

CONCILIATION AGREEMENT

Between

THE U. S. DEPARTMENT OF LABOR

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

and

XPO LOGISTICS SUPPLY CHAIN, INC., formerly known as NEW BREED LOGISTICS, INC.

PART I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs ("OFCCP") evaluated XPO Logistics Supply Chain, Inc., formerly known as New Breed Logistics, Inc.'s ("New Breed") facility located at 4320 North Sylvania Avenue, Fort Worth, Texas 76137 (now at 4801 Mercantile Drive, Fort Worth, Texas, 76137), and ~~found~~^{alleged} that New Breed was not in compliance with Executive Order 11246, as amended ("E.O. 11246"), Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 ("Section 503"), the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 ("VEVRAA"), and their implementing regulations at 41 C.F.R. Sections 60-1, 60-2, 60-3, 60-300 and 60-741. OFCCP notified New Breed of the specific violations found and the corrective actions required in a Notice of Violations ("NOV") dated November 7, 2012, and in a Show Cause Notice issued on June 11, 2014. In the interest of resolving the violations alleged by OFCCP without engaging in lengthy and costly legal proceedings, however, and in exchange for the good and valuable consideration described in this document, OFCCP and New Breed enter this conciliation agreement ("Conciliation Agreement" or "Agreement") and agree to all the terms stated below.

PART II. GENERAL TERMS AND CONDITIONS

1. In exchange for New Breed's fulfillment of all obligations in Parts III and IV of the Agreement, OFCCP agrees not to institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503, and VEVRAA based on the 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 violations described in Part III if New Breed violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. New Breed agrees that OFCCP may review its compliance with this Agreement. As part of such review, and upon reasonable notice to New Breed, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Upon reasonable

notice, New Breed will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all reports and documents requested.

3. New Breed understands that nothing herein is intended to relieve New Breed from the obligation to comply with the requirements of Executive Order 11246, as amended, Section 503, VEVRAA, their implementing regulations, or any other equal employment statute or executive order or its implementing regulations. In addition, this Conciliation Agreement in no way limits the applicability of the revised regulations implementing Section 503, 41 C.F.R. Part 60-741 (2014), and the revised regulations implementing VEVRAA, 41 C.F.R. Part 60-300 (2014).
4. New Breed agrees not to harass, intimidate, threaten, discriminate, or otherwise retaliate against any individual because the individual benefits from this Agreement; files a complaint; participates in any investigation or proceeding under Executive Order 11246, Section 503, and/or VEVRAA; or engages in any activity listed at 41 C.F.R. § 60-1.32(a).
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 will be deemed to have been accepted by OFCCP on the day it is signed by the Regional Director of the Southwest and Rocky Mountain Region unless the Director of OFCCP indicates otherwise within 45 calendar days of the date the Regional Director signs the Agreement. The "Effective Date" of this Agreement shall be the day the Agreement is signed by the Regional Director of the Southwest and Rocky Mountain Region.

This Agreement will expire 60 calendar days after New Breed submits the final progress report required in Part IV below, unless OFCCP notifies New Breed in writing prior to the expiration date that New Breed has not fulfilled all of its obligations under the Agreement, in which case the Agreement is automatically extended until the date that OFCCP determines New Breed has met all of its obligations under the Agreement.

9. If New Breed violates this Conciliation Agreement,
 - A. The procedures set forth at 41 C.F.R. § 60-1.34 will govern:
 - 1) If OFCCP believes that New Breed violated any portion of this Agreement while it was in effect, OFCCP will send New Breed a written notice stating the alleged violations and summarizing any supporting evidence.

- 2) New Breed 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 New Breed 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. New Breed may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-741.66 (2014), 41 C.F.R. 60-300.66 (2014) and/or other appropriate relief for violation of this Agreement.
10. This Agreement does not constitute an admission by New Breed of any violation of E.O. 11246, Section 503, VEVRAA, or other laws, nor has there been an adjudicated finding that New Breed violated any laws.

III. SPECIFIC VIOLATIONS AND REMEDIES

- engaged in a pattern and practice of discrimination*
1. VIOLATION: OFCCP alleged that New Breed is not in compliance with 41 C.F.R. § 60-1.4(a)(1), as explained below. OFCCP's analysis of New Breed's hiring process and selection procedures revealed that New Breed ~~intentionally discriminated~~ against white applicants for Returns Processor, Quality Auditor, RF Testing, and Refurbisher jobs based on OFCCP's findings that whites were hired at a statistically significant lower rate than what would be expected given the availability of whites in the relevant labor market. In light of this finding by OFCCP, an inference of adverse impact is permitted according to the regulations at 41 C.F.R. §§ 60-3.4D and 60-1.12(e).
- (b) (7)(C)

During the relevant time period of this compliance review, New Breed did not maintain records and did not require temporary agencies that it utilized in the hiring process to maintain records for all applicants interested in or considered for a position at New Breed. Because New Breed did not produce applicant and hire data for its entire selection process, OFCCP compared hires to availability using 2000 Standard Occupational Codes (SOCs) and their corresponding availability data for each job title.

Table 1 below illustrates OFCCP's analysis of New Breed's hires compared to availability and the resulting standard deviations and statistically significant disparities disfavoring whites across all four positions. OFCCP contends that whites were hired at a statistically significant lower rate than what would be expected, given the availability of whites in the relevant labor market.

Table 1: White Standard Deviations by Availability¹

Job Title	Total Hires	White Hires	Availability of Whites ("White non-Hispanic")	Standard Deviation	Short Fall
Returns Processor	(b) (7)(E)	(b) (7)(E)	29.3%	(b) (7)(E)	28
Quality Auditor	(b) (7)(E)	(b) (7)(E)	29.3%	(b) (7)(E)	8
RF Testing*	(b) (7)(E)	(b) (7)(E)	29.3%	(b) (7)(E)	21
Refurbisher	(b) (7)(E)	(b) (7)(E)	29.3%	(b) (7)(E)	11

*Corrected to (b) (7)(E) from (b) (7)(E) post-NOV

Using Census Occupational Code 772 for the relevant labor pool availability, OFCCP found statistically significant differences in white hire representation compared to the relevant labor market. Based on this statistical disparity and anecdotal evidence, OFCCP contends that New Breed engaged in intentional discrimination against white applicants who applied for Returns Processor, Quality Auditor, RF Testing, and Refurbisher positions during the period of June 29, 2006 through July 23, 2007.

REMEDY: New Breed will immediately cease using the practices and/or policies which OFCCP contends negatively affected white applicants in the hiring process during the review period and will take the following corrective actions:

- a. **Revision of the Hiring Process, Implementation and Training:** Within 60 calendar days of the Effective Date of this Agreement, New Breed will revise its practices, policies, and procedures that it uses to select applicants (hereinafter the "Revised Hiring Process") for Material Handler A positions, which is how New Breed now refers to the Returns Processor, Quality Auditor, RF Testing, and Refurbisher positions (hereinafter Material Handler A Temporary or Full Time). The Revised Hiring Process will contain the following:
 - i. Procedures to select applicants for Material Handler A Temporary or Full Time positions, including mandatory posting, outreach efforts, and the use of the Internet as a recruitment procedure, if New Breed currently uses or intends to prospectively use the Internet to recruit Material Handler A Temporary or Full Time applicants.
 - ii. The qualifications and criteria to be used by New Breed and/or staffing agencies to screen and/or hire applicants for Material Handler A Temporary and Full Time positions at New Breed.
 - iii. The qualifications and criteria to be used to eliminate and/or select applicants at each step of the Hiring Process, which spans from application at a temporary and/or staffing agency to conversion from temporary employee to New Breed employee (the "Hiring Process"), including the qualifications and criteria to be used in any application screen, interview, test, post-hiring screen, or other selection procedures.

¹ Individuals of two or more races (b) (7)(E) were excluded from the total available workforce, which is why OFCCP's availability in the NOV (b) (7)(E) is slightly higher than the reported percentage of Whites (b) (7)(E) in the relevant occupation and PMSA.

- iv. Procedures to ensure that applicants are tracked and decisions are documented at each step in the Hiring Process, including selection decisions made by the temporary agencies.
- v. Procedures to ensure that documents are retained in accordance with 41 C.F.R. §§ 60-1.12(a) and 60-3.

Within 90 calendar days of the Effective Date of this Agreement, New Breed will fully implement the Revised Hiring Process, will train all New Breed employees involved in selecting or tracking applicants for Material Handler A Temporary or Full Time positions on the Revised Hiring Process, and will notify its staffing agency(ies) of its Revised Hiring Process. New Breed will also train any New Breed employee hired or transferred into such a position on the Revised Hiring Process within 30 calendar days of their new assignment. The training will include instruction on the proper implementation of the selection and tracking procedures, the neutral application of the specified qualifications and criteria that will be used at each step in the selection process, the procedures to be used to document the decisions made at each step in the selection process, and the procedures to be used to ensure that documents are retained in accordance with 41 C.F.R. §§ 60-1.12(a) and 60-3.

- b. Notice: Within 30 calendar days of the Effective Date of this Agreement, New Breed will notify the Class Members on Attachment 1 of the terms of this Agreement by mailing to each Class Member, by first class mail, a Notice to Class Members (Attachment 2, "Notice"), Information Verification Form (Attachment 3, "Claim Form"), and the Release of Claims Under Executive Order 11246 (Attachment 4, "Release"). New Breed will notify OFCCP weekly of all letters returned as undeliverable. In addition, within 45 calendar days of the Effective Date, New Breed will provide to OFCCP a list with addresses of the Class Members who have been notified and a list of any Class Members who have not yet responded to the Notice and/or have not returned a fully-executed Claim Form and Release. OFCCP will initiate efforts to locate those Class Members and provide New Breed with updated information or alternate addresses within 15 calendar days of receipt of the list.

Within 15 calendar days of receiving the updated addresses from OFCCP, New Breed will send by first class mail a second Notice, Claim Form, and Release to all Class Members for whom updated addresses or information were obtained from OFCCP.

- c. Eligibility: All Class Members who timely sign and return the Release and Claim Form to New Breed within 90 calendar days of the Effective Date of this Agreement ("Eligible Class Members") will equally share the monetary settlement. If a Class Member does not timely return the Release and Claim Form to New Breed or OFCCP within 90 calendar days of the Effective Date of this Agreement, the Class Member will no longer be entitled to a payment under this Agreement.

Within 95 calendar days of the Effective Date of this Agreement, New Breed will provide OFCCP with a list of all Class Members who timely returned the Claim Form and Release, along with a copy of each executed Release and Claim Form it received. OFCCP will also provide New Breed with copies of the Claim and Release forms that OFCCP receives.

Within 15 calendar days after receiving the list from New Breed, OFCCP will review and approve the final list of Eligible Class Members or discuss with New Breed any issues necessary to finalize the list, such as the inclusion or exclusion of certain Class Members.

The monetary payment discussed in paragraph (e) below will be divided equally among all Eligible Class Members on the final approved list. All Eligible Class Members will be entitled to their share of the monetary settlement regardless of whether they are interested in employment with New Breed.²

- d. Monetary Settlement: New Breed agrees to distribute \$90,000 (\$70,000 in back pay and \$20,000 in interest), less legal deductions required by law from back pay only (such as federal, state and/or local taxes and the Eligible Class Members' share of FICA taxes), in equal shares among all Eligible Class Members on the final approved list. New Breed will pay the Internal Revenue Service ("IRS") the employer's share of social security withholdings, and will mail to each Eligible Class Member an IRS Form W-2 for the portion of the payment representing back pay and an IRS Form 1099 for the portion of the payment representing interest. These IRS forms will be mailed within the time period required by law. New Breed will disburse the monetary settlement within 45 calendar days after OFCCP approves the final list of Eligible Class Members.

Within 10 calendar days of New Breed's receipt of a check to an Eligible Class Member returned as undeliverable, New Breed will notify OFCCP of this fact via e-mail sent to (b) (7)(C) , (b) (7)(C) @dol.gov and Carolyn Russell, russell.carolyn@dol.gov. OFCCP will attempt to locate the Eligible Class Member and if OFCCP obtains an alternate address or establishes contact with the Eligible Class Member, New Breed will re-mail the check within 10 calendar days of receiving an alternate or corrected address. Any check that remains uncashed more than 120 calendar days after the initial date that the check was mailed to the Eligible Class Member will be void. With respect to any uncashed funds, New Breed will make a second distribution to all Eligible Class Members who cashed their first check if the amount of the uncashed funds would result in a payment of \$30.00 or more to each of the located Eligible Class Members. In such case, New Breed will mail the second distribution to such Eligible Class Members within 150 calendar days after the initial date the checks were mailed to all Eligible Class Members. If the total amount of the uncashed funds would result in a payment of less than \$30.00 to each located Eligible Class Member, New Breed will use those uncashed or undistributed funds to provide training in equal employment opportunity to its managers in addition to the training it has agreed to provide in the Revised Hiring Process described in paragraph (a) above.

² Attachment 1 includes a list of 44 applicants for Material Handler A Full Time positions for monetary relief. New Breed has no hiring obligations under this Agreement because it has already hired 44 white applicants. Further, no other rejected applicants beyond those identified on Attachment 1 are Class Members under this Agreement.

2. **VIOLATION:** New Breed failed to maintain and have available for inspection personnel and employment records in accordance with the requirements at 41 C.F.R. §§ 60-1.12 and 60-3. Specifically, OFCCP found that during the review period of July 23, 2005 through July 23, 2007, New Breed failed to preserve and make available to OFCCP complete and accurate employment records, including documentation of all applicants who expressed an interest in working for New Breed in a temporary-to-hire capacity as a Material Handler A, applications at the temporary agency level for New Breed, and the results of pre-employment tests or screenings for temporary applicants. Further, New Breed failed to identify, where possible, the gender, race, and ethnicity of applicants for employment at New Breed through temporary agencies and temporary-to-hire employees placed at New Breed. Finally, New Breed did not keep or produce records of employee accommodation requests as required by the regulations at 41 C.F.R. § 60-741.80, which require the contractor to preserve records relating to requests for reasonable accommodation.

REMEDY: New Breed agrees to revise its recordkeeping procedures to ensure all of the records listed in Violation 2 and as described by the corresponding regulations are collected and maintained in accordance with the requirements of 41 C.F.R. §§ 60-1.12, 60-3 and 60-741.80 (2014).

3. **VIOLATION:** New Breed failed to implement an applicant tracking system in accordance with the requirements of 41 C.F.R. §§ 60-1.12, 60-3.4 and 60-3.15. OFCCP found that New Breed did not collect gender, race and ethnicity data on temporary-to-hire New Breed employees, though it collected this information for employees who were given an offer to convert to permanent employment with New Breed. Therefore, New Breed failed to identify, where possible, the gender, race or ethnicity of each applicant.

REMEDY: New Breed will ensure that it has established and implemented procedures to adequately track all applicants throughout the hiring process in accordance with the requirements of 41 C.F.R. §§ 60-1.12, 60-3.4 and 60-3.15.

4. **VIOLATION:** OFCCP found that New Breed failed to conduct adverse impact analyses of the overall selection process for hiring in accordance with the requirements at 41 C.F.R. §§ 60-2.17(b), 60-3.4 and 60-3.15A. Specifically, New Breed did not produce records that accurately disclose the impact of its selection process for each job during the review period.

REMEDY: New Breed agrees to conduct adverse impact analyses on at least an annual basis which will include selections for the entire hiring process, specifically for any hires into Material Handler A Temporary and Material Handler A Full-Time positions at New Breed. In accordance with the Uniform Guidelines on Employee Selection Procedures, New Breed agrees to conduct accurate adverse impact analyses on at least an annual basis for purposes of determining whether adverse impact exists against applicants based on gender, race or ethnic group in hiring, promotion, termination, and other personnel activities. These analyses should be done by job for each group constituting more than 2% of the labor force in the relevant labor area or 2% of the applicable workforce. If adverse impact is identified in the total selection process, New Breed agrees to evaluate each individual component of the selection process for adverse impact. If adverse impact is found to exist in any of the individual

components of the selection process, New Breed agrees to validate each such component in accordance with the Uniform Guidelines on Employee Selection Procedures or utilize selection procedures that do not result in adverse impact.

5. **VIOLATION**: During the period July 23, 2005 through July 23, 2007, New Breed failed to immediately list all employment openings with either the state workforce agency job bank or a local employment service delivery system serving the location where the openings occurred in violation of 41 C.F.R. § 60-300.5(a)2-6.

REMEDY: New Breed must list all employment openings as they occur with an appropriate employment service delivery system ("ESDS") (either the state workforce agency job bank or a local ESDS) where the openings occur, in a manner and format that will allow the ESDS to provide priority referrals of protected veterans to New Breed, as required by 41 C.F.R. § 60-300.5(a)2-6 (2014). With its initial listing, and as subsequently needed to update the information, New Breed must also advise the ESDS that it is a federal contractor that desires priority referrals of protected veterans for job openings at all locations within the state, and provide the ESDS with the name and address of each of its hiring locations within the state and the contact information for the New Breed official responsible for hiring at each location, in accordance with 41 C.F.R. § 60-300.5(a)4. Should any of the information in the disclosures change since it was last reported to the ESDS, New Breed shall provide updated information simultaneously with its next job listing. Should any of the information in the disclosures change since it was last reported to the ESDS, New Breed shall provide updated information simultaneously with its next job listing.

PART IV. REPORTING

New Breed will submit the documents and reports described below to:

Denver District Director
U.S. Department of Labor
OFCCP, Denver District Office
1244 Speer Blvd., Suite 540
Denver, CO 80204

1. Pursuant to paragraph (a) of Remedy 1, within 60 calendar days of the Effective Date of this Agreement New Breed will submit to OFCCP a copy of the written Revised Hiring Process.
2. Pursuant to paragraph (a) of Remedy 1, with the first progress report below, New Breed will provide OFCCP with documentation that all managers, supervisors and other personnel involved in the Revised Hiring Process for the Material Handler A Temporary and Full Time positions have been trained in the recruitment and selection procedures to be used in the Revised Hiring Process. The documentation shall include the dates of the training, the names and job titles of all attendees, and the name and job title of each person who conducted the training.

3. New Breed will also provide OFCCP with all documents and information referenced in paragraphs (b) through (d) of Remedy 1 within the prescribed timeframes. Such documents and information shall include, but are not necessarily limited to: letters returned as undeliverable on a weekly basis; a list within 45 calendar days with addresses of the Class Members who have been notified and a list of any Class Members who have not yet responded to the Notice and/or have not returned a fully executed Claim Form and Release; and a list of Class Members who have returned a signed Claim Form and Release within 90 calendar days of the Effective Date.

In addition to the above reports, New Breed will submit four semi-annual progress reports. The first semi-annual progress report shall be due seven months after the Effective Date of this Agreement and shall cover the six-month period beginning with the Effective Date. Each subsequent report shall cover the successive six-month period, and shall be submitted within 30 calendar days after the close of that six-month period.

Pursuant to Violation 1, New Breed will submit the following in each progress report:

4. Documentation of monetary payments to all Eligible Class Members as specified in paragraph (d) of Remedy 1. The documentation shall include the names of Eligible Class Members who were paid, and for each Eligible Class Member, the date, number and the amount of the check. New Breed agrees to provide OFCCP, upon request, with documentation that the checks have been cashed.

New Breed will continue submitting the information above in progress reports until OFCCP determines that the back pay obligation has been fully implemented. If complete documentation is provided in one progress report, it need not be resubmitted in a subsequent progress report.

Pursuant to Violations 1 through 5, New Breed will submit the following in each progress report:

5. Regarding applicants and hires during the reporting period for Material Handler A Temporary and Full Time positions, by gender, race and ethnicity, provide the number of applicants who were considered for or applied to work at New Breed (including those who applied at the New Breed facility and those who applied at temporary agencies for employment at New Breed) and the number of hires at New Breed (including those hired by New Breed and those placed by temporary agencies to work at New Breed).
6. For Material Handler A Temporary and Full Time positions, by gender, race and ethnicity, provide the number of Material Handler A Temporary and Full Time employees working at New Breed during the reporting period; and the number of those temporary-to-hire workers who were converted to Material Handler A Full Time positions (please identify the workers who terminated employment prior to conversion).
7. For Material Handler A Temporary and Full Time positions, the results of New Breed's analysis as to whether the total selection process (including the selection process by New Breed and by temporary agencies for placements/hires at New Breed) has adverse impact,

as defined in 41 C.F.R. § 60-3.4D, on those members of groups set forth in 41 C.F.R. § 60-3.4B.

8. For each case where the total selection process has an adverse impact, as defined in 41 C.F.R. § 60-3.4D, the results of New Breed's evaluation of the individual components of the selection process for adverse impact.
9. The actions taken by New Breed upon determining that any component of the selection process for Material Handler A Temporary and Full Time positions has an adverse impact on members of groups set forth in subparagraph 1 and/or 2, above.
10. Documentation evidencing that all job openings were listed in compliance with 41 C.F.R. 60-300.5(a)2-6 (2014) with an appropriate ESDS, either the state workforce agency job bank or a local ESDS.

With respect to the adverse impact analyses, for all progress reports except the first report, New Breed shall combine the data for the current report with the data from the previous report(s) to analyze at least a 12-month period. OFCCP may analyze a period longer than 12 months to determine if adverse impact exists.

New Breed will retain all records and data pertinent to the violations resolved by this Agreement and/or used to prepare required reports until this Agreement expires or as long as required by OFCCP's regulations, whichever time period is longer.

All dates and deadlines in this Agreement may be modified or extended by written agreement.

PART V. SIGNATURES

This Conciliation Agreement is hereby executed by and between the OFCCP and New Breed.

(b) (7) (c) (b) (7) (c)

Louis DeJoy
Chairman and Chief Executive Officer
XPO Logistics Supply Chain, Inc.,
formerly known as
New Breed Logistics, Inc.

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

Date: JULY 8, 2015

Date: 7-9-2015

New Breed Logistics
Attachment 1

Class ID	First Name	Last Name
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(b) (7)(C)

ATTACHMENT 2
NOTICE TO AFFECTED CLASS

Dear [NAME]:

XPO Logistics Supply Chain, Inc., formerly known as New Breed Logistics, Inc., ("New Breed") and the Department of Labor's Office of Federal Contract Compliance Programs ("OFCCP") have entered into a Conciliation Agreement ("Agreement") to remedy the violations of Executive Order 11246 ("E.O. 11246") that OFCCP found during a compliance review of New Breed's Fort Worth, Texas facility. The legal settlement resolves claims of alleged disparities in New Breed's hiring process and selection procedures for Returns Processor, Quality Auditor, RF Testing, and Refurbisher ("Material Handler A") jobs. New Breed has not admitted to any violation of E.O. 11246 and there has not been any adjudicated finding that New Breed violated any laws. OFCCP and New Breed entered into the Agreement to resolve the matter without resorting to further legal proceedings. You have been identified as an individual who applied for a Material Handler A job during that time period, but was not hired.

As part of this Agreement, you are eligible to receive a distribution of at least \$_____ less lawful payroll deductions. Under the terms of this Agreement it may take up to five (5) months from the date of this letter before you receive your distribution. In order to be eligible for a payment, you must complete, sign and return the enclosed Information Verification Form. You should complete and mail back the form as soon as possible; it *must* be postmarked to the address below no later than **October 7, 2015**, for you to be entitled to participate in this settlement:

Sheri Gordon
Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
1320 Main Street, Suite 600
Columbia, SC 29201

You may use the enclosed postage-paid return envelope to return the completed and signed Information Verification Form. If you have any questions you may call Sheri Gordon at 803-799-0989 or OFCCP Compliance Officer (b) (7)(C) at (b) (7)(C) Your call will be returned as soon as possible.

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE ADDRESS SHOWN ABOVE, ON OR BEFORE OCTOBER 7, 2015, YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

Sincerely,

(NAME)

Enclosures

Information Verification Form
Release of Claims under Executive Order 11246

**ATTACHMENT 3
INFORMATION VERIFICATION FORM**

You must timely complete this form in order to be eligible for the monetary payment under the terms of the Conciliation Agreement ("Agreement") between New Breed Logistics, Inc. ("New Breed") and the Department of Labor's Office of Federal Contract Compliance Programs. Please print legibly, except for the signature.

Name: _____

Address: _____

Telephone Nos.: Home _____ Cell _____ Work _____

E-mail: _____

Notify New Breed's representative at the address below if your address or phone number changes within the next twelve months.

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

For purposes of this settlement, it is necessary to verify your race/ethnicity:

White/Caucasian
☐

Black/African-
American ☐

Hispanic ☐

Asian ☐

Native American ☐

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO THE ADDRESS BELOW ON OR BEFORE OCTOBER 7, 2015, YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

**Sheri Gordon
Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
1320 Main Street, Suite 600
Columbia, SC 29201**

I, _____, certify the above is true and correct.
(print name)

Signature

Date

ATTACHMENT 4
RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

This Release of Claims under Executive Order 11246 ("Release") is a legal document. This document states that in return for XPO Logistics Supply Chain, Inc., formerly known as New Breed Logistics, Inc. ("New Breed") paying you money, you agree that you will not file any lawsuit against New Breed for allegedly violating Executive Order 11246 in connection with its selection procedures for applicants for Returns Processor, Quality Auditor, RF Testing, and Refurbisher ("Material Handler A") positions. It also says that New Breed does not admit it violated any laws. This Release says you had sufficient time to look at the document, to talk with others about the document, including an attorney if you choose, and that no one pressured you into signing the document. Finally, it says that if you do not sign and return the document by a certain date, you will not receive any money.

In consideration of the payment of at least \$ _____ (less deductions required by law) by New Breed to me, which I agree is acceptable, I _____ agree to the following:
print name

I.

I hereby waive, release and forever discharge New Breed, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, directors, officers, employees, agents, successors, and assigns, of and from any and all actions, causes of action, damages, liabilities, and claims arising out of or actionable under Executive Order 11246, as amended, which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate in any way to my non-selection for employment as a Material Handler A on the basis of my race at any time through the effective date of this Release.

II.

I understand that New Breed denies that it treated me unlawfully or unfairly in any way and that New Breed entered into a Conciliation Agreement with the U.S. Department of Labor, Office of Federal Contract Compliance Programs ("OFCCP") and agreed to make the payment described above to resolve alleged disparities in hiring and to resolve the matter without further legal proceedings in the compliance review initiated by OFCCP on July 23, 2007. I further agree that the payment of the aforesaid sum by New Breed to me is not to be construed as an admission of any liability by New Breed.

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.

IV.

I understand that if I do not sign this Release and return it to New Breed on or before October 7, 2015, I will not be entitled to receive any payment (less deductions required by law) from New Breed.

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

Signature