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INVESTIGATIONS OFFICER,      :  
:  
-v-      :  
:  
Philip Guarnaccia,      :  
:  
Respondent      :  
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AFFIDAVIT & AGREEMENT

PHILIP GUARNACCIA, being duly sworn, deposes and says,  
and agrees as follows:

1. I make this affidavit and agreement (the "agreement")  
to resolve charges filed against me on <sup>November 5, - P.A.S.</sup> ~~January 9~~, 1990 by 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"). A copy of the charges is annexed  
as Exhibit A, and incorporated by reference (the "charges").  
This agreements does not constitute an admission of wrongdoing  
by Philip Guarnaccia to the charges.

2. 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 493;
- (b) I was a member of the Executive Board of Local  
493 during the years 1976 through 1989.
- (c) I am currently a shop steward in Local 493. I

will resign as steward on the effective date of this agreement as defined in Paragraph 4. I currently hold no other elected or appointed office of any kind, paid or unpaid, in the IBT, Local 493, or with any benefit plans or other such entities (collectively "IBT Entities");

(d) I currently receive no salary, allowances, or remuneration of any kind from any IBT Entities;

(e) From the date of this agreement forward for a period of two years, I will not seek or accept election or appointment to any office, paid or unpaid, in any IBT Entities.

(f) This agreement is permanent.

3. I agree to reimburse Local 493, \$65,000 in exchange for money and property transferred to me by Local 493's executive board as described in the charges.

4. I shall execute a note in favor of Local 493 in the amount of \$65,000. Pursuant to the note, and the terms of this agreement, the \$65,000 is to be paid no later than one hundred eighty (180) days from the date the agreement is approved by the Independent Administrator ("the effective date"). The note is attached as Exhibit B to this agreement.

5. Failure to make the payments in the full amount, by the date set forth in Paragraph 4 shall be deemed a material breach of this agreement. In the event of such material breach, the Investigations Officer or the Local are free to pursue any available remedies. I will also be barred for life

from holding the position of steward, in addition to those in Paragraph 2(e), in the event of a material breach.

6. I have entered into this agreement on the understanding that the Investigations Officers agrees he will not pursue the charges at the hearing scheduled to begin before the Independent Administrator on December 20, 1990 or at any time thereafter.

7. I understand that the Investigations Officer's agreement is limited to the charges against me attached hereto as Exhibit A and that he expressly reserves the right to pursue charges against any other officer or entity of the IBT or Local 493, arising out of the allegations contained in the charges or any other investigations.

8. I agree that this agreement will be submitted to the Independent Administrator for his review and approval.

9. I understand the Investigations Officer makes no representation as to any action that may be taken by the Independent Administrator or the court with respect to this agreement.

10. I make this agreement freely, under no duress or coercion of any kind.

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

Philip J. Guarnaccia  
Philip Guarnaccia

Sworn to before me  
this 19<sup>th</sup> day of December, 1990

Dorothy Patch  
Notary Public  
DOROTHY PATCH  
NOTARY PUBLIC  
MY COMMISSION EXPIRES MARCH 31, 1992

J. J. Williams  
Attorney for Mr. Guarnaccia

Agreed:

Charles M. Carberry  
Charles M. Carberry  
Investigations Officer

Dec 27, 1990  
Dated

Approved:

Frederick B. Lacey  
Frederick B. Lacey  
Independent Administrator

Dec 27, 1990  
Dated

So Ordered:

Hon. David N. Edelstein

Dated

PROMISSORY NOTE

I, Philip Guarnaccia, of Colchester, Connecticut 06415, hereby agree that pursuant to an agreement entered into in December, 1990 between myself and Investigations Officer Charles M. Carberry, and in consideration of the said agreement and in accordance with its terms, I will pay to Local 493 the total amount of \$65,000.00 to be paid no later than 180 days from the date the agreement is approved by the Independent Administrator ("the effective date")

Agreed:

Philip Guarnaccia  
Philip Guarnaccia

Sworn to before me this 19<sup>th</sup> day of December, 1990

Dorothy Patch  
Notary Public

6405S

**DOROTHY PATCH**  
**NOTARY PUBLIC**  
MY COMMISSION EXPIRES MARCH 31, 1992

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> INVESTIGATIONS OFFICER,  
 > Claimant,  
 > - v -  
 > PHILIP GUARNACCIA,  
 > Respondent, Local 493,  
 > Uncasville, CT,  
 > Respondent.  
 >

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**CHARGE**

**SIR:**

You are hereby advised that the Investigations Office 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. ss 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**

Violating Article II, section 2(a) and Article XIX, section 6(b)(2) of the International Brotherhood of Teamsters

(IBT) Constitution, by conducting yourself in a manner to bring reproach upon the IBT; and

Violating Article XIX, Section 6(b) of the IBT Constitution, by failing to perform your duties as a union officer and embezzling and converting to your own use \$107,273 union funds:

TO WIT, on May 4, 1986, at the time you were Secretary Treasurer and the local and you were under grand jury investigation for looting the Local's Health Services and Insurance plan, on May 4, 1986, you voted an increase for severance payments to yourself and the two full-time business agents from \$100 for each year of service to an amount equal five percent of the total compensation for the last full year employment, multiplied by the total number of full years of service.

You were indicted in June 1986. In 1987 you pleaded guilty to willfully failing to keep and maintain accurate and complete records in violation of Title 27, Section 1131 and on July 10, 1987 you were sentenced and placed on probation two years.

On December 3, 1989 you resigned. It became effective on December 11, 1989. Although your year would not be complete until February, 1990, you improperly received an extra year's severance. In defiance of your duties to the members you received over \$75,520 in severance payments more than you have received. This is the difference between the \$100 a year formula and the feather-nesting formula passed during the grand jury investigation, plus the year you were not entitled to

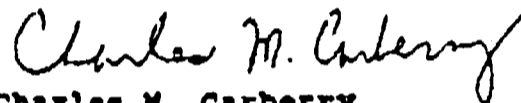
receive.

In addition, you received vacation pay for 1990, a year you were not employed by the local. This resulted in an additional embesslement of \$3,469 of local funds.

Furthermore, you improperly received a car owned by a union and valued at \$18,025 for \$1 on January 9, 1990. This transfer was contrary to the interests of the members.

In addition, you improperly received a watch bought with \$10,260 of local money.

Very truly yours,



Charles M. Carberry  
Investigations Officer  
599 Lexington Avenue  
30th Floor  
New York, New York 10022  
(212) 326-3920

Dated: New York, New York  
November 5, 1990

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