

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT (the "Agreement") is made by and between Nebraska Beef, Ltd. ("Respondent") and the United States Department of Justice, Civil Rights Division, Office of Special Counsel for Immigration-Related Unfair Employment Practices ("Office of Special Counsel") the effective date of which shall be the date that Respondent receives a fully signed copy of this Agreement ("effective date of this Agreement").

WHEREAS, on August 2, 2012, the Office of Special Counsel notified Respondent in writing that it had initiated an independent investigation of Respondent, DJ #197-45-43 (the "OSC Investigation"), to determine whether Respondent utilized documentary policies or practices based on citizenship status in its employment eligibility verification processes in violation of 8 U.S.C. § 1324b(a)(6) (the "Act").

WHEREAS, Office of Special Counsel acknowledges that Respondent has cooperated with the investigation.

WHEREAS, the Office of Special Counsel concluded based upon its investigation that there is reasonable cause to believe that Respondent used documentary practices based on citizenship status in violation of the Act.

WHEREAS, Nebraska Beef denies that it has used any documentary policies or practices based on citizenship status in its employment eligibility verification process in violation of 8 U.S.C. § 1324(b)(a)(6).

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

WHEREAS Respondent understands its obligations under 8 U.S.C. § 1324b to treat all individuals equally to the extent required by the Act, without regard to citizenship status, immigration status, or national origin, during the hiring, firing, and employment eligibility verification and re-verification process.

NOW, THEREFORE, in consideration of the above premises and mutual promises herein contained and to fully and finally resolve the OSC Investigation as of the date of this Agreement, it is agreed as follows:

1. Respondent shall pay a civil penalty to the United States Treasury in the amount of two hundred thousand dollars (\$200,000).
2. Respondent shall pay the monies referenced in paragraph one via the FedWire electronic fund transfer system within ten (10) business days of the effective date of this Agreement. The Office of Special Counsel shall provide Respondent with fund transfer instructions. On the day of payment, Respondent shall confirm that such payment was made via email to Silvia Dominguez-Reese (Silvia.Dominguez-Reese@usdoj.gov) and

Katherine E. Lamm (Katherine.Lamm@usdoj.gov). Promptly after receipt of payment the Office of Special Counsel shall confirm receipt of payment via email to Brian J. Brislen (bbrislen@ldmlaw.com) and Craig F. Martin (cmartin@ldmlaw.com).

3. Within sixty (60) days following the effective date of this Agreement, Respondent shall
 - (i) notify by U.S. mail to the last known address, and where Respondent has an electronic mail address, by electronic mail, all (1) applicants who were not hired by Respondent and (2) all applicants who were hired by Respondent whose application date was four (4) calendar days or more before their first date of employment, between July 1, 2012, and the effective date of this Agreement, that they may be entitled to compensation for lost wages as a result of Respondent's employment eligibility verification practices, (ii) provide the Office of Special Counsel with contact information in Respondent's possession, including home address, telephone number, mobile number, and email address, for all individuals notified, and (iii) provide the Office of Special Counsel with historical rates of pay for all hourly positions at Nebraska Beef from July 1, 2012, through the effective date of this Agreement.
 - a) The language of the initial notice to be sent to individuals pursuant to paragraph 3 is set forth in Attachment A. Attachment A shall be dated as of the day it is sent and shall be sent to all individuals on the same day. Any other communication initiated by Respondent to potential claimants regarding the potential for compensation must be approved in advance by the Office of Special Counsel. Respondent must direct any individuals who contact Respondent about this matter to contact the Office of Special Counsel through the means outlined in Attachment A. All individuals will have seventy-five (75) days from the date of Attachment A, or one hundred thirty-five (135) days from the effective date of this Agreement, whichever is later, to contact the Office of Special Counsel if the individual believes s/he is entitled to back pay. Any individual contacting the Office of Special Counsel beyond the time period set forth herein shall not be eligible to receive compensation under this Agreement.
 - b) The Office of Special Counsel maintains its right, as a federal agency statutorily charged with serving and educating the public regarding the scope of its enforcement activities, to notify the public, including but not limited to individuals Respondent identifies and notifies pursuant to paragraph 3, about this Agreement.
 - c) The Office of Special Counsel may request, and Respondent shall provide, any additional information regarding a claimant's application, work history, or rate of pay that is reasonably necessary to assess the viability and amount of the claim for lost wages, back pay, and/or benefits. Within one hundred eighty (180) days from the effective date of this Agreement, the Office of Special Counsel will determine the amount of lost wages, back pay, and/or benefits it believes each individual who has contacted the Office of Special Counsel pursuant to paragraph 3(a) is owed, and shall so notify Respondent.

- d) Respondent shall then have thirty (30) days from the Office of Special Counsel's notification pursuant to paragraph 3(c) in which to object, in writing and in good faith, to any Office of Special Counsel payment determination by presenting evidence that such determination should be different. The Office of Special Counsel shall, in good faith, examine any evidence Respondent submits for the purposes of reconsidering the appropriateness of the Office of Special Counsel's previous determinations. The Office of Special Counsel shall communicate to Respondent in writing its reconsidered decision, including whether it has changed any of its determinations, within thirty (30) days of the Office of Special Counsel's receipt of Respondent's objections.
 - e) Within two hundred seventy (270) days from the effective date of this Agreement, Respondent will send all individuals entitled to economic damages a notice in the form of Attachment B indicating the award of lost wages, back pay, and/or benefits to which they are entitled, as determined by the Office of Special Counsel.
 - f) Within three hundred (300) days following the effective date of this Agreement, Respondent shall pay the amount of lost wages, back pay, and/or benefits to all individuals entitled to such relief, as determined by the Office of Special Counsel.
 - g) Any language in communications to individuals with economic damages relating to the release of claims against Respondent shall be limited to the particular violations of the Act for which the payment of lost wages relates.
 - h) Any monies used to compensate individuals pursuant to this paragraph shall be made by check payable to each respective individual provided in one of the following ways: (1) via certified mail; (2) in person with written confirmation of receipt signed by both the individual with economic damages and Respondent, indicating the date, time, and place of delivery; or (3) by another method as agreed upon the parties. Respondent shall follow the applicable instructions contained in IRS Publication 957.
 - i) Within five (5) days of any payment, Respondent shall provide to the Office of Special Counsel a record of the name of and compensation received by the individual(s).
4. Respondent shall not discriminate on the basis of citizenship status or national origin in violation of 8 U.S.C. § 1324b.
5. Respondent shall treat all individuals equally, without regard to citizenship or immigration status, or national origin, during the hiring, firing, and employment eligibility verification and re-verification process. Respondent shall avoid discrimination in the employment eligibility verification and re-verification process by (a) honoring documentation that on its face reasonably appears to be genuine, relates to the person, and satisfies the requirements of 8 U.S.C. § 1324a(b), (b) not requesting more or different

documents than are required by law, and (c) permitting all employees to present any document or combination of documents acceptable by law.

6. Respondent shall not intimidate, threaten, coerce, or retaliate against any person for his or her participation in this matter or the exercise of any right or privilege secured by 8 U.S.C. § 1324b.
7. Respondent shall post the Office of Special Counsel "If You Have The Right to Work" poster ("OSC Poster"), in color and measuring no smaller than 18" x 24", an image of which is available at <http://www.justice.gov/crt/about/osc/htm/worker.php#>, in all places where notices to employees and job applicants are normally posted. The OSC Poster will be posted within fourteen (14) days from the effective date of this Agreement and will remain posted for three (3) years thereafter. The OSC Poster shall be posted in English and Spanish.
8. Beginning not more than fourteen (14) days from the date that Respondent receives a fully signed copy of this Agreement, Respondent will provide to all applicants a black-and-white letter-size copy of the OSC Poster in English, Spanish or the applicant's preferred language, if the preferred language is known and the OSC Poster is available in that language on the OSC internet site. Respondent will continue to do so for two (2) years from the effective date of this Agreement.
9. For three (3) years from the effective date of this Agreement, Respondent shall ensure that all individuals who are responsible for formulating, carrying out, and/or conducting training on Respondent's hiring, firing, equal employment, and employment eligibility verification policies, including all managers and employees who have any role making employment eligibility decisions, such as completing the Form I-9 and/or using the E-Verify system, are in possession of the most current version of the Form I-9, USCIS Employment Eligibility Verification Handbook for Employers (M-274) ("Handbook") and the most current USCIS E-Verify Manual (M-775) ("Manual"). 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.
10. Within thirty (30) days of the effective date of this Agreement, Respondent shall review its employment policies as they relate to nondiscrimination. Respondent shall revise its employment policies as they relate to nondiscrimination and provide them for review and approval by the Office of Special Counsel. The employment policies shall be clarified to:
 - a) Prohibit (1) the requesting of citizenship or immigration status information from job applicants or employees; (2) the requesting of employment eligibility verification documents from any individual prior to making an offer of employment; (3) discrimination on the basis of citizenship status or national origin in the recruiting, hiring, and firing process; and (4) discrimination on the basis of citizenship status or national origin, during the employment eligibility verification and re-verification process.

- b) Prohibit any reprisal action against an employee for having opposed any employment practice made unlawful by 8 U.S.C. § 1324b, or for filing any charge, or participating in any lawful manner in any investigation or action under 8 U.S.C. § 1324b.
11. During the two (2) years following the effective date of this Agreement (the "Reporting Period"), Respondent shall provide any changes in employment policies and training materials as they relate to nondiscrimination on the basis of citizenship status and national origin to the Office of Special Counsel for review and approval at least thirty (30) days prior to the effective date of such revised policies.
12. Within ninety (90) days of receipt of a fully signed copy of this Agreement, all personnel involved in the hiring, firing, and employment eligibility verification and re-verification processes shall receive training on their duty to comply with 8 U.S.C. § 1324b, the appropriate use of E-Verify, and the employment eligibility verification and re-verification process.
- a) The training will consist of viewing a remote webinar presentation by the Office of Special Counsel. Participants shall register for the webinar presentation through a link that the Office of Special Counsel will provide.
 - b) All employees will be paid their normal rate of pay during the training, and the training will occur during their normally scheduled workdays and work hours. Respondent shall bear all costs associated with these training sessions.
 - c) During the Reporting Period, all personnel involved in the hiring, firing, and employment eligibility verification and re-verification processes hired by Respondent after the training described in this paragraph has been conducted shall attend an Office of Special Counsel Employer/HR webinar within sixty (60) days of hire or promotion. Any individuals who have not been trained within sixty (60) days of commencing duties pursuant to this paragraph shall not be permitted to perform any employment eligibility verification functions.
 - d) Respondent shall compile attendance records listing the individuals who attend the training described in this paragraph, including their full name, title, signature, and the date of the training, and send them via email to Silvia.Dominguez-Reese@usdoj.gov and Katherine.Lamm@usdoj.gov within ten (10) days of the training session. The Office of Special Counsel shall confirm receipt via email to Brian J. Brislen (bbrislen@ldmlaw.com) and Craig F. Martin (cmartin@ldmlaw.com).
13. During the Reporting Period, the Office of Special Counsel reserves the right to make reasonable inquiries to Respondent necessary to determine Respondent's compliance

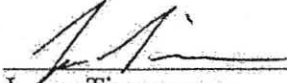
with this Agreement. As a part of such review, the Office of Special Counsel may require written reports concerning compliance with this Agreement, examine witnesses relating to Respondent's hiring practices, and examine and copy Respondent's documents relating to Respondent's hiring practices. The Office of Special Counsel retains all of the statutory rights to obtain information and conduct on-site inspections of Nebraska Beef that it would have absent this Agreement.

14. Every four (4) months during the Reporting Period, Respondent shall provide the Office of Special Counsel with a list containing the names and phone numbers of all individuals hired during the preceding four (4) month period of time.
15. If the Office of Special Counsel has reason to believe that Respondent is in violation of any provision of this Agreement, the Office of Special Counsel may notify Respondent of the purported violation without opening a new investigation.
16. 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 Respondent, the authority of the Office of Special Counsel to investigate it 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's employment practices.
17. Subject to paragraph 16, the Office of Special Counsel waives and releases Respondent from all claims and causes of action under 8 U.S.C. § 1324b(a)(6) pertaining to the OSC Investigation through the date this Agreement is signed by both parties.
18. The provisions of paragraph 1 notwithstanding, the Office of Special Counsel shall not seek from Respondent any additional civil penalty for the pattern or practice of documentary practices in violation of 8 U.S.C. § 1324b that is the subject of the OSC Investigation through the date this Agreement is signed by all parties.
19. This Agreement may be enforced in the United States District Court for the District of Nebraska or any other court of competent jurisdiction.
20. The Office of Special Counsel and Respondent agree that, as of the effective date of this Agreement, litigation concerning the violations of 8 U.S.C. § 1324b that the Office of Special Counsel has reasonable cause to believe that Respondent committed is not reasonably foreseeable. To the extent that either 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 either party of any other obligations imposed by this Agreement to maintain documents, electronically stored information, or other things necessary to demonstrate compliance with this Agreement.
21. 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. Respondent 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.

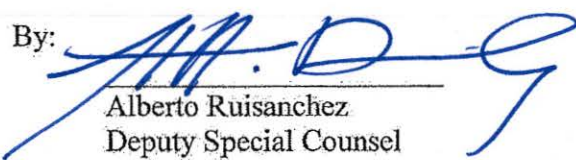
- 22. The Office of Special Counsel and Respondent shall bear their own costs, attorneys' fees and other expenses incurred in this action.
- 23. This Agreement may be executed in multiple counterparts, each of which together shall be considered an original but all of which shall constitute one agreement. The parties shall be bound by facsimile signatures.

Nebraska Beef, Ltd.

By: 
James Timmerman
Vice President/CFO

Dated: 8/20/15

Office of Special Counsel for Immigration-Related Unfair Employment Practices

By: 
Alberto Ruisanchez
Deputy Special Counsel

Dated: 8-24-15

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