

## **CONCILIATION AGREEMENT**

Between

THE U.S. DEPARTMENT OF LABOR

OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS

and

MEDTRONIC, INC., NOW KNOWN AS MEDTRONIC PLC  
7611 NORTHLAND DRIVE  
BROOKLYN PARK, MINNESOTA 55427

### **PART I. PRELIMINARY STATEMENT**

The Office of Federal Contract Compliance Programs ("OFCCP") evaluated Medtronic, Inc.'s, now known as Medtronic PLC's (hereinafter "Medtronic"), Medtronic Cardiac Surgery facility located at 7611 Northland Drive Brooklyn Park, Minnesota 55427 beginning on March 19, 2012. OFCCP found that Medtronic was not in compliance with Executive Order 11246, as amended ("EO 11246"), and their implementing regulations at Title 41 Code of Federal Regulations ("CFR") Chapter 60.

OFCCP notified Medtronic of the specific violations found and the corrective actions required in a Notice of Violation issued on October 31, 2017. In the interest of resolving the violations without engaging in further legal proceedings and in exchange for the good and valuable consideration described in this document, OFCCP and Medtronic enter into this contract ("Conciliation Agreement" or "Agreement") and agree to all the terms stated below.

### **PART II. GENERAL TERMS AND CONDITIONS**

1. In exchange for Medtronic'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 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 Medtronic violates this Agreement. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. Medtronic agrees that OFCCP may review its compliance with this Agreement. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Medtronic will permit access to its premises during normal business hours for these purposes and will also provide OFCCP with all reports and documents requested.
3. Medtronic understands that nothing in this Agreement relieves Medtronic of its obligation to fully comply with the requirements of E.O. 11246, Section 503 of the Rehabilitation Act of 1973, (Section 503) as amended, Vietnam Era Veterans Readjustment Assistance Act of 1974, (VEVRAA) as amended, their implementing regulations, and other applicable equal employment laws.

4. Medtronic agrees that it will not harass, intimidate, threaten, discriminate or otherwise retaliate against any potential or actual beneficiary of this Agreement or against any person who files a complaint or participates in any investigation or proceeding under EO 11246, Section 503, and/or VEVRAA, or engages in any activity listed at 41 CFR § 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 the terms by which the parties are bound and it supersedes all prior written or oral negotiations and agreements. There will be no modifications or amendments to this Agreement unless they are in writing, signed by all parties.
7. If one or more provisions of this Agreement are rendered unlawful or unenforceable, the remaining provisions will remain in full force and effect.
8. This Agreement becomes effective on the day it is signed by the Acting Regional Director of the Midwest Region (the "Effective Date").
9. This Agreement will expire sixty (60) days after Medtronic submits the final progress report required in Part IV below, unless OFCCP notifies Medtronic in writing prior to the expiration date that Medtronic has not fulfilled all of its obligations under the Agreement, in which case, the Agreement is automatically extended until the date that OFCCP determines Medtronic has met all of its obligations under the Agreement.
10. If Medtronic violates this Agreement,
  - A. The procedures set forth at 41 CFR § 60-1.34 will govern:
    - 1) If OFCCP believes that Medtronic violated any term of the Agreement while it was in effect, OFCCP will send Medtronic a written notice stating the alleged violations and summarizing any supporting evidence.
    - 2) Medtronic will have fifteen (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 Medtronic 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, and OFCCP may seek a full remedy of the violations.
    - 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. Medtronic may be subject to the sanctions set forth in Section 209 of the Executive Order 11246, and/or other appropriate relief for violation of this Agreement.
11. This Agreement does not constitute an admission by Medtronic of any violation of E.O. 11246, Section 503, VEVRAA, or other laws, nor has there been an adjudicated finding that Medtronic violated any laws.

12. All references to "days" in this Agreement are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or Federal holiday, that deadline will be extended to the next business day.

### **PART III. SPECIFIC VIOLATIONS AND REMEDIES**

#### **1. COMPENSATION DISCRIMINATION**

- A. VIOLATION: As of at least April 29, 2011, OFCCP found that Medtronic discriminated against 73 Asian, and 2 Hispanic employees in the Assembler position by paying them less, in base salary, than similarly situated white employees, which is in violation of 41 C.F.R. § 60-1.4(a)(1).

OFCCP performed a regression analyses, based on information gathered during the compliance review and statistically significant pay disparities were found after controlling for legitimate explanatory factors. After examining personnel records, and interviewing managers, human resources personnel, employees and selecting officials, as well as considering anecdotal evidence gathered during the investigation, OFCCP determined that this practice of paying Asian and Hispanic Assemblers less was based on race and not based on legitimate explanatory factors. Accordingly, OFCCP finds that Medtronic has discriminated against 73 Asian, and 2 Hispanic Assemblers ("Class Members") because of their race, in violation of Section 202, Paragraph 1 of Executive Order 11246, as amended, and 41 CFR § 60-1.4(a)(1).

#### **B. REMEDY FOR AFFECTED CLASS**

##### Notice.

1. For purposes of this Agreement only, the affected Class Members ("Class Members") identified by OFCCP are 73 Asian, and 2 Hispanic Assembler II, Senior Assembler and Production Group Leader ("Assembler"). These Class Members are identified on Attachment A to this Agreement.
2. Within thirty (30) calendar days of the Effective Date of this Agreement, Medtronic will notify all Class Members of the terms of this Agreement by mailing a first class, certified, return receipt requested letter to each Class Member. The mailing must include the: Notice to Affected Class (Attachment B, "Notice"), Information Verification Form (Attachment C, "Verification Form"), Release of Claims Under Executive Order 11246 Form (Attachment D, "Release"), and a postage paid, self-addressed return envelope. Each employee Class member (or his/her next of kin or legal representative in the event that he/she is deceased) shall be given one hundred forty-five (145) days from the effective date of the Agreement to respond by returning the completed Verification Form and Release to Medtronic. Any response postmarked by the one hundred forty-fifth (145) day from the effective date of the Agreement shall be considered to have been submitted within the one hundred forty-five (145) day period.
3. Within seventy-five (75) days of mailing the Notice, Verification Form and Release to all Class Members, Medtronic shall provide OFCCP with the following.

- a. Via overnight mail and / or email, copies of all completed Verification Forms and Releases returned to Medtronic from the first mailing and the envelopes bearing a postmark date;
  - b. Via overnight mail and / or email, a list of any Class Members who did not respond at all to the Notice or whose Verification Forms and Releases were returned to Medtronic as undeliverable, as well as evidence showing the documents were returned as undeliverable;
  - c. Via overnight mail and / or email, an MS Excel file containing the name, Employee ID number, social security number, last known address, last known phone number and the last known email address in separate columns for any Class Members who did not respond at all to the Notice or whose Verification Forms and Releases were returned to Medtronic as undeliverable; and
  - d. Via overnight mail and / or email, documentation of Medtronic's effort with regard to the employee Class Members that did not return their Settlement packets from the first mailing.
4. Upon receipt of the list and MS Excel file of any Class Members who did not respond at all to the Notice or whose Verification Form and Release was returned to Medtronic as undeliverable, OFCCP shall attempt to provide updated addresses of Class Members identified on the list. Within fifteen (15) days of the receipt of such list, OFCCP shall provide Medtronic, via email, a list of those Class Members identified on Medtronic's list for whom OFCCP was able to provide updated addresses.
5. Within twenty (20) days of receiving OFCCP's list, Medtronic will mail to each Class member for whom OFCCP was able to provide an updated address, copies of the Notice, Verification Form and Release, postage prepaid, address correction requested ("Second Mailing"). Each such Class Member (or his/her next of kin or legal representative in the event that he/she is deceased) shall be given one hundred forty-five (145) days from the effective date of the Conciliation Agreement to respond by returning the completed Verification Form and Release to Medtronic. Any response postmarked by the one hundred forty-fifth (145) day from the effective date of the Conciliation Agreement shall be considered to have been submitted within the one hundred forty-five (145) day period.
6. Medtronic will compile a list of all Class members who have submitted completed Verification Forms and releases in accordance with the instructions in the Notice and within the one hundred forty-five (145) day period from the effective date of the Conciliation Agreement in response to either the initial mailing or the Second Mailing. Said list shall constitute the "Final List". Medtronic may choose to include on the final List any Class member who returned a completed Verification Form and Release after the one hundred forty-five (145) day period expired, but it is under no obligation to do so.
7. Within 160 days of the effective date of the Conciliation Agreement, Medtronic shall submit to OFCCP, via overnight mail and/or email, the Final List and copies of all completed Verification Forms and Releases not previously submitted to OFCCP.

8. If OFCCP believes any Class Member should be included on the Final List but is not, it shall notify Medtronic in writing, via email, and identify such Class Members within fifteen (15) days of its receipt of the Final List. In such written notification, OFCCP shall provide Medtronic the reasons why it believes any Class Member should be included on the Final List. The parties will make every effort and negotiate in good faith to resolve any dispute between them and inclusion or exclusion of any Class Member on the Final List. Any Class Members whom the parties agree will be added to the Final List pursuant to this paragraph will be added no later than thirty-five (35) days after OFCCP's receipt of the Final List.
9. The individuals on the Final List, including any amendments made to the Final List pursuant to Paragraph 8 above, shall be referred to as Eligible Class Members and shall be entitled to a monetary recovery.
10. Class Members who do not respond to the Notice within the 145 days shall not be entitled to any relief described herein unless Medtronic chooses to include their names on the Final List pursuant to Part III.1.B.6 of this Agreement or if the parties agree to include their names on the Final List pursuant to Part III.1.B.8 of this Agreement.

**C. SETTLEMENT FUND**

1. In settlement of all claims for back pay and interest, to the affected class, Medtronic agrees to pay to the Eligible Class Members the amount of \$300,000 (including \$267,000 in back pay, and \$33,000 in interest).
2. The OFCCP agrees that Medtronic will not be required to open a separate account to pay the settlement amount. In lieu of opening a separate bank account for payment to Eligible Class Members, Medtronic will pay class members through direct deposit through its payroll system for current employees, and by issuing checks to employees who have retired or terminated their employment. Medtronic will provide the OFCCP with the requested information on Page 6, #5a, b, and c of this agreement, to document that payments have been made. Medtronic represents, and OFCCP accepts, the corporation's most recent public 10-K filing dated June 21, 2019 ("10-K") as evidence of Medtronic's ability to pay the class members. Specifically, the balance sheet at Page 59 of the 10-K specifying "cash and cash equivalents" and "investments" of \$11.2 billion constitutes evidence of Medtronic's ability to fund this settlement.
3. Within fifteen (15) days of OFCCP's receipt of the Final List of Eligible Class Members, OFCCP will calculate the total amount owed each Class Member to include back pay, and interest on such back pay, and send such list to Medtronic. The amounts owed to each Class Member may differ depending upon their length of service with Medtronic. Included on this list will be each Eligible Class Members proportionate percentage of the Settlement that the Eligible Class Member will receive pursuant to the Agreement ("Proportionate Percentage"). Within fifteen (15) days of receiving the same, Medtronic will take the following actions:

- a. Pay each Eligible Class Member who is employed by Medtronic at the time the amounts determined by OFCCP in the manner in which the Eligible Class Member is normally paid his / her regular salary (e.g. direct deposit, check), subject to all statutory contributions and deductions as set forth in paragraph 4 below; and
  - b. Mail a check to all other Eligible Class Members in the respective amounts subject to all lawful deductions as set forth in paragraph 4 below.
4. Medtronic shall make all legal deductions required by law (e.g., federal, state and/or local taxes, FICA and FUTA), and in addition to the back pay amounts shall pay to the Internal Revenue Service the employer's share of Social Security withholdings and other statutory contributions proportionate to the funds paid to each Eligible Class Member that is designated as back pay. At such time as Medtronic provides its employees with Form W-2, Medtronic shall also mail a Form W-2 to each Eligible Class member who is not employed by Medtronic. For any portion designated as interest, Medtronic will not make any deductions and will issue a Form 1099 at the same time it issues the Form W-2.
5. Within forty-five (45) days of making the payments as set forth in paragraphs 3 and 4 above, Medtronic will provide OFCCP with:
  - a. pay slips for those Eligible Class Members who are employed by Medtronic at time of payout, redacted as to class members' banking information, allowances and additional withholding information unrelated to the subject payout, marital status, and benefit information.;
  - b. pay slips for those Eligible Class Members who are not employed by Medtronic at time of payout, redacted as to class members' banking information, allowances and additional withholding information unrelated to the subject payout, marital status, and benefit information; and
  - c. Any Medtronic payroll checks not cashed will go through Medtronic's unclaimed property process. Medtronic's unclaimed property process states any checks issued in a calendar year and not cashed will be reviewed and go through the unclaimed process at the end of next calendar year.
6. OFFCP will have thirty (30) days from receipt of any checks returned as undeliverable to an Eligible Class Member to locate the specific Eligible Class Member and to inform Medtronic of a corrected address so that the check may be re-mailed. Medtronic will re-mail the check by certified mail within fifteen (15) days of receiving from OFCCP the corrected address.
7. Any Medtronic payroll checks not cashed will go through Medtronic's unclaimed property process. Medtronic's unclaimed property process states any checks issued in a calendar year and not cashed will be reviewed and go through the unclaimed process at the end of next calendar year. Further:

- a. Any amount of money remaining in the Settlement Fund due to any uncashed or undeliverable checks ("Residual Amount") shall be shared among all Eligible Class Members for whom payment were deposited or whom cashed checks sent to them if such payment would exceed \$20 per Class Member. Any balance remaining in the fund shall revert to Medtronic and be used to provide training in equal employment opportunity to its personnel in addition to training it is obligated to provide under Executive Order 11246, Section 503, and VEVRAA:
- b. Payment of shares of any Residual Amount shall be made in the manner specified in Part III.1.C.3 and Part III.1.C.5.; and
- c. Medtronic shall provide written verification of any residual amount that is in the Settlement Fund just prior to making the payments described in this paragraph, in the form of a bank statement or other similar document provided by the financial institution holding the Settlement Fund.

#### **D. SALARY ADJUSTMENTS**

1. Within one hundred eighty (180) days of the Effective Date, and on an annual basis thereafter for two (2) years, from the execution of this Agreement, Medtronic shall conduct a compensation analysis for Assemblers at Medtronic's, Brooklyn Park, Minnesota facility. Medtronic's analysis will utilize, at a minimum, race, time in company (base and squared terms) and job title. Medtronic will provide the compensation database used in the analysis to OFCCP. Medtronic will also provide OFCCP with all pertinent information necessary for OFCCP to conduct a compensation analysis for Assemblers, including but not limited to payroll data (in Excel format), all information relating to salary adjustments that incorporate performance reviews and the gender, ethnicity and race of all new individuals hired in Assemblers. In addition, Medtronic will provide OFCCP with enough information for the Agency to replicate the company's compensation analysis, including, but not limited to, the factors used (such as time in company and performance) and a narrative discussing the results. Medtronic will investigate and remedy any statistically significant compensation disparities identified by Medtronic and/or OFCCP based on gender, ethnicity and/or race that cannot be explained by legitimate factors, through salary adjustments.

#### **E. NON-MONETARY REMEDIES FOR AFFECTED CLASS**

Medtronic will ensure that all employees are afforded equal employment opportunities with respect to Medtronic's policies and practices that affect compensation. Medtronic Inc. agrees to continue or to implement the corrective actions detailed below:

1. Equal Employment Opportunities: Medtronic will ensure that all employees are afforded equal employment opportunities with respect to Medtronic's policies and practices that affect compensation. Medtronic agrees to continue to implement the corrective actions detailed below.
2. Evaluation: For Assemblers, Medtronic will evaluate whether starting salaries, salary increases, promotion decisions, performance evaluation ratings, procedures for assigning work, the availability of training opportunities, leave policies, steering applicants into low paying jobs, and / or limiting the opportunity to transfer to better jobs have a disproportionately negative effect on the compensation of Asians and Hispanics.

3. Implement Improved Policies. Medtronic will review its policies, and revise them as necessary, to eliminate all practices that had an adverse effect on the compensation of Asians and Hispanics in the Assembler position, based on OFCCP's analysis. Medtronic will review its guidelines for determining the starting salaries to be assigned to newly hired Assemblers and, as necessary, revise them. Medtronic will also review its procedures and, as necessary revise them to ensure compensation decisions are tracked and evaluated for compliance with all policies and documents are retained in accordance with 41 C.F.R § 60-1.12(a) and Part 60-3.
4. Training. Within 180 calendar days of the Effective Date, Medtronic will train all individuals involved in any way in determining compensation at Medtronic's Brooklyn Park, Minnesota facility on any new and/or revised policies, procedures, and programs developed under Part III E.3. of this Agreement.
5. Self-Monitoring/Auditing. Medtronic will monitor base salary for employees in the Assembler position for any indication of statistically significant disparities based on gender, ethnicity and/or race and will investigate and remedy any such inequity that cannot be explained by legitimate factors, through salary adjustments.

Medtronic expressly agrees to investigate any complaint or information it received that may indicate compensation disparities.

Medtronic commits to self-monitor its compensation program for employees in Assembler positions on an annual basis.

## **2. FAILURE TO PERFORM AN IN-DEPTH ANALYSIS OF ITS TOTAL EMPLOYMENT PROCESS**

- A. Violation: Medtronic failed to perform in-depth analyses of its compensation system to determine whether there are race based disparities, in violation of 41 C.F.R. § 60-2.17(b)(3).
- B. Remedy: Pursuant to 41 C.F.R. § 60-2.17(b), Medtronic will evaluate annually its compensation policies and practices to ensure they comply with 41 C.F.R. 60 § 1.4(a)(1). This self-analysis includes:
  - a. A self-analysis of compensation of all employees in the Assembler positions to ensure nondiscrimination in rates of pay.
  - b. An assessment of how managers at Medtronic are implementing the revised policies and procedures to ensure their actions are consistent with the requirements of 41 C.F.R. § 60-1.4(a)(1).

## **3. DEVELOPMENT AND IMPLEMENTATION OF AN INTERNAL AUDITING AND REPORTING SYSTEM**

- A. Violation: Medtronic failed to develop and implement an internal audit and reporting system that periodically measures the effectiveness of its total affirmative action program, including compensation, as required by 41 C.F.R. § 60-2.17(d)(1-4).
- B. Remedy: Medtronic agrees to develop and implement an auditing system that periodically



measures the effectiveness of its total affirmative action program. The actions listed below are keys to a successful affirmative action program:

- a. Monitor records of all personnel activity, including referrals, placements, transfers, promotions, terminations and compensation, at all levels to ensure the nondiscriminatory policy is carried out;
- b. Require internal reporting on a scheduled basis as to the degree to which equal employment opportunity and organizational objectives are attained;
- c. Review report results with all levels of management; and
- d. Advise top management of program effectiveness and submit recommendations to improve unsatisfactory performance, as required by 41 C.F.R. § 60-2.17(d)(1-4).

#### **PART IV. REPORTS REQUIRED**

1. Medtronic will submit the documents and reports described below to: Nathaniel Jackson, Assistant District Director of OFCCP, 920 Second Avenue South, Suite 575, Minneapolis, Minnesota 55402, (b) (6), (b) (7)(C).
- A. Within sixty (60) days of the Effective Date, Medtronic will submit a copy of the written revised compensation policies and practices described in Part III.1.E.3 of this Agreement.
- B. Within two hundred ten (210) days of the Effective Date, Medtronic will submit copies of all documents showing it has taken the Corrective Action identified under Part III 1.E.2 and 3.
- C. Within two hundred ten (210) days of the Effective Date, of this agreement, Medtronic will submit documentation that all managers, supervisors, and other personnel involved in making compensation decisions for Assembler positions have received training on all new and revised policies, developed under Part III.1.E.3. or .4 of this Agreement. The documentation will include the dates of the training, the names and job titles of all attendees, an outline of the topics discussed during the training, and the name and job title of each person who conducted the training.
- D. Medtronic will submit all documents and information referenced in Parts III and IV of this Agreement within the prescribed timeframes.
- E. Medtronic will submit three progress reports. The first report will be due one hundred eighty (180) days from the Effective Date. Each subsequent report must cover the successive six-month period, and must be submitted within 30 calendar days after the close of that six-month period. Medtronic will submit the following in each progress report:
  - a. Medtronic will provide OFCCP, as described in Part III, 1. of this Agreement:
    - The compensation database and all additional information identified in Part III.1.D.1;
    - The analysis, by gender, ethnicity and race, of employees' pay in Assemblers positions identifying any differences in pay, and;

- If differences that cannot be explained by legitimate factors are identified by Medtronic and / or OFCCP, documentation of pay adjustments to eliminate the difference.
  - b. Medtronic will provide documentation describing all salary adjustments required by Part III.1.D of this Agreement. The documentation will include the amount of each adjustment, the date each adjustment will be / was made, and the gender, ethnicity and race of each individual receiving an adjustment.
- F. Medtronic will submit a copy of the current EO 11246 AAP, pursuant to 41 C.F.R. § 60-2.10(b), in effect at the Medtronic's Brooklyn Park, Minnesota facility for each year it is under progress report monitoring.
2. Medtronic agrees to retain all records relevant to the violations cited in Part III above and the reports submitted or created in compliance with this Agreement. These records include underlying data and information such as payroll data, job applications and personnel records, and any other records or data used to generate the required reports. Medtronic will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

**PART V. SIGNATURES**

The person signing this Agreement on behalf of Medtronic PLC personally warrants that he or she is fully authorized to do so, that Medtronic has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Medtronic.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Medtronic, Inc., now known as Medtronic PLC, 710 Medtronic Parkway, LS360, Minneapolis, Minnesota 55432.

(b) (6), (b) (7)(C)

Michelle Miller  
Vice President, Chief Counsel Employment Law  
Medtronic, Inc., now known as Medtronic PLC

Date: 7/29/19

(b) (6), (b) (7)(C)

Nathaniel Jackson  
Assistant District Director  
OFCCP, Minneapolis Area Office

Date: 7/31/19

(b) (6), (b) (7)(C)

Samuel Maiden  
Acting Regional Director  
OFCCP, Midwest Region

Date: 8/2/2019

(b) (6), (b) (7)(C)

(b) (7)(C), (b) (7)(E)  
Compliance Officer  
OFCCP, Minneapolis Area Office

Date: 7/31/19

(b) (6), (b) (7)(C)

Henrietta Brinson  
Acting District Director  
OFCCP, Minneapolis Area Office

Date: 07/31/2019

(b) (6), (b) (7)(C)

Carmen Navarro  
Deputy Regional Director  
OFCCP, Midwest Region

Date: 8/1/2019

**ATTACHMENT A**  
**CLASS MEMBER LIST**

Count	Class Member ID	Last Name	First Name	Back Pay	Interest	Total
1	(b) (6), (b) (7)(C)					
2						
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38						

ATTACHMENT A  
CLASS MEMBER LIST

Count	Class Member ID	Last Name	First Name	Back Pay	Interest	Total
39	(b) (6), (b) (7)(C)					
40						
41						
42						
43						
44						
45						
46						
47						
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75						
	TOTALS					300,000

# *You may be eligible to get money from a recent legal settlement between Medtronic, Inc., now known as Medtronic PLC and the U.S. Department of Labor*

*We are writing to provide information about a legal settlement between the U.S. Department of Labor and Medtronic PLC that may benefit you. This settlement involves claims of pay discrimination, and our records show that you may be one of the employees covered by the settlement. If you take the steps described in this Notice by the deadline below, you may be eligible for a payment of back wages.*

## **ARE YOU AFFECTED?**

Asian and Hispanic employees who worked as Assemblers at Medtronic PLC as of April 29, 2011 are covered by this settlement.

## **WHAT IS THIS SETTLEMENT ABOUT?**

The U.S. Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) conducted a review of Medtronic PLC's compensation practices as of April 29, 2011. OFCCP is the government agency responsible for enforcing the equal employment opportunity and affirmative action requirements that apply to federal contractors. OFCCP issued a Notice of Violations alleging that Medtronic PLC discriminated against Asian and Hispanic employees in the Assembler position referenced above based on compensation from April 29, 2011 to April 29, 2015. Medtronic PLC denies those claims. Ultimately, OFCCP and Medtronic PLC have agreed to resolve the issue through a Conciliation Agreement. A Conciliation Agreement is a legal document that explains the terms of an agreement to settle a Notice of Violations issued by OFCCP.

## **WHAT DOES THIS MEAN FOR YOU?**

**You may be eligible to receive a payment of at least \$x,xxx** (before taxes). This payment represents your share of back wages and other payments Medtronic PLC is making to settle the lawsuit. The final amount you will receive will be reduced by deductions for items such as income tax withholding and Social Security contributions.

To get these benefits, you will need to release (give up) certain legal claims, and sign the enclosed Claim and Release forms.

## WHAT IS YOUR NEXT STEP?

You should read this Notice, the Claim and Release forms, and any other information you received from the U.S. Department of Labor or the Settlement Administrator Kathy Yocum.

Please do not ignore these documents or throw them away. Otherwise, you could miss an opportunity to receive money.

To be eligible for a payment, you must complete, sign, and return **both** the following enclosed documents, (1) Claim Form and (2) Release of Claims **[by X date]** to:\_\_\_\_\_

*Settlement Administrator*  
*OFCCP – Medtronic PLC*  
*Kathy Yocum*  
Sr. HR Manager, Compliance  
710 Medtronic Parkway NE, MS LS-360  
Minneapolis, MN 55432

**The documents must be received by **[insert actual date]**.**

You may receive some or all of these benefits only if these forms confirm that you are one of the individuals covered by the settlement. After correct completion and submission of these documents, a final decision will be made about your eligibility.

**If you fail to return both of the required documents by the deadline [or if your documents do not verify your eligibility] you will not be eligible to receive any money or any other relief provided to you by the settlement.**

## HOW CAN YOU GET MORE INFORMATION?

If you have any questions, you may contact Kathy Yocum **(b) (6), (b) (7)(C)**  
**(b) (6), (b) (7)(C)**. You can also visit the U.S. Department of Labor website about this case at [www.dol.gov/ofccp/cml](http://www.dol.gov/ofccp/cml).

# Claim Form – Affected Employees

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PLEASE CAREFULLY READ THE ENCLOSED NOTICE BEFORE COMPLETING THIS CLAIM FORM.

## INSTRUCTIONS FOR FILING A CLAIM TO BE CONSIDERED FOR MONEY (BACK WAGES)

DEADLINE TO RESPOND IS **XX DAY, XX MONTH, XXXX YEAR**

If you complete this Claim Form, you may be eligible for a money payment from the settlement. To receive an award (such as money), you must complete and return this Claim Form and the Release Form (Attachment D) postmarked or hand-delivered on or before **[Deadline above]**, to

*Medtronic Cardiac Surgery*  
*Kathy Yocum*  
Sr. HR Manager, Compliance  
710 Medtronic Parkway NE, MS-LS360  
Minneapolis, MN 55432

If you do not submit a properly completed Claim Form and Release Form on or before **[Deadline above]**, then your claim will not be on time and **you will not receive any money from this settlement.**

Enclosed is a stamped, pre-addressed envelope you can use.

**This Claim Form will only be used to confirm important information we need in order to make sure you are eligible to receive money under this settlement and process your payment.**



**Step 1: Please confirm [or provide] the following contact information to process your payment (print legibly).**

Name: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

☐ I confirm that the address on the cover letter is correct.

☐ The address on the cover letter is not correct. My correct address is:

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Please verify [or provide] the last four digits of your Social Security Number \_\_\_\_**

*The last four digits of your Social Security Number are required in order to process your payment for tax purposes. Your Social Security Number will not be used for any other purpose.*

**Notify us at the address below if your address changes within the next three months, or contact us if you have any questions about this claim form, the notice, or the settlement.**

*Medtronic Cardiac Surgery  
Kathy Yocum  
Sr. HR Manager, Compliance  
710 Medtronic Parkway NE, MS LS-360  
Minneapolis, MN 55432*

**(b) (6), (b) (7)(C)**

**Step 2: Sign and return along with the Release Form**

I certify the above as true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246

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**PLEASE CAREFULLY READ THE ENCLOSED NOTICE BEFORE COMPLETING THIS RELEASE. YOU MUST RETURN A SIGNED RELEASE TO RECEIVE MONEY FROM THE SETTLEMENT**

This Release of Claims under Executive Order 11246 ("Release") is a legal document. This document states that in return for Medtronic, Inc., now known as Medtronic PLC providing you with money, you agree that you will not file any lawsuit against Medtronic Cardiac Surgery for allegedly violating Executive Order 11246 in connection with its compensation of Assembler positions. It also says that Medtronic 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 \$x,xxx (less deductions required by law) by Medtronic, Inc., now known as Medtronic PLC to me, which I agree is acceptable, I agree to the following:

I.

I hereby waive, release and forever discharge Medtronic PLC, its predecessors, successors, related entities, parents, subsidiaries, affiliates and organizations, and its and their shareholders, owners, directors, officers, employees, agents, successors, and assigns, of and from any and all actions, causes of action, damages, liabilities, and claims arising out of or actionable under Executive Order 11246, as amended, which I or my representatives (heirs, executors, administrators, or assigns) have or may have which relate in any way to compensation of Assembler positions during the period of April 29, 2011 to April 29, 2015.

II.

I understand that Medtronic PLC denies that it treated me unlawfully or unfairly in any way and that Medtronic, Inc., now known as Medtronic PLC 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 without further legal proceedings all issues related to OFCCP's compliance reviews of Medtronic PLC initiated on March 19, 2012. I further agree that the payment of the aforesaid sum by Medtronic, Inc., now known as Medtronic PLC, to me is not to be construed as an admission of any liability by Medtronic PLC.

III.

I declare that I have read this Release and that I have had a full opportunity to consider and understand its terms and to consult with my advisors and seek legal advice. I further declare that I have decided of my own free will to sign this Release.

I understand that if I do not sign this Release and return it to Kathy Yocum, SR HR Manager, Compliance, 710 Medtronic Parkway NE, MS LS-360, Minneapolis, MN 55432 such that it is received by [DATE], I will not be entitled to receive any payment (less deductions required by law).

I have signed this document of my own free will.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_