

**LABOURERS' INTERNATIONAL UNION  
OF NORTH AMERICA**

**REVISED CANADIAN  
ETHICAL PRACTICES  
CODE**

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# **LABORERS INTERNATIONAL UNION OF NORTH AMERICA**

## **REVISED CANADIAN ETHICAL PRACTICES CODE**

The following Ethical Practices shall apply to the representatives of the International Union in Canada, all Canadian District Councils, every Local Union, to every employee, member and officer thereof, and to every union trustee of any fund in Canada.

### **DEMOCRATIC PRACTICES**

1. The Constitution of LIUNA and applicable Canadian law protect the democratic rights of the members of LIUNA to participate fully, without fear, abuse or intimidation in all Union affairs. To that end, the following principles shall be respected.

(a) Each member shall be entitled to a full share in Union self-government. Each member shall have the full freedom of expression and the right to participate in the democratic decisions of the Union. Subject to reasonable rules, regulations and qualifications, each member shall have the right to run for office, to nominate through duly established constitutional procedures and to vote in free, fair and honest elections. In a democratic union, as in a democratic society, every member has certain rights but she or he also must accept certain corresponding obligations. Each member shall have the right to criticize the policies, actions and personalities of the Union and its officials; however, this does not include the right to undermine the Union as an institution; to vilify other members of the Union or its elected officers or carry on activities with complete disregard of the rights of other members and the interests of the Union; to subvert the Union in collective bargaining which may include dual unionism, except as permitted by the Local Union or to abuse the processes or obstruct the operations of the Union by bringing repetitive, frivolous complaints or charges

(b) Local Union membership meetings, District Council delegate meetings, International Conventions, and Canadian Conventions shall be held regularly, with proper notice of time and place and shall be conducted in an atmosphere of fairness.

(c) All Union rules and policies must be fairly and uniformly applied and all disciplinary procedures shall be fair and shall ensure the provision of natural justice to each member.

(d) The Union shall ensure that its operations shall be conducted in a democratic and fair manner. Corruption, discrimination or anti-democratic practices and procedures shall not be permitted.

## **FINANCIAL PRACTICES**

2. Union funds are held in trust for the benefit of the membership. The membership is entitled to assurance that Union funds are not dissipated and are spent for proper purposes. The membership is also entitled to be reasonably informed as to how Union funds are invested or used.

(a) The Union shall conduct its proprietary functions, including all contracts for purchase or sale or for rendering housekeeping services in accordance with the practice of well-run institutions, including the securing of competitive bids for major contracts where appropriate. Affiliates shall comply with the provisions of the Secretary-Treasurer's Manual issued periodically by the International Union.

(b) The Union shall not permit any of its funds to be invested in a manner which results in the personal profit or advantage of any officer or representative of the Union or any member of the immediate family of an officer or representative.

(c) There shall be no contracts for purchase or sale or for rendering services that result in the personal profit or advantage of any officer or representative of the Union. Nor shall any officer, representative or employee of the International Union, District Council, or any Local Union receive personal profit or special advantage from any action of any officer or representative of the Union.

(d) Neither the International Union, District Council, nor any Local Union, shall make loans to its officers, representatives, employees, members, or members of their immediate families, for the purpose of financing the private business of such persons.

## **HEALTH, WELFARE, RETIREMENT AND OTHER FUNDS FOR BENEFIT OF UNION MEMBERS**

3. No official, representative or employee of the International Union, District Council or Local Union, nor any Union trustee of a benefit fund, shall receive fees, salaries or other benefits of any kind from a fund established for the provision of health, welfare, training, or retirement benefits, except only for reasonable reimbursement provided for in the trust agreement and which has been expressly approved by the General President or by the Board of Trustees whichever is appropriate.

4. No official, employee or other person acting as an agent or representative of the International Union, who exercises responsibilities or influence in the administration of health, welfare, training, and retirement programs or the placement of insurance contracts, shall have any compromising personal ties, direct or indirect, with outside agencies such as insurance carriers, brokers or consultants doing business with the health, welfare, training, and retirement plans.

5. Union appointed Trustees shall use their best efforts to ensure that complete records of financial operations of all health, welfare, training, and retirement funds and programs shall be maintained in accordance with the best accounting practice. Each union trustee shall require that each such fund be audited regularly.

6. Union appointed Trustees shall make available all such audit reports for inspection by members of the Union covered by the fund and shall provide such reports and any other reports from time to time as required to the Special Counsel-Canada. Furthermore, Union Trustees shall ensure that the fund is used exclusively for the purposes intended.

### **BUSINESS AND FINANCIAL ACTIVITIES OF UNION OFFICIALS**

7. (a) Any person who represents LIUNA and its members, whether elected or appointed, including those who serve as trustees, has a duty to serve the best interests of the members and their families. Every officer and representative must avoid any outside transaction which creates an actual or potential conflict of interest. The special fiduciary nature of a Union office and of a Union Trustee, requires the highest loyalty to duties of the office.

(b) The membership list, out-of-work lists and other mailing lists of the Union are valuable assets. In order to protect the interests of our membership, members, officers and representatives shall not, under any circumstances, turn over any list of Union members to an outsider for use in the promotion or sale of any goods or services that benefit an individual or private concern. Lists of Union members are to be used only to promote the necessary legitimate interests of the Union and for no other purpose. It is improper for any official or representative of the Union without the express prior written consent of the General President to permit the use of any list of Union members by any third party to promote the sale of any goods or services or to enable persons, corporations or labour organizations to solicit the membership.

(c) No officer or representative of the Union shall have a personal financial interest which conflicts with his/her Union duties.

(d) Except for stock purchase plans, profit sharing or retirement plans, no officer or representative of the Union shall have any substantial interest in a business with which LIUNA bargains collectively.

(e) No officer or representative shall accept "kickbacks", under the table payments, valuable gifts, lavish entertainment or any personal payment of any kind other than regular pay and benefits for work performed as an employee from any employer with which the Union bargains collectively or from a business or professional enterprise with which the Union does or seeks to do business or in any way be party to any financial misconduct or impropriety.

(f) The principles of this Code apply to investments and activities of third parties where they amount to a subterfuge to conceal the financial interests of such officials or representatives.

## **BARRED CONDUCT**

8. No Union member, officer, representative or employee and no trustee of any benefit fund shall engage in “barred conduct”. “Barred conduct” is defined to include:

- (a) knowingly permitting any member or associate of any organized crime syndicate to exercise control or influence in the conduct of the affairs of the Union; or
- (b) knowingly associating with any member or associate of any organized crime syndicate;
- (c) for purposes of this article, “knowingly associating” shall mean:
  - (i) an individual knew that the person with whom he or she was associating was a member of an organized crime syndicate;
  - (ii) the association related directly or indirectly to the affairs of the Union; and
  - (iii) the association was more than fleeting or casual;
- (d) committing or threatening to commit any criminal act which may adversely impact the Union or its membership whether proven in a competent jurisdiction or not;
- (e) obstructing or interfering

in any way in the operation, investigation undertaken pursuant to this Code by persons responsible for its administration and their agents as well as any officer of the International Union acting under the provisions of the Union Constitution or under the provisions of this Code.

## **DISCIPLINARY PROCEDURE**

9. (1) Any member in good standing (hereinafter referred to as “complainant”) may prefer charges alleging that an officer, representative or member of the Union has violated this Code by providing same to the Recording Secretary of the Local Union who shall within two (2) days of receipt provide a copy of the charges to the member (hereinafter referred to as the “respondent”) whose conduct is the subject of the allegations. The charges must be signed by the member laying the charges and indicate the provisions of the Code to be relied upon and must set forth the specific violation(s) or wrongdoing(s) alleged to have been committed and the dates of the alleged occurrence(s) and a copy of the charges shall be filed with the SCC simultaneously.

(2) Charge(s) referred to in paragraph 1 above must indicate whether the complainant takes the position that the Executive Boards of the Local Union or the

District Council or any members thereof are directly interested or involved in the charge(s) and thereby disqualified from hearing the charge(s). If so, the Recording Secretary shall provide a copy of the charges to the SCC within 48 hours of receipt, together with the material facts on which the complainant relies in support of the position that members of the Executive Boards of the Local or District Council are disqualified from hearing the charge(s).

(3) Upon receipt of the complaint, any respondent shall, within five (5) days, notify the Recording Secretary of the Local Union, whether the respondent takes the position that the Executive Boards of the Local Union or the District Council or any members thereof, are directly interested or involved in the charges and are thereby disqualified from hearing the said charges. If so, the respondent shall also provide a copy of the response to the Recording Secretary, who shall, within 48 hours, advise the SCC of the position of the respondent and the material facts for the position.

(4) Where neither the complainant nor respondent take the position that any member of the Executive Board of the Local Union is disqualified from hearing the charges, the charges shall be heard and determined pursuant to the provisions of Article XI of the Uniform Local Union Constitution unless the SCC otherwise decides to exercise jurisdiction over the matter.

(5) Where either the complainant or respondent take the position that any member of the Executive Board of the Local Union is disqualified from hearing the charges, the charges shall be heard and determined by the Executive Board of the District Council. Where the complainant or respondent take the position that any member of the Executive Board of the District Council is disqualified, the charges shall be heard and determined by the Canadian Independent Hearing Officer as herein provided. The SCC shall determine that either the Executive Board of the Local Union or the Executive Board of the District Council is disqualified from hearing the charges. Furthermore, the SCC, pursuant to the provisions of Article XI of the Uniform Local Union Constitution or Article XII of the Uniform District Council Constitution may in his discretion refer the charges to the Canadian Independent Hearing Officer.

(6) Except as may be otherwise expressly provided under the Code and Disciplinary Procedure, a charge alleging a violation of the Code to be heard by a Local Union or District Council Trial Board shall be governed by the procedures and rules stated in Article XII of the Uniform Local Union Constitution or Article XII of the Uniform District Council Constitution, as the case may be, and by the Rules of Procedure for all LIUNA Trial Board Hearings as have been issued or as may be changed from time to time by the LIUNA Appellate Officer.

### **SPECIAL COUNSEL – CANADA (“SCC”)**

10. (1) LIUNA shall engage the services of outside counsel, after consultation with the Canadian affiliates, highly regarded for his or her integrity, Canadian labour relations experience and diligence, to serve as the legal counsel to LIUNA while serving as the SCC under the provisions of this Code.

(2) For the purposes of enforcing this Code, all of the investigative and prosecutorial powers described in the LIUNA Constitution, Uniform Local Constitution and Uniform District Council Constitution are hereby delegated to the SCC. The SCC may bring or prosecute charges for any conduct whether occurring before or after the adoption of this Code where the conduct in question is or was in contravention of the applicable standard of conduct in effect at the time of the alleged misconduct and which conduct is relevant to the continued performance of duties of any member, officer or representative. The SCC may bring or prosecute the aforementioned charges as a result of the charges filed with him, his own investigation or as a result of complaints made to him pursuant to Article 9 of this Code.

(3) Pursuant to Article IX, Section 6 of the International Union Constitution, the General President may personally or through the SCC or his representative selected and designated by the SCC inquire and investigate into the manner in which the affairs are administered by subordinate bodies, their officers or members. He may also examine the books, records, papers, accounts, securities, purported agreements or understandings and any other documents in the custody of the said subordinate bodies or any officer, official, employee or member thereof and require personal appearance of any officer, official, employee or member as he, in the judgment of the SCC, may deem necessary to such investigation or inquiry. Before any inquiries are made of any officer, representative or member whose conduct is the subject of the complaint, the member shall be advised that he need not answer any questions, provided the member understands that the Canadian Hearings Officer may draw negative inferences from the refusal to respond, and that any statements made may be recorded in writing and offered in evidence at any subsequent hearing. All members shall have the right to be represented by counsel and to have a fair understanding of the nature of the examination which is to be conducted by the SCC.

(4) Nothing in this Article shall in any way derogate from the rights and duties of the General President pursuant to Article IX, Section 6 and Article IX, Section 7, of the Constitution of LIUNA.

### **CANADIAN INDEPENDENT HEARINGS OFFICERS (“CIHO”)**

11. (1) After consultation with Canadian affiliates, LIUNA shall appoint a Canadian Independent Hearings Officer who shall be a person noted for his integrity, judgment and experience in Canadian labour relations. LIUNA may appoint more than one Canadian Independent Hearings Officer to serve in various regions of Canada.

(2) The Canadian Independent Hearings Officer shall preside over and provide rulings in:

(a) all charges brought by the SCC pursuant to this Disciplinary Procedure or where the Local Union or District Council Executive Board is disqualified within the meaning of Article 9 of this Code.

(b) all proposed trusteeships or supervisions.

(c) all nominations and election protests brought by any aggrieved member involving the nomination or election of officers or a Local Union or District Council shall be subject to the exclusive jurisdiction of the Special Elections Officer, who may issue

rules, orders and decisions regarding such protests. Such protests shall not be subject to the jurisdiction of the Canadian Independent Hearings Officer.

(d) a member who believes that a charge filed against him or her is not specific enough to enable a full answer and defence may request full disclosure and particulars of the alleged offence by correspondence to the complainant, where the complainant has carriage of the charge, or to the SCC where he has carriage of the charge. The Canadian Independent Hearings Officer shall have the discretion to determine whether additional disclosure or particulars are warranted. Where no or insufficient particulars are provided within such time as the Canadian Independent Hearings Officer may direct, the Canadian Independent Hearings Officer may, in his discretion, dismiss the complaint. Time limits may be determined with respect to this process by the Canadian Independent Hearings Officer;

(e) the Canadian Independent Hearings Officer shall have the authority in the same manner or fashion as the General President pursuant to Article IX(6) of the International Union Constitution, to require the production of the books, records, papers, accounts, securities, purported agreements or understandings and any other documents in the custody of the said subordinate bodies, or any other officer, official, employee or member thereof and require personal appearance of any officer, official, employee or member. Any failure to comply with the directions of the Canadian Independent Hearings Officer may be considered by the Canadian Independent Hearings Officer in assessing whether such individuals or entities should be subject to the imposition of discipline or the Canadian Independent Hearings Officer may refer the matter to the SCC for filing any appropriate charges;

(f) all testimony and other evidence shall be received by the Canadian Independent Hearings Officer under oath or as otherwise permissible in any applicable jurisdiction;

(g) if any officer or member, other than the respondent refuses to testify or to provide evidence before the Canadian Independent Hearings Officer for any reason not supported by a valid claim of privilege, discipline may be imposed by the Canadian Independent Hearings Officer on such person for that reason alone;

(h) where an officer, representative or employee is charged with an offence under the *Criminal Code* of Canada that is relevant to the continued performance of duties on behalf of the Union, the Canadian Independent Hearings Officer, following a hearing, shall have the authority to suspend the officer, representative or employee, with pay, pending the disposition of the charges through to and including all appeals thereof. At the option of the accused, no other proceedings under this Code dealing with the conduct which is the subject of the criminal charges shall proceed until such time as the criminal proceedings and any appeals arising there from have been determined;

(i) any discipline imposed by the Canadian Independent Hearings Officer or other final decision of the Canadian Independent Hearings Officer shall be subject to appeal by either the complainant or respondent to the International Appellate Officer; and

(j) for purposes of this Code, trusteeship/supervision proceedings are not deemed to be disciplinary and shall be subject to such other rules of procedure as a Canadian Independent Hearings Officer shall determine provided that the General President, upon consultation with the SCC, may assign supervision or trusteeship matters for hearing to a Special Hearings Panel pursuant to Article VII Section 2 (a-vii) of the International

Union Constitution.. Notwithstanding the foregoing, pursuant to Article IX, Section 7, of the International LIUNA Constitution, the General President retains authority for the purpose of imposition of emergency trusteeship/supervision.

12. At any disciplinary hearing conducted before the Canadian Independent Hearings Officer, the following procedures shall apply:

- (a) the parties shall have at least thirty (30) days notice of any hearing in order to prepare a defence;
- (b) the parties may be represented by counsel at any hearing;
- (c) a fair and impartial hearing shall be conducted under the rules and procedures generally applicable in Canadian labour arbitration proceedings and in accordance with the rules of natural justice and all decisions made will be based upon the balance of probabilities. The burden of proof shall be on the complainant.

### **SPECIAL ELECTIONS OFFICER**

13. The Special Elections Officer appointed by LIUNA shall preside over and provide rulings on all nomination and election protests brought by any member, officer, or candidate for office within the Union except for such matters pertaining to the nomination or election of Convention delegates and members of the LIUNA General Executive Board, which shall be within the exclusive jurisdiction of the LIUNA Elections Officer.

### **LIUNA APPELLATE OFFICER**

14. If an appeal is filed with the International Appellate Officer pursuant to the LIUNA Ethics and Disciplinary Procedure, the procedures applicable therein to the Appellate Officer shall apply to any appeals. The Appellate Officer shall apply the law of Canada wherever applicable.

15. If an appeal is taken in a timely manner, it shall have the effect of staying any decision or remedy awarded by the Canadian Independent Hearings Officer. However, notwithstanding the generality of the foregoing, where any officer has been found guilty and suspended from office because of a violation of this Code in the performance of his or her duty, the officer shall remain suspended from holding such office with pay, pending the decision of the Appellate Officer.

16. Nothing in this Code shall be deemed to conflict with any prevailing federal or provincial *Labour Relations Act* or other statute and, in the case of any such conflict, the terms of the appropriate statute shall prevail.

17. The Code recognizes and incorporates in full the provisions of paragraph 5 of the LIUNA Ethics and Disciplinary Procedure as they pertain to the LIUNA Appellate Officer.

## **GENERAL**

18. This Code shall operate in Canada in place and stead of the said LIUNA Ethics and Disciplinary Procedure/the LIUNA Ethical Practices Code, except as may otherwise be expressed in this Code. In other respects in the event of an express conflict between this Code and other provisions of the LIUNA Constitution, policy rule or practice, such other provisions shall prevail. Should a dispute arise over the meaning and interpretation or application of any provision of the Canadian Code, then the General President, pursuant to Article IX, Section 4 of the International Constitution, shall have the authority to interpret its provisions and his judgment or decision shall be effective and binding.

**LIUNA SPECIAL COUNSEL – CANADA (“SCC”)  
PROCEDURAL RULES FOR COMPLAINTS TO THE SCC**

**ARTICLE 1- APPLICATION**

1.01 These Rules of Procedure apply to proceedings under the Canadian LIUNA *Ethical Practices Code*. The purpose of the rules is to ensure efficient, fair and inexpensive determination of every proceeding under the *Canadian Ethical Practices Code*.

**ARTICLE 2 - DEFINITIONS**

For the purposes of these Rules of Procedure:

- 2.01 "CCO" means the Canadian Complaints Officer.
- 2.02 "CIHO" means the Canadian Independent Hearings Officer.
- 2.03 "Code" means the Canadian LIUNA *Ethical Practices Code*.
- 2.04 "Day" means a calendar day but excludes a "holiday".
- 2.05 "GEB" means the General Executive Board.
- 2.06 "Holiday" means any of the following New Year's Day, Good Friday, Easter Monday, Victoria Day, Canada Day, the 1<sup>st</sup> Monday in August, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day and Boxing Day.
- 2.07 "IHO" means the International Hearing Officer.
- 2.08 "Month" means a calendar month.
- 2.09 "Rule" refers to the rules as stated herein.
- 2.10 "SCC" means Special Counsel – Canada.

**ARTICLE 3 - GENERAL**

All references to male shall include to female and all references to masculine shall also refer to the feminine and all references to single shall also refer to plural and vice versa.

## **ARTICLE 4 - EFFECT OF NON-COMPLIANCE**

- 4.01 Where there has been a failure to comply with these Rules of Procedure, or with procedures stated in the *Ethical Practices Code*, the SCC has complete discretion to treat the failure to comply as an irregularity that does not nullify the proceedings.
- 4.02 If there has been a failure to comply with these Rules of Procedure, or with procedures stated in the *Ethical Practices Code*, the SCC may:
- a. set aside the proceeding, either wholly or in part;
  - b. set aside any step taken in the proceeding or any document;
  - c. allow amendments to be made to comply with the Rules of Procedure or with procedures stated in the *Ethical Practices Code*;
  - d. order any requirement he or she thinks is fair and just in the circumstances.
- 4.03 There shall be no means of appeal or review of the SCC's decision regarding a failure to comply with the Rules of Procedure or with procedures stated in the *Canadian Ethical Practices Code*.

## **ARTICLE 5 - TIME**

- 5.01 For the purposes of computing time limits under these Rules or the *Code*, the following rules apply unless otherwise stated:
- a. where the time limit for the doing of a thing falls on a Saturday or Sunday, the thing may be done on the next day that is not a Saturday or Sunday;
  - b. where there is a reference to a number of days between two events, in calculating the number of days, the day on which the first event happened will be excluded, and the day on which the second event happens is included; (Example: if a document is to be forwarded within two (2) days of receipt and document is first received on a Monday, the document must be forwarded by Wednesday).
- 5.02 The SCC has complete discretion to extend or abridge any time period specified in these Rules or the *Code* if he or she thinks it is just to do so. There shall be no means of appeal or review of the SCC's decision to extend or abridge a time period under these rules or the *Canadian Ethical Practices Code*.

## **ARTICLE 6 – DEEMED RECEIPT OF NOTICE**

- 6.01 Documents and materials may be delivered in any of the following manner:
1. Facsimile transmission.
  2. Registered mail.
  3. Receipted courier.
  4. Hand delivered with receipt.
  5. By regular mail.

- 6.02 Receipt shall be deemed to have occurred depending on the method of transmission as follows:
1. Facsimile transmission – on the same day as the facsimile was sent.
  2. Registered mail – on the date acknowledged by the return postmark from Canada Post.
  3. Courier – on the date of signature of receipt as evidenced by the courier.
  4. Hand delivered with receipt – on the date acknowledged by the recipient.
  5. By regular mail – five days after the date of the postmark.
- 6.03 For the purposes of these Rules of Procedure, the Recording Secretary of the Local Union may deliver complaints or replies to the SCC by telephone transmission ("fax") or expedited mail. For the purposes of time limits, complaints or replies sent by expedited mail are deemed to be delivered two (2) days after the post-marked date, excluding the day shown as the post-marked date, but including the second day following the post-marked date.
- 6.04 Respondents may deliver replies to the Recording Secretary of the Local Union by fax or expedited mail. For the purposes of time limits, complaints or replies sent by expedited mail are deemed to be delivered two (2) days after the post-marked date, excluding the day shown as the post-marked date, but including the second day following the post-marked date.
- 6.05 Any deliveries made by fax shall include a cover page indicating the sender's name, address, telephone number and fax number as well as the date and time of transmission. The cover page shall also state the number of pages faxed, including the cover page. The cover page shall indicate the name and telephone number of a person to contact in case the transmission is incomplete or fails.
- 6.06 If the document sent by fax is incomplete or illegible, either the Recording Secretary of the Local Union or the SCC may require an original of any document to be hand-delivered or sent by regular mail.

## **ARTICLE 7 – PROCESSING OF COMPLAINTS**

- 7.01 Any complainant may file a complaint alleging a violation of the *Canadian Ethical Practices Code*. All complaints must be in writing. Such complaint shall contain the following information:
1. The name of the complainant.
  2. The address of the complainant.
  3. The membership number of the complainant.
  4. The daytime telephone number of the complainant.
  5. The after hours telephone number of the complainant.
  6. Fax number of the complainant, if available.
  7. A detailed description of the allegations in writing, specifying with as much specificity as possible, the time and date of the complaint, the nature of the complaint, the witnesses, the supporting documentation and all relevant knowledge which the complainant may have. The complaint may be handwritten or typed.
  8. The complainant must indicate whether or not the complainant takes the position that the local union trial board or district council trial board is disqualified from hearing the charges.
  9. The complaint shall be delivered to the Recording Secretary or to the SCC. In the event the complaint is delivered to the Recording Secretary, the Recording Secretary shall within two days send copy of the complaint to the SCC.
  10. Upon receipt of a complaint, the SCC shall decide:
    - (a) whether to take jurisdiction of the complaint and deal with the matter himself;
    - (b) allow the complaint to be dealt with through the internal processes of the union and through a local union or district council trial board.

## **ARTICLE 8 – TIMELINESS OF FILING A COMPLAINT**

- 8.01 All complaints in writing regarding a violation of the *Code* shall be filed with the SCC or Recording Secretary within six months of the occurrence or at such later time as permitted by the SCC.
- 8.02 Any complaints which are received by the SCC shall be reviewed by him to determine whether or not they are of merit. The SCC may exercise its discretion pursuant to the

*Code* to dismiss complaints that, in the opinion of the SCC, are not complaints with merit and do not warrant investigation by the office of the SCC.

## **ARTICLE 9 – DEALING WITH THE COMPLAINT**

9.01 The SCC, after deciding to take jurisdiction over the complaint, may investigate the matter. No official investigation of a complaint shall take place until such time as the respondent has been delivered a copy of the complaint against him and he has had opportunity to review, study, and make an analysis of the complaint, unless special circumstances arise in the opinion of the SCC.

## **ARTICLE 10 – ANONYMOUS COMPLAINTS**

10.01 If a complaint is anonymous, the SCC may accept the complaint and deal with it provided that the complainant will provide his name to the SCC. In the event that a complainant refuses to disclose his name to the SCC, the SCC will refuse to deal with the complaint. A complainant may request that his name be withheld from the respondent, and this will not be deemed to be an anonymous complaint.

10.02 If there is no return address or fax number on the complaint, the SCC may send written notice of the complaint to the Recording Secretary of the Local Union for delivery to the complainant and direct the Recording Secretary to deliver the material to the complainant.

## **ARTICLE 11 – FURTHER AND BETTER PARTICULARS**

11.01 At any time in the process, the SCC may request any complainant or respondent or any other person involved in a complaint to provide further and better particulars to the SCC with respect to any matter under investigation.

## **ARTICLE 12 – DISQUALIFICATION OF THE BOARD**

12.01 Within five (5) days of receipt of a complaint, the respondent shall advise the SCC whether or not the respondent takes any position with respect to the qualification of a Local Union Trial Board or a district council trial board as per Rule 7.01(8). If there is a suggestion that the Local Union Trial Board or district council trial board, or any member thereof, is prohibited from hearing a complaint, the SCC may require the removal of any individual from a trial board so as to address the objection of the respondent or the complainant. Further, the SCC may disqualify the entire Trial Board of the local or district council if, in the opinion of the SCC, it is in the best interests of the process.

12.02 In the event that the SCC disqualifies a Local Union Trial Board or District Council Trial Board, the matter shall be heard by the CIHO appointed by the SCC.

## **ARTICLE 13 – COMPLAINTS DIRECTLY TO SCC**

- 13.01 The SCC will forward a copy of any complaint to the Recording Secretary of the Local Union involved, or to the alleged respondent, if the respondent is an individual, as well as a copy to the respondent within five (5) days of receipt of the complaint.
- 13.02 If a complaint is not forwarded to the Recording Secretary of the Local Union, but rather sent directly to the SCC, the SCC will have complete discretion to dismiss the complaint or to require an investigation into the allegations.

## **ARTICLE 14 – REPLY OF THE RESPONDENT**

- 14.01 Within five days of receiving a complaint against him, the respondent shall provide, in writing, a reply outlining in detail the following information:
1. Full name.
  2. Address.
  3. Membership number.
  4. Day time telephone number.
  5. Night time telephone number.
  6. Facsimile number, if available.
  7. Detailed description of the response to the complaint.
  8. Any documents which may be relevant.
- 14.02 The reply shall be served on the Recording Secretary, the complainant and the SCC within five (5) days of the aforementioned.

## **ARTICLE 15 – LOCAL UNION TRIAL BOARD**

- 15.01 The SCC shall decide whether or not to utilize the processes of the Local Union Trial Board, District Council Trial Board or the CIHO. The initial hearing will be conducted by a Local Union Trial Board or District Council Trial Board there are reasons for the disqualification and the removal of the matter to the CIHO.

## **ARTICLE 16 – INVESTIGATION OF COMPLAINANTS AND RESPONDENTS**

- 16.01 The SCC shall have the authority to conduct investigations of any members, locals or any other interested LIUNA member with respect to any complaint. The SCC may conduct the investigation under oath and have the discovery recorded by an authorized transcription service. Respondents are not required to provide responses to the SCC through this process, but any member who fails to cooperate must understand that the CIHO may draw negative inferences from their refusal to respond to any questions. Any statements made under oath may be recorded in writing and offered in evidence at a subsequent hearing. Members of LIUNA have the right to be represented by another

member of LIUNA or any legal counsel. All members shall be provided with the right to have a fair understanding of the purpose and nature of the examination.

#### **ARTICLE 17 – SETTLEMENT AGREEMENT**

17.01 Subject to the SCC's approval, where any matter is resolved, any agreement or understanding reached may be recorded in a written Memorandum of Settlement signed by the complainant and respondent.

#### **ARTICLE 18 – REVIEW OF INVESTIGATIVE REPORT**

18.01 The SCC, after his review or shall have the authority to dismiss or resolve administratively a charge, objection, protest or appeal where the SCC finds that the charge, objection, protest or appeal would not warrant the action of the International Union General Executive Board or Local Union or District Council Trial Board, even if the facts recited in the charge, objection, protest or appeal were true or where the SCC finds that the charge raises a matter not properly the subject of disciplinary process.

#### **ARTICLE 19 - DISMISSAL OF CHARGES**

19.01 If, the SCC does not give notice that he intends to proceed with a hearing and has not referred the matter to a Local Union Trial Board or District Council Trial Board, the SCC shall advise the complainant and the respondent that no further action will be taken and the complaint shall be dismissed.

#### **ARTICLE 20 - HEARING**

20.01 If the SCC intends to proceed to a formal hearing before a Local Union Trial Board, a District Council Trial Board or the CIHO, the SCC shall make a request of the Local Union Trial Board, the District Council Board or the CIHO for a hearing date and the Local Union Trial Board or District Council Trial Board or CIHO shall issue a notice of hearing to the complainant and the respondent.

20.02 All parties shall have a minimum of 30 days in order to prepare for any hearing.

20.03 Notwithstanding the foregoing, the SCC may prefer charges independent of any trial board proceeding.

20.04 The SCC shall provide written notice to both the complainant and the respondent that he or she intends to proceed to a hearing.

20.05 Notice of the hearing date shall be forwarded to both the complainant and the respondent by the SCC or the CIHO.

## **ARTICLE 21 – TIME LIMITS**

- 21.01 All the time that is set out in these rules may be extended by the SCC in his discretion or upon application by a complainant or a respondent.
- 21.02 The SCC has authority to delegate his responsibility to another competent person.
- 21.03 The SCC is not a competent or compellable witness in any hearing except to the extent that there is an allegation of a violation of Article 8 (e) of the *Code* which relates to the obstruction of the SCC.

## **LOCAL UNION/DISTRICT COUNCIL TRIAL BOARD RULES**

Pursuant to the LIUNA Ethics and Disciplinary Procedure adopted on January 18, 1995, the following rules are hereby adopted. The rules shall take effect on May 20, 1996 and shall apply to all LIUNA Local Union Trial Board Hearings.

### **Rule 1. Scope and Purpose of Rules**

These rules govern the procedure in all Local Union Trial Board Hearings conducted by Local Unions and District Councils of the Laborers' International Union of North America (hereafter, "LIUNA" or "the Union"). They shall be construed and administered to secure the just and speedy determination of every matter brought before a Local Union Trial Board (hereafter, "the Trial Board"), and to ensure uniformity of disciplinary process throughout the Union. The following rules shall in no way be construed to conflict with the Constitutions of LIUNA or the aforementioned LIUNA Ethics and Disciplinary Procedure.

### **Rule 2. Commencement of Trial Board Process**

Pursuant to Article XI, Section 1 of the Uniform Local Union Constitution ("Local Union Constitution"), any officer or member in good standing of a Local Union may bring charges against any other officer or member of a Local Union, by filing written charges in duplicate with the Recording Secretary of the Local Union of which the accused is a member. These charges must be signed by the person preferring them and indicate the provisions of the Constitutions to be relied upon, or the agreement or rule alleged to have been violated. The charges must set forth the violation or wrong charged and the date on which it allegedly occurred with a level of specificity and particularity that will enable the charged party to understand the conduct with which he or she is charged and, therefore, to prepare adequately a defense against such charges.

### **Rule 3. Notification of Preferment and Hearing**

In accordance with Article XI, Section 2 of the Uniform Local Union Constitution, the Recording Secretary, upon receipt of written charges against a member or officer of the Local Union, shall promptly notify the members of the Executive Board that charges have been filed, and after consultation with them, shall promptly set a date for a hearing and trial on the charges. Immediately thereafter, a copy of the charges shall be mailed to the accused at his or her last-known address. A written notice of the time and place where the hearing and trial will take place before the Trial Board shall be mailed to the accused and to the charging party not less than seven days nor more than twenty-one days before the date of the hearing and trial.

### **Rule 4. Service of Materials Upon Other Parties**

Any materials relating to the Trial Board Hearing that are submitted by a party to the Recording Secretary or Trial Board before, during or after the Trial Board Hearing shall also be provided at or before the time of such submittal to all other parties involved in the matter at their last-known address.

## Rule 5. Computation of and Extensions of Time

### (a) Computation of Time

In computing any period of time prescribed by these rules, only business days shall be included. The day of the act or event from which the designated period of time begins to run shall not be included.

### (b) Enlargement of Time

The Trial Board may enlarge the time prescribed by these rules on request of any party. A request for more time shall be set forth in a letter submitted to the Recording Secretary, stating the reasons for the request. A copy of any letter requesting an extension shall be served on all other parties in accordance with Rule 4 of these Rules of Procedure.

### (c) Requests for Delay of Hearing

Pursuant to Article XI, Section 3 of the Uniform Local Union Constitution, where the charging party or the accused makes a request for a delay of the Trial Board Hearing, the Trial Board may grant a postponement, for good cause shown. Such requests shall be set forth in a letter submitted to the Recording Secretary, stating the reasons for the request. A copy of the letter shall be served on all other parties in accordance with Rule 4 of these Rules of Procedure.

## Rule 6. Changes to Charges

After preferring charges, if the charging party wishes to amend or supplement the charges, he or she shall make such changes in writing and mail them to the Recording Secretary. A copy must be mailed to all other parties in accordance with Rule 4 of these Rules of Procedure. Once a Trial Board Hearing has been scheduled, no changes may be submitted except with the consent of the President, or if the President is disqualified from the Trial Board, the Vice-President. If both officers are disqualified, changes in the charges may be submitted only with the consent of the remaining members of the Trail Board.

## Rule 7. Answer to Charges

The accused may, but is not required to, submit to the Recording Secretary a written answer to the charges any time after receiving a copy of the charges from the Recording Secretary, up to and through the time of the Trial Board Hearing.

The answer may set forth why the accused should be found not guilty of the charges by the Trial Board, including any defenses the accused may wish to assert. Failure to raise any claim, defense or issue in the answer shall not constitute a waiver of any kind.

Such an answer shall be served on the charging party in accordance with Rule 4 of these Rules of Procedure.

## Rule 8. Charges Preferred Against Multiple Members

Charges preferred against more than one member or officer of the Local Union may be heard by the Trial Board at a single hearing if the charges arise from the same alleged conduct or scheme. An accused, however, may request in writing to the Recording Secretary, not less than seven days before his or her scheduled Trial Board Hearing, that the charges against him or her

be heard separately from those against another accused. The Trial Board shall grant such a request for good cause shown.

#### Rule 9. Requests for Documents

Either the charging party or the accused may request documents from the Local Union. The Local Union shall honor such requests if: (1) made not less than seven days prior to the scheduled date of the Trial Board Hearing; (2) the requests are not substantially burdensome on the Local Union; (3) the documents requested are narrowly relevant to the dispute at issue; and (4) or honoring such requests would not compromise the goals, security, privileged relationships or other important interests of the Local and International Unions.

If the Local Union has concerns about the confidentiality of documents, the Local Union may make the documents available to the requesting party at the offices of the Local, but not permit the requesting party to retain or copy the documents.

If required to honor a request for documents pursuant to this Rule, the Local Union shall make such documents available not less than three days prior to the scheduled date of the Trial Board Hearing.

#### Rule 10. Establishment of a Trial Board

In accordance with Article XI, Section 3 of the Uniform Local Union Constitution, the members of the Executive Board shall constitute the Trial Board, except that neither the charging party, nor the accused, nor any member directly interested or involved in the charges may sit as a member of the Trial Board.

In such cases, the President of the Local Union shall appoint a substitute or substitutes from the members in good standing reasonably soon after the need for such substitution(s) is apparent. If the President is to be disqualified, then the Vice-President shall appoint a substitute or substitutes, and if he is also to be disqualified, then the substitute shall be appointed by the remaining Trial Board members.

The impartiality of the Trial Board is particularly at risk when relatives, close friends or close political allies of either the charging party or the accused, or members who are directly involved in the conduct at issue sit on the Trial Board. When deciding the composition of the Trial Board, great care must be used in selecting substitutes to ensure that the substitutes are selected in a neutral fashion and can be fair to both parties.

If a Trial Board is convened to hear charges that were previously heard by an earlier Trial Board, as in the case of a remand for a new hearing by the Appellate Officer, no members of the earlier Trial Board may serve on the new Trial Board.

Where the entire Executive Board of a Local Union appears to be disqualified, the matter may be referred to the General President, who shall be entitled to investigate to determine whether grounds for such disqualification exist. Upon a finding of grounds for disqualification, the General President shall have discretion to assume original jurisdiction over such charges, in which case he shall refer the matter to the Independent Hearing Officer, or, in his discretion, to

the appropriate District Council for trial. Matters referred to the Independent Hearing Officer or the District Council by the General President are subject to appeal to the Appellate Officer. In the event the General President refers the matter to the District Council, an appeal may be made to the Appellate Officer.

Rule 11. Decisions by Executive Board in Absence of Trial Board

Any decision to be made by the Trial Board pursuant to these Rules shall be made by the Executive Board if a Trial Board has yet to be established. No officer of the Executive Board may partake in any such decision if he or she is also the charging party, the accused, or has a direct interest in the matter to which the decision pertains.

Rule 12. Commencement of Trial Board Hearing

Both the charging party and the accused shall be ready and able to present all evidence they wish to present to the Trial Board, including the testimony of witnesses, upon the commencement of the Trial Board Hearing, unless the Recording Secretary or the Trial Board specifically indicates in writing to all parties not less than three days prior to the scheduled date of the Hearing that they will not be bound by such a requirement.

Rule 13. Attendance at Trial Board Hearings

The entire Trial Board Hearing may be attended by the Trial Board, the charging party, the accused, a licensed court reporter, and any attorney or other person authorized by the Trial Board to represent a party pursuant to Rule 15 of these Rules of Procedure. In matters tried before a Local Union Trial Board or Executive Board, any member in good standing of that Local may attend the hearing. In matters tried before a District Council Trial Board, any member in good standing of any Local Union involved in the case may attend the hearing.

Rule 14. Failure of a Party to Attend Trial Board Hearing

Pursuant to Article XI, Section 4 of the Uniform Local Union Constitution, if the charging party fails to appear, the charges shall be dismissed. If the charging party ceases attending the Trial Board Hearing after it has commenced but before the hearing is completed, the charges shall be dismissed. If the accused fails to appear, the Trial Board shall proceed with the hearing and receive all the facts and evidence available.

Rule 15. Representation By One Other Than a Party

Either the charging party or the accused may be represented at the Trial Board Hearing by a fellow member in good standing of the Local Union. The charging party or the accused may be represented by an attorney only in the discretion of the Trial Board.

Rule 16. Recording of the Trial Board Hearing

The Trial Board Hearing should be recorded by a licensed court reporter. The Trial Board's deliberations shall not be recorded. The Local Union shall pay for the court reporter's services.

Such recording by a licensed court reporter shall constitute compliance with the requirement of Article XI, Section 5 of the Uniform Local Union Constitution that the Trial

Board record minutes of its meetings and proceedings. The transcript of the Hearing, together with any documents submitted, shall constitute the official record of the Trial Board.

The Local Union should generally not seek to satisfy this requirement by tape recording the proceedings.

Any Trial Board may obtain a waiver of the duty to transcribe its proceedings upon the prior written approval of the Appellate Officer.

#### Rule 17. Trial Board Hearing

In accordance with Article XI, Section 4 of the Uniform Local Union Constitution, the Trial Board Hearing shall be conducted in an orderly, fair, and impartial manner and should assure the full presentation of all the facts to the Trial Board.

The burden of proof shall be on the charging party. The charging party shall first present whatever evidence he or she possesses to substantiate the charges. The accused shall have the right to be present throughout the hearing and to cross-examine the charging party and any of the witnesses upon completion of his or her testimony.

After the evidence in support of the charges has been received, the accused shall present his or her defense. The charging party shall have the right to cross-examine the accused and any of the witnesses upon completion of his or her testimony.

The Trial Board should be chaired by the President, or the next highest official of the Local Union if the President has been disqualified. If no Local Union officials are serving on the Trial Board, the Trial Board should select a chairperson from among its members. The chairperson of the Trial Board should conduct the Hearing leading the parties through the proceedings and maintaining order.

#### Rule 18. Evidence

The charging party and the accused may offer such evidence as is relevant and material to the charges and necessary to an understanding and determination of the allegations.

The charging party and the accused may offer witnesses to testify during the Hearing. Neither the charging party, the accused, nor the Trial Board may compel a witness to testify. Exhibits, when offered by the parties, may be received in evidence by the Trial Board.

Either the charging party or the accused may offer signed statements from witnesses who cannot attend the Hearing, as well as any other hearsay. The Trial Board may consider such materials and enter them as evidence in the record if they are found reliable; except that if hearsay evidence is critical to proving the charges and little or no corroborative evidence is offered, the hearsay evidence shall be deemed inadmissible.

The Trial Board shall be the judge of the relevance and materiality of the evidence offered, and conformity to legal rules of evidence is not necessary. All evidence shall be taken in

the presence of all members of the Trial Board and all of the parties, except where any of the parties is absent and has waived his or her right to be present.

#### Rule 19. Closing of Trial Board Hearing

The Trial Board shall specifically inquire of all parties present whether they have any further proofs to offer or witnesses to be heard. If satisfied that the record is complete, the Trial Board shall declare the Trial Board Hearing closed.

#### Rule 20. Reopening of Trial Board Hearing

The Trial Board Hearing may be reopened on the Trial Board's initiative, or upon application by the charging party or the accused, at any time before the Trial Board issues its Report. The decision whether to reopen a Trial Board Hearing is in the discretion of the Trial Board.

#### Rule 21. Dismissal of Charges

##### (a) Voluntary Dismissal

The charging party may withdraw the charges at any time prior to the Trial Board Hearing by letter to the Recording Secretary or by oral communication during the Trial Board Hearing. If a charging party voluntarily dismisses the charges, he or she may not subsequently prefer the same charges.

##### (b) Involuntary Dismissal

Except pursuant to Rule 14 of these Rules of Procedure, the Trial Board shall not dismiss the charges until all the evidence has been presented to it by all the parties, and the Trial Board Hearing has been otherwise completed.

#### Rule 22. Trial Board's Findings and Decision

In accordance with Article XI, Section 5 of the Uniform Local Union Constitution, upon conclusion of the hearing, the Trial Board shall consider all of the evidence and argument submitted and proceed to make its findings and decision. It shall prepare a Report of said findings and decision, which shall set forth specifically the grounds for its findings and decision and which shall be signed by all the members of the Trial Board. The Recording Secretary shall forthwith mail a copy of said Report to the charging party and the accused at their last-known addresses.

#### Rule 23. Sanctions

If the Trial Board finds the accused guilty of any of the charges, it shall promptly determine appropriate sanctions, if any. Appropriate sanctions include, but are not limited to, a letter of reprimand to be published in the local newsletter, a fine, suspension from office, suspension from the Local or International Union, and expulsion. The Trial Board may also conclude that no sanction is appropriate, even if it finds against the accused.

#### Rule 24. Costs

The cost of any Trial Board Hearing, including the cost of the court reporter, shall generally be paid by the Local Union. The Trial Board may impose the costs on the charging party only on a unanimous finding that the charges were filed in bad faith, for the purpose of

harassment, and were entirely frivolous and without any basis. The assessment of costs on the charging party is highly disfavored, and is expected to be quite rare.

Rule 25. Majority Decision

Unless specifically stated otherwise in these Rules of Procedure or the Constitution, all decisions of the Trial Board must be by a majority.

Rule 26. Substantial Compliance

The Trial Board, within its discretion, may consider pleadings that are untimely or otherwise not in technical compliance with these Rules.

Rule 27. Submission of Trial Board's Report at Next Local Union Meeting

In accordance with Article XI, Section 6 of the Uniform Local Union Constitution, a copy of the Trial Board Report shall be submitted at the next regular meeting of the Local Union. The findings and decision of the Trial Board shall be binding unless and until two-thirds of the members present and voting at said meeting reverse or modify the findings and decision of the Trial Board. The Recording Secretary shall forthwith mail a copy of said action to the charging party and the accused at their last-known addresses.

Rule 28. Appeal of Trial Board Decision

In accordance with Article XI, Section 7 of the Uniform Local Union Constitution, if either the charging party or the accused is aggrieved, he or she may, within thirty days from the date of the notice of said action, appeal therefrom to the General Executive Board by filing such appeal with the General Secretary-Treasurer at LIUNA Headquarters in writing. The appeal shall clearly and specifically set forth the grounds for support of said appeal and shall contain a copy of the findings and decision, and action.

All appeals received by the General Executive Board shall be promptly reviewed by the Inspector General for determination as to whether the appeal will be forwarded to the Appellate Officer. Such determination is at the Inspector General's discretion.

After notice of such appeal from the General Secretary-Treasurer or the Appellate Officer, the Local Union shall then submit promptly to the General Secretary-Treasurer or the Appellate Officer, whichever sent the notification, the following:

1. Copy of the charges
2. Copy of the notice for hearing
3. Record of the Trial Board Hearing
4. Copy of Report of the Trial Board
5. Copy of notification of the Trial Board's decision
6. Copy of minutes of regular meeting at which the Trial Board reported to the Local Union
7. Copy of notification of Local Union action

Rule 29. Effect of Appeal of Trial Board Decision

If an appeal is reasonably taken, it shall have the effect of staying the decision and sentence of the Trial Board, and no fine, suspension or expulsion shall be effective pending the outcome of the appeal, provided, however, that where any officer has been found guilty and suspended from office because of negligence, incompetence or dishonesty in the performance of his or her duties, the officer shall remain suspended from holding such office pending the decision of the Appellate Officer or the General Executive Board on his or her appeal.

Rule 30. Harmless Error

No error in either the admission or exclusion of evidence and no error or defect in any ruling or order or in anything done or omitted to be done by the Trial Board or by any of the parties is grounds for granting a new Trial Board Hearing or for otherwise disturbing the Trial Board's Decision, unless refusal to take such action appears to the Trial Board to be inconsistent with substantial justice. The Trial Board at every stage of the proceedings may disregard any error or defect in the proceeding which does not affect the substantial rights of the parties.

**GENERAL EXECUTIVE BOARD'S AMENDED POLICY ON APPOINTMENT OF OFFICERS, TRUSTEES AND BENEFIT FUND REPRESENTATIVES**

Pursuant to its authority under Article VIII, Sections 2(c) and (n) of the Constitution of the Laborers' International Union of North America, and in order to accomplish more fully the purposes of the LIUNA Ethical Practices Code, and the Ethics and Disciplinary Procedure and to ensure compliance with Section 411 of the Employee Retirement Income Security Act of 1974, it is hereby declared to be the policy of the General Executive Board that the Special Counsel will be advised of the names of all persons selected by the International Union or any of its affiliated or subordinate bodies to hold the position of Regional Manager, Assistant Regional Manager, International Representative, Special International Representative, Trustee or Supervisor to oversee the affairs of a labor organization pursuant to 29 U.S.C. §162, or labor trustees on any pension benefit plan or welfare benefit plan or other trust fund associated with LIUNA or its affiliated or subordinate bodies, including but not limited to PACs, LECET funds, and training funds.

**GENERAL EXECUTIVE BOARD'S POLICY ON CONTRACT PROCEDURES**

Pursuant to its authority under Article VIII, Sections 2(c) and (n) of the Constitution of the Laborers' International Union of North America and in order to accomplish more fully the purposes of the LIUNA Ethical Practices Code and the Ethics and Disciplinary Procedure, it is hereby declared to be the policy of the General Executive Board that all proposed contracts in excess of two-hundred fifty thousand (\$250,000.00) dollars to be entered into by LIUNA or any of its affiliated or subordinate bodies shall be submitted to the Inspector General. If the Inspector General determines that entry into such contract is inconsistent with the objectives and purposes of the Code or the EDP, LIUNA or its affiliated or subordinate body may not enter into such contract. No proposed contract shall be subdivided or apportioned in order to avoid the intent and purposes of this policy. The Inspector General should be provided with such advance

notice of the proposed contract as may be reasonable in the circumstances to allow him to form an informed judgment.

### **GENERAL EXECUTIVE BOARD'S POLICY ON GIFTS OR DONATIONS OF UNION ASSETS OR PROPERTY**

Pursuant to its authority under Article VIII, Sections 2(c) & (n) of the Constitution of the Laborers' International Union of North America and in order to accomplish more fully the purposes of the LIUNA Ethical Practices Code and the Ethics and Disciplinary Procedure, it is hereby declared to be the policy of the General Executive Board that any proposed gift or donation of Union property or assets to be made by LIUNA or any of its affiliated or subordinate bodies, where such gift or donation exceeds the fair market value of ten thousand(\$10,000.00) dollars shall be reported to the Inspector General. The Inspector General may disapprove thereof upon his determination that such gift or donation is inconsistent with the objectives and purposes of the Code or the EDP. No proposed gift or donation shall be subdivided or apportioned in order to avoid the intent and purposes of this policy. It shall further be the policy of the General Executive Board that any member who serves as trustee of any pension benefit plan or welfare benefit plan or other fund associated with LIUNA or its affiliated or subordinate bodies, including but not limited to LECET funds and training funds shall recommend to the trustees of such fund that any gift or donation meeting one or more of the thresholds set forth above shall be reported to the Inspector General. If the Inspector General determines that such gift or donation is inconsistent with the objectives and the purposes of the Code or EDP, he shall so advise the fiduciaries.

### **GENERAL EXECUTIVE BOARD'S AMENDED POLICY ON REPORTING FELONY ARRESTS AND INDICTMENTS**

Pursuant to its authority under Article VIII, Sections 2(c) and (n) of the Constitution of the Laborers' International Union of North America and in order to accomplish more fully the purposes of the LIUNA Ethical Practices Code and the Ethics and Disciplinary Procedure, and to ensure compliance with Section 411 of the Employee Retirement Income Security Act of 1974, it is hereby declared to be the policy of the General Executive Board that any member of the GEB, any officer of any affiliated or subordinate body, and all members serving as trustees on any employee benefit plan, fund, or trust shall notify the Inspector General in writing whenever it shall come to their attention that any member, employee, officer or labor trustee is arrested, indicted or otherwise charged with any felony under the laws of Canada or the United States or any province or state thereof or with any offense relating to the conduct of the affairs of a labor organization or employee benefit plan, such written notice to be provided within five (5) calendar days of receiving notice of such arrest, indictment, or charge, whichever may occur soonest.

## **GENERAL EXECUTIVE BOARD POLICY ON ACTIONS AFFECTING SUBORDINATE BODIES**

Pursuant to its authority under Article VIII, Sections 2(c) and (n) of the Constitution of the Laborers' International Union of North America and in order to accomplish more fully the purposes of the LIUNA Ethical Practices Code and the Ethics and Disciplinary Procedure, it is hereby declared to be the policy of the General Executive Board that the Special Counsel will be advised of all actions by the General Executive Board or the General President to suspend or revoke charters or consolidate or amalgamate subordinate bodies pursuant to Article II, Section 3 of the Uniform Local Union Constitution.

## **REVISED GENERAL EXECUTIVE BOARD'S POLICY ON PAYMENT OF LEGAL FEES WITH UNION FUNDS**

Pursuant to its authority under Article VIII, Sections 2(c) and (n) of the Constitution of the Laborers' International Union of North America and in order to accomplish more fully the purposes of the LIUNA Ethical Practices Code, and the Ethics and Disciplinary Procedure, it is hereby declared to be the policy of the General Executive Board that union funds may not be used for the payment of the legal fees or expenses for the representation of any officer, member, or employee at any stage of a criminal matter or at any stage of a civil action claiming a breach of fiduciary duties prior to the resolution of the allegation or charge.

If the officer, employee, or member is fully exonerated from the alleged misconduct and the conduct arose out of the performance of his or her official duties, the International, District Council, or Local Union may reimburse the individual for such reasonable legal fees and costs as were incurred to defend against the charges as to which the officer, employee, or member has been exonerated. If the officer, employee, or member is substantially exonerated, the International, District Council, or Local Union may apply to the Appellate Officer for permission to reimburse the individual in a proportionate amount for such reasonable fees and costs as were incurred to defend against the charges wherein the officer, employee, or member has been exonerated. Upon consultation with the General Counsel, the Appellate Officer shall have discretion to set the appropriate amount of reimbursement, if any, taking into account among other relevant considerations the nature of the charges from which the individual has been exonerated, the nature and seriousness of any misconduct that has been found, the financial condition of the entity seeking permission to make partial reimbursement, the reasonableness of the fees for which reimbursement is sought, and the best interests of the Union and membership.

Legal fees cannot be paid or reimbursed at any time or in any fashion in connection with an investigation by the Inspector General or charges brought by the Special Counsel under the LIUNA Constitutions, the Ethical Practices Code, or Ethics and Disciplinary Procedure; provided, however, that if an officer, employee, or member is fully exonerated from the alleged misconduct after a hearing before the Independent Hearing Officer, and an appeal, if any, to the Appellate Officer, the International, District Council, or Local Union may elect to reimburse the individual for such reasonable legal fees and costs as were incurred to defend against the charges as to which the officer, employee, or member has been exonerated. If the officer, employee, or member is substantially exonerated, the International, District Council, or Local Union may

apply to the Appellate Officer for permission to reimburse the individual in a proportionate amount for such reasonable fees and costs as were incurred to defend against the charges wherein the officer, employee, or member has been exonerated. Upon consultation with the General Counsel, the Appellate Officer shall have the discretion to set the appropriate amount of reimbursement, if any, taking into account among other relevant considerations the nature of the charges from which the individual has been exonerated, the nature and seriousness of any misconduct that has been found, the financial condition of the entity seeking permission to pay reimbursement, the reasonableness of the fees for which reimbursement is sought, and the best interests of the Union and membership. In the event that such reimbursement, if permitted, would exceed \$100,000, the Appellate Officer may obtain a non-binding opinion from a respected judge or lawyer highly regarded for his or her integrity and experience as to whether such reimbursement complies with this Policy, is consistent with the entity's fiduciary obligations, and is warranted in order to prevent unfairness.

Legal fees also cannot be paid or reimbursed at any time or in any fashion in connection with any civil action arising from or related, directly or indirectly, to any investigation or charge, unless ordered by the court in accordance with law.

Nothing in this policy shall be construed to provide a LIUNA officer, employee, or member with any right to reimbursement of or indemnification for legal fees. Additionally, this policy is not intended, and shall not be construed, to affect or abridge the fiduciary duties that LIUNA officers and employees owe the Union under federal or state law, the LIUNA Constitutions, or the Ethical Practices Code. In determining whether the International, a District Council, or a Local Union will reimburse a person for reasonable legal fees and costs, or will seek permission from the Appellate Officer to make such reimbursement - and in determining the amount of reimbursement that is reasonable, appropriate, and fiscally responsible - the Union officers and employees must exercise informed and independent judgment in a manner consistent with their fiduciary responsibilities, and recognizing that they owe the highest duty of loyalty to the Unions membership rather than to any individual.