

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

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RAZA SIDDIQUI, MARCUS
CROSBY, ANNA BASSETT, DOUG
WEBBER, NATHAN CANTU,
JEFFREY CHEATHAM, and TODD
ROBERTS,

Plaintiffs,

-vs-

NABET-CWA, AFL-CIO, CLC;
CHARLES BRAICO, in his
capacity as Sector President
of NABET-CWA; LOUIS M.
MARINARO, in his capacity as
Sector Vice President of
NABET-CWA; and EDWARD
McEWAN, in his capacity as
Temporary Trustee of
NABET-CWA Local 41,

Defendants.

Case No. 22 C 5732

Chicago, Illinois
November 7, 2022
2:00 p.m.

TRANSCRIPT OF TELEPHONIC PROCEEDINGS
BEFORE THE HONORABLE GARY FEINERMAN

APPEARANCES:

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1 (Proceedings heard in open court:)

2 THE COURT: Good afternoon, Jackie.

3 THE CLERK: Good afternoon, Judge.

4 22 C 5732, Siddiqui versus NABET.

5 THE COURT: For the plaintiffs?

6 MS. ANGELUCCI: Margaret Angelucci and Matt Pierce.

7 THE COURT: And for the defendants?

8 MS. CHARTIER: Judianne Chartier.

9 THE COURT: All right. So, how would you like to
10 proceed? Should we start with the plaintiffs?

11 MS. ANGELUCCI: Sure, your Honor. What we thought we
12 would do is just summarize the evidence that's been submitted
13 to the Court thus far. I can handle that, and then Matt will
14 run through -- or Mr. Pierce will run through a summary of the
15 case law, if that's okay with you.

16 THE COURT: All right. Go ahead.

17 MS. ANGELUCCI: Your Honor, I wanted to address each
18 of the seven points that are listed in the temporary
19 trusteeship, and I will try to summarize specifically each of
20 those points and the evidence that we've put in to rebut each
21 of those allegations.

22 The first one was the failure to elect members of the
23 Local Executive Board by secret ballot elections. The -- it
24 appears -- although I'm not 100 percent sure, it appears that
25 the defendants' rationale on the appointment of stewards

1 shifted a bit during the hearing, at least what we could glean
2 from it; but I would like to point you to Exhibit 0, which the
3 issue is whether they were held by a secret ballot election,
4 not whether they were appointed with or without board
5 approval.

6 But even if that were the case, your Honor, the
7 evidence did show that there have been no triennial steward
8 elections in 2014, 2017, or 2020. And that was under three
9 prior administrations before the Siddiqui administration.

10 The defendants did put in nomination applications
11 during the trial last week, but those occurred in anticipation
12 or what appears to be anticipation of the 2017 and 2020
13 triennial elections. The Siddiqui administration wasn't even
14 in office long enough before the trusteeship to also submit
15 nominations for the anticipated January '23 triennial election
16 of stewards.

17 The evidence does show that the steward appointments
18 were often made upon wholly unrelated to or anticipated
19 triennial elections. In other words, they were made -- I'm
20 sorry. I'm getting a little feedback.

21 THE COURT: Yeah, if you're not addressing the Court,
22 if you could please put your phone on mute. Somebody appears
23 to be driving. Thank you.

24 Okay. Go ahead.

25 MS. ANGELUCCI: What we did present, your Honor, was

1 evidence of 48 appointments of stewards, and those were
2 identified in Exhibits AA-1 through 18. Those all appear
3 to have been unrelated to any kind of triennial elections.

4 We also -- and we pointed this out last week. One
5 of the things that you had made mention of in, I think, one
6 of the first two hearings was that the bylaws, if strictly
7 construed, didn't have a provision for the appointment of
8 stewards; whereas, they had provisions for the appointment of
9 other officers. And we pointed out that in 2019, when there
10 was an appointment of an officer, the bylaws didn't provide
11 for that, either, and that did not lead to a trusteeship.

12 The next point in the letter from the trustee was the
13 failure to process challenges to the local officer election in
14 accordance with the bylaws. The only thing that the bylaws
15 provide, your Honor, is that the board, the Executive Board,
16 act quickly, and they have an investigation and a report.

17 As part of the investigation in this case, the
18 Local 41 Executive Board asked for any information that would
19 assist in the processing of the challenges. That's set forth
20 in Plaintiffs' Exhibit DD. In response, the challengers
21 stated that they weren't going to do the Executive Board's
22 job. The E Board acted accordingly and dismissed the
23 challenges for lack of evidence. That was submitted in
24 Exhibit P-4.

25 The following day, the very next day, President

1 Siddiqui appointed people to the local election investigation
2 committee. He testified to that at transcript page 32. The
3 local executive -- local election investigation committee
4 report was issued on June 18th and approved by the Executive
5 Board on June 29th. That's in Exhibits K and L. And it was
6 transmitted to the sector in June. And that was testified by
7 Mr. Siddiqui at page 35 of the transcript.

8 The SEIC, or the sector election investigation
9 appointment was not until approximately a month later, on
10 July 25. So, the sector had the local election investigation
11 committee report for about a month before they decided to
12 appoint their own investigation committee. That SEIC report,
13 or the sector election investigation committee report, issued
14 about a month-and-a-half later on September 16th. Those are
15 found in Exhibit M.

16 So, in both the local investigation and the sector
17 investigation committee report, the worst that they found was
18 that there were 16 ballots potentially at issue. The 16
19 ballots, as shown by the tally, were nowhere close to being
20 determinative. So, the Executive Board did process the
21 election challenges. They found that they were not supported
22 by any evidence, despite the fact that they requested the
23 evidence be provided by the challengers.

24 And so even if you don't consider the committee that
25 was empaneled by President Siddiqui, Local 41 did process

1 those challenges appropriately and in accordance with the
2 bylaws. So, what you have is actually on top of that, on top
3 of them processing the challenges, President Siddiqui went to
4 the extra effort of appointing a committee on his own to do
5 an independent investigation, and the results of that were
6 submitted to the sector for consideration.

7 The third basis for the trusteeship was the
8 alteration and falsification of the Executive Board meeting
9 minutes. The meeting minutes were sent out as a draft by then
10 secretary Jorge Lara. That's in Exhibit BB-1. The draft to
11 the minutes were attached, and those are identified as
12 Exhibit P-1.

13 In the April 27, '22, Executive Board meeting, they
14 discussed the omissions that were missing from the draft of
15 the March 30th meeting minutes. And then subsequently, the
16 corrected meeting minutes were submitted to the Executive
17 Board and ultimately approved on May 25th, 2022. Those
18 exhibits supporting that are at Exhibits BB-2 and BB-3, as
19 well as P-4.

20 The only evidence supporting the defendants'
21 allegations was the testimony of Mr. Cunningham; and if you
22 recall, your Honor, Mr. Cunningham acknowledged that there
23 were objections to the payment to Mr. Willadsen without any
24 supporting documentation. He then changed his testimony that
25 there weren't objections. And he also admitted that not

1 everything that was discussed during those meetings were put
2 into the minutes.

3 While that is Mr. Cunningham's recollection, and
4 assuming that Mr. Cunningham was one of the two no votes to
5 approve the corrected minutes, nine other people on the
6 Executive Board disagreed and voted to approve the corrected
7 minutes.

8 Your Honor, there is -- other than the opinion of
9 Mr. Cunningham, there's no evidence that the Local 41
10 Executive Board altered or otherwise falsified Executive
11 Board meeting minutes.

12 The next allegation in the trusteeship is the alleged
13 discrimination and retaliation against Local 41 members who
14 were -- supported the former officers, including banning those
15 members from the Local 41 office. The only evidence -- or the
16 only individual ever banned by the Siddiqui administration
17 from the Local 41 offices was an individual by the name of
18 Danny Bridges. There's evidence put into the record at
19 Exhibit P that the basis for banning Mr. Bridges from the
20 Local 41 offices was that he had made physical threats against
21 Mr. Siddiqui and his family. The police report setting forth
22 those allegations again are at Exhibit P. Notedly, the
23 defendants have not challenged the basis for Mr. Bridges being
24 banned from Local 41's offices.

25 The next allegation for the basis for the

1 trusteehip, No. 5, was the alleged failure to pay former
2 president Willadsen compensation owed to him where the payment
3 was approved by the Local Executive Board. This circles back
4 to whether or not the March 30th meeting minutes actually were
5 altered. The Executive Board decided to pay Mr. Willadsen
6 upon his submission of supporting documentation.

7 So, the failure to pay Willadsen was not in violation
8 of the March 30th, '22, Executive Board meeting, but rather,
9 consistent with it, because as of the date of the hearing --
10 or the date of the trusteehip, he has still submitted no
11 supporting documentation.

12 One thing that we did want to point out, the
13 difference between the payment to Mr. Willadsen and the
14 payment to Mr. Crosby. The defendants have claimed that the
15 Local 41 Executive Board should have been trustee'd in part
16 because they failed to pay Willadsen without supporting
17 documentation; but at the same time, they're alleging that
18 they also should be put into trusteehip for paying Mr. Crosby
19 when he didn't have supporting documentation. So, they can't
20 have it both ways, your Honor.

21 The next reason they gave for putting the local
22 into trusteehip was the failure to pay dues. One of the
23 statements made during the hearing in this case was made on
24 page 85 of the transcript that unions live or die by the dues
25 they get from their members, that Mr. Siddiqui was an officer

1 who took an oath, and that there was very specific language
2 about what happens when a local fails to remit dues on behalf
3 of its members, and that it was a very serious issue.

4 We believe that's pretextual. Again, we weren't --
5 this was one of the issues that may or may not have gone
6 beyond the scope of what we presented to you last week. With
7 the limited information that we had, we were able to provide
8 multiple examples of times where Local 41 was far in excess of
9 six months behind in dues and no actions were taken against
10 them by the sector. Those were Exhibits FF, GG, HH, and II,
11 where the delinquency in dues ran between 10 months to
12 18 months in arrears.

13 In addition, your Honor, the basis for the
14 trusteeship was that the sector -- or excuse me, that the
15 local had failed to pay dues for more than six months. At the
16 time of the trusteeship, the Siddiqui administration wasn't
17 even in office for six months.

18 In addition, the defendants did not challenge the
19 numerous transition issues that the local had when the new
20 officers were sworn in. There were months that they couldn't
21 access certain bank accounts. They couldn't access passwords.
22 There were documents and laptops destroyed.

23 So, the defendants have not challenged those
24 arguments at all, and they were actually advised of these
25 every step of the way when they were having these transition

1 issues.

2 In addition, defendant Braico testified that there
3 were two reports that were uploaded into this Aptify system,
4 which is the dues collection system, but the uploads were
5 flawed. This is the same system that defendant Braico tried
6 to excuse these other delinquencies because of their -- there
7 were problems with the Aptify system. When confronted with
8 the 18 months or 10 months or 12 months of delinquency, he
9 said that there were problems with the Aptify system. That
10 was the exact same system that plaintiff attempted to use to
11 pay dues. They were uploaded, but there were problems with
12 the system, and these reports -- I think he used the term that
13 the uploads were flawed.

14 In addition, the evidence is that payments were
15 actually made in June. I'm trying to find the exhibit number
16 for you.

17 I'll get that for you, your Honor. I apologize.
18 But there were payments made in June of dues to the sector,
19 and that was for the Univision contract.

20 And last, the last basis for the trusteeship was the
21 approval of payments to local officers for work done on the
22 officers' personal time, in violation of the local bylaws.
23 First -- and this goes to the payment to -- or the approval
24 of payment to Vice President Crosby.

25 First, Vice President Crosby was never paid.

1 Secondly, Mr. Crosby, Mr. Siddiqui, and Mr. Steenveld, who was
2 the treasurer, were still working through what the appropriate
3 policy and documentation would be before payment was received.
4 Those e-mail communications back and forth between and among
5 themselves and the sector are set forth at Exhibits CC-2 and
6 CC-3.

7 Historically, freelancers -- and Mr. Crosby was one
8 of them -- who do not have a set schedule, still were
9 compensated for duties above and beyond their positions on
10 the Executive Board. At least two administrations prior to
11 this had been paying freelancers without the need to submit
12 proof that they had somehow canceled work or missed out on
13 work. That is set forth at Exhibit CC-1 and can be found at
14 transcript pages 37 through 38.

15 We believe that each of these seven reasons, as we
16 just discussed, were not based on a good faith belief, were
17 pretextual, and were not an appropriate justification for
18 putting Local 41 into trusteeship.

19 MR. PIERCE: All right. And now, your Honor, I would
20 like to briefly go through the applicable law and how it
21 applies to the facts in this case and address the burden of
22 proof and what we need to show on this motion.

23 And I wanted to start with sort of putting all of
24 this dispute into context. The decision to place a local
25 union in trusteeship, it's a monumental decision that can have

1 devastating impact on the union's members. By its nature, a
2 trusteeship takes away the rights of unions and their members
3 to manage their own affairs, and strips them of the right to
4 democratically select their own officers and representatives.

5 Because of these consequences and because
6 trusteeships could be so easily abused by national unions,
7 this is why Congress adopted Title III of the LMRDA, which
8 sets out the specific requirements that must be met for a
9 trusteeship to be valid and identifies the only legal bases
10 which can justify a trusteeship.

11 In the motion before this Court, the plaintiffs, who
12 are all members in good standing of NABET-CWA Local 41, ask
13 the Court to enter a temporary restraining order dissolving
14 the unlawful and bad faith trusteeship that was imposed on
15 their local union by the defendants.

16 On a motion for TRO, the moving parties have the
17 burden of showing the familiar elements of likelihood of
18 success on the merits, no adequate remedy at law, and
19 irreparable harm. If those elements are shown, then the
20 Court will consider the balance of harms between the parties,
21 as well as the public interests.

22 The case law on trusteeships in this circuit makes
23 it clear, as we've explained in our papers that we filed with
24 the Court, that there is no adequate remedy at law for an
25 unlawful trusteeship. And that's why there's no requirement

1 to exhaust internal union remedies before bringing this type
2 of lawsuit.

3 Additionally, this court has made clear in past cases
4 that as a matter of law, every day that an invalid trusteeship
5 remains in place, it causes irreparable harm to the union's
6 members. Furthermore, as a matter of law, this court has held
7 that it is in the public interests to dissolve an unlawful or
8 bad faith trusteeship.

9 So, the main issue before this Court, and I think
10 what we've spent most of our time the first three days
11 hearing, discussing is the likelihood of success on the merits
12 for plaintiffs' claims.

13 The ultimate question, of course, is whether or not
14 this trusteeship was imposed and maintained in good faith and
15 for valid and lawful reasons.

16 We heard several statements from the defendants'
17 counsel at the hearing last week regarding a presumption of
18 validity for this trusteeship. Under the LMRDA, a trusteeship
19 is only presumed to be valid if, one, it is imposed in
20 accordance with the union's constitution and bylaws, and two,
21 it is imposed or ratified after a fair hearing. This court
22 made clear in the *Blevins* case that a trusteeship imposed
23 without a fair hearing is not entitled to a presumption of
24 validity.

25 Here, whether or not the defendants complied with

1 their own bylaws in imposing this trusteeship, there's no
2 question, and the defendants are not contesting, that no
3 hearing whatsoever took place before this trusteeship was
4 imposed on September 22nd of this year. Therefore, there
5 could be no presumption of validity, and there's no enhanced
6 evidentiary burden on the plaintiffs to prove that this
7 trusteeship was invalid or unlawful.

8 One important point that the defendants have tried
9 to ignore throughout this litigation is that no matter what
10 the stated purpose is or purposes for a trusteeship, the
11 LMRDA always requires separately that the trusteeship be
12 imposed in good faith. In the *Allied Industrial Workers* case,
13 which we've cited numerous times in our papers, that's at
14 693 F.2d 666, the Seventh Circuit explained that this
15 requirement of good faith applies regardless of a stated
16 purpose, and bad faith is a complete defense against any
17 stated purpose for a trusteeship.

18 This means in this case that even if the defendants
19 have offered some reasons which on their face would comport
20 with the statutory bases set out in Title III of the LMRDA for
21 a trusteeship, if those reasons are dishonest or pretextual or
22 otherwise carried out in bad faith, the trusteeship must fail.

23 My co-counsel, Ms. Angelucci, has walked us through
24 the seven stated reasons for this trusteeship, and I don't
25 want to repeat any of that. I will just note that the

1 evidence before this Court, in both our papers and in the
2 live testimony from last week, it's clear that each of those
3 seven stated reasons was either false, was dishonest, or
4 pretextual. None of those reasons on their face could support
5 this trusteeship.

6 In addition to debunking each of the stated purposes
7 for this trusteeship, plaintiffs have also offered a
8 compelling body of evidence to support the conclusion that
9 this trusteeship was, in fact, imposed in bad faith.

10 In the March 2022 officer elections, the defendants
11 supported the prior Willadsen and Keating administration
12 against Raza Siddiqui and his slate of candidates. The
13 defendants concede this. In that election, the Siddiqui
14 slate defeated the incumbents by overwhelming margins. The
15 defendants do not challenge this.

16 After that election, the prior administration took
17 actions that would set up the Siddiqui administration to fail,
18 by destroying files and property, withholding critical
19 information, including bank accounts and other log-ins and
20 passwords. Defendants have not made any effort to rebut any
21 of this.

22 Furthermore, when the Siddiqui administration went
23 to the defendants to ask for help to address this misconduct
24 from the prior administration, the defendants turned a deaf
25 ear. The defendants bent over backwards to dismiss the

1 internal charges that the Siddiqui administration had filed
2 against the prior administration, which was seeking to correct
3 all the wrongdoing with respect to the bank accounts and other
4 information and documents. At the same time, the defendants
5 processed and set for hearing internal charges that those
6 prior administrative members had filed against Siddiqui,
7 clearly applying a double standard.

8 Again, the defendants have not rebutted any of this
9 evidence that we have submitted to the Court.

10 Finally, just days after this trusteeship was
11 imposed, the defendants finally revealed their true purpose
12 for taking this extraordinary action when they announced that
13 they intended to rerun the March 2022 officer election, except
14 that this new election would be open to anyone, they agreed to
15 reopen the nomination process, and they would treat it as a
16 brand new election.

17 This so-called rerun election, which as Ms. Angelucci
18 mentioned is based on a mere 16 challenged ballots, this
19 confirms that the defendants' entire purpose for trusteeing
20 Local 41 was to remove the Siddiqui administration and to pave
21 the way for defendants' political allies to be returned to
22 power by whatever means necessary.

23 So in conclusion, your Honor, all the evidence that
24 we've presented to this Court clearly shows that the
25 trusteeship of Local 41 was not imposed in good faith or for

1 valid purposes. I believe that plaintiffs have more than
2 satisfied their burden of showing some likelihood of success
3 on the merits; and for these reasons, we'd respectfully
4 request that the Court grant this motion and immediately
5 dissolve this unlawful and bad faith trusteeship.

6 Thank you.

7 THE COURT: Thank you.

8 Defendants, what are your thoughts?

9 MS. CHARTIER: Thank you, your Honor. Before I
10 begin, I just want to advise you that I saw a little message
11 flash on the top of my screen about three minutes ago stating
12 that my -- this call will end in five minutes.

13 THE COURT: Well, hopefully that won't be the case.

14 MS. CHARTIER: So, if all of a sudden --

15 THE COURT: If it does, we'll get back on.

16 MS. CHARTIER: Okay. So, if all of a sudden you
17 don't see me, please note that I will sign back in right away.

18 Thank you and good afternoon, your Honor.

19 Plaintiffs have taken obvious steps to ignore Seventh
20 Circuit precedent with regard to the validity of trusteeships.
21 In defendants' memorandum of law previously submitted in this
22 case, we cite, and plaintiffs have never stated to the
23 contrary, that the Seventh Circuit in *Roland v. Air Line*
24 *Employees Association, International*, 753 F.2d 1385, a case
25 from 1985, the Seventh Circuit directly answered the question

1 of whether a hearing is required prior to the imposition of a
2 trusteeship under the LMRDA. And the Seventh Circuit said in
3 plain language that it is not.

4 Moreover, Judge Lefkow, in *Massey v International*
5 *Brotherhood of Teamsters Local 783*, 2003 Westlaw 21011823, a
6 Northern District of Illinois case from 2003, agreed that
7 under the LMRDA, and citing *Roland*, that a pre-imposition
8 hearing is not necessary to have a valid trusteeship under
9 the act. The cites in both cases were discussed in
10 plaintiffs' memorandum of law.

11 Both the court, the Seventh Circuit in *Roland* and
12 the court in *Massey*, agreed that asking the court to undo or
13 dissolve a trusteeship that has been imposed by a labor
14 organization over a local is an extraordinary remedy.
15 Defendants submit that the plaintiffs have not established
16 the requisite facts to warrant such an extraordinary remedy
17 in this case, and their request for a temporary restraining
18 order, respectfully, must be denied.

19 Your Honor must find, in order to issue the TRO,
20 that the plaintiffs have at least a reasonable likelihood of
21 success on the merits; that the plaintiffs have no adequate
22 remedy at law and will be irreparably harmed absent a TRO; the
23 threatened injuries to the plaintiffs outweighs the harm to
24 the defendants; and that the granting of the TRO will serve
25 the public interests.

1 Additionally, as defendants pointed out last week,
2 Federal Rule of Civil Procedure 65 requires that plaintiffs
3 be required to post an adequate bond before a temporary
4 restraining order becomes operative. Defendants have advised
5 this Court that we believe the bond required should be in an
6 amount of \$50,000.

7 THE COURT: And what's the basis for that amount?

8 MS. CHARTIER: Because of the work that the
9 trusteeship -- the trustee had to do when the trustee was
10 imposed in terms of the retaining of counsel, the retaining
11 of the accountants to complete the LM-15 report, some smaller
12 amounts, the amounts to have the locks changed on the office,
13 to have all of the bank accounts, there were fees associated.

14 But the primary expense would be the professional
15 fees to the accountants and the lawyers.

16 THE COURT: All right.

17 MS. CHARTIER: Your Honor, plaintiffs submit that
18 the defendants -- the defendants submit that the plaintiffs
19 have not produced facts sufficient to show that a temporary
20 restraining order is warranted in this case.

21 And before I move on, with regard to the argument
22 plaintiffs have made that this trusteeship is not
23 presumptively valid solely because NABET-CWA did not have a
24 hearing prior to the imposition of the trusteeship, the
25 defendants ask the Court to take judicial notice of the

1 United States Department of Labor's OLMS, the Office of Labor
2 Management, their interpretive manual on trusteeships, which
3 specifically states at Section 310.305, the timing of a
4 hearing with regard to the timing of a trusteeship hearing,
5 "such a hearing may be held before the imposition of the
6 trusteeship or within a reasonable time thereafter."

7 This conclusion is based on the language of
8 Section 304(c) of the LMRDA that a trusteeship established
9 by a labor organization in conformity with the procedural
10 requirements of its constitution and bylaws and ratified
11 after a fair hearing is presumptively valid.

12 At no point have the plaintiffs ever suggested that
13 NABET-CWA has not acted in conformity with its bylaws and
14 constitution. The law is clear that a hearing is not required
15 prior to the imposition of a temporary trusteeship for it to
16 be considered presumptively valid. We submit that the
17 plaintiffs have not established that NABET-CWA is not entitled
18 to this presumption of validity.

19 With regard -- I will address some of the -- go a
20 little backwards with regards to the elements for a TRO, and
21 I'd like to start with irreparable harm. Defendants submit
22 that plaintiffs have not established the existence of the
23 threat of irreparable harm. Only two of the plaintiffs,
24 plaintiff Siddiqui and plaintiff Crosby, were elected.
25 According to plaintiff Siddiqui, all of the steward plaintiffs

1 were appointed.

2 First -- and it is clear, as Mr. Siddiqui
3 acknowledged last week, that under and in accordance with the
4 bylaws of Local 41, every three years, there is to be a
5 triennial steward election. The next triennial steward
6 election will begin January of 2023, less than two months
7 from now.

8 So, all of the plaintiffs who are stewards will have
9 an opportunity, if they remain members in good standing, to
10 run for steward if they so choose.

11 With regard to Vice President Crosby, he was elected,
12 and as we know, he is not based in the Chicago area. He was
13 not able to attend the hearing last week.

14 To be blunt, the Local 41 members simply can't afford
15 his representation. Mr. Crosby admitted that he seeks payment
16 in the amount of \$87 per hour to do the work he was elected to
17 do. The bylaws provide for a monthly stipend of \$350, which
18 he was paid. Notwithstanding his receipt of the stipend for
19 appearing on Zoom hearings and phone calls, Mr. Crosby
20 demanded payment of \$87 per hour to speak to the union
21 president, which he acknowledged, to speak to myself about
22 basic union matters.

23 With regard to plaintiff Siddiqui, if he is in good
24 standing when the elections are held, he will be entitled to
25 run again. As I stated before, under the NABET-CWA Local 41

1 bylaws, the triennial steward elections will take place this
2 January. It is the intent of the trustee to run the local
3 officer elections at the same time, in tandem with the steward
4 elections.

5 THE COURT: When would the local officer elections
6 otherwise be run?

7 MS. CHARTIER: Two years -- they would next be run
8 in 2025.

9 THE COURT: Okay. Got it.

10 MS. CHARTIER: So, the thought, and at this point,
11 the intent, is to have all of the Executive Board, the named
12 stewards as well -- the stewards, as well as the named
13 officers, receive the nominating petitions, have them filled
14 out, and the balloting will be conducted in early 2023. So,
15 all of the plaintiffs, if they remain members in good
16 standing, will be eligible to run for office in a couple of
17 months.

18 THE COURT: Well --

19 MS. CHARTIER: I would also like to point --

20 THE COURT: So, you're saying there's not irreparable
21 harm because Siddiqui gets to run in 2023 when he otherwise
22 wouldn't have had to run until 2025?

23 MS. CHARTIER: Well, but also with respect to the
24 irreparable harm -- and we understand that these officers were
25 removed, but plaintiffs have not alleged anything other than

1 the fact that they were removed from office to be irreparable
2 harm.

3 THE COURT: Right. And he's entitled -- he was
4 entitled to a three-year term, and now you're saying, "Well,
5 he can run again and maybe get the second and third years of
6 what would have been the three-year term."

7 MS. CHARTIER: Well, respectfully, your Honor, I
8 wouldn't say any union officer has an entitlement to their
9 position. They're certainly elected, and hopefully they keep
10 it; but there are mechanisms in place that -- in fact,
11 Title III of the LMRDA was created so that unions can govern
12 themselves, so that unions --

13 THE COURT: I mean, basically, your -- your argument
14 is that there can never be irreparable harm for an officer who
15 is subject to a trusteeship because that ejected officer could
16 always run in the next election.

17 MS. CHARTIER: I think that's one argument to that
18 point, your Honor.

19 THE COURT: Right. So, you're saying that there
20 could never be injunctive relief to challenge -- to vacate a
21 trusteeship because the plaintiff officers and stewards can
22 always run in the next election.

23 MS. CHARTIER: Yes, I would.

24 THE COURT: Okay. I'm not sure that's your best
25 argument.

1 MS. CHARTIER: Thank you, your Honor. I appreciate
2 the feedback.

3 So, plaintiff -- defendants submit that plaintiffs
4 have not established the threat of irreparable harm, and a
5 temporary restraining order is not warranted.

6 With regard to the argument of whether the plaintiffs
7 can show that they would be greater harmed if the temporary
8 restraining order is not granted than the defendants would be
9 harmed if it was, the plaintiffs repeat their claim that their
10 removal from office shows that the harm to them outweighs the
11 harm to the defendants.

12 If the TRO was granted, as defendants have stated,
13 all of the work of the temporary trustee would be stricken.
14 The harm to the defendants if a temporary restraining order is
15 granted is that the trustee will be removed from his or her
16 position; and if the temporary restraining order is found not
17 to have been granted properly, the harm to the union would be
18 to have to go back and reinstate the trustee with all of the
19 expenses already incurred.

20 Now, we understand that for that reason, Rule 65(c)
21 requires that plaintiffs post a bond prior to any TRO, but
22 we do want to point out that plaintiffs have not stated any
23 additional harm that would go to them; and we believe that
24 that factor has not been met.

25 Now I'd like to turn to plaintiffs' likelihood of

1 success on the merits. As I stated before, NABET-CWA and
2 the named defendants believe that we are entitled to the
3 presumption of validity to the trusteeship. Because we
4 followed our bylaws to the letter and there's no claim to the
5 contrary, the law does not require a pre-trusteeship hearing.

6 THE COURT: Yeah. And let's say -- I think that's
7 one of your better arguments, so you don't have to dwell on --

8 MS. CHARTIER: Okay, your Honor.

9 THE COURT: Yeah. You don't have to dwell on the
10 presumption of validity.

11 MS. CHARTIER: Okay.

12 THE COURT: Based on the fact that there was no
13 pre-trusteeship hearing.

14 MS. CHARTIER: Okay.

15 THE COURT: Assume I agree with you on that.

16 MS. CHARTIER: Thank you, your Honor. I'd like to
17 then address some of the points made by plaintiffs' counsel
18 with regards to the facts and with regards to plaintiffs'
19 claims of bad faith.

20 First and foremost, as he said in his declaration,
21 President Braico stated that since the Siddiqui administration
22 took place on March 30th of 2022, he has received more than
23 500 e-mails from Local 41 members, officers, and Executive
24 Board members about complaints. Some of them were attached to
25 his declaration.

1 He received e-mails from plaintiff Webber asking for
2 Mr. Braico to step in and take control because the local was
3 in such disarray in April. He received e-mails from plaintiff
4 Cheatham complaining about the fact that members who were
5 ineligible to vote received ballots in the most recent local
6 officer election.

7 President Braico received many e-mails from not a
8 plaintiff, but the former Local 41 treasurer, Kyle Steenveld,
9 about many financial issues he was concerned with at the
10 local, particularly, the demands for leave of absence for
11 lost-time payments, as well as the expenditure of union funds
12 on lawyers to essentially handle internal union matters;
13 namely, appeals and charges filed by plaintiff Siddiqui and
14 plaintiff Cheatham against former local officers who remain
15 members in good standing.

16 He also knew that election challenges were filed, and
17 those were appealed to the sector. And as plaintiffs note in
18 their opening papers, there were a lot of challenges flying
19 back and forth between the current administration and the
20 former administration.

21 So, over 500 e-mails with really serious complaints.
22 And we understand that plaintiffs take the position that they
23 were not provided adequate training and they did not get the
24 keys, which they had the keys. The problem is regardless of
25 whose fault it was, the important work of the local really was

1 falling to the wayside. So, against this backdrop, we have to
2 look at the factors.

3 With regard to the first reason the union gave to the
4 Local 41 membership for the imposition of the trusteeship, the
5 failure to elect members of the Local 41 Executive Board by
6 secret ballot election as required by the bylaws, CWA
7 constitution, and federal law, plaintiffs at the hearing last
8 week submitted a number of Executive Board meeting minutes
9 which show the appointment of various stewards. On
10 cross-examination, plaintiff Siddiqui stated numerous times
11 that he could not recall, as he sat in the courthouse, whether
12 or not the notices for nominating petitions were sent out and
13 whether or not nominating petitions were returned to the
14 local.

15 Indeed, with regard to his own becoming a steward in
16 2016, when pushed, he said on the stand he could not recall if
17 he asked people to file nominating petitions for him.

18 So, plaintiffs' counsel asked you to identify or to
19 look at a number of the exhibits submitted last week, and the
20 defendants would do the same thing because for many of the
21 meeting minutes which plaintiffs identified, there is a
22 corresponding notice from the local to the membership
23 soliciting nominating petitions for stewards, not only for
24 the triennial elections that occurred in 2017 and 2020, but
25 also for the special steward elections.

1 Indeed, when plaintiff Siddiqui was appointed to
2 be a steward for WSNS, that was just after the May 26, 2016,
3 announcement of an election for steward at WSNS. And that's
4 in evidence as Defendants' Exhibit 12.

5 One of the documents that plaintiffs state is that
6 in 2017, there was an appointment of over a dozen stewards.
7 However, they do not notice or do not mention that in 2017,
8 in January, there was an announcement for nominating --

9 (Interruption.)

10 MS. CHARTIER: I'm sorry. Can you hear me, your
11 Honor?

12 THE COURT: Yeah, now I can. Why don't you start
13 that sentence once again.

14 MS. CHARTIER: Yeah, sure.

15 So, in their opening argument or in their argument
16 here today, your Honor, excuse me, plaintiffs asked you to
17 look at several documents that they put forward last week in
18 court.

19 THE COURT: Right, right. So, I have -- there's
20 18 -- it's AA-1 through AA-18, and these are all instances
21 where a steward or an assistant steward, alternate steward
22 was appointed. And I think you -- the defendants presented
23 evidence at the hearing of maybe three situations where there
24 were nominating petitions --

25 (Interruption.)

1 THE COURT: If you're not speaking, if you could
2 please put your phone on mute. I think I see a 219 Area Code
3 that we're getting some feedback from.

4 Thank you.

5 So, you identified three situations where there were
6 nomination petitions solicited, and maybe nobody -- no
7 nomination petitions were submitted, so in that instance, of
8 course, the president could appoint a steward or an alternate
9 steward. But what about the other 15 situations that are
10 in -- referenced in Plaintiffs' Exhibits AA-1 through AA-18?

11 MS. CHARTIER: Yes. With regard to AA-3, the
12 August 31, 2016, meeting minutes, we would ask your Honor to
13 consider Defendants' Exhibit No. 12, which was the May 26,
14 2016, announcement of the special election for stewards at
15 WSNS. So, that's where Mr. Siddiqui was working, and he was
16 appointed shortly after the announcement for nominating
17 petitions went out.

18 With regard to Exhibit AA-4, the December 14, 2016,
19 meeting minutes, we would ask you simply to look at those
20 minutes where it states, with regard to Kevin Smith, asking --
21 after asking the membership group who would serve, because
22 there was a vacant position, Kevin was the only volunteer.

23 The same thing was written with regard to Sylvia
24 Barragan. There was a vacancy. The local president asked
25 the group, and only Sylvia was the volunteer for those

1 vacancies.

2 With regard to document AA-5, the March 29, 2017,
3 where there are 15 names listed, we would ask your Honor to
4 look at Defendants' Exhibit No. 11, which was introduced last
5 week, which was the announcement for the triennial steward
6 nominating process. And we would also ask you to just look
7 at the minutes themselves, which state that the nominating
8 petitions went out, and if a nominating petition was returned
9 and there was no challenge, then that person got the job.

10 So, we would ask you to look at both the meeting
11 minutes as well as the corresponding union documents with
12 regard to that issue.

13 With regard to the --

14 THE COURT: Right. That's three of them. So, I
15 mean -- and even No. -- AA No. 4, it doesn't say that
16 nominating petitions were sent out and only one nomination --
17 nominating petition was returned, either by Kevin Smith or
18 Sylvia Barragan. It says, "After the membership of this group
19 was asked for those interested in serving." So, I don't know.
20 Is that a nominating petition? Is that just kind of an
21 informal survey? The minutes don't say one way or the other.

22 MS. CHARTIER: Right. But, your Honor -- and I would
23 agree, but it identifies that there's a vacancy, and that the
24 affected employees, the people in that group, were asked, and
25 there was only one volunteer to step up as steward.

1 THE COURT: Right. And so what about -- I mean, I
2 hate to ask for you to kind of take me step by step
3 through 15 other exhibits, but there are 15 other situations
4 where there was a steward appointment. And is it your
5 position that in each of those instances, there were
6 nominating petitions circulated and either zero or one
7 petition was submitted?

8 MS. CHARTIER: No, your Honor. We submitted the
9 announcements that we had --

10 THE COURT: Okay.

11 MS. CHARTIER: -- in response to the plaintiffs'
12 request for information. But we are simply asking you to
13 look at both documents, like when the nominating petition
14 notice went out in January of 2017, that preceded the
15 March 2017 where 15 stewards were listed.

16 THE COURT: Yeah. Okay.

17 MS. CHARTIER: Okay. With regard to the second issue
18 listed on the September 23, 2022, letter, the failure to
19 process challenges to the local officer election in accordance
20 with the bylaws, it is clear that soon after the March
21 elections, challenges were filed by two members. In the
22 April -- at the April Executive Board meeting, a motion was
23 made to table the challenges. At the May 25 Executive Board
24 meeting, the minutes reflect that the election challenges were
25 dismissed as meritless.

1 The two individuals who filed the election challenges
2 immediately appealed to the Sector Executive Council; and last
3 week during the hearing, we offered as an exhibit the
4 June 7th, 2022, letter that the Sector Executive Council sent
5 to the local stating that an appeal was filed because the
6 local dismissed the election challenges, and asking for
7 information.

8 It's clear that prior to the dismissal of the
9 charges, there was no investigation. Plaintiff Siddiqui
10 testified that he did one anyway because he knew that the
11 plaintiff -- the challengers would complain. The problem,
12 though, is the investigation should have been done before the
13 charges were dismissed. The sector sent the letter, and it's
14 only after the sector sent the letter to the local with the
15 request for information did the local transmit the
16 investigative report to the local.

17 Significantly, the local -- at no time after it
18 received the June 7th, 2022, letter to the sector, the local
19 did not say, "We are investigating these charges." That would
20 have saved a lot of time and expense.

21 Moreover, the day Local 41 received the June 7th,
22 2022, letter from the sector, in evidence is the e-mail that
23 plaintiff Siddiqui sent to the law firm saying that an appeal
24 to the sector was made of the local's decision to dismiss the
25 charges. No evidence that Local 41 told its own lawyers that,

1 "Hey, an appeal was filed, but we're still investigating
2 this."

3 So, the union submits that the investigative report
4 clearly came into existence only after the local was aware
5 that two members had filed appeals with the Sector Executive
6 Council because their election challenges were dismissed
7 without an investigation. And the union would submit that
8 it has established that element. And this falls under the
9 union's desire to restore democratic procedures at the local,
10 where the local abandoned and fails to follow its bylaws.

11 With regard to the third element or the third reason
12 given for the trusteeship, the alteration and falsification of
13 the Local 41 Executive Board minutes, to be clear, here, the
14 union is concerned with the motion that was made by former
15 president Chris Willadsen at the March 30, 2022, E Board
16 hearing to have himself paid for his unused vacation, and that
17 amount was 109 days.

18 And, your Honor, we understand that that seems like a
19 very high amount based on the questions you were asking the
20 union's witness. However, in the local's bylaws, it states
21 that a local president shall be entitled to seven weeks, or
22 35 days, of vacation each year. Mr. Willadsen was in office
23 for four years. Three of those years, 2020, 2021, and half of
24 2022, we were in the pandemic. And as the union's witness
25 testified last week, during the pandemic, Chris Willadsen, the

1 then local president, was the only person the members had to
2 turn to when all of the issues regarding the pandemic took
3 place.

4 So, that's why --

5 THE COURT: Well, I'm sorry to interrupt. That's not
6 really the point, though. I mean, I wasn't casting doubt on
7 whether Willadsen did or did not have 109 days of unused
8 vacation. It's all about what was said at the -- at that
9 board meeting in terms of the motion that was made.

10 MS. CHARTIER: Yes.

11 THE COURT: And did the motion say, "I move to get
12 reimbursed for the 109 days of unused vacation," or did it
13 say, "I move to get reimbursed for the 109 days of unused
14 vacation, assuming that I actually had 109 days of unused
15 vacation and could show you that I did," right?

16 MS. CHARTIER: Right. And the union submits that
17 the motion that was made was what was reflected in the draft
18 meeting minutes, which is in evidence as ECF 6-1, pages 130
19 through 138 of 213. And the motion was simply made to have
20 Chris Willadsen paid for his unused vacation. Significantly,
21 the second on that motion, Mr. Mike Cunningham, testified at
22 the hearing that that was the motion he made the second to.

23 Now, plaintiffs last week introduced an e-mail that
24 was sent to the entire -- the entirety of the E Board with
25 the draft meeting minutes. They also submitted, however, an

1 e-mail that was sent just to President Siddiqui with the
2 corrected meeting minutes. And I'm drawing -- I would like
3 to draw your attention to what's in evidence.

4 So, evidence BB-1, which is the e-mail sent to the
5 Executive Board in its entirety with the draft minutes, is in
6 evidence. The corrected minutes, however, the transmittal
7 document, which is in evidence as BB-2, BB-2 is sent only to
8 Raza Siddiqui and is cc'ed to Karen Groves, who was at that
9 time an office staff.

10 There is no evidence that the draft minutes that
11 were widely circulated in March were, when corrected by
12 Mr. Siddiqui, then transmitted to the remainder of the
13 Executive Board.

14 However, we have witness testimony from the gentleman
15 who was the second on the motion, and he testified under oath
16 that what was in the draft meeting minutes was the motion that
17 he gave the second to. That was a concern raised by many
18 Executive Board members to the sector, and the defendants
19 submit that we have established that as a reason to restore
20 democratic processes at Local 41.

21 The failure to pay the local president and treasurer,
22 to pay compensation owed to the former local president, that
23 was not -- that was part of the reason in No. 5. The end of
24 that reason is that the refusal to pay the former local
25 president his vacation forced the local to spend thousands of

1 dollars defending this claim.

2 Now, in their initial papers, the defendants asserted
3 that there were no legal bills for the Willadsen payout. Your
4 Honor, last week at the hearing, defendants produced in their
5 binder Exhibits 33 and 34. 33 are the invoices from Jacobs
6 Burns Orlove & Hernandez up through the end of August, and
7 you can see on each of the invoices the amount of time spent
8 by the attorneys handling the Willadsen vacation claim.
9 Exhibit 34 are the invoices for September and October in which
10 the attorneys continued to bill the local for the Willadsen
11 claim.

12 So, the fact that the bylaws required a payment that
13 was approved by the Executive Board and then later under the
14 Siddiqui administration they failed to pay that, which
15 prompted the former local president to file a claim with the
16 Illinois Department of Labor, cost thousands of dollars for
17 the local.

18 We believe that is an element of our desire to
19 correct a financial malpractice, which is one of the
20 enumerated reasons that a union may use to impose a
21 trusteeship.

22 THE COURT: What was -- I'm sorry. What was the
23 nature of the -- did Willadsen file suit against the local,
24 or what was the nature of the proceeding that required legal
25 representation?

1 MS. CHARTIER: At first -- he did not do anything
2 until August. So, prior to August, it was just the fact that
3 the motion was made. And you could see where the firm bills
4 the local to examine the meeting minutes, to examine the
5 bylaws, to research law. And it was not until several months
6 passed that former president Willadsen went to the Illinois
7 Department of Labor and filed a wage complaint, and then the
8 representation continued.

9 THE COURT: And what's the status of that -- I mean,
10 is Willadsen taking the position in that proceeding that he --
11 he can just say, "I get 109 days of vacation pay," and he
12 doesn't have to demonstrate that he actually took only, I
13 guess it would be 31 days of vacation over four years?

14 MS. CHARTIER: Actually, I'm glad you asked that,
15 your Honor, because you might recall last week, the union
16 became aware of this issue when plaintiff Siddiqui, on
17 July the 24th, issued his quarterly report to all Local 41
18 members. And this is a document that is part of ECF 6-1.

19 In his quarterly update, as we mentioned, plaintiff
20 Siddiqui posted a letter from the law firm to Mr. Willadsen
21 with Mr. Willadsen's home address and personal e-mail address
22 not redacted. Right on top or above the reproduction of that
23 letter was an e-mail from former treasurer Keating to the
24 current administration because the current administration
25 filed charges against Mr. Keating because it claimed

1 Mr. Keating was responsible for keeping track of
2 Mr. Willadsen's vacation.

3 Mr. Keating supplied, on a year-by-year basis,
4 Mr. Willadsen has 35 days. He used six. 29 remaining.
5 He did that for each year, and that was reprinted by
6 plaintiff Siddiqui in his quarterly report.

7 So, Mr. Willadsen supplied and Mr. Keating supplied
8 the information. And again, during the pandemic, not many
9 people were going away on cruises or taking vacation.

10 That the plaintiffs were not happy with that is
11 something they never communicated to Mr. Willadsen, other
12 than the fact that they refused to pay him. But to say that
13 there was no response from Mr. Willadsen about the amount of
14 time he used, thus the amount of time he didn't use, is
15 inaccurate; and it's belied by the document Mr. Siddiqui and
16 plaintiffs submitted to the Court.

17 Again, that's part of ECF 6-1, and it's entitled,
18 "NABET-CWA Local 41 Quarterly Report."

19 THE COURT: Are you aware in Exhibit --
20 (Interruption.)

21 THE COURT: We're still -- you know, the folks who
22 are listening in, that's great. I'm glad you're listening in.
23 It's a public proceeding. I wish more people would listen in
24 to my hearings. But I have to ask you again, please mute your
25 phones so we can't hear your back-talk while the lawyer is

1 arguing.

2 MR. FILE: Your Honor, this is Josh File. I'm the
3 other attorney for the defendant.

4 THE COURT: Sure.

5 MR. FILE: I just wanted to briefly answer, I
6 believe, the question that you were asking earlier. The wage
7 claim is under the Illinois Wage Payment and Collection Act.
8 It's 820 ILCS 115.

9 THE COURT: I'm familiar with it.

10 MR. FILE: Okay. And it talks about in the regs
11 the burden of proof or who bears the burden of keeping
12 accurate records and actually proving up the claim. So, I'll
13 leave it at that.

14 THE COURT: Sure. So, where in Exhibit 6.1 is this
15 explanation for the 109 unused vacation days?

16 MS. CHARTIER: Thank you, your Honor. The quarterly
17 report begins on page 191 of 213. That's in Exhibit 6.1. And
18 if you look -- once you get to exhibit -- to page 191 of 213,
19 if you go in perhaps two pages. I don't have the document
20 open in front of me, but I do have it in my notes.

21 THE COURT: Okay. Let me take a look to make sure
22 we're all -- I know what you're talking about.

23 Yeah. Here's the quarterly update.

24 I see. Yeah. It's saying, "We need evidence --
25 before we pay Willadsen \$56,000, we want to know that he

1 actually didn't have 109 -- that he had 109 unused vacation
2 days."

3 And there's this e-mail from Keating that goes year
4 by year.

5 So, I'm not sure what to make of this. I'll ask --
6 let's put a pin in that. I'll ask the plaintiffs to address
7 that. And another issue I'll ask the plaintiffs to address
8 is the bond under Rule 65(c). But that's -- I'll get to you
9 in a moment. I want to let the defendants finish up their
10 argument.

11 MS. CHARTIER: Thank you, your Honor.

12 So, there's no dispute that the Siddiqui
13 administration failed to pay Mr. Willadsen. There's equally
14 no dispute that they referred the matter to lawyers who
15 charged the local thousands of dollars. And we believe that
16 this particular issue goes to the union's desire to correct a
17 financial malpractice at the local.

18 THE COURT: But it can't be that the local just
19 has -- whenever there's a suit by somebody against the local,
20 if the local doesn't think it's a valid claim, the local can
21 certainly hire attorneys to defend against the claim, right?

22 MS. CHARTIER: Yes, your Honor. But in this case,
23 they retained the lawyers months before the individual ever
24 filed his claim. There was an immediate presumption that he
25 was entitled to nothing; and rather than even make a partial

1 payment to him, they went and spent thousands of dollars on a
2 law firm against, you know, somebody who was an employee of
3 the local.

4 As an employee of the local, he was entitled to seven
5 weeks of vacation. There was information provided to show the
6 days that he took vacation, thus the time that he had owing to
7 him. And that was that.

8 The motion was made at the meeting. You heard from
9 the person who seconded the motion. And plaintiff Siddiqui
10 was at that meeting, and he knew what was passed. But instead
11 of paying it or engaging in discussions -- and this is another
12 point, your Honor, that we submitted last week, that when
13 Mr. Willadsen attempted to contact the local in June to talk
14 about the vacation pay issue, he received a letter from the
15 JBOSH attorneys, from Mr. Muzzy, directing him not to contact
16 the local about this issue.

17 So, not only did the plaintiffs hire a lawyer
18 immediately to find out how they could avoid paying
19 Mr. Willadsen the money the Executive Board approved; but when
20 Mr. Willadsen, who was an employee of the local and is now a
21 dues-paying member, contacted the local to talk about this
22 issue, he received a fairly threatening letter from Taylor
23 Muzzy of Jacobs Burns directing him not to talk to the local.

24 And again, this all predated the wage complaint filed
25 with the Illinois Department of Labor. And in the union's

1 position, your Honor, this was a serious issue that needed
2 to be addressed through the imposition of the temporary
3 trusteeship under the reason of correcting a financial
4 malpractice.

5 I would also --

6 THE COURT: All right.

7 MS. CHARTIER: -- like to say, your Honor, that the
8 exhibits that we submitted last week, Exhibits 33 and 34, also
9 reveal that Local 41 was spending dues members' money on
10 filing charges against its own members. The minutes revealed
11 that attorneys at the Jacob Burns firm spoke with plaintiff
12 Cheatham, who filed charges against members Keating and
13 Willadsen.

14 THE COURT: May I interrupt for just one second? Was
15 this ground laid out in the memorandum laying out the grounds
16 for the trusteeship?

17 MS. CHARTIER: This goes to No. 4, the discrimination
18 and retaliation against Local 41 members who were or supported
19 former officers.

20 THE COURT: Is there seven, or are there more than
21 seven? Is this one of the seven?

22 MS. CHARTIER: This is No. 4 of seven. So, that was
23 another issue, that union funds were being spent so that the
24 current administration could file charges against members.

25 THE COURT: I see.

1 MS. CHARTIER: With regard to the sixth issue, your
2 Honor, the failure of the local to transmit dues to the
3 sector, there's no dispute that they did not do that.

4 Now, I will note that last week, plaintiffs submitted
5 Executive Board meeting minutes from June in which the
6 treasurer stated that the WGB0 dues report to NABET was sent.
7 However, no report and no funds, particularly, were ever
8 received by the sector, as testified by President Braico.
9 Indeed, in the minute meetings that plaintiffs offered as an
10 exhibit last week, there is not a single line item under the
11 very lengthy list of payments made to -- that shows that a
12 payment was made to the sector.

13 So, while we acknowledge the bylaws are the bylaws
14 and they mention the WGB0 bottom-up dues report, the report
15 was not submitted, and no dues monies have been received from
16 Local 41 since the Siddiqui administration took over.

17 Significantly, in the plaintiffs' exhibits -- because
18 this was an issue for the CWA dues department as well, because
19 not only did the local fail to provide the dues to the sector,
20 but CWA, the international, failed to get their dues; and
21 their dues department had to get involved in this issue as
22 well.

23 And in evidence that the defendants submitted last
24 week as Defendants' Exhibit No. 3 is an e-mail chain from
25 the CWA and sector representatives to the local where the

1 local is being advised that, "We could see you're trying to
2 submit the report, but you didn't hit 'Submit.'" This is
3 Defendants' Exhibit No. 3.

4 So, the union took a lot of time training the
5 Siddiqui administration office and staff. Training sessions
6 were held. E-mails were exchanged. And while the plaintiffs
7 were able to pay themselves, were able to pay the bills, were
8 able to pay their per capita to the Chicago Federation of
9 Labor, they were not able to pay the dues to the sector.

10 (Interruption.)

11 THE COURT: Hold on. I'm sorry to interrupt.

12 Again, let me ask, if you've phoned in to the
13 hearing, I'm so glad you phoned in. As I said, I wish more
14 people would phone in to my hearings. But please, please, put
15 yourselves on mute. We're hearing a lot of cross-talk behind
16 able counsel here. So, if you are phoned in, please mute your
17 phone so I -- so I can understand what counsel is saying.

18 Go ahead.

19 MS. CHARTIER: Thank you, your Honor.

20 So, we would submit that there's no dispute that the
21 local failed to pay the dues to NABET-CWA since the Siddiqui
22 administration took over, despite the written notices and the
23 training that the sector gave. This was a significant issue
24 that needed to be corrected, and it allowed the union to
25 impose the trusteeship because it needed to correct a

1 financial malpractice.

2 And I believe a lot has been said about the payment
3 that former president Crosby demanded for his work, the amount
4 of \$2,625 or \$87 an hour. The Local 41 Executive Board
5 approved that payment. It was not paid, and we did not say
6 it was paid because the former local treasurer, who's not a
7 plaintiff to this suit, had so many issues and concerns that
8 he refused to pay this. And all of the e-mails between
9 Mr. Crosby, Mr. Steenveld, and plaintiff Siddiqui, as well as
10 Mr. Steenveld and President Braico, were submitted in evidence
11 last week.

12 THE COURT: So, can I go back to --

13 MS. CHARTIER: Yes.

14 THE COURT: -- the failure to remit dues? And I
15 think this goes to -- I think either one side or the other
16 was talking about pretext, like something can be a facially
17 valid reason for the trusteeship, but it's pretextual.

18 And I think what I understand that to mean is as
19 follows: So, failure to remit dues. Obviously, the local
20 has to remit dues to the sector or the national, whatever the
21 case may be. The dues have to go upstream to the umbrella
22 organization. And if the local doesn't remit dues, then
23 something's wrong, and there could be a trusteeship. And I
24 get that. And so when you say that the local failed to remit
25 dues, and, therefore, we had a trusteeship, that has facial

1 plausibility.

2 But let's say that this kind of thing happened a lot
3 in the past; and in no situations when it happened a lot, and
4 we heard about them a little bit at the end of the hearing
5 last week, there was no trusteeship.

6 So, what that -- that indicates that pointing to the
7 failure to remit dues is pretextual because, yeah, the local
8 should remit dues and let's assume that it was the local's
9 fault and not anybody else's fault that the dues weren't
10 remitted. But history teaches us that the sector would
11 overlook those violations in the past, and thereby indicating
12 that it's not the kind of thing that would lead to a
13 trusteeship.

14 And then all of a sudden when the Siddiqui
15 administration takes over and there's a lapse in the dues
16 payment, then it becomes a big enough problem for a
17 trusteeship.

18 And I think that's basically what the plaintiffs are
19 arguing. They're not arguing that the dues were paid. They
20 are arguing it wasn't the plaintiffs' fault, but let's put
21 that to the side. Another of their arguments is this is just
22 pretextual because this happened time and again throughout
23 various administrations, yet this is the first time the sector
24 said, "Oh, well, you're not paying dues. Now we're going to
25 impose a trusteeship."

1 I'm wondering if you could address that point.

2 MS. CHARTIER: I can, your Honor. Thank you.

3 So, the plaintiffs were able to point that out, of
4 course, because in response to their request for documents, we
5 provided them with the meeting minutes from January 1, 2016,
6 through the present.

7 First and foremost, when he was on the stand last
8 week, President Braico testified that those prior instances
9 where money to CWA was not transmitted was because CWA several
10 years ago switched their internal dues software. It used to
11 be called MUMS, and then they went with a system called
12 Aptify. And for several years, as President Braico testified,
13 there were systemic problems with Aptify where a lot of locals
14 were in arrears as local officers continued to learn how to
15 use that system.

16 One thing that's critical, however, is that
17 plaintiffs were able to show those instances because the
18 problem was reported by the local officers, by the local
19 treasurer, to the membership. So, the membership was aware
20 that this was a problem.

21 So, that's one key issue. Another issue is in this
22 particular case, with the individuals who were elected in
23 March, the sector had multiple training sessions with both
24 the clerical as well as the treasurer and Mr. Siddiqui. They
25 were on Zooms. The Zooms were recorded so that they could go

1 back and watch them again. At no time did anyone from the
2 local say, "You know, we need another refresher. We need
3 more training."

4 And the problem just continued, with the local --
5 with the national union sending the local reminders; and after
6 the training, it just was not being addressed.

7 So, we would submit that there were two -- in this
8 particular issue, there were two distinguishing factors. One,
9 the fact that in the prior years, Aptify, the new software was
10 new; and every local, as Mr. Braico testified, were having
11 problems. It was a systemic issue. But more importantly, the
12 issues were acknowledged, and they were addressed; whereas,
13 here, even after all of the training and guidance provided by
14 the sector, the local was just making no effort to get this
15 done.

16 And I would also like to note, your Honor, this is --
17 you know, this is one issue of many. You know, we thought it
18 was -- obviously, it's an important one because it put the
19 good standing of all of those members in jeopardy. And in
20 the fullness of time, when we have the trial that plaintiffs
21 Cheatham and Bassett and Webber requested the day before they
22 filed this suit, that will certainly be an issue that's
23 explored. But we would submit that those are the key
24 distinguishing. And it wasn't the only issue, but it was
25 certainly an issue that prompted the sector to take the

1 dramatic step of putting Local 41 under trusteeship.

2 THE COURT: All right. Anything further from the
3 defendants?

4 I think that was your conclusion, but if it wasn't,
5 I didn't want to cut you off.

6 MS. CHARTIER: I appreciate that, your Honor.

7 I'm also -- just one more point. I have my little
8 notes here.

9 With regard to the appointment of stewards, in the
10 Local 41 bylaws, which are in evidence as part of ECF 6-1,
11 there was a list with the number of stewards each particular
12 station or shop can have. In the local bylaws, they can have
13 two stewards at WGB0. There's no question that Mr. Siddiqui
14 appointed a third steward.

15 So, that was just another issue with regard to the
16 appointment of stewards, not just the process, but that the
17 numbers contained in the bylaws were also being exceeded.

18 THE COURT: All right.

19 MR. FILE: This is Josh File. Could I add just a
20 very quick closing onto my colleague's presentation here?

21 THE COURT: Sure, go ahead.

22 MR. FILE: Mr. Pierce, at the end of the plaintiffs'
23 argument, highlighted what the case law says on this, and I
24 believe that the plaintiffs have conveniently overlooked the
25 Seventh Circuit case in *Roland*, which is really the most

1 instructive case on this point.

2 We're here right now. The plaintiffs are asking for
3 a TRO, a very extraordinary remedy. Ms. Chartier talked
4 earlier about under the LMRDA the presumption of the validity
5 of a trusteeship; and when the Court is confronted with a
6 request for a TRO, the Court's primary objective, of course,
7 is to preserve the status quo. In this case, the trusteeship
8 is the status quo. So, if the plaintiffs have established a
9 dispute of fact as to the national's motivation for
10 implementing the trusteeship, that alone is not sufficient to
11 warrant a TRO.

12 If there is truly bad faith, the plaintiffs will have
13 their opportunity to prove that either at the internal trial,
14 which will be coming up, I believe, very soon, or on the
15 merits during this litigation.

16 But the status quo that must be preserved for the
17 life of this litigation is the trusteeship, and the balancing
18 of harms I believe very clearly weighs in favor of the
19 defendants as to what might occur should the trusteeship be
20 dissolved on a TRO or a preliminary injunction.

21 Thank you.

22 THE COURT: Thanks. All right. So, let me ask
23 plaintiffs, if you could address the bond issue and then also
24 address that issue regarding the portion of the quarterly
25 report where the treasurer, the former treasurer laid out the

1 vacation days that weren't taken.

2 MR. PIERCE: Certainly, your Honor. Before we get to
3 those two issues, could we have a brief chance to respond to
4 this argument about *Ro1and* and the presumption of validity, or
5 should we just move on?

6 THE COURT: Why don't you take those two issues
7 first, and then you can do *Ro1and* and the presumption of
8 validity.

9 MR. PIERCE: Certainly.

10 MS. ANGELUCCI: Yeah. With the quarterly report,
11 your Honor, all this is is literally a sheet of paper with
12 some dates written down. This is not documentation that was
13 maintained contemporaneous with the years in which
14 Mr. Willadsen served as the president.

15 This was to show in the quarterly newsletter, to
16 basically inform the membership, "He's asking for a
17 significant amount of money. We need more proof." And that's
18 what was reported in that quarterly report.

19 In addition, your Honor, I just -- I want to point
20 out the claim about thousands of hours. If you look at those
21 reports from Jacobs Burns, I haven't looked through every
22 single one, but I think I caught most of them. Every time
23 they do anything for the local with regard to this vacation
24 pay, they charge zero dollars. It says, "No charge."

25 So, while there is a general ledger for kind of

1 miscellaneous work that that firm was doing for the local,
2 the claim that thousands of dollars were spent on this, when
3 you look at the rolling item entries, from what I can see,
4 there was zero dollars charged, and certainly not thousands of
5 dollars claimed by the defendants.

6 But I think the quarterly newspaper is based -- or
7 the newsletter is basically saying, "Look, they're asking for
8 a significant amount of money. We want transparency. We want
9 (inaudible)." And that's why there was a request made to
10 Mr. Willadsen to provide further proof.

11 THE COURT: Okay.

12 MS. ANGELUCCI: With regard to the funds -- I'm
13 sorry --

14 THE COURT: No, go ahead.

15 MS. ANGELUCCI: Go ahead with the bond.

16 MR. PIERCE: So, your Honor, with respect to the
17 bond issue, I think your Honor had noted in one of our earlier
18 telephonic hearings that this is an issue that we would get to
19 if and when it comes up, which is why it wasn't in -- it
20 wasn't directly addressed in the plaintiffs' original motion.

21 We do acknowledge that Rule 65 does require a
22 security bond in the event that there will be costs and
23 damages sustained by any party found to have been wrongfully
24 enjoined or restrained.

25 Here, what we're hearing from the defendants is

1 basically, the costs and expenses of having to re-install a
2 trusteeship, I think, is the only thing that has been
3 identified if an injunction is entered and then is later
4 dissolved.

5 I would note that the costs to the sector during the
6 life of that injunction would be zero. The local union would
7 reassume control of its local. It would reassume its own
8 affairs. It would start to pay its own bills again. So, the
9 potential harm to the sector during that period I believe is
10 very minimal.

11 However, you know, the plaintiffs would not object to
12 the Court entering a reasonable security bond in the event
13 that an injunction or a TRO is granted. For comparison, we
14 did look at, I think, the most recent trusteeship case where
15 injunction was entered by this court. That's the *Blevins*
16 case. In that case, which is at 2020 Westlaw 5909073, there
17 was a local union of approximately 1600 members, which is
18 about twice as large as the local in this case. In entering
19 the injunction in *Blevins*, the court entered a bond of
20 \$10,000.

21 So, I think the number 50,000, which is not really
22 tied to anything that can be specifically identified, is not
23 a reasonable amount. We would propose something more along
24 the lines of a \$5,000 bond. I think that would be sufficient
25 to cover any potential costs that may arise.

1 THE COURT: All right. And then the other issues you
2 wanted to address?

3 MS. ANGELUCCI: So, yeah, I just want to go through
4 some really quickly.

5 As I sat and listened to opposing counsel's argument,
6 I've noted three new reasons for the trusteeship. One,
7 they're being put into trusteeship because they simply can't
8 afford Marcus Crosby. Two, the Siddiqui administration
9 appointed a third steward to WGB0, also not a reason that's
10 put in the list from the trustee. And the third reason -- or
11 third new reason is that they're paying dues for internal
12 charges.

13 The internal charges were to regain control of bank
14 accounts, passwords, files, return of laptops. Those were the
15 internal charges, but that is not identified. And for counsel
16 to indicate that that somehow falls under this umbrella of 4,
17 with all due respect, is just disingenuous.

18 No. 4 talks about, one, banning members; two,
19 publishing sensitive personal information; and publishing a
20 falsified excerpt in the quarterly update. It has no
21 reference whatsoever to paying for internal charges to regain
22 control of the local.

23 So, I believe that, again, the shifting reasons is
24 further proof of the bad faith by the defendants in this case.

25 The other thing stated by the defendants is that the

1 important work of the local was falling to the wayside.
2 They've identified not one thing that the local failed to do.
3 They didn't miss grievance meetings. They didn't miss
4 contract negotiations. They're not claiming that they didn't
5 fairly represent their membership. So again, they have not
6 identified one thing that the local failed to do in
7 representing its members.

8 The only thing they've identified is that the --
9 defendant Braico received a lot of e-mails. Well, the only
10 exhibits or the only example of that that they've provided
11 were two. We can tell you that a lot of those e-mails were
12 asking for help in regaining control of these bank accounts.

13 The other new claim now is not that the local didn't
14 investigate the challenge, but they didn't tell the sector
15 they were investigating the challenges when the notice went
16 out on June the 7th. That again is a new reason.

17 Opposing counsel also just indicated that the local
18 was making no effort, quote, unquote, to get the dues done.
19 That is belied by the testimony of defendant Braico, where he
20 indicated that they made at least two attempts to upload those
21 dues reports, and it was a flawed system with Aptify. So, to
22 now say that we were making no attempts or the plaintiffs were
23 making no attempts to get those dues reports in is belied by
24 the testimony of defendant Braico.

25 In addition, their argument is that the only reason

1 we knew that the dues delay -- dues payments were delayed
2 was because the defendants or the prior administrations
3 reported it. They only reported it when it was paid 18 months
4 late. If you look at all the minutes, they weren't reporting
5 in month one, "We didn't file the dues," or month two or
6 month 16 or month 17. They weren't making those reports to
7 the members, "By the way, you may have lost all membership
8 benefits because we haven't been paying dues." They only made
9 notice of that or made note of that after the fact.

10 I think that's all the factual allegations that we
11 wanted to address, but we do want to address the *Roland*
12 argument, your Honor.

13 (Interruption.)

14 THE COURT: I'm just going to take it -- I'm going to
15 mute people, and if I end up muting any of the lawyers, we'll
16 notice it, and I'll unmute.

17 MR. PIERCE: Thank you.

18 THE COURT: Hold on one second.

19 Great. I think I muted everybody other than the
20 lawyers.

21 MR. PIERCE: Your Honor, can you still hear me?

22 THE COURT: Yes.

23 MR. PIERCE: Excellent.

24 So, yeah, the last issue that I did want to address
25 briefly, and I think this has been covered in the briefing,

1 but that's the Seventh Circuit's interpretation and
2 application of this presumption of validity.

3 The statutory language makes clear that the
4 presumption only comes into play if a trusteeship is imposed
5 in accordance with the constitution and bylaws and is either
6 imposed after a fair hearing takes place or is ratified by a
7 fair hearing after the imposition.

8 So, the line that's being drawn between, you know,
9 the hearing taking place before the decision versus after the
10 decision, those cases are looking at a hearing that still
11 takes place. It just takes place after the decision is made,
12 and it ratifies the decision.

13 There has been no hearing here. The constitution and
14 bylaws that were applied by the sector state that if someone
15 requests a trial, a trial will happen within six months. That
16 frankly is not a reasonable amount of time to go back in and
17 ratify a decision that was entered without any sort of
18 hearing, without any sort of due process, and without any sort
19 of evidence submitted in support of a decision.

20 And I also wanted to respond with respect to the
21 first prong, which is that the trusteeship must be imposed
22 consistent with the constitution and bylaws. I believe
23 counsel for the defendants indicated that we were not
24 challenging that this trusteeship did comply with the
25 constitution and bylaws; but just to the contrary, in our

1 opening brief, at page 7, we noted in a footnote that the
2 NABET-CWA bylaws do not provide for any type of emergency
3 trusteeship to be imposed without a hearing, and they do not
4 allow for any reduced due process if the sector finds that
5 there is an emergency.

6 If you compare that to the other cases where the
7 courts have looked at trusteeships that were imposed before
8 a hearing and then subsequently were ratified at a hearing,
9 you'll see that, for example, the International Brotherhood
10 of Teamsters constitution specifically provides that if a
11 showing of an emergency is made satisfactory to the president,
12 the president may impose a trusteeship before the hearing and
13 then ratify it after the hearing.

14 The constitution and bylaws in this case do not say
15 anything about a finding of an emergency, so for that reason,
16 I think not only was there no fair hearing, but the decision
17 to trustee did not actually comply with the bylaws of the
18 sector.

19 THE COURT: But wasn't it -- I mean, if there's an
20 emergency that arises, the national or the sector has to have
21 the ability to step in and -- if things are kind of spinning
22 out of control, step in and impose a trusteeship.

23 So, you're correctly not saying that a
24 pre-trusteeship hearing is mandatory because it just -- it
25 wouldn't make any sense for it to be mandatory, and, in fact,

1 the law doesn't require that it be mandatory.

2 What the law requires is that there be -- that a
3 trusteeship, if there is no pre-trusteeship hearing, be
4 ratified after the trusteeship. And the constitution sets
5 in place a process, the union constitution sets in place a
6 process through which people disappointed or opposed to a
7 trusteeship can challenge it. And, yes, it says six months,
8 but the plaintiffs didn't help themselves by waiting -- when
9 was this trusteeship put in place?

10 MR. PIERCE: September 22nd.

11 MS. CHARTIER: September 22nd.

12 THE COURT: Right. And when was the request for a
13 hearing made?

14 MS. CHARTIER: The day before plaintiffs filed suit.

15 MR. PIERCE: Your Honor --

16 THE COURT: That was almost -- I don't know. When
17 was it? That was almost a month. They waited almost a month
18 to get this process started. So, it seems like a complaint
19 about speed of a post-trusteeship hearing lies poorly in the
20 plaintiffs' mouth.

21 MR. PIERCE: Your Honor, if I could clarify that
22 point, we keep hearing from the defendants' counsel that some
23 of the plaintiffs submitted a request for a trial on the
24 trusteeship. That's not actually the case.

25 And if you look at the document that they're

1 referring to, it's a one-page petition that states simply,
2 "The trusteeship was imposed unlawfully and without a hearing.
3 And the people signing request that it be dissolved
4 immediately and that power be returned to the local."

5 This is not a request for a trial. This is a request
6 that the trusteeship should be dissolved. And I believe the
7 defendants are trying to take that and twist it into a
8 request, meaning that now a request has been made, so
9 eventually they can schedule some sort of trusteeship trial.

10 THE COURT: Actually, that makes things worse for you
11 because now you're saying that there was no request at all for
12 a post-trusteeship hearing.

13 MR. PIERCE: Well, your Honor, I think the case law
14 makes clear that there's no requirement that union members
15 exhaust appeals under Title III of the LMRDA.

16 THE COURT: I'm not saying -- you're not -- that
17 doesn't meet the question that I just asked.

18 MS. ANGELUCCI: Can you restate the question?

19 THE COURT: I'm not saying you had to exhaust -- I'm
20 not saying the plaintiffs had to exhaust before filing suit.
21 I'm saying you're complaining about the timing of a
22 post-trusteeship trial; and yet I had thought you had waited a
23 month to request one, and now you're telling me you haven't
24 even done it at all.

25 MR. PIERCE: Well, your Honor, I would respond to

1 that by saying if the defendants truly believed that there
2 was an emergency on September 22nd requiring an immediate
3 trusteeship without hearing, they should have scheduled a
4 hearing. They could have scheduled it the next week. They
5 could have scheduled it the next month. As of now, there is
6 still no hearing scheduled.

7 And I don't think that falls on the membership to go
8 to the national union and say, "Please schedule the hearing
9 that you're required to schedule." I think that falls on the
10 defendants, and they failed to take any action.

11 THE COURT: I don't think I agree with you, but it
12 doesn't matter because you're saying, "We didn't" -- they
13 didn't do a hearing fast enough, and you have a right to a
14 quick hearing, the plaintiffs have right to a quick hearing;
15 and yet you didn't say to the sector or the national, "We want
16 our quick hearing." In fact, you haven't asked for any -- you
17 haven't asked for any hearing.

18 So, if nobody has a problem with the trusteeship,
19 then why should the sector or the national have a hearing?

20 MR. PIERCE: Well, I would say, your Honor, that the
21 membership have stated their problems and their opposition to
22 the trusteeship through that letter.

23 THE COURT: Then they should ask for the hearing to
24 which they're entitled under the constitution. And if they
25 haven't yet done so, if they didn't do so with alacrity, that

1 kind of makes -- that undermines your argument that a
2 post-trusteeship hearing wasn't held quickly enough.

3 MR. PIERCE: Well, just to be clear, your Honor, the
4 only reason I think that we were addressing this point or
5 bringing it back up is because the defendants are arguing that
6 they had a presumption of validity, and the fact is that no
7 hearing has happened, whether that was requested or not.

8 THE COURT: Right. No hearing has happened, yet
9 you -- the plaintiffs have not done anything to get that
10 process rolling.

11 So, let's say you asked for a hearing -- let's say
12 you asked for a hearing on September 23rd or September 24th
13 or whenever, shortly after the trusteeeship. And let's say it
14 was September 30th, and the union says, "Okay. We'll give you
15 your hearing on March 30th of 2023." I think then -- and then
16 they'll say, "Hey, we said six months. It's going to be in
17 six months."

18 I think then you might have a good argument, "Look,
19 they're obviously trying to run out the clock here, and that's
20 too long. Six months is too long."

21 But you haven't even -- you haven't even put the
22 request in. You haven't even gotten the ball rolling on the
23 kind of post-trusteeship trial that you think ought to happen.
24 You just want them to do it on their own. And why should they
25 do it on their own when nobody's asking them to do it?

1 MR. PIERCE: Your Honor, the reason I brought up the
2 exhaustion requirement earlier, the Seventh Circuit cases that
3 looked at that said the internal trial or hearing that might
4 be conducted on a trusteeship is going to be before a biased
5 body that has already decided that it wants the trustee. That
6 is the -- it's basically a kangaroo court.

7 So, the plaintiffs in this case, like other
8 challenges to trusteeships, they go to where they can get a
9 fair hearing, which is in federal court.

10 THE COURT: Again, you're shifting -- you keep
11 shifting into a different lane. I'm not -- I don't know how
12 many times I have to say this. I'm not saying you had to
13 request a hearing and exhaust your internal remedies before
14 you brought suit. I'm not saying that. You're hear in court.
15 I'm not going to bounce you on failure to exhaust.

16 All we're talking about is the presumption of
17 validity and how that works and whether the allowance for a
18 post-trusteeship hearing within the presumption of validity
19 applies in this case even though there has been no hearing --
20 post-trusteeship hearing held; and you're complaining about
21 the timing, yet you could have done something about the
22 timing, and you didn't. And I'm wondering, what do I do with
23 that?

24 MR. PIERCE: Again, your Honor, I think the
25 plaintiffs in this case did what they could to get results,

1 which was go in to court as soon as possible. I don't think
2 it's on the plaintiffs to ask the sector to conduct a hearing.

3 But I think your questions are well-taken; and let me
4 just say that based on the evidence we've presented, whether
5 or not there's a presumption of validity here, we have met the
6 burden to show that none of the reasons are valid and that
7 they were imposed in bad faith.

8 THE COURT: Understood. All right. Anything -- I
9 think I interrupted you, and I'm sorry for interrupting you.
10 But is there any other arguments that you'd like to make?

11 MS. ANGELUCCI: I don't think so, your Honor.

12 MR. PIERCE: No, your Honor. Thank you.

13 THE COURT: Okay. A very short surrebuttal from the
14 defendants?

15 MS. CHARTIER: Thank you, your Honor. Plaintiffs
16 filed this action on October the 19th, 2022. And when --

17 THE COURT: Actually the 18th.

18 MS. CHARTIER: 18th.

19 THE COURT: Give them that day.

20 MS. CHARTIER: My apologies.

21 And when the document was e-mailed to me by
22 Mr. Pierce, he also requested that we waive service, so --
23 to save the plaintiffs the expense, and of course, we agreed
24 because that then gives us 60 days to file our answer to the
25 complaint. And we will file our answer next month when it

1 is due.

2 And one of the first arguments we will raise -- and,
3 in fact, we won't file an answer; we'll file a motion to
4 dismiss -- is that at least one of the plaintiffs, and, in
5 fact, the only plaintiff to have verified the complaint and
6 to have supplied this Court with declarations, plaintiff
7 Siddiqui, is not a member in good standing of NABET-CWA; and
8 as such, one, when he stated that he was a member in good
9 standing, that was not accurate, and two, because he is not a
10 member in good standing of the local, he does not have
11 standing to file this LMRDA action.

12 THE COURT: What makes him not a member in good
13 standing?

14 MS. CHARTIER: In -- last week when we had the
15 hearing and we supplied our documents, the very first document
16 is an e-mail from Mr. Siddiqui to Mr. McEwan, who is the
17 temporary trustee of Local 41.

18 When Mr. Siddiqui took office as president of
19 Local 41 on March 30th, 2022, he stopped paying dues. Most
20 of our officers are on dues check-off. For whatever reason,
21 Mr. Siddiqui decided not to do that, and he admittedly did
22 not remit any dues on his salary.

23 Under the bylaws, of which Mr. Siddiqui claimed he
24 knows very well, it is crystal clear that if a member falls
25 in arrears on his dues, after three months, he is

1 automatically suspended from membership.

2 I apologize, your Honor. I can't find my phone on
3 my desk.

4 THE COURT: Oh, that's you. I was going to mute
5 somebody else.

6 MS. CHARTIER: That's me. No, please don't mute me.
7 It's off.

8 THE COURT: Okay.

9 MS. CHARTIER: So, after three months, Mr. Siddiqui
10 stopped being a member in good standing and was automatically
11 suspended from membership.

12 After the imposition of the trusteeship, one of the
13 first things Mr. Siddiqui did was to e-mail the trustee on
14 September the 28th, stating that he had not paid any union
15 dues to the union since he became local president. That's in
16 evidence in the binder we submitted last week as Defendants'
17 Exhibit 38.

18 Defendants' Exhibit No. 1 is an e-mail that was sent
19 a day or two before the commencement of this action on October
20 the 17th of 2022, in which Mr. Siddiqui stated he was
21 enclosing a check for the dues that he had failed to pay since
22 March; and he enclosed not only a picture of the check, but a
23 picture of, I guess, the security guard who took the check
24 from him.

25 Under the LMRDA, it is clear that only members of the

1 union can file suit. So, when the union files our motion to
2 dismiss next month, one of the first arguments we will file --
3 we will make is that plaintiff Siddiqui lacks standing, as he
4 admittedly was not a member in good standing when this lawsuit
5 was filed; and because he is not a member in good standing,
6 under the bylaws, the local's bylaws and the sector bylaws,
7 he is ineligible to hold office.

8 So, your Honor, even if you were to grant the TRO,
9 which we believe is an act that should not occur, Mr. Siddiqui
10 is ineligible to hold office by virtue of the local bylaws,
11 the sector bylaws, and the CWA constitution. That fact is
12 clear by his own admission dated October the 17th of 2022.

13 Now, we know this is not something we used as a
14 reason to support the trusteeship. We only found out about
15 this after the trusteeship was imposed and because
16 Mr. Siddiqui sent the e-mails that he did.

17 But clearly, this demonstrates that the only
18 individual to have verified the complaint filed by plaintiffs
19 is Mr. Siddiqui. The only individual, the only plaintiff to
20 submit a declaration in this matter for the plaintiffs was
21 Mr. Siddiqui. Mr. Siddiqui is not a member in good standing
22 when the suit was filed. He is not a member in good standing
23 now, and he's ineligible to hold office.

24 THE COURT: All right. Since that's a new -- thank
25 you, defendants.

1 Since that's something that was new -- newly raised,
2 let me ask the plaintiff to address it, if you can.

3 MS. ANGELUCCI: Yes, your Honor. A, it's brand new,
4 but I think this is further evidence of bad faith. The
5 reason -- Mr. Siddiqui had been making attempts to make sure
6 that the dues were paid in full. He, as well as other members
7 during those months when there was no access to bank accounts,
8 to member records, to forms, to laptops, he also was caught in
9 the switches in an inability to submit the dues to the sector.

10 This is all about this quote, unquote rerun, your
11 Honor. Mr. Siddiqui wrote a check for \$1200, well -- it is
12 more than he needed to to ensure that he was a member in good
13 standing.

14 THE COURT: Right. I'm sorry to interrupt. Yes, he
15 wrote the check in -- you know, it was an October 7th check,
16 it looks like, and he sent the e-mail on October 17th.

17 What about March of -- March 30th through October?
18 Why no payment of the dues during that time frame?

19 MS. ANGELUCCI: So, when you're not -- when you're
20 not on dues check-off, you get a statement or you're
21 submitting dues to the local, and the local transmits them to
22 the sector. He, like other individuals and other freelancers
23 who don't have dues check-off, they are basically invoiced for
24 their dues; or their dues are coming in to the local, and then
25 the local transmits them.

1 So, he was in the same situation as many of his
2 brother or sister union members, that because of these
3 transition issues between the old administration and this
4 administration, that they weren't coming up with the
5 transmittals to the sector.

6 However, again, I think this is further proof of the
7 bad faith. This is what the local intended all along was to
8 make him ineligible to run for office.

9 THE COURT: All right.

10 MS. ANGELUCCI: So, when he has made attempts to
11 be -- to pay his dues in full, those are, what, rejected?
12 Those aren't received? For what purpose? Why wouldn't they
13 take those dues payments?

14 THE COURT: Okay. Let me ask defendants' counsel,
15 did any of the members of the local have their dues paid from,
16 I guess, April 1st through September 22nd?

17 MS. CHARTIER: Yes, your Honor. There are two ways
18 that members can pay dues.

19 THE COURT: Right. Let me -- let me cast aside, not
20 the people who have the dues check-off.

21 MS. CHARTIER: Right.

22 THE COURT: But the people who don't.

23 MS. CHARTIER: Well, if they paid the dues to the
24 local, they didn't -- they paid it to the local, and we have
25 the records. It's -- for those people, the dues then were not

1 transmitted to the sector; but yes, we have, you know, checks
2 handwritten by members who paid their dues to the local. The
3 local created an online dues payment system, and there were a
4 number of people who chose to pay their dues that way.

5 And just so it's clear, your Honor, our dues have
6 been the same for decades. It's 1.67 percent of your
7 earnings. And Mr. Siddiqui knew that. And he knew he wasn't
8 paid -- wasn't paying the dues.

9 And I think I heard counsel just say that this is a
10 failure of the local, that the local is preventing him from
11 paying these dues. Well, the local is his administration;
12 and if that's the case, then that's a further indication that
13 this local was in disarray.

14 If Mr. Siddiqui was telling his own officers, his
15 own treasurer, which there's no evidence of, that, you know,
16 "You've got to bill me," that's just not something that
17 happened. But that's not an issue created by the sector.

18 THE COURT: All right. Well, thanks to everybody for
19 your -- well first of all, the evidentiary hearing last week
20 and for your arguments this afternoon and for responding to my
21 questions.

22 So, I'm going to take this matter under advisement.
23 It's a TRO, so I'm going to issue a ruling as soon as I can.

24 Jackie, can we set this for a status, let's say --
25 I'm just looking at my calendar here. November 17.

1 THE CLERK: November 17th? What time?

2 THE COURT: Good question.

3 THE CLERK: Is it just a status, Judge? Is it just a
4 regular status or --

5 THE COURT: It will just be a status.

6 THE CLERK: How about we set you for 9:00 a.m.

7 THE COURT: Okay. And I'm probably going to move
8 that hearing, but I just want to have something in place so
9 the case moves along.

10 MS. ANGELUCCI: Your Honor --

11 THE COURT: Go ahead.

12 MS. ANGELUCCI: Did you mean move it to a different
13 date or to a different time on the 17th?

14 THE COURT: I don't know. Yes. It will be either a
15 different date or a different time.

16 MS. ANGELUCCI: Just on the 17th, Mr. Pierce is
17 downstate for a hearing, and I'm in Elmhurst for a hearing in
18 the afternoon. I'm fine in the morning, though; but if it
19 gets moved to the afternoon, I just wanted to say that we do
20 have a conflict.

21 THE COURT: Thank you. So, if we do keep it on the
22 17th and move the time, we'll move it to sometime in the
23 morning.

24 MS. ANGELUCCI: Thank you, your Honor.

25 THE COURT: All right. Thanks, everybody.

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MS. CHARTIER: Thank you.

MS. ANGELUCCI: Thank you.

MR. PIERCE: Thank you.

(Which were all the proceedings heard.)

CERTIFICATE

I certify that the foregoing is a correct transcript from
the record of proceedings in the above-entitled matter.

/s/Charles R. Zandi

December 21, 2022

Charles R. Zandi
Official Court Reporter

Date