

STIPULATION

WHEREAS the MONITOR was appointed by the Court in *United States v. International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America* pursuant to a Consent Decree between the United States and the International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (“UAW”) to, among other things, investigate those who have committed misconduct to rid the UAW of fraud, corruption, illegal behavior, dishonesty, and unethical practices;

WHEREAS, in furtherance of that mandate, the Consent Decree authorizes the MONITOR to designate an individual as a “barred person”;

WHEREAS, under the Consent Decree, current and future UAW members, officers, agents, employees, representatives, and persons holding positions of trust in the UAW and its constituent entities may not knowingly associate with such a “barred person” or knowingly permit such a “barred person” to exercise any control or influence, directly or indirectly, in the conduct or affairs of the UAW, its constituent entities, or an employee benefit plan, labor management cooperation committee, or voluntary employee beneficiary association affiliated with the UAW or its constituent entities;

WHEREAS the MONITOR investigated BEARDSLEY’s conduct while a retired UAW member;

WHEREAS, at all times relevant to this Stipulation, the UAW was a labor organization engaged in an industry affecting commerce within the meaning of Sections 402(i) and 402(j) of Title 29, United States Code, and represented hundreds of thousands of non-managerial employees

employed by automobile manufacturers and other employers at numerous locations in Michigan and across the United States;

WHEREAS BEARDSLEY joined the UAW in 1968 when he was employed by General Motors, holding several positions in UAW Local 598 before coming on UAW staff in or around 1989 and, while on staff, working principally under former UAW Vice President Richard “Dick” Shoemaker in the UAW’s GM department and the UAW-GM joint programs;

WHEREAS in 2004, when he was Shoemaker’s Chief Administrative Assistant and Assistant Director of the UAW-GM Center for Human Resources, BEARDSLEY retired from his position with the UAW;

WHEREAS BEARDSLEY has held no official position with the UAW since 2004;

WHEREAS from at least 2010 through June 2014, Dennis Williams was the International Secretary-Treasurer of the UAW and from June 2014 through June 2018, Williams was the International President of the UAW; Williams was, as such, an officer, within the meaning of Section 402(n) of Title 29, United States Code, during those times, and was responsible for overseeing the operations of the UAW;

WHEREAS the UAW Constitution governs the conduct of the UAW and its officers, staff, members (including retired members), and employees;

WHEREAS the MONITOR’s investigation found that for at least the period of 2010 to 2018, while BEARDSLEY was a retired UAW member, BEARDSLEY did unlawfully, knowingly, and willfully combine, conspire, confederate, and agree with Williams for Williams and other UAW officials to embezzle funds from the UAW;

WHEREAS the MONITOR’s investigation found that during the course of the conspiracy, while Williams was an officer of the UAW, Williams and other UAW officials did embezzle, steal,

and unlawfully and willfully abstract and convert to Williams's, BEARDSLEY's, and others' use the moneys, funds, property, and other assets of the UAW;

WHEREAS the MONITOR's investigation found that while officers and employees of the UAW, Williams and other UAW officials took part in a scheme by way of a "Master Account" arrangement with hotels in Palm Springs, California that hosted the yearly Region 5 Leadership Conference in which the Master Account was, at times, used to divert hundreds of thousands of dollars of UAW funds for the personal benefit of select senior UAW officials, including Williams, and also for certain retirees, including BEARDSLEY;

WHEREAS the MONITOR's investigation found that these Master Accounts were funded, in part, by the UAW Headquarters in Detroit, Michigan, based on fraudulent vouchers submitted by senior UAW officials, which misrepresented the destination and purpose of the expenses paid;

WHEREAS the MONITOR's investigation found that the vouchers represented that the payments were to the hotel for legitimate conference expenses but that in fact significant portions of UAW funds were funneled through "Master Accounts" with hotels to outside vendors for personal expenses for UAW personnel and retirees, including for those of BEARDSLEY, and that the Master Accounts in some cases also included expenses for villas on the hotel's property that, although not concealed on the bills as something other than villas, were rented for many more days than the conferences lasted;

WHEREAS the MONITOR's investigation found that for BEARDSLEY, these personal expenses included lodging in villas in Palm Springs for months at a time; rounds of golf; golf clothing and other related merchandise; meals; liquor; cigars; and horse-back riding excursions for his wife, which were included on the Master Accounts for the Region 5 Leadership Conferences held in 2010 through 2018, although, upon his retirement, BEARDSLEY did not have a role at or

a legitimate reason to attend these conferences and in numerous cases the expenses were incurred beyond the dates of the conferences;

WHEREAS the MONITOR's investigation found that BEARDSLEY knew that his expenses in Palm Springs were paid for with UAW funds and that these were not legitimate business expenses of the UAW;

WHEREAS the MONITOR'S investigation found that BEARDSLEY and Williams agreed to participate in the above-described conspiracy in order to obtain personal benefits for themselves, and specifically Williams agreed to use his UAW position to obtain personal benefits for himself and BEARDSLEY, and BEARDSLEY agreed to accept those benefits and help to conceal Williams's involvement in the conspiracy;

WHEREAS the MONITOR's investigation found that BEARDSLEY and Williams took overt acts in furtherance of the conspiracy including, among others: (1) BEARDSLEY attempted to conceal Williams's involvement in the conspiracy by putting BEARDSLEY's name on certain invoices and receipts for BEARDSLEY's and Williams's personal expenses; (2) from at least January 10, 2016, to January 15, 2016, during the dates of the 2016 Region 5 Leadership conference, BEARDSLEY accepted a villa in Palm Springs, California, paid for with \$9,743 in UAW funds, even though BEARDSLEY had no official role in the 2016 Region 5 conference or other UAW-related meetings during that timeframe; (3) from December 28, 2016, to March 1, 2017, during and beyond the dates for the 2017 Region 5 Leadership Conference, BEARDSLEY accepted a villa in Palm Springs, California, paid for with \$12,195 in UAW funds, even though BEARDSLEY had no official role in the 2017 Region 5 conference or other UAW-related meetings during that timeframe; and (4) from December 28, 2017, to January 31, 2018, during and beyond the dates for the 2018 Region 5 Leadership Conference, BEARDSLEY accepted a villa in

Palm Springs, California, paid for with \$6,945 in UAW funds even though BEARDSLEY had no official role in the 2018 Region 5 conference or other UAW-related meetings during that timeframe.

WHEREAS the MONITOR's investigation found that the conspiracy resulted in a total of at least approximately \$85,000 of UAW funds being improperly disbursed for BEARDSLEY's personal benefit as a result of BEARDSLEY's conspiracy with Williams, including approximately \$58,458 in lodging; \$11,040 in green fees for golf; and \$11,058 in meals, cigars, golf merchandise, and liquor;

WHEREAS the MONITOR's investigation found that these facts constitute violations of 18 U.S.C. § 371 & 29 U.S.C. § 501(c), and the UAW Constitution, and therefore BEARDSLEY should be designated as a "barred person";

WHEREAS BEARDSLEY has provided notice to the UAW that he has resigned his UAW membership;

AND WHEREAS BEARDSLEY does not admit to the specific facts found in the MONITOR's investigation but accepts the discipline sought by the MONITOR;

IT IS HEREBY STIPULATED AND AGREED by and between BEARDSLEY and the MONITOR that:

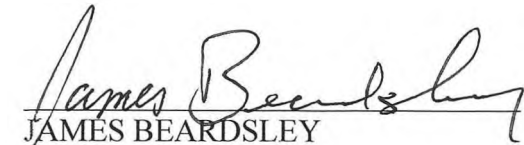
1. The MONITOR is empowered to designate BEARDSLEY as a person barred under Paragraph 20(e) of the Consent Decree.
2. BEARDSLEY does not contest being designated as a "barred person" by the MONITOR.

3. By executing this Stipulation, BEARDSLEY waives the right to contest this designation and appeal this designation to the Adjudications Officer or the Court under Paragraph 20(e) of the Consent Decree.


4. BEARDSLEY is hereby designated by the MONITOR as a “barred person” under Section 20(e) of the Consent Decree, effective on the date on which this Stipulation has been executed by the MONITOR and BEARDSLEY.

5. BEARDSLEY agrees that he will not associate with current and future UAW members, officers, agents, employees, representatives, and persons holding positions of trust in the UAW and its constituent entities, and that he will not exercise any control or influence, directly or indirectly, in the conduct or affairs of the UAW, its constituent entities, or an employee benefit plan, labor management cooperation committee, or voluntary employee beneficiary association affiliated with the UAW or its constituent entities.

6. The MONITOR will make public that BEARDSLEY has been designated as a “barred person” under the Consent Decree by posting this Stipulation publicly and identifying BEARDSLEY as a “barred person” in the list of barred persons on the MONITOR’s website.



JAMES BEARDSLEY
Date: 10/14/2023



NEIL M. BAROFSKY
MONITOR
Date: 11/7/23