

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA	:	88 Civ. 4486 (DNE)
	:	
Plaintiff,	:	APPLICATION LXXXVI OF THE
	:	INDEPENDENT REVIEW BOARD
v.	:	-- AGREEMENT BETWEEN THE
	:	INDEPENDENT REVIEW BOARD
INTERNATIONAL BROTHERHOOD	:	AND J.D. POTTER
OF TEAMSTERS, <u>et al.</u>	:	
	:	
Defendant.	:	
	:	

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Pursuant to Paragraph 0. of the Rules and Procedures for Operation of the Independent Review Board ("IRB") for the International Brotherhood of Teamsters ("IRB Rules"), the IRB files this Application submitting the Compromise Agreement with J.D. Potter ("Potter") member, Secretary-Treasurer and principal officer of Local Union 19 in Grapevine, Texas. This Agreement was approved by the IRB and is submitted to Your Honor for review and, if appropriate, to be entered as an order. The Agreement seeks to resolve the charges recommended by the IRB and subsequently filed by Joint Council 80. The Agreement, with a copy of the charges annexed thereto as Exhibit A, is enclosed, with a transmittal letter of the charges to the then acting General President Tom Sever.

This Application recognizes the importance of United States District Court Judge David N. Edelstein's February 2, 1994, Order in which he stated that all IRB Compromise Agreements shall "contain a paragraph informing signatories that the agreement will be reviewed and may be rejected." The Agreement reached between the IRB and Potter satisfies this procedure.

In compliance with Judge Edelstein's December 16, 1996, Order, one "backed" original and two copies of an Acknowledgment of Receipt are enclosed with this Application for execution by Your Honor. Potter was charged with bringing reproach upon the IBT and failing to cooperate with the IRB in violation of Article II, Section 2(a), and Article XIX, Sections 7(b)(1), (2), (5) and 14(i) of the IBT Constitution by testifying falsely at his sworn examination before the IRB.

Effective the date the IRB approves the Agreement, October 13, 2000, Potter has agreed to a suspension of three years from IBT membership and a suspension of five years from holding any office or employment with Local 19 or any IBT entity.

Potter has further agreed not to:

- (1) accept any salary, severance payment, allowance, fee or compensation of any kind or benefit fund contributions of any kind from Local 19 or any IBT entities, except that he may receive any fully vested pension benefits and fully vested welfare benefits;
- (2) accept benefits, gratuities, severance payment or gifts of any kind from Local 19 or IBT entities;
- (3) accept any contributions on his behalf to any pension, health and welfare, severance or other benefit fund;
- (4) participate in any manner in any of the activities or affairs of Local 19 or any other IBT entities, including, but not limited to, meetings, discussions, consultations, negotiations, votes or any other business or activity of Local 19 and IBT entities.

We have found the Agreement serves to resolve the charge in a fair and equitable manner.

**Therefore**, we respectfully request that Your Honor execute the Agreement on the line provided. This will, in effect, serve to have this Agreement "so ordered" by the Court. Thereafter, it is respectfully requested that a member of Your Honor's staff file the fully executed original Agreement with the Clerk and transmit to me a confirmed copy of the Agreement as "so ordered."

Dated:       October 17, 2000

By:



Frederick B. Lacey  
Member of the  
Independent Review Board

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 In the Matter of                    :  
                                       :  
 J.D. POTTER                           :  
                                       :  
                                       :  
 Before the                            :  
                                       :  
 INDEPENDENT REVIEW BOARD        :  
                                       :  
                                       :  
 -----X

AFFIDAVIT AND AGREEMENT

STATE OF Texas                    )  
                                       ) ss.:  
 COUNTY OF Dallas                 )

J.D. POTTER being duly sworn, deposes and says, and agrees as follows:

1. The Independent Review Board, appointed pursuant to the Consent Order entered March 14, 1989 in United States v. International Brotherhood of Teamsters, 88 Civ. 4486 (DNE) (SDNY) (the "Consent Order") recommended that charges be filed against me for bringing reproach upon the IBT by testifying falsely to the IRB and to the Election Officer during a November 11, 1998 sworn examination concerning the source of a contribution made to the James Hoffa campaign. The General President adopted and filed these charges. An IRB hearing on those charges is scheduled for July 31 and August 1, 2000.

2. I make this Affidavit and Agreement (the "Agreement") to resolve the IRB charges described in paragraph 1. This Agreement does not constitute an admission or denial of the aforesaid charges.

3. I represent and agree to the following:

(a) I am a former member of the International Brotherhood of Teamsters ("IBT") and a member of IBT Local 19;

(b) I was the Secretary-Treasurer and principal officer of IBT Local 19;

(c) I currently hold no elected or appointed offices of any kind, paid or unpaid, in the IBT or any of its affiliated entities including any locals, superior bodies, conferences, councils, pension, health, welfare or severance plans or other such entities (collectively "IBT entities");

(d) I currently receive no salary, allowances, or remuneration of any kind from any IBT entity.

4. I hereby agree to:

(a) serve a suspension from membership in the IBT and Local 19 for a period of three years commencing June 16, 1999, and

(b) be precluded from holding office or employment with Local 19 or any IBT entity for a period of five years commencing June 16, 1999.

5. From the effective date forward, Local 19 and any other IBT entities shall not pay to me, nor shall I accept, any salary, severance payment, allowance, fee or compensation of any kind, except that I may receive my fully vested pension benefits.

6. I will receive no benefits, gratuities, severance payment or gifts of any kind whatsoever from Local 19 or IBT entities. From the effective date forward, Local 19 and any other IBT entities shall not and have not made, nor shall I

accept, any contributions on my behalf to any pension, health and welfare, severance or other benefit fund.

7. From the effective date forward, I shall not and have not participated in any manner in any of the activities or affairs of Local 19 or any other IBT entities, including, but not limited to, meetings, discussions, consultations, negotiations, votes or any other business or activity of Local 19 and IBT entities.

8 This Agreement is permanent.

9. I have entered this Agreement on the understanding that the Independent Review Board agrees that it will not proceed with the charges described in paragraph 1 above.

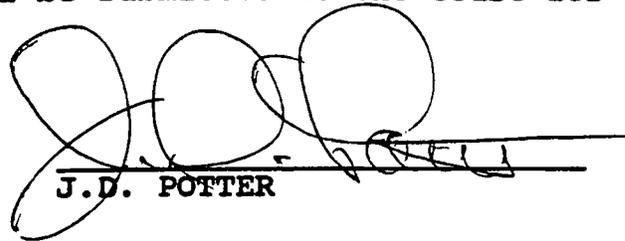
10. I understand that the Independent Review Board's Agreement is limited to the charges described in paragraph 1 and that it expressly reserves the right to pursue charges against any other officer, member, employee or entity of the IBT and Local 19 arising from the allegations contained in the charges described in paragraph 1 or any other investigation.

11. I understand and agree that this Agreement will be submitted to the Independent Review Board ("IRB") for its review and, if approved by the IRB, it will be submitted to the United States District Court for the Southern District of New York for review. I understand that, if this Agreement is approved by the United States District Court for the Southern District of New York, it will be entered as a Court Order. I understand that no representations have been made as to whether this Agreement will

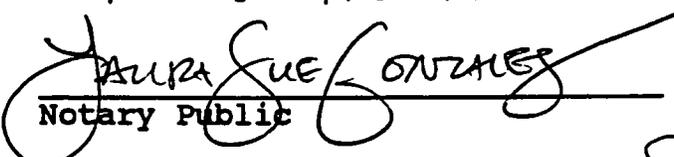
be approved by the IRB or the United States District Court for the Southern District of New York. If this Agreement is not approved by the IRB or the Southern District of New York, this Agreement will be null and void.

12. I make this Agreement freely, under no duress or coercion of any kind.

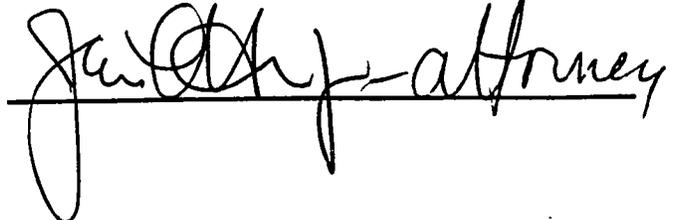
13. I will transmit this Agreement, signed by me, to the Independent Review Board. When it is signed by the Independent Review Board, it will be submitted to the Court for review.

  
J.D. POTTER

Sworn to before me this  
4 day of AUGUST, 2000

  
Notary Public



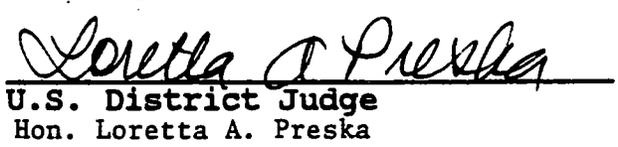
Witnessed 

Approved:

  
for the Independent Review Board

Dated October 13, 2000

So Ordered:

  
U.S. District Judge  
Hon. Loretta A. Preska

Dated November 3, 2000