

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
Hospitality Logistics International, LLC d/b/a HLI Government Services

I. PRELIMINARY STATEMENT

The Office of Federal Contract Compliance Programs (OFCCP) conducted a complaint investigation of Hospitality Logistics International, LLC d/b/a HLI Government Services (“Contractor”) and found that the Contractor failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order) and its implementing regulations at 41 Code of Federal Regulations (C.F.R.) Chapter 60-1. OFCCP notified Contractor of the specific violation in a Notice of Violation issued on March 24, 2022.

In the interest of resolving the violation without engaging in further legal proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and Contractor enter into this Conciliation Agreement (“Agreement”) and its attachments, and the parties agree to all the terms therein.

The attachments to this Agreement are deemed incorporated into this Agreement.

II. GENERAL TERMS AND CONDITIONS

1. In exchange for Contractor’s fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246 based on the violations alleged in the Notice of Violation. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Contractor violates any provision of this Agreement, as set forth in Paragraph 11, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review Contractor’s compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Contractor will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all hard copy or electronic reports and documents it requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves Contractor of its obligation to fully comply with the requirements of E.O. 11246, their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.
4. Contractor and OFCCP agree that any release of claims required by this Agreement will only pertain to claims under E.O. 11246.

5. Contractor agrees that it will not retaliate against any potential or actual beneficiary of this Agreement or against any person who files a complaint, who has provided information or assistance, or who participates in any manner in any proceeding in this matter.
 6. The parties understand the terms of this Agreement and enter into it voluntarily.
 7. This Agreement, including its attachments, constitutes the entire Agreement and represents the complete and final understanding of the parties. This Agreement contains all of the terms binding the parties and it supersedes all prior written and oral negotiations and agreements. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by all parties. If an administrative error is found, OFCCP will work in good faith with all parties to make the corrections.
 8. This Agreement becomes effective on the day it is signed by the Regional Director (Effective Date).
 9. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
 10. This Agreement will expire sixty (60) days after Contractor submits its final progress report required in Section IV, below, unless OFCCP notifies Contractor in writing before the expiration date that Contractor has failed to fulfill all of its obligations under the Agreement. In this instance, the Agreement is automatically extended until the date that OFCCP determines that Contractor has met all of its obligations under the Agreement.
 11. If Contractor violates this Agreement:
 - a. The procedures at 41 C.F.R. § 60-1.34 will govern:
 - i. OFCCP will send Contractor a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. The Contractor shall have fifteen (15) days from receipt of the notice to respond, except in those cases in which such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
 - iii. If Contractor is unable to demonstrate that it has not violated the Agreement, or if OFCCP's alleges irreparable injury, enforcement proceedings may be initiated immediately without issuing a show cause notice or proceeding through any other requirement.
 - iv. In the event of a breach of this Agreement by the Contractor, OFCCP may elect to proceed to a hearing on the entire case and seek full make-whole relief, and not be limited to the terms agreed to in the Agreement.
 - b. Contractor may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. § 60-1.27, and/or other appropriate relief for violating this Agreement.
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12. Contractor neither admits nor denies any violation of the Executive Order, nor has there been an adjudication on the merits regarding any such violation.
13. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
14. The parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor.
15. Each party shall bear its own fees and expenses with respect to this matter.
16. This Agreement is limited to the facts of this case. Neither this Agreement, nor any part of the negotiations that occurred in connection with this Agreement, shall constitute admissible evidence with respect to any OFCCP policy, practice or position in any lawsuit, legal proceeding, administrative proceeding, compliance evaluation or audit, except for legal or administrative proceedings concerning the enforcement or interpretation of this specific Agreement.
17. All references to "days" in this Agreement, and in the Timeline included as Attachment A, are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a Federal holiday, that deadline will be extended to the next business day.

III. FINDING AND REMEDIES

1. **VIOLATION:** OFCCP found that Contractor is not in compliance with 41 CFR § 60-1.4(a)(3) when it discharged (b) (6), (b) (7)(C) ("Complainant") because (b) (6) inquired about (b) (6), (b) (7)(C) pay.
 2. **REMEDY:** Contractor agrees to provide appropriate monetary remedy to Complainant; immediately comply with 41 CFR § 60-1.4(a)(3); and develop and implement practices, policies, procedures and training specified below in accordance with the deadlines set forth in the agreement.
 - a. **Monetary Settlement.** Contractor will provide Complainant a monetary settlement in the amount of \$100,000.00 (one hundred thousand dollars and zero cents) which is a negotiated amount. Contractor's share of taxes on the portion representing back pay (such as federal, state and/or local taxes and Federal Income Contributions Act (FICA)) is not part of the settlement. Contractor will be responsible for all employer-paid taxes. Contractor shall mail Complainant an IRS Form W-2 for the payment. This IRS form will be provided either at the time of payment or at the end of the year of payment. Complainant will not be required to complete a W-4 or W-9 to receive a payment under this settlement.
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- b. **Notice Documents.** Within fifteen (15) days of the Effective Date of this Agreement, Contractor will mail the Notice Documents contained in Attachments B and C to Complainant. The Notice Documents include a Notice and Release of Claims and a postage-paid return envelope. These documents will be sent by Priority Mail with a tracking number to the best available mailing address for Complainant by the date set forth in this Agreement. If the envelope from the initial mailing notice is returned with a forwarding address, Contractor will re-mail the Notice Documents within ten (10) days of receipt of the forwarding address. OFCCP will provide Contractor with updated information for a second mailing in accordance with the Timeline.

The final deadline for Complainant to respond to the Notice Documents will be set forth in these documents and be sixty (60) days from the date of the Notice Documents. Contractor will prominently display the deadline on all materials it distributes electronically to the Complainant regarding this Agreement and explain that failure to respond by this deadline will result in forfeiture of any relief provided by this Agreement.

Contractor will mail the payment via check to the Complainant within five (5) days of receipt of a signed Release of Claims (Attachment C). The check shall be mailed via express delivery service with confirmation receipt to the address noted on the Release of Claims.

- c. **Neutral Reference.** Contractor agrees that should it be contacted by any third party regarding a reference for Complainant, it will provide a neutral reference consisting of confirmation of employment, dates of employment and that complainant resigned his employment with Contractor.
- d. **Future Employment.** Contractor agrees that Complainant has the opportunity to apply to posted employment vacancies at the Contractor in the future.
- e. **Policy.** Within thirty (30) days of the Effective Date, Contractor will revise and adopt a policy that (1) does not prohibit employees or applicants from discussing or disclosing their compensation or the compensation of others and (2) prohibits discrimination against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant. The policy and its implementation shall include revisions to employee manual, handbooks, and intranet sites to include, at a minimum, a pay transparency nondiscrimination provision. Current employees shall be advised of the policy revisions within forty-five (45) days of the Effective Date.
- f. **Training.** Contractor will conduct training on the pay transparency nondiscrimination provision of Executive Order 11246. The purpose of the training is to educate all employees on nondiscrimination against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of
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another employee or applicant. The proposed trainer, schedule and content of the training shall be submitted to OFCCP.

Contractor agrees that within sixty (60) days of the Effective Date, it shall submit the following information to OFCCP:

- i. name, title, resume, and qualifications of trainer,
- ii. proposed date(s), time(s) and location(s) of the training,
- iii. proposed schedule of the training,
- iv. proposed contents of the training,
- v. all proposed materials to be distributed to the participants of the training, and
- vi. name and title of each employee to attend the training.

After the information in the above paragraph has been submitted to OFCCP and OFCCP has not objected within thirty (30) days of receipt of the training information, the Contractor will begin implementation of the training pursuant to its proposed schedule. If OFCCP objects to the proposed training, Contractor will submit a new proposal for training within ten (10) days of receiving OFCCP's objections.

Contractor agrees to certify to OFCCP within thirty (30) days of the delivery of the training that the training was conducted and that all employees named per paragraph III(2)(f) attended by listing each attendee's name, signature, and position title.

IV. REPORTING

Contractor shall submit the following two (2) reports to OFCCP, via email to (b) (6), (b) (7)(C), Regional Liaison, (b) (6), (b) (7)(C)@dol.gov and Andrew Daley, Director of Regional Operations, (b) (6), (b) (7)(C)@dol.gov.

1. Within ninety (90) days of the Effective Date of this Agreement, Contractor shall provide:
 - a. Documentation that it mailed the Notice Documents to Complainant, including a Priority Mail tracking number;
 - b. A copy of the signed Release of Claims;
 - c. Documentation that Contractor mailed the monetary payment to the Complainant, including the tracking information and a copy of the check;
 - d. Documentation that the check cleared the bank, provided Complainant signed and returned the release;
 - e. Documentation that Contractor changed the records to reflect that Complainant resigned; and
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- f. A copy of Contractor's policy related to pay secrecy.
 - 2. Within one-hundred twenty (120) days from the Effective Date, Contractor shall provide:
 - a. Documentation of implementation and incorporation of the policies and processes implemented in accordance with Part III of this Agreement; and
 - b. Documentation of all training provided as required by Part III of this Agreement.
 - 3. **Recordkeeping.** Contractor will retain all records relevant to the Charge and as cited in Section III above and the reports described in this Agreement until this Agreement expires or for the period consistent with regulatory requirements, whichever is later. The records include all underlying data and information. To the extent any of the reports provided in accordance with this Agreement are customarily kept private or closely held, and Contractor believes should remain confidential under Exemption 4 of the Freedom of Information Act ("FOIA"), Contractor will provide such reports and information to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will treat any such documents received as confidential documents.
 - 4. **Close of Monitoring Period and Termination of Agreement.** This Agreement shall remain in effect until the monitoring period is completed. The monitoring period will close once OFCCP accepts Contractor's final report as set forth in Part II, Paragraph 10 above. If OFCCP fails to notify Contractor in writing within sixty (60) days of the date of the final progress report that Contractor has not fulfilled all of its obligations under the Agreement, OFCCP will be deemed to have accepted the final report and the Monitoring Period and this Agreement will terminate. If OFCCP notifies Contractor within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Contractor has met all of its obligations under the Agreement.
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V. SIGNATURES

The person signing this Agreement on behalf of Contractor personally warrants that he or she is fully authorized to do so, that Contractor has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Contractor. This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Hospitality Logistics International, LLC

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

Benjamin Murphy
President
Hospitality Logistics International, LLC

DATE: 9/27/2022

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

CARMEN NAVARRO
Regional Director
Midwest Regional Office
OFCCP

DATE: 10/4/22

Attachments:

- A. Timeline
 - B. Notice Document
 - C. Release of Claims Under Executive Order 11246 for Complainant
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Attachment A: Timeline

Effective Date of Conciliation Agreement:		
Due Date	# of Days	Action Required
	15	Contractor mails Notice Documents to (b) (6), (b) (7)(C)
	75	Deadline for (b) (6), (b) (7)(C) to submit completed Notice Documents
	80 or less	Contractor will mail payment via check to the Complainant within five (5) days of receipt of a signed Release of Claims
	15	Contractor will change its records to reflect that (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
	30	Contractor revises and adopts a policy that (1) does not prohibit employees or applicants from discussing or disclosing their compensation or the compensation of others and (2) prohibits discrimination against employees or applicants because they have inquired about, discussed, or disclosed their own pay or the pay of another employee or applicant.
	45	Contractor advises employees of pay transparency policy
	60	Contractor submits training proposal to OFCCP
	10	Contractor submits revised training if OFCCP raises objection(s).
	Varies	Contractor conducts training 30 days after submitting training proposal, absent OFCCP objection(s)
	Varies	Contractor confirms training was conducted within 30 days of training.
	90	Report 1 due
	120	Report 2 due

Attachment B: Notice Document

Via USPS Priority Mail

DATE

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

Dear (b) (6), (b) (7)(C):

Hospitality Logistics International, LLC ("Contractor") 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 complaint investigation of Contractor. OFCCP's investigation found that the Contractor failed to comply with its obligations under the nondiscrimination provisions of E.O. 11246 when it discharged you because you inquired about pay. The Contractor has not admitted to any violation of E.O. 11246 and there has not been any adjudicated finding that the Contractor violated any laws. OFCCP and the Contractor entered into the Agreement to resolve the matter without resorting to further legal proceedings.

Under the Agreement you are eligible to receive a payment of \$100,000.00 (one-hundred thousand dollars and zero cents) representing a negotiated amount (less deductions required by law) and the Contractor agrees that you have the opportunity to apply to posted employment vacancies at the Contractor in the future.

Under the terms of the Agreement, it may take up to three months from the date of this letter before you receive your payment. To be eligible for a payment, you must complete, sign, and return the enclosed Release of Claims Form. You may have a personal attorney review the Release. This form should be mailed as soon as possible to the address below. **For you to be eligible to participate in the settlement, your documents must be received by [insert date by which must respond].**

[Name]
[Position]
[Contractor]
[Address]

You may use the enclosed postage-paid return envelope to return the completed and signed Release of Claims Form.

If you have any questions you may call [name] at [contractor] at [phone number], or OFCCP Director of Regional Operations Andrew Daley at (b) (6), (b) (7)(C). Your call will be returned as soon as possible.

Attachment B: Notice Document

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENT TO HOSPITALITY LOGISTICS INTERNATIONAL, LLC BY *[insert date by which must respond]*, YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

Sincerely,

[Name]

Enclosures: Release of Claims Form

Attachment C: Release of Claims

RELEASE OF CLAIMS UNDER EXECUTIVE ORDER 11246, AS AMENDED

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 ("Release") under Executive Order 11246 as amended, is a legal document. The document states that in return for Hospitality Logistics International, LLC ("Contractor") paying you the amount specified below and agreeing to the additional terms specified below, you agree that you will not file any lawsuit against the Contractor for allegedly violating Executive Order 11246, as amended, as it relates to the allegations raised in the complaint you filed with the U.S. Department of Labor, Office of Federal Contract Compliance Programs ("OFCCP"). It also says that the Contractor 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 (a) payment of \$100,000.00 (one-hundred thousand dollars and zero cents), less deductions required by law, by the Contractor to me, which I agree is acceptable, and (b) that I have the opportunity to apply to posted employment vacancies at the Contractor in the future, I agree to the following:

I.

I hereby waive, release and forever discharge Contractor, 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 to my employment at any time prior to the date of my signature on this Release. By signing this agreement, I agree that I have been made whole for any claim that could have been brought under Executive Order 11246, as amended, relating to my employment with the Contractor through the Effective Date of this Release.

II.

I understand that the Contractor denies that it treated me unlawfully or unfairly in any way and that the Contractor entered into a Conciliation Agreement with the OFCCP and agreed to make the payment described above to resolve the matter without further legal proceedings in the complaint investigation initiated by OFCCP on January 10, 2020. I further agree that the payment of the aforesaid sum by the Contractor to me is not to be construed as an admission of any liability by the Contractor.

III.

Attachment C: Release of Claims

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 the contact listed on the enclosed Notice by the deadline listed on the Notice, I will not be entitled to receive any payment (less deductions required by law) from the Contractor.

IN WITNESS WHEREOF, I have signed this document on this day of
_____, 2022.

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

Mailing Address:

Street Address

City, State, Zip Code
