

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

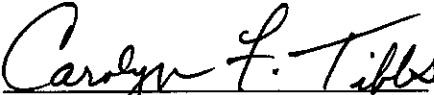
UNITED STATES OF AMERICA, :
 :
 :
 Plaintiff, :
 :
 v. : 88 Civ. 4486 (LAP)
 : AFFIDAVIT OF SERVICE
 :
 INTERNATIONAL BROTHERHOOD OF :
 TEAMSTERS, et al. :
 :
 Defendants. :
 :

I Carolyn F. Tibbs hereby deposes and says:

1. I am the Executive Secretary to the Administrator of the Independent Review Board. On May 15, 2015, I caused to be delivered via UPS Next Day Air to the Honorable Loretta A. Preska one executed original and one copy of Application 179, the executed original and one copy of the Agreement between the IRB and Armando Alonzo of Local 439, and the original and one copy of the Acknowledgment of Receipt.

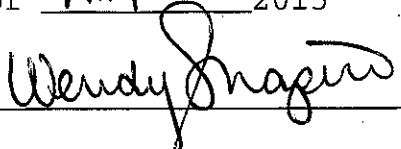
2. I also caused a copy of Application 179 along with the enclosures to be delivered to:

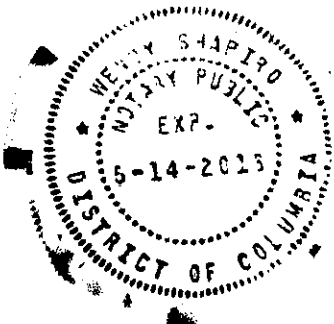
Tara La Morte, AUSA, via UPS Next Day Air
Charles M. Carberry, Esq., via UPS Next Day Air
✓ Bradley T. Raymond, Esq., via Hand Delivery
Armando Alonzo, Via UPS Next Day Air


Carolyn F. Tibbs

Sworn to and subscribed
before me this 15 day

of MAY 2015


Wendy Inagawa



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,	:	
	:	
Plaintiff,	:	88 CIV. 4486 (LAP)
	:	
v.	:	ACKNOWLEDGMENT OF RECEIPT
	:	OF APPLICATION 179 OF THE
	:	INDEPENDENT REVIEW BOARD
INTERNATIONAL BROTHERHOOD OF	:	IN THE MATTER OF
TEAMSTERS, <u>et al.</u>	:	ARMANDO ALONZO
	:	
	:	
Defendants.	:	

This Court hereby acknowledges that Application 179 of the Independent Review Board ("IRB") for the International Brotherhood of Teamsters ("IBT") has been received by this Court, and that this Court has caused to be filed the original documents concerning Application 179 of the IRB with the Clerk of the Court of the Southern District of New York.

This Court further certifies that the instant Acknowledgment of Receipt ("the Acknowledgment") has been filed with the Clerk of the Court of the Southern District of New York, and that a copy of the Acknowledgment has been forwarded to the following:

John J. Cronin, Jr.
444 North Capitol Street, NW,
Suite 528
Washington, DC 20001
Administrator of the
Independent Review Board

Bradley T. Raymond, Esq.
25 Louisiana Avenue, NW
Washington, DC 20001
IBT General Counsel

Dated: _____, 2015
New York, New York

U.S.D.J.

INDEPENDENT REVIEW BOARD
444 North Capitol Street, NW, Suite 528
Washington, DC 20001
(202) 434-8080
Facsimile (202) 434-8084
Corruption Hotline (800) CALL IRB

Chief Investigator:

Charles M. Carberry, Esq.
Investigations Office
17 Battery Place, Suite 331
New York, NY 10004

Administrator:
John J. Cronin, Jr.

Board Members:
Benjamin R. Civiletti, Esq.
Venable LLP
575 7th Street, NW
Washington, DC 20004

Joseph E. diGenova, Esq.
diGenova & Toensing, LLP
1776 K Street, NW, Suite 737
Washington, DC 20006

The Honorable William H. Webster
1850 K Street, NW, Suite 1100
Washington, DC 20006

May 15, 2015

VIA UPS NEXT DAY

Hon. Loretta A. Preska
United States District Court
United States Courthouse
500 Pearl Street, Room 1320
New York, NY 10007

Re: APPLICATION 179 OF THE INDEPENDENT REVIEW BOARD

Dear Judge Preska:

I transmit herewith one original and one copy of Application 179 of the Independent Review Board, submitting the Agreement regarding Former Local 439 President, Armando Alonzo, to Your Honor for review, and if appropriate, to be "so ordered."

In addition to the Application, enclosed please find the original and one copy of:

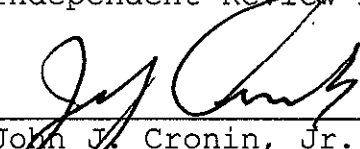
- (a) the May 14, 2015, Agreement approved by the IRB;
- (b) an Acknowledgment of Receipt; and
- (c) an Affidavit of Service.

If you find it appropriate, I respectfully request that a member of Your Honor's staff file the original of the Application, Agreement, Acknowledgment of Receipt and Affidavit of Service with the Clerk's office.

Respectfully submitted,

Members of the
Independent Review Board

By:



John J. Cronin, Jr.
Administrator

JJC:cft

Enclosures

cc: Charles M. Carberry, Esq.
Bradley T. Raymond, Esq.
Tara LaMorte, AUSA
Armando Alonzo

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,	:	
	:	
Plaintiff,	:	88 CIV. 4486 (LAP)
	:	
v.	:	APPLICATION 179 OF THE
	:	INDEPENDENT REVIEW BOARD
	:	-- AGREEMENT BETWEEN THE
INTERNATIONAL BROTHERHOOD OF	:	INDEPENDENT REVIEW BOARD
TEAMSTERS, <u>et al.</u>	:	AND ARMANDO ALONZO
	:	
Defendants.	:	

Pursuant to Paragraph O. of the Rules and Procedures for Operation of the Independent Review Board for the International Brotherhood of Teamsters ("IRB Rules"), the Independent Review Board ("IRB") files this Application submitting the Agreement with Armando Alonzo ("Alonzo"), former President of Local 439 in Stockton, California. The Agreement has been approved by the IRB and is submitted to Your Honor for review and, if appropriate, to be entered as an order.

On February 27, 2015, the IRB issued an Investigative Report to IBT General President Hoffa, recommending charges against Armando Alonzo of Local 439 for breaching his fiduciary duties to protect the Local and its members by causing the Local to make substantial purchases for events and merchandise without the members' approvals required by the local's Bylaws, failing to maintain proper records of disposition of Local assets

required by federal law and embezzling and converting Local 439 funds he was not entitled to, to his own use and to the use of others.

On March 4, 2015 by letter and as corrected by letter on March 11, 2015, IBT General President James P. Hoffa determined to adopt and file the charge.

On April 16, 2015, a Notice of the May 6, 2015 Hearing, was issued by the IBT General President, with a copy submitted to the IRB. On April 27, 2015 the IBT issued notice that the May 6, 2015 Hearing was rescheduled to May 22, 2015.

On April 22, 2015, prior to the scheduled hearing, the IBT submitted an agreement signed by Alonzo to the IRB. On May 14, 2015 the IRB approved the agreement and now submits it to the Court by Application 179.

This Application complies with former United States District Court Judge David N. Edelstein's February 2, 1994, Order stating that all IRB Agreements shall "contain a paragraph informing signatories that the agreement will be reviewed and may be rejected." The Agreement reached between the IRB and Armando Alonzo, effective May 14, 2015 forward, satisfies this procedure. One original and one copy of an Acknowledgment of Receipt are enclosed with this Application for execution by Your Honor.

We have found the Agreement serves to resolve the matter 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 the 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: May 15, 2015

-----X
In The Matter of :
 :
ARMANDO ALONZO :
 :
 :
Before the :
 :
INDEPENDENT REVIEW BOARD :
 :
-----X

AFFIDAVIT AND AGREEMENT

STATE OF CALIFORNIA) ss.:
COUNTY OF SAN JOAQUIN) ss.:

Armando Alonzo, being duly sworn, deposes, says, and agrees as follows:

1. On or about February 27, 2015, the Independent Review Board (“IRB”), 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 the following charges be filed against me:

Charge One. While an officer of Local 439 and one of the sole signatories of Local checks, you brought reproach upon the IBT, breached your fiduciary duties and violated the Local’s Bylaws’ restrictions on the expenditure of Local funds in violation of Article II, Section 2(a) and Article XIX, Section 7(b)(1) of the IBT Constitution, *to wit:*

Between approximately March 2008 and May 2014, while an officer of Local 439, you caused the Local to spend \$845,853 for cars, events and merchandise without the Executive Board approvals Section 14(B)(8) and 16 (C) of the Local's Bylaws required. You also caused the Local to spend \$568,761 in substantial purchases for events and merchandise over \$1,000 without members' approvals as Section 14(B)(8) of the Bylaws required.

Charge Two. While an officer and member of Local 439, you brought reproach upon the IBT, exposed the Local to the risk of civil and criminal penalties and interfered with the Local's legal and recordkeeping obligations under federal law in violation of Article II, Section 2(a) and Article XIX, Section 7(b)(2) and (5) of the IBT Constitution, *to wit*:

Between approximately 2009 and 2013, while President of Local 439 and a required signatory on the Local's Form LM-2s, you failed to maintain records of the disposition of over \$72,000 in Local assets, including televisions, other electronic items, liquor and gift cards the Local purchased. Such records were required to be maintained pursuant to 29 U.S.C. Sections 431, 436 and 439. Your failure to comply with your record keeping obligations under federal law

exposed the Local to the risk of civil and criminal actions. 29 U.S.C. Sections 439, 440.

[Charge Three of the IRB's February 27, 2015 recommended charges does not apply to Alonzo.]

Charge Four. While President and a member of Local 439, you violated the IBT Constitution and breached your fiduciary duties to the Local and its members, brought reproach upon the IBT and embezzled in violation of Article II, Section 2(a) and Article XIX, Section 7(b)(1), (2) and (3) of the IBT Constitution, *to wit*:

While the President of Local 439, you breached your fiduciary duties and embezzled approximately \$21,477 from the Local when you knowingly caused the Local to pay a business agent upon retirement \$15,928 in payments the agent was not entitled to; caused the Local to pay approximately \$3,808 for Local area meals without a union purpose; and caused the Local to pay \$1,741 in additional personal charges.

2. General President Hoffa subsequently adopted and filed these recommended charges.
3. I make this Affidavit and Agreement (the "Agreement") to resolve the IRB recommended charges described in paragraphs 1 and 2. This

Agreement does not constitute an admission or denial of the wrongdoing alleged in these charges.

4. I represent and agree to the following:
 - (a) I have been a member of Local 439 since approximately 1980. I became President of the Local in January of 2009, a position I held until I was defeated in an election conducted in the fall of 2014. I began working at the Local in 2002.
 - (b) Other than the foregoing, I have held no other elected or appointed positions or offices of any kind with Local 439, the IBT or any of their affiliated entities, including any other locals, superior bodies, inferior bodies, conferences, councils, committees, divisions, pension, health, welfare or severance plans or other such entities (“IBT entities”).
5. I hereby agree that from the effective date of this Agreement and for a period of five years thereafter or until I pay the restitution set forth below, whichever occurs later, my membership in Local 439 and the IBT shall be suspended. I further agree not to seek, accept or hold any employment, office, position or consulting or similar relationship, whether paid or unpaid, with Local 439 or any other IBT entity for a

period of five years from the effective date of this Agreement or until I pay the restitution set forth below, whichever occurs later.

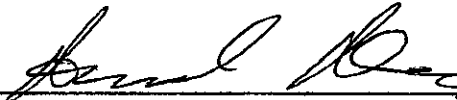
6. From the effective date of this Agreement and for a period of five years thereafter, or until I pay the restitution set forth below, whichever occurs later, neither Local 439 nor any other IBT entities shall pay me, nor shall I accept, any salary, gratuities, gifts, payments, allowances, fees, benefit payments or contributions or any other compensation of any kind, except that I may receive any compensation or benefits which have accrued to me prior to the effective date of this Agreement, including any vested or accrued pension, health, vacation or other benefits under any existing benefit plans or programs maintained or sponsored by Local 439. In addition, I may receive payment for any salary or expenses I incurred in connection with my work on behalf of Local 439 prior to the effective date of this Agreement in accordance with existing policies and procedures of Local 439.
7. For a period of five years from the effective date of this Agreement, or until I pay the restitution below, whichever occurs later, Local 439, and other IBT entities shall not make, nor shall I accept, any contributions on my behalf to any pension, health and welfare,

severance or other health benefit fund, except as required by any vested or accrued benefits to which I am entitled under any existing benefit plans or programs maintained or sponsored by Local 439 or any other IBT entities.

8. If Local 439 owes me any monies under any currently existing obligation, any resulting payments to me will be reduced by \$5,549, which shall be deemed restitution. This amount includes all of the amounts listed in Charge Four, excluding the \$15,928 paid by the Local to a business agent upon his retirement.
9. I understand and agree that this Agreement will be submitted to the Independent Review Board (“IRB”) for its review and approval. 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 the 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.

10. I make this Agreement freely and under no duress or coercion of any kind.

11. I will transmit this Agreement, signed by me, to the IBT. When it is signed by the IBT and the IRB, it will be submitted to the Court for review.



Armando Alonzo

Sworn to before me this ^{SEE} Attachment day of _____, 2015.

Notary Public

Witnessed: Daniel Rose

AGREED:



For International Brotherhood of Teamsters

Dated: 4/22/15

APPROVED:



For the Independent Review Board

Dated: 5/14/15

SO ORDERED:

Honorable Loretta A. Preska
U.S. District Court Judge

Dated: _____



Jurat Certificate California only

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of San Joaquin

Subscribed and sworn to (or affirmed) before me on this fourth

day of April, 2015, by Armando Alonzo

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Place Seal Here

Signature Trina V. Thin



Description of Attached Document

Type or Title of Document Affidavit of Agreement

Document Date 04/04/15 Number of Pages 7

Signer(s) Other Than Named Above