

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement") is made and entered into between the McDonald's USA, LLC, subsidiaries listed in Exhibit A, which operate McDonald's-owned restaurants, and the agents, directors, officers, employees and representatives of the same ("Respondent McOpCo"), McDonald's USA, LLC and its remaining subsidiaries and affiliates, and the agents, directors, officers, employees and representatives of the same ("Respondent McDonald's USA") (collectively, Respondents), and the United States Department of Justice, Civil Rights Division, Office of Special Counsel for Immigration-Related Unfair Employment Practices ("Office of Special Counsel").

WHEREAS, on April 9, 2014, the Office of Special Counsel notified Respondent McDonald's USA that it was initiating an independent investigation, DJ# 197-23-752 (the "OSC Investigation"), to determine whether Respondents engaged in a pattern or practice of discrimination in violation of the unfair immigration-related employment practices provision of 8 U.S.C. § 1324b(a)(6) (the "Act"). The OSC Investigation concerned certain practices of Respondent McOpCo's restaurants, specifically Respondent McOpCo's re-verification practices involving Lawful Permanent Residents.

WHEREAS, the Office of Special Counsel concluded, based upon the OSC Investigation, that there is reasonable cause to believe that Respondent McOpCo committed unfair documentary practices during the employment eligibility reverification process.

WHEREAS, Respondents deny any engagement in unfair documentary practices in alleged violation of the Act. Respondents also disagree with the Office of Special Counsel's conclusions and do not admit (by this Agreement, any action taken, or otherwise) to violating any provision of the Act, or any other applicable law or regulation.

WHEREAS, the Office of Special Counsel and Respondents wish to resolve the OSC Investigation without further delay or expense and hereby acknowledge that they are voluntarily entering into this Agreement.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and to fully and finally resolve the OSC Investigation as of the date of this Agreement, the Office of Special Counsel and Respondents agree to the following:

1. Respondents shall pay civil penalties to the United States Treasury in the amount of three hundred and fifty-five thousand dollars (\$355,000).
2. The monies discussed in paragraph 1 shall be paid via the FedWire electronic fund transfer system within twenty-one (21) days after the Effective Date (as defined in paragraph 20) of this Agreement. The Office of Special Counsel shall provide Respondents with fund transfer instructions. On the day of payment, Respondents shall confirm via email to Silvia Dominguez-Reese at [Silvia.Dominguez-Reese@usdoj.gov](mailto:Silvia.Dominguez-Reese@usdoj.gov) and Jennifer Deines at [Jennifer.Deines@usdoj.gov](mailto:Jennifer.Deines@usdoj.gov) that the payment was made.

3. Respondent McOpCo shall pay backpay in accordance with the Claims Procedure set forth in Exhibit B to eligible employees or former employees who claim to have suffered economic loss, including but not limited to termination or loss of work as a result of the employment eligibility reverification practices alleged by the Office of Special Counsel to be unlawful. To be eligible, the employee or former employee will need to have suffered an economic loss, as described in Exhibit B, during the time period of September 23, 2012 to March 1, 2015.
4. In keeping with the scope of this Agreement, Respondents shall not discriminate on the basis of citizenship status or national origin in violation of the Act.
5. Respondents shall comply with the terms of the Act, which make it an unfair immigration-related employment practice to intimidate, threaten, coerce, or retaliate against any individual for his or her participation in the OSC Investigation or the exercise of any right or privilege secured by 8 U.S.C. § 1324b.
6. For all Respondent McOpCo locations not already doing so as a condition of their access to the Department of Homeland Security's E-Verify program, Respondent McOpCo shall post the Office of Special Counsel's "If You Have The Right to Work" poster ("OSC Poster"), in color and measuring no smaller than 11" x 14," an image of which is available at <http://www.justice.gov/crt/about/osc/htm/worker.php#>, in each Respondent McOpCo restaurant location, in an area it can be seen by employees and job applicants. The OSC Poster will be posted within sixty (60) days after the Effective Date of this Agreement and Respondents shall take reasonable steps to require that it remains posted throughout the Reporting Period (as defined below) and take reasonable steps to make sure those locations comply with such requirement. The OSC Poster shall be posted in at least English and Spanish.
7. For 20 months after the Effective Date of this Agreement (the "Reporting Period"), Respondents shall ensure that all of the Human Resources Consultants that support McOpCo restaurants, employees in Respondent McDonald's USA's Employment Records Group, and Respondent McOpCo General Managers are provided a copy and/or have electronic access to the most current version of the Form I-9, USCIS Employment Eligibility Verification Handbook for Employers (M-274) ("Handbook"), available at [www.uscis.gov/I-9Central](http://www.uscis.gov/I-9Central), and the most current USCIS E-Verify Manual (M-775) ("Manual"), available at: [www.uscis.gov/USCIS/Verification/E-Verify/E-Verify\\_Native\\_Documents/manual-employer\\_comp.pdf](http://www.uscis.gov/USCIS/Verification/E-Verify/E-Verify_Native_Documents/manual-employer_comp.pdf). Copies of these documents and future revisions of the Form I-9, Handbook, and Manual can be obtained from the United States Citizenship and Immigration Services at [www.uscis.gov](http://www.uscis.gov).
8. Prior to the Effective Date of this Agreement, the Office of Special Counsel has reviewed Respondents' Immigration Compliance Policy, and Respondent McOpCo's Form I-9 and onboarding programs and processes as a condition of entering into this Agreement. Within sixty (60) days of the Effective Date of this Agreement, Respondents shall also provide the Office of Special Counsel with non-privileged documentation, including but not limited to, a written description of all steps taken to ensure that they are not reverifying Permanent Resident Cards (Forms I-551) and additional documentary proof of such steps.

9. During the Reporting Period, Respondents shall obtain written approval from the Office of Special Counsel prior to implementing any changes to their Immigration Compliance Policy, and Respondent McOpCo's Form I-9 and onboarding programs and processes referenced in paragraph 8, to the extent that such changes involve employment eligibility verification and reverification. Respondents will send any proposed changes to the Office of Special Counsel no later than twenty-one (21) days in advance of its intended implementation date, and the Office of Special Counsel will notify Respondents no later than fourteen (14) days after receiving such proposed changes in writing of any concerns with the proposed changes. The parties will discuss any disputes about the proposed changes in advance of their implementation. The 21-day notice requirement is not applicable where Respondents implement changes in training, onboarding platforms or processes in a good faith effort to comply with other legal obligations, but in such circumstances Respondents will provide notice as soon as is practicable but no later than 7 days after the implementation of the proposed changes.
10. Within one hundred and seventy (170) days after the Effective Date of this Agreement, the Human Resources Consultants that support Respondent McOpCo's restaurants, and People Managers and General Managers of Respondent McOpCo's restaurants will undertake one of the Office of Special Counsel's training sessions, as specified below, relating to the obligation to comply with 8 U.S.C. § 1324b, the appropriate use of E-Verify (where applicable), and the employment eligibility verification and reverification process.
- (a) The training for Human Resources Consultants and General Managers will take place as follows : 1) at least 600 Human Resources Consultants and General Managers will view one (1) of twelve (12) live remote webinar presentations that will be held by the Office of Special Counsel on the dates set forth on Exhibit C ; 2) no more than 500 Human Resources Consultants and General Managers will view one (1) of five (5) regularly-scheduled monthly Office of Special Counsel Employer webinars; 3) no more than 500 General Managers will view a recorded webinar presentation. If any of the presentations listed on Exhibit C are postponed or rescheduled, the parties will work in good faith to find mutually acceptable alternate dates. If the Office of Special Counsel must reschedule a training in Exhibit C, Respondent will be in compliance with this Agreement for managers who participate in the rescheduled training(s). Any Human Resources Consultants and General Managers who have not participated in the regularly-scheduled monthly webinars or recorded webinars must complete a live webinar listed on Exhibit C. The training for People Managers will consist of viewing a recorded webinar presentation.
- (b) All employees will be paid their normal rate of pay during the training session that they attend. Respondents shall bear the costs associated with employees traveling to attend the training.
- (c) During the Reporting Period, any new or returning Human Resources Consultants that support Respondent McOpCo's restaurants, and People Managers and General

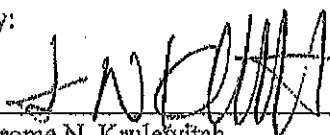
Managers of Respondent McOpCo's restaurants who did not previously view the training, will undergo the recorded training specified in subparagraph (a) above within forty-five (45) days of taking on such responsibility.

- (d) Respondents will compile and maintain attendance records listing the individuals who attend each training session described in this paragraph including their full name, title, and the date of the training, and send written assurance that the records have been compiled and are being maintained via email to [Silvia.Dominguez-Reese@usdoj.gov](mailto:Silvia.Dominguez-Reese@usdoj.gov) and [Jennifer.Deines@usdoj.gov](mailto:Jennifer.Deines@usdoj.gov) within seven (7) days of the conclusion of all training sessions.
11. During the Reporting Period, the Office of Special Counsel may make requests for documents and information directly bearing on Respondents' compliance with the Agreement, and will act in good faith to ensure that any such requests balance the potential burden of the request against the scope and magnitude of any compliance concerns. Respondents will comply with the Office of Special Counsel requests within a reasonable period of time not to exceed 30 (thirty) days unless Respondents provide specific written reasons prior to the 30<sup>th</sup> (thirtieth) day as to why they cannot respond within that timeframe and provide another specific timeframe, not to exceed an additional 30 (thirty) days, within which they will respond. Notwithstanding this paragraph, the Office of Special Counsel retains all of the statutory rights to obtain information and conduct on-site inspections of Respondent McOpCo's locations that it would have absent this Agreement.
12. If during the Reporting Period the Office of Special Counsel has reasonable cause to believe that Respondents are in violation of any provision of this Agreement, the Office of Special Counsel will notify Respondents of the purported violation without opening a new formal independent investigation. Respondents will then be given a reasonable amount of time, not to exceed sixty (60) days after the date they are notified by the Office of Special Counsel, in which to cure the violation to the satisfaction of the Office of Special Counsel before Respondents are deemed by the Office of Special Counsel to be in violation of this Agreement, unless Respondents provide specific written reasons prior to the Office of Special Counsel's deadline explaining why they cannot cure the violation within that timeframe. If Respondents provide such written notice, the Office of Special Counsel will provide another specific timeframe, not to exceed an additional 30 days, within which Respondents must cure the alleged violation to the satisfaction of the Office of Special Counsel.
13. This Agreement does not affect the right of any individual to file a charge with the Office of Special Counsel alleging an unfair immigration-related employment practice against Respondents, or the authority of the Office of Special Counsel to investigate or file a complaint on behalf of any such individual, or the authority of the Office of Special Counsel to conduct an independent investigation of Respondent McOpCo's employment practices other than the alleged reverification practices that were the subject of the OSC Investigation.

14. Subject to paragraph 13, the Office of Special Counsel waives and releases Respondents, their licensees, parents, and successors, but not including any franchisees, from all claims and causes of action under 8 U.S.C. § 1324b pertaining to the OSC Investigation through the date this Agreement is signed by all parties. The Office of Special Counsel further agrees that the OSC Investigation shall be resolved upon the execution of this Agreement.
15. This Agreement may be enforced in the United States District Court for the Northern District of Illinois.
16. The Office of Special Counsel and Respondents agree that, as of the Effective Date of this Agreement, litigation concerning the OSC Investigation is not reasonably foreseeable. To the extent that any Party previously implemented a litigation hold to preserve documents, electronically stored information, or things related to this matter, the party is no longer required to maintain such a litigation hold. Nothing in this paragraph relieves any Party of any other obligations imposed by this Agreement.
17. Should any provision of this Agreement be declared or determined by any court to be illegal or invalid, the validity of the remaining parts, terms, or provisions shall not be affected thereby and said illegal or invalid part, term, or provision shall be deemed not to be a part of this Agreement. Respondents and the Office of Special Counsel shall not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement is invalid.
18. The Office of Special Counsel and Respondents shall bear their own costs, attorneys' fees and other expenses incurred in this action.
19. This Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. The parties shall be bound by facsimile signatures.
20. The effective date of the Agreement will be the date on which a copy of the fully-signed Agreement is received (electronically or as a hard copy) by the Office of Special Counsel and Respondents (the "Effective Date").

Respondents

By:

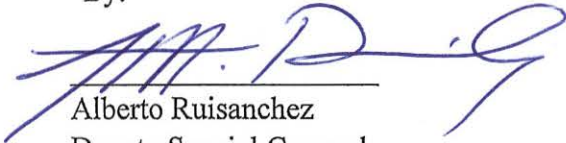


Jerome N. Krulewicz  
McDonald's USA, LLC, U.S.  
Senior Vice President and Assistant Secretary  
McOpCo Service Company  
Vice President and Assistant Secretary

Dated: 11/19/15

**Office of Special Counsel for Immigration-Related Unfair Employment Practices**

By:



Alberto Ruisanchez  
Deputy Special Counsel

Dated: 11-19-15

Jodi Danis  
Special Litigation Counsel

Silvia Dominguez-Reese  
Jennifer Deines  
Trial Attorneys

## EXHIBIT A

McDonald's Restaurants of Alabama, Inc.  
McDonald's Restaurants of Alaska, Inc.  
McDonald's Restaurants of Arizona, Inc.  
McDonald's Restaurants of Arkansas, Inc.  
McDonald's Restaurants of California, Inc.  
McDonald's Restaurants of Colorado, Inc.  
McDonald's Restaurants of Connecticut, Inc.  
McDonald's Restaurants of Delaware, Inc.  
McDonald's Restaurants of Florida, Inc.  
McDonald's Restaurants of Georgia, Inc.  
McDonald's Restaurants of Hawaii, Inc.  
McDonald's Restaurants of Idaho, Inc.  
McDonald's Restaurants of Illinois, Inc.  
McDonald's Restaurants of Indiana, Inc.  
McDonald's Restaurants of Iowa, Inc.  
McDonald's Restaurants of Kansas, Inc.  
McDonald's Restaurants of Kentucky, Inc.  
McDonald's Restaurants of Louisiana, Inc.  
McDonald's Restaurants of Maine, Inc.  
McDonald's Restaurants of Maryland, Inc.  
McDonald's Restaurants of Massachusetts, Inc.  
McDonald's Restaurants of Michigan, Inc.  
McDonald's Restaurants of Minnesota, Inc.  
McDonald's Restaurants of Mississippi, Inc.  
McDonald's Restaurants of Missouri, Inc.  
McDonald's Restaurants of Montana, Inc.  
McDonald's Restaurants of Nebraska, Inc.  
McDonald's Restaurants of Nevada, Inc.  
McDonald's Restaurants of New Hampshire, Inc.  
McDonald's Restaurants of New Jersey, Inc.  
McDonald's Restaurants of New Mexico, Inc.  
McDonald's Restaurants of New York, Inc.  
McDonald's Restaurants of North Carolina, Inc.  
McDonald's Restaurants of Ohio, Inc.  
McDonald's Restaurants of Oklahoma, Inc.  
McDonald's Restaurants of Oregon, Inc.  
McDonald's Restaurants of Pennsylvania, Inc.  
McDonald's Restaurants of Rhode Island, Inc.  
McDonald's Restaurants of South Carolina, Inc.  
McDonald's Restaurants of Tennessee, Inc.  
McDonald's Restaurants of Texas, Inc.  
McDonald's Restaurants of the District of Columbia, Inc.  
McDonald's Restaurants of Utah, Inc.  
McDonald's Restaurants of Vermont, Inc.  
McDonald's Restaurants of Virginia, Inc.  
McDonald's Restaurants of Washington, Inc.  
McDonald's Restaurants of West Virginia, Inc.  
McDonald's Restaurants of Wisconsin, Inc.  
McDonald's Restaurants of Wyoming, Inc.

## EXHIBIT B

### CLAIMS PROCEDURE

The Claims Procedure set forth herein is agreed upon by and between the McDonald's USA, LLC, subsidiaries listed in Exhibit A, which operate McDonald's-owned restaurants, and the agents, directors, officers, employees and representatives of the same ("Respondent McOpCo"), McDonald's USA, LLC and its remaining subsidiaries and affiliates, and the agents, directors, officers, employees and representatives of McDonald's USA LLC, its subsidiaries and affiliates ("Respondent McDonald's USA") (collectively, "Respondents") and the United States Department of Justice, Civil Rights Division, Office of Special Counsel for Immigration-Related Unfair Employment Practices ("Office of Special Counsel" or "OSC") (collectively "the Parties").

#### **1. Purpose**

The Parties have reached a Settlement Agreement ("Agreement") to resolve the Office of Special Counsel's independent investigation, DJ# 197-23-752 (the "OSC Investigation"), regarding whether Respondents engaged in unfair documentary practices by reverifying expiring Permanent Resident Cards in violation of the unfair immigration-related employment practices provision of 8 U.S.C. § 1324b(a)(6) (the "Act").

The Agreement does not determine whether any of Respondent McOpCo's employees had an economic loss as a result of Respondent McOpCo's alleged reverification of Permanent Resident Cards. This Claims Procedure sets forth the steps that will be taken to identify and notify any such potentially affected individuals and provide to them an amount that OSC will characterize as a backpay amount ("Backpay Amount").

Respondents deny that they engaged in any unfair documentary practice(s) in alleged violation of the Act. Respondents also do not admit (by entering into the Agreement, this Claims Procedure which is a part of the Agreement, any action undertaken pursuant to this Claims Procedure, or otherwise) to violating any provision of the Act, or any other applicable law or regulation. Nonetheless, Respondents have agreed to the Agreement and this Claims Procedure to resolve the OSC Investigation without further delay or expense.

#### **2. Claimants**

"Claimants" who sign a Release of Claims, will be eligible to receive a Backpay Amount. To be considered a "Claimant," an individual must have been a Lawful Permanent Resident who:

(a) was employed by Respondent McOpCo at any time from September 23, 2012, to March 1, 2015;

(b) presented a Permanent Resident Card when hired;



(c) had a Permanent Resident Card expire and/or recorded as expiring (the date on which the Permanent Resident Card expired and/or was recorded as expiring is referred to hereinafter as the "Expiration Date") while employed by, or within two weeks after the last date of employment with, Respondent McOpCo, ;

(d) was asked to present unexpired work authorization document(s) as a result of the expiring Permanent Resident Card; and

(e) was separated from employment or missed work because of a failure to provide a new Permanent Resident Card or other unexpired work authorization documents by a specific date.

### **3. Potential Claimants**

Within (14) fourteen days following the Effective Date of the Agreement (as defined in the Agreement), Respondents will compile two lists of potential Claimants that Respondents will identify through diligent efforts: (1) "Potential Termination Claimants;" and (2) "Potential Claimants Who Were Not Scheduled for Work or Were Instructed Not to Report to Work." (collectively "Potential Claimants").

In addition to the Potential Claimants Respondents identify, any Potential Claimants Identified by the Office of Special Counsel, as defined in subparagraphs C and D below, who timely submit claims forms to the Claims Administrator, will be evaluated by the Claims Administrator along with the "Potential Termination Claimants" and "Potential Claimants Who Were Not Scheduled for Work or Were Instructed Not to Report to Work" to determine if they should be included within one of the two groups of Potential Claimants identified by Respondents.

A. "Potential Termination Claimants" will consist of individuals who:

(i) were employed by Respondent McOpCo at any time from September 23, 2012 to March 1, 2015;

(ii) presented a Permanent Resident Card when hired because, at that time, the individual was a Lawful Permanent Resident;

(iii) had an Expiration Date occur while employed by, or within two weeks after the last date of employment with, Respondent McOpCo; and

(iv) were separated from employment by Respondent McOpCo within two weeks of their Expiration Date.

B. "Potential Claimants Who Were Not Scheduled for Work or Were Instructed Not to Report to Work" will consist of individuals who:

(i) were employed by Respondent McOpCo at any time from September 23, 2012 to March 1, 2015;

(ii) presented a Permanent Resident Card when hired because, at that time, the individual was a Lawful Permanent Resident;

(iii) had an Expiration Date occur while employed by Respondent McOpCo;

(iv) had a decrease of more than one hour in the total hours worked per pay period when comparing (a) the pay period before the Expiration Date occurred to (b) either the pay period during which the Expiration Date occurred or the pay period after it occurred; and

(v) continued to be employed by Respondent McOpCo for more than two weeks after their Expiration Date.

C. "Potential Claimants Identified by the Office of Special Counsel During the Investigation" will consist of individuals who the Office of Special Counsel identified during its investigation as meeting the criteria described above in Section 3(A) or 3(B) of this Claims Procedure.

D. "Potential Claimants Identified by the Office of Special Counsel During the Claims Procedure" will consist of individuals who contact the Office of Special Counsel during the claims procedure, who the Office of Special Counsel determines in its sole discretion, meet the criteria described above in Section 3(A) or 3(B) of this Claims Procedure.

E. "All Potential Claimants" means and includes Potential Termination Claimants, Potential Claimants Who Were Not Scheduled for Work or Were Instructed Not to Report to Work, Potential Claimants Identified by the Office of Special Counsel During the Investigation, and Potential Claimants Identified by the Office of Special Counsel During the Claims Procedure. Individually, each is referred to as a "Potential Claimant."

#### **4. Claims Administrator**

Within seven (7) days following the Effective Date of the Agreement, the Respondents will engage a Claims Administrator, selected by the Respondents and approved by OSC, to assist the Parties with the Claims Procedure set forth herein. The Respondents will bear the costs and expenses of the Claims Administrator.

Within 14 days following the Effective Date of the Agreement, the Respondents will provide the Claims Administrator with a mailing list with the names and last known mailing addresses of the Potential Termination Claimants and Potential Claimants Who Were Not Scheduled for Work or Were Instructed Not to Report to Work whom Respondents identified under Section 3.

The Claims Administrator will use the terms of the Agreement and this Claims Procedure as its guiding principles when administering the claims procedure and distribution of back pay. The Claims Administrator will immediately inform both the Office of Special Counsel and the Respondents if any portion of either the Agreement or the Claims Procedure is unclear, confusing, vague, or in any way not able to be administered. The Office of Special Counsel and Respondents will jointly contact the Claims Administrator in order to discuss the identified matter with the Claims Administrator within one (1) week of the Claims Administrator's

notification. The Office of Special Counsel and Respondents will endeavor in good faith to resolve the matter and jointly advise the Claims Administrator on the identified issue.

The Claims Administrator will have access to professional language interpretation services, if needed, in order to be able to communicate with potential claimants. At a minimum, the Claims Administrator will have access to professional language interpretation services in the following languages: Spanish, Arabic, Vietnamese, Tagalog, Russian, Korean, and Chinese. Any interpretation services provided to Potential Claimants will be at no expense to the Potential Claimant or to the Office of Special Counsel

Within fourteen (14) days following the Effective Date of the Agreement, the Office of Special Counsel will provide the Claims Administrator with the names of Potential Claimants Identified by the Office of Special Counsel During the Investigation, indicating whether each meets the definition in Section 3(A) or 3(B). Throughout this claims process, the Office of Special Counsel can contact the Claims Administrator to determine if someone it has identified has already been identified to the Claims Administrator.

#### **5. Notice to Individuals Potentially Eligible for Backpay**

Within twenty (20) days following the receipt of the mailing lists described in Section 4 from Respondents and the Office of Special Counsel, the Claims Administrator will send by first class mail an "Initial Notice and Request for Backpay Form" in the form of Attachment A to Potential Termination Claimants, and an "Initial Notice and Request for Backpay Form" in the form of Attachment B to Potential Claimants Who Were Not Scheduled for Work or Were Instructed Not to Report to Work and the relevant Attachment (either A or B) to all Potential Claimants Identified by the Office of Special Counsel During the Investigation. Within three (3) business days of these mailings, the Claims Administrator shall certify to Respondents and the Office of Special Counsel the dates of the mailings.

Within seventy-five (75) days after the Effective Date of the Agreement, the Office of Special Counsel shall send the Claims Administrator and Respondent McOpCo the list of names and contact information for the Potential Claimants Identified by the Office of Special Counsel During the Claims Procedure. Within fourteen (14) days of receiving the list, Respondent McOpCo will notify the Claims Administrator and the Office of Special Counsel whether the Potential Claimants Identified by the Office of Special Counsel During the Claims Procedure fall within one of the two definitions of Potential Claimants in Sections 3(A) or 3(B) based upon a review of relevant records, and either supply the Claims Administrator with the records Respondent McOpCo relied upon or explain that such records do not exist. If Respondent McOpCo determines that an individual identified by the Office of Special Counsel does not fall within either definition under 3(A) or 3(B), Respondent McOpCo will provide its reasons to the Office of Special Counsel. The Claims Administrator will make the final determination of whether individual Potential Claimants Identified by the Office of Special Counsel During the Claims Procedure meet the definition of Potential Claimant in Section 3(A) or 3(B). Within ten (10) days of receiving this information from Respondent McOpCo, the Claims Administrator will send the appropriate Claims Form to each individual who meets the definition of Potential Claimant in Section 3(A) or 3(B).

The Claims Administrator shall keep records of all mailings required by this section that are returned as undeliverable. The Claims Administrator will use the National Change of Address (NCAO) database and Accurant to identify alternative addresses for returned mail and shall re-mail promptly the notice to the alternate address for the individual both by first class mail and certified mail, return receipt requested. If requested, Respondent McOpCo shall provide the Claims Administrator information available to Respondent McOpCo that may allow the Claims Administrator to locate an alternate address for any person whose mailing was returned as undeliverable. The Claims Administrator shall provide the Office of Special Counsel with the names of those individuals the Office of Special Counsel identified under Section 4 to whom the Claims Administrator sends the mailings at an alternate address, and those for whom an alternate address could not be found, indicating which individual falls within which of those groups.

**6. Claimant to Submit "Request for Backpay Form"**

All Potential Claimants will be given (135) one hundred and thirty-five days from the Effective Date of the Agreement to return the completed Request for Backpay Form (the "Notice Period") to the Claims Administrator. Any Potential Claimant who fails to do so shall be deemed to have waived any right to be considered for a backpay award under this Claims Procedure, except for good cause as determined by the Office of Special Counsel. The date the Request for Backpay Form was postmarked or otherwise delivered to the Claims Administrator, whichever is earlier, will be deemed the date of return of the Potential Claimant's form.

In the event the Request for Backpay Form is returned by U.S. mail but no date of mailing is indicated by a postmark of the United States Postal Service, the date of return of the Request for Backpay Form shall be deemed to be five (5) days prior to the date the form was received by the Claims Administrator.

**7. Initial Determination of Claimant's Eligibility for Backpay**

Applying the eligibility criteria set forth in Section 2 of this Claims Procedure, the Claims Administrator will make his or her determination based on the information captured by the Claims Form submitted by All Potential Claimants. The Claims Administrator may in his or her discretion contact a Potential Claimant to clarify and/or supplement information on the Claims Form. If a Claims Form has insufficient information to determine eligibility, the Claims Administrator shall contact the Potential Claimant to request the information necessary to make a determination.

Within (30) thirty days after the end of the Notice Period, the Claims Administrator will provide Respondents and the Office of Special Counsel, by electronic and overnight mail service, a "Proposed Backpay Awards List" that identifies the number, out of All Potential Claimants, who have submitted a Request for Backpay Form and whose Form, on its face, demonstrates that the individual is preliminarily eligible for a Backpay Amount based upon the eligibility criteria set forth in Section 2 herein.

Applying the monetary criteria set forth in Section 10 herein, the Claims Administrator will also calculate the amount of backpay due to each of the individuals on the Proposed Backpay

Awards List and include on the Proposed Backpay Awards List the names of those who will receive each Backpay Amount.

The Claims Administrator shall also provide and transmit to the Parties, at the same time and by the same methods as the Proposed Backpay Awards List is transmitted, the names of All Potential Claimants who returned a Request for Backpay Form and are deemed ineligible for a Backpay Amount that includes the reason(s) for the ineligibility determinations.

If the Claims Administrator determines that it cannot meet the thirty-day deadline for transmission of the Proposed Backpay Awards List and the list of those deemed ineligible for a Backpay Amount, upon agreement of the Parties, the Claims Administrator will be given up to an additional three weeks to provide this information.

#### **8. Objections to Errors in Proposed Claimants or Amounts of Backpay**

Within fourteen (14) days after the Parties receive the Proposed Backpay Awards List and the list of those deemed ineligible for a Backpay Amount from the Claims Administrator pursuant to Section 7, either Party may request that the Claims Administrator provide it with documents upon which the Claims Administrator relied in making his or her determinations. The Claims Administrator shall provide the requested documentation within ten (10) days of receiving such a request. Within ten (10) days of the Claims Administrator transmitting the documents upon which the Claims Administrator relied, either Party may lodge an objection along with the specific basis for the objection and any documentation supporting it.

Within fourteen (14) days after the deadline for receiving objections, the Claims Administrator shall transmit a revised list of eligible Claimants ("Final Backpay Awards List") to Respondents and the Office of Special Counsel if, in the discretion of the Claims Administrator, any objections are supported. In considering whether objections are supported, any conflicting or inconclusive evidence shall be determined in favor of the Potential Claimant. However, backpay shall stop accruing once the Claimant returns to work. To determine when backpay stops accruing, the Claims Administrator will determine through the documentation provided by Respondent McOpCo in support of the objection the pay period that the Claimant began working after the Expiration Date. Backpay will cease as of the end of the same pay period when the Claimant returned to work. If under this determination the backpay conflicts with the information provided in the Claimant's Claims Form, the Claims Administrator shall notify both the Office of Special Counsel and Respondents, and the Office of Special Counsel may request and receive from the Claims Administrator the documentation that formed the basis of the determination to end backpay.

In the event there are no objections, the Claims Administrator will re-transmit to Respondents and the Office of Special Counsel the Proposed Backpay Awards List as the Final Backpay Awards List within seven (7) days after the expiration of the objection deadline.

#### **9. Mailing of Notice of Backpay and Release of Claims Form**

Within seven (7) days of transmitting the Final Backpay Awards List, the Claims Administrator will mail a Notice of Backpay and Release of Claims Form, in the form of

Attachment C, to all Claimants based on the Final Backpay Awards List. Respondents will pay the Backpay Amount based on the Final Backpay Awards List to all Claimants who sign and return the Release of Claims Form on a timely basis as defined on the Notice of Backpay and Release of Claims Form.

#### **10. Payment of Backpay Amount**

Within thirty (30) days of receiving from the Claims Administrator copies of the signed Release of Claims forms, Respondents will, by first class mail, send Backpay Amount checks in the following amounts:

- A. Termination Claimants will receive a Backpay Amount, less applicable wage withholdings, equivalent to eight (8) weeks of backpay at \$8.88 per hour assuming 23 hours worked per week.
- B. Claimants Who Were Not Scheduled for Work or Were Instructed Not to Report to Work will receive a Backpay Amount, less applicable wage withholdings, based upon the following formulas:
  - (i) have missed from 1 to 9 hours of work will receive a Backpay Amount, equivalent to five (5) hours of backpay at \$8.88 per hour.
  - (ii) have missed from 10 to 19 hours of work will receive a Backpay Amount, equivalent to fifteen (15) hours of backpay at \$8.88 per hour.
  - (iii) have missed from 20 to 29 hours of work will receive a Backpay Amount, equivalent to twenty-five (25) hours of backpay at \$8.88 per hour.
  - (iv) have missed from 30 to 39 hours of work will receive a Backpay Amount, equivalent to thirty-five (35) hours of backpay at \$8.88 per hour.
  - (v) have missed from 40 to 49 hours of work will receive a Backpay Amount equivalent to forty-five (45) hours of back pay at \$8.88 per hour.
  - (vi) have missed 50 or more hours of work will receive a Backpay Amount equivalent to fifty-eight (58) hours of backpay at \$8.88 per hour.

Within fourteen (14) days of mailing the Backpay Amount checks, Respondents will provide the Office of Special Counsel with a certification setting forth the name of, and Backpay Amount sent to, each Claimant.

EXHIBIT C

OSC Live Webinar Training Dates

1. Thurs 12/3/15, 10 a.m. CST (Standard OSC employer webinar)
2. Thurs 12/10/15, 3 p.m. CST
3. Wed 1/6/16, 2 p.m. CST (Standard OSC employer webinar)
4. Thurs 1/7/16, 10 a.m. CST
5. Thurs 1/14/16, 9 a.m. CST
6. Wed 2/3/16, 1 p.m. CST (Standard OSC employer webinar)
7. Mon 2/8/16, 3 p.m. CST
8. Tue 2/23/16, 2 p.m. CST
9. Wed 3/2/16, 12 p.m. CST (Standard OSC employer webinar)
10. Thurs 3/3/16, 9 a.m. CST
11. Tue 3/15/16, 3 p.m. CST
12. Wed 3/30/16, 10 a.m. CST
13. Wed 4/6/16, 9:30 a.m. CST (Standard OSC employer webinar)
14. Thurs 4/7/16, 3:30 p.m. CST
15. Wed 4/13/16, 9:30 a.m. CST
16. Tue 4/19/16, 10 a.m. CST
17. Thurs 4/28/16, 2 p.m. CST