

4 Teamsters Sue Union Leaders

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Four teamsters filed suit in U.S. District Court here yesterday charging that the present union leadership conspired to pay its former president, James R. Hoffa, \$1.7 million in return for his support of Frank Fitzsimmons, who was elected president of the 2-million-member union in July.

The suit, which names Hoffa, Fitzsimmons and others as defendants, asks that changes allegedly made in the union's Retirement and Family Protection Plan to Hoffa's benefit be declared "invalid" and that a \$1.7-million judgment be returned against each defendant for "malicious acts of fraud and dishonesty."

Hoffa abdicated the presidency in June in favor of Fitzsimmons, in order to increase his chances of parole from the federal penitentiary at Lewisburg, Pa. where he has served 4½ years of a 13-year combined sentence for jury tampering and mail fraud. He was denied parole for a second time on Aug. 20.

Yesterday's suit alleged that "in expectation of his release from prison," Hoffa in July was paid \$1,747,038.09 by Thomas E. Flynn, general secretary-treasurer of the International Brotherhood of

Teamsters and trustee of the retirement plan. Flynn is also named as a defedant.

Hoffa's pension called for payments of \$75,000 a year, and at the time of the Teamsters' convention at Miami Beach in early July, there had been unconfirmed reports that the union's executive board had agreed to a \$1 million lump settlement in lieu of these payments.

Yesterday's suit alleges that Hoffa "conspired," with Fitzsimmons, Einar O. Mohn and William T. Mullenholz, both members of the administrative committee of the retirement plan and named as defendants yesterday, to change the provisions of the plan to allow a larger lump sum cash benefit in lieu of the yearly retirement payments. This was done beginning shortly after Hoffa's indictment in May of 1963, the suit alleged.

Then after his conviction in late 1965, Hoffa again conspired with Mohn and Mullenholz to amend the plan's age provisions so that Hoffa could "immediately retire if he chose to," according to the suit, filed by Nashville local member Don Vestal, a controversial local leader and long-time opponent of Hoffa, and three others.

It said that the new provisions would also "pave the way" for similar lump sum payments to Mohn, Mullenholz and all the union's international officers—thus placing the pension plan in "imminent danger of bankruptcy."

In July, the suit went on, the plan contained about \$2 million in reserves and the alleged lump payment to Hoffa "drastically depleted" it.

The retirement fund is financed by dues paid by all

union members. The suit charges that Hoffa's application for the lump sum "was kept secret from the membership."

The suit went on, "The plaintiffs do not know whether the monies have been paid to this defedent (Hoffa), but have been informed and believe that they have."

Also named as defendants were A. Maxwell Kunis, described as actuarial consultant for the retirement plan; the A. M. Kunis Co. Inc.; Commercial Insurance Co. of Newark, which wrote a fidelity bond to protect the plan from fraud; and Actuarial Consultants Inc., which had advised on the plan.

Philippine Troops

Reuter

MANILA, Sept. 10—President Ferdinand Marcos has ordered more troops to Isabela Province in the northern Philippines and has linked rebel action there with Communist terror tactics in Manila.