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INVESTIGATIONS OFFICER, :  
Claimant, :  
 :  
 - v - : Affidavit and Agreement  
 :  
 PAUL G. HANOIAN :  
 SECRETARY/TREASURER :  
 Local 64 :  
 Providence, R.I. :  
 :  
 Respondent. :  
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STATE OF NEW YORK )  
 ) ss.:  
 COUNTY OF NEW YORK )

PAUL G. HANOIAN, being duly sworn, deposes, says and agrees as follows:

1. The Investigations Officer, Charles M. Carberry, appointed pursuant to the Consent Order entered on March 14, 1989 in United States v. International Brotherhood of Teamsters, 88 Civ. 4486 (DNE) (SDNY) (the "Consent Order") has filed Charges against me pursuant to the Consent Order (the "Charges"). A copy of the Charges is annexed as Exhibit A and incorporated herein by reference.

2. I make this affidavit and agreement ("the Agreement") to resolve the Charges. This Agreement does not constitute an admission of the Charges.

3. I represent and agree to the following:
- (a) I am a member of the International Brotherhood of Teamsters ("IBT") and a member of IBT Local 64;
  - (b) I am PAUL G. HANOIAN the Secretary/Treasurer for IBT Local 64;
  - (c) I currently hold no other elected or appointed offices of any kind, paid or unpaid, in the IBT or any of its affiliated entities, including Local 64, any pension, health and

welfare funds or other such entities (collectively "IBT Entities");

(d) I shall resign, effective the date this Agreement is approved by the Independent Administrator (the "effective date"), as a member, employee and Secretary/Treasurer of Local 64, as a member of the IBT and from all positions in any IBT Entity;

(e) From the effective date of this Agreement forward, I shall not hold, seek, or accept election or appointment to any position or office, including any Local 64 Executive Board position, paid or unpaid, with Local 64 or any other IBT Entities. From the effective date of this Agreement forward, I shall not hold, seek or accept any employment or position as a consultant, paid or unpaid, with Local 64 or any other IBT Entities;

(f) From the effective date of this Agreement forward, I shall receive no salary, allowances, gratuities, accrual of pension benefits or any other remuneration or compensation of any kind paid by or from Local 64 or any other IBT Entities. I hereby expressly waive any claim to severance pay in cash or in property, accrued vacation and/or the receipt of any automobile Severance pay from Joint Council #10/64 will be allowed. *ASST.* from Local 64 or any other IBT entities. I represent that I am currently owed no payment, benefit or compensation of any kind from Local 64.

4. I have entered into this Agreement on the understanding that the Investigations Officer will not pursue the attached Charges against me.

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5. I understand that the Investigations Officer's Agreement is limited to the Charges annexed as Exhibit A and that he expressly reserves the right to pursue any other charges against me which result from any investigation. Further, the Investigations Officer expressly reserves the right to pursue charges against any other officer or entity of the IBT or Local 64 arising out of the allegations contained in the Charges or as a result of any other investigations.

6. This agreement is permanent.

7. I agree this Agreement will be submitted to the Independent Administrator for his review and approval. If approved by the Independent Administrator, I agree he will submit it to the United States District Court for the Southern District of New York for review and approval and, if approved, to be entered as an order.

8. I understand the Investigations Officer makes no representation as to the determination of the Independent Administrator or the court with respect to this Agreement.

9. I make this Agreement freely, under no duress or coercion of any kind, and after consultation with my attorney. I fully understand the terms of this Agreement.

10. This Agreement is not effective until it has been signed below by the Investigations Officer and the Independent Administrator.

*Paul G. Hanoian*  
PAUL G. HANOIAN

Sworn to before me this, the  
9th day of September 1992  
Freeman Fitzgould  
Notary Public  
*My commission expires 7/23/93*

Agreed: 9/17, 1992

Approved: Sept 17, 1992

SO ORDERED:  
                                , 1992  
New York, New York

*Paul G. Hanoian*  
Attorney for Paul G. Hanoian

*Charles M. Carberry*  
Charles M. Carberry  
Investigations Officer

*Frederick B. Lacey*  
Frederick B. Lacey  
Independent Administrator

                                  
U.S.D.J.

	X	
INVESTIGATIONS OFFICER,	:	
Claimant,	:	
	:	
- v -	:	<u>CHARGE</u>
PAUL G. HANOIAN,	:	
Secretary/Treasurer	:	
Local 64	:	
76 Dorrance St.	:	
Providence, RI 02903	:	
Respondent.	:	
	X	

SIR:

You are hereby advised that the Investigations Officer has charged you with the violations listed below in accordance with the powers granted to him pursuant to Section F. (COURT APPOINTED OFFICERS), Paragraph 12(A) of the order entered in United States v. International Brotherhood of Teamsters, et al., 88 CIV. 4486 (DNE) (SDNY) on March 14, 1989 ("the Consent Order"). A copy of the consent order is enclosed.

The time and place of the hearing of this matter will be set by the Independent Administrator, Frederick B. Lacey, and he will notify you accordingly.

Charge

You are charged with violating Article II, Section 2(a) and Article XIX, Section 7 (b) (2) of the IBT Constitution, by conducting yourself in a manner to bring reproach upon the IBT; and violating Article XXII, Section 2(b) and Article XIX, Section 7 (b) (3) of the IBT Constitution, by embezzling and converting to your own use union funds; and violating your fiduciary duties to the members.

To Wit: From on or about January 1, 1978 to and including January 1992 you wrongfully received money, in the approximate amount of \$688,000, in salary raises that were not authorized by the Executive Board and general membership of Local 64 and which were prohibited by the IBT Constitution Article XXII, Section 2(b).

On September 6, 1976 the Executive Board passed an invalid resolution that called for you to receive an automatic 10% raise as long as you were employed by the local. This resolution which attempted to bind future boards was prohibited by IBT Constitution Article XXII, Section 2(b).

Article XXII, Section 2(b) of the IBT Constitution, in force as of June, 1976, provided as follows:

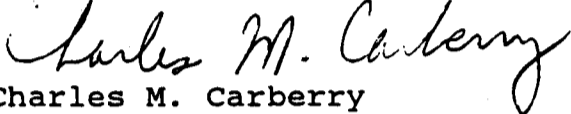
A Local Union Executive Board shall not have the authority to bind the Local Union for personal services to be rendered to the Local Union or its Executive Board, such as, but not limited to, legal, accounting, consulting, public relations and editorial services, by contract agreement or otherwise, beyond the expiration of the term of the Executive Board in office at the time such action is taken. This shall not prevent a Local Union Executive Board from entering into a bona fide collective bargaining agreement with another union covering Local Union employees.

Under this provision of the IBT Constitution you were not authorized to receive automatic raises at Local 64 beyond January 1, 1978 which marked the expiration of the Executive Board's term

and the expiration of the authorized raise granted to you on September 6, 1976.

Despite this explicit provision of the IBT Constitution you took automatic raises which were unauthorized from January 1978 to January 1992. These raises were never voted on by subsequent boards.

Very truly yours,

  
Charles M. Carberry  
Investigations Officer

Dated: July 16, 1992  
New York, New York

cc: Frederick B. Lacey, Esq.  
Richard Gilberg, Esq.  
Steven Bennett, Esq.