

(a) I am a member of the International Brotherhood of Teamsters ("IBT") and a member of IBT Local Union 707;

(b) I am a business agent and a member of the Executive Board of Local 707. I hold the office of Trustee of Local 707.

(c) Other than the positions set forth in Paragraph 3(b) I currently hold no elected or appointed offices of any kind, paid or unpaid, in the IBT or any of its affiliated entities including Local 707, or with any benefit plans, pension plans or such other entities (collectively "IBT Entities");

(d) I currently receive no salary, allowances, or remuneration of any kind from any IBT Entities other than for the offices described in Paragraph 3(b);

(e) I shall resign effective March 31, 1991, as an employee and officer of Local 707;

(f) From the date of this agreement forward, I will not seek or accept election or appointment to any membership or office, paid or unpaid, in any IBT Entities nor will I seek or accept any employment, consulting or other similar relationship of any kind with any IBT Entities;

(g) This agreement is permanent.

4. I have entered into this agreement on the understanding that the Investigations Officer agrees he will

R. J. A. Withdrew

~~not pursue~~ the charges. On or after March 31, 1991 I will receive from Local 707 pay in lieu of vacation time I have accrued to that date. Such payment is not to exceed five weeks of my current salary. I will receive no other benefits, gratuities or gifts of any kind from the Local.

5. I understand that the Investigations Officer's agreement is limited to the charges described above and that he expressly reserves the right to pursue charges against any other officer or entity of the IBT or Local 707, arising out of the allegations contained in the charges or any other investigations.

6. I agree that this agreement will be submitted to the Independent Administrator for his review and approval. If approved by the Independent Administrator, I understand he will submit it to the district court for that court to enter as an order.

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

8. I make this agreement freely, under no duress or coercion of any kind, after consultation with my attorney.

Ralph J. Alimena
RALPH J. ALIMENA

Charles Weintraub
Charles Weintraub
Attorney for Ralph J. Alimena

Sworn to before me
this 8th day of January 1991

Agreed:

Charles M. Carberry
Charles M. Carberry
Investigations Officer

Approved:

Frederick B. Lacey
Frederick B. Lacey
Independent Administrator

Charles L. Weintraub
CHARLES L. WEINTRAUB
Notary Public, State of New York
No. 03-465800
Qualified in Bronx County
Commission Expires 2/28/92

SO ORDERED:

David N. Edelstein
David N. Edelstein
United States District Judge

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INVESTIGATIONS OFFICER, :

Claimant, :

-v- :

CHARGE

RALPH J. ALIMENA, :

Trustee, :

Local 707, :

Woodside, New York, :

Respondent. :

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SIR:

You are hereby advised that the Investigations Officer has charged you with the violations listed below in accordance with the powers granted 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) on March 14, 1989. A copy of the 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.

You are charged as follows:

Count One

You are charged with acting in a manner to bring reproach upon the IBT and embezzling over \$300,000 from Local 707 while its Trustee and Business Agent and a member of its Executive Board in violation of Art. XIX, section 6(b)(1) (2), and (3),

EXHIBIT A

and Art. II, section 2(a) of the IBT Constitution by fraudulently appropriating and converting to your use and to the use of others, Local 707 monies, assets and property, to wit:

In 1980, you and others on the Executive Board created a "severance plan" for officers and staff of Local 707, which was to pay departing local union employees in recognition of faithful services to the local. In 1987 you caused this "severance plan" to be terminated and \$299,081 to be distributed to local union employees, including yourself, although everyone continued to be employed by the local. In this distribution of union assets, unknown and concealed from the members, you received \$36,894.

In addition, you have violated the local's bylaws, which provided for Local 707 officers' increases in salaries to be measured by the April membership salary increases under the National Master Freight Agreement. In January 1987 and again on June 16, 1988, you caused officers to receive a \$100 per week increase which grossly exceeded the amount of raise you and the other officers were entitled to under the bylaws.

Further, you falsely caused the membership to believe that the January 1987 salary increase was necessary because the "severance plan" termination created a diminution of officer remuneration, without informing and by concealing from the members that you had just received a "severance plan"

distribution of almost \$37,000, and other officers had similarly received large lump sums from Local 707.

Count Two

You are charged with acting in a manner to bring reproach on the IBT and embezzling from Local 707 while its Trustee and Business Agent and a member of its Executive Board in violation of Art. II, section 2(a) and Art. XIX, section 6(b)(1), (2) and (3) of the IBT Constitution by fraudulently appropriating and converting to the use of others, Local 707 monies, assets and property, valued over \$60,000 to wit:

On three occasions, you violated your duties under the IBT Constitution and the Local 707 bylaws, and ignored and disregarded the fiduciary duties owed to the membership of Local 707, by causing and agreeing with others to have Local 707 give money and automobiles to departing union officials.

These were as follows:

1) You knew or should have known that Nicholas "Nicky Black" Grancio, then the Vice President of Local 707, had links to organized crime. In August 1989 you knew that Grancio decided to retire as an officer of Local 707 rather than be examined under oath by the Investigations Officer. You also knew that Grancio had previously received \$55,637.75 in the distribution of the Local 707 "severance plan."

Nonetheless, on October 31, 1989, you caused Local 707 to purchase and give Grancio a 1989 Jeep for \$24,981.09. You allowed to be represented to the membership that this gift was because Grancio had "diligently, faithfully and effectively" served the local, although you knew, or should have known, that Grancio was linked to organized crime. You also falsely permitted to be represented to the membership of the local that the gift was justified because "severance pay has been discontinued" knowing that Grancio, even before he resigned, had received \$55,637 in severance pay in 1987.

2) You knew that Anthony Distinti, who had been an officer at Local 707 since 1984, while he continued to be an officer in Local 277, refused to answer questions about his activities in United States v. IBT. You knew that Distinti, even before his resignation, had received \$5,677.27 in the "severance" distribution from Local 707. Despite these facts, you allowed to be falsely represented to the members that Distinti had faithfully served the members and that the "severance plan" had been terminated (without disclosing that Distinti already received a lump "severance" distribution) you caused the local to give Distinti a 1988 Lincoln Town Car valued at \$13,800 as a retirement gift in August 1989.

3) On February 2, 1988 you caused Local 707 to give Vincent J. Guarna, a retiring officer of Local 707, a 1988

Lincoln Town Car valued at \$22,000. You falsely represented to the members that this gift was justified, in part, because "severance pay has been discontinued" although you knew that Guarna, even before his retirement, had already received \$62,717.88 in "severance" pay in 1987.

Dated: New York, New York
November 15, 1990

Very truly yours,

Charles M. Carberry
Charles M. Carberry
Investigations Officer
599 Lexington Avenue
New York, New York 10022
(212) 326-3920

Enclosure

cc: Frederick B. Lacey, Esq.
James T. Grady, Esq.
Edward T. Ferguson, III, Esq.

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