

**IBL/IBT PROPOSED MERGER
AGREED-UPON ANSWERS TO REQUESTS FOR CLARIFICATIONS AND/OR
INTERPRETATIONS**

The following questions were submitted in accordance with Section 1(e)(3) – Constitution, and the answers are provided as required by Section 1(e)(4) – Constitution. The questions have been typed exactly as they were submitted without correction.

Questions 1 through 21 were submitted by Canadian divisions and the answers (with the exception of #7 and #20 in part) were supplied by Canadian Director G. Halle.

Questions 1 through 5 were submitted by Division 70, Toronto, Ontario:

1. The fifth paragraph of the Preamble guarantees maximum craft autonomy. We would like a clarification of what is meant by maximum craft autonomy for engineers and how it can be guaranteed in future years.

A-1 It means autonomy for us inside the Teamsters not craft autonomy. Craft autonomy will be guaranteed by the GCA.

2. Union dues structure
The breakdown of our present dues is as follows (Canadian dollars)

International office	\$27.00
Strike fund	2.00
GC of A	39.00
Provincial & legislative	21.50
Division	21.50 – To stay the same
Total	111.00

We would like our dues structure clarified, itemized and total monthly cost to each member as of January 2004 – 2005, January 2006 and January 2007 – What is the percentage of the hourly rate to be applied?

- A-2 The dues today are not \$2.00 strike fund but convention fund. The same amount will be paid but separated in a different way and spent on allocations to different functions:

G.C. of A. will remain as they are.

Divisions will remain as they are.

Provincial will remain as they are.

The \$27.00, the \$2.00 and the National Legislative dues will be sent to Ottawa and separated in different allocation segments:

- A. National Fund TCRC with specific allocations such as operation, legislation, education, etc.
- B. International Teamsters
- C. Teamsters Canada

The percentage of the hourly rates is different for Canada and is subject to returns to the Conferences and Local Unions by Teamsters Canada depending on the services provided.

- 3. As B of LE members we have a share in the assets of our organization. We would like clarification as to our ownership of those assets (such as our building in Cleveland).
- A-3 The shares of the assets are presently under discussions between the Canadian Officers and International Officers, if no agreement is reached, it will go to a third party.
- 4. In Canada our rail conference will be represented by the Executive Board. We would like clarified the salaries and benefits of these seven positions and how they will be funded.
- A-4 The present two Vice Presidents will receive no more no less salaries and benefits than what they are getting now. The other members of the Executive Board that are already full-time officers will not receive extra salary or benefits and the members who are not on payroll, will have their remuneration for Board meeting will be decided by the Executive Board.
- 5. There has been a long legal process in Canada with VIA Rail and as it draws to a close it appears the B of LE may have to pay large sums of money in the settlement. It is important to us to know who will be responsible for the cost of this settlement.
- A-5 The liabilities that occurred before the merger will remain the former organization's liabilities.

Questions 6 through 21 were submitted by Division 320, Vancouver, B.C.:

- 6. M.A. Purpose – It gives the appearance that the IBLE will control all crafts. Why is there no provision for craft autonomy?

- A-6 Craft autonomy will be controlled by the G.C. of A. and divisions (see TCRC Bylaws and Rules). As Division will be representing craft, it will report to the G.C. of A. representing that craft. Same thing applies to the RCTC now.
7. **M.A. 3.3 and 4.3 – Why the two different offices? Please explain why both cannot be in the same location to save money?**
- A-7 The Rail Conference offices referred to in Section 3.3 of the Merger Agreement located at IBT headquarters in Washington, D.C. will accommodate only the operations of the Rail Conference which is structured to coordinate activities on behalf of rail industry members in the United States belonging to various autonomous unions that merge with IBT and become part of the Rail Conference. The day-to-day operations of the BLET will continue to be performed at our existing headquarters in Cleveland, Ohio, pursuant to Section 4.3 of the Merger Agreement and the BLET bylaws.
8. **M.A. 5.2 – where is the craft jurisdiction provisions?**
- A-8 Same as answer No. 1 (see TCRC Bylaws & General Committees Rules).
9. **M.A. 5.4 – It appears the agreement guarantees these positions to people and not to the position they hold; why does the agreement name the incumbents of these positions as opposed just the position? Note: triennial election takes place in 2004; many of these individuals will no longer hold these official positions.**
- A-9 Covered in TCRC Bylaws, section 6(d) page 6. These positions were filled by the officers elected at the 2001 Convention and two more added taking into consideration location and craft.
10. **M.A. 5.6.2 – Benefits plans are being referred to?**
- A-10 The same protection that our employees in Ottawa have now will be maintained.
11. **MA 5.6.5 – How was the \$8.25 determined? How is the average hourly rate going to be determined?**
- A-11 Using US Figures and Canadian Formula. The future one will be calculated under Article X of IBT.
12. **MA 5.6.5 – Teamsters Canada is to assume certain responsibilities; what functions?**
- A-12 The salaries equivalent to one Special Representative and one secretary (the monetary value).

13. MA 5.6.5 – Please explain what the dues going to the IBT will be used for and what benefits are they to TCRC members?

A-13 First 80% of the IBT per capita is returned to Teamsters Canada and the Conference; the remaining 20% is used to pay Canadian Officers from the US payroll. As an example in 2006, 20% of \$8.25 = \$1.65 will remain in US and will be used to pay elected officers on their International Board. Other matters like publication, International organization, etc. will also be paid from that \$1.65.

14. The International BLE currently subsidizes the Ottawa and Canadian GC offices for certain legal costs, how will these types of costs be handled in the future, re: VIA?

A-14 From the Rail Conference Office or Teamsters Canada depending on the impact. Please refer to the answer to Question No. 5 above for an explanation regarding VIA Rail.

15. M.A. 6.4 - again this clause guarantees certain individuals executive board status when they may not hold any office in the TCRC. What happens to now GCs and other officers after the elections in 2004?

A-15 Unless they resign they will stay on until the 2006 Convention, they do not need to hold office to sit on the Executive Board, only active membership.

16. How will and how much will these individuals be paid for acting as executive officers?

A-16 As they are on payroll already, they should not receive compensation, if not on payroll, the Executive Board will decide on a fair amount per day as salary when the Board will be convened.

17. MA 6.8 – This is a very complicated clause and difficult to understand. What happens to ESBs who have not been set up into the craft for some time? Will they maintain voting privileges as they do now?

A-17 There will be no change to the present situation in regard to ESB's as long as they maintain their membership with us.

18. MA 6.14 – Jurisdiction; How are disputes going to be handled between track and rail traffic, re; National Freight Agreement (THIS IS AN EXTREMELY IMPORTANT ISSUE)?

A-18 We do not see dispute between track and rail traffic. If they mean trucks, it will not be different than the competition between CN and CP across the Country.

19. Why has the BLET been given veto power over any merger between the UTU and IBT?

A-19 Because we do not want to keep on going with the same battle again and again. They will come under the negotiated rules or they stay out.

20. Who is going to happen to current ID assets, strike fund, real estate?

A-20 We are still in negotiations with the International in the formula to be used. *(All assets will remain under the control of BLET and TCRC after the merger is approved. Please refer to Sections 4.7.1, 5.6.1, and 6.19 of the Merger Agreement for specific provisions guaranteeing BLET and TCRC the right to retain and maintain control over all IBLE assets including the strike fund and real estate.)*

21. Where and who is to maintain a strike fund for the TCRC?

A-21 The strike fund will be optional for us in the Teamsters Canada's structure. The decision to be "in" or "out" will be made by the Executive Board or by a membership referendum.

Questions 22 to 27 submitted by Division 348, Elkhart, Indiana:

22. Will the BLET be one craft division of the Rail Conference?

A-22 Yes. The Rail Conference has been established with its bylaws structured to provide for individually-chartered Craft Divisions—each having jurisdiction along the traditional craft lines of the rail industry. The Brotherhood of Locomotive Engineers and Trainmen (BLET) will have jurisdiction over all operating crafts in the United States, including all locomotive engineers, all trainmen, and all related operating personnel.

23. What other craft divisions will there be?

A-23 Presently, the BLE is the only rail industry labor organization that has completed merger negotiations with the IBT. The parties have agreed upon the Rail Conference structure in order to facilitate the addition of other rail unions that can join the Rail Conference and retain the autonomy to continue to represent their members as they currently do. Some other rail industry unions have expressed interest in joining the Rail Conference. Thus far, preliminary discussions between

IBT and the American Train Dispatchers Association (ATDA) and the Brotherhood of Maintenance of Way Employees (BMWE) have taken place.

24. What are the salaries of the Rail Conference Officers?

A-24 None. The Merger Agreement and the Rail Conference bylaws do not provide for salaries for Rail Conference officers.

25. Is it anticipated that the Rail Conference Per Capita of \$0.25 per member will be able to cover the expenses of the Rail Conference?

A-25 Yes. As the initial members of the Rail Conference, the BLET officers on the Policy Committee are authorized and empowered to conduct and manage the affairs of the Rail Conference and are committed to working within the \$.25 per capita.

26. BLET members will have to contribute to the IBT strike fund, what is the cost of this contribution?

A-26 The cost of participation in the IBT Strike and Defense Fund is included in the per capita paid by the BLET National Division to IBT for each member in the organization. There is no additional cost or contribution required for BLET members to participate in this fund to the same extent as any other member of the IBT.

27. What benefits will the BLET receive from this fund?

A-27 The IBT allocates fifteen percent (15 %) of its dues to support the activities of its Strike and Defense Fund which include strike benefits and contract campaigns.

Questions 28 through 33 were submitted by Division 391, Ft. Madison, Iowa:

28. If after two years we exercise the withdrawal provisions in Section 2.1 do we go back to the old constitution and the old name and how would the finances be split up?

A-28 In the event that the IBLE in the United States exercises its right to withdraw from the merger within the two-year period provided for such withdrawal, we would revert to our current Constitution and Bylaws. At that point, our name would depend on whether the Canadian portion of the IBLE also exercised its right to withdraw from the merger. If the entire former IBLE withdrew; i.e., United States and Canada, our name would revert to the International Brotherhood of Locomotive Engineers. However, if only the United States or

only Canada withdrew, it would be necessary to change the name by dropping the term "International."

- 29. What happens to the money in relation to the United States BLE and Canadian BLE after the merger if it is approved? What happens to the Canadian's share of finances if we exercise the withdrawal provisions?**
- A-29** Please refer to the answer to Question 3 above. In either event, whether the merger is approved in both the United States and Canada, or whether the United States withdraws or the Canadians withdraw, some agreement would have to be reached regarding the division of assets.
- 30. What is the definition of a subdivision?**
- A-30** Section 36 - National Division Rules of the BLET Bylaws provides for the establishment and operation of subdivisions. The purpose of a subdivision is to afford the members of an existing division an opportunity to hold meetings at a location other than where the division holds its regular meetings. A subdivision is simply a subordinate unit of the parent division that is established primarily to give members living a long distance from the location of regular division meetings an opportunity to hold meetings in their locale.
- 31. What would be the outcome of the merger if either the U.S. BLE or Canadian BLE turned down the merger?**
- A-31** Section 1(e)(5) - Constitution gives the Canadian BLE the right to request a separate vote on the merger. If they exercise such right, there will be separate votes conducted in the United States and Canada. The vote in either country would determine the outcome for that country. If the merger is approved in the United States—but not in Canada—then, the BLE in the United States would be merged with IBT, and the BLE in Canada would be disaffiliated and become a separate entity. If the reverse occurs, the BLE in the United States would become a separate entity and the BLE in Canada would be merged with IBT and Teamsters Canada.
- 32. Is it possible at some point that the rank and file membership of the BLE will be able to get IBT health insurance?**
- A-32** Yes, it is possible; however, this is a matter that would have to be handled through the collective bargaining process with the carriers.
- 33. Will there be an accurate process for the membership to receive information and ballots if they don't receive them in the initial mailing? At what date**

should the rank and file contact the International for lost ballots and information?

- A-33** The balloting process will be handled by the American Arbitration Association (AAA), an independent and neutral organization with the resources and experience to properly conduct a referendum of this nature. The details and procedures for requesting duplicate ballots are currently being discussed with AAA and will be thoroughly explained in the voting package mailed to the membership on October 20, 2003. Members will have forty-five (45) days from October 20 to return their ballot. This should provide ample time to request a duplicate ballot if the original mailing is not received.

Questions 34 through 42 were submitted by Division 547, Etowah, Tennessee:

- 34. Why can't the International Board of Appeals be retained in Sec. 44 of the BLE Constitution & Bylaws to apply only to National Division Rules of the BLET and decisions rendered by the National Division President?**

- A-34** If the merger is approved, the BLE Board of Appeals would no longer have authority to render final decisions on appeals. Under the IBT Constitution, that authority is vested in the General President, General Executive Board, or Convention Delegates depending on the issue being appealed. The BLE Board of Appeals would only have authority to render intermediate-level decisions. Therefore, considering the high cost of convening the Board of Appeals, which ranges from \$30, 000 - \$60,000 per session, and the intermediate nature of its decisions, the Constitution and Bylaws subcommittee unanimously agreed that it would be more fair and efficient to have appeals go directly to the next level of the appeal process.

- 35. Why can't the Recall provision Sec. 4(a)(3) of the BLE Constitution & Bylaws be retained to apply only to officers of the BLET?**

- A-35** The recall provision is in direct conflict with the IBT Constitution which does not allow for the recall of officers. Any officer whose actions may warrant removal from office can still be removed through the charges and trial process.

- 36. Why would our BLE Constitution & Bylaws Committee approve a provision that requires each delegate to the National Division Convention to be paid by the Local Division that the delegate was representing?**

- A-36** The primary reason for this change is the high cost of holding the convention. The convention always creates a large deficit in the convention fund, which will increase dramatically when we change from a five-year convention cycle to a four-year cycle after the 2006 convention.

The various subcommittees were faced with a difficult choice between either drastically reducing the number of divisions in the organization and having the remaining divisions send a delegate that would be fully paid by the National Division, or leaving the number of divisions unchanged and having them share the costs of sending a delegate to the convention. The committee unanimously agreed to leave the number of divisions unchanged but have them share in the cost of their delegate. The National Division will pay the per diem and travel expenses and the divisions will set and pay their delegate's salary.

37. Did the BLE Constitution Committee give any consideration that some BLET Local Divisions could not afford or would not approve any salary for delegates to the National Division Convention which would allow only the larger BLET divisions to send delegates to the National Division Convention?
- A-37 Yes, the subcommittee spent a considerable amount of time debating this issue and reached what it believes is an equitable resolution. This system places the decision on convention delegate salary at the division level, instead of having the delegates decide on their own salary at the convention.
38. How does the BLET intend to comply with Art. XXII, Sec. 4(a), pages 163 & 164 of the IBT Constitution in regard to nomination of delegates to the IBT Convention?
- A-38 The procedures will be established by the Election Administrator appointed by the IBT to run elections. In all likelihood, the entire process will be handled by mail including mail ballots. BLET general committees will have to comply with the instructions and rules established by the Election Administrator.
39. How does the BLET intend to comply with Art. XXII, Sec. (b), pages 164 & 165 of the IBT Constitution in regard to the election of delegates to the IBT Convention?
- A-39 Refer to the answer to Question No. 38.
40. Does Art. III, Sec. 5(a) 4(d) entitle all Stated Legislative Boards to one (1) delegate to the IBT Convention regardless of the number of members represented by the State Legislative Board?
- A-40 No, this Article does not entitle BLET state legislative boards to delegate representation at the IBT Convention. The members represented by the state legislative boards are the same members represented by the various general committees from which the convention delegates are elected. To allow a group of members to send delegates from two different sources to the convention would result in double representation.

41. Will the provisions of Art. XV, XVI and XVII of the IBT Constitution require the BLET to establish Joint Councils, Organize Trade Conferences and Divisions and charter miscellaneous Local Unions as stipulated in these Articles of the IBT Constitution?

A-41 No. Please refer to Section 6.13 of the Merger Agreement for an explanation of how Joint Council affiliation may be accomplished.

42. In the event the BLET membership becomes very unsatisfied with the representation or assistance provided by the IBT and it was determined that the BLET would withdraw membership from the IBT before or after December 31, 2005, would the BLE membership retain any of the assets or money that it had at the time of withdrawal?

A-42 If the BLET seeks to withdraw from the merger before December 31, 2005 and takes the steps necessary to accomplish a withdrawal, BLET would retain all of its assets. On the other hand, if the BLET sought to end the merger after December 31, 2005, it would not be considered a withdrawal at that time but, instead, would be treated as a secession or disaffiliation governed by Article XX of the IBT Constitution and Section 6.18 of the Merger Agreement.

Questions 43 through 60 were submitted by Division 782, Etowah, Tennessee:

43. Why is it necessary for the National Division to meet or convene every 4 years when the IBT is only required to convene every 5 years as provided by Article III Convention and Representation, page 17 paragraph 2 of the IBT Constitution?

A-43 The current IBLE is constituted as an international union, and federal law requires that international unions hold an election at least once every five (5) years. If the merger is approved, the IBLE will cease to be an international union and will become an intermediate body of the IBT. Federal law requires that an intermediate body hold an election at least once every four (4) years. Therefore, the National Division of the BLET is required to hold an election at least once every four (4) years.

44. Will all BLE members be provided a copy of the IBT Constitution & National Division Bylaws prior to voting on the proposed BLE/IBT merger?

A-44 Yes. Every member will receive all of the merger-related documents that pertain to the country in which they reside. This will include the Merger Agreement, IBT Constitution, and applicable bylaws.

45. Will dues increase equivalent to the percentage of wage increases in the BLET provided the merger is approved?

- A-45** Yes, the new Section 29(m) – National Division Rules of the BLET Bylaws is an escalator clause that provides for a percentage increase in National Division dues the same as the percentage increases in gross wages under the National Agreement.
- 46.** Who are the officers of the BLET referenced in section 6.26 of the IBLE/IBT merger agreement that determine by a 2/3 majority to withdraw from the merger at any time during the period between January 1, 2004 and December 31, 2005?
- A-46** The Advisory Board.
- 47.** In the event the BLE withdraws from the merger will the BLE retain our assets including the Standard Building?
- A-47** Yes.
- 48.** In regard to the voting procedures involved in the IBLE/IBT merger will the Canadian BLE vote be counted separately from the United States BLE vote? If the answer is in the affirmative does this comply with all past interpretations made by former BLE Presidents and the International Board of Appeals?
- A-48** Pursuant to Section 1(e) (5) – Constitution of the current Constitution and Bylaws of the IBLE, the Canadian leadership has the right to request a separate vote on the merger for its active membership. If such a request is made, the Canadian vote will be counted separate from the United States vote. The current Section 1(e) – Constitution was adopted at the Seventh Quinquennial Convention in September 2001. There have been no interpretations or Board of Appeal cases relevant to this completely new provision. Previous interpretations of the old Section 1(e) – Constitution are no longer applicable. The delegates at the last convention replaced that provision in its entirety and clearly provided for the Canadians to have the option for a separate vote.
- 49.** In regard to the merger agreement between the IBLE & IBT Section 4.1 page 3 are Local Divisions governed by National Division Rules in conflict with the IBT Constitution If the answer is in the affirmative can or will local divisions be held accountable if they violate the IBT Constitution?
- A-49** No, however, they would be held accountable for any other independent violation of the IBT Constitution.
- 50.** Who are the members of the IBT Executive Board?

A-50 There are twenty-seven (27) members of the IBT General Executive Board.

In addition to General President Hoffa and General Secretary-Treasurer Keegel, there are five (5) Vice Presidents-at-Large; three (3) Teamsters – Canada Vice-Presidents; five (5) Central Region Vice Presidents; four (4) Eastern Region Vice Presidents; two (2) Southern Region Vice Presidents; three (3) Western Region Vice Presidents; and three (3) Trustees. Their names and addresses appear in every publication of the Teamsters Magazine and on the Teamsters' web site.

51. May the IBT General President appoint National Division or General Committee Officers to selected positions within the IBT at his discretion and supplement their salaries as permitted by Article V Section 1(d) page 36 of the IBT Constitution? If your answer is the affirmative would this permit double pay to National Division or General Committee Officers?

A-51 Yes, but there are no current plans to do so. Whenever additional duties are performed for IBT, payment is made for those services.

52. Section 4a Initiative paragraph 4 page 22 of the BLET Bylaws states in part "subject to the approval of the IBT General President". Does this section give the IBT General President the right to not place into effect the decision of the membership or veto the initiative that was approved by the membership?

A-52 Yes, but only if the initiative were contrary to the Merger Agreement or applicable law.

53. Paragraph 4.7.5 page 5 of the merger agreement between the IBLE & IBT provides that the monthly per capita paid by the BLET to the IBT International Union "is the intent of the parties that this per capita will not be passed on to the members in the form of a dues increase or to local divisions or other subordinate bodies within the IBLE/IBT. What guarantee does the membership have that this per capita will not be passed on to the members in the form of a dues increase?

A-53 The parties have agreed, in Section 4.7.6 of the Merger Agreement, that IBT will assume responsibility for the salary and certain fringe benefits of certain current IBLE employees, and will fund other activities listed in Section 4.7.6, and bear other expenses currently paid for by IBLE to offset most of the five-dollar (\$5) per capita payable to IBT for each BLET member during 2004 and 2005. The balance of the per capita will be paid from the BLET General Fund. In Section 6.23 of the Merger Agreement, the parties have established a Joint Committee on Finances for the purpose of determining what measures shall be undertaken by the parties, including what additional services, if any, the IBT should undertake to perform on behalf of BLET or TCRC to fulfill the intent of the parties that the per

capita that becomes effective on and after January 1, 2006 would not be passed to members in the form of a dues increase.

54. **Why would BLET members be required to continue paying \$2.00 per month to establish and maintain a convention fund when section 25(a) of the National Division Rules page 31 required each local division to pay the salaries of their delegates to the National Division Convention?**
- A-54 The BLET Convention Fund will continue to be used to pay for the per diem and travel allowance of every delegate and for all other convention-related costs.
55. **Is it mandatory that each local division send a delegate to the National Division Convention and incur the salary cost of the local division delegate?**
- A-55 No, each local Division can decide for itself whether it wants to send a delegate and pay a salary to that delegate.
56. **How is the salary of delegates to the National Division Convention determined?**
- A-56 Historically, delegate salary and expenses have been set by the delegates at the convention. If the merger is approved, local divisions will have complete control over setting their delegate's salary.
57. **Page 35 National Division Rules or Bylaws of the Brotherhood of Locomotive Engineers and Trainmen Section 37(b) Note 1 states in part "divisions chartered before the effective date of these bylaws will retain the previous threshold of twelve (12) active members". With this section in mind would a current division within the BLE be denied a charter if their membership was less than 12 active members or failed to meet the required threshold? If your answer is negative would a division with less than 12 members be grandfathered in as other BLE divisions would be under the current merger agreement in accordance with Section 6.5 Charters of the merger agreement between the IBLE/IBT?**
- A-57 No, an existing division with less than 12 members would not have their charter revoked. These divisions, initially, will be grandfathered and given the usual opportunity to increase their membership to the required threshold.
58. **Would a division with less than 12 active BLE members be required to merge or consolidate with another division on their seniority district or GCA as outlined in Section 37(b) page 35 of the National Division Rules?**
- A-58 Existing divisions are grandfathered and covered under Note 1 of Section 37 – National Division Rules. If the initiative called for in Note 2 eliminates the

protection afforded by Note 1, any division affected would be given an opportunity to increase its membership to the required level before being merged with another division.

- 59. Section 4.7.6 Functions assumed by the IBT states that members within the BLET shall participate in the IBT Strike and Defense Fund to the same extent as any other member of the IBT. Does this section provide for dues assessment or any type payment by BLET members to the IBT Strike and Defense Fund?**
- A-59** Participation in the IBT Strike and Defense Fund does not require any separate or additional payment by BLET members. BLET's contribution to the Fund is included in the per capita payment made for every member to IBT by the BLET National Division.
- 60. Can the General President of the IBT impose trusteeship on any BLET Division or subordinate body after January 1, 2006 at his discretion?**
- A-60** Beginning in 2006, the General President of the IBT will be able to treat the BLET the same as every other IBT affiliate and exercise his authority, in accordance with Article VI – Section 5 of the IBT Constitution, if warranted.

Questions 61 through 68 were submitted by D. R. Pierce, GC – BNSF/MRL:

- 61. If the merger is accepted, will the BNSF (Former BN Northlines/MRL GCA retain jurisdictional rights for, and membership of, those BNSF employees currently employed in Vancouver, British Columbia, Canada?"**
- A-61** Provided the facts submitted in connection with this question are correct, the answer would be yes.
- 62. Provisions of IBT Constitution concerning eligibility to run for BLET office become effective on January 1, 2006. (Section 6.8 Merger Agreement). These provisions modify the definition of "Active Service" as currently described in the eligibility requirements found in the BLET Bylaws, Local Division Rules, Section 25(a) and (b). When the IBT provisions becomes effective, will existing full time elected officers and full time appointed staff be eligible to run for BLET offices?"**
- A-62** Yes. There is one important change, however, that affects retired members holding office. Beginning in 2006, retirees will no longer be permitted to run for office. They will be allowed to complete their term of office if it extends beyond January 1, 2006.

63. Will the GCA Bylaws currently in effect and previously approved by the BLE International Division remain in effect if the merger is consummated?

A-63 Yes.

64. Page 29, BLET Bylaws-Section 18 "National Division Rules" governs GCA representation to the IBT International Union Convention. GCA delegates to the IBT Convention are to be elected in accordance with Article III, Section 5 or the IBT Constitution as all IBT Local Union delegates are currently elected. Three questions, 1 - If IBT delegate elections are conducted while GCA is in session to elect its regular officers, will the convened local chairmen also cast the votes to elect the IBT delegates? 2 - If IBT delegate elections are conducted while the GCA is not in session to elect its regular officers, how will GCA's hold nomination meetings and who will cast votes to elect IBT delegates? 3 - In the latter case between full GCA sessions, who is responsible for the cost associated with the nomination and election process in full?"

A-64 Q-1: Delegates to the IBT Convention are elected by a membership vote using a secret mail ballot. Q-2: Refer to the previous answer. In addition, the Election Administrator will issue instructions and rules to govern the nomination process. Q-3: The general committee(s).

65. Page 35, BLET Bylaws-Section 37(a), "National Division Rules", Note 1, retains the 12 active member threshold to maintain a division for those divisions chartered prior to the effective date of the merger. Note 2 requires that the initiative process be used within 2 years of that same effective date to decide whether to eliminate Note 1. BLET Bylaws, Page 21, Section 4(a) - "Initiative", states that following an initiative vote, it is required of the "National President to place in effect the decision of the membership, subject to the approval of the IBT General President." If the body votes in the negative on the question of eliminating Note 1 and the question fails, is there any decision to be approved by the General President or placed into effect by the National President? If the answer is yes, does the IBT General President then have the authority to override the body by refusing to approve the negative or failed question?

A-65 No. Since the answer to the first part of this question is no, the second part of the question is moot.

66. Page 46, BLET Bylaws-Section 1(a) "Local Division Rules" states "vice local chairmen positions are not alternates to the office of local chairman." However, Section 20(a) allows the Division President to appoint a new local chairman without a special election if a permanent vacancy occurs in the last

12 months of the term and Section 20(b) allows the Local Chairman to appoint a temporary replacement as well in the event of illness, incapability, or unavailability. If the appointed replacement, be it permanent or temporary, attends a session of the convened General Committee of Adjustment, will he or she be allowed to vote on all matters before the Committee, including the election of officers?"

A-66 No, the appointed officer can vote on business matters but cannot nominate or vote in the election of officers.

67. Page 46, BLET Bylaws-Section 1(a), "Local Division Rules" states in part, "The vice president, local chairman, and legislative representative shall serve as trustees to review and verify the books of the division on a monthly basis". Do these "trustees" incur any additional fiduciary responsibility by reviewing and verifying the division books, and, if so, are they required to be bonded?

A-67 No, their fiduciary responsibility remains the same as it is for the other office they hold. No, bonding is not required.

68. Page 49, BLET Bylaws-Section 7(e), "Local Division Rules" states, "When only one candidate is nominated for any office, he shall be declared elected by acclamation". Does this provision conflict with what are believed to be DOL requirements allowing access for write in candidates in local secret ballot elections?

A-68 No, there is no such DOL requirement.

Questions 69 and 70 submitted by C.E. Way, SLBC – IL:

69. First concern with Section 5(g). It is my understanding that the International Brotherhood of Teamsters doesn't have a recall provision but it appears to me that Section 5(g) allows this to happen in respect to Legislative Board Chairman.

A-69 The IBT does not have a recall provision in its Constitution and insisted during negotiations that we remove the recall provision from the BLET Bylaws. The BLE recall provision created a process for removing an officer of the organization and had nothing to do with abolishing an entire committee within the organization. Conversely, Section 5(g) – Legislative Board Rules, which was revised and adopted at the Seventh Quinquennial Convention in September 2001, sets forth the process for abolishing an entire state legislative board and does not provide authority for recalling an individual officer. In Section 5(f) – Legislative Board Rules, a provision has been added authorizing the National President to

investigate a state board where problems may exist. This provision is designed—in part—to help avoid ever reaching the abolishment process in Section 5(g).

70. **Second concern with Section 11 (c) . It is my understanding that it would cost the State Legislative Board four (4) member's daily rate plus lodging, meals and travel pay for each month. It is also my understanding from Brother Tim Smith that this was not in the final submittal from the Legislative Committee to the Overall Merger Committee. I feel it would be in the best interest of the State Legislative Boards that this be removed or having the cost referred to the National Division, (ND).**

- A-70 The monthly review of financial status required by Section 11(c) – Legislative Boards is the same new requirement that all BLE committees must perform. The IBT requires all of its subordinate bodies to submit a short monthly form that records certain financial information. This new provision does not require an annual type audit every month and will not require any of our committees to actually convene in order to complete the required form. The IBT has committed to making compliance with this new reporting requirement as efficient and economical as possible.

Questions 71 and 75 submitted by T.D. Briggs, SLBC – TX:

71. **Under Section 13 (b) and 13(c) of the General Committee Rules, will the annual financial report rendered by the secretary-treasurer of the GCA cover strictly GCA finances, or will it also include an accounting of dues that the GCA handled?**
- A-71 The annual financial itemized report provided for in Section 13(c)—General Committee Rules includes only the receipts and disbursements of the General Committee of Adjustment.
72. **If the financial report required in Section 13(c) includes an accounting of the dues, then shouldn't the legislative board be rendered a financial report as well?**
- A-72 As indicated in the answer to Question 71, since the report includes only the receipts and disbursements of the GCA, it is not necessary to provide the report to the legislative board.
73. **If the financial report required under Section 13(c) will strictly be on GCA finances, please clarify how the accounting for dues will be handled between the division, the GCA and the legislative board?**
- A-73 The accounting for dues will be handled very similar to the manner in which it is handled now. The division secretary-treasurers will submit a remittance form to

the National Office, GCA, and Legislative Board, just as they do now. The only difference is that the division will not send funds to the various entities as they do now. The funds will be distributed by the GCA based on the reports submitted by the divisions.

- 74. Please provide an interpretation of Section 11(c) Legislative Board Rules and guidance as to how a legislative board can comply with its requirements without undue cost.**

A-74 Please refer to the answer in Question 70 above.

- 75. Please explain why the bylaws will hold the legislative board to a stricter standard than any other governing body within the BLET.**

A-75 Assuming that this question relates to Question No. 74, be advised that state legislative boards are not being held to a stricter standard than other committees within the BLET. Every committee within the BLET must complete the monthly form required by IBT.

Questions 76 to 79 submitted by M.F. O'Brien, SLBC – LA:

- 76. BLE/IBT Merger Agreement, 6.8; How does this provision of the IBT Constitution relate to members in 'Fired', 'Sick', other 'excused reason, 'retired' or receiving a RR Disability Annuity and not of retirement age?**

A-76 The "continuous good standing" requirement takes effect on January 1, 2006 for all BLET and TCRC members and applies regardless of the category or status a member falls under. In order to be considered in continuous good standing, every member must continuously pay the full dues applicable to their status to be eligible to run for office.

- 77. BLETD By-Laws, Legislative Boards, 11.C; As Legislative Boards are constructed of members from throughout a state, can a legislative board's by-laws stipulate a more infrequent audit? This provision will add tremendous costs to the legislative boards. It also appears that no other BLE entity is being saddled with this stipulation, why is what?**

A-77 Please refer to the answer to Question 70 above.

- 78. BLETD By-Laws, Legislative Boards, 4 A; The Legislative Board's Association recently changed its name from the National Association of State Legislative Board Chairmen to the International Association of Legislative Board Chairmen so as to officially include the Canadian side in the association. Another reason was to be able to include any other country's legislative members should they become part of the BLE at a future date. By**

changing the name from International to National are we eliminating the Canadian or any other future country's legislative side to this organization?

- A-78** The elimination of the term "international" is required in order for our name to be correct after the merger takes effect. We are not eliminating our ability to pursue cooperative efforts with legislative organizations in other countries.
- 79. BLETD By-Laws, Legislative Boards, 8; Why is the IBT General President the approving power on SLB By-Laws and not the BLETD President?**
- A-79** Please refer to Article VI in the IBT Constitution wherein the General President is vested with the authority to approve the bylaws of every subordinate body of the organization.

Questions 80 through 89 submitted by Michael Young, GC – UP (ED):

- 80. In the new merged Organization must members hold seniority in the craft of Engineer to be eligible to represent Locomotive Engineers in elected positions at all levels, Local, General and National?**
- A-80** No. Any member of the organization who otherwise meets the qualifications to hold office is eligible to run for elected positions that represent locomotive engineers.
- 81. If yes, will that principle apply during the two (2) year period January 1, 2004 through December 31, 2005?**
- A-81** Refer to the answer to Question No. 80.
- 82. If there is no merger withdrawals by the parties will that principle continue after December 31, 2005?**
- A-82** Refer to the answer to Question No. 80.
- 83. Does the phrase "...and actively employed in the craft..." mean that you must be on the active working list as an Engineer to be eligible to run for any BLET office?**
- A-83** It means that you must be on a current seniority roster.

84. Are full-time BLE officers who are on a leave of absence from their employer for union business ineligible for any BLET office at any level?

A-84 No.

85. Past interpretations from the BLE ID regarding Section 9(a)-Statutes, provide that a retired member is eligible to run for and hold the office of GST of the GCA. Will that interpretation continue to be applied in the new merged organization?

A-85 Retired members will be able to continue to run for and hold office until December 31, 2005. Thereafter, retired members may finish serving the term for the office that they occupy, but will not be able to run for office again.

86. Are there protections afforded to BLET to head up the new Rail Conference during the 2 year interim? After the interim period?

A-86 Please refer to Section 3.4 of the Merger Agreement where it is provided that the initial four (4) highest-ranking officers of the Rail Conference Policy Committee are from the BLET, and their terms run until the first Rail Conference Convention in 2006. They will be eligible for reelection to their positions on the Policy Committee in accordance with the Rail Conference Bylaws.

87. Will the GCA finances still be governed and controlled by the individual GCA and their membership?

A-87 Yes.

88. BLET Conventions – Will each Division be responsible financially for the salary for their individual Division delegate the Convention?

A-88 Please refer to Section 25(a) – National Division Rules of the proposed BLET bylaws and the answer to Question No. 36.

89. Will non-BLE members, e.g., Teamsters, be eligible to vote for BLET officers at the IBT Convention?

A-89 BLET officers will be elected at the BLET National Division Convention in 2006—and every four (4) years thereafter—by BLET delegates.

Any BLET officer or member who seeks an office at the IBT Convention would be voted on by the entire IBT membership.