

# Appendix 2

**Appendix 2****PACKING DEFENDANTS' PRIOR VIOLATIONS OF CERTAIN LAWS**

<b><u>JBS</u></b>			
<b>Date</b>	<b>Agency/Regulatory Authority</b>	<b>Description</b>	<b>Sanction</b>
<b>Antitrust, Packers and Stockyards, Securities and CEA Violations</b>			
November 21, 2018	USDA/GIPSA	Failing to provide proper oversight of carcass sequencing procedures at a Nebraska beef processing facility, leading to incorrect over-payments and under-payments to sellers of livestock from December 14, 2017 through March 31, 2018	\$50,000
June 28, 2018	USDA/GIPSA	Failing to install and operate scales used to weigh livestock carcasses to ensure accurate weights and failing to report to livestock sellers accurate livestock weights	\$29,000
November 3, 2016	Brazil's Antitrust Regulator (CADE)	JBS and Rodopa fined for failure to comply with the regulatory and environmental conditions required by a previous merger	3.5 million Brazilian Real (Approximately \$875,000 based on 2019 exchange rates)
September 28, 2016	Brazil's Antitrust Regulator (CADE)	"Gun jumping" -- merging without regulatory approval	388,718.45 Brazilian Real (Approximately \$103,000 based on 2019 exchange rates)

July 21, 2016	USDA/GIPSA	GIPSA found that JBS operated a scale found to give incorrect or inaccurate weights	\$8,000
December 28, 2010	USDA/GIPSA	Failed to disclose when missing Fat-O-Meat'er data had prevented JBS from calculating the lean percent of a particular carcass; leading JBS to substitute undisclosed lean value for missing data	\$175,000
November 28, 2007	Brazil's Antitrust Regulator (CADE)	Companies were charged with anti-competitive practices for coordinating price agreements among themselves in order to keep cattle prices low when purchasing livestock for slaughter	13.7 million Brazilian Real (approximately \$7.6 million against JBS and Marfrig according to 2007 exchange rates)
<b>Bribery and Corruption Violations</b>			
May 31, 2017	Brazil Federal Prosecutors' Office (MPF)	Operation Car Wash—a far-ranging bribery and corruption scandal that hit Brazil	10.3 billion Brazilian Real (Approximately \$3.2 billion based on 2017 exchange rates)
<b>Labor Violations</b>			
June 29, 2012	OSHA	Whistleblower Retaliation: The U.S. Department of Labor entered into a settlement agreement with Pilgrim's Pride Corp. to resolve an investigation by the Department's Occupational Safety and Health Administration into the company's termination of an employee who	\$50,000

		raised environmental complaints, in violation of the whistleblower provision of the Federal Water Pollution Control Act	
December 30, 2009	DOJ Criminal	Pilgrim's Pride Corporation was offered a non-prosecution agreement to resolve an investigation with respect to the hiring and employment of undocumented workers at its plants in the Eastern District of Texas	\$4.5 million
2000-2018	Department of Labor (12 actions), Kentucky State Action (one action), two private cases	15 Wage and hour violations	\$15.53 million total
2000-2018	OSHA	87 Workplace safety violations	\$1.54 million total
2000-2018	NLRB	Eight back pay violations	\$75,305 total
<b>Environmental Violations</b>			
June 16, 2010	DOJ	Clean Water Act violation	\$2 million
2000-2018	EPA	43 Other Environmental violations	\$3.64 million

<b><u>National Beef</u></b>			
<b>Date</b>	<b>Agency/Regulatory Authority</b>	<b>Description</b>	<b>Sanction</b>
<b>Antitrust, Packers and Stockyards, Securities and CEA Violations</b>			
June 12, 2012	USDA/GIPSA	Failing to disclose data errors	\$32,500
March 4, 2008	USDA/GIPSA	Failing to disclose to livestock sellers a freight charge deduction and data error that affected the prices that National Beef paid for cattle purchased pursuant to quality-based pricing grids	\$50,000
May 30, 2001	USDA/GIPSA	National Beef only purchased cattle from one particular seller and retaliated against cattle sellers for disrupting this arrangement	\$95,000
November 28, 2007	Brazil's Antitrust Regulator (CADE)	Companies were charged with anti-competitive practices for coordinating price agreements among themselves in order to keep cattle prices low when purchasing livestock for slaughter	13.7 million Brazilian Reals (approximately \$7.6 million against JBS and Marfrig according to 2007 exchange rates)
<b>Labor Violations</b>			
September 24, 2015	Private Litigation	Wage and hour violation	\$350,000

2000-2018	OSHA	Eight workplace safety violations	\$123,684 total
2010	NLRB	Back pay award	\$14,500
<b>Environmental Violations</b>			
2000-2018	EPA	Eight environmental violations	\$242,905 total

<b><u>Tyson</u></b>			
<b>Date</b>	<b>Agency/Regulatory Authority</b>	<b>Description</b>	<b>Sanction</b>
<b>Antitrust, Packers and Stockyards, Securities and CEA Violations</b>			
September 30, 2016	GIPSA	Failing to disclose its hog carcass trim procedure	\$22,500
August 4, 2011	GIPSA	Using an inaccurate scale to purchase livestock for slaughter	\$7,850
August 16, 1977	CFTC	Tyson Foods and other respondents were charged with manipulating the price of egg futures on the CME for the September 1970 contract	\$10,000, and individual respondents suspended from trading
<b>Bribery and Corruption Violations</b>			
February 10, 2011	DOJ and SEC	Bribe payments made to publicly-employed meat processing plant inspectors and veterinarians in Mexico. Tyson de Mexico initially concealed the improper payments by putting the veterinarians' wives on its payroll while they performed no services for the company	\$9 million total: SEC- \$5 million DOJ- \$4 million
April 28, 2005	SEC	Accounting fraud: made misleading disclosures of prerequisites and personal benefits provided to Don Tyson both prior to and after his retirement as senior chairman in October 2001. The SEC also charged the company with failing to maintain adequate internal controls over Don Tyson's personal use of company assets. Don Tyson was separately charged with causing and aiding and	\$1.5 million

		abetting the company's disclosure violations	
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<b>Labor Violations</b>			
2006-2007	Employee Benefits Security Administration	Two deficient filings	\$100,002 total
2000-2018	Three Department of Labor actions, one Kentucky state action, and 11 litigation judgments and settlements	14 Wage and hour violations; and one violation of the FMLA	\$75.13 million total
2000-2018	Nine Office of Federal Contract Compliance Programs, three EEOC, and two private litigation actions	14 Violations for employment discrimination	\$17.61 million total
2000-2018	Occupational Safety & Health Administration	141 Workplace safety violations	\$2.89 million total
2000-2018	NLRB	23 Labor violations for unpaid back pay	\$593,958 total
<b>Environmental Violations</b>			
February 27, 2018	DOJ	Tyson Poultry pleaded guilty to discharging an acidic feed supplement in violation of the Clean Water Act	\$2.5 million total: \$2 million criminal fine and serve two years of probation. Tyson also ordered to pay

			\$500,000 to maintain and restore waters in the Monett, Missouri area
April 4, 2013	DOJ	Discharging ammonia at 23 facilities in four Midwestern states	\$4.25 million. Tyson also agreed to implement a supplemental environmental project to purchase \$300,000 worth of emergency response equipment for first responders in communities with significant environmental justice concerns.
August 20, 2009	DOJ	Failure to properly operate its nitrification system, resulting in pollutant discharges	\$2.03 million
July 31, 2003	DOJ	Tyson subsidiary violated the Clean Air Act by using a refrigerant found to emit a chemical that damaged the ozone layer	\$5.25 million
June 25, 2003	DOJ	20 Felonies for violations of the Clean Water Act: Tyson admitted to having illegally discharged untreated wastewater from its poultry processing plant near Sedalia into a tributary of the Lamine River	\$7.5 million total to the DOJ and State of Missouri

<p>October 12, 2001</p>	<p>DOJ</p>	<p>Discharging ammonia into the Missouri River</p>	<p>\$14.1 million total: civil penalty in amount of \$4.1 million; also approximately \$10 million in improvements to resolve its violations at the Dakota City facility and for additional projects to further reduce its discharge of pollutants to the air and water</p>
<p>June 22, 2001</p>	<p>U.S. Department of Agriculture Office of Inspector General</p>	<p>Tyson subsidiary Sara Lee sold adulterated meat that appeared to cause a 1998 listeriosis outbreak that resulted in 15 deaths and more than 100 illnesses nationwide</p>	<p>\$4.4 million, and pled guilty to misdemeanor criminal charge</p>
<p>2000-2018</p>	<p>EPA</p>	<p>56 Other environmental violations</p>	<p>\$21.09 million total</p>

<b><u>Cargill</u></b>			
<b>Date</b>	<b>Agency/Regulatory Authority</b>	<b>Description</b>	<b>Sanction</b>
<b>Antitrust, Packers and Stockyards, Securities and CEA Violations</b>			
November 6, 2017	CFTC	Providing inaccurate mid-market marks on swaps, which concealed Cargill's full mark-up, in violation of swap dealer business conduct and reporting requirements, and for failing to supervise swap dealer employees	\$10 million
September 24, 2015	CFTC	Cargill de Mexico SA De CV for unlawfully executed wash trades involving corn, soybean, and wheat futures contracts at the CBOT and at the Kansas City Board of Trade	\$500,000
March 28, 2014	USDA/GIPSA	Failing to ensure accurate carcass weights	\$10,175
May 13, 2010	USDA/GIPSA	Failure to incorporate changes in livestock contracts that were mandated in the 2008 Farm Bill. Cargill failed to include, among other things, a provision giving the producer the option to decline the use of arbitration to resolve disputes under the contract	\$45,000
July 18, 1997	DOJ	Colluding with other oil traders in the Brent crude market	Ordered to cease colluding; prohibiting the companies from exchanging broker commission information involving contracts for

			Brent blend crude oil--a crude oil produced in the North Sea
<b>Labor Violations</b>			
2000-2018	Four times in private litigation; one agency DOL Action	Five wage and hour violations	\$9.61 million total
2000-2018	One private litigation; one EEOC; one Office of Federal Contract Compliance Programs	Three employment discrimination violations	\$4.08 million
2000-2018	52 OSHA violations; one Mine Safety & Health Administration violation	53 Workplace safety violations	\$ 884,142 total
2000-2018	NLRB	Five violations for unpaid back pay	\$115,687 total
2000-2018	Federal Railroad Administration	26 Railroad safety violations	\$ 219,750
<b>Environmental Violations</b>			
September 1, 2005	DOJ	Settled allegations that it had violated the Clean Air Act by significantly underestimating emissions from its operations in 13 states	\$130 million to install air pollution control devices at its corn and

			oilseed processing facilities, pay a civil penalty of \$1.6 million, and pay \$3.5 million on environmental projects across the country.
February 28, 2002	DOJ	Pig farming operation in Martinsburg, Mo., pleaded guilty to violating the Clean Water Act	\$1,551,000, including a fine of \$1 million, \$51,000 in restitution to the State of Missouri for natural resources damages and the costs of investigation and \$500,000 in already spent remediation costs.
2000-2018	EPA	54 Environmental violations	\$6.30 million