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JAN 30 2012

Conciliation Agreement
Between the United States Department of Labor
Office of Federal Contract Compliance Programs
And
Russell Brands, LLC
1225 Lee Street
Alexander City, Alabama 35010

PART I: General Provisions

1. This Agreement is between the Office of Federal Contract Compliance Programs (hereinafter, OFCCP) and Russell Brands, LLC (hereinafter, Russell).
2. The violations identified in this Agreement were found during a compliance evaluation of Russell at its establishment located at 1225 Lee Street, Alexander City, Alabama, which began on May 12, 2011 and they were specified in a Notice of Violation issued January 12, 2012. OFCCP alleges that Russell violated Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and their implementing regulations at 41 CFR Chapter 60, due to the specific violations cited in Part II below.
3. This Agreement does not constitute an admission by Russell of any violation of Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and their implementing regulations.
4. The provisions of this Agreement will become part of Russell's affirmative action programs (AAPs). Subject to the performance by Russell of all promises and representations contained herein and in its affirmative action programs, all named violations in regard to the compliance of Russell with all OFCCP programs will be deemed resolved. However, Russell is advised that the commitments contained in this Agreement do not preclude future determinations of noncompliance based on a finding that the commitments are not sufficient to achieve compliance.
5. Russell agrees that OFCCP may review compliance with this Agreement. As part of such review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents, as may be relevant to the matter under investigation and pertinent to Russell's compliance. Russell shall permit access to its premises during normal business hours for these purposes.
6. Nothing herein is intended to relieve Russell from the obligation to comply with the requirements of Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and their implementing regulations, or any other equal employment statute or executive order or its implementing regulations.
7. Russell agrees that there will be no retaliation of any kind against any beneficiary of this Agreement or against any person who has provided information or assistance or who files a complaint or who participates in any manner in any proceedings under Executive Order 11246.

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as amended; Section 503 of the Rehabilitation Act of 1973, as amended; the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212) and their implementing regulations at Title 41 CFR Chapter 60.

8. This Agreement will be deemed to have been accepted by the Government on the date of signature by the District Director for OFCCP, unless the Regional Director or the Director, OFCCP, indicates otherwise within 45 days of the District Director's signature on this Agreement.
9. If, at any time in the future, OFCCP believes that Russell has violated any portion of this Agreement during the term of this Agreement, Russell will be promptly notified of that fact in writing. This notification will include a statement of the facts and circumstances relied upon in forming that belief. In addition, the notification will provide Russell with 15 days from receipt of the notification to respond in writing, except where OFCCP alleges that such a delay would result in irreparable injury.

Enforcement proceedings for violation of this Agreement may be initiated at any time after the 15-day period has elapsed (or sooner, if irreparable injury is alleged) without issuing a Show Cause Notice.

Where OFCCP believes that Russell has violated this Conciliation Agreement, OFCCP may seek enforcement of this Agreement itself and shall not be required to present proof of the underlying violation resolved by this Agreement.

Liability for violation of this Agreement may subject Russell to sanctions set forth in Section 209 of the Executive Order, 41 CFR 60-300.66 and 41 CFR 60-741.66 and/or other appropriate relief.

PART II: Specific Provisions

1. **VIOLATION:** Russell failed to take affirmative action to employ and to advance in employment qualified disabled veterans and individuals with disabilities in its terms, conditions or privileges of employment. Specifically, Russell failed to provide accessible parking in all of its parking lots for the use of mobility impaired individuals. 41 CFR 60-300.5(a)(1)(i) and (ix) and 41 CFR 60-741.5(a)(1)(i)(ix).

REMEDY: Russell will install accessible parking spaces in any parking lot that currently has no such parking. Additionally, in compliance with 41 CFR 60-300.44(d) and 41 CFR 60-741.44(d), Russell must make reasonable accommodations to the known physical limitations of otherwise qualified disabled veterans and individuals with disabilities.

In response to OFCCP's investigation, on December 12, 2011, Russell installed an accessible parking space, at the cost of \$225, in its parking lot.

2. **VIOLATION:** Russell failed to make available, Russell's Affirmative Action Plan (AAP) to any employee or applicant for employment by not posting, at each establishment, the location and hours during which the AAP may be obtained or inspected. 41 CFR 60-300.41 and 41 CFR 60-741.41

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REMEDY: Russell must post the location and hours during which Russell's AAP may be obtained or inspected in a conspicuous place that is accessible by employees and applicants, at each of its establishments.

On November 16, 2011, Russell conspicuously posted the location of its AAP for veterans and/or persons with disabilities and appropriate times/hours for inspection purposes by applicants for employment.

3. **VIOLATION:** Russell failed to perform in-depth analyses of its total employment process to determine whether and where impediments to equal opportunity exist. Specifically, Russell failed to evaluate its compensation system to determine whether there are gender-, race- or ethnicity-based disparities. 41 CFR 60-2.17(b)(3)

REMEDY: Russell will evaluate its compensation system to determine whether there are gender-, race- or ethnicity-based disparities. Where such disparities are found, Russell must execute corrective action, as required by 41 CFR 60-2.17(c). Russell must maintain records of such analysis and corrective action, as required by 41 CFR 60-2.10 and must make them available to OFCCP, upon request, as required at 41 CFR 60-2.32. Russell must update the evaluation of its compensation system and taken corrective action, if indicated, at least annually.

In response to OFCCP's investigation of a gender-based pay disparity affecting 2 females in the (b) (7)(C) job title, Russell, although it reaffirms that this disparity in pay was not due to gender, made the following changes: a) on September 25, 2011, Russell developed a new job title along with a new job description for a (b) (7)(C). One of the affected females was reclassified into this job title, which more accurately reflects the actual job duties she performs and b) on October 4, 2011 Russell increased the yearly salary of the remaining female (b) (7)(C) by \$2,674.

FUTURE CONDUCT: Russell will not repeat the above violations.

PART III: Reporting

Russell will submit **one report**, as stated below, to Assistant District Director—Birmingham, United States Department of Labor, Office of Federal Contract Compliance Programs, Medical Forum Building, 950 22nd Street North, Suite 660, Birmingham, Alabama 35203.

The **report** shall be due January 31, 2013 and shall cover the period January 1, 2012 through December 31, 2012. The report shall contain the following:

Pursuant to Remedy 3: Documentation of:

- a. Russell's analysis of its compensation system, including the results of Russell's evaluation as to if disparities exist based on gender, race or ethnicity among those members of groups identified in 41 CFR 60-3.4B and 41CFR 60-2.17 (b)(3); and
- b. The actions taken by Russell in response to 1a, where action is appropriate, including a report of the amounts of compensation adjustments made.

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TERMINATION DATE: This Agreement will expire 90 days after OFCCP receives the second report required in Part III above or on the date that the District Director gives notice to Russell that Russell has satisfied its reporting requirements, whichever occurs earlier, unless OFCCP notifies Russell in writing prior to the end of the 90-day period that Russell has not satisfied its reporting requirements pursuant to this Agreement.

INTEGRATION CLAUSE: This Agreement represents the full Agreement between Russell and OFCCP and this Agreement supersedes any other agreements, oral or written. In signing this Agreement, neither Russell nor OFCCP relies upon any promise, representation of fact or law, or other inducement that is not expressed in this Agreement. This Agreement may be modified only by written agreement of the Parties affected and may not be modified by any oral agreement.

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PART IV: Signatures

The person signing this Conciliation Agreement on behalf of Russell Brands, LLC personally warrants that he is fully authorized to do so; that Russell Brands, LLC has entered into this Conciliation Agreement voluntarily and with full knowledge of the effect thereof; and that execution of this Agreement is fully binding on Russell Brands, LLC. This Conciliation Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Russell Brands, LLC.

DATE: 1/27/12

(b) (7) (c)

M. Clayton Humphries, Jr.
Vice President & Assistant General Counsel
Russell Brands, LLC
1225 Lee Street
Alexander City, Alabama 35010

DATE: 1-31-12

(b) (7) (c)

Compliance Officer—Birmingham
Office of Federal Contract
Compliance Programs

DATE: 1-31-12

(b) (7) (c)

Eunsook Kim
Assistant District Director—Birmingham
Office of Federal Contract
Compliance Programs

DATE: 31 January 2012

(b) (7) (c)

Rafael A. Ortiz
District Director—Birmingham
Office of Federal Contract
Compliance Programs