

**CONCILIATION AGREEMENT
BETWEEN
THE U.S. DEPARTMENT OF LABOR
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS
AND
COCA-COLA BOTTLING CO. CONSOLIDATED (CCBCC)**

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs (“OFCCP”) commenced two complaint investigations at the COCA-COLA BOTTLING CO. CONSOLIDATED establishment located at 801 Black Satchel Road Charlotte, North Carolina 28216 (hereinafter designated as “CCBCC”) on August 9, 2012 (regarding (b) (6), (b) (7)(C)) and September 16, 2014 (regarding (b) (6), (b) (7)(C)) and found that CCBCC was not in compliance with Executive Order 11246 and its implementing regulations at 41 C.F.R. 60-1. OFCCP notified CCBCC of the initial violations and the corrective actions required in a Notification of Results of Investigation issued on August 5, 2015 (b) (6), (b) (7)(C)) and March 3, 2016 (b) (6), (b) (7)(C)). In the interest of resolving the violations without engaging in further legal proceedings and in exchange for the good and valuable consideration described in this document, OFCCP and CCBCC enter this contract (“Agreement”) and agree to all the terms stated below.

PART II. GENERAL TERMS AND CONDITIONS

1. In exchange for CCBCC’s fulfillment of all obligations in Parts III and IV of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under Executive Order 11246 based on the alleged 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 alleged violations described in Part III if CCBCC violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. CCBCC agrees that OFCCP may review its compliance with this Agreement. As part of such review, and upon reasonable notice, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. CCBCC will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all relevant reports and documents as required by 41 CFR 60-1.43.
3. CCBCC understands that nothing in this Agreement relieves CCBCC of its obligation to fully comply with the requirements of Executive Order 11246, its implementing regulations, and other applicable equal employment laws.
4. CCBCC 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 Executive Order 11246.

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 Southeast 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. This Agreement will expire sixty (60) days after CCBCC submits the final report required in Part IV-2, below, unless OFCCP notifies CCBCC in writing prior to the expiration date that CCBCC has not fulfilled all of its obligations under the Agreement, in which case, the Agreement is automatically extended until the date that OFCCP determines CCBCC has met all of its obligations under the agreement.
10. If CCBCC violates this Conciliation Agreement,
 - A. The procedures set forth at 41 C.F.R. § 60-1.34 will govern:
 - 1) If OFCCP believes that CCBCC violated any term of the Agreement while it was in effect, OFCCP will send CCBCC a written notice stating the alleged violations and summarizing any supporting evidence.
 - 2) CCBCC 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 CCBCC 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. CCBCC 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.
11. This Agreement does not constitute an admission by CCBCC of any violation of Executive Order 11246, Section 503, VEVRAA, or other laws, nor has there been an adjudicated finding that CCBCC violated any laws.

PART III. SPECIFIC VIOLATIONS AND REMEDIES

1. COMPLAINANT (6), (7)(C)

A. STATEMENT OF ALLEGED VIOLATION: OFCCP's investigation found that CCBCC retaliated against (6), (7)(C) because he participated in protected activity as a Class Member under a Consent Decree and that this treatment violated Executive Order 11246 and its implementing regulations.

B. OFCCP'S SPECIFIC FINDINGS: (6), (7)(C) is a class member under a Consent Decree within the meaning of Executive Order 11246 and 41 C.F.R. §§ 60-1 to 60-50 ("Consent Decree"), signed on September 20, 2010 between OFCCP and CCBCC's Charlotte, North Carolina establishment. CCBCC hired (6), (7)(C) on June 27, 2011 as a result of the Consent Decree. OFCCP found that CCBCC allegedly administered its training and disciplinary processes differently for (6), (7)(C) compared to similarly situated non-class members, and that this allegedly different treatment resulted in (6), (7)(C) termination. OFCCP also found that CCBCC failed to provide seniority to (6), (7)(C) granted by the Consent Decree. Consequently, OFCCP determined that CCBCC allegedly failed to provide seniority to, harassed, retaliated against, and terminated (6), (7)(C) for engaging in protected EEO activity, in violation of the provisions of the Executive Order 11246, 41 C.F.R. § 60-1.32 and 41 C.F.R. § 60-1.4 (a) (1).

C. REMEDY FOR AFFECTED COMPLAINANT: CCBCC agrees to the following make-whole remedies:

- 1) **Release of Claims:** Within seven (7) calendar days of the Effective Date of this Agreement, CCBCC will send via certified mail, return receipt requested, Attachment A ("Release of Claims"), and a postage paid envelope. (6), (7)(C) must sign and return the Release of Claims to CCBCC within seven (7) calendar days of his receipt to receive monetary settlement.
- 2) **Monetary Settlement:** Within seven (7) calendar days of CCBCC's receipt of the executed Release of Claims, CCBCC shall distribute to (6), (7)(C) back pay and interest in the amount of \$75,311.61,

less legal deductions required by law. CCBCC will pay the Internal Revenue Service (“IRS”) the employer’s share of social security withholdings and will issue to (6), (7)(C) an IRS Form W-2 Form reporting the portion of the payment representing back pay and front pay and an IRS Form 1099 for the portion of the payment representing interest.

2. COMPLAINANT (6), (7)(C)

A. STATEMENT OF ALLEGED VIOLATION: OFCCP’s investigation found that CCBCC retaliated against (6), (7)(C) because he participated in protected activity as a Class Member under a Consent Decree and that this treatment violated Executive Order 11246 and its implementing regulations.

B. OFCCP’S SPECIFIC FINDINGS: (6), (7)(C) is a class member under a Consent Decree within the meaning of Executive Order 11246 and 41 C.F.R. §§ 60-1 to 60-50 (“Consent Decree”), signed on September 20, 2010 between OFCCP and CCBCC’s Charlotte, North Carolina establishment. CCBCC hired (6), (7)(C) on September 12, 2012 as a result of the Consent Decree. OFCCP found that CCBCC allegedly administered its hiring and promotion processes differently for (6), (7)(C) compared to similarly situated non-class members, and that this allegedly different treatment resulted in (6), (7)(C) not being hired in a full-time position. OFCCP also found that CCBCC allegedly failed to provide seniority granted to (6), (7)(C) by virtue of the Consent Decree. Consequently, OFCCP determined that CCBCC allegedly retaliated against, failed to provide seniority to, and failed to hire or promote (6), (7)(C) into a full-time position for engaging in protected EEO activity, in violation of the provisions of the Executive Order 11246, 41 C.F.R. § 60-1.32 and 41 C.F.R. § 60-1.4 (a) (1).

C. REMEDY FOR AFFECTED COMPLAINANT: CCBCC agrees to the following make-whole remedies:

- 1) **Release of Claims:** Within seven (7) calendar days of the Effective Date of this Agreement, CCBCC will send via certified mail, return receipt requested, Attachment B (“Release of Claims”), and a postage paid envelope. (6), (7)(C) must sign and return the Release of Claims to CCBCC within seven (7) calendar days of his receipt of the Release of Claims from CCBCC to receive monetary settlement.
- 2) **Monetary Settlement:** Within seven (7) calendar days of CCBCC’s receipt of the executed Release of Claims, CCBCC shall distribute to (6), (7)(C) back pay and interest in the amount of \$11,000 less legal deductions required by law. CCBCC will pay the Internal Revenue Service (“IRS”) the employer’s share of social security withholdings and will issue to (6), (7)(C) an IRS Form 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.

- 3) Offer of Employment: On January 26, 2016, CCBCC verbally offered (6), (7)(C) a full-time Merchandiser position, which (6), (7)(C) declined. At that time, CCBCC also agreed to explore other full-time employment options for (6), (7)(C) comparable in pay to the Merchandiser position. Within sixty (60) days of the effective date of this Agreement, CCBCC will extend to (6), (7)(C) a bona fide, written offer of full-time employment into a position comparable in pay and opportunity to the full-time Merchandiser position. (6), (7)(C) will have fifteen (15) days to accept or decline this offer of full-time employment in writing.

If (6), (7)(C) accepts CCBCC's offer of full-time employment, CCBCC will provide him with compensation that is consistent with current compensation for full-time employees with comparable skills and experience as (6), (7)(C). CCBCC will also provide (6), (7)(C) with all fringe benefits provided to full-time employees in comparable positions.

If (6), (7)(C) declines the offer of employment within 15 day time period described above, CCBCC has no further obligation under this Agreement to extend a job offer.

D. NON-MONETARY REMEDIES FOR COMPLAINANT (6), (7)(C) AND COMPLAINANT (6), (7)(C):

CCBCC will prevent retaliation, harassment or any other form of reprisal or adverse action against (6), (7)(C) and (6), (7)(C) or any class member hired as a result of the Consent Decree or this Agreement. CCBCC will implement the following:

- 1) Elimination of Allegedly Discriminatory Practices: CCBCC agrees that it will not create and will discontinue any policy or practice which negatively impacts Class Members under the Consent Decree signed on September 20, 2010.
- 2) Equal Employment Opportunity Obligations: Within 60 days of the effective date of this Agreement, CCBCC will meet with Black Satchel Road managers responsible for hiring and supervising Merchandisers to review its equal employment obligations and nondiscrimination policies related to promotion, termination, seniority, job training, job assignment and retaliation for Merchandisers.
- 3) Revise Written Policy and Procedures:
 - a. CCBCC agrees to evaluate and revise its promotion, termination, seniority, job training and job assignment policies and procedures for Merchandisers at its Black Satchel Road establishment to ensure CCBCC's administration, implementation and monitoring are consistent with the requirements set forth in the Executive

Order 11246 and its implementing regulations. CCBCC will also evaluate and revise, as necessary, its written policy describing its procedures to eliminate harassment, intimidation, and retaliation in the workplace of all employees who engage in any of the protected activities protected by the Executive Order 11246 and its implementing regulations.

- b. Within 60 days of the effective date of this Agreement, CCBCC will revise and implement policies and procedures to review, at least annually, its personnel practices, noted in 3a above, for the purpose of assuring nondiscrimination.

4) Training:

a. Policies and Processes: Within 60 days of the effective date of this Agreement, CCBCC will train all individuals involved in any way with promotion, termination, seniority, job training and job assignment policies and procedures on its revised personnel practices for Merchandisers noted in 3a above. The training will include but will not be limited to instruction on the proper implementation of the revised personnel practices, noted in 3a above; and the procedures implemented to ensure that records are retained in accordance with 41 C.F.R. § 60-1.12(a). Within one hundred eighty (180) days of the effective date of Agreement, CCBCC will submit to OFCCP documentation of the training pursuant to the Agreement, including: training dates; locations; percent of relevant Merchandising managerial and line staff who have completed training; sign-in sheets showing printed names, job titles, and signatures of the attendees; names and job titles/organization of the trainers; the number of hours of training provided; summary of the curriculum; results of the post-training assessment; whether the assessment shows further training is needed; and any actions taken or anticipated as a result of the assessment. CCBCC will make all training documentation available to OFCCP to ensure the training meets the criteria set forth in the Agreement.

b. Retaliation and Harassment Prevention: Within 60 days of the effective date of this Agreement, CCBCC will provide training on retaliation and harassment prevention to all individuals involved in any way with promotion, termination, seniority, job training, job assignment or other employment decisions for Merchandisers noted in 3a above. Furthermore, CCBCC agrees to ensure that all employees who are promoted or hired into a position in which they are involved in any way with promotion, termination, seniority, job training and job assignment or other employment decisions for Merchandiser positions, noted in 3a above, are trained within fifteen (15) days of their hire or promotion.

c. Training Assessment: CCBCC will preserve all training records in accordance with 41 C.F.R. § 60-1.12(a). Within ninety (90) days of the effective date of Agreement, CCBCC will ensure that

all employees responsible for implementation of the personnel practices, noted at 3a above, who have completed the training understand and can implement the requirements to (1) follow nondiscriminatory practices, (2) consistently and fairly implement the new or revised written practices, and (3) properly document the results of their decisions and retain appropriate records.

- 5) Monitoring of Work Environment: CCBCC will maintain a working environment free from retaliation, harassment, intimidation, and coercion; and will document its monitoring of its work environment for the presence of any forms of retaliation, harassment, intimidation, or coercion; including but not limited to verbal and visual displays to ensure the violations do not recur.

3. RECORDKEEPING

- A. STATEMENT OF VIOLATION: CCBCC failed to collect and maintain personnel and employment records in accordance with the requirements of 41 C.F.R. § 60-1.12(a).
- B. OFCCP'S SPECIFIC FINDINGS: CCBCC failed to preserve personnel records for a period of not less than two years from the date of: a) the making of the record; or b) the personnel action involved, whichever occurred later. Specifically, CCBCC failed to preserve complete and accurate records of the training provided to the Coolift/Tel Sell Merchandisers, in violation of 41 C.F.R. § 60-1.12(a).
- C. REMEDY: CCBCC must preserve all personnel and employment records it makes or keeps in either electronic or hard copy format on the training provided to Coolift/Tel Sell Merchandisers, including but not limited to the time, frequency and type of training that is to be provided to all new hires for this position. Where a compliance evaluation has been initiated by OFCCP, CCBCC must preserve all employment and personnel records until OFCCP makes a final disposition in the matter, even if such preservation is beyond the two-year period.

PART IV. REPORTS REQUIRED

CCBCC must submit the documents and reports described below to Pamela Quinn, District Director, U.S. Department of Labor/OFCCP, 3800 Arco Corporate Drive, Suite 465, Charlotte, North Carolina 28273.

1. CCBCC agrees to retain records pertinent to the violations cited in Part III above, and to the reports submitted in compliance with Paragraph 2, below. These records shall include data and information underlying the required reports, specifically. The records will be retained until the expiration of this Agreement or consistent with regulatory requirements, whichever is later.
2. CCBCC agrees to furnish four (4) progress reports, as follows:

- a. The first report, due within fourteen days (14) days of the effective date of this Agreement, will include copies of the Release of Claims (Attachments A & B) sent to (6), (7)(C) and (6), (7)(C).
 - b. The second report, due within thirty (30) of the effective date of this Agreement, will include copies of the checks sent to (6), (7)(C) and (6), (7)(C) documenting the payments made to them for the amounts specified in Remedies 1B and 2B of this Agreement.
 - c. The third report, due within ninety days (90) days of the effective date of this Agreement, will include a copy of (6), (7)(C) bona fide, written offer of full-time employment into a position comparable in pay and opportunity to the full-time Merchandiser position and documentation of the disposition of the offer to include (6), (7)(C) response as well as documentation showing, if applicable, the date (6), (7)(C) started the full-time position, his job title, pay rate or date of declination of the job offer.
 - d. The fourth report, due within one hundred eighty (180) days of the effective date of this Agreement, will include all required documents and/or information referenced in Part III 2. D. and the information below:
 - i. Documentation that CCBCC completed the training and a narrative summary including: assessment of the training; a description of any follow-up to the training to ensure understanding; a description of any structural changes made to CCBCC's training program; and an audit of the actions CCBCC's managers take to implement the policies.
 - ii. A narrative description of the implementation of CCBCC's audit and reporting system on how it ensures non-retaliation, performs internal reporting on a scheduled basis, reviews report results with all levels of management, advises top management of program effectiveness and submits recommendations to improve performance, when applicable.
 - iii. A narrative description of CCBCC's revised recordkeeping and retention policies and procedures and a narrative summary of any structural changes.
3. CCBCC will retain all records and data pertinent to the violations resolved by this Agreement and/or used to prepare require reports until this Agreement expires or as long as required by OFCCP's regulations, whichever date occurs later.

PART V. SIGNATURES

This Conciliation Agreement is hereby executed by and between the OFCCP and Coca-Cola Bottling Co. Consolidated.

May 25, 2016
Date

(6), (7)(C)

DAVID KATZ
Executive Vice President
Coca-Cola Bottling Co. Consolidated
Labor/OFCCP
4100 Coca-Cola Plaza
Charlotte, North Carolina 28211

June 1, 2016
Date

(6), (7)(C)

SAMUEL B. MAIDEN
Regional Director—Southeast
U.S. Department of Labor/OFCCP

May 31, 2016
Date

(6), (7)(C)

PAMELA QUINN
District Director
U.S. Department of Labor/OFCCP
Charlotte District Office

MAY 31, 2016
Date

(6), (7)(C)

WILLIAM CREWS
Assistant District Director
U.S. Department of Labor/OFCCP
Charlotte District Office

31 May 2016
(6), (7)(C), (7)(E)

Compliance Officer
U.S. Department of Labor/OFCCP
Charlotte District Office

COCA COLA BOTTLING CO. CONSOLIDATED (CCBCC)
CONCILIATION AGREEMENT

Attachment A
RELEASE OF CLAIMS

(6), (7)(C)

TO RECEIVE MONEY FROM THE SETTLEMENT, YOU MUST SIGN AND RETURN THIS FORM WITHIN (7) CALENDAR DAYS OF RECEIVING THIS RELEASE. COMPLETE AND RETURN THE FORM TO VP OF HUMAN RESOURCES, COCA-COLA BOTTLING CO. CONSOLIDATED, 4100 COCA-COLA PLAZA, CHARLOTTE, NC 28211.

This Release of Claims under Executive Order 11246 ("Release") is a legal document. This document states that in return for Coca Cola Bottling Co. Consolidated ("CCBCC") paying you money, you agree that you will not file any lawsuit against CCBCC for allegedly violating Executive Order 11246 in connection with OFCCP's findings issued in a Notice of Results of Investigation dated August 5, 2015. It also says that CCBCC 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 \$75,311.61 (less deductions required by law) by CCBCC to me, which I agree is acceptable, I agree to the following:

I.

I hereby waive, release and forever discharge CCBCC, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, owners, directors, officers, employees, agents, successors, and assigns, of and from any and all actions, causes of action, damages, liabilities, and claims 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 termination from employment at any time through the effective date of this Release.

II.

I understand that CCBCC denies that it treated me unlawfully or unfairly in any way and that CCBCC 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 issues described in OFCCP's Notice of Results of Investigation dated August 5, 2015 and to resolve the matter without further legal proceedings in the compliance reviews initiated by OFCCP related to the three facilities covered by the Conciliation Agreement. I further agree that the payment of the aforesaid sum by CCBCC to me is not to be construed as an admission of any liability by CCBCC.

COCA COLA BOTTLING CO. CONSOLIDATED (CCBCC)
CONCILIATION AGREEMENT

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 CCBCC's VP of Human Resources such that it is received within (7) calendar days of receipt, I will not be entitled to receive any payment (less deductions required by law).

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

Signature: _____ **Date:**

Printed Name:

WSACTIVE LLP:8446859.1

COCA COLA BOTTLING CO. CONSOLIDATED (CCBCC)
CONCILIATION AGREEMENT

Attachment B
RELEASE OF CLAIMS

(6), (7)(C)

TO RECEIVE MONEY FROM THE SETTLEMENT, YOU MUST SIGN AND RETURN THIS FORM WITHIN (7) CALENDAR DAYS OF RECEIVING THIS RELEASE. COMPLETE AND RETURN THE FORM TO VP OF HUMAN RESOURCES, COCA-COLA BOTTLING CO. CONSOLIDATED, 4100 COCA-COLA PLAZA, CHARLOTTE, NC 28211.

This Release of Claims under Executive Order 11246 ("Release") is a legal document. This document states that in return for Coca Cola Bottling Co. Consolidated ("CCBCC") paying you money, you agree that you will not file any lawsuit against CCBCC for allegedly violating Executive Order 11246 in connection with OFCCP's findings issued in a Notice of Results of Investigation dated March 3, 2016. It also says that CCBCC 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 \$11,000 (less deductions required by law) by CCBCC to me, which I agree is acceptable, I agree to the following:

I.

I hereby waive, release and forever discharge CCBCC, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, owners, directors, officers, employees, agents, successors, and assigns, of and from any and all actions, causes of action, damages, liabilities, and claims 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 full-time employment at any time through the effective date of this Release.

II.

I understand that CCBCC denies that it treated me unlawfully or unfairly in any way and that CCBCC 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 issues described in OFCCP's Notice of Results of Investigation dated March 3, 2016 and to resolve the matter without further legal proceedings in the compliance reviews initiated by OFCCP related to the three facilities covered by the Conciliation Agreement. I further agree that the payment of the aforesaid sum by CCBCC to me is not to be construed as an admission of any liability by CCBCC.

III.

COCA COLA BOTTLING CO. CONSOLIDATED (CCBCC)
CONCILIATION AGREEMENT

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 CCBCC's VP of Human Resources such that it is received within (7) seven calendar days of receipt, I will not be entitled to receive any payment (less deductions required by law).

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

Signature: _____ **Date:**

Printed Name: