

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.

March 12, 2014

VIA UPS

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

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

Re: APPLICATION 169 OF THE INDEPENDENT REVIEW BOARD

Dear Judge Preska:

I transmit herewith one original and one copy of Application 169 of the Independent Review Board, submitting the Agreement regarding Arthur Cantu, 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 12, 2014, 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

Pursuant to the Consent Order of the United States District Court, S.D.N.Y.
United States -v- International Brotherhood of Teamsters 88 CIV. 4486 (LAP)

JJC:cft

Enclosures

cc: Tara M. La Morte, AUSA
Charles M. Carberry, Esq.
Bradley T. Raymond, Esq.
Arthur Cantu

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)

APPLICATION 169 OF THE
INDEPENDENT REVIEW BOARD
-- AGREEMENT BETWEEN THE
INDEPENDENT REVIEW BOARD
AND ARTHUR CANTU

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 Arthur ("Cantu"), a member of Local 36 in San Diego, 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 December 20, 2014, the IRB issued an Investigative Report to IBT General President Hoffa recommending charges against Arthur Cantu, former Secretary-Treasurer for Local 36, for breaching his fiduciary duties by Destroying a Local vehicle while driving under the influence of alcohol, driving a Local vehicle on a suspended license, never making the Local whole for the destroyed vehicle, improper use of Local funds for personal meals, failing to submit itemized receipts, falsifying receipts

and shredding records to prevent examination of those records.

On January 6, 2014, IBT General President James P. Hoffa informed the IRB that he determined to adopt and file the Charges against Cantu and schedule a hearing. Before a hearing could be scheduled, Cantu forwarded to the IBT a signed agreement which the IBT approved and forwarded to the IRB on February 24, 2014, seeking to resolve the matter. The 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 Arthur Cantu satisfies this procedure. One original and one copy of an Acknowledgment of Receipt are enclosed with this Application for execution by Your Honor.

Effective March 12, 2014 forward Arthur Cantu, who is currently on withdrawl status and retired, has agreed to a permanent bar from holding any Office, employment and membership with the IBT and or any IBT affiliate. He has also, agreed to pay to IBT Local 36 restitution of \$822.64.

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 12, 2014

-----x
 In The Matter of :
 :
 ARTHUR CANTU :
 : AFFIDAVIT AND AGREEMENT
 :
 Before the :
 :
 INDEPENDENT REVIEW BOARD :
 :
 -----x

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

Arthur Cantu, being duly sworn, deposes, says, and agrees as follows:

- On or about December 20, 2013, 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 as follows:
 Charge One. Bringing reproach upon the IBT in violation of Article II, Section 2 (a) and Article XIX, Section 7 (b) (1) and (2) of the IBT Constitution and Section 13 (A) (18) of the Local 36 Bylaws by allegedly breaching my fiduciary duties by a) on December 21, 2010 destroying a vehicle owned by the Local while driving under the influence of alcohol, b) on December 22, 2010 causing the Local to purchase another car for my use to replace the car I destroyed, c) failing to make the Local whole for the property I destroyed and d) driving the replacement vehicle purchased by the Local between at least March 4, 2011 and March 8, 2012 while my drivers' license was suspended.

Charge Two. Bringing reproach upon the IBT in violation of Article II, Section 2 (a) and Article XIX, Section 7 (b) (1), (2) and (3) of the IBT Constitution by allegedly breaching my fiduciary duties by a) causing the Local to pay approximately \$822.64 for personal meals which served no union purpose between at least 2009 and March 2013, b) failing to submit itemized receipts for these meals as required by Section 15 (B) of the Local's Bylaws and c) falsifying receipts submitted to the Local which concealed the absence of a proper union purpose for the meals.

Charge Three. Bringing reproach upon the IBT in violation of Article XIX, Section 7 (b) (1) and (2) and Section 14 (i) of the IBT Constitution and section 9 (F) of the Local's Bylaws by allegedly breaching my fiduciary duties by directing the shredding of Local records after being notified that IRB had scheduled an examination of these records.

2. I make this Affidavit and Agreement (the "Agreement") to resolve the IRB charges described in paragraph 1. This Agreement does not constitute an admission or denial of the wrongdoing alleged in the IRB charges.

3. I represent and agree to the following:

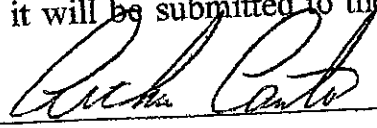
(a) I have been a member of Local 36 of the International Brotherhood of Teamsters ("IBT") and the IBT since approximately 1978. I have held various positions with Local 36, Joint Council 42 and the IBT, including Secretary Treasurer of Local 36 from 2000 until I resigned, Recording Secretary of Joint Council 42 from 2010 until I resigned and International Representative from 2005 until I resigned. I resigned each of the above positions and retired effective on March 31, 2013.

(b) Other than the foregoing, I have held no other elected or appointed positions or offices of any kind with Local 36, 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 effective upon my signing of this Agreement ("effective date") my current employment and membership status with Local 36, which is on withdrawal and retired, will become permanent. I further agree that from and after the effective date of this Agreement I will never hold membership in the IBT or any affiliate of the IBT. I further agree that from and after the effective date of this agreement I will not seek or hold any appointed or elected office or employment with Local 36, the IBT or any affiliate of the IBT, including but not limited to Joint Councils, Local Unions or any benefit funds affiliated with Local 36, the IBT or any affiliates thereof. This prohibition includes consulting or similar relationships, whether paid or unpaid. In addition, I agree that from and after the effective date of this

Agreement I shall not participate in any manner in any of the activities or affairs of Local 36, the IBT or any affiliates thereof, including but not limited to meetings, discussions, consultations, negotiations, votes or any other business or activity of Local 36, the IBT or any of their affiliates, except that upon written request of an attorney for Local 36 or the IBT I may provide necessary information and testimony in connection with litigation, grievances, arbitrations or charges concerning matters occurring prior to this Agreement.

5. I further agree that from and after the effective date of this Agreement neither Local 36 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, vacation or other benefits under any existing benefit plans or programs maintained or sponsored by Local 36.
6. I further agree that from and after the effective date of this Agreement, Local 36 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 36 or any other IBT entities.
7. I further agree that within 10 days of the effective date of this Agreement I shall pay to Local 36 \$822.64 to reimburse the Local for the meals referenced in paragraph 1, above.
8. 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.
9. I make this Agreement freely, under no duress or coercion of any kind.
10. 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.


Arthur Cantu

Sworn to before me this

21 day of February 2014

[Signature]
Notary Public



Witnessed _____

AGREED:

[Signature]
General Counsel
for the International Brotherhood of Teamsters

Dated: 2/24/14

APPROVED:

[Signature]
for the Independent Review Board

Dated: 3/12/14

So Ordered:

_____ Dated: _____
U.S. District Court Judge
Hon. Loretta A. Preska

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 THE AGREEMENT
BETWEEN THE INDEPENDENT
REVIEW BOARD AND
ARTHUR CANTU

This Court hereby acknowledges that the Agreement enclosed with Application 169 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 the Agreement enclosed with Application 169 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

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

Bradley T. Raymond, Esq.
International Brotherhood of Teamsters
25 Louisiana Avenue NW
Washington, DC 20001

Arthur Cantu
682 Luton Drive
Glendale, CA 91206

Dated: _____, 2014
New York, New York

U.S.D.J.