

ID # 354

> INVESTIGATIONS OFFICER,
 > Claimant,
 > - v -
 > GIROLEMO "SONNY" MUSSO
 > President, Local 641
 > Union, New Jersey,
 > Respondent.
 >

CHARGE

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. A copy of that order is attached.

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

You are charged with:

Charge One

Violating Article II, section 2(a) of the International Brotherhood of Teamsters (IBT) Constitution, by

conducting yourself in a manner to bring reproach upon the IBT, to wit: while President of Local 641, hiring to be an organizer for Local 641, Andrew Reynolds, whom you knew or should have known was an associate of the Genovese Organized Crime family, La Cosa Nostra.

Charge Two

Violating Article II, section 2(a), of the IBT Constitution while President of Local 641 by conducting yourself in a manner to bring reproach upon the International Brotherhood of Teamsters, to wit: hiring as a "clerk" in January 1985, at an annual salary of \$36,400, John Dwyer, the former President of Local 641 who had been convicted and sentenced in March, 1984 for looting the Local 641 Welfare Plan and betraying the Local 641 members. The salary for this newly created position for Dwyer, which was designed to funnel him Local 641 money while he waited to go to jail, was increased to \$39,000 in May, 1985.

Charge Three

1. Violating Article II, section 2(a) of the IBT Constitution, by conducting yourself in a manner to bring reproach upon the IBT; and

2. Violating Article XIX, section 6(b) of the IBT Constitution, by failing to perform your duties as a union officer and embezzling and converting union funds to the use of others;

TO WIT, after the conviction and sentence of John Dwyer, President of Local 641, and Jack Spero, Vice President, in March 1984 for conspiring to loot Local 641 welfare plans and for betraying the Local's members, you allowed Dwyer and Spero to be awarded, respectively, raises of \$121.33 and \$102.64 a week effective April, 1984. They both resigned in October, 1984. For this period Dwyer received an additional \$3,639.30 and Spero and additional \$3,079.20. These raises were not in the interest of the members of Local 641.

Charge Four

1. Violating Article II, section 2(a) and Article XIX, section 6(b)(2) of the IBT Constitution, by conducting yourself in a manner to bring reproach upon the IBT; and
2. Violating Article XVIII, section 6(b) and Article XIX, section 6(b)(1) of the IBT Constitution by continuing to hold office in Local 641 and remaining in its employ after you were ineligible to hold office or employment in Local 641;
3. Violating Article XIX, section 6(b)(3) of the IBT Constitution by embezzling and converting union funds to your own use and the use of others, by continuing to receive salary and other benefits after you had ceased to be eligible to hold office in or be employed by Local 641.

TO WIT, on or after February 28, 1990 you received a distribution from the Local 641 Employees Pension Plan Trust in the approximate amount of \$189,743.73. Thereafter you remained

in office and continued to receive salary and benefits from Local 641 although you were no longer entitled to hold office or to be employed by the union.

Article XVIII, Section 6(b) of the IBT Constitution, provides as follows:

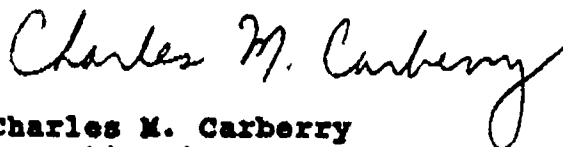
A member, including a Local Union officer, who is receiving pension benefits from any pension plan shall be considered to have retired. A retired Local Union officer shall not be eligible to hold any office or position he occupies by virtue thereof, as of the effective date of his retirement. Nor shall a retired Local Union officer be eligible to hold any other office or employment with his Local Union. A withdrawal card shall be issued to any member, including a Local Union officer, who has retired, except that a member who continues to work at the craft, excluding employment with his Local Union, shall be required to retain active membership.

Under this provision of the IBT Constitution you were not entitled to hold office in or be employed by Local 641 after February 28, 1990, the effective date of your distribution from the Plan.

Despite this explicit provision of the IBT Constitution, you continued to hold office in and to be employed by Local 641. You did not take a withdrawal card as required by the IBT Constitution. Other members of the board who received distributions also wrongfully continued in office, receiving salary and benefits. You did not cause a withdrawal card to be issued to the other members of the board who also became ineligible to hold office when they received their distributions from the Plan. Although you were ineligible to remain in office

or to be employed by Local 641, you and the other members of the executive board did so and received salary and other benefits to which you were no longer entitled from Local 641 after February 28, 1990.

Very truly yours,



Charles M. Carberry
Investigations Officer
30th Floor
599 Lexington Avenue
New York, New York 10022

Dated: New York, New York
November 5, 1990

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

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INVESTIGATIONS OFFICER,          :
                                :  AFFIDAVIT AND AGREEMENT
    Claimant,                     :
    -v-                             :
GIROLEMO MUSSO,                   :
                                :
    Respondent.                    :
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GIROLEMO MUSSO, being duly sworn, deposes and says, and agrees as follows:

1. The Investigations Officer, Charles M. Carberry, 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") filed charges against me on November 5, 1990 pursuant to the Consent Order (the "charges"). A copy of these charges is attached as Exhibit A, and is incorporated herein by reference. In light of the Independent Administrator's decision in Bedell v. Musso, 91 - Elec. App. 37 (Jan. 15, 1991), the Investigations officer withdrew court one of the charges on Jan. 16. 1991.

2. I make this affidavit and agreement (the "agreement") to resolve the charges. This agreement does not constitute an admission or denial 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 Union 641;

(b) I am a member of the Executive Board of Local 641, and hold the office of President of Local 641; I am also a Trustee of the Local 641 Funds. In addition, I am Secretary-Treasurer of Joint Council 73 and a Trustee of its pension plan.

(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 641 and Joint Council 73, or with any benefit 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 as an officer, employee and member of Local 641, as Trustee of the Local 641 Funds, as an officer of Joint Council 73 and its fund effective March 31, 1991.

(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 not pursue the charges. I understand that my current health insurance coverage will be able to be continued by the Local. I will receive four weeks severance payment from Local 641 officer and accrued vacation not to exceed eight weeks. I will receive no other benefits, gratuities or gifts of any kind from the Local, with the exception of any token from the local the value of which will not exceed \$100.

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 641, 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. In

the event that either the court or the Independent Administrator do not approve this agreement, I may elect to proceed with a hearing on the charges.

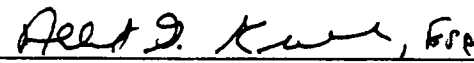
8. I make this agreement freely, under no duress or coercion of any kind, after consultation with my attorney.

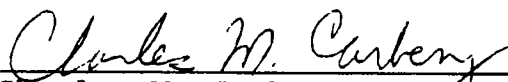
9. This Agreement is not effective until it has been signed below by the Investigations Officer and the Independent Administrator.


GIROLEMO MUSSO

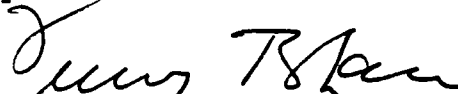
Sworn to before me
this 27th day of March 1991

Agreed:



~~Dino Bliablias~~ AGK
Attorney for Girolemo Musso


Charles M. Carberry
Investigations Officer

Approved:


Frederick B. Lacey
Independent Administrator

SO ORDERED:


David N. Edelstein
United States District Judge

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