

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
and
Webasto Thermo & Comfort NA, Inc.

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated Webasto Thermo & Comfort NA Inc.'s establishment located at 15083 North Road, Fenton, Michigan 48340, beginning on February 2, 2021. OFCCP found that Webasto Thermo & Comfort NA, Inc. failed to comply with the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA), and its respective implementing regulations at 41 CFR 60-300.

OFCCP notified Webasto Thermo & Comfort NA Inc. of the specific violations and the corrective actions required in a Notice of Violation (NOV) issued on April 5, 2022.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient consideration described in this document, OFCCP and Webasto Thermo & Comfort NA Inc. enter into this Conciliation Agreement (Agreement) and its attachments, and the parties agree to all the terms therein.

II. General Terms and Conditions

1. In exchange for Webasto Thermo & Comfort NA Inc.'s fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under VEVRAA based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Webasto Thermo & Comfort NA Inc. violates any provision of this Agreement, as set forth in Paragraph 10, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review Webasto Thermo & Comfort NA Inc.'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. Webasto Thermo & Comfort NA Inc. 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 OFCCP requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves Webasto Thermo & Comfort NA Inc. of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.
4. Webasto Thermo & Comfort NA Inc. 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.

5. The parties understand the terms of this Agreement and enter into it voluntarily.
6. This Agreement 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.
7. This Agreement becomes effective on the day it is signed by the District Director (Effective Date).
8. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
9. This Agreement will expire sixty (60) days after Webasto Thermo & Comfort NA Inc. submits its final progress report required in Section IV, below, unless OFCCP notifies Webasto Thermo & Comfort NA Inc. in writing before the expiration date that Webasto Thermo & Comfort NA Inc. 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 Webasto Thermo & Comfort NA Inc. has met all of its obligations under the Agreement.
10. If Webasto Thermo & Comfort NA Inc. violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-300.63 will govern:
 - i. OFCCP will send Webasto Thermo & Comfort NA Inc. a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. Webasto Thermo & Comfort NA Inc. 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 Webasto Thermo & Comfort NA Inc. 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.
 - iv. In the event of a breach of this Agreement by the Webasto Thermo & Comfort NA Inc., 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 in the Agreement.

- b. Webasto Thermo & Comfort NA Inc. may be subject to the sanctions set forth in 41 C.F.R. 60-300.66, and/or other appropriate relief for violating this Agreement.
- 11. Webasto Thermo & Comfort NA Inc. neither admits nor denies any violation of the Executive Order, Section 503 or VEVRAA, nor has there been an adjudication on the merits regarding any such violation.
- 12. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
- 13. 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.
- 14. Each party shall bear its own fees and expenses with respect to this matter.
- 15. 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.
- 16. 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 a Federal holiday, that deadline will be extended to the next business day.

III. Technical Violations and Remedies

- 1. **VIOLATION:** During the period January 1, 2020 through December 31, 2020, Webasto Thermo & Comfort NA Inc. failed to include the equal opportunity clause for VEVRAA in its subcontracts and/or purchase orders, either directly or by reference, in the prescribed manner, in violation of 41 CFR 60-300.5(a)-(d). Specifically, Webasto Thermo & Comfort NA Inc. only referenced the Federal Acquisition Regulations (FAR) regarding VEVRAA, not the specific equal opportunity clause citation for VEVRAA and the required language, as required by 41 CFR 60-300.5(d).

REMEDY: Webasto Thermo & Comfort NA Inc. will include or reference the provisions of the equal opportunity clause in its subcontracts and purchase orders, as required by 41 CFR 60-300.5(a)-(d). If Webasto Thermo & Comfort NA Inc. incorporates the equal opportunity clause in its subcontracts and purchase order by reference, rather than by restating the clause verbatim, it will incorporate the clause in the manner prescribed by 41 CFR 60-300.5(d).

- 2. **VIOLATION:** During the period January 1, 2020 through December 31, 2020, Webasto Thermo & Comfort NA Inc. 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 CFR 60-300.5(a)2-6. Specifically, Webasto Thermo & Comfort NA Inc. was not registered to list jobs on the Pure Michigan Talent Connect until July 23, 2021, after the review was scheduled. This is a violation of 41 CFR 60-300.5(a)2-6.

REMEDY: Webasto Thermo & Comfort NA Inc. will 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 Webasto Thermo & Comfort NA Inc., as required by 41 CFR 60-300.5(a)2-6. With its initial listing, and as subsequently needed to update the information, Webasto Thermo & Comfort NA Inc. will 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 Webasto Thermo & Comfort NA Inc.'s official responsible for hiring at each location, in accordance with 41 CFR 60-300.5(a)4. Should any of the information in the disclosures change since it was last reported to the ESDS, Webasto Thermo & Comfort NA Inc. shall provide updated information simultaneously with its next job listing.

3. **VIOLATION:** During the period January 1, 2020 through December 31, 2020, Webasto Thermo & Comfort NA Inc. failed to undertake appropriate outreach and positive recruitment activities that were reasonably designed to effectively recruit qualified protected veterans, document these activities, assess their effectiveness, and document its review, in violation of 41 CFR 60-300.44(f). Specifically, Webasto Thermo & Comfort NA Inc. stated in their 2021 VEVRAA AAP they “will institute procedures to comply with the requirements of this part and will conduct its first annual assessment with data collected during the 2021 AAP year, starting in 2022”. This is a violation of 41 CFR 60-300.44(f).

REMEDY: Webasto Thermo & Comfort NA Inc. will undertake appropriate external outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified protected veterans, such as those described at 41 CFR 60-300.44(f)(2). Webasto Thermo & Comfort NA Inc. will annually review its outreach and recruitment activities, assess their effectiveness, and document this review, in accordance with 41 CFR 60-300.44(f)(3). Webasto Thermo & Comfort NA Inc. will document all activities it undertakes to comply with this section, in accordance with 41 CFR 60-300.44(f)(4).

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Webasto Thermo & Comfort NA Inc. agrees to retain all records relevant to the violations cited in Section III above and the reports submitted in compliance with Paragraph 2, below. These records include underlying data and information such as Human Resources Information System (HRIS) and payroll data,

job applications and personnel records, and any other records or data used to generate the required reports. Webasto Thermo & Comfort NA Inc. will retain the records until this Agreement expires or for the time consistent with regulatory requirements, whichever is later.

2. **Contractor Reports.**

Webasto Thermo & Comfort NA Inc. agrees to furnish OFCCP with the following reports during the Monitoring Period. Each report will contain the documentation specified according to the dates scheduled:

- a. Progress Report: Due on January 1, 2023 covering the period of January 1, 2022, through December 31, 2022.

Documentation of contract(s) and/or subcontract(s) with language consistent with equal opportunity clause.

Documentation of all employment openings posted with the ESDS.

Documentation of the annual review and assessment of the effectiveness of its external outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified protected veterans.

Webasto Thermo & Comfort NA Inc. will submit reports by email to (b) (7)(E), (b) (6) (b) (6), (b) (7)(C) @dol.gov. Webasto Thermo & Comfort NA Inc. and OFCCP have a common interest in the information being provided in the reports pursuant to this Agreement. To the extent any of the reports Webasto Thermo & Comfort NA Inc. provides in accordance with this Agreement are customarily kept private or closely held, and the Webasto Thermo & Comfort NA Inc. believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Webasto Thermo & Comfort NA Inc. will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will promptly notify Webasto Thermo & Comfort NA Inc. of the FOIA request and provide Webasto Thermo & Comfort NA Inc. an opportunity to object to disclosure. OFCCP will withhold disclosure of such reports to the maximum extent allowable by law.

3. **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 Webasto Thermo & Comfort NA Inc.'s final progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Webasto Thermo & Comfort NA Inc. in writing within sixty (60) days of the date of the final progress report that Webasto Thermo & Comfort NA Inc. has not fulfilled all 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 Webasto Thermo & Comfort NA Inc. within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date

that OFCCP determines Webasto Thermo & Comfort NA Inc. has met all of its obligations under the Agreement.

V. SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Webasto Thermo & Comfort NA Inc., located at 15083 North Road, Fenton, Michigan 48340.

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

Taylor Hanson
President & CEO
Webasto Thermo & Comfort NA Inc.
Fenton, Michigan

DATE: 13 APR 2022

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

Phyllis Lipkin
District Director
Midwest Region
Detroit District Office

DATE: _____

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

Laila E. Turner
Assistant District Director
Midwest Region
Detroit District Office

DATE: _____

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

(b) (7)(C), (b) (6)
Compliance Officer
Midwest Region
Detroit District Office

DATE: _____