



September 27, 2018

Case Number: 130-6010464 [REDACTED]
LM Number: 509104

Production Workers Local 400
Care of: Local 400 Pension Fund

[REDACTED]

Production Workers Union Local 400:

This office has recently completed an audit of the records of Production Workers Local 400 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). The following problems and other information (including the terminated status of your union) were disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Reporting Violations

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. Local 400 last filed an annual report with OLMS for the year ending December 31, 2014. Since that time the union has failed to file a report. The 2014 LM-3 reported that the union had 49 members, less than \$5,000 in assets and that Peter Henriquez was the union's only officer. Any labor organization which has terminated and ceased to exist or lost its identity through merger or consolidation must file a terminal financial report within 30 days of such action.

Other Issues

Termination of Labor Organization

In 2017, in response to OLMS requests for updated reports to be filed, Peter Henriquez advised OLMS that he retired some time during 2016, was no longer affiliated with the union and that the union was no longer operational.

Based on the remaining union bank statements examined by OLMS during this compliance audit financial activity through the local's account effectively ceased in September 2016 at which time the union's bank balance was about \$7,553. According to the available bank statements the only activity on the union bank account from September 2016 through August 16, 2018 was a \$38 per month bank analysis fee and the union's ending bank balance on August 16, 2018 was \$6,103.

OLMS has been informed that there is no current plan for any further disposition of the union's remaining assets. Union's must follow their bylaws procedures and maintain documentation for any disposition of funds.

If we can provide any additional assistance, please do not hesitate to call.

Sincerely,



Senior Investigator

cc: Local 400 Pension Fund