

INDEPENDENT REVIEW BOARD
444 North Capitol Street, NW, Suite 528
Washington, DC 20001
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Chief Investigator:

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

Administrator:
John J. Cronin, Jr.

March 10, 2015

VIA UPS GROUND

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

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

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

Re: APPLICATION 177 OF THE INDEPENDENT REVIEW BOARD

Dear Judge Preska:

I transmit herewith one original and one copy of Application 177 of the Independent Review Board, submitting the Agreement regarding Michael Sweeney of Local 710, approved by the IRB, 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 March 10, 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 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: Tara M. La Morte, AUSA
Charles M. Carberry, Esq.
Bradley T. Raymond, Esq.
Michael Sweeney

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,	:	
	:	88 CIV. 4486 (LAP)
Plaintiff,	:	
	:	APPLICATION 177 OF THE
v.	:	INDEPENDENT REVIEW BOARD
	:	-- AGREEMENT BETWEEN THE
INTERNATIONAL BROTHERHOOD OF	:	INDEPENDENT REVIEW BOARD
TEAMSTERS, <u>et al.</u>	:	AND MICHAEL SWEENEY
	:	
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 Michael Sweeney ("Sweeney"), a member of Local 710 in Mokena, Illinois. 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 August 15, 2014, the IRB issued an Investigative Report to IBT General President Hoffa, recommending a charge against Michael Sweeney Former President of Local 710, Organizer, Business Agent, and Pension Fund Trustee for Local 710 and Local 744, for breaching his fiduciary duties to protect Local assets by failing to investigate unusual financial transactions.

On August 21, 2014, IBT General President James P. Hoffa

determined to adopt and file the charge.

On October 21, 2014 the IBT submitted an agreement signed by Sweeney to the IRB. The IRB after review returned the agreement to the IBT as inadequate on November 13, 2014.

On February 2, 2015 prior to the scheduling of a hearing of this charge, IBT General Counsel, Bradley Raymond, submitted to the IRB a signed revised agreement, which the IBT approved seeking to resolve the matter. The revised agreement, approved by the IRB, is enclosed.

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 Michael Sweeney, effective March 10, 2014 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: March 10, 2015

-----X
 In The Matter of :
 :
 MICHAEL SWEENEY :
 : AFFIDAVIT AND AGREEMENT
 :
 Before the :
 :
 INDEPENDENT REVIEW BOARD :
 :
 -----X

STATE OF ILLINOIS) ss.:
 COUNTY OF COOK) ss.:

Michael Sweeney, being duly sworn, deposes, says, and agrees as follows:

1. On or about August 15, 2014, 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 charge be filed against me:

While an officer and a member of Local 710, you brought reproach upon the IBT and breached your fiduciary duty to protect the members’ assets in violation of Article II, Section 2 (a) and Article XIX, Section 7 (b) (1) and (2) of the IBT Constitution by failing to inquire when necessary into the principal officer’s purchase and disposition of gift cards and, in particular, by voting in November of

2011 to approve the principal officer's purchase of 1,000 \$25 gift cards which, given the circumstances described in IRB's report, was an unusual transaction and by voting in January of 2013 to give the principal officer blanket authority to dispose of "surplus items," which included unused gift cards.

General President Hoffa subsequently adopted and filed these recommended charges.

2. I make this Affidavit and Agreement (the "Agreement") to resolve the IRB recommended charge described in paragraph 1. This Agreement does not constitute an admission or denial of the wrongdoing alleged in these charges.
3. I represent and agree to the following:
 - (a) I have been a member of the IBT since approximately 1984. I was elected as a full time business agent for Local 710 in 1994. I have been a full time officer and business agent at Local 710 since 1996, when I was appointed to the office of Recording Secretary. I was a vice president for the Local from 2003 until 2011. From September of 2011 until July 30, 2014, I was the Local's President. In addition to the foregoing, I have also served as a Trustee of the Local 710 Pension Fund, the Local

710 Health and Welfare Fund, the Employees' Pension Plan and the Local 744 Beverage Division Pension Fund.

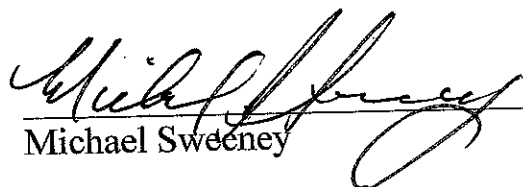
(b) Other than the foregoing, I have held no other elected or appointed positions or offices of any kind with Local 710, the IBT or any of their affiliated entities, including any other locals, superior bodies, inferior bodies, conferences, councils, committees, divisions, pension, health, welfare or severance plans or other such entities ("IBT entities").

4. I hereby agree that, to the extent I have not been removed from these positions, I will resign all of my elected and appointed positions with Local 710 and all other IBT affiliated positions, effective upon the date this Agreement is approved by the IRB ("the effective date"). I further agree never again to seek, accept or hold any office in Local 710 or any successor to Local 710. I further agree not to seek, accept or hold any office in any other IBT entity for a period of three years from the effective date of this Agreement. In addition, I agree not to seek, accept or hold any employment, position or consulting or similar relationship, whether paid or unpaid, with Local 710 or any other IBT entity for a period of three years from the effective date of this Agreement.

5. From the effective date of this Agreement, and until any future lawful employment or similar relationship may be established with Local 710 or any other IBT entity consistent with the terms set forth in paragraph 4, above, neither Local 710 nor any other IBT entity 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, vacation or other benefits under any existing benefit plans or programs maintained or sponsored by Local 710. In addition, I may receive payment for any salary or expenses I incurred in connection with my work on behalf of Local 710 prior to the effective date of this Agreement in accordance with existing policies and procedures of Local 710.
6. For a period of three years from the effective date of this Agreement, and subject to the terms set forth in paragraph 4, above, Local 710 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 benefits to which

I am entitled under any existing benefit plans or programs maintained or sponsored by Local 710.

7. 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.
8. I make this Agreement freely and under no duress or coercion of any kind.
9. 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.


Michael Sweeney

Sworn to before me this
01st day of January 2015

Kelly Dirschl
Notary Public



Witnessed Christina M...

AGREED:

Bh
For International Brotherhood of Teamsters

Dated: 2/2/15

APPROVED:

John J. Curran Jr.
For the Independent Review Board

Dated: 3/10/15

So Ordered:

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

Dated: _____

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,
Plaintiff,

v.

INTERNATIONAL BROTHERHOOD OF
TEAMSTERS, et al.

Defendants.

88 CIV. 4486 (LAP)

ACKNOWLEDGMENT OF RECEIPT
OF APPLICATION 177 OF THE
INDEPENDENT REVIEW BOARD

This Court hereby acknowledges that Application 177 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 Michael Sweeney Application 177 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.