# SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT ("Agreement"), the terms of which are set forth below, is made and entered into by and between Cloudera, Inc. ("Cloudera") and the United States Department of Justice, Civil Rights Division, Immigrant and Employee Rights Section ("IER") as to Parts I – II (collectively, "the Section 1324b Parties"), and between Cloudera and the United States Department of Labor ("DOL") as to Part III. Part IV of the Agreement is entered into among Cloudera, IER, and DOL (collectively, "all Parties").

## I. BACKGROUND

WHEREAS, by letter dated January 10, 2025, IER notified Cloudera that it had initiated an investigation, DJ# 197-11-1163, based on a charge filed by the Charging Party pursuant to 8 U.S.C. § 1324b(b)(1), alleging citizenship status discrimination in violation of the Immigration and Nationality Act's anti-discrimination provision, 8 U.S.C. § 1324b ("Act").

WHEREAS, on March 14, 2025, IER initiated an independent investigation of Cloudera under 8 U.S.C. § 1324b(d)(1), DJ# 197-11-1177 (together with DJ# 197-11-1163, the "Investigations"), to determine whether Cloudera engaged in citizenship status discrimination in recruitment and hiring related to permanent labor certification ("PERM"), in violation of 8 U.S.C. § 1324b.

WHEREAS, the Investigations found reasonable cause exists to believe that beginning no later than March 31, 2024, and continuing until at least January 28, 2025, Cloudera engaged in a pattern or practice of citizenship status discrimination when recruiting for PERM-related positions, by failing to consider U.S. workers. Specifically, IER determined when Cloudera engaged in the process of offering a permanent position to an employee holding a temporary visa status, Cloudera departed from its standard recruiting process during required PERM-related recruitment. Instead of advertising PERM-related positions on its public career website and allowing U.S. workers to submit applications to PERM-related positions through this website like for other positions, Cloudera did not advertise PERM-related positions on its public career website. Cloudera also created a separate e-mail account for U.S. workers to send their applications for PERM-related positions. However, the e-mail account Cloudera set up and listed in advertisements could not receive e-mails from external accounts. As a result, U.S. workers who followed Cloudera's instructions and e-mailed their applications from external accounts were not considered, with at least one U.S. worker victim affected.

WHEREAS, on April 28, 2026, IER filed a complaint with the Office of the Chief Administrative Hearing Officer, *United States v. Cloudera, Inc.*, Case No. 2026B00044 ("the Litigation"), alleging that Cloudera implemented a pattern or practice of discrimination against the Charging Party and other U.S. workers, in violation of 8 U.S.C. Section § 1324b(a)(1)(B).

WHEREAS, on May 12, 2026, DOL announced that its Employment and Training Administration's Office of Foreign Labor Certification ("OFLC") suspended processing of all permanent labor certification applications filed by, or on behalf of, Cloudera for 180 days.

WHEREAS, Cloudera maintains it complied with the Act, denies IER's allegations, and asserts that it acted without any discriminatory intent. Cloudera asserts that as soon as Cloudera was notified of a potential problem with the email address it used for PERM recruiting, it

voluntarily withdrew PERM applications, halted processing of PERM applications, and took immediate corrective action.

WHEREAS, the Parties wish to resolve the Litigation without further delay or expense and hereby acknowledge that they are voluntarily entering into this Agreement.

NOW, THEREFORE, in consideration of the below mutual promises, and to fully and finally resolve the IER Investigations as of the date of this Agreement and allow Cloudera to restart the PERM recruitment process in compliance with the guidelines in this Agreement, the Parties agree as follows:

## II. TERMS OF SETTLEMENT BETWEEN IER AND CLOUDERA

1. This Agreement shall become effective as of the date the last Party signs the Agreement, referred to as the "Effective Date." The term of this Agreement is three years following the Effective Date.

2. Cloudera shall pay civil penalties to the United States Treasury in the amount of $600,000.

3. The monies discussed in paragraph 2 shall be paid via the FedWire electronic fund transfer system within 10 business days of Cloudera's receipt of a fully signed copy of this Agreement and fund transfer instructions. IER will provide Cloudera instructions for the FedWire electronic transfer. Cloudera shall send a confirmation of the payment to Liza.Zamd@usdoj.gov and IER@usdoj.gov on the day the funds are transferred. The email confirming payment shall have Cloudera's name and the investigation numbers, DJ # 197-11-1163 and DJ# 197-11-1177, in the subject line.

4. As explained below, Cloudera shall create a back pay fund of $1.4 million and give back pay to the Charging Party and any other person whom IER determines is a protected individual under 8 U.S.C. § 1324b(a)(3) ("Eligible Claimant"), if the Eligible Claimant contacts IER, including through IER.cloudera@usdoj.gov, within 180 days of the Effective Date ("the Contact Period"), and provides sufficient evidence, to IER's satisfaction, that the Eligible Claimant was a victim of the discrimination that is the subject of the Litigation. IER will calculate back pay by determining an individual's mitigation and subtracting that amount from how much the individual would have earned in wages and other remuneration, such as bonuses, 401k contributions, and stock options, plus reasonable interest. The back pay process will operate as follows:

    A. Within 10 days of the Effective Date, Cloudera will provide IER with: (A) the compensation package for all positions for which it conducted PERM recruitment between March 31, 2024, and January 28, 2025, and (B) its policies and procedures in place at any point since March 31, 2024, relating to all pay incentives and benefits, including signing bonuses, stock option distribution, health insurance, and 401k contributions.

    B. During the Contact Period, IER will contact Eligible Claimants and determine: (i) whether they are protected individuals under 8 U.S.C.

§ 1324b(a)(3); (ii) what evidence they have that they attempted to apply for a job with Cloudera pursuant to a PERM certification recruitment process, as described in the Litigation; (iii) their work experience; and (iv) documentation relating to back pay eligibility, such as email to the amerjobpostings@cloudera.com email account. Further, to confirm work experience and eligibility for employment, Eligible Claimants must consent to a reasonable background check because Cloudera conducts background checks for all employees prior to their employment. If IER determines that a protected individual has sufficient evidence of discrimination that is the subject of the Litigation and that the person is eligible for back pay, IER will consider the person a "Preliminary Claimant."

C. During the Contact Period, IER will provide Cloudera with information relating to any Preliminary Claimant. Within 10 days of receiving the information relating to a Preliminary Claimant, Cloudera will provide IER with any information or evidence as to why the individual is not eligible for back pay, such as the individual failing the background check. If IER has unrebutted evidence that a Preliminary Claimant was unqualified or otherwise ineligible for the specific position(s) sought, IER shall exclude such individual from the Final List of Claimants.

D. Within 260 days of the Effective Date, IER shall send Cloudera a Final List of Claimants that will include the amount of back pay due, the email and home addresses that Cloudera will use to satisfy its obligations under this Agreement, a Form W-4, and banking information for each Claimant.

E. Unless IER indicates otherwise, Cloudera or its agent shall follow the applicable instructions contained in IRS Publication 957, including timely filing a Special Wage Report Form with the Social Security Administration to ensure that the back pay is credited to the quarter in which it would have been earned. https://www.irs.gov/pub/irs-pdf/p957.pdf. Cloudera is separately responsible for paying any employer-side taxes or Social Security contributions or other payments due under applicable federal or state law. Cloudera shall also timely issue Forms W-2 to all back pay recipients.

F. Within 10 days of mailing checks or directly depositing the back pay amounts, Cloudera shall provide IER with email confirmation of ACH transactions or that the checks were mailed. Upon IER's request, Cloudera shall also provide IER with a record of payment within 10 days of IER's request.

G. The Section 1324b Parties understand that they are obligated to comply with the provisions in this Agreement. However, at IER's discretion, it may permit Cloudera additional time to comply with its obligations. If Cloudera does not complete its obligations within the timing in this Paragraph, all other subsequent deadlines under this Paragraph shall be extended by the same amount of time that Cloudera takes to comply with its obligations under the Agreement.

H. Any individual(s) who, in IER's discretion, demonstrates that they are entitled to compensation under this Paragraph shall receive it, pursuant to the limitations in this Paragraph, as long as IER identifies them within 300 days of the Effective Date, the back pay fund is not exhausted, and Cloudera does not prove to IER's satisfaction that the individual was not qualified for the job or otherwise entitled to the relief IER determined.

I. If Cloudera wishes to send written communication, a release of claims under 8 U.S.C. § 1324b in exchange for backpay, or documentation to any individuals who seek back pay under this Agreement, Cloudera will send the proposed written communication and/or documentation to IER at least 10 days in advance to allow IER to review, provide revisions, and approve such written communication and/or documentation. Cloudera shall not send any such communications and/or documents without IER's advance review and approval.

J. If any individual contacts Cloudera about back pay or relief under this Agreement, Cloudera will note the individual's name and phone number, and direct the person to Liza.Zamd@usdoj.gov or any other individual IER designates. Cloudera will also notify IER within six days of the contact and provide IER with the name and contact information Cloudera collected.

5. In accordance with 8 U.S.C. § 1324b, Cloudera shall not discriminate in hiring or recruiting on the basis of citizenship status in violation of 8 U.S.C. § 1324b, including during PERM-related recruitment. In addition, for the term of the Agreement, and pursuant to its approved PERM policy outlined in paragraph 6, Cloudera shall conduct all recruitment activities for PERM-related positions in the same way that it conducts recruitment for similar non-PERM-related positions. For example, if Cloudera employs recruiters to proactively contact qualified candidates for non-PERM-related jobs, it shall do so for comparable PERM-related positions, consistent with 8 U.S.C. § 1324b and 20 C.F.R. § 656.10(b)(2)(ii).

6. Cloudera shall draft a policy outlining the steps governing its PERM recruitment process. This policy shall prohibit discrimination on the basis of citizenship status in Cloudera's PERM recruitment process. Within 90 days of the Effective Date, Cloudera shall submit the draft policy to IER for review. IER shall review the policy to ensure conformity with the Agreement and 8 U.S.C. § 1324b, and, if necessary, the Parties shall engage in a dialogue regarding any material revisions to the policy that IER determines are necessary. Cloudera shall implement such policy within 30 days of receiving IER's approval. In the revised policy, Cloudera shall:

A. Assign all PERM-related position postings a requisition number;

B. Post all PERM-related positions on its external and internal career websites alongside its non-PERM postings;

C. Accept electronic applications for PERM-related positions through its external and internal career websites in the same manner as non-PERM recruitment;

D. Not require applicants to apply via e-mail for PERM-related positions;

E. Ensure that the online application functionality is enabled to allow applicants to PERM-related positions to apply electronically through state workforce agency websites, where there is such an option;

F. Enter into Cloudera's applicant tracking system all applicants to all PERM-related positions who apply via Cloudera's internal and external websites, enabling such applicants to be searchable and remain searchable in the same manner as applicants to non-PERM related positions at Cloudera, and allowing Cloudera's recruiting team to identify, consider, and/or hire such applicants for Cloudera job opportunities; and

G. Conduct a good faith review of the qualifications of applicants to PERM-related positions in the same manner that qualifications are assessed outside of the PERM context, and ensure that it does not discriminate against any applicant based on citizenship status when complying with 20 C.F.R. § 656.10(c).

7. During the term of this Agreement, Cloudera shall provide all subsequent draft revisions to any PERM recruitment policies described in Paragraph 6 to IER for review. IER shall have 30 days to review the policy to ensure conformity with the Agreement and 8 U.S.C. § 1324b and approve such policy or, if necessary, initiate a dialogue between the Parties regarding the policy. Cloudera shall not implement any such revisions, other than changes following guidance from the U.S. Department of Labor, until it receives IER approval.

8. During the term of this Agreement, Cloudera shall prepare a semi-annual report of its recruiting procedures for PERM-related positions, with the first report to be sent to IER six months following the Effective Date of the Agreement and subsequent reports to be sent to IER every six months thereafter. This report shall list the PERM-related positions for which a PERM application was filed, the number of applicants to each, the number of applicants interviewed for each, and the number of applicants Cloudera deemed qualified for each position.

9. Within 60 days of the Effective Date, Cloudera shall ensure that each of its U.S. based talent acquisition and HR operations employees, recruiters, contractors, and agents receives training regarding how to avoid discrimination prohibited under 8 U.S.C. § 1324b. The training required under this paragraph shall consist of the following:

A. Viewing IER's On-demand Employer Training video, which is publicly available at https://www.justice.gov/crt/webinars;

B. Reviewing IER's Employer Fact Sheet titled "Information for Employers About Citizenship Status Discrimination," which is publicly available at https://www.justice.gov/crt/media/961626/dl?inline; and

C. Reviewing all information presented on IER's webpage addressing "Best Practices for Recruiting and Hiring Workers," which is publicly available at https://www.justice.gov/crt/best-practices-recruiting-and-hiring-workers.

D. All employees will be paid their normal rate of pay, and the training will occur during their normally scheduled workdays and work hours. Cloudera shall bear all of its costs associated with the training.

E. Cloudera shall compile attendance records listing the individuals who completed the training described in this paragraph, including their full name, job title, and the date(s) of the training, and shall send the records via email to Liza.Zamd@usdoj.gov (or any other address IER indicates), once all employees have satisfied the requirements in this paragraph. The subject line of the email transmitting those attendance records shall include Cloudera's name and DJ # 197-11-1163 and DJ# 197-11-1177.

F. During the term of this Agreement, any employees who are hired into the roles described above, or who assume the duties associated with these roles after the 60-day period referenced above, shall complete the training set forth in this paragraph within 10 days of starting in this capacity.

10. During the term of this Agreement, IER reserves the right to make such reasonable inquiries of Cloudera as IER, in its discretion, believes necessary or appropriate to implement or assess Cloudera's compliance with this Agreement, including but not limited to requiring written reports from Cloudera concerning its compliance. Cloudera shall respond within a reasonable period based on the request.

11. Nothing in this Agreement limits IER's right to inspect Cloudera's Forms I-9, together with any attachments, photocopies or other related documents (if copies are retained), with at least 3 business days' notice pursuant to 8 C.F.R. § 274a.2(b)(2)(ii).

12. If IER has reason to believe that Cloudera has violated any provision of this Agreement, IER may, in its sole discretion, notify Cloudera of the purported violation(s) rather than initiate a new investigation or seek to judicially enforce the Agreement. If IER has exercised its discretion to notify Cloudera of the purported violation(s), Cloudera shall have 30 days from the date it is notified by IER of the purported violation(s) to cure the violation(s) to IER's satisfaction.

13. This Agreement does not affect the right of any individual to file a charge alleging an unfair immigration-related employment practice against Cloudera with IER, IER's authority to investigate Cloudera or file a complaint on behalf of any such individual, or IER's authority to conduct an independent investigation of Cloudera's employment practices occurring after the Effective Date or outside the scope of the Investigations.

14. This Agreement resolves any and all differences between the Section 1324b Parties relating to the Investigations, and Litigation, through the Effective Date. The provisions of Paragraph 2 notwithstanding, IER shall not seek from Cloudera any additional civil penalty for any violation of 8 U.S.C. § 1324b(a)(1)(B) that is the subject of the Investigations and/or Litigation, through the Effective Date.

15. Within 20 days of the Effective Date, the Section 1324b Parties shall jointly file a Notice of Settlement and Joint Motion to Dismiss the action with prejudice before OCAHO, pursuant to 28 C.F.R. § 68.14(a)(2).

16. As of the date that the Litigation is dismissed pursuant to 28 C.F.R. § 68.14, the Section 1324b Parties will no longer be required to maintain litigation holds to preserve documents, electronically stored information, or things related to the IER Investigation and the OCAHO Litigation. Nothing in this Paragraph relieves either Party of any other obligations imposed by this Agreement.

## III. TERMS OF SETTLEMENT BETWEEN THE DEPARTMENT OF LABOR AND CLOUDERA

17. Cloudera shall withdraw any outstanding PERM applications where the recruitment referenced the company's non-functional email address. Furthermore, Cloudera shall self debar from PERM for 24 months by not filing any ETA Forms 9089 during that period and not posting any advertisements related to PERM recruitment. The debarment period will begin from the date of its most recent PERM application withdrawal.

18. If Cloudera resumes PERM-related recruitment during the term of the Agreement, Cloudera shall:

    A. Engage in proactive recruitment of U.S. workers for PERM-related positions in the same way that it conducts recruitment for similar non-PERM-related positions. For example, if Cloudera employs recruiters to engage in active sourcing, direct outreach, and recruiter-led candidate identification for non-PERM-related jobs, it shall do so for similar PERM-related positions, consistent with all applicable DOL regulations and guidance. This practice must be applied uniformly to all work-authorized individuals, without regard to citizenship, national origin, or other protected status, in compliance with 8 U.S.C. § 1324b and 20 C.F.R. § 656.10(c).

    B. Retain and pay for an independent third-party auditor to verify Cloudera's compliance with the provisions of the DOL-Cloudera agreement and pre-filing recruitment.

        i. The independent third-party auditor will send the relevant compliance reports to OFLC, as outlined in this paragraph, and IER. OFLC shall give the report results significant weight, but OFLC retains all authority to make its own determination;

ii. The independent third-party auditor will be chosen and agreed upon by Cloudera and DOL no later than thirty days after the effective date of this Agreement. If, after 30 days, the parties are unable to mutually agree upon the selection of one or more independent monitor, the agreement between DOL and Cloudera shall be suspended until the parties agree on an independent third-party auditor; and

iii. The independent third-party auditor will submit two types of reports:

A) A regulatory report to verify compliance with the terms of this settlement relating to DOL, that states, for each term, the actions Cloudera has taken in compliance with 20 C.F.R. § 656.10(c), and contains the PERM-related positions for which a PERM application was filed, the number of applicants to each, the number of applicants interviewed for each, and the number of applicants Cloudera deemed qualified. The initial report will be due when and if Cloudera resumes PERM filings, and an updated report will be due every 6 months afterwards for the duration of the Agreement.

B) individual compliance reports attached to each of the PERM certifications Cloudera may file during the term of the Agreement, which assess the compliance with the relevant legal requirements, including an assessment of the recruitment activities.

C. The independent monitor shall have authority to assess Cloudera's compliance with the terms and provisions of this Agreement, with such authority including, but not limited to, requiring production of materials, with "materials" being defined for the purpose of this paragraph as including, but not limited to, hard copy or digital documents, hard copy or digital records or files, submissions, electronic or written correspondence, website postings, or any other information the independent monitor deem necessary to ensure Cloudera's compliance with the terms and provisions of this Agreement. For the purposes of this same paragraph, the definition of "material" shall not include trade secrets or any material that may be subject to attorney-client privilege.

D. Further, the independent monitor shall have authority to require reasonable evidence or information to review the veracity, timeliness, or accurateness of any materials produced by Cloudera. Cloudera agrees that it will produce and transmit all requested materials to the independent monitor within 10 working days from the date of any such demand, unless a reasonable extension for good cause is requested and granted by the independent monitor. "Good cause," for the purposes of this paragraph, shall include, among other things, the individual responsible for maintaining such records being on vacation, sick leave, or otherwise absent from the workplace, or the

volume of the request would reasonably require more time after a diligent effort to prepare the response. Cloudera agrees that any failure to provide a substantive response to the independent monitor demand for material(s) within 10 working days, unless an extension has been granted for good cause by the independent monitor, with "substantive response" being defined for the purpose of this paragraph as a good faith response by the Cloudera to materially and specifically address the demand(s) posed by the independent monitor, shall constitute a material breach of this Agreement.

19. Within 30 days of the Effective Date, Cloudera shall take all reasonable steps – including attending a Prospective Provider Information Session, attending ethics training and submitting an application – to join the Department of War's SkillBridge Program. The SkillBridge Program provides an opportunity for active-duty service members and select groups of the National Guard and the Reserves within 180-days of their separation date to gain valuable civilian work experience through specific industry training, apprenticeships, or internships. During the term of this Agreement, Cloudera will accept five active-duty service members, National Guard or Reserve members annually into this Program with an intent to hire them for full-time positions.

20. Following the term of this Agreement, DOL retains the ability to: (i) audit Cloudera filings selected through the ordinary random audit process, and (ii) audit Cloudera based on information unrelated to the allegations in the IER charge or this Agreement.

## IV. ADDITIONAL TERMS AMONG ALL PARTIES

21. If, during the term of this Agreement, DOL issues a final rule that conflicts with, supersedes, or materially modifies any PERM-related obligation in this Agreement, the Parties shall meet and confer in good faith regarding the impact of the rule. The Parties shall amend the affected provision(s) as necessary to conform with the final rule while preserving, to the extent practicable, the objectives of this Agreement. Cloudera shall not be required to comply with any provision that is inconsistent with a subsequently effective final rule.

22. This Agreement is governed by the laws of the United States. This Agreement shall be deemed to have been drafted by all Parties and shall not be construed against any one Party in the event of a subsequent dispute concerning the terms of the Agreement. All Parties agree that the paragraphs set forth in Parts II and III of this Agreement are material terms, without waiver of either Party's right to argue that other terms in the Agreement are material.

23. The United States District Court for the Northern District of California shall be the preferred venue for enforcement of any claims over which that court has subject matter jurisdiction. Otherwise, a Party must bring any claims or counterclaims to enforce the agreement in a court of competent jurisdiction. This provision does not constitute a waiver of sovereign immunity or any other defense the United States

might have against a claim for enforcement or counterclaims asserted against it.

24. 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 and the invalidated term or provision shall be deemed not to be a part of this Agreement. All Parties agree that they will not, individually or in combination with another, seek to have any court declare or determine that any provision of this Agreement is invalid.

25. All Parties agree to bear their own costs, attorneys' fees, and other expenses incurred in the Investigations and the Litigation.

26. This Agreement sets forth the entire agreement between all Parties and fully supersedes any and all prior agreements or understandings between all Parties pertaining to the subject matter herein.

27. 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. All Parties agree to be bound by electronically transmitted signatures.

**U.S. Department of Justice, Immigrant and Employee Rights Section**

Harmeet K. Dhillon
Assistant Attorney General
Civil Rights Division

Eric Sell
Deputy Assistant Attorney General

By: VARDA HUSSAIN Digitally signed by VARDA HUSSAIN Date: 2026.10.13 09:32:35 -04'00' Dated:

Varda Hussain
Acting Deputy Special Counsel

Sam Shirazi
Acting Special Litigation Counsel

Liza Zamd
Senior Trial Attorney

**U.S. Department of Labor, Office of Foreign Labor Certification**

By: Brian David Pasternak Digitally signed by Brian David Pasternak Date: 2026.10.12 08:39:38 -04'00'

Brian Pasternak
Administrator, OFLC

Dated: October 12, 2026

**Cloudera, Inc.**

By: DocuSigned by: Irma Laxamana 394577024FE540A...

Dated: October 8, 2026

Irma Laxamana
Chief Legal Officer, Cloudera, Inc.