

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
HII Fleet Support Group, LLC

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) investigated HII Fleet Support Group, LLC (HII-FSG) establishment located at 5701 Cleveland Street, Virginia Beach, VA 23462, beginning on May 10, 2022. OFCCP found that HII-FSG failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), and its respective implementing regulations at 41 Code of Federal Regulations (CFR) Chapter 60, with respect to discrimination on the basis of sex; and Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503) and its implementing regulations at 41 C.F.R. § 60-741.

OFCCP notified HII-FSG of the specific violations in the Notification of Results of Investigation (NORI) issued on March 12, 2024.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and HII-FSG 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 HII-FSG's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under the Executive Order and Section 503 based on the violations alleged in the NORI. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if HII-FSG 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 HII Fleet Support Group, LLC compliance with this Agreement. As part of this review, and upon notice of a violation of this Agreement, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. HII-FSG 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 HII-FSG of its obligation to fully comply with the requirements of E.O. 11246, Section 503, the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4121 (VEVRAA), and their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.

4. HII-FSG and OFCCP agree that any release of claims required by this Agreement will only pertain to claims under Executive Order 11246 and Section 503.
5. HII-FSG 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 HII-FSG submits its final progress report required in Section VIII, below, unless OFCCP notifies HII-FSG in writing before the expiration date that HII-FSG 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 HII-FSG has met all of its obligations under the Agreement.
11. If HII-FSG violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34 will govern:
 - i. OFCCP will send HII-FSG a written notice stating the alleged violations and summarizing any supporting evidence.
 - ii. HII-FSG 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 HII-FSG 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 HII-FSG, 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. HII-FSG may be subject to the sanctions set forth in 41 C.F.R. 60-741.66 and/or other appropriate relief for violating this Agreement.
12. HII-FSG denies any violation of the Executive Order, Section 503 or VEVRAA, 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 Office of Federal Contract Compliance Programs.
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 B, 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. Alleged Discrimination Violation

Violation: OFCCP finds that HII-FSG discriminated against the complainant identified in Attachment A (Complainant) on the basis of sex and disability by terminating their employment because the complainant requested a reasonable accommodation, in violation of 41 C.F.R. § 60-741.21(a)(6)(i)-(ii), 60-741.44(d), and 60-20.5(c). HII-FSG failed to provide alternate job assignments, modified duties or other accommodations to the Complainant who was unable to perform some of the job duties because of pregnancy, childbirth, or other related medical conditions, in violation of 41 CFR 60-20.5(c). Specifically, HII-FSG terminated the Complainant after failing to engage in an interactive process and respond to Complainant’s requests for an accommodation, in violation of 41 C.F.R. § 60-741.5(a)(1)(ii) and (v) and 60-20.5(b)2.

IV. Financial Remedy

1. **Settlement Account.** HII-FSG agrees to pay the Complainant the total lump sum amount of Forty-Seven Thousand Dollars (\$47,000.00) inclusive of back pay, interest, and front pay in lieu of job reinstatement to resolve the specific allegations set forth above and in the Release of Claims marked Attachment C.

2. **Payment to Complainant.** HII-FSG will issue a check or make an electronic payment to the Complainant in the stated amount, along with appropriate tax reporting forms (such as W-2 and Internal Revenue Service (IRS) Form 1099) by the date set forth on the Timeline. OFCCP will receive timely documentation of the payment made and any payments returned undelivered, or any checks not cashed, as set forth on the Timeline. A check that remains uncashed 180 days after the initial date the check was mailed to the Complainant will be void.
3. **Notice Process**
 - a. **OFCCP and HII-FSG Obligations under the Notice Process.** The Notice Process set forth in this Agreement is intended to provide the Complainant a meaningful opportunity to understand their rights and obligations and act on them in a timely manner. HII-FSG is not providing any legal advice to Complainant in issuing the Notice, which was drafted wholly by the OFCCP.
 - b. **Timeline.** Attachment B sets forth the agreed Timeline for Notice and for the parties' other obligations under this Agreement. The parties will meet and confer on any reasonable modifications to the Timeline proposed by either party.
 - c. **Notice Documents.** HII-FSG will distribute the Notice Document and Release of Claim form listed in Attachment C to the Complainant within five (5) days of the Effective Date of the Agreement.
 - d. **Notice Deadline.** The final deadline for the Complainant to respond to the Notice is set forth in the Timeline. The parties will prominently display this deadline on all materials they distribute in paper or online form regarding this Agreement and explain that failure to respond by this deadline will result in a forfeiture of any relief provided by this Agreement.
 - e. **Exchange of Information Regarding Complainant.** HII-FSG and OFCCP will timely exchange information regarding the Complainant, including updated contact information and the result of any technical assistance provided.
 - f. **Documentation of Payments.** By the deadline set forth in the Timeline, HII-FSG will provide OFCCP with a copy of the canceled check or electronic documentation of the payment to the Complainant, including the amount paid, the date payment was sent, the date payment was received, or the check cashed, and any uncashed or returned check.
 - g. **HII-FSG's Expenses.** HII-FSG will pay all expenses associated with carrying out its duties pursuant to this Section, from funds separate and apart from the amount designated in this Agreement for the Settlement.

V. Additional Individual Relief

1. Personnel File

HII-FSG shall remove all references, if any, to any charge or allegation of discrimination against HII-FSG and this complaint from the Complainant's personnel file. HII-FSG will remove all references, if any, to any discipline or termination from the Complainant's personnel file. HII-FSG human resources personnel, and other officials/managers responsible for providing employment references, may not disclose any information or refer to any charge of discrimination or this complaint in regarding to request for information about the Complainant. When filing inquiries about the Complainant, HII-FSG shall provide a neutral job reference consisting of employment dates and positions held and shall not discuss the reasons for the Complainant's job separation.

VI. Modifications to Employment Practices and Other Non-Monetary Relief

- 1. Company Policy and Procedure.** Within sixty (60) days after the Effective Date of this Agreement, HII-FSG will identify a Human Resources official, or retain a Human Resources Consultant, with experience in Executive Order 11246 and its sex discrimination guidelines, Section 503, and the reasonable accommodation process to conduct a review of its reasonable accommodation policies and processes. The Official or Consultant will have the relevant educational background and experience to conduct such a review.

The Official or Consultant will review HII-FSG's current reasonable accommodation process for the best practices identified below. The Official or Consultant will identify where modifications or implementation of new policies, processes, or procedures are necessary. The Official or Consultant and HII-FSG will review and create a process and timeline that would confirm the receipt, conclusion, and response to a reasonable accommodation request in accordance with Section 503. The process will include a written anti-retaliation policy to include a reporting mechanism for employees' concerns.

Within ninety (90) days of the Effective Date of this Agreement, the Official or Consultant will submit a written proposal to HII-FSG and OFCCP, detailing all recommended updates to HII-FSG reasonable accommodation process. Upon receipt of the proposal, HII-FSG and OFCCP will negotiate in good faith any amendments thereto. Following OFCCP's acceptance of the proposal, HII-FSG will implement the new or revised policies, processes, and/or procedures, as agreed, and provide documentation of such to OFCCP, as detailed in Section VII.

- 2. Evaluation of Policies.** HII-FSG will evaluate its policies and practices to ensure that all employees, specifically individuals with disabilities, are afforded equal employment opportunities. Should HII-FSG identify any policies or procedures that

give rise to discrimination against qualified individuals with disabilities, HII-FSG will immediately cease using the identified policies and/or procedures.

3. **Training.** HII-FSG will provide training to supervisory and management employees of HII-FSG, including all employees involved in making reasonable accommodation decisions, on the reasonable accommodation and equal employment opportunity requirements of Section 503 and its implementing regulations. The training will take place within 120 days of the Effective Date of this Agreement and may be done in person, virtually or by recording.

VII. OFCCP Monitoring Period

1. **Recordkeeping.** HII-FSG 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. HII-FSG will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

2. Contractor Reports.

- a. **Schedule and Instructions.** HII-FSG agrees to furnish OFCCP with the following report during the Monitoring Period according to the following schedule:

Progress Report: Due on October 19, 2024.

The progress report will include:

- i. For the Discrimination Violations identified in Part III above:
 1. A copy of the Notice to Complainant sent to the Complainant identified in Attachment A.
 2. A copy of the signed Release of Claims under Executive Order 11246 and Section 503 and the ADA returned by the Complainant identified in Attachment A
 3. Documentation of the monetary payment to the Complainant as specified in Section IV, above. The documentation must include: (a) if paying by check, a copy of the cancelled check and the date the check cleared the bank; (b) if paying electronically, a copy of the notification that payment was made into the Complainant's bank account.

4. Documentation of training, for all employees involved in reasonable accommodation requests and all employees who hold supervisory status, on HII-FSG non-discrimination obligations for employees and applicants who request a reasonable accommodation. This documentation will include:
 - Date, time, and place of the training.
 - Name and job title of each trainer.
 - A list of the name and job title of each person who received the training; and
 - Copies of the training and presentation materials presented.
- ii. For the Technical Violations identified in Part VII above:
 1. A copy of the Complainant's personnel file reflecting the changes specified in Section V of this Agreement.
- iii. If HII-FSG is unable to complete the actions identified in this section, HII-FSG will identify the action (s), documentation of the reason(s) it was unable to complete the action(s), and the good faith efforts being taken and planned for the next reporting period to complete each action.
- iv. Documentation of all modifications of personnel practices made to date pursuant to this Agreement and documentation of its compliance with the remedy provisions of this Agreement. If any of the relevant documents such as job postings or policies have not been modified during the reporting period, a statement to that effect is sufficient.
- v. Copies of reasonable accommodation policies, and documentation of any accommodation requests received and their resolution, if any.
- vi. Documentation of the training provided to HII-FSG supervisory and management employees on the equal employment opportunity requirements of Section 503 and its implementing regulations, and the Sex Discrimination Guidelines of the Executive Order and its implementing regulations. This documentation must include date(s) of training, course name, description and content of the training program, training log, names and job titles of individuals who received the training, and attendance verification at the training.

HII-FSG will submit the report to Queena Villere, District Director, at (b) (6), (b) (7)(C)@dol.gov. HII-FSG 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 HII-FSG provides in accordance with this Agreement are customarily kept private or closely held, and HII-FSG believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, HII-FSG will provide such reports to OFCCP marked as "Confidential." In the event of a FOIA request, OFCCP

will treat any such documents received as confidential documents to the maximum extent of 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 the final progress report as set forth in Part II, Paragraph 10 above. If OFCCP fails to notify HII-FSG in writing within sixty (60) days of the date of the final progress report that HII-FSG 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 HII-FSG within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines HII-FSG has met all of its obligations under the Agreement.

VIII. SIGNATURES

The person signing this Agreement on behalf of HII-FSG personally warrants that he or she is fully authorized to do so, that HII-FSG has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on HII Fleet Support Group, LLC.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and HII Fleet Support Group, LLC., 5701 Cleveland Street, Virginia Beach, VA 23462.

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

MELANIE ANDERSON
Senior Vice President, Human Resources
Huntington Ingalls Industries
Mission Technologies
Virginia Beach, VA

DATE: April 25, 2024

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

SAMUEL MAIDEN
Regional Director
Mid-Atlantic Regional Office
OFCCP

DATE: 04/26/2024

ATTACHMENT A - Complainant

1. (b) (6), (b) (7)(C)

ATTACHMENT B - Timeline

ACTIVITY	DATE
If necessary, OFCCP provides HII-FSG the Complainant's updated contact information.	May 15, 2024
HII-FSG mails/emails Notice Documents (First Mailing)	May 22, 2024
Deadline for Complainant to Reply to first Notice	June 5, 2024
HII-FSG Notifies OFCCP if Complainant failed to respond to first Notice.	June 19, 2024
If necessary, HII-FSG Mails/Emails Notice Documents (Second Mailing)	July 17, 2024
Deadline for complainant to Reply to Second Notice	July 27, 2024
HII-FSG mails/electronically deposits back-pay and interest check/amount.	Within fifteen (15) days of receipt of signed Release of Claims
Final Progress Report Due	October 18, 2024

ATTACHMENT C – Notice Documents

NOTICE TO COMPLAINANT

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

HII Fleet Support Group, 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 the Executive Order 11246 (E.O. 11246 or Executive Order) and Section 503 of the Rehabilitation Act (Section 503), as amended, described in your complaint against the Contractor. This Agreement also resolves any claims you may have under the Americans with Disabilities Act of 1990, as amended, against the Contractor. HII-FSG denies any violation of law, but the OFCCP and HII-FSG have entered into the Agreement to resolve the matter without resorting to further legal proceedings.

As part of this Agreement, you are eligible to receive a total distribution of \$47,000 (inclusive of back pay, interest, and front pay in lieu of job reinstatement). Under the terms of this Agreement, it may take up to two months from the date of this letter before you receive your payments. In order to be eligible for a payment, you must complete, sign, and return the enclosed Release of Claims Form and submit a resignation letter to HII-FSG. The letter and form should be sent as soon as possible to the mailing address or email address below. **In order for you to be eligible to participate in the settlement, your documents must be received by [insert date 10 days of the postmarked date on the envelope containing this notice].**

Yoora Pak, Esq.
Legal Counsel
c/o Kelly Carlan
HII Fleet Support Group, LLC
5701 Cleveland Street, Virginia Beach, VA 23462
(b) (6), (b) (7)(C)@hii-co.com

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 Yoora Pak at HII-FSG at (b) (6), (b) (7)(C) or OFCCP Compliance Officer (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C). Your call will be returned as soon as possible. Attorney Pak may not answer any legal questions and will not provide any legal advice regarding your rights under this Agreement.

IF YOU FAIL TO COMPLETE AND RETURN THE ENCLOSED DOCUMENTS TO HII-FSG BY [insert date 10 days of the postmarked date on the envelope containing this notice], YOU WILL NOT BE ELIGIBLE TO RECEIVE A PAYMENT.

Sincerely,

Yoora Pak

Enclosure
Release of Claims Form



ATTACHMENT C – Notice Documents

**RELEASE OF CLAIMS UNDER E.O. 11246 AND SECTION 503 OF THE
REHABILITATION ACT, AS AMENDED**

This Release of Claims (Release) under E.O. 11246 and Section 503 of the Rehabilitation Act (section 503), as amended, and under the Americans with Disabilities Act of 1990, as amended (ADA) is a legal document. This document states that in return for HII Fleet Support Group, LLC (Contractor) providing you with money, you agree that you will not file any lawsuit against the Contractor for allegedly violating E.O. 11246 and Section 503 and/or the ADA, as amended, in connection with its termination and reasonable accommodation process. 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.

As consideration for the promises and obligations stated in this Release, I agree to accept the total lump sum amount of Forty-Seven Thousand Dollars (\$47,000.00), inclusive of back pay, interest, and front pay in lieu of job reinstatement by HII-FSG to me.

I, (print name) **(b) (6), (b) (7)(C)** agree to the following:

I.

I hereby waive, release and forever discharge HII Fleet Support Group, LLC 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 E.O. 11246 and Section 503 of the Rehabilitation Act, as amended, which I or my representatives (heirs, executors, administrators, or assigns) have or may have, including without limitation claims relating to my allegations that HII-FSG failed to engage in an appropriate interactive accommodation process as it related to my disability 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 E.O. 11246 and Section 503 of the Rehabilitation Act, as amended, and the ADA, as amended, through the Effective Date of this Release.

II.

I understand that HII-FSG denies that it treated me unlawfully or unfairly in any way and that HII-FSG 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 the complaint investigation initiated by OFCCP on May 10, 2022. I further agree that the payment of the aforesaid sum by HII-FSG to me is not to be construed as an admission of any liability by HII-FSG.

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.

IV.

I understand that if I do not sign this Release and return it to the HII-FSG Legal Counsel by the deadline listed on the Notice, July 27, 2024, I will not be entitled to receive any payment from HII-FSG.

V.

I understand that I must submit a written letter of resignation to be entitled to receive any payment under this Agreement. I further understand that I am not eligible for re-hire and will not seek re-employment with HII-FSG in the future.

VI.

I understand that I am solely responsible for any personal income taxes applicable to the payments made to me. I also agree to indemnify, defend and hold HII-FSG harmless for any tax liability arising out of this settlement.

IN WITNESS WHEREOF, I have signed this document of my own free will.

Signature: _____ Date: _____

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

Printed Name
