

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

_____	:	88 Civ. 4486 (DNE)
UNITED STATES OF AMERICA	:	
	:	APPLICATION LXXX OF THE
Plaintiff,	:	INDEPENDENT REVIEW BOARD
	:	-- AGREEMENT BETWEEN THE
v.	:	INDEPENDENT REVIEW BOARD
	:	AND JOSEPH A. PADELLARO
INTERNATIONAL BROTHERHOOD	:	
OF TEAMSTERS, <u>et al.</u>	:	
	:	
Defendant.	:	
_____	:	

Pursuant to Paragraph O. 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 Joseph A. Padellaro ("Padellaro"), retired member of the IBT and of Local Union 686 in North Andover, Massachusetts. 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 matter of The Independent Review Board v. Joseph A. Padellaro. The Agreement, with exhibits annexed thereto as Exhibit A and a copy of the charge annexed thereto as Exhibit B, is enclosed, with a transmittal letter thereof to General President James P. Hoffa.

This Application recognizes the importance of Your Honor's February 2, 1994, Order in which Your Honor 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 Padellaro satisfies this procedure for Your Honor's review.

In compliance with Your Honor'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.

Padellaro was charged with breaching his fiduciary duty to the members and bringing reproach upon the IBT in violation of Article II, Section 2(a) and Article XIX, Sections 7(b)(1), (2) and (3) of the IBT Constitution for embezzling money from Locals 11, 72, 97, 194, 240, 617, 680, 810, 819, 868, 945 and 999 and Joint Councils 17 and 64 while he was an International Representative and an appointed Trustee.

Effective the date the IRB approves the Agreement, April 25, 2000, Padellaro has agreed to resign permanently from membership in the IBT.

Padellaro has further agreed not to:

(1) hold any position, office, employment or consulting position with the IBT, Local 686, and any IBT Entity;

(2) accept or solicit any salary, compensation or benefit fund contributions of any kind from Local 686 and IBT Entities, except that he may receive any fully vested pension benefits and fully vested welfare benefits.

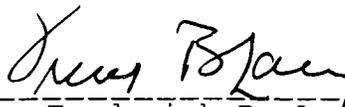
We have found the Agreement comports with Your Honor's February 2, 1994, Order and serves to resolve the charge in a fair and equitable manner.

**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.

Dated: April 25, 2000

By: \_\_\_\_\_



Frederick B. Lacey  
Member of the  
Independent Review Board

**AFFIDAVIT AND AGREEMENT**

State of New York            )  
  )  
City of New York            )        ss:

JOSEPH A. PADELLARO, being duly sworn, deposes and says, and agrees as follows:

1.     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 charges be filed against me for embezzlement, breaching my fiduciary duty to the members and bringing reproach upon the International Brotherhood of Teamsters (“IBT”). The IBT adopted and filed these charges on November 15, 1999.

2.     I make this Affidavit and Agreement (the “Agreement”) to permanently resign from any and all positions I have held with the International Brotherhood of Teamsters or any IBT entity or subordinate body and make full restitution to the appropriate entities on subordinate bodies, in order to resolve the recommended IBT charges described in paragraph 1. This Agreement does not constitute an admission of the IBT charges.

3.     I represent and agree to the following:

      (a)    I am a retired member on a withdrawal card from the IBT and a retired member of IBT Local Union 686;

      (b)    I currently hold no elected or appointed office of any kind, paid or unpaid, in the IBT or in any of its affiliated entities or subordinate bodies, including any locals, conferences, councils, pension,

health, welfare or severance plans or any other such entity (collectively "IBT Entities");

(c) I currently receive no salary, allowance, or remuneration of any kind from any IBT Entity; however, I currently participate in a Teamsters Health and Welfare Fund.

4. I hereby permanently resign from any position with the IBT, from any position with Local 686, and any IBT Entity, effective upon the date that this Agreement is approved by the Independent Review Board ("the effective date"). From the effective date of this Agreement forward, I further agree never to seek or hold any position, office, employment or consulting position with the IBT, or any of its affiliated entities, or subordinate bodies, including but not limited to Local 686.

5. I hereby further agree to fully reimburse all appropriate IBT entities and subordinate bodies, including but not limited to Locals 11, 72, 97, 194, 240, 617, 680, 810, 819, 868, 945, 999 and Joint Councils 17 and 64, collectively, in an amount equal to \$10,132.52. This amount equals the total amount of \$12,650.76, as set forth in the IRB charges, minus the \$2,518.24. I already reimbursed to the affected IBT affiliates, as shown in the documents attached hereto as Exhibit A. I shall make this payment in full to the IBT, through its office of General Counsel, by close of business on March 9, 2000.

6. From the effective date of this Agreement forward, I will not accept or solicit from Local 686 or any IBT entities any salary, compensation or benefit fund contributions of any sort or kind, except that I may receive by fully vested pension benefits.

7. This Agreement is permanent.

8. I have entered this Agreement on the understanding that the IBT agrees that it will not proceed with the charges described in Paragraph 1 above.

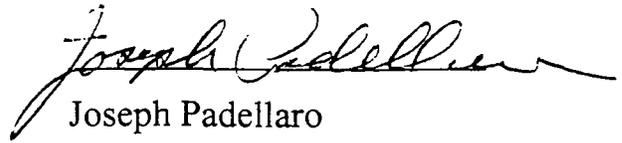
9. I understand that the IBT's agreement is limited to the recommended charges described in Paragraph 1 and it expressly reserves the right to pursue charges against any other officer, member, employee or entity of the IBT and Local Union 686 arising out of the allegations contained in the recommended charges described in Paragraph 1 or any other investigation. I further understand that this Agreement does not prevent the IBT or any other appropriate body or individual from filing charges against me concerning any matter not raised in the recommended charges described in Paragraph 1.

10. 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.

11. I make this Agreement freely, under no duress or coercion of any kind and after consultation with my attorney.

12. I have authorized my attorney to 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.

Further Affiant sayeth not.

  
Joseph Padellaro

Subscribed and sworn to before me by Joseph Padellaro, this 4<sup>th</sup>  
APRIL  
day of ~~February~~, 2000, to be his free act and deed.

My commission expires April 17, 2003

Clarence J. White  
Notary Public

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15:00 11:11 11:11

HURWITZ STAMPUR & ROTH  
299 Broadway  
New York, New York 10007  
(212) 619-4240

By James Roth  
James Roth  
Counsel for Joseph A. Padellaro

INTERNATIONAL BROTHERHOOD OF TEAMSTERS  
25 Louisiana Avenue, N.W.  
Washington, D.C. 20001  
(202) 624-6945

By Patrick J. Szymanski 4-10-00  
Patrick J. Szymanski  
General Counsel

Agreed:  
James Blakey  
Independent Review Board

Date: April 15, 2000

So Ordered:  
D/N/E

Date: April 28, 2000