

From: [REDACTED] [Presidents Office](#)
To: [Daniel Wasser](#)
Subject: Response to your October 3, 2018, Letters
Date: Friday, October 12, 2018 5:14:09 PM

October 12, 2018

To: Dan Wasser, PPMWS Executive Officer

Subject: Response to your October 3, 2018, Letters

Dear Dan:

I am in receipt of both of your letters dated October 3, 2018. After a careful review of both letters, I am directing you to withdraw PPMWS from the lawsuit filed against the CWA/ITU Negotiated Pension Plan and the Trustees of that Pension Plan and to cease and desist any and all efforts to support or instigate a lawsuit against CWA over the 2011 PPMWS Agreement. As you know, our Constitution says, the PPMWS Executive Officer shall "Act under the direction of the President and perform such administrative and constitutional obligations as may be assigned by the President or the Executive Board." (Article XII, Section 7(a)).

If you choose to continue the pension lawsuit on your own or as a trustee of the NPP, you may not use CWA or Sector funds to do so. If you do continue in that fashion, CWA may be forced to intervene to protect its interests.

I am not responding point-by-point to your interrogatories, though this letter answers the essential questions. My purpose is to ensure that you understand the impropriety of using Union funds to pay for lawsuits or threats of lawsuits against the Union, and the need to consult with me and the General Counsel prior to filing any lawsuit on behalf of the Union. I note that your letter threatened the rest of CWA, the Districts, and the other Sectors with a Department of Labor investigation into "all practices." That is an insult to all of us.

Each CWA merger is unique, but I will lay out the nature of PPMWS as a result of the ITU-CWA merger. The Merger Agreement recognizes that the merger of CWA and ITU resulted in one labor organization, not two (Merger Agreement, Preamble, Section 1 and Section 2).

Likewise, the PPMWS and CWA as one union assumed all the debts, liabilities, contract obligations and other obligations of the ITU. (Implementation Agreement, Section A(2)). Early on, it was recognized that "CWA succeeded to all rights and obligations of the ITU..." (*Empire Media Union 15 v. ITU et al.*, W.D.N.Y. 1987). With the merger, the PPMWS became an administrative arm of a newly merged union, servicing Print Sector locals and membership. PPMWS is not a labor organization unto itself.

The litigation you instigate on behalf of PPMWS, even when purporting to press an interest of the ITU, is litigation on behalf of CWA. This is why filing a lawsuit without even consulting with me or the General Counsel is problematic. On an issue like the one laid out in your complaint, there

should be an attempt to resolve it directly with the other trustees before resorting to litigation that costs both the Union and the pension plan.

As for the use of funds, all title and interest that the ITU had in any funds, accounts, real or other property, was vested in the PPMWS on the effective date of the Merger Agreement. This means the PPMWS – again, as an administrative part of CWA -- has some discretion in using these funds to amplify for the PPMWS membership, the funding that is otherwise available through the broader Union. But, while the PPMWS is an autonomous Sector within CWA, separate from other sectors and districts, the funds of the Sector, including the Operating Fund, cannot be used for just any purpose. The Merger Agreement makes clear that they may only be used “to fund any special services or funds which may be used to supplement current CWA funds and services.” (Merger Agreement, Section 20). To be clear, suing itself is not a current CWA fund or service, and using those funds to force the broader Union to expend money defending itself can in no way be considered supplementing the work of the Union.

In any event, Mr. Gilardi has never responded to our General Counsel about who gave him the authority to seek arbitration or whom precisely he represents or what funds are being expended to fund those efforts. In addition, the lawsuit filed against the Pension Plan Trustees is apparently being funded by PPMWS and, by extension, CWA funds.

I remain fully committed to resolving these matters for the full benefit of PPMWS members and retirees. To that end, I remain open to further discussions about both the Negotiated Pension Plan issues as well as the issues surrounding the PPMWS. Perhaps a meeting with the entire Laws and Finance Committee, you and representatives from my office is in order.

Sincerely,

Christopher M. Shelton