

BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN

NATIONAL DIVISION
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WILLIAM C. WALPERT
National Secretary-Treasurer

January 12, 2010

**ALL NATIONAL DIVISION OFFICERS AND EMPLOYEES
ALL GENERAL COMMITTEE OF ADJUSTMENT OFFICERS AND
EMPLOYEES
ALL STATE LEGISLATIVE BOARD OFFICERS AND EMPLOYEES
ALL DIVISION OFFICERS AND EMPLOYEES**

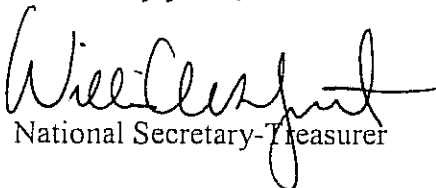
Dear Brothers and Sisters:

Enclosed is a copy of the revised **Code of Compliance for BLET Officers and Employees Concerning Relationships with Employers and Designated Legal Counsel**. The Code was revised and adopted by the Advisory Board on December 17, 2009. Every BLET officer and employee will be expected to comply with the Code in every respect. Please review the terms of the code and retain a copy for your files. If you have any questions concerning compliance, please contact this office.

I have also enclosed a copy of the **Protocol for Designation of and Rules of Conduct for Designated Legal Counsel and Procedures for Adding or Removing Designated Legal Counsel**. This is provided for your information and files as well.

With best wishes and warmest personal regards, I remain

Fraternally yours,


National Secretary-Treasurer

Enclosures



CODE OF COMPLIANCE
For BLET Officers and Employees
Concerning Relationships With
Employers and Designated Legal Counsel

[as revised and adopted by the BLET Advisory Board December 17, 2009]

As expressed in our Bylaws, "it is the vision of the Brotherhood of Locomotive Engineers and Trainmen to be at the forefront of the labor movement as the result of grassroots involvement, expanding membership, and a cohesiveness among the engineer and trainman crafts and with other unions." We are committed to "be a democratic organization with deeply held values and ideals that advance the working conditions, wages, benefits, job security, and quality of life for its present and future members and their families." Our members have placed a tremendous amount of trust in us as their leaders. They expect every officer and employee at every level of the Union to ensure that their behavior is instilled with ethical practices so that every action taken on behalf of the Union is one the members will be proud of. They recognize, as do we, that the Union will be a more effective representative, and will succeed in expanding its representation, only if we honor the fiduciary principles that go hand-in-hand with the responsibilities of union leadership.

Therefore, the Advisory Board has revisited and revised the Code of Compliance which addresses the relationship between BLET officers and employees, at every level of the Union, and employers of our members and designated legal counsel who represent them in matters involving personal injuries incurred while working on the railroads. This is that Code:

1. Every officer and employee of the Brotherhood of Locomotive Engineers and Trainmen National Division, General Committees of Adjustment, State Legislative Boards and Local Divisions shall comply with the following requirements that apply to the relationships between BLET and its Designated Legal Counsel:
 - (a) Read and remain familiar with the Rules of Conduct of BLET Designated Legal Counsel ("DLC");
 - (b) Abide by such rules insofar as they are applicable to BLET Officers and employees at all levels of the Union; and
 - (c) Refrain from any action that causes or may cause any DLC, or anyone associated with them, to violate the Rules of Conduct.

2. No officer or employee of BLET at any level may solicit or accept any gift, payment, money, loan, promise or agreement therefor, or anything of tangible or intangible value (including services and reimbursement of expenses) from any employer, DLC, or attorney seeking designation as a DLC who:

(a) Is attempting to promote the officer's or employee's candidacy for office;

(b) Is attempting to influence any election on any issue within the organization requiring a vote; and/or

(c) Has interests that may be substantially affected by the performance of an officer's or employee's official duties.

This prohibition does not extend (a) to payments where the employer is a carrier and the payment is for services rendered as an employee of the carrier or reimbursement for expenses incurred in connection with services rendered as an employee of the carrier, and (b) if the item is a gift of minimal value, such as plaques and greeting cards.

3. Unless the frequency would appear to be improper, an officer or employee may accept food, refreshments and materials provided at a conference or widely attended gathering or certain other events which an officer or employee attends in his official capacity.

Every BLET officer and employee will be provided with a copy of this Code and will be expected to comply with it in every respect.

BY DIRECTION OF THE ADVISORY BOARD.

**PROTOCOL FOR DESIGNATION OF
AND RULES OF CONDUCT FOR
Designated Legal Counsel of
Brotherhood of Locomotive Engineers and Trainmen**

Preamble

During the 1980s, BLET instituted a program designed to ensure that its members would have available to them competent, principled legal counsel to assist in the handling of their claims for personal injuries incurred during the course of railroad employment. This program was and remains consistent with the Organization's mission to "advance the working conditions, wages, benefits, job security, and quality of life for its present and future members and their families." In order to protect the integrity of the program, the BLET Advisory Board has established criteria for becoming a Designated Legal Counsel ("DLC") and instituted various Rules of Conduct with which DLCs are expected to comport themselves insofar as it relates to their DLC status. The Union considers this expectation particularly appropriate considering the privileged status that DLCs enjoy. Those Rules have been revisited periodically over time. They are safeguards without which the program cannot be successful. This Protocol is the latest embodiment of what it takes to become a DLC and to maintain DLC status.

Eligibility for and Maintenance of DLC Status

In order to be considered for and continue in DLC status, an attorney:

1. Must have an established record of successful litigation experience and must have tried *at least* twelve cases to verdict.
2. Must maintain current malpractice insurance in the amount of at least \$1,000,000 per occurrence.
3. May not hold an elected or appointed position with any labor organization.
4. Must maintain membership in good standing in the bar of any state in which he or she practices law on behalf of BLET members. An attorney will be automatically removed as Designated Legal Counsel if he or she is suspended or disbarred from the practice of law in any state.
5. Must be a member of the Academy of Rail Labor Attorneys (ARLA) for three (3) years preceding an appointment, or if in practice less than three (3) years, for the duration of his or her time in practice.
6. Must be recommended in writing by at least five (5) BLET General Chairmen

and/or State Legislative Chairmen.

Obligations of a DLC

7. A DLC must give injured members free advice in connection with their injury, and render assistance to them in related matters (RUIA, etc.).
8. A DLC may not charge to the injured members he or she represents more than 25% of the gross settlement or award, or 33 1/3% of the net settlement or award. All costs charged an injured member shall be reasonable and incurred as a direct result of representation of the injured member.
9. Upon request, a DLC must provide to a member he or she represents, in written form, a full accounting and breakdown of all expenses incurred, fees charged, or any other expenditures or deductions from the proceeds of the settlement or verdict.
10. A DLC may not refer the case of an injured member to any other attorney for handling, except one designated by the Union; however, DLC may, as needed, designate a local attorney to assist with the handling of a member's case, as long as the DLC retains control of the case and remains fully responsible and accountable to the member.
11. A DLC shall take an active part in matters of concern to railroad employees and the rail industry.
12. A DLC will, at all times, be required to support the legislative programs of the Union as the National President may request.
13. A DLC will make himself or herself available to attend Regional and Division meetings for the purpose of explaining to members their rights under the Federal Employers' Liability Act. All such meetings are to be jointly and equally sponsored by all counsel in attendance.
14. A DLC shall, on request of the Union, assist in underwriting the cost of regional meetings.
15. A DLC shall not interfere with another DLC's representation of a client.
16. A DLC shall fully comply with these Rules of Conduct and cooperate with the BLET's efforts to assure compliance with them.

Prohibited Conduct

17. A DLC is prohibited from engaging, either directly or indirectly, in Union politics at any level of the BLET.¹ This prohibition is all-encompassing. Counsel shall not contribute financially to a campaign, promote or otherwise seek support for or against a candidate, nor in any way attempt to influence any Union election or vote on any Union issue. Counsel will be removed as a DLC if he or she is found to have violated this Rule in the manner provided in BLET's internal procedures for removing DLCs.
18. A DLC must notify any BLET officer or employee at any level of the Union of the value of any permissible gratuity, payment or gift of any more than *de minimis* value.²
19. A DLC is strictly forbidden from offering or giving any gratuity, payment or gift to any BLET member, Officer, or employee, at any level of the Union for the purpose of obtaining representation of an injured member. Counsel is strictly prohibited from sharing any portion of a fee earned with any BLET member, Officer or employee, at any level of the Union.
20. A DLC shall not in any way disparage, harass, threaten, or otherwise intimidate any BLET member, officer, or employee, at any level of the Union. Counsel will be removed as a DLC if he or she is found to have violated this Rule in the manner provided in BLET's internal procedures for removing DLCs.
21. Neither a DLC nor an individual seeking DLC designation may directly or indirectly sponsor a function that competes with a function sponsored by DLC(s). An individual seeking DLC designation may not appear at a function sponsored by DLC(s). Such conduct will result in he or she and his or her firm forfeiting the right to continue, or to be considered, as a

¹ For purposes of these Rules, "any level of the BLET" or the Union includes the National Division, the General Committees of Adjustment, the Local Divisions, and the National and State Legislative Boards.

² "*De minimis*" means not valued at more than \$250 in the aggregate during any calendar year. "Gratuity, payment or gift" includes both money, tangible items, and services of any kind. It does not include food, refreshments and promotional materials provided at a conference or widely attended gathering which BLET officers and employees attend in their official capacities or which the Union has requested that a DLC(s) sponsors.

BLET DLC, as the case may be.

Miscellaneous

22. The Designated Legal Counsel program is designed so that only an *individual attorney* is designated and not a law firm. However, it is recognized that members of a DLC's law firm may perform legal work on behalf of BLET members. It is recognized that upon the death or retirement of a DLC, numerous legal matters in progress may exist within a DLC's firm. For this reason, great weight should be given to the speedy appointment of new DLC upon the recommendation of the retiring DLC.
23. A DLC who has more than one office within the same metropolitan area as his or her primary office may have both offices listed in the Locomotive Engineers & Trainmen News and on the BLET website within that metropolitan area regardless of the staffing at such offices. Outside the metropolitan area of their primary office, in order for designated attorneys to have additional listings, each such office must be staffed by at least one full-time attorney located at that office and by at least one full-time additional employee located at that office. Failure to have such employees located full time at such offices outside the metropolitan area of the attorney's primary office shall result in removal of the attorney's listing for any such location. For any listing, only the name of the DLC Counsel shall be used.
24. A DLC will not be permitted to test or screen for any occupational injury any member of the BLET unless the General Chairman for those members gives written approval to the DLC prior to any testing.
25. Every DLC shall submit annually a report on a form provided by the BLET. Such reports shall be available at any time for review by any member of the Advisory Board.
26. Every DLC will be provided with a copy of this Protocol and Rules of Conduct and affirm in writing that he or she has read and will comply with them in every respect.

ADOPTED by the BLET Advisory Board on December 17, 2009, revised January 8, 2010.

**PROCEDURES FOR ADDING OR REMOVING DESIGNATED LEGAL COUNSEL
BROTHERHOOD OF LOCOMOTIVE ENGINEERS AND TRAINMEN**

[as revised and adopted by the BLET Advisory Board, December 17, 2009]

1. There will be a maximum of 35 Designated Legal Counsel (DLC) until such time as the union's active membership reaches 40,000. Thereafter, the Advisory Board is authorized to add additional DLC at the rate of one per 1,000 additional members.

2. A request to be considered for DLC designation must be supported by written letters of recommendation from five(5) or more General Chairmen and/or State Legislative Board Chairmen. Such letters must be sent to the Advisory Board, c/o the National President.

3. Once five letters of recommendation are received in the office of the National President, a letter will be sent to the DLC candidate advising the candidate that he/she must stipulate to the National President, in writing, that he/she meets all of the requirements and qualifications contained within the Protocol for Designation of Rules of Conduct for DLC. A copy of the Protocol and Rules of Conduct will be enclosed with the letter.

4. Once the candidate has stipulated in writing to the National President that he/she meets all of the requirements and qualifications for DLC, the National President will provide each member of the Advisory Board the entire file on the candidate.

5. If the DLC list has not reached the maximum, the matter of adding the candidate to the list will be discussed at the next Advisory Board meeting. A motion to add a candidate to the DLC list will require a vote of 2/3 of the Advisory Board to pass.

6. The newly added DLC will then be sent an affidavit to swear or affirm that he/she meets all the conditions and requirements of DLC. When such an affidavit is received by the National President, a copy will be sent to each Advisory Board member and the DLC will be added to the list.

7. A standing committee will be elected by the Advisory Board from its members who will investigate any complaint that any DLC has violated the Rules of Conduct. The names of the Advisory Board members serving on the Committee shall be published to the members and the DLCs. The committee will recommend if any disciplinary action should be taken against the DLC, up to and including removal from the list. If action is recommended, and a motion is made and seconded, the Advisory Board will act upon the recommendation of the committee. A majority vote is required for action to be taken.

8. If any BLET member or DLC believes that a DLC has violated any of the Rules of Conduct, that member or DLC will so advise the standing committee, which will investigate the matter and report its findings and recommendation(s) to the full Advisory Board. If action is recommended, and a motion is made and seconded, the Advisory Board will act upon the recommendation of the committee. A majority vote is required for action to be taken.