 Dart Road, Newnan, GA location	N/A	9/25/24

*Adjusted to the next business day, given that the deadline for the obligation scheduled to be performed falls on a weekend or a Federal holiday.