

New Jersey Court of Errors and Appeals

Between

BEN SCHWEITZER, HENRY WAX-
MAN, HENRY LANGER, SAM PAS-
KIN, MOSES SILBERMAN, ABRAM
FOX and MAX SILBERSTEIN (ori-
ginally joined as complainants
with the United Garment Work-
ers of America),

Complainants-Appellants,
and

PHILIP SCHNEIDER, MORRIS SILBER-
STEIN, MORRIS PROZANSKY, HAR-
RIS HIRSHKOWITZ, LOUIS RAVAIL,
ABRAHAM BLANK, JOSEPH SEN-
DEROWITCH and UNION TRUST
COMPANY OF NEW JERSEY,

Defendants-Respondents.

No. 27

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Cause
No. 2.

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Between

JACOB ITZKOWITZ, JACOB GREEN-
GRAS, ISAAC MADANSKY, HYMAN
MILLER, ISADOR ALTUS, BARNET
REIBSTEIN and ABRAHAM KAP-
LAN, (originally joined as com-
plainants with the United Gar-
ment Workers of America),

Complainants-Appellants,
and

HYMAN DIRECTOR, DAVID GOLD-
STEIN, SAM SCHEPPS, ABRAHAM
SCHWARTZ, ISAAC LEVINSON and
JOSEPH FINKELSTEIN & UNION
TRUST COMPANY OF NEW JER-
SEY,

Defendants-Respondents.

No. 26

Cause
No. 1.

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POINT I.**Statement of the Case.**

Both of the above entitled causes were brought to recover funds deposited by the defendants in the Union Trust Company of New Jersey. Previous to the commencement of these suits, the organization known as Pressers' Branch, Local Union No. 3 United Garment Workers of America, (hereinafter designated Local Union No. 3) which was a voluntary unincorporated association consisting of more than seven members and of which the defendants named in Cause No. 1 were the officers and trustees, was affiliated with the United Garment Workers of America, a voluntary unincorporated association and labor union of employees in the clothing manufacturing industry. Said Local Union No. 3 became affiliated with the United Garment Workers of America on or about August twenty-third, Nineteen Hundred and Nine and received a charter therefrom. Likewise the organization known as the Basters' & Tailors Branch, Local Union No. 2, (hereinafter designated Local Union No. 2) which was also a voluntary unincorporated association consisting of more than seven members and of which the defendants named in Cause No. 2 were the officers and trustees, was affiliated with the United Garment Workers of America and had received its charter on June eighth, Nineteen Hundred and Twelve.

The United Garment Workers of America have a Constitution and By-Laws which describe the nature of the organization, and its relation to the various local unions, and sets forth the organic plan and scheme of the organization, together with the manner in which the purposes and objects of the organization are to be carried out by

the local unions. The Constitution also provides for the manner in which funds are to be raised by the various local unions under the direction of the United Garment Workers of America and in accordance with its plan and purposes. The Constitution also provides for the establishment of a sick benefit fund.

On October twelfth, Nineteen Hundred and Fourteen, the bi-ennial convention for the election of officers of the United Garment Workers of America was held and each of the local unions whose officers are defendants in these suits, sent delegates. At this convention a dispute arose among the delegates, and a number of them left the convention hall. The next day, the delegates who had left the convention met in another part of the City and attempted to hold another convention. The original convention re-elected all the officers of the United Garment Workers of America, and among them Thomas A. Rickert, as its General President. The delegates who left the convention elected their own set of officers headed by Sidney Hillman as General President.

The majority of the members attending the meetings of the two local unions, interested in the present suits, recognized the election of the general officers headed by Sidney Hillman. On December twenty-sixth, Nineteen Hundred and Fourteen, the delegates from these two unions together with other delegates from other local unions held a convention in the City of New York. This convention decided to consolidate with the Journeymen Tailors Union of America and to adopt the name "Amalgamated Clothing Workers of America." The complainants herein remained loyal to the organization of the United Garment Workers of America of which Thomas A. Rickert was elected the General President, and refused to recognize the organization headed by Sidney Hillman which subsequently consolidated with the Journeymen Tailors Union of America.

After the New York convention, the association of which the defendants in Cause No. 1 are officers and trustees, held a meeting on January sixth, Nineteen Hundred and Fifteen, at which about four hundred members attended out of a total membership of twenty-five hundred, and the association of which the defendants named in Cause No. 2 are officers and trustees, held a meeting on January sixteenth, Nineteen Hundred and

10 Fifteen, at which about seven hundred members attended out of a total membership of three thousand, and at each of the said meetings the members of the respective local unions in attendance thereat ratified the action of the convention held on December twenty-sixth, Nineteen Hundred and Fourteen, and voted to adopt the name and affiliate with "Amalgamated Clothing Workers of America." At each of the said meetings, there were delivered to the secretaries of the respective

20 local unions, communications signed by several members of each of said local unions, setting forth their objection to the action proposed to be taken at said meeting and notifying the officers and members who attended said meetings that they objected to the withdrawal of the local union from the United Garment Workers of America or to its dissolution.

The funds in question were withdrawn from their usual depository in New York by the de-

30 fendants who represent the groups of persons who voted to discontinue their affiliation with the United Garment Workers of America and to affiliate themselves with the Amalgamated Clothing Workers of America, and were deposited by them in the Union Trust Company of New Jersey. The complainants brought a bill praying an injunction against the removal of said deposits and asking that the said funds be declared to be the property of the complainants who constitute the

40 respective local unions.

The Vice Chancellor was of the opinion that the relief prayed for should be denied.

POINT II.**Specification of Error.****A.**

The Court erred in holding that the complainants seceded from their respective Local Unions.

B.

The Court erred in basing its decision on the ground that the complainants were in the minority and the defendants were in the majority. 10

C.

The Court erred in refusing to hold that the funds in question were trust funds to be administered in accordance with the constitution and By-Laws of The United Garment Workers of America which a majority of the members of the Local Unions could not divert for purposes other than those expressed in the constitution and By-Laws. 20

D.

The Court erred in holding that the case of State Council vs. Enterprise Council, 75 N. J. Eq., 245, is applicable to the facts in the cases at bar.

POINT III.**Argument.****A.**

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The Court erred in holding that the complainants seceded from their respective Local Unions.

In the Vice Chancellor's opinion (State of Case, page 153), he states that the organization headed by Sidney Hillman, as General President, consolidated with the Amalgamated Clothing Workers of America. Despite this fact, however, he ruled, (on page 154), that the complainants who remained loyal to the United Garment Workers 40

of America, the body headed by Thomas A. Rickert, seceded from the respective local unions of whom the defendants in these actions are officers and trustees. He also stated, as a basis of his opinion for concluding that the complainants were seceders, the fact that there is nothing in the record to show that any of the subscribers of the communication which objected to the change in the affiliation attempted to vote in opposition
 10 to the resolution adopted.

The facts and law, as reviewed under the various divisions below, we think, show that the conclusion of the Vice Chancellor was erroneous.

1. The convention called at the Capitol, Nashville, Tennessee, was the convention of the United Garment Workers of America and its acts were binding upon all the local unions associated with it.

20 A brief survey of the facts shows that the members of Local Unions Nos. 2 and 3, in the applications made to the United Garment Workers of America for charters, pledged themselves "to be governed by the constitution, rules and usages of the United Garment Workers of America, with the reserved right to preserve the autonomy or self-government of our own organization." (State of Case, page 127). The charter which
 30 was issued to each of these local unions was issued to it as a local union of the United Garment Workers of America.

"for the purpose of effecting a thorough organization of the trade. And the said union being duly formed is hereby authorized and empowered to initiate into the said local union any person or persons duly proposed and elected according to the Constitution adopted by the United Garment Workers of America, and to enact By-Laws for the government of the same as a Local Union. Provided, that the said local union do conform to
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the constitution, laws, rules and regulations of this the United Garment Workers of America." (State of Case, page 129).

In the action of *Itzkowitz v. Director* the charter was issued by the United Garment Workers of America to Local Union No. 2 on June 8th, 1912, and in the action of *Schweitzer v. Schneider* the charter was issued to Local Union No. 3, on August 23rd, 1909. There is no claim that either of these charters has been cancelled or surrendered. 10

It is admitted by the statements of facts that both the complainants and the defendants in both actions were members of their respective local unions at the time of the respective January (1915) meetings. (State of Case, pages 84, 85 and 93).

The Constitution and By-Laws of the United Garment Workers of America, the applications for charters by the respective local unions, and the charters themselves evidence the terms of the contract between the United Garment Workers of America and the various local unions. 20

Grand Court v. Court Cavour, 82 N. J. Eq. 89;

State Council v. Enterprise Council, 75 N. J. Eq., 245;

Hyde v. Woods, 94 U. S., 523;

Story's Eq., Jur., 1243, 1535, 1256;

Livingston v. Lynch, 4 Johns, Ch. (N. Y.) 594. 30

It was proved that the United Garment Workers of America was in existence until at least the twelfth day of October, Nineteen Hundred and Fourteen, and it was shown by the testimony of the witness, Larger, that the persons who were the general officers of the United Garment Workers of America on October twelfth, Nineteen Hundred and Fourteen, were all re-elected to hold 40

their several officers at the bi-ennial convention of the United Garment Workers of America which opened at the Capitol in Nashville, Tennessee, on October twelfth, Nineteen Hundred and Fourteen (State of Case, pages 113, 114).

No complaint is made by the defendants in the statement of facts that the convention which opened at the Capitol in Nashville was irregular. The fact that some of the delegates chose to withdraw
 10 from it and hold a convention of their own, did not divest the original convention of any of its powers and in no manner diminished its regularity. The proceedings of the regular convention, therefore, were binding upon all the local unions and members of the United Garment Workers of America.

**2. The convention held at Duncan Hotel was unauthorized by the Constitution and By-laws of the
 20 United Garment Workers of America and not binding upon any of the local unions of the United Garment Workers of America.**

No claim is made by the defendants either in the statement of facts or by any proof that the persons who were accredited as delegates from their several local unions to the convention which opened at the Capitol in Nashville on October twelfth, Nineteen Hundred and Fourteen, were
 30 entitled to be seated as delegates in the convention, or that when they left the convention hall at the Capitol and proceeded to the Duncan Hotel, they had any power to bind by their action the 278 local unions which composed the United Garment Workers of America.

Section 12 of Article III of the Constitution provides that a quorum for the transaction of business at the convention shall consist of two-thirds of the delegates attending the convention. This
 40 means two-thirds of the delegates who are entitled

to participate in the convention. There is no proof that those who participated in the Duncan Hotel gathering constituted two-thirds of the delegates who attended the convention at the Capitol.

There is no dispute that the convention which opened on October twelfth, at the Capitol in Nashville and which was presided over by Thomas A. Rickert was the bi-ennial convention of the United Garment Workers of America which had been called for that place and date in accordance with the constitution. There is no claim that the convention was called to be held at the Duncan Hotel, nor is there any claim that any delegates from any local union of the United Garment Workers of America were accredited to any convention which was to be held at Duncan Hotel. Nothing has been adduced by the defendants to show the authority of the persons who held a so-called convention at Duncan Hotel to transact any business which was binding upon the local unions and membership of the United Garment Workers of America. The only reason for the Duncan Hotel gathering is contained in the following sentence in the statements of facts:

“That shortly after the opening thereof (the convention at the Capitol) a dispute arose among the delegates thereto and a number of the delegates, including the delegates from Local Union No. 2 (and Local Union No. 3) attempted to continue the convention at Duncan Hotel.”

So that, the statement that the Duncan Hotel gathering elected Sidney Hillman and others as the general officers of the United Garment Workers of America is a statement of a proceeding for which no authority can be found either in the constitution of the United Garment Workers of America or in law.

3. The action of certain members of local unions, of which the defendants are officers, in recognizing the organization headed by Sidney Hillman, constituted a change in affiliation and was equivalent to a secession from Local Unions Nos. 2 and 3.

It is the contention of the appellants that the delegates who left the hall on October twelfth, Nineteen Hundred and Fourteen, had no authority to continue the convention at some other place, or to hold any convention that would bind the local unions of the United Garment Workers of America. The action of the groups of members of which the defendants in these causes are officers and trustees, in recognizing the spurious organization headed by Sidney Hillman as General President, was therefore an act not authorized by the Constitution and By-Laws of the United Garment Workers of America, and must be considered entirely outside of the scope and scheme of and in opposition to the organization of the United Garment Workers of America. Subsequently, the acts of the defendants in holding a convention in New York City with representatives of other seceding groups were also in defiance of the Constitution and By-Laws of the United Garment Workers of America. At this convention those who participated therein recognized the group of officers and general executive committee headed by Sidney Hillman as General President, and resolved to consolidate the groups represented by them with the Journeymen Tailors Union of America, another National Union of employees in the clothing manufacturing industry. The consolidated organization was, therefore, if anything, a new organization, inasmuch as no consolidation is authorized by the Constitution and By-Laws of the United Garment Workers of America.

- Lady Lincoln Lodge v. Faist*, 52 N. J. Eq., 511;
Abels v. McKeon, 18 N. J. Eq., 462, 464;
Hill v. Aarre, 200 Mass., 438, 86 N. E., 924;
 5 C. J., 1338;
Grand Lodge v. Watkins, 175 Pa. St., 241; 34 Atl. R., 602.

Inasmuch as the acts of certain groups of members of the local unions at this convention in consolidating with another organization amounted to a formation of a new organization, the subsequent acts of the local unions in recognizing this association, must also be considered the acts of bodies other than those of local unions chartered by the United Garment Workers of America. The facts show that subsequent to the convention held in New York City, Local Union No. 3 called a meeting at which about four hundred members out of the total membership of twenty-five hundred voted to accept the report of the delegates who attended the December convention of the groups headed by Sidney Hillman as General President and also voted in favor of calling the organization "Amalgamated Clothing Workers of America." (State of Case, pages 88 and 89). At this meeting, the objection of the complainants to the change in the affiliation was presented to the Secretary of said Local Union No. 3; (a copy of the communication is on pages 124 and 125 of the State of Case, and designated Exhibits S-4½ and S-5). It is admitted that the individuals whose names are subscribed to the said communication were then members of said Local Union No. 3 and that they, together with other members of said local union who opposed the change in the organization and affiliation considered themselves Local Union No. 3, are about eighty in number. (State of Case, page 89) Local Union No. 2 also held a meeting sub-

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sequent to the December convention of the organization headed by Sidney Hillman, which meeting was held on the sixteenth day of January, Nineteen Hundred and Fifteen, and was attended by about seven hundred members out of the total membership of three thousand. At this meeting the following motion was passed:

10 “Whereas we are now affiliated with the Garment Workers, that we shall hereafter be affiliated with the Amalgamated Clothing Workers of America.

“Brother Morris Rappaport seconded that motion and the chairman has taken that motion to a vote, and the motion was unanimously accepted.

“The Chairman called upon the members three times, urging those who desired to be affiliated with the United Garment Workers to rise but not a single member rose.”

(State of Case, pages 99 and 100.)

20 At this meeting, the written objection of the complainants to the change in the affiliation and organization was read (State of Case, page 100.) These communications are designated Exhibits S-3 and S-4, and are printed on pages 121 and 122 of the State of Case. It is also admitted that the complainants together with other members of said local union, in all numbering about one hundred and twenty-five, have ever since said meeting considered themselves Local Union No. 2, and have attempted to continue to conduct the business and affairs of Local Union No. 2 (State of Case, page 100).

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The act of an association in consolidating with another or changing its affiliation, is an act which changes the nature of that association.

Schubert Lodge v. Schubert Verein, 56 N. J. Eq., 78;

Hill v. Rauhan Aarre, 200 Mass., 438, 86 N. E., 924;

40 5 C. J., 1338.

No act changing the nature of an unincorporated association can be taken without the unanimous consent of the members of the association at a meeting especially called for that purpose.

Schubert Lodge v. Schubert Verein, 56
N. J. Eq., 78;

Altman v. Benz, 27 N. E. Eq., 331;

Abels v. McKeon, 18 N. J. Eq., 462;

5 C. J., 1337;

Spiritual, etc., Temple v. Vincent, 127 10
Wis., 93, 105 N. W., 1028.

Grand Lodge v. Watkins, 175 Pa. St.,
241, 34 Atl. R., 602.

25 Am. & Eng. Enc. of Law (2nd Ed.)
1141.

There can be no doubt that the fact that after the creation of the Amalgamated Clothing Workers of America, certain of the members of Local Unions Nos. 2 and 3, who are represented by the defendants in these actions, voted to affiliate their local unions with the Amalgamated Clothing Workers of America is evidence that they intended to and did thereby forsake the United Garment Workers of America. The statement of facts recites that since such vote, the local unions as represented by the defendants in these actions have been affiliated with the Amalgamated Clothing Workers of America "being the organization resulting from the consolidation of the faction of the United Garment Workers of America, represented by the group of general officers and general executive board headed by Sidney Hillman as General President, and the Journeymen Tailors Union of America." (State of case, pages 90, 101.) 20
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On page 154, the Vice Chancellor also stated as a basis for his opinion that the complainants were the seceders, the fact that there is nothing in the record to show that any of the subscribers of the communication which objected to the change in the 40

affiliation attempted to vote in opposition to the resolution adopted. The Vice Chancellor, however, has overlooked the fact that there is nothing to show that the meeting at which the resolution was adopted was one that was regularly called for the express purpose of voting on a change in the organization. There is nothing in the evidence showing that the meeting was regularly called or that notices were sent to all the members, or that

10 the meeting was called for the express purpose of voting upon the proposed change in the nature of the organization. In the absence of such evidence, therefore the action taken by the defendants at said meetings was not binding upon the members of Local Unions Nos. 2 and 3.

5 C. J., 1346 :

20 *"All the members of an association must be notified of the time and place of a special meeting and of the particular purpose for which it is called, especially when business of an unusual character is to be transacted; and no business can be transacted that is not specified in the notice unless all the members are present and give their consent, whether or not the laws of the association prescribe such notice."*

Kuhl v. Meyer, 42 Mo. App., 474.

(Cases cited in 5 C. J. page 1346, Notes 57, 58, 59, 60, 61 and 62.)

30 Moreover, as already pointed out, the unanimous consent of the members of an unincorporated association is required before any change in the nature of the organization can take place and a mere majority of the members cannot change the purposes or objects of the association against the wishes of the minority where the minority consists of a sufficient number to constitute the association.

40 *Zabriskie v. Hackensack*, 18 N. J. Eq., 178;

- Abels vs. McKeon*, 18 N. J. Eq. 462, 464;
Schubert Lodge v. Schubert Verein, 56 N. J. Eq. 78;
McFadden v. Murphy, 149 Mass. 341;
Industrial Trust Co. v. Green, 23 At. 914;
 19 L. R. A. 202;
Gorman v. O'Connor, 155 Pa. St. 293;
Marston v. Durgin, 54 N. H., 347;
Grand Lodge v. Watkins, 175 Pa. St. 241;
 24 Atl. R., 602. 10

Only 400 members out of a total membership of 2500 members of Local Union No. 3 attended the meeting and voted for the change in affiliation. At this meeting the communications of the complainants objecting to the change was read. (State of case, page 89). In the case of Local Union No. 2, seven hundred members out of the total membership of three thousand of said Local Union No. 2 attended. At this meeting the objection of the complainants in Cause No. 2 to the consolidation and change of affiliation was read. (State of Case, pages 99 and 100.) 20

As pointed out above, the acts of the defendants and their associates were not within the contemplated scope and plan of the respective local unions. Section 4, Article XV of the Constitution of the United Garment Workers provides, that no member of the United Garment Workers of America can be a member of more than one local union at the same time, or of any other organization of the trade, under penalty of fine or expulsion. If anything were wanting to show that the defendants and their associates intended to secede from the United Garment Workers of America, the omission is supplied by the extract from the minutes of Local Union No. 2, (appearing on pages 99 and 100, of the State of Case): 30

"Whereas we are now affiliated with the 40

United Garment Workers of America, that we shall hereafter be affiliated with the Amalgamated Clothing Workers of America.

"Brother Morris Rappaport seconded that motion and the chairman has taken that motion to a vote, and the motion was unanimously accepted.

10 "The chairman called upon the members three times, urging those who desired to be affiliated with the United Garment Workers to rise, but not a single member rose." (State of Case, pages 99 and 100.)

The acts of those who voted in favor of the change of affiliation constitute the acts of persons acting only as individuals. Their vote had no binding effect upon those members who were opposed to the change of affiliation or upon the members who were absent and did not vote. The language of their resolution and their persistency in associating with these spurious organizations must be
20 taken as an indication of their intention to transfer themselves to the new organization and to secede from the original local unions.

In this connection, it is extremely significant that although "most of the members thereof were residents of the City and State of New York and the business of said Local Union was confined to the City of New York," (State of case, pages 82, 83, and page 93) the funds should be transferred from the usual New York depositaries to the New
30 Jersey bank, and that in the case of Local Union No. 3 this money should be withdrawn from the New York bank on October 16, 1914, (State of case, pages 86; 87) three days after the dispute in the Convention at Nashville, and that in the case of Local Union No. 2, authority for the withdrawal of the deposit in New York banks, should be given on October 13th, 1914, the day of the dispute at the Nashville Convention (State of case, page 97), and that on the following day, October
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14th, the money withdrawn from the New York banks should be deposited in the same New Jersey bank (State of case, page 98). The only inference to be drawn from these proceedings is that the defendants and those associated with them had expected the dispute to arise in October and were even then preparing for the day when loyal members of the United Garment Workers of America would resist any withdrawal from the latter organization. The defendants, in Cause No. 2 will probably point with a show of virtue to the resolution of October 13, 1914, (State of case, page 97) which assigns as the reason for withdrawing the money from the New York depositaries, the requirement for sixty (60) days notice of withdrawal. But the virtue in this conduct disappears and the trickery of it manifests itself when it is remembered that the date of the dispute in Nashville and the date of this meeting are the same, and that the members of the Union are not advised by the resolution that the money is to be taken out of the City and State of New York and deposited in the State of New Jersey.

4. The action of the defendants and their associates in recognizing the organization of Sidney Hillman, and changing their affiliation from the United Garment Workers of America to the Amalgamated Clothing Workers of America, did not affect the property rights of the complainants who perpetuated Local Unions Nos. 2 and 3 of the United Garment Workers of America.

In a recent work, 5 C. J. 1338, appears the following statement of law:

“The amalgamation or consolidation of an association with another similar organization amounts practically to a disbandment and dissolution of the association. But a transfer of the members and property of the association to another similar organization to the

extinguishment of the former, cannot be affected by the vote of a mere majority, especially where a quorum of the association seeks to maintain its existence."

The acts of the persons represented by the defendants in these suits were not binding upon the complainants and did not extinguish their property rights. The transfer of funds to an organization independent of and unaffiliated with the body under
 10 whose supervision and direction the funds were raised, is a breach of contract, and such an act against the express desire of the minority, no matter how small this minority, is an attempt to take property of the minority without legal sanction or justification.

In *Abels vs. McKeon*, 18 N. J. Eq. 462, 464, the court expressed the rule of law in the following manner:

20 "The fund from the manner of its being raised and the organization of the association previous to its being raised, I think, was intended to be placed in the control of the association for the purposes for which it was raised. That association, being without constitution or by-laws, from the necessity of the case must be held to have power to act at any regular meeting, by the voice of a majority of the members present. If, at such meeting the fund had been disposed of for any purpose
 30 *within the object for which it was raised*, although it was by a bare majority of a meeting of a minority of the members, it would be binding on all members.

"That vote must be for some purpose for which the money was subscribed or contributed. That purpose was to free the north ward from draft, and the money of no contributor could be used for any other purpose without his consent. A majority could not devote the money of the minority to establish a city dispensary any more than they could have appropriated it to enlist men for the confederate army.
 40 *Ninety-nine out of a hundred could not so apply the funds of the remaining one.*"

5. The complainants, who maintained their affiliation with the United Garment Workers of America, are entitled to the funds.

The evidence shows that the complainants recognized the organization headed by Thomas A. Rickert. (State of Case, pages 85 and 95). As pointed out above, the election of Thomas A. Rickert took place at the bi-ennial convention which was held at the Capitol, Nashville, Tennessee. This was the only convention authorized by the Constitution and By-laws of the United Garment Workers of America, for, certainly, the Constitution and By-laws did not provide for the holding of two conventions, each in opposition to the other. In the absence of any evidence to the contrary, the convention which met at the place at which it was called, and which was in the first instance attended by all the delegates of the local unions, must be considered the convention of the United Garment Workers of America, despite the fact that delegates representing some of the local unions chose to withdraw and refused to recognize that convention.

5 C. J. 1346 notes 57-62.

Moreover, the complainants are sufficient in number to perpetuate their respective unions as provided in the Constitution and By-laws of the United Garment Workers of America.

Article XII, Section 2 of the Constitution, provides:

“A local union shall not withdraw from the United Garment Workers of America or dissolve so long as seven members at a special meeting called for that purpose object, and are willing to—retain the charter, and three months notice to the General Secretary shall be required.”

The complainants and their associates in Cause 40

No. 1 are about eighty in number (State of case, page 89). The complainants and their associates in Cause No. 2 number about one hundred and twenty-five.

Additional evidence of the fact that the organization headed by Thomas A. Rickert, as President, is the United Garment Workers of America, is contained in the judgment record in the case of Thomas A. Rickert, as President of the *United*
 10 *Garment Workers of America, vs. Sidney Hillman, et als.* The complainant in that suit sought to restrain the defendants from counterfeiting and using certain labels, stamps and seals of the United Garment Workers of America, and circulating literature holding themselves out to be the United Garment Workers of America. On December 22, 1915 the Supreme Court of New York granted to the complainant the relief prayed
 20 for and issued a permanent injunction against the defendants (See State of Case, Exhibit C-3 pages 132 to 148.)

The complainants in the cases at bar, as pointed out above having continued their affiliation with the organization headed by Thomas A. Rickert, and the defendants and their associates having affiliated themselves with the organization headed by Sidney Hillman after the judgment of the New York Supreme Court recognizing Thomas A. Rickert
 30 as the President of the United Garment Workers of America, it follows that the complainants here should be considered to be the respective local unions Nos. 2 and 3, and being sufficient in number to maintain and constitute their respective local unions, are entitled to the funds contributed by them and raised for their benefit.

State Council vs. Enterprise Council, 75
 N. J. Eq. 245;

Altman vs. Benz, 27 N. J. Eq. 331.

Schubert Lodge vs. Schubert Verein, 56
 N. J. Eq. 78;
Hill vs. Rauhan Aarre, 200 Mass., 438;
 5 C. J. 1338;
McFadden vs. Murphy, 149 Mass. 341;
Hendrickson vs. Shotwell, Saxton 577;
Schubert Lodge vs. Schubert Verein:

“Each member of the Lodge was interested
 in those funds, and none of the funds could
 be diverted from the purposes to which they
 were devoted without the consent of every
 individual member. Such consent was not had.
 And the well settled rule in such cases is that
 the rights of the minority who stand by the
 regular organization and their contract rights
 must be respected.”

It is difficult to see how any association not
 affiliated with the United Garment Workers of
 America can claim the right to those funds. The
 defendants in the agreed state of facts do not
 claim that they are, at the present time, governed
 by the Constitution of the United Garment Work-
 ers of America, or that they have any Constitu-
 tion similar to the Constitution of the United
 Garment Workers of America, or that they have
 any Constitution or By-laws whatsoever. In para-
 graph 17 of each answer herein, the defendants
 claim that the Local Union chartered by the United
 Garment Workers of America was organized and
 created independently of the United Garment
 Workers of America and had property and funds
 prior to its affiliation with the said United Gar-
 ment Workers of America and that (Paragraph
 18) by their voluntary affiliation with the United
 Garment Workers of America they did not aban-
 don their separate existence. But what “separate
 existence” did they have after they became a part
 of the United Garment Workers of America?
 What did they do under such separate existence,

and what relation to the funds in question did that existence have? The answers to the bills of complaint and the statements of facts throw no light upon this separate existence. Did they have any separate constitution and by-laws? If so, where are they and what are their contents?

The fact that each of these local unions was in existence before the issuance of the present charters to them is devoid of any significance.

- 10 Whether they came into the United Garment Workers of America as individuals or as a body, the applications for the charter show them to have pledged themselves "to be governed by the constitution, rules and usages of the United Garment Workers of America," and the charters which they accepted from the United Garment Workers of America contained the clause, "provided that the said Local Union do conform to the constitution, laws, rules and regulations of
20 this the United Garment Workers of America."

There is no proof that either of these local unions had any property or funds prior to its affiliation with the United Garment Workers of America or that any such property or funds are a part of the funds in question in these suits.

- The Standing Rules, appearing on pages 44, 45 and 46 of the Constitution, indicate the intention that only matters relating to the affairs
30 of the local union shall constitute the business to be transacted at the meetings of the local unions.

B.

The Court erred in basing its decision on the ground that the complainants were in the minority and the defendants were in the majority.

- The expression of the Vice Chancellor with reference to the relative rights of the majority
40 and minority appears on page 155. It is our

contention that the determination whether the complainants or the defendants are in the majority is entirely irrelevant and immaterial.

In *Gorman vs. O'Connor*, 155 Pa. St., 239, the Court states:

“It is therefore of no sort of importance what may be the majority in such matters; it cannot weigh a feather in well-known law in affecting the rights of the minority. Before civil authority the question is not which party has the majority, but which is right according to the law by which the party has hitherto consented to be governed.” 10

Likewise in the case of *Schubert Lodge vs. Schubert Verein*, 56 N. J. Eq., 78, which was a case where the majority of the members of a subordinate lodge resolved to rebel, “throw off the yoke of the Grand Lodge, dissolve the Schubert Lodge, as such, and surrender its charter, but not to permit the Grand Lodge to obtain the funds which they had on hand,” the court reasoned as follows: 20

“They were aware that upon the dissolution of the lodge and the surrender of its charter the grand lodge became entitled, by the constitution and laws of the order, to all their property and funds. In that view they formed a society called the Schubert Sick-Benefit Society, and by resolution, made a present of \$800 to that society, which was substantially all of their funds. *The members of the complainant lodge were not unanimous in this action, and a small number (nine) refused to vote for or to approve it. The charter was sent to the grand lodge, but upon investigation the officers of the grand lodge found that there were this number of eight or nine still remaining loyal to the order, and redelivered the charter to them: and the organization under the dominion of the grand lodge has been kept up. This bill was filed to recover the funds. They had been deposited in a savings bank to the credit of* 30 40

three or more of the individual defendants, and were there stayed by the injunction of this court, and the dispute is as to the right to those funds.

10 "Two defenses are set up: First, that the gift was justifiable under the decision in the case of *Lady Lincoln Lodge v. Faist*, 52 N. J. Eq., 510. *But in that case the appropriation called in question was to a new lodge formed of members of the old lodge, and owing and acknowledging allegiance to the supreme lodge, and subject to its constitution and laws.* It was held that the appropriation so made did not have the effect of changing or breaking the trust to which the funds were subject, and besides, the terms of the trust in that case were not so strict and exclusive as in the present case. And it may be remarked that it is manifest that the learned Vice Chancellor felt that in approving the action of the members of the lodge in that case he went to the very
20 verge of safety. Pitney V. C. decreed that the loyal members were entitled to the funds."

It is to be noted that the court held that the distinguishing feature of this case from the Lady Lincoln case, was the fact that here, the funds were not given to an affiliated body, whereas they were in the Lady Lincoln case given to an organization that acknowledged its allegiance to the same parent.

30 At the meeting of Local Union No. 2, on January sixteenth, Nineteen Hundred and Fifteen, about 700 out of a total membership of about 3,000 attended the meeting (Testimony, page 25) and voted on the resolution to affiliate with the Amalgamated Clothing Workers of America; and at least 1,500 members of the local union are associated with the defendant Director et al (Testimony, page 27). And at the meeting of Local Union No. 3 held on January sixth, Nineteen Hundred and Fifteen, about 400 out of
40 a total membership of about 2,500 attended the

meeting (Testimony, page 11) and voted on the resolution to affiliate with the Amalgamated Clothing Workers of America; and at least 1,000 of the members of this local union are associated with the defendants Schneider et al (Testimony, page 13). So that, even if it were important, it appears from the statements of facts that in neither case have the defendants a majority of the members of the local unions as they existed on January sixteenth and January sixth, respectively. 10

In the absence of any intention to dissolve the local union, then, these local unions having come into existence for the purpose of achieving the objects of the United Garment Workers of America and to derive the benefits which affiliation with it in conjunction with the 276 other local unions composing the United Garment Workers of America made possible, and every member in each local union having joined the local union for the purpose of deriving these benefits, the resolution to withdraw the local union's affiliation from the United Garment Workers of America and to affiliate with the Amalgamated Clothing Workers of America, was nothing less than a plan to secede from the United Garment Workers of America, and the favorable vote upon that resolution had no bearing upon the property rights of the members who either by their absence or by their written notice, had not consented to the proposition. The dues paid by the members and which constitutes the funds in question in these suits were paid into the local unions for definite purposes and objects and to obtain the benefits expressed in the Constitution of the United Garment Workers of America, and a majority vote, no matter how overwhelming, could not make a transfer of that fund to another organization. 20 30 40

C.

The Court erred in refusing to hold that the funds in questions were trust funds to be administered in accordance with the constitution and by-laws of the United Garment Workers of America which a majority of the members of the local unions could not divert for purposes other than those expressed in the constitution and by-laws.

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Local Unions Nos. 2 and 3, in the applications made by them to the United Garment Workers of America for charters, were pledged, "individually and collectively to be governed by the Constitution, rules and usages of the United Garment Workers of America, with the reserved right to preserve the autonomy or self-government of our own organization." (See State of case, page 127, Exhibits S-9 and S-10.) The charter issued to

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each of these associations was issued to it as a local union of the United Garment Workers of America "for the purpose of affecting a thorough organization of the trade, and the said union being duly formed, is hereby authorized and empowered to initiate into the said local union any person or persons duly proposed and elected according to the Constitution adopted by the United Garment Workers of America and to enact By-Laws for the government of the same as a local union." (State of case, page 129, Exhibit 11.)

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1. The organic plan and scheme of the United Garment Workers of America, as set forth in its constitution and by-laws, are binding upon the local unions as well as the individuals comprising said unions.

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The provisions set forth under the preceding heading, together with the provisions set forth in the Constitution and By-Laws of the United Garment Workers of America, evidence the con-

tract existing between the individual members of the respective local unions, as well as the contract between the local unions and the United Garment Workers of America.

Grand Court vs. Court Cavour, 82 N. J. Eq., 89;

State Council vs. Enterprise Council, 75 N. J. Eq., 245;

C. J., 1341, 1344;

Spiritual Temple, etc. vs. Vincent, 127 Wis., 93, 105, N. W., 1026. 10

The provisions of the Constitution which particularly describe the organic plan and scheme of the organization of the United Garment Workers of America and its various local unions, are contained in Articles I, III, IV, V, VII, VIII, IX, XI, XII, XIII, XIV, XV, XVIII, XX, and the Standing Rules. In addition to the above provisions, Article XXI provides for the establishment of a sick benefit fund. In particular, Sections 2 to 11 of this Article, prescribe the method and manner of the payment and make the adoption of the plan of the sick benefit system as outlined, obligatory upon all of the local unions. 20

The contract between the members of the local unions, as evidenced by the application for the Charter, the Charter itself, and the Constitution of the United Garment Workers of America, guarantees to every individual member of the local union, the right to have the funds contributed to the local union applied to and used for the purposes expressed in the Constitution. This proposition is amply supported by the following authorities: 30

Abels v. McKeen, 18 N. J. Eq., 462;

Grand Court v. Court Cavour, 82 N. J. Eq., 89;

- State Council v. Enterprise Council*, 75 N. J. Eq., 245;
Schubert Lodge v. Schubert Verein, supra;
Altman vs. Benz, supra;
Lodge v. Brauch, 256 Ill., 185, 99 N. E., 908;
McFadden v. Murphy, 149 Mass., 341;
 10 *Kane v. Shields*, 167 Mass., 392;
Sabourin v. Lippe, 195 Mass., 470;
Barton v. Enterprise Loan Ass'n., 114 Ind., 226;
Gorman v. O'Connor, 155 Pa. St., 239; 26 Atl. R., 379;
Schiller v. Jaennichen, 116 Mich., 129;
O'Neill v. Delaney, N. Y. L. J., Oct. 6th, 1909;
Ostrom v. Greene, 30 App. Div., 621; 161 N. Y., 353;
 20 Vol. 25 Am. & Eng. Ency. of Law (2nd Ed.), p. 1141.

A few of the provisions showing the particular purposes for which the members of the local unions contributed their funds, follows:

30 "ART. VII., Sec. 1. All local unions shall pay to the G. S. (meaning General Secretary) a per capita tax of fifteen (15) cents per month for each member not suspended, three (3) cents of which shall constitute an agitation and organization fund, and shall be used for no other purpose.

"ART. VII., Sec. 3. Every local union shall pay to the G. S. twenty-five (25) cents from the initiation fee of each new member. Organizations joining in a body are exempt from such fee. Such moneys to be used for an organization and label fund.

40 "ART. VII., Sec. 4. The Financial Secretary of a L. U. shall immediately after the first meeting in each month fill out the monthly report issued by the G. S., sign the same, in conjunction with the President

and Recording Secretary, and forward it together with the amount due, to the G. S., keeping a duplicate copy on file.

"ART. XI., Sec. 8: No person shall be entitled to strike benefit unless he or she has been a member in good standing at least three months prior to the day on which the strike is declared, nor shall the members of any L. U. be entitled to strike benefit before the L. U. has been three (3) months connected with the U. G. W. of A. and have paid three months' dues and are in good standing.

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"ART. XXI., Sec. 1. To establish a sick benefit fund, not less than fifteen (15) cents per month of the dues should be set apart for such purpose and added to the local dues. Said fund to be used only in payment of sick benefits."

Sections 2 to 11 of Article XXI. prescribe the method and manner of payment; make the adoption of the plan of the Sick Benefit System as outlined in Article XXI. obligatory upon all local unions; provide further for benefits in other local unions in case of removal, &c., and impress the funds with a certain and definite trust.

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There can be no doubt that the fifteen (15) cents per month, which was paid by each member for the establishment of the sick benefit fund was to be administered in accordance with the provisions of the Constitution of the United Garment Workers of America, for the establishment of the sick benefit system was obligatory and the purpose was definite. Likewise the other provisions, which required the setting aside of particular parts of the monthly dues, show that the funds so set apart were intended to be used only for particular purposes and constitute a fund which the individual members of the local unions, the local unions themselves, and the United Garment Workers of America agreed *inter sese* to administer as a trust.

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Spiritual, etc., Temple v. Vincent, 127 Wis., 93, 105, N. W., 1026, holds, that

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“every participant in a voluntary organization has the absolute right, which the courts will protect, to have its property controlled and administered according to its organic plan and to participate in its affairs in harmony therewith.”

10 The provisions of the Constitution and By-Laws of the United Garment Workers of America prescribe the manner in which the funds of the local unions are to be raised and the purposes to which they are to be applied. The authorities are almost unanimous in holding that funds accumulated in this manner become, as soon as paid in, impressed with a trust and must be enforced as such. The Supreme Court of Washington in the case of *Grand Court v. Hodel*, 75 Wash., 314, 133 Pac., 438, 47 L. R. A. (N. S.), 927, 931, expresses the general rule in the following language:

20 “The principal contention made by the appellants is that a subordinate lodge in an order such as the one under consideration here may secede from the parent organization, if the majority of such lodge wills it, and may take with them the money and property of the subordinate lodge. But such is not the rule. All of the property which this branch of the order, as a fraternal and benevolent organization had gathered together, was trust funds, in the sense that they were collected for particular uses. They were held in trust for the purposes designated by the constitution and laws of the order, and every member of the order has an interest in the fund to the extent of seeing that it is appropriated to the uses for which it was collected. No number of the members of the order less than the whole could therefore divert the funds to other uses than the uses defined in the constitution and laws of the order. The majority of any subordinate court can undoubtedly direct the use of the funds of the order for purposes of the order, and when there are two or more purposes for which the funds can be lawfully used, may select between them, but the majority cannot,

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against the will of the minority, lawfully divert such funds for uses other than those permitted by the constitution and laws of the order. This, as we understand the authorities, is the universal rule. *Smith v. Pedigo*, 145 Ind., 361, 19 L. R. A., 433, 32 L. R. A., 838, 33 N. E., 777, 44 N. E., 363; *Mt. Zion Baptist Church v. Whitmore*, 83 Iowa, 138, 13 L. R. A., 198, 49 N. W., 81; *Ferraria v. Vasconcellos*, 31 Ill., 25; *Stebbins v. Jennings*, 10 Pick., 172; *Nance v. Busby*, 91 Tenn., 303, 15 L. R. A., 801, 18 S. W., 874; *Grand Lodge A. O. U. W. v. Grand Lodge A. O. U. W.*, 81 Conn., 189, 70 Atl., 617; *Grand Lodge, K. P., v. Germania Lodge*, 56 N. J. Eq., 63, 38 Atl., 341; *Schubert Lodge, No. 118, K. P., v. Schubert Kranken Untersturzen Verein*, 56 N. J. Eq., 78, 38 Atl., 347; *Watson v. Jones*, 13 Wall., 679, 20 L. Ed., 666, 2 Beach, Priv. Corp., 908, 910." 10

In our own State, in the case of *Knights of Pythias v. Germania Lodge*, 56 N. J. Eq., 63, Pitney, V. C., on page 73, says: 20

"It is familiar law that funds accumulated as were those here in question become, as soon as paid in, impressed with a trust with all its consequences. In this case, the terms of the trust are found in the constitution of the supreme, grand and subordinate lodges, and the laws of the former and by-laws of the latter. The funds being impressed with such a trust cannot lawfully be diverted therefrom, and all persons aiding and assisting in such diversion are guilty of a breach of trust and liable for the consequences." 30

In *Schubert Lodge v. Schubert Verein*, 56 N. J. Eq., 78, the Vice Chancellor said, on page 80:

"It was not disputed that these funds were the result of the accumulation of dues paid in by members of the order, and that they became at once impressed with a trust, the terms of which are to be found in the constitution, laws and by-laws of the order, and that they cannot be applied to any use except those defined in those instruments." 40

2. Any attempt to use the funds for a purpose not consistent with or wholly outside of the scope and plan of the Constitution and By-Laws, is a diversion of trust property.

The cases supporting this proposition are numerous. In *Hendrickson v. Decow*, 1 N. J. E. (Saxton), page 577, the court held that although the funds of the organization might legally be used for the education of children, this being within the expressed purposes of the organization, nevertheless when those funds were appropriated to the education of children of a religious persuasion other than that of the organization, known as the "Society of Friends," that action was outside of the scope and contemplation of the society and hence constituted a diversion. In *Lady Lincoln Lodge v. Faist*, 52 N. J. Eq., 511, it was held that an appropriation by the old lodge to a new lodge consisting of the same members was legal only because the new lodge was made up of *all* of the members of the old lodge and the new lodge acknowledged allegiance to the same parent organization to which the old lodge owed its allegiance. But, as pointed out by the Vice Chancellor in the case of *Schubert Lodge v. Schubert Verein*, the Court deciding the *Lady Lincoln* case felt that in approving the action of the members of the lodge in that case, it went to the very verge of safety. In other words, we may safely conclude that had the new lodge in the *Lincoln* case disaffirmed allegiance to the same parent body that controlled the old, the act would have been a diversion of trust funds. In a word, the mere change of affiliation is sufficient to constitute a new organization. The attempt of this new organization, therefore, to take and use the money of the local unions would be an unmistakable diversion of trust funds.

3. The complainants are the persons entitled to administer the trust.

It follows that if the funds of the local union constitute a trust which must be administered in accordance with the provisions of the Constitution and By-Laws of the United Garment Workers of America, they should be administered by the local unions remaining affiliated with it, which are represented by the respective complainants in Cause No. 1 and Cause No. 2.

D.

The Court erred in holding that the case of *State Council vs. Enterprise Council*, 75 N. J. Eq., 245, is applicable to the facts in the cases at bar.

The defendant council in the above action remained true to its allegiance to the National Council. The State Council which had severed its relations with the National Council, sought to work a forfeiture of the property of the defendant, the Subordinate Council. These facts are very different from those in the case at bar. Moreover, it must be borne in mind that the complainants in the cases at bar are members of the local union of which they claim the funds. In the case cited by the Vice Chancellor, the action was brought by a separate organization which was never intended to be the *cestui que* trust of the funds contributed, and that separate organization never contributed anything to the fund. In the case at bar, however, the complainants contributed a part of the fund which they are seeking to have administered as a trust and of which they were intended to be the beneficiaries and *cestui que* trust.

The Vice Chancellor stated that the court held in the case of *State Council v. Enterprise Council*, *supra*, that the relations between the National Council, State Council and the Subordinate Councils are purely voluntary and may be severed at any time, the Subordinate Councils having an in-

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dependent existence. This determination only establishes the power of the subordinate organization to contract as a separate entity with the superior organization. But the Court also held that the terms of the contract as found in the Charter, Constitution and Laws of the affiliated organizations were binding upon the parties thereto and governed the disposition of the property and funds of the contracting parties. *State Council v. Enterprise Council* contains nothing but the propositions for which we contend.

For the reasons stated, Appellants respectfully submit that the Vice Chancellor was in error in refusing to grant the relief prayed for by them.

Respectfully,

HUDSPETH & RYSDYK,
Solicitors of Appellants.

R. S. HUDSPETH and
20 NATHAN WAXMAN (of New York Bar),
Of Counsel.

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New Jersey Court of Errors and Appeals
On Appeal from Chancery.

Between

BEN SCHWEITZER, et al.,
Complainants-Appellants,
and

PHILIP SCHNEIDER, et al.,
Defendants-Respondents.

No. 27,
March
Term 1916.

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Between

JACOB ITZKOWITZ, et al.,
Complainants-Appellants,
and

HYMAN DIRECTOR, et al.,
Defendants-Respondents.

No. 26
March
Term 1916.

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BRIEF IN BEHALF OF DEFENDANTS-RESPONDENTS.

The bills in these causes were filed by the complainants to obtain an injunction to restrain the defendants from withdrawing certain funds belonging to Pressers' Branch, Local Union No. 3, and Basters' and Tailors' Branch of United Brotherhood of Tailors, Local Union No. 2, respectively. The said two last named Local Unions were unincorporated associations and the defendants in each case were officers and trustees of said respective organizations. Originally The United Garment Workers of America was a party

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complainant in each cause, but was struck out as such party March 29th, 1915. (State of Case, pp. 29, 68.) Upon the final hearing substantially all of the facts were agreed upon and it was further agreed that the issues herein be broadened, so that instead of seeking an injunction to restrain the defendants from withdrawing the funds from the bank, the actions resolved themselves in each case into two rival claims to

10 the funds on deposit in the bank. In each action the complainants representing an organization, and the defendants representing their organization, each claimed the funds and demanded possession. The causes were heard together before Hon. Vivian M. Lewis, Vice-Chancellor, and decrees made in favor of the defendants awarding to them the possession of the funds in question. From these decrees the complainants have appealed to this Court. The petitions of appeal

20 (pp. 3, 44) allege that the decrees are erroneous but do not state the grounds of appeal.

The Facts.

The facts in these two actions are practically identical; there are differences as to some dates and names but none of importance.

In the first mentioned cause the defendants were officers and trustees of a voluntary unincorporated Association known as Pressers' Branch, Local Union No. 3, a labor union composed of persons employed in the clothing manufacturing industry in the City of New York. (p. 82.) In the second cause the defendants were similarly officers and trustees of a voluntary unincorporated association known as Basters' and Tailors' Branch of United Brotherhood of Tailors, Local Union No. 2, likewise a labor union composed of persons employed in the clothing manufacturing industry in the City of New

30 York, (pp. 92, 93) and each of said associations

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or labor unions was for a time affiliated with The United Garment Workers of America, (pp. 84 & 94) which was also a voluntary unincorporated association and an international labor union of employees in the clothing manufacturing industry and had affiliated with it a large number of local labor unions in the United States and Canada. (pp. 83 & 93.) The aforesaid two associations or local unions of which the defendants in these two actions were respectively officers and trustees, were organized prior to the organization of said The United Garment Workers of America (pp. 82 & 92.) The said two associations or local unions each collected from each of its members the sum of sixty cents (60¢) dues per month together with initiation fees, assessments levied and fines imposed by it, and out of the funds so accumulated each of said local unions paid to The United Garment Workers of America, the international union, initiation fees and per capita tax and the balance of said funds after the payment of the expenses of the respective local unions in question, were deposited by said local unions in various banks, and the monies for the recovery of which these actions are brought constitute such funds of said respective local unions accumulated in such manner (pp. 86, 87 & 96, 97, 98).

The above mentioned The United Garment Workers of America, had a constitution and by-laws which were offered in evidence in this action (pp. 84 & 94). This constitution provided for the holding of bi-ennial conventions for the election of officers and pursuant thereto a convention was called for October 12, 1914, at Nashville, Tennessee. (pp. 84 & 94.) Each of the local unions of which the defendants in these two actions were respectively officers and trustees sent delegates to this convention. (pp. 85 & 95.) At said convention a dispute arose between the delegates and the convention split into two

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separate conventions each of which elected a full set of general officers, one set of officers being headed by Sidney Hillman as General President, and the other by Thomas A. Rickert as General President. (pp. 85, 86 & 95, 96.) The delegates representing the above named two local unions joined in and recognized the election of the general officers headed by Sidney Hillman as General President, (pp. 86 & 96) and said two

10 local unions by a majority of the members who attended their meetings recognized said group of officers. (pp. 88 & 98, 99.) Thereafter and on or about December 26th, 1914, another convention was held in the City of New York by the various local unions which had recognized the group of officers headed by Sidney Hillman as General President, in conjunction with another national labor union known as Journeyman Tailors' Union of America, and the two local

20 unions involved in these actions sent delegates to said convention. (pp. 88 & 99.) This convention decided to consolidate with said Journeyman Tailors' Union of America and to adopt the name "Amalgamated Clothing Workers of America" for the said consolidated organization. (pp. 88 & 99.) After said last mentioned convention the association of which the defendants in the first action are officers and trustees held a meeting on January 6th, 1915, at which about

30 four hundred (400) members attended out of a total membership of twenty-five hundred (2500) (pp. 88, 89) and the association of which the defendants in the second action are officers and trustees, held a meeting on January 16th, 1915, at which about seven hundred (700) members attended out of a total membership of three thousand (3000) (p. 99). At each of said meetings the said respective associations or local unions ratified by unanimous vote the action of

40 the convention held December 26th, 1914, and

ratified the adoption of the name Amalgamated Clothing Workers of America (pp. 89, 99, 100.) At each of said meetings a communication was delivered to the Secretary of the respective local union, which communication was signed by several members of said local union, setting forth what is now claimed to be an objection to the action taken at said meeting, but there is nothing in the record to show that any of the subscribers of said communication attended said meeting or voted or attempted to vote in opposition to the resolution adopted (pp. 89 & 100.) The said subscribers thereupon, together with a few other members of said respective local unions, seceded from said local unions and attempted to set up rival organizations, claiming to be the original union (pp. 89, 90 & 100.) In the case of Pressers' Branch, Local Union No. 3, involved in the first action, the number of such seceders associated with said subscribers and with the complainants in said action were *about* eighty (80), while the number of members adhering to the original union represented by the defendants amount to *at least* one thousand (1000) (p. 90). In the case of Basters' and Tailors' Branch, of the United Brotherhood of Tailors, Local Union No. 2, involved in the second action, the number of such seceders associated with said subscribers and with the complainants in said action were *about* one hundred and twenty-five (125), while the number of members adhering to the original local union represented by the defendants amount to *at least* fifteen hundred (1500) (p. 100). The said overwhelming majorities represented by the defendants in these two actions included all of the officers and trustees of the said respective local unions who continued to hold the same offices theretofore held by them (pp. 90 & 101.)

Upon the argument of these causes the Court admitted in evidence over objection an injunction

granted by the Supreme Court of the State of New York in an action brought by the above named Rickert faction of The United Garment Workers of America against the above named Hillman faction of The United Garment Workers of America, dated December 22nd, 1914, by which injunction the Hillman faction was restrained from using the name "United Garment Workers of America" and the General Officers thereof were restrained from

10 holding themselves out as officers of the United Garment Workers of America.

The purely material facts herein if narrowed down resolve themselves in each case into the proposition that a voluntary unincorporated association or labor union was possessed of certain monies which had been contributed by its members and that because of certain unanimous action taken at a meeting of the members of said association, a

20 *small minority became dissatisfied, left the organization, attempted to set up a rival organization and now claim the funds of the association.*

INTRODUCTION.

Appellants' specifications of errors and respondents' points.

The appellants herein in their brief specify the following four alleged errors committed by the Court below, to wit:

30 (a) That the Court erred in holding that the complainants had seceded from their respective local unions.

(b) That the Court erred in basing its decision on the ground that the defendants were in the majority.

(c) That the Court erred in refusing to hold that the funds in question were trust funds which could not be diverted by a majority, and

40 (d) That the Court erred in applying the case

of *State Council vs. Enterprise Council*, 75 N. J. Eq., 245.

The appellants' argument under these four specifications overlaps and repeats itself from time to time and to avoid similar repetition the respondents' argument will be met and treated under four points as follows:

1. The funds in question are not trust funds within the meaning of the decisions cited by the appellants. 10

2. There has not been any diversion of the funds in question.

3. The provisions of the constitution of The United Garment Workers of America do not deprive the local unions of the control by majority action of their property.

4. The case of *State Council vs. Enterprise Council*, 75 N. J. Eq. 245, is directly applicable to the facts in the cases at bar. 20

In order to save the time of the Court the respondents will not serially discuss and distinguish the points raised by the appellants, but will discuss said points in conjunction with the general argument upon the four main propositions outlined above.

POINT I.

The funds in question are not trust funds within the meaning of the decisions cited by the appellants. 30

The appellants contend that the funds awarded to the defendants by the Vice-Chancellor and which are the subject matter of these causes, are trust funds within the meaning of the decision in the case of *Altman vs. Benz*, 27 N. J. Eq. 331, and the other decisions following said case cited in the appellant's brief.

In the case of *Altman vs. Benz* (supra) and all 40

of the other cases cited by the appellants, the organizations involved in litigation were fraternal insurance orders or societies doing business upon the lodge plan. The main object of such orders is the payment of insurance benefits upon the death or sickness of their members and for this purpose the supreme or grand lodge prescribes the amount and manner of collection of the dues or assessments to be paid by the individual members and

10 also the amount and manner of payment of the benefits, and the subordinate lodges merely act as the agents of the grand lodge for the purpose of collecting dues and assessments and in some cases paying benefits. The dues and assessments collected by the subordinate lodges are expressly collected for the purposes of providing the benefit funds in accordance with the constitution or rules of the grand lodge, and it has therefore been sometimes held that such funds are impressed with a

20 trust for the payment of benefits as provided in the constitution of the grand lodge.

The causes at bar, however, do not concern fraternal insurance societies but labor unions. Labor unions are not organized primarily for the purpose of paying sick or death benefits, but are organized for the purpose of endeavoring to reduce hours of work, increase wages and generally improve the working conditions of their members, and the payment of sick benefits, wherever made,

30 is a very minor and incidental purpose. The local unions are composed of the men and women engaged in a particular branch of an industry and within a limited locality. Thus in cause number 1, the local union in question was composed of pressers working at their trade within the City of New York, and in cause number 2, the local union was composed of basters and tailors likewise employed in the City of New York. In a

40 great many cases these local unions are organized and have an existence prior to the creation of a

national union. This is the fact as to both of the local unions involved in the causes at bar. The national union is thereafter created by the local unions so that the local unions engaged in various branches of the industry may derive the additional benefits resulting from the co-operation of all the local unions engaged in said various branches of the industry.

The constitution of The United Garment Workers of America does not provide for the specific amount of dues or assessments that shall be paid by the individual members to the local union and does not provide for the manner of disbursement of the funds accumulated by the local unions as is done in the case of a grand lodge of a fraternal insurance society. The only provision contained in the constitution of The United Garment Workers of America (Exhibit S-1) Article XV, Section 1, provides that the initiation fees shall be *not less than* \$1.00 in some unions *nor less than* \$3.00 in others nor more than \$5.00, and Section 2 of the same article provides that dues for local unions shall *not be less than* forty cents (40c) per month, and that in addition each member shall pay fifteen cents (15c) per month to be set aside for benefit system provided for in Article XXI. Article XXI, Section 1, provides that, to establish a sick benefit fund, *not less than* fifteen cents (15c) per month of the dues shall be set apart. On the other hand, Article VII, Sections 1 and 3, provides that all *local unions shall pay* to the General Secretary a *per capita tax* of fifteen cents (15c) per month and twenty-five cents (25c) from the initiation fee of each new member. The national union merely attempted to fix the minimum dues but failed to provide a system by which it could compel a local union to collect such minimum. The national union itself does not in any way control the amount and manner of collection

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of dues and assessments, as does a grand lodge of a fraternal insurance society and does not control in any manner whatever the disbursement of said funds, except insofar as it provides for the payment of a per capita tax to the national union by the local union as a body and not by its individual members. It appears from the agreed statements in the causes at bar that the members of the respective local unions involved pay monthly dues or sixty cents (60c), which is more than the minimum provided by the national union, and that out of said funds the respective local unions paid the initiation fees and per capita tax to the national union, *as well as other expenses of such local union*, and that the surplus funds remaining for the payment of expenses constitute the funds here in question (State of Case, pp. 87 and 96). By the above language in the agreed statement of facts as well as the above provisions of the constitution, it is evident that the initiation fees and per capita tax payable to the national union are an expense of the local union and not an obligation of the individual members. *The said charges or expenses, as well as all other expenses having been paid, the net surplus remaining, which constitutes the funds in question, necessarily belongs to the local union absolutely, and the national union has no claim therein whatsoever.* There is absolutely no provision in the constitution of the national union as to the purpose for which said surplus funds are collected and accumulated or as to the manner in which the same shall be disposed, except perhaps the provision for a sick benefit fund contained in Article XXI. *An examination of this article, however, will disclose that said sick benefit fund belongs solely to the local union and that the national union has no control over or claim to said fund.* Article XXI merely provides for a minimum amount to be set apart for

the sick benefit fund. It is quite possible that the local unions may have collected more than fifteen cents (15c) per month therefor, and it is also possible that they failed entirely to accumulate such fund or that they had paid out the full amount of any fund so accumulated. The only evidence is that the locals collected sixty cents (60c) per month dues and paid a per capita tax of fifteen cents (15c) per month to the national union and were left with a balance of forty-five cents (45c) belonging to the local union, which balance was not charged with any trust in favor of any other members of the national union and was not in any way controlled by the national union, but was the exclusive property of the local union. 10

It is therefore absolutely clear that the funds involved in these causes are not trust funds within the meaning of the decisions cited by the appellants, there being no evidence that they were collected for any such purpose as was contemplated in those decisions. 20

The case of *State Council vs. Enterprise Council*, 75 N. J. Eq., 245, goes even further than the above argument, and holds that even in a fraternal insurance society funds of a subordinate body under similar circumstances to those in the causes at bar, belong absolutely to the subordinate body and are free of any trust in favor of the national body. The substance of the decision in that case is as follows: 30

“The property consists of sick and funeral funds. There is no provision in the constitution to turn these funds over to the National or State Councils. Their right to revenue is limited to the per capita tax for expenses and there is nothing to show that a member could claim benefits from any other subordinate council than the one to which he belonged or from the National or State Council. The Enterprise Council has paid its per 40

capita tax. The contributors to the funds did not intend to create a trust in favor of the State or National Council or any one except its own members, unless it might be held that such were the intention because of the provision of the by-laws that the property should revert to the State Council, but this provision of the by-laws was held invalid upon the authority of the three New York cases of *Austin vs. Searling*, 16 N. Y., 112; *Wells vs. Monihan*, 129 N. Y., 161; and *Wicks vs. Monihan*, 130 N. Y., 232."

POINT II.

There has not been any diversion of the funds in question.

The appellants claim that the action of the local unions taken respectively at the meetings held on January 6th and January 16th, 1915, constituted a diversion of the funds in question
 20 from the original purposes thereof. To support this contention the appellants cite the case of *Schubert Lodge vs. Schubert Verein*, 56 N. J. Eq., 78, and similar cases, and also the text contained in Volume 5, Corpus Juris, 1338.

The Schubert case (*supra*) is similar to all of the other cases cited by the appellants in that it concerns a fraternal insurance society. In the Schubert case the funds in question constituted sick and death benefit money collected and held
 30 subject to the provisions of the constitution of the grand lodge and the subordinate lodge attempted to present the sum of Eight hundred (\$800) Dollars out of these funds to an entirely new and different society. In the causes at bar the local unions in question have not attempted to donate their funds to a new organization.

The extract from 5 Corpus Juris, cited by the appellants, merely holds that a voluntary association is virtually disbanded by an attempted
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consolidation with another voluntary association. In the causes at bar the local unions have not attempted to consolidate with any other local unions or voluntary associations. Each of the local unions in these causes has continued its separate individual existence and has at most merely resolved by majority vote to change its affiliation from one national union to another.

There is nothing in any of the cases cited by the appellants which prevents a local labor union from changing its affiliation, by majority vote, from one national union to another and from taking with it the funds and other property belonging exclusively to said local union and which are not charged with any trust in favor of the national union. The funds herein are the exclusive property of the local unions and have been collected for the legitimate purposes of the local unions themselves and therefore may be used for said purposes by majority vote of the local unions. This contention is borne out by the quotation from the case of *Abels vs. McKeon*, 18 N. J. Eq., 462, 464, contained in the appellants' brief as follows:

"The fund from the manner of its being raised and the organization of the association previous to its being raised, I think, was intended to be placed in the control of the association for the purposes for which it was raised. That association, being without constitution or by-laws, from the necessity of the case must be held to have power to act at any regular meeting, by a voice of a majority of the members present. If, at such meeting, the fund had been disposed of for any purpose within the object for which it was raised, although it was by a bare majority of a meeting of a minority of the members, it would be binding on all members.

In the causes at bar there is no evidence of any constitution or by-laws of the local union,

and it therefore must be assumed that said local unions had no constitutions or by-laws. The funds in question as shown under Point I, were raised by the local unions for their own general purposes were not charged with any specific trust in favor of any outsiders. The action of the local unions in changing their affiliation did not in any manner constitute a transfer of their funds. Even if by some stretch of the imagination it might be considered that the change of

10 affiliation constituted a transfer of title to the funds, then such transfer is from the local union to itself and the purpose for which the funds are held are still the same, namely, to improve the working conditions of the members of the local union and perhaps also to provide sick benefits for said members. It therefore follows, to use the language of the case of *Abels vs. McKeon*, (supra), that if at such meeting the fund

20 had been disposed of, that then it was disposed of for the same identical purpose for which it was raised and that, therefore, the unanimous action of the meeting of the minority of the members is binding on all the members.

The quotation from 5 Corpus Juris, 1338, has absolutely no relevancy whatever to the causes at bar. The local unions did not consolidate with any other association. The consolidation of the national union with another national union

30 did not affect the independent status of the local unions. The local unions had the absolute right to change their affiliation from one national union to another, and if the national union with which the local was affiliated lost its existence by its consolidation with another national union, then the local union had the absolute power to affiliate with the new national union created by such consolidation.

40 The right of a local union and even of a subordinate lodge in a fraternal insurance society

to sever its affiliation with a national union or a superior lodge, has been upheld in this State in the two cases of *State Council vs. National Council*, 71 N. J. Eq., 433, and *State Council vs. Enterprise Council*, 75 N. J. Eq., 245.

In the *State Council v. National Council* case the complainant had existed prior to the organization of the National Council and had thereafter affiliated with said National Council. In this respect the case is similar to ours. Thereafter the State Council, by the act of the majority of its members, severed its connection with the National Council. The National Council thereupon attempted to organize a new State Council in New Jersey consisting of members loyal to it and the State Council was granted an injunction against them. The Court held that the State Council was organized as a complete social entity quite capable of prolonged existence without the aid of a National Council and further held that its joining in the creation of the National Council and its coming under the jurisdiction of a National Council did not alter its essence or render it incapable of existence separate from the National Council with full capacity to exercise all the functions which it had exercised when under such jurisdiction and that its severance of connection with the National Council did not alter the inherent character of its existence or deprive it of any of its rights.

The State Council after securing this decision over the National Council thereupon brought suit against one of the local councils which had continued loyal to the National Council, in order to recover from said local council the property thereof upon the ground that the constitution provided that when a local council shall be suspended, its property shall revert to the State Council. (*State Council v. Enterprise Council*, No. 6, 75 N. J. Eq., 245.)

We submit that the opinion of this Court in the above case is particularly applicable to the present controversy. There this Court held that the relation between the National Council, the State Council and the subordinate councils is purely voluntary and may be severed at any time. That since neither the National nor the State Council had any individual members but were composed of delegates, it necessarily followed that **the subordinate councils** might continue their life and existence without reference to or assistance from either the State or National Council, and that they **and their individual members** comprised and formed the very life and soul of the whole order, and that it is thus settled that it is the subordinate councils which have an independent existence and that their relationship with the State and National Councils is a purely voluntary one.

In the causes at bar, it is similarly the local unions that have the individual members and form the very life and soul of the whole union, and the National Union is only a body of delegates from the local unions.

The separate existence of a subordinate body and the power of a majority thereof to change its affiliation and to take with them its property and funds, has also been upheld in the State of New York in the two cases of *Watkins v. Wilcox*, 4 Hun, 220, and *Ostrom v. Greene*, 20 Misc., 177.

It is therefore apparent that the local unions of which the defendants herein are officers have neither diverted their funds nor have they consolidated with any other local union or been disbanded. On the contrary, they have continued their separate existence and have continued to hold their property in the same manner and for the same purpose as prior to the respective meetings held on January 6th and January 16th, 1915.

POINT III.

The provisions of the Constitution of the United Garment Workers of America cannot deprive the local unions of the control by majority action of their property.

The major part of the appellants' brief consists of a discussion of the various provisions contained in the constitution and by-laws of The United Garment Workers of America and an attempt to construe said provisions as in some manner affecting the ownership of the funds in question. The provisions of said constitution as to the collection of dues and payment of per capita tax have been discussed under Point I. and the respondents will confine themselves here to answering the following propositions raised by the appellants, to wit:

(1) That the local unions in their applications for a certificate of affiliation, pledged themselves to be governed by the constitution of The United Garment Workers of America.

(2) That said constitution forms the contract between the local unions and The United Garment Workers of America.

(3) The provision of Article XII., Section 2, of the constitution that a local union shall not withdraw from The United Garment Workers of America as long as seven (7) members object.

(4) The provisions of Article XV., Section 4, prohibiting a member of The United Garment Workers of America from being a member of any other organization of the trade.

(1) To answer the first proposition it is merely necessary to read more carefully the appellants' quotation from said application. (Exhibit S-9, State of Case, p. 127.) The appellants, under subdivision 1, specification "A," state that the mem-

bers of the local unions, in the application made to The United Garment Workers of America, pledge themselves "to be governed by the constitution, rules and usages of The United Garment Workers of America, *with the reserved right to preserve the autonomy or self-government of our own organization.*" What is the meaning of the clause, "with the reserved right to preserve the autonomy or self-government of our own organization"? It is clear that the local unions in joining the National Union, expressly reserved and continued the inherent character of their separate and independent existence within the language of the case of *State Council v. Enterprise Council (supra)*.

(2) It may be true that the application for the charter, the charter itself and the constitution and by-laws of The United Garment Workers of America evidenced the contract between the National Union and the local unions, and this contract must be given its full scope and meaning in so far as it is legal and not contrary to public policy. Said contract, however, cannot be construed to work a forfeiture of the property of the local unions. This has been emphatically held in the three New York cases of *Austin v. Searling*, 16 N. Y., 112; *Wells v. Monihan*, 125 N. Y., 161; and *Wicks v. Monihan*, 130 N. Y., 232, which have been cited with approval in the case of *State Council v. Enterprise Council (supra)*. The quotation contained in the appellants' brief from the case of *Schubert Lodge v. Schubert Verein*, 56 N. J. Eq., 78, as follows, "they were aware that upon a dissolution of the lodge and the surrender of its charter the Grand Lodge became entitled by the constitution and by-laws of the order to all their property and funds," is therefore not sound law, having been absolutely overruled by the case of *State Council v. Enterprise Council (supra)*. The constitution of The United Garment Workers of America, be-

ing powerless to work a forfeiture of the funds in question from the local union to the National Union, surely has no power to work such forfeiture from a majority of the local union to a minority thereof. It will be noted that the United Garment Workers of America is not a party to this cause, having been struck out as a complainant.

(3) The appellants also argue that the local unions in question withdrew from the The United Garment Workers of America against the oppo- 10
 sition of at least seven (7) members. If such action on the part of the local unions can be considered a breach of their contract with The United Garment Workers of America, then it is quite likely that said The United Garment Workers of America may have a cause of action against the local unions for damages for such breach of contract. The extracts from the cases of *State Council v. National Council* and *State Council v. Enterprise Council* cited in the previous point of 20
 this brief, and also the language of the application for a charter signed by the local unions, show that the local unions had a separate, independent existence apart from The United Garment Workers of America, and therefore could at any time sever their connections with The United Garment Workers of America. The National Labor Union is very similar to a clearing house or trade association. If a business corporation should 30
 join a trade association, such business corporation would not, by reason of such affiliation, lose its independent existence. If its agreement with the association provided for a certain manner in which the affiliation might be severed, the corporation could nevertheless sever its connections with the association in violation of its agreement and the association might thereupon have a cause of action against the corporation for damages for breach of contract. The same holds true as to the relation between the local unions and the national 40

union in the causes at bar. If the local unions have severed their connection with The United Garment Workers of America in violation of any contract made between them and The United Garment Workers of America, then said The United Garment Workers of America may have a cause of action against the local unions for damages for such breach of contract, but such violation of the contract cannot possibly work a forfeiture of the
10 property of the local unions to a minority thereof.

(4) The appellants in sub-division 3 of specification "A" of their brief cite Section 4 of Article XV of The United Garment Workers of America, to the effect that no member of said The United Garment Workers of America can be a member of any other organization of the trade under penalty of fine or expulsion. From this the appellants attempt to argue that the respondents joined another organization of the trade and therefore forfeited their property. Such, however, is not the effect of said provision of the by-laws. This section is very clear and states that if a member should belong to any other organization of the trade, that then he might be fined or expelled. Under the by-laws such fine or expulsion can only be imposed by the local union. There is no evidence here that the members of the respondent organizations have been expelled by their
20 local unions and therefore they have continued as members thereof and, being in the majority, constitute said local unions. This provision of the by-laws does not prohibit a local union from joining another organization of the trade and is ineffective to forfeit the property of the local union to the minority members thereof.
30

The appellants in subdivision 2 of specification "A", claim that there is no evidence that a quorum was present at the Duncan Hotel convention.
40 There is likewise no evidence that a quorum re-

mained at the Capitol convention. This question, however, is entirely unimportant, for even if it be conceded that the Capitol convention constituted the rightful national union and that the local unions in question seceded therefrom, nevertheless said local unions, as stated above, would have been within their rights in severing their affiliation with said national union, and could not by reason thereof be deprived of their property or deprived of the control thereof by majority 10
vote.

In sub-division 3, of specification "A", the appellants contend that there is no evidence that the respective meetings of the local unions were regularly called. It is not necessary that there be any such evidence. In the absence of evidence to the contrary, it will be presumed that the respective meetings of the local unions were regularly held.

It therefore follows that there is nothing in the constitution of The United Garment Workers of America which might be construed to deprive the local unions of the right of action by majority 20
vote.

POINT IV.

The case of State Council against Enterprise Council, 75 N. J. Eq. 245, is directly applicable to the facts in the case at Bar. 30

From all of the above, it follows that the local unions herein are independent entities not dependent upon the national union for their existence. That their affiliation with the national union is purely voluntary and may be severed at any time. That the funds in question are not trust funds and that the national union has no title to or control over said funds. That said funds have not been diverted from the uses and 40

purposes for which they were collected and that the local unions of which the defendants are officers, had the absolute right to change their affiliation by majority vote from one national union to another and to retain possession of all their property and funds in spite of such action.

The case of *State Council v. Enterprise Council*, (*supra*) is clearly applicable to the causes at bar, and in the causes the defendants have an even
 10 stronger claim to the property than in that case, for the reason that here the associations involved are labor unions and not fraternal orders, and a local union owes its existence to a national union in a much smaller measure than does a subordinate council of a fraternal order to its superior council.

POINT V.

It is therefore respectfully submitted
 20 that the decrees appealed from are supported by both the facts and the law and should be affirmed.

Respectfully submitted,
 McDERMOTT & ENRIGHT,
 Counsel for Defendant-Respondents.

HILLQUIT & LEVINE,
 Of the New York Bar,
 Associate Counsel.

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HARRIS HERMAN :

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EXHIBITS.

Exhibit C-1—Agreed statement of facts in case between Ben Schweitzer, et als and Philip Schneider et als, (Cause No. 1) admitted in evidence, page 82; printed at 82

Exhibit C-2—Agreed statement of facts in case between Jacob Itskowitz et als, and Hyman Director, et als, (Cause No. 2). Admitted in evidence, page 92; printed at 92

Exhibit C-3—Exemplified copy of judgment entered in the Supreme Court, County of New York in suit between Thomas A. Rickert, President of the United Garment Workers of America and Sidney Hillman, et als. Admitted in evidence, page 106; printed at 132

Exhibit S-1—Constitution and by-laws of United Garment Workers of America. Admitted in evidence; page 107; copies attached to the state of case by consent of counsel (See page 149)

Exhibit S-3—(There is no exhibit S-2). Letter dated December 23rd, 1914 addressed to officers and members of Local Union No. 2, United Garment Workers of America, signed by Jacob Itskowitz. Admitted in evidence page 107; printed at 121

Exhibit S-4—Letter dated December 23rd, 1914 addressed to president, treasurer and trustees of Local Union No. 2, Uni-

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ted Garment Workers of America, signed by Jacob Itskowitz. Admitted in evidence page 107; printed at	122
Exhibit S-4 1-2—Letter dated December 23rd, 1914 addressed to Local Union No. 3, United Garment Workers of America, signed by Henry Waxman et als. Admitted in evidence page 107; printed at	104
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Exhibit S-6—Circular letter sent to Local Union of United Garment Workers of America. Admitted in evidence, page 108; printed at	135
Exhibit S-7—Statement contained in Exhibit S-6.	
Exhibit S-8—Copy of a circular letter dated September 28th, 1914, addressed to Local Union of the United Garment Workers of America and signed by Bernard A. Langer, General Secretary of the United Garment Workers of America. Admitted in evidence, page 109; (not printed).	
Exhibit S-9—Application for certificate of affiliation to United Garment Workers of America, in re case of Itskowitz vs. Director. Admitted in evidence, page 109; printed at	127
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of America, in re case of Schweitzer vs. Schneider, (Cause No. 1). Admitted in evidence, page 109; printed at	128
Exhibit S-11—Charter of United Garment Workers of America, Local Union No. 2 (Itskowitz vs. Director) Cause No. 2. Admitted in evidence, page 110; printed at	129
Exhibit S-12—Letter dated January 20th, 1915, addressed to Hyman Director, President, et als, signed by Isaac Madansky, President of Local Union No. 2. Admitted in evidence, page 110; printed at	130
Exhibit S-12 1-2—Letter dated January 20th, 1915, addressed to Philip Schneider, President, et als, signed by Solomon Zuckerman, President of Local Union No. 3; printed at	131
Exhibit S-13—Amendments of Constitution of the United Garment Workers of America, passed on October 12th, 1914. Admitted in evidence, page 112; (not printed).	
Exhibit S-15—(There is no Exhibit S-14). Bond No. 1201745 of National Surety Company. Admitted in evidence, page 115; (not printed).	
Exhibit S-15—Bond No. 9394, Maryland Casualty Company. Admitted in evidence, page 115; (not printed).	

NEW JERSEY COURT OF ERRORS AND APPEALS.

Between

BEN SCHWEITZER, HENRY WAXMAN, HENRY LANGER, SAM PASHKIN, MOSES SILBERMAN ABRAM FOX and MAX SILBERSTEIN (originally joined as complainants with the United Garment Workers of America),

Complainants-Appellants,

and

PHILIP SCHNEIDER, MORRIS SILBERSTEIN, MORRIS PROZANSKY, HARRIS HIRSHKOWITZ, LOUIS RAVAIL, ABRAHAM BLANK, JOSEPH SENDEROWITZ and UNION TRUST COMPANY OF NEW JERSEY,

Defendants-Respondents.

On Bill, &c.

10

Between

JACOB ITZKOWITZ, JACOB GREENGRAS, ISAAC MADANSKY, HYMAN MILLER, ISADOR ALTUS, BARNET REIBSTEIN and ABRAHAM KAPLAN (originally joined as complainants with the United Garment Workers of America),

Complainants-Appellants,

and

HYMAN DIRECTOR, DAVID GOLDSTEIN, SAM SCHEPPS, ABRAHAM SCHWARTZ, ISAAC LEVINSON and JOSEPH FINKELSTEIN and UNION TRUST COMPANY OF NEW JERSEY,

Defendants-Respondents.

On Bill, &c.

20

The issues and evidence in the above entitled causes are substantially the same and the attorneys and counsel for complainants and defendants, have agreed to submit the following pleadings and evidence to be used in the argument of both cases:

30

For convenience the case of Ben Schweitzer, et als, vs. Philip Schneider, et als, shall be designated as "Cause No. 1" and the case of Jacob Itzkowitz, et als, vs. Hyman Director, et als, shall be designated as "Cause No. 2."

Notice of Appeal

40

Notice of Appeal.

(Filed October 9th, 1915.)

Cause No. 1.**IN CHANCERY OF NEW JERSEY.**

Between

10 BEN SCHWEITZER, HENRY WAX-
MAN, HENRY LANGER, SAM PAS-
KIN, MOSES SILBERMAN, (origin-
ally joined as complainants with
the United Garment Workers of
America),

*Complainants,**and*

20 PHILIP SCHNEIDER, MORRIS SIL-
BERSTEIN, MORRIS PROZANSKY,
HARRIS HIRSHKOWITZ, LOUIS RA-
VAIL, ABRAHAM BLANK, JOSEPH
SENDEROWITCH and UNION
TRUST COMPANY OF NEW JER-
SEY,

Defendants.

30 The complainants hereby appeal from the final
decree and every part thereof made in this Court
in the above stated cause on the twenty-ninth day
of September, A. D., 1915, to the Court of Errors
and Appeals in the last resort in all causes.

HUDSPETH & RYSDYK,
Solicitors of Complainants.

I conceive that there is good cause for appeal
in the above stated cause.

40 R. S. HUDSPETH,
Of Counsel with Complainants.

Petition of Appeal.

(Filed October 22nd, 1915.)

Cause No. 1.

To the Honorable Court of Errors and Appeals
in the last resort in all causes.

The petition of Ben Schweitzer, Henry Waxman, Henry Langer, Sam Paskin, Moses Silberman, Abram Fox and Max Silberstein, appellants in this cause respectfully shows, that your petitioners found themselves aggrieved by a final decree made in the Court of Chancery by his Honor Edwin Robert Walker, Chancellor of the State of New Jersey, bearing date the twenty-ninth day of September, A. D., nineteen hundred and fifteen, wherein Ben Schweitzer, Henry Waxman, Henry Langer, Sam Paskin, Moses Silberman, Abram Fox and Max Silberstein, (originally joined as complainants with the United Garment Workers of America), were complainants, and Philip Schneider, Morris Silberstein, Morris Prozansky, Harris Hirschowitz, Louis Ravail, Abraham Blank, Joseph Senderowitch, and Union Trust Company of New Jersey, were defendants, in this respect.

That the said final decree denied to the complainants the relief prayed for in their bill of complaint, and by virtue of said decree it was ordered, adjudged and decreed that the restraining order made in the above entitled cause on the filing of the bill therein be vacated, and that the injunction theretofore issued in said cause under the order made therein on the eighth day of March, A. D., Nineteen Hundred and Fifteen, be vacated and dissolved, and that the prayer of the bill of complaint that an injunction issue against the defendants therein was by virtue of said decree denied, and that the possession and

control of the fund on deposit in the defendant, Union Trust Company of New Jersey, be awarded to the defendants and the organization represented by them with costs.

Your petitioners humbly appeal from all of the decrees of said Chancellor, which decree as aforesaid, on the ground that the same are erroneous.

10 Your petitioners therefore pray that the said decree of the Chancellor and the particulars aforesaid may be reversed, set aside and for nothing holden, and that your petitioners may have such other and further relief in the premises as to this Honorable Court shall seem meet.

HUDSPETH & RYSZYK,
Solicitors for Petitioners.

R. S. HUDSPETH,
Of Counsel with Petitioners.

20 **Answer to Petition of Appeal.**

(Filed October , 1915.)

Cause No. 1.

The answer of Philip Schneider, Morris Silberstein, Morris Prozansky, Harris Hirshkowitz, Louis Ravail, Abraham Blank and Joseph Senderowitch, defendants-respondents to the petition of appeal of the above named complainants-appellants.

30 The defendants-respondents not acknowledging all or any of the matters which in the said petition of appeal are contained to be true for answer thereto nevertheless say and admit that a decree was on the twenty-ninth day of September, 1915, made and entered in the Court of Chancery in the cause for that purpose mentioned in the said petition as therein stated, but as to the substance and form thereof these defendants-respondents

pray to refer thereto when the same shall be produced.

And these defendants-respondents are advised and believe that the said decree is agreeable to equity and that they pray that the same may be affirmed with costs to be adjudged to these defendants-respondents.

McDERMOTT & ENRIGHT,

Solicitors for and of counsel with Philip Schneider, Morris Silberstein, Morris Prozansky, Harris Hirshkowitz, Louis Ravail, Abraham Blank and Joseph Senderowitch. 10

Bill of Complaint.

(Filed December 30th, 1914.)

Cause No. 1.

IN CHANCERY OF NEW JERSEY. 20

To his Honor Edwin R. Walker, Chancellor of the State of New Jersey:

HUMBLY COMPLAINING shows unto your Honor your Orators, The United Garment Workers of America, and Ben Schweitzer, Henry Waxman, Henry Langer, Sam Paskin, Moses Silberman, Abram Fox and Max Silberstein.

1. That this action is brought by the said The United Garment Workers of America (hereinafter for convenience designated as "National Union") which is a voluntary association and not incorporated, having the said recognized name, on behalf and for the use and benefit of your orators, and all the branch or local organizations of the said National Union affiliated or connected therewith and acknowledging the jurisdiction thereof, and the members of the same, 30

Bill of Complaint.

and your orators, Ben Schweitzer, Henry Waxman, Henry Langer, Sam Paskin, Moses Silberman, Abram Fox and Max Silberstein, who are members of Local Union No. 3 of the National Union.

2. That the said National Union is a national organization, consisting of two hundred and seventy-eight (278) branches or local organizations, 10 having recognized names and numbers that are affiliated or connected with, and acknowledging the jurisdiction of the said National Union, composed of persons who are employed in the manufacturing of garments and working at the trade throughout the states and territories of the United States and the Dominion of Canada to the number of more than fifty thousand (50,000) of whom a number reside in the Dominion of Canada; and that owing to the large number of mem- 20 bers of the said National Union and their said places of residence, it is altogether impracticable and impossible to make all the said Branch or Local Unions or any considerable number of them, or the members thereof parties to this suit by their recognized names or the individual names of the members, but your orators Ben Schweitzer, Henry Waxman, Henry Langer, Sam Paskin, Moses Silberman, Abram Fox and Max Silber- 30 stein, are made parties to this suit by reason of being members of Local Union No. 3, of the United Garment Workers of America, since its organization, which is one of the branch or local or affiliated or connected therewith, and interested in the moneys and property hereinafter mentioned.

3. That the said National Union comprising and consisting of branch or local organizations 40 and the members thereof as aforesaid, did in convention assembled adopt a constitution, and

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which has since been revised and adopted as therein required and provides among other things as follows: ARTICLE I.—That the National Union shall have sole power to establish local unions and finally adjust and determine all matters of general importance to their welfare and that of the members thereof, reserving to the Local Union the right to make all necessary laws that do not conflict with those of the National Union; that the said National Union has all legislative power in convention assembled except such limitations and that its executive and judicial power as are set forth in its constitution, when not in session is vested in a general executive board; that it is to affiliate (and is affiliated) with the American Federation of Labor and can only withdraw from such affiliation by a two-thirds majority vote; “ARTICLE III”; that the said National Union meets biennially in general conventions on the second Monday in October in such places as may have been chosen by the last convention; the Local Unions are entitled to representation therein according to the average membership on which they pay a per capita tax, for the twenty-four (24) months ending August 31st, immediately preceding the convention on the following basis: for the first one hundred (100) members or less, one (1) delegate, and one (1) additional delegate for every three hundred (300) over the first one hundred (100) or a majority fraction thereof, but no Local Union shall be entitled to more than four delegates; that no person is eligible to election as a delegate unless a garment worker employed at the trade (or by the organization), who shall have been a member in good standing of the Local Union he represents at least six (6) months immediately preceding the date on which said election is held; “ARTICLE V.”—

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That the general officers are, a president, who is the chief organizer; a general secretary who devotes his entire time to the service of the union; a treasurer and auditor and trustees and these with four members constitute a general executive board, which holds regular quarterly meetings in New York City, and continue in office until their successors are duly elected and installed; that

10 the general executive board decides all points of law arising under the jurisdiction under the National Union, and all claims, grievances and appeals, which decision stands until the next general meeting or special convention, when if not reversed it shall be final; (ARTICLE VII.)—That each Local Union pays to the general secretary a per capita tax of fifteen cents per month for each member in good standing and twenty-five

20 cents from the initiation fee of each member to be used for an organization and label fund; The financial secretary of a local union shall immediately after the first meeting in each month fill out the monthly report blank issued by the general secretary, sign the same in conjunction with the president and recording secretary, and forward it together with the amount due to the general secretary keeping a duplicate copy on file; (ARTICLE IX.)—That all general and local union

30 officers shall deliver to their successors all property and moneys of the local union or United Garment Workers of America and shall not be released from their bonds unless they have done so. Any officer or member who appropriates any funds of the National Union for their own use, shall be legally prosecuted; (ARTICLE XII.)—A local union may be organized by seven or more persons employed in the making of men, boys' or childrens' garments, provided they are qualified

40 according to the constitution; these must apply

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to the general secretary for a charter and shall send Sixteen Dollars (\$16.00) for charter fee and supplies. On receipt of the charter fee, the general secretary shall forward the same to the new local union when approved by the executive board; that a local union shall not withdraw from the National Union or dissolve, so long as seven members at a special meeting called for that purpose object thereto and are willing to retain the charter and three months' notice to the general secretary of any withdrawal shall be required; that all property and money of the local union shall be the property and money of the United Garment Workers of America; ARTICLE XIII.)—The proper officers of each local union shall promptly and properly fill all report blanks furnished them by the general secretary, failing to do so for two consecutive months they shall be liable to a fine of not more than Five Dollars (\$5.00) for the first offense; they shall produce the books of the local union when demanded by a general officer. Failure to do so within forty-eight (48) hours, the local officer of the union shall be liable to suspension by the general officer for insubordination. The general secretary shall prepare a local financial secretary's and treasurer's account book for the use of the local unions and every local union shall purchase them and keep their account in accordance therewith; (ARTICLE XIV.)—The treasurer of the local union shall receive all money from the financial secretary, giving receipt therefor and deposit the same in the name and number of the local union. The money received must be deposited not later than forty-eight (48) hours thereafter, in such bank as the organization may direct, reserving One Hundred Dollars (\$100.00) for current expenses; keep a correct account of all moneys and

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pay all bills when properly attested. It shall be the duty of the Board of Trustees of the local union to supervise the funds and property of the organization and together with the treasurer, assume charge of all surplus money and at least two members of the board shall countersign all checks drawn on account of the organization from the bank by the treasurer of the local union.

10 (ARTICLE XVIII.) Any member desiring to leave the National Union shall be allowed to withdraw from membership, by paying all demands to date of withdrawal, surrender of his membership book or card, and written notice of his withdrawal to the local union.

Your orators Ben Schweitzer, Henry Waxman, Henry Langer, Sam Paskin, Moses Silberman, Abram Fox and Max Silberstein, further show

20 that they are members of Local Union No. 3 of the National Union and have been such members since the organization; that the members of local union No. 3 are all residents of the City of New York and the business of said local union is confined to the City of New York and State of New York; that the present officers of Local Union No. 3 of the National Union are, Philip Schneider, president; Morris Silberstein, recording secretary; Morris Prozansky, treasurer; Harris Hirshkowitz, financial secretary; Louis Ravail, Abraham Blank and Joseph Senderowitch, Trustees.

30 That the above named persons were duly elected to office at the meeting of said Local Union No. 3 of the National Union on or about the twenty-third day of December, Nineteen Hundred and Fourteen.

That the persons who held the offices above mentioned prior to the election of the persons

40 last above named to the said offices, were the following: Morris Sussblat, president; Morris Sil-

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berstein, recording secretary; Morris Prozansky, treasurer; Harris Hirshkowitz, financial secretary; Louis Rebchansky, Abraham Fuchs and Joseph Senderowitch, Trustees.

Your orators further show that according to the constitution, it was the duty of the financial secretary to fill out the monthly report issued by the general secretary, to sign the same in conjunction with the president, recording secretary and treasurer and forward it with the necessary finances to the general secretary, and to prepare and send to the general secretary the list of the members of the local union; that since August, Nineteen Hundred and Fourteen, the financial secretary has not performed his said duty and has failed to fill out and make the report hereinabove mentioned, in accordance with the provisions of the constitution as therein set forth, and likewise procure the signatures of the president, recording secretary and treasurer thereto, and forward the same with the necessary finances to the general secretary of the National Union, and your orators aver that the above named financial secretary then and there and at all times well knew that it was his duty to fill out and file said report in manner aforesaid, and that he failed and refused so to do without any right, consent, permission or authority of said local union.

Your orators further show that Local Union No. 3 was organized and the fund now belonging thereto consisting of dues, initiation fees and assessments levied and assessed against its members were collected under an agreement with its members whereby the organization was to have a definite name and purpose inseparably connected with the National Union to which it was subser-
 vient, a copy of which agreement is hereto annexed, and that said Local Union No. 3 could

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not be dissolved by its members or the same secede from the National Union so long as seven members objected thereto and then only upon three months previous notice in writing to the general secretary.

Your orators further show that in violation of the provisions of the constitution, the officers of said Local Union No. 3, with other members of the said local union but not with all of the members of said local union, have refused to recognize the duly elected officers of the United Garment Workers of America; have failed and refused to send to the general secretary the monthly reports which they are required to make to the general secretary; have failed and refused to pay to the National Union the per capita tax and the initiation fee for membership in said local union, but on the contrary have recognized strangers as the officers of the said National Union and have paid the per capita tax and initiation fees to the said strangers, and have delegated certain persons to attend and said persons did attend a convention called by the strangers for the purpose of forming an opposition union or organization to that of the said United Garment Workers of America, and have failed and refused to acknowledge that they are bound to the United Garment Workers of America by virtue of the charter issued by the latter to said local union.

Your orators further show that on or about the sixteenth day of October, A. D., Nineteen hundred and fourteen, the said Morris Sussblat, president; Morris Silberstein, recording secretary; Morris Prozansky, treasurer, Harris Hirshkowitz, financial secretary; Louis Rebechansky, Abraham Fuchs and Joseph Senderowitch, Trustees, being the officers and trustees of said Local Union No. 3 and certain other members associated with them

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withdrew from the Bank of United States, a bank in the Borough of Manhattan and State of New York, without the authority, power and direction of the said Local Union No. 3 and its members, the sum of One Thousand (\$1,000) Dollars as your orators are informed and verily believe to be true and deposited the said sum of money which represented approximately all of the funds and moneys belonging to the said local union in the Union Trust Company of New Jersey, Jersey City, N. J.; that the above mentioned officers of said local union unlawfully and fraudulently withdrew the said fund or moneys on deposit in said The Bank of United States in the Borough of Manhattan aforesaid, and deposited the same in the Union Trust Company of New Jersey, in the City of Jersey City and State of New Jersey against the orders and directions of the said local organization for the purpose of diverting said funds and moneys and to appropriate the same to the use of the said above mentioned officers and to defraud and deceive the said local organization and its members and also the National Union and to fraudulently unlawfully and unjustly detain said funds and moneys and prevent said local organization and the National Union from having the possession thereof in accordance with the provisions of the constitution; that your orators are informed and verily believe it to be true that the aforesaid sum of money is still on deposit in the said Union Trust Company of New Jersey in the City of Jersey City aforesaid, although the said Philip Schneider, president; Morris Silberstein, recording secretary; Morris Prozansky, treasurer; Harris Hirshkowitz, financial secretary; Louis Rebchansky, Abraham Fuchs and Joseph Senderowitch,

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Trustees, being the officers and trustees of said Local Union No. 3 have threatened and attempted to withdraw said moneys therefrom, but your orators have caused notice to be served upon said Union Trust Company of New Jersey, requesting it to refrain from paying out any moneys so deposited pending the determination of the ownership thereof.

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Your orators further show and charge the fact to be that said funds and moneys were withdrawn and removed from the bank in the Borough of Manhattan to deprive the Local Union and the National Union of the benefit and possession thereof, without authority of either the Local Union or the National Union and removed it to the State of New Jersey and deposited in the Trust Company in the City of Jersey City by the above named officers for their expressed benefit and for the purpose of applying and using the same in the interests of another association and organization than the said Local Union No. 3.

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Your orators further show that on or about the twenty-third day of August, Nineteen hundred and nine, the said Local Union No. 3, was chartered as a subordinate union by the said National Union and at said date and for a long time prior thereto, the constitution of the National Union provided that all property and money of the Local Union shall be the property and money of the United Garment Workers of America; (ARTICLE XII.) your orators charge that the withdrawal of the moneys in the said Bank of United States in the Borough of Manhattan by the officers of the Local Union, on the sixteenth day of October, A. D., Nineteen hundred and fourteen, and removal of the same from the jurisdiction of said City and State, and taken and deposited by the said then officers in the Union Trust Company of New

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Jersey in Jersey City, New Jersey, in the name of the "Pressers' Branch Local No. 3 United Garment Workers of America", without any authority of the Local Organization and the continuance of the same on deposit in the manner aforesaid, by the said Philip Schneider, president; Morris Silberstein, recording secretary; Morris Prozansky, treasurer; Harris Hirshkowitz, financial secretary; Louis Rebchansky, Abraham Fuchs and Joseph Senderowitch, Trustees, against the authority and directions of the said organization was and has not only been in furtherance of the aforesaid conspiracy, but has and will continue to cause your orators irreparable injury; that the present officers and trustees of the said Local Union No. 3, Philip Schneider, Morris Silberstein, Morris Prozansky, Harris Hirshkowitz, Louis Ravail, Abraham Blank and Joseph Senderowitch, are financially irresponsible and unless restrained by an order of this court they will be able to withdraw the moneys so deposited as aforesaid, in the Union Trust Company of New Jersey, and your orators will be without any remedy and relief in the premises at law and can only have adequate relief in a Court of Equity to the end therefore that the defendant hereafter named may answer, but without oath all and singular in the premises as fully as though here repeated, and that the defendants Philip Schneider, Morris Silberstein, Morris Prozansky, Harris Hirshkowitz, Louis Ravail, Abraham Blank and Joseph Senderowitch and the Union Trust Company of New Jersey, may set forth and discover the amount of money withdrawn by them or some one or all of them from the said The Bank of United States in the Borough of Manhattan, and removed from the City of New York and deposited with the Union Trust Company of New Jersey of Jersey

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City, New Jersey, in the name or names, place or places, of any banks or depositories where said moneys or any part thereof were deposited, and the amounts so deposited, and the name or names, and in the manner in which such deposits were made, and by what right or authority said sum of money was withdrawn from the Bank of United States in the Borough of Manhattan, and deposited in the Union Trust Company of New Jersey, and that it may be decreed that said moneys are the property of the said Local Union No. 3 and the United Garment Workers of America and that the said Local Union No. 3 and said National Union have dominion and control of said sum of money for the benefit of the members of said Local Union and that it be decreed that the title of said moneys is in the said Local Union and National Union and that the said Philip Schneider, Morris Silberstein, Morris Prozansky, Harris Hirshkowitz, Louis Ravail, Abraham Blank and Joseph Senderowitch fraudulently and unlawfully withdrew said moneys from the depositors of New York and deposited the same in the Trust Company in Jersey City in the name of the Pressers Branch Local No. 3 United Garment Workers of America, and for the purpose of removing said moneys beyond the jurisdiction of the State of New York, for the further purpose of holding and appropriating the same for an organization of an opposing union other than the Local Union No. 3 and that of the United Garment Workers of America, and that the said Philip Schneider, Morris Silberstein, Morris Prozansky, Harris Hirshkowitz, Louis Ravail, Abraham Blank and Joseph Senderowitch may be enjoined and restrained from withdrawing the moneys in the New York depositories and the Union Trust Company of New Jersey, or such

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other depositories where the same may now be deposited in and may be commanded to turn over the moneys to the Local Union No. 3 and the National Union and to give them full control and dominion thereof, and that the said Union Trust Company of New Jersey may be restrained and enjoined from paying out said sum of money now on deposit with it belonging to said Local Union No. 3 or National Union of any part thereof, or in any manner disposing of the same either upon the presentation of checks, drafts, assignments, written authorizations or otherwise, for the benefit of said Local Union No. 3 and the National Union and its members and that the said Philip Schneider, Morris Silberstein, Morris Prozansky, Harris Hirshkowitz, Louis Ravail, Abraham Blank and Joseph Senderowitch refrain from interfering with the possession and title thereof, and that your orators may have such further relief in the premises as may be equitable and just.

May it please your Honor, the premises considered to grant unto your orator the writ or writs of subpoena issued out of and under the seal of this Honorable Court, directed to the said Philip Schneider, Morris Silberstein, Morris Prozansky, Harris Hirshkowitz, Louis Ravail, Abraham Blank and Joseph Senderowitch, and the said Union Trust Company of New Jersey, commanding them by a certain day and under a certain penalty therein to be expressed, to be and appear before your Honor in this Honorable Court, then and there to answer the premises, and to stand to and abide by and to perform such other and further decree as your Honor may make herein, and also the State's writ or writs of subpoena or injunction likewise issuing out of and under the seal of said court, enjoining and re-

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straining them and each of them and commanding the said Philip Schneider, Morris Silbertstein, Morris Prozansky, Harris Hirshkowitz, Louis Ravail, Abraham Blank and Joseph Senderowitch and the Union Trust Company of New Jersey as hereinabove prayed for.

HUDSPETH & RYSDYK,

Solicitors for Complainants.

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STATE OF NEW YORK }
COUNTY OF NEW YORK }^{ss.}:

BEN SCHWEITZER, of full age being duly sworn according to law on his oath deposes and says that he is one of the complainants in the above entitled cause, that deponent has heard read the foregoing bill of complaint and the same is true as to those facts and matters within his knowledge and as to those matters and facts upon information and belief, deponent verily believes the same to be true.

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Deponent further says that he is a member of the United Garment Workers of America, Local Union No. 3. and has been a member thereof since its organization; that the National Union has sole power to establish Local unions, adjust and determine all matters of general importance to their welfare and that of the members thereof and that said National Union has all legislative power in convention assembled; that the said National Union meets biennially in general conventions on the second Monday in October; that the Local Unions are entitled to representation therein according to the average membership as set forth and described in the Bill of Complaint; that the general officers are a president, secretary, treasurer and auditor besides three trustees; that each

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local Union pays to the general secretary a per capita tax of fifteen cents per month for each member in good standing and twenty-five cents from the initiation fee of each member to be used for an organization and label fund; that the financial secretary of the local union shall immediately after the first meeting in each month fill out the monthly report blank issued by the general secretary, sign the same in conjunction with the president and recording secretary and forward same together with the amount due, to the general secretary keeping a duplicate copy on file; that a local union may be organized by seven or more persons employed in the making of garments as described in the bill of complaint and upon receipt of the charter fee of sixteen dollars (\$16.00) the general secretary shall forward same to the Local Union when approved by the general executive Board; that the charter to Local Union No. 3. was issued August Twenty-third Nineteen hundred and nine; that a local union shall not withdraw from the National Union or dissolve, so long as seven members at a special meeting called for that purpose, are willing to retain the charter and three month's notice to the general secretary of any withdrawal; that all property and moneys of the local union shall be the property and money of the National Union;

Deponent further says that the proper officers of each local union shall promptly and properly fill all report blanks furnished them by the general secretary, failing to do so for two months consecutively, they shall be liable to a fine as mentioned in said bill of complaint; failing to produce the books of the local Union when demanded by a general officer within forty-eight hours the local officers shall be liable to suspension; and the

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10 treasurer of the local union shall receive all moneys from the financial secretary giving receipt therefor, and deposit the same in the name and number of the local union, the money received must be deposited not later than forty-eight (48) hours thereafter, in such bank as the organization may direct, reserv-

10 ing One hundred dollars (\$100.) for the current expenses; keep a correct account of all moneys and pay all bills when properly attested; that it shall be the duty of the Board of Trustees of the Local Union to supervise the funds and property of the organization, and together with the treasurer assume charge of all surplus money and at least two members of the board shall countersign all checks drawn on account of the organization.

20 Deponent further says that he with the other complainants in said bill of complaint described, are residents of the City of New York and that the business of said local union is confined to the City of New York; that the present officers of Local Union No. 3 are, Philip Schneider, president, Morris Silberstein, recording secretary, Harris Hirshkowitz, financial secretary, and Morris Pro-

30 gansky, treasurer, and the trustees are as follows Louis Ravail, Abraham Blank and Joseph Senderowitch. That the above named persons were duly elected to office at a meeting of the said local union No. 3 on the twenty-third day of December, Nineteen hundred and fourteen.

Deponent further says that since September, Nineteen hundred and fourteen, and for a long time prior thereto, the financial secretary who had held office during that time, has failed and

40 neglected to fill out and file the monthly report

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issued by the general secretary in the manner described in the constitution as aforesaid, although they and each of them well knew it was their duty so to do without any right; power and authority of the said local union.

Deponent further says that the funds belonging to the said Local Union No. 3 consists of dues, initiation fees, and assessments, levied against its members and which were collected under an agreement with its members whereby the organization was to have a definite name and purpose although inseparately connected with the National Union to which it was subservient, and that said Local Union No. 3 could not be dissolved by its members or the same secede from the National Union, so long as seven members objected thereto and then only upon three months notice given to the general secretary.

Deponent further says that on or about the date of the last convention, which was about October twelfth, Nineteen hundred and fourteen, Philip Schneider, Morris Silberstein, Morris Borgansky and Louis Rebchinsky, of the Local Union No. 3 the first three named being the present officers of said Local Union, stated openly and defiantly in the presence of members of said Local Union that they intended to break away and secede from said National Union if they and their associates could not obtain control of the National offices and deponent further says that said officers of Local Union have refused to recognize the duly elected officers of the National Union have refused to pay the National Union the per capita tax and the initiation fee for membership in said Local Union, but to the contrary have recognized strangers as such general officers and have paid the per capita tax and initiation fees to the said strangers, and

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have delegated certain persons to attend a convention called by the strangers for the purpose of forming an opposition union or organization to that of the said United Garment Workers of America and have failed and refused to acknowledge that they are bound to the United Garment Workers of America by virtue of the charter issued by the latter to said Local Union.

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Deponent further says that on or about the sixteenth day of October, Nineteen hundred and fourteen the said president, treasurer, secretary and trustees of Local Union No. 3 withdrew from The Bank of United States in the Borough of Manhattan the sum of One Thousand Dollars (\$1000.) as deponent is informed and verily believes it to be true, without any authority or power of the Local Union, and removed said moneys out of the State of New York and deposited the same in the Union Trust Company of New Jersey, in the City of New Jersey, and State of New Jersey which sum of money the said Local Union and National Union had to its credit in said Bank, The Bank of United States, and that said money is still on deposit in the Union Trust Company of New Jersey in the City of Jersey City aforesaid and has been since it was deposited.

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Deponent further says that said sum so withdrawn as aforesaid and deposited in said Union Trust Company of New Jersey, represented approximately the moneys on deposit and credited to said Local Union, and that said officers unlawfully and fraudulently withdrew said money and converted the same to their use with the purpose of defrauding and deceiving said Local Union, and those members more than seven in number who in good standing do intend to remain loyal thereto.

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Deponent further charges the fact to be that the ten officers and those members who conspired together for the purpose of withdrawing the aforesaid moneys from the New York Bank and who did so withdraw the same and deposit it in the Trust Company of New Jersey, then knew that there was more than seven members who refused to secede from said Local Union No. 3. and who refused to consent to any attempt to take Local Union No. 3 out of the United Garment Workers of America. 10

Deponent further says that the ten officers and the present officers of said Local Union, have unlawfully and fraudulently obtained said moneys and deposited the same in the Union Trust Company of New Jersey.

Deponent further says that in addition to removing the said money from the New York Bank for deposit in the Union Trust Company of New Jersey, that the ten officers and present officers have seceded for the purpose of further applying and using said sums of money in the interest of another organization or association than the Local Union No. 3. 20

BEN SCHWEITZER

Sworn and subscribed to before me this }
30th. day of December A. D. 1914. } 30

MAX GEDALJE,
Notary Public, Bronx County, N. Y.

FILED: New York County No. 98.
New York Register No. 6198.
Bronx County No. 49.
Bronx Register No. 637.

(Stamped)

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STATE OF NEW JERSEY, }
 COUNTY OF HUDSON } ss. :

HENRY WAXMAN of full age being duly sworn according to law on his oath deposes and says,—

THAT he is one of the complainants mentioned in the bill of complaint hereunto annexed;

10 That deponent has heard read the bill of complaint, and that the matters and facts therein set forth are true so far as pertain to his own knowledge, and as to those matters on information and belief, deponent verily believes it to be true.

20 Deponent resides at No. 160 West 141st Street, Borough of Manhattan, City and State of New York, and is a member of the United Garment Workers of America Local Union No. 3, and has been such member since such organization of said Union.

30 That deponent has heard read the affidavit of Ben Schweitzer hereunto annexed, and that the facts and matters therein stated are true. That the statements in the affidavit of the said Ben Schweitzer as to the provisions of the constitution of the National Union respecting the organization, and particularly respecting the adoption of the constitution and organization of the Local Union No. 3, and the duties of the officers of both the Local Union and the National Union, are in every respect correct and are as stated in the printed constitution of said National Union; a copy of which deponent is prepared to produce before this Honorable Court at such time and place as he may be directed so to do.

40 DEPONENT FURTHER SAYS that among the duties of the officers of Local Union No. 3 as provided by the constitution, is the duty of the financial secretary to fill out and file monthly reports and

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have same signed by the president, treasurer and corresponding secretary, and the finances as shown upon said report, turned over to the general secretary of the National Union.

That deponent knows of his own knowledge that since September, Nineteen hundred and fourteen, the then financial secretary failed to perform his duty in respect to the filling out and making the said report, and the return of the finances to the General Secretary of the National Union as provided for in said constitution. 10

That it is also provided in the constitution that no local union shall withdraw or secede from the National Union, so long as seven members thereof shall refuse to consent to such withdrawal or dissolution.

That prior to the sixteenth day of October, Nineteen hundred and fourteen, the president, financial secretary, treasurer and corresponding secretary of said Local Union No. 3, who were Morris Sussblat, Harris Hirschowitz, Morris Prozansky and Morris Silverstein respectively, with other members of said Local Union No. 3, stated in the presence and other members of said Local Union that unless they and their associates and members of other local unions could obtain control of the affairs and officers of the United Garment Workers of America, that they would secede and withdraw from the United Garment Workers of America, and organize an association in opposition to the United Garment Workers of America, and they carried out their threat and from thenceforth have been opposed to the United Garment Workers of America, and threatened to, and have commenced an organization of an opposing union, and solicited among the members 20 30 40

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of the Local Union No. 3 to have such members affiliate with the new union.

That said United Garment Workers of America is affiliated with the American Federation of Labor.

10 Deponent further says that on or about the sixteenth day of October, A. D. Nineteen hundred and fourteen, without any authority or direction of the local organization or the National Union, the said Morris Sussblat, Harris Hirshowitz, Morris Prozansky and Morris Silverstein conspired among themselves and with other members of said organization, to withdraw from The Bank of United States in the Borough of Manhattan, the moneys on deposit in that institution, to the credit of the said Local Union No. 3 and under the supervision of said National Union, which amount
20 of money on deposit at that time, as deponent is informed and verily believes to be true, was at least the sum of One Thousand Dollars.

That on said last mentioned date, the last above named persons who were then the officers of said Local Union No. 3 together with the trustees, namely Louis Rebchinsky, Abraham Fuchs and Joseph Senderowitch withdrew the aforesaid sum of money from said bank, and removed the same from the jurisdiction of the State of New York,
30 and took said money and deposited it in the Union Trust Company of New Jersey at Jersey City, N. J., in the name of Pressers Branch Local No. 3 United Garment Workers of America, and as deponent is informed and verily believes to be true, the said sum of money has since said time and still remains on deposit in said last named depository.

40 That said sum of money so deposited with the said Union Trust Company of New Jersey is still

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in the name of the said Pressers Branch Local No. 3 United Garment Workers of America, and under the control of the above named persons who deposited, or caused the same to be deposited therein, and that they have and still are diverting said moneys which is the property of Local Union No. 3 and National Union, and appropriating the same to their use and purposes, with the intention of turning the same over to an organization other than said Local Union No. 3 and which is not affiliated with the United Garment Workers of America, and for the purpose of defrauding the said Local Union No. 3 and National Union, and depriving them of their property. 10

Deponent further says that he is the General Treasurer of the United Garment Workers of America, and together with the General Secretary, has the control and supervision of all funds of the National Union. 20

Deponent further says that since the sixteenth day of October, A. D. Nineteen hundred and fourteen, the above named officers and trustees have been succeeded by the following officers and trustees elected in their place and stead, to wit, Philip Schneider; Morris Silberstein; Morris Prozansky; Harris Hirshkowitz; Louis Ravail; Abraham Blank; Joseph Senderowitch. The officers last named are in sympathy with the plan and conspiracy of the officers first above named, to deviate the funds of the said Local Union No. 3 and National Union, from the lawful purposes of the said Local Union as provided by the constitution of the National Union, and from the custody and control of the said Local Union, and to appropriate the said moneys on deposit for the uses and purposes of an organization in hostility to the United Garment Workers of America. 30 40

Bill of Complaint.

Deponent further says that the present officers and trustees who are named as defendants in this suit, since their election, have maintained a control over said moneys deposited as aforesaid, and have conspired with the former officers and trustees, and other members of the Local Union who withdrew or caused said fund to be with-
 10 drawn from the New York Bank, and deposited with the Union Trust Company of New Jersey in order to keep and divert said moneys from said Local Union and National Union and its members.

HENRY WAXMAN

Sworn and subscribed to before me }
 this 30th day of December, A. D. 1914. }

20 CHARLES H. WELLER,
 Commissioner of deeds,
 Hudson Co., N. J.

Copy of Charter and Application for Affiliation were annexed to the Bill of Complaint. Same were introduced in evidence and are designated Exhibits S-9 and S-11, respectively.

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Order to strike out.

(Filed April 15th, 1915.)

Cause No. 1.

IN CHANCERY OF NEW JERSEY.

BETWEEN

THE UNITED GARMENT WORKERS
of AMERICA, and BEN SCHWEIT-
ZER, et als.,

*Complainants,**and*

PHILIP SCHNEIDER, et als.,

Defendants.

On Bill &c.,
Order.

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Due notice having been given by the defendants of a demand that complainants give security for costs, as provided by statute, and notice also having been given of an application for an order striking out the bill of complaint, or, in the alternative, the names of the several complainants, and the Court having heard the argument of counsel,

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It is, on this twenty-ninth day of March, nineteen hundred and fifteen,

ORDERED that the complainant The United Garment Workers of America be and the same is hereby struck out as a party complainant to said bill.

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And it appearing that the complainants other than The United Garment Workers of America reside out of the State of New Jersey, it is further ORDERED that said complainants other than The United Garment Workers of America file within ten days a bond as security for costs to the de-

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fendants in the penal sum of One hundred and fifty dollars, conditioned to prosecute the suit with effect and to pay costs to the defendant if they shall be entitled thereto.

Respectfully advised,

VIVIAN M. LEWIS V. C.

EDWIN ROBERT WALKER,
Chancellor.

10 Order to Amend Bill of Complaint.

(Filed May 4th, 1915.)

Cause No. 1.

IN CHANCERY OF NEW JERSEY.

Between :

20 BEN SCHWEITZER, HENRY WAX-
MAN, HENRY LANGER, SAM
PASKIN, MOSES SILBERMAN,
ABRAM FOX and MAX SILBER-
STEIN,

Complainants,

and

PHILIP SCHNEIDER, et als,

Defendants.

On Bill &c.
Order to
amend bill of
complaint.

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This matter coming on to be heard on Notice given by the defendants upon an application for an order striking out the bill of complaint or in the alternative the names of the several complainants, and the Court having heard the argument of Counsel and the Court having made an order that the complainant, The United Garment Workers of America be struck out as a party complain-

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Order to Amend Bill of Complaint.

ant to said bill and the Court having granted leave to the remaining complainants to amend the bill of complainant by striking out the said complainant, The United Garment Workers of America and likewise in respect to the paragraphs one and two, of said bill of complaint, so that the same will read as follows:

"I. This action is brought by the said Ben Schweitzer, Henry Waxman, Henry Langer, Sam Paskin, Moses Silberman, Abram Fox and Max Silberstein, members of Local Union No. 3 of the United Garment Workers of America, which is a voluntary association and not incorporated, having the recognized name as aforesaid, on behalf and for the use and benefit of your orators and all other members of said Local Union No. 3 of the United Garment Workers of America."

"II. That the said Local Union No. 3 of the United Garment workers of America is a voluntary unincorporated association chartered by and affiliated with the said United Garment Workers of America, which said United Garment Workers of America is a national organization consisting of Two Hundred and seventy-eight (278) branches or local unions or organizations having the recognized names and numbers that are affiliated or connected with and acknowledge the jurisdiction and authority of said United Garment Workers of America, which said local union organization is composed of persons who are employed in the manufacturing of garments and work at the trade throughout the states and territories of the United States and the Dominion of Canada. That for the sake of convenience, the said United Garment Workers of America is hereafter referred to as the "National Union."

Answer.

(Filed May , 1915).

Cause No. 1.**IN CHANCERY OF NEW JERSEY.**

Between

BEN SCHWEITZER, HENRY WAX-
MAN, HENRY LANGER, SAM PAS-
KIN, MOSES SILBERMAN, ABRAM
FOX and MAX SILBERSTEIN,
(Originally joined as complain-
ants with the United Garment
Workers of America),

*Complainants,**and*

PHILIP SCHNEIDER, MORRIS SILBER-
STEIN, MORRIS PROZANSKY, HAR-
RIS HIRSHKOWITZ, LOUIS RAVAIL,
ABRAHAM BLANK, JOSEPH SEND-
EROWITCH and UNION TRUST COM-
PANY OF NEW JERSEY,

Defendants.

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ON Bill &c.

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The answer of the defendants Philip Schneider, Morris Silberstein, Morris Prozansky, Harris Hirshkowitz, Louis Ravail, Abraham Blank and Joseph Senderowitch, to the bill of complaint of the above named complainants.

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These defendants for answer unto the said bill of complaint or unto so much thereof as they are advised it is material or necessary for them to make answer unto, answering say:

(1) They have not sufficient knowledge or information of the facts alleged in paragraph one

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Answer.

of the said bill of complaint to admit or deny the same and leave the said complainants to make such proof thereof as they may be advised.

(2) These defendants further answering deny the allegations of paragraph two of the said bill of complaint.

10 (3) These defendants have not sufficient knowledge or information of the matters set forth in paragraph three of said bill of complaint to admit or deny the same and leave the said complainants to make such proof thereof as they may be advised.

(4) These defendants deny the allegations of paragraph four of the said bill.

(5) These defendants deny the allegations of paragraph five of the said bill.

20 (6) These defendants deny the allegations of paragraph six of the said bill.

(7) These defendants deny the allegations of paragraph seven of the said bill.

(8) These defendants deny the allegations of paragraph eight of the said bill.

(9) These defendants deny the allegations of paragraph nine of the said bill.

(10) These defendants deny the allegations of paragraph ten of the said bill.

30 (11) These defendants further answering say, that at all the times in the bill of complaint mentioned and for several years prior thereto, the Basters' and Tailors' Branch of United Brotherhood of Tailors, Local Union No. 3, herein described and referred to as Basters' and Tailors' Local Union No. 3 was a voluntary unincorporated association consisting of more than seven (7) members and that as such voluntary unincorporated association it had an independent and

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Answer.

separate existence, sources of revenue, funds and property, a president, secretary, treasurer and other officers. That the sources of its revenue consisted of dues and assessments paid by the members of the said association and that the funds and property accumulated from such payment of dues and assessments at all such times were and still are the funds and property of the said association and of the members thereof. 10

(12) That the defendant Philip Schneider is the President of the said Basters' and Tailors' Local Union No. 3; that the defendant Morris Prozansky is the Treasurer of the same; that the defendant Harris Hirshkowitz is the Financial Secretary and Morris Silberstein the Recording Secretary of the same, and that the defendants Louis Ravail, Abraham Blank and Joseph Senderowitch are the Trustees of the same. That all of these defendants were duly elected to their said respective offices and that they have held the said offices at all the times mentioned in the bill of complaint herein and that they were such officers of the said Basters' and Tailors' Local Union No. 3, on and prior to the thirteenth day of October, Nineteen hundred and fourteen. 20

(13) That on and prior to the said thirteenth day of October, Nineteen hundred and fourteen, the said Basters' and Tailors' Local Union No. 3, had certain funds or moneys on deposit in The Bank of United States, a bank in the Borough of Manhattan, City, County and State of New York, which said funds and moneys had been contributed by the members of the said Basters' and Tailors' Local Union No. 3 for the general purposes of the said Local Union and were the property of the said Basters' and Tailors' Local Union No. 3. That the sum of One thousand dollars (\$1,000.00) mentioned in the bill of com- 30 40

Answer.

plaint herein was part of such moneys and funds of the said Basters' and Tailors' Local Union No. 3.

10 (14) That at all the times in the bill of complaint mentioned and on and prior to the said thirteenth day of October, Nineteen hundred and fourteen, the said Basters' and Tailors' Local Union No. 3 had an Executive Committee, which said Executive Committee was vested with full power to manage the business and affairs of the said Basters' and Tailors' Local Union No. 3 and to designate banks or other institutions in which the moneys and funds of the said Basters' and Tailors' Local Union No. 3 should be deposited.

20 (15) That on or about the thirteenth day of October, Nineteen hundred and fourteen, the said Executive Committee of the said Basters' and Tailors' Local Union No. 3 in regular session duly convened, by proper resolution, authorized and directed these defendants to withdraw from the said The Bank of United States, in the said Borough of Manhattan aforesaid, the sum of One thousand dollars (\$1,000) and to deposit the same in the name of the said Basters' and Tailors' Local Union No. 3 with the defendant Union Trust Company of Jersey City in the State of New Jersey.

30 (16) That these defendants thereupon and in compliance with such authorization and direction of the said Executive Committee did on or about October sixteenth, Nineteen hundred and fourteen so withdraw the said sum of One thousand dollars (\$1,000) from the said The Bank of United States, in the Borough of Manhattan aforesaid and did deposit the same with the defendant Union Trust Company in the City of Jersey City, State of New Jersey, and that the said sum of
40 One thousand dollars (\$1,000) is the sum of

Answer.

money mentioned in the bill of complaint herein and sought to be recovered herein by the complainants.

(17) That the said Basters' and Tailors' Local Union No. 3 was organized and created independently of The United Garment Workers of America and was in existence and had property and funds prior to its affiliation with the said The United Garment Workers of America as hereinafter set forth. That the said The United Garment Workers of America at all the times in the bill of complaint mentioned was and still is a voluntary unincorporated association consisting of such labor organizations as chose to affiliate with it from time to time; that it had and still has a set of officers separate and independent from the officers of such local unions, and sources of income and property of its own and an organized existence separate and apart from that of the said several local labor unions. 10
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(18) That on or about the eighth day of June, Nineteen hundred and twelve the said Basters' and Tailors' Local Union No. 3 voluntarily affiliated with the said The United Garment Workers of America and agreed to and did pay to it certain monthly dues based upon the number of its members; that by such affiliation the said Basters' and Tailors' Local Union No. 3 did not abandon its separate existence, sources of income, property and property rights, but that it retained the same in every respect as theretofore. 30

(19) That thereafter and on or about the twelfth day of October, Nineteen hundred and fourteen, a division occurred within the organization of the said The United Garment Workers of America, which said division resulted in the creation of two separate organizations, each 40

Answer.

styling itself The United Garment Workers of America and each having a separate set of officers, and that the local unions affiliated with the said The United Garment Workers of America thereupon were likewise divided in their respective adherence and affiliation, a number of the same giving adherence and affiliation to that organization which is herein represented by the complainants and a number of the said local unions adhering and giving affiliation to the organization likewise known as The United Garment Workers of America represented by one Sidney Hillman as President.

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(20) That on or about the fifteenth day of October Nineteen hundred and fourteen said Basters' and Tailors' Local Union No. 3 at a meeting duly and regularly called and held for that purpose, by a vast majority of the members thereof, decided to and did give adherence and affiliation to the organization known as The United Garment Workers of America and represented by the said Sidney Hillman as President.

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(21) That thereafter and on or about the twenty-sixth day of December, Nineteen hundred and fourteen, the said organization known as The United Garment Workers of America and represented by the said Sidney Hillman as President, with which said Basters' and Tailors' Local Union No. 3 was then affiliated as aforesaid, consolidated with another national organization of labor and assumed the name of Amalgamated Clothing Workers of America and that said Basters' and Tailors' Local Union No. 3 continued its adherence and affiliation with the said organization under this said new name.

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(22) That the said changes in the national organization with which said Basters' and Tailors' Local Union No. 3 was affiliated did not at any

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Answer.

time change or impair the existence of the said Basters' and Tailors' Local Union No. 3 or its right or title to any of its property and funds, including the sum of One thousand dollars (\$1,000) in litigation herein; that the said Basters' and Tailors' Local Union No. 3 retains its former identity and membership, except that a few members have voluntarily given up their membership therein and formed a new organization styled by them as Local Union No. 3 of the United Garment Workers of America; that the complainants are such former members of the said Local Union No. 3 who have so voluntarily seceded from the same; that they did not represent the said Basters' and Tailors' Local Union No. 3 which has accumulated and which owns the funds and moneys in suit; that they do not bring this action in behalf of the said Basters' and Tailors' Local Union No. 3 or any authorized officers thereof; and that the organization represented by them has no claim whatsoever to the said moneys and funds.

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(23) And these defendants submit to this honorable Court that all and every of the matters in the said bill of complaint mentioned and complained of are matters which may be tried and determined at law, and with respect to which the said complainants are not entitled to any relief in this Court, that it appears by the said bill of complaint that the same is exhibited by the complainants having no interest in common with each other, and that the said bill contains a demand of several matters of distinct natures against several of these defendants and is exhibited against these defendants for distinct matters and causes, in several whereof, as appears by the said bill other of these defendants are not in any manner interested or concerned, and that

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Final Decree.

(Filed September 30th, 1915).

Cause No. 1.**IN CHANCERY OF NEW JERSEY.**

Between

BEN SCHWEITZER, HENRY WAX-
 MAN, HENRY LANGER, SAM PAS-
 KIN, MOSES SILBERMAN, ABRAM
 FOX and MAX SILBERSTEIN,
 (Originally joined as complain-
 ants with the United Garment
 Workers of America),

*Complainants,**and*

PHILIP SCHNEIDER, MORRIS SILBER-
 STEIN, MORRIS PROZANSKY, HAR-
 RIS HIRSHKOWITZ, LOUIS RAVAIL,
 ABRAHAM BLANK, JOSEPH SEND-
 EROWITCH and UNION TRUST COM-
 PANY OF NEW JERSEY,

Defendants.

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On Bill &c.

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This matter coming on to be heard in the pres-
 ence of Hudspeth & Rysdyk, solicitors of com-
 plainants and Nathan Waxman, of counsel and
 McDermott & Enright, solicitors of the defend-
 ants, and Alexander Levene, of counsel, and the
 Court having heard and considered the pleadings
 and proofs in the cause and the arguments of
 the respective counsel, and being of opinion that
 the complainants are not entitled in equity to
 the possession and control of the funds deposited
 in the defendants Union Trust Company of New

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Final Decree.

Jersey by the other defendants in this cause, and that the defendant herein, Union Trust Company of New Jersey, should not be restrained from paying out the said moneys, and the other defendants herein should not be restrained from drawing the same.

10 IT IS THEREUPON, on this 29th, day of September, 1915, by his Honor, Edwin Robert Walker, Chancellor of the State of New Jersey, ORDERED, ADJUDGED AND DECREED, and the said Chancellor by virtue of the power and authority of this Court, does hereby ORDER, ADJUDGE AND DECREE, that the restraining order made in this cause on the filing of the bill herein be vacated, and that the injunction heretofore issued in this cause under the order made herein on the eighth day of March, 1915, be vacated and dissolved.

20 AND IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the prayer of the bill of complaint that an injunction issue against the defendants herein, be and the same is hereby denied.

30 AND IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the possession and control of the said fund now on deposit in the defendant Union Trust Company of New Jersey be and the same is hereby awarded to the defendants and the organization represented by them, with costs.

AND IT IS FURTHER ORDERED, ADJUDGED AND DECREED that there be allowed to the solicitors of the defendants the sum of \$50.00, as a counsel fee, to be taxed in and collected with the bill of costs in this cause.

E. R. WALKER,
C.

Respectfully advised,

VIVIAN M. LEWIS,
V. C.

Notice of Appeal.

(Filed October 9th, 1915).

Cause No. 2.**IN CHANCERY OF NEW JERSEY.****Between**

JACOB ITSKOWITZ, JACOB GREEN-GRAS, ISAAC MADANSKY, HYMAN MILLER, ISIDOR ALTUS, BARNET REIBSTEIN and ABRAHAM KAPLAN, (Originally joined as complainants with the United Garment Workers of America),

10

*Complainants,**and*

HYMAN DIRECTOR, DAVID GOLDSTEIN, SAM SCHEPPS, ABRAHAM SCHWARTZ, ISAAC LEVINSON and JOSEPH FINKELSTEIN and UNION TRUST COMPANY OF NEW JERSEY,

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Defendants.

The complainants hereby appeal from the final decree and every part thereof made in this Court in the above stated cause on the twenty-ninth day of September, A. D. 1915, to the Court of Errors and Appeals in the last resort in all causes.

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HUDSPETH & RYSDYK,
Solicitors of Complainants.

I conceive that there is good cause for appeal in the above stated cause.

R. S. HUDSPETH,
Of Counsel with Complainants.

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Petition of Appeal.
(Filed October 22nd, 1915).

Cause No. 2.

NEW JERSEY COURT OF ERRORS AND APPEALS.

Between

10 JACOB ITSKOWITZ, JACOB GREEN-
GRAS, ISAAC MADANSKY, HYMAN
MILLER, ISIDOR ALTUS, BARNET
REIBSTEIN and ABRAHAM KAP-
LAN, (Originally joined as com-
plainants with the United Gar-
ment Workers of America),

Complainants,

and

20 HYMAN DIRECTOR, DAVID GOLD-
STEIN, SAM SCHEPPS, ABRAHAM
SCHWARTZ, ISAAC LEVINSON and
JOSEPH FINKELSTEIN and UNION
TRUST COMPANY OF NEW JERSEY,

Defendants.

On Bill &c.

To the Honorable Court of Errors and Appeals
in the last resort in all causes.

30 The petition of Jacob Itskowitz, Jacob Green-
gras, Isaac Madansky, Hyman Miller, Isidor Altus,
Barnet Reibstein and Abraham Kaplan, appel-
lants in this cause respectfully shows, that your
petitioners found themselves aggrieved by a final
decree made in the Court of Chancery by his
Honor Edwin Robert Walker, Chancellor of the
State of New Jersey, bearing date the twenty-
ninth day of September, A. D., Nineteen hundred
and fifteen, wherein Jacob Itskowitz, Jacob Green-
40 gras, Isaac Madansky, Hyman Miller, Isidor

Petition of Appeal.

Altus, Barnet Reibstein and Abraham Kaplan, (originally joined as complainants with the United Garment Workers of America), were complainants, and Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz, Isaac Levinson and Joseph Finkelstein and Union Trust Company of New Jersey, were defendants, in this respect.

That the said final decree denied to the complainants the relief prayed for in their bill of complaint and by virtue of said decree it was ordered, adjudged and decreed that the restraining order made in the above entitled cause on the filing of the bill therein be vacated, and that the injunction theretofore issued in said cause under the order made therein on the eighth day of March, A. D., Nineteen hundred and fifteen, be vacated and dissolved, and that the prayer of the bill of complaint that an injunction issue against the defendants therein was by virtue of said decree denied and that the possession and control of the fund on deposit in the defendant Union Trust Company of New Jersey be awarded to the defendants and the organization represented by them, with costs.

Your petitioners humbly appeal from all of the decrees of said Chancellor, which decrees as aforesaid, on the ground that the same are erroneous.

Your petitioners therefore pray that the said decree of the Chancellor and the particulars aforesaid may be reversed, set aside and for nothing holden, and that your petitioner may have such other and further relief in the premises as to this Honorable Court shall seem meet.

HUDSPETH & RYSDYK,
Sol'rs. for Petitioners.

R. S. HUDSPETH,
Of Counsel with Petitioners.

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Answer to Petition of Appeal.

(Filed October ,1915).

Cause No. 2.**NEW JERSEY COURT OF ERRORS AND APPEALS.**

Between

10 JACOB ITSKOWITZ, JACOB GREENGRAS, ISAAC MADANSKY, HYMAN MILLER, ISIDOR ALTUS, BARNET REIBSTEIN and ABRAHAM KAPLAN, (Originally joined as complainants with the United Garment Workers of America),

Complainants-Appellants.

and

20 HYMAN DIRECTOR, DAVID GOLDSTEIN, SAM SCHEPPS, ABRAHAM SCHWARTZ, ISAAC LEVINSON and JOSEPH FINKELSTEIN and UNION TRUST COMPANY OF NEW JERSEY,

Defendants-Respondents.

On Bill &c.

30 The answer of Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz, Isaac Levinson and Joseph Finkelstein, defendants-respondents to the petition of appeal of the above named complainants-appellants.

40 The defendants-respondents not acknowledging all or any of the matters which in the said petition of appeal are contained to be true for answer thereto nevertheless say and admit that a decree was on the twenty-ninth day of September, 1915, made and entered in the Court of Chancery in the cause for that purpose mentioned in the said petition as therein stated, but as to the substance

and form thereof these defendants-respondents pray to refer thereto when the same shall be produced.

And these defendants-respondents are advised and believe that the said decree is agreeable to equity and that they pray that the same may be affirmed with costs to be adjudged to these defendants-respondents.

MCDERMOTT & ENRIGHT,
Solicitors for and of Counsel 10
with Hyman Director, David
Goldstein, Sam Schepps,
Abraham Schwartz, Isaac
Levinson and Joseph Finkel-
stein.

Bill of Complaint.

(Filed December 30th, 1914).

Cause No. 2. 20

IN CHANCERY OF NEW JERSEY.

To his Honor

EDWIN R. WALKER,
Chancellor of the State of N. J.

Humbly complaining shows unto your Honor your Orators, The United Garment Workers of America and Jacob Itskowitz, Jacob Greengras, Isaac Madansky, Hyman Miller, Isidor Altus, 30
Barnet Reibstein and Abraham Kaplan.

1. That this action is brought by the said The United Garment Workers of America (hereinafter for convenience designated as "National Union") which is a voluntary association and not incorporated, having the said recognized name, on behalf and for the use and benefit of your orators, and all the branch or local organizations of the

Bill of Complaint.

said National Union affiliated or connected therewith and acknowledging the jurisdiction thereof, and the members of the same, and your orators, Jacob Itskowitz, Jacob Greengras, Isaac Madansky, Hyman Miller, Isidor Altus, Barnet Reibstein and Abraham Kaplan, who are members of Local Union No. 2 of the National Union.

2. That the said National Union is a National
 10 Organization, consisting of two hundred and seventy-eight (278) branches or local organizations, having recognized names and numbers that are affiliated or connected with, and acknowledging the jurisdiction of the said National Union, composed of persons who are employed in the manufacturing of garments and working at the trade throughout the States and Territories of the United States and the Dominion of Canada to
 20 the number of more than fifty thousand (50,000) of whom a number reside in the Dominion of Canada; and that owing to the large number of members of the said National Union and their said places of residence, it is altogether impracticable and impossible to make all the said Branch or Local Unions or any considerable number of them, or the members thereof parties to this suit by their recognized names or the individual names of the members, but your orators,
 30 Jacob Itskowitz, Jacob Greengras, Isaac Madansky, Hyman Miller, Isidor Altus, Barnet Reibstein and Abraham Kaplan are made parties to this suit by reason of being members of Local Union No. 2, of the United Garment Workers of America, since its organization, which is one of branch or local organizations of the said National Union and affiliated or connected therewith, and interested in the moneys and property hereinafter
 40 mentioned.

Bill of Complaint.

3. That the said National Union comprising and consisting of branch or local organizations and the members thereof as aforesaid, did in convention assembled adopt a constitution, and which has since been revised and adopted as therein required and provides among other things as follows

(Article I.) That the National Union shall have said power to establish local unions and finally adjust and determine all matters of general importance to their welfare and that of the members thereof, reserving to the Local Union the right to make all necessary laws that do not conflict with those of the National Union; that the said National Union has all legislative power in convention assembled except such limitations and that its executive and judicial power as are set forth in its constitution, when not in session is vested in a general executive board; that it is to affiliate and is affiliated with the American Federation of Labor and can only withdraw from such affiliation by a two-third majority vote;

(Article III.) That the said National Union meets biennially in general conventions on the second Monday in October in such places as may have been chosen by the last convention; the Local Unions are entitled to representation therein according to the average membership on which they pay a per capita tax, for the twenty-four (24) months ending August 31st, immediately preceding the convention on the following basis; for the first one hundred (100) members or less, one (1) delegate, and one (1) additional delegate for every three hundred (300) over the first one hundred (100) or a majority fraction thereof, but no Local Union shall be entitled to more than four delegates; that no person is eligible to elec-

Bill of Complaint.

tion as a delegate unless a garment worker employed at the trade or by the organization, who shall have been a member in good standing of the Local Union he represents at least six (6) months immediately preceding the date on which said election is held;

10 (Article V.) That the general officers are, a president, who is the chief organizer; a general secretary who devotes his entire time to the service of the union; a treasurer and auditor and Trustees and these with four members constitute a general executive board, which holds regular quarterly meetings in New York City, and continue in office until their successors are duly elected and installed; that the general executive board decides all point of law arising under the jurisdiction under the National Union, and all
20 claims, grievances and appeals, which decision stands until the next general meeting or special convention, when if not reversed it shall be final;

(Article VII.) That each Local Union pays to the general secretary a per capita tax of fifteen cents per month for each member in good standing and twenty-five cents from the initiation fee of each member to be used for an organization and label fund; the financial secretary of a Local Union shall immediately after the first meeting in
30 each month fill out the monthly report blank issued by the general secretary, sign the same in conjunction of the president and recording secretary, and forward it together with the amount due to the general secretary, keeping a duplicate copy on file;

(Article IX.) That all general and local union officers shall deliver to their successors all property and moneys of the local union or United
40 Garment Workers of America and shall not be

Bill of Complaint.

released from their bonds unless they have done so. Any officer or member who appropriates any funds of the National Union for their own use, shall be legally prosecuted;

(Article XII.) A local union may be organized by seven or more persons employed in the making of men, boys' or childrens' garments, provided they are qualified according to the constitution; these must apply to the general secretary for a charter and shall send sixteen (\$16) Dollars for charter fee and supplies. On receipt of the charter fee, the general secretary shall forward the same to the new local union when approved by the executive board; that a local union shall not withdraw from the National Union or dissolve, so long as seven members at a special meeting called for that purpose object thereto and are willing to retain the charter and three months notice to the general secretary of any withdrawal shall be required; that all property and money of the local union shall be the property and money of the United Garment Workers of America;

(Article XIII.) The proper officers of each local union shall promptly and properly fill all report blanks furnished them by the general secretary, failing to do so for two consecutive months, they shall be liable to a fine of not more than Five Dollars (\$5.00) for the first offense; they shall produce the books of the local union when demanded by a general officer. Failure to do so within forty-eight hours (48) the local officers of the union shall be liable to suspension by the general officer for insubordination. The general secretary shall prepare a local financial secretary's and treasurer's account-book for the use of the local unions and every local union shall purchase them and keep their account in accordance therewith;

Bill of Complaint.

(Article XIV.) The treasurer of the Local Union shall receive all money from the financial secretary, giving receipt therefor and deposit the same in the name and number of the local union. The money received must be deposited not later than forty-eight (48) hours thereafter, in such bank as the organization may direct, reserving
10 One Hundred (\$100) Dollars for current expenses; keep a correct account of all moneys and pay all bills when properly attested. It shall be the duty of the Board of Trustees of the local union to supervise the funds and property of the organization and together with the treasurer, assume charge of all surplus money and at least two members of the board shall countersign all checks drawn on account of the organization from the bank by the treasurer of the local union;

20 (Article XVIII.) Any member desiring to leave the National Union shall be allowed to withdraw from membership, by paying all demands to date of withdrawal, surrender of his membership book or card, and written notice of his withdrawal to the local union.

Your orators, Jacob Itskowitz, Jacob Green-
 gras, Issac Madansky, Hyman Miller, Isidor Altus,
 Barnet Reibstein and Abraham Kaplan, further
30 show that they are members of Local Union No. 2 of the National Union and have been such members since the organization; that the members of Local Union No. 2 are all residents of the City of New York and the business of said local union is confined to the City of New York and State of New York; that the present officers of Local Union No. 2 of the National Union are, Hyman Director, President, David Goldstein, treasurer,
 Sam Schepps, financial and recording secretary
40 and Isaac Levinson, Abraham Schwartz and

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Joseph Finkelstein, Trustees. That the above named persons were duly elected to the office at the meeting of said Local Union No. 2 of the National Union, on or about the eighth day of December, Nineteen hundred and fourteen.

Your orators further show that according to the constitution, it was the duty of the financial secretary to fill out the monthly report blank issued by the general secretary, to sign the same in conjunction with the president, recording secretary and treasurer and forward it with the necessary finances to the general secretary, and to prepare and send to the general secretary the list of the members of the local union; that since August Nineteen hundred and fourteen, the financial secretary has not performed his said duty and has failed to fill out and make the report herein above mentioned, in accordance with the provisions of the constitution as therein set forth and likewise procure the signatures of the president, recording secretary and treasurer thereto and forward the same with the necessary finances to the general secretary of the National Union, and your orators aver that the above named financial secretary then and there and at all times well knew that it was his duty to fill out and file said report in manner aforesaid and that he failed and refused to do so without any right, consent, permission or authority of said local union.

Your orators further show that Local Union #2 was organized and the fund now belonging thereto consisting of dues, initiation fees and assessments levied and assessed against its members were collected under an agreement with its members whereby the organization was to have a definite name and purpose inseparably connected with the National Union to which it was

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subservient, a copy of which agreement is hereto annexed, and that said Local Union #2 could not be dissolved by its members or the same secede from the National Union so long as seven members objected thereto and then only upon three months previous notice in writing to the general secretary.

- 10 Your orators further show that in violation of the provisions of the constitution, the officers of said Local Union #2 with other members of the said Local Union but not with all of the members of said Local Union, have refused to recognize the duly elected officers of the United Garment Workers of America; have failed and refused to send the general secretary the monthly reports which they are required to make to the general secretary, have failed and refused to pay to the
- 20 National Union the per capita tax and the initiation fee for membership in said local union, but on the contrary have recognized strangers as the officers of the said National Union and have paid the per capita tax and initiation fees to the said strangers and have delegated certain persons to attend, and said persons did attend a convention called by the strangers for the purpose of forming
- 30 an opposition union or organization to that of the United Garment Workers of America, and have failed and refused to acknowledge that they are bound to the United Garment Workers of America by virtue of the charter issued by the latter to the said local union.

- Your orators further show that on or about the thirteenth day of October, Nineteen hundred and fourteen, the said Hyman Director, president, David Goldstein, treasurer, Sam Schepps, financial secretary and corresponding secretary, Abraham Schwartz, Isaac Levinson and Joseph Finkel-
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stein, being the officers and trustees of said local union #2 and certain other members associated with them withdrew from the Manhattan Savings Institution, a bank in the Borough of Manhattan and State of New York, without the authority, power and direction of said local union #2 and its members, the sum of seventeen hundred and fifty (\$1750) Dollars, as your orators are informed and verily believe to be true and deposited the said sum of money which represented approximately all of the funds and moneys belonging to the said local union in the Union Trust Company of New Jersey, Jersey City, N. J., that the above mentioned officers of said local union, unlawfully and fraudulently withdrew the said fund or moneys on deposit in said Manhattan Savings Institution, in the Borough of Manhattan aforesaid and deposited the same in the Union Trust Company of New Jersey, in the City of Jersey City and State of New Jersey, against the orders and directions of said Local Organization, for the purpose of diverting said funds and moneys and to appropriate the same to the use of the said above mentioned officers and to defraud and deceive the said local organization and the National Union from having possession thereof in accordance with the provisions of the constitution; that your orators are informed and verily believe it to be true aforesaid said sum of moneys is still on deposit in the said Union Trust Company of New Jersey in the City of Jersey City aforesaid, although the said Hyman Director president, David Goldstein, treasurer, Sam Schepps, financial secretary and corresponding secretary Abraham Schwartz, Isaac Levinson and Joseph Finkelstein, being the officers and trustees of said local union #2 have threatened and at-

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tempted to withdraw said money therefrom, but your orators have caused notice to be served upon said Union Trust Company of New Jersey, requesting it to refrain from paying out any moneys so deposited pending the determination of the ownership thereof.

10 Your orators further show and charge the fact to be that said funds and moneys were withdrawn and removed from the Bank in the Borough of Manhattan to deprive the Local Union and the National Union of the benefit and possession thereof, without authority of either the Local Union or National Union and removed it to the State of New Jersey and deposited in the Trust Company in the City of Jersey City by the above named officers for their expressed benefit and for
 20 the purpose of applying and using the same in the interests of another association and organization than the said Local Union #2.

Your orators further show that on or about the twenty-sixth day of August, Nineteen hundred and nine, the said Local Union #2 was chartered as a subordinate union by the said National Union and at said date and for a long time prior thereto, the constitution of the National Union provided
 30 that all property and money of the Local Union shall be the property and money of the United Garment Workers of America; (Article XII.)— Your orators charge that the withdrawal of the moneys in the said Manhattan Savings Institution in the Borough of Manhattan by the officers of the Local Union, on the thirteenth day of October A. D., Nineteen hundred and fourteen, and removal of the same from the jurisdiction of said City and State, and taken and deposited by
 40 the then said officers in the Union Trust Company of New Jersey, in Jersey City, N. J., in the

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name of the "Basters and Tailors Branch of United Brotherhood of Tailors, Local Union No. 2" without any authority of the Local Organization and the continuance of the same on deposit in the manner aforesaid, by the said Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz Isaac Levinson and Joseph Finkelstein, against the authority and directions of the said organization was and has not only been in furtherance of the aforesaid conspiracy, but has and will continue to cause your orators irreparable injury; that the present officers and trustees of the said Local Union No. 2—Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz, Isaac Levinson and Joseph Finkelstein, are financially irresponsible and unless retained by an order of this Court they will be able to withdraw the moneys so deposited as aforesaid in the Union Trust Company of New Jersey, and your orators will be without any remedy and relief in the premises at law and can only have adequate relief in a Court of Equity; to the end therefore that the defendants hereafter named may answer, but without oath, all and singular in the premises as fully as though here repeated, and that the defendants, Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz, Isaac Levinson and Joseph Finkelstein and the Union Trust Company of New Jersey, may set forth and discover the amount of money withdrawn by them or someone or all of them from the said Manhattan Savings Institution, in the Borough of Manhattan, and removed from the City of New York and deposited with the Union Trust Company of New Jersey at Jersey City, N. J., in the name or names, place or places, of any banks or depositories where

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said moneys or any part thereof was deposited, and the amount so deposited, and the name or names, and in the manner in which such deposits were made, and by what right or authority said sum of money was withdrawn from the Manhattan Savings Institution in the Borough of Manhattan and deposited in the Union Trust Company of New Jersey, and that it may be decreed that said moneys are the property of the said Local Union #2 and the United Garment Workers of America and that the said Local Union #2 and said National Union have dominion and control of said sum of money for the benefit of the members of said Local Union and that it be decreed that the title of said moneys is in the said Local Union and National Union, and that the said Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz, Isaac Levinson and Joseph Finkelstein, fraudulently and unlawfully withdrew said moneys from the depositories of New York and deposited the same in the Union Trust Company in Jersey City, in the name of the "Basters and Tailors Branch of United Brotherhood of Tailor Local Union #2" and for the purpose of removing said moneys beyond the jurisdiction of the State of New York, for the further purpose of holding and appropriating the same for an organization of an opposing union other than the Local Union No. 2 and that of the United Garment Workers of America and that of the said Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz, Isaac Levinson and Joseph Finkelstein, may be enjoined and restrained from withdrawing the moneys in the New York depositories and the Union Trust Company of New Jersey, or such other depositories as the same may now be deposited in and may be commanded to turn

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over the moneys to the Local Union No. 2 and National Union and to give them full control and dominion thereof, and that the said Union Trust Company of New Jersey may be restrained and enjoined from paying out said sum of money now on deposit with it belonging to said Local Union #2 or National Union or any part thereof or in any manner disposing of the same either upon presentation of checks, drafts, assignments, written authorizations or otherwise, for the benefit of said Local Union No. 2 and National Union and its members and that the said Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz, Isaac Levinson and Joseph Finkelstein refrain from interfering with the possession and title thereof, and that your orators may have such further relief in the premises as may be equitable and just.

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May it please your Honor, the premises considered to grant unto your orators the writ or writs of subpoena issuing out of and under the seal of this Honorable Court, directed to the said Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz, Isaac Levinson and Joseph Finkelstein and the Union Trust Company of New Jersey, commanding them by a certain day and under a certain penalty therein to be expressed, to be and appear before your Honor in this Honorable Court, then and there to answer the premises, and to stand to and abide by and to perform such other and further decree as your Honor may make herein and also the State's writ or writs of subpoena or injunction likewise issuing out of and under the seal of said Court, enjoining and restraining them and each of them and commanding the said Hyman Director, David Goldstein, Sam Schepps,

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Abraham Schwartz, Isaac Levinson and Joseph Finkelstein and Union Trust Company of New Jersey as hereinabove prayed for.

HUDSPETH & RYSZYK,
Solicitors of Complainants.

R. S. HUDSPETH
Of Counsel.

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STATE OF NEW JERSEY, }
County of Hudson } ss.:

HENRY MAXMAN, of full age being duly sworn according to law on his oath deposes and says; that he is the general treasurer of the United Garment Workers of America one of the complainants in the above entitled cause; that the Bill of Complaint hereunto annexed has been read
20 to him and the matters and facts therein set forth are true so far as pertaining to his own knowledge and as to those matters upon information and belief deponent verily believes to be true.

HENRY MAXMAN.

Sworn to and subscribed to before me }
this 30th day of December, 1914. }

30 CHARLES H. WELLER,
Commissioner of Deeds,
Hudson Co., N. J.

STATE OF NEW JERSEY, }
County of Hudson. } ss.:

HYMAN MILLER, of full age being duly sworn according to law on his oath deposes and says:
40 That he is one of the complainants mentioned in the Bill of Complaint hereunto annexed; that deponent has heard read Bill of Complaint and

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that the matters and facts therein set forth are true so far as pertaining to his knowledge and as to those matters upon information and belief deponent verily believes to be true.

Deponent resides at #34 Canal Street, Borough of Manhattan and State of New York and is a member of the United Garment Workers of America, Local Union No. 2 and has been such member since the organization of said union. That deponent is familiar with the provisions of the constitution of the said National Union; that the National Union has sole power to establish local unions, adjust and determine all matters of general importance to their welfare and that of the members thereof and that said National Union has all legislative power in convention assembled; that the said National Union meets biennially in general conventions on the second Monday in October; that the local unions are entitled to representation therein according to the average membership as set forth and described in the Bill of Complaint; that the general officers are, a president, secretary, treasurer and auditor besides three trustees; that each local union pays to the general secretary the per capita tax of fifteen cents per month for each member in good standing and twenty-five cents from the initiation fee of each member to be used for an organization and label fund; that the financial secretary of the local union is required immediately after the first meeting of each month, to fill out a monthly report blank, issued by the general secretary, sign the same in conjunction with the president and recording secretary and forward the same together with the amount due, to the general secretary, keeping a duplicate copy on file; that a local union may be organized by seven or more

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Bill of Complaint.

persons employed in the making of garments as described in the Bill of Complaint, upon receipt of the charter fee of sixteen (\$16) Dollars. The general secretary shall forward the charter to the local union when approved by the general executive board; that the charter to local union No. 2 was issued August twenty-sixth nineteen

10 hundred and nine; that a local union may not withdraw from the National Union or dissolve so long as seven members thereof object thereto and are willing to retain the charter, and three months' notice to the general secretary of any contemplated withdrawal must be given. All property and money of the local union, shall be the property and money of the United Garment Workers of America.

20 Deponent further says that the proper officers of each local union are required to promptly and properly fill all report blanks, furnished them by the general secretary; failing to do so for two consecutive months, they are liable to the fine mentioned in said bill of complaint; failing to produce the books of the local union when demanded by the general officer within forty-eight (48) hours, the local officers are liable to suspension for insubordination; that the treasurer of

30 the local union receives all moneys from the financial secretary, giving a receipt therefor, and is required to deposit the same in the name and number of the local union; the money received must be deposited not later than forty-eight (48) hours thereafter, in such bank as the organization may direct, one hundred (\$100) dollars be reserved for current expenses; the treasurer must keep a correct account of all money and pay all

40 bills when properly attested. It is the duty of the Board of Trustees of the Local Union to super-

Bill of Complaint.

vise the funds and property of the organization, and together with the treasurer, assume charge of all surplus money, and at least two members of the board of trustees shall countersign all checks, drawn on the account of the organization from the bank.

Deponent further says that he with the other complainants named in the bill of complaint, are residents of the City and State of New York and that the business of said local union No. 2, is confined to the City of New York; that the present officers of local union No. 2 are, Hyman Director, president, David Goldstein, treasurer, Sam Schepps financial and recording secretary and Abraham Schwartz, Isaac Levinson and Joseph Finkelstein trustees; that the persons last above named were duly elected to their respective offices, at a meeting of said local union #2, in the month of June, Nineteen hundred and fourteen and were all re-elected on or about the ninth day of December nineteen hundred and fourteen. 10 20

Deponent further says that since September nineteen hundred and fourteen, the financial secretary who held office at that time and who has held it since, has failed and neglected to fill out and file the monthly report on the blank issued by the general secretary in the manner described in the constitution, although he well knew it was his duty to do so. 30

Deponent further says that the funds belonging to said local union No. 2, consists of dues, initiation fees and assessments levied against its members and which were collected under and by virtue of the constitution of the said National Union.

Deponent further says that on or about the date of the last biennial convention of the National 40

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Union which was about October Twelfth Nineteen hundred and fourteen, Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz, Isaac Levinson and Joseph Finkelstein, being all of the officers and trustees of said Local Union No. 2, stated openly and defiantly in the presence of this deponent and other members of the said local union, that they intended to break away and secede from said National Union, if they and their associates could not obtain control of the offices in the National Union; deponent further says that the said officers of Local Union No. 2 and the majority of the members of said local union, have refused to recognize the duly elected officers of the said National Union and since the month of September nineteen hundred and fourteen have refused to pay to the National Union the per capita tax and the initiation fee for membership in said local union; but on the contrary have recognized other persons as such general officers than the ones who were duly elected; have paid the per capita tax and initiation fees to the said strangers which they should have paid to the National Union, and have delegated Ike Goldstein, Joseph Goodman, William Eisenberg and Louis Hollander to attend a convention called by these strangers for the purpose of forming an opposition union or organization to that of the said United Garment Workers of America, and the four persons last named did attend the said convention of the said strangers at the City of New York, on December, Twenty-sixth, twenty-seventh and twenty-eighth, nineteen hundred and fourteen which said convention fully organized, adopted a name, elected officers and declared their intention and purpose to be to crush and wipe out of existence, the United Gar-

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ment Workers of America; that the said officers and the majority of the members have failed and refused, since the month of October, nineteen hundred and fourteen, to acknowledge that they are bound to the United Garment Workers of America, by virtue of the charter issued by the latter to said local union on August twenty-sixth, nineteen hundred and nine.

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That at a meeting of said local union No. 2, held December twenty-ninth, nineteen hundred and fourteen, in the City of New York, the secretary read a communication from one Sidney Hillman, calling himself general president and Joseph Schlossberg, calling himself general secretary, notifying the local union to pay its per capita tax to the persons represented by said Hillman and Schlossberg; that the said Hillman and Schlossberg are not the president or secretary of the United Garment Workers of America. The said communication above mentioned, however, was received and accepted and ordered filed by the chairman of the meeting.

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Deponent further says that on or about the thirteenth day of October nineteen hundred and fourteen, the said president, treasurer, secretary and trustees of local union No. 2, withdrew from the Manhattan Savings Institution, a bank in the Borough of Manhattan, City and State of New York. the sum of seventeen hundred and fifty (\$1750) Dollars as deponent is informed and verily believes to be true, without any authority or powers so to do from the said local union and removed said moneys out of the state of New York and deposited the same in the Union Trust Company of New Jersey, a bank in the City of Jersey City and State of New Jersey, which said sum of money the said Local Union (and which

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Bill of Complaint.

was the property of the National Union) had to its credit in the said Manhattan Savings Institution and that said money is still on deposit in the Union Trust Company of New Jersey in the City of Jersey City aforesaid and has been continuously there since it was deposited on October thirteenth.

- 10 Deponent further says that the said sum was withdrawn as aforesaid and deposited in the said Union Trust Company of New Jersey and that same represented approximately the moneys on deposit and credited to said Local Union in said New York Bank and that the said officers unlawfully and fraudulently withdrew the said money and removed the same from the jurisdiction of the State of New York, with the purpose of defrauding and deceiving the said Local Union
- 20 No. 2 and those members thereof, more than seven in number, who are in good standing and intend to remain loyal to the United Garment Workers of America.

- Deponent further charges the fact to be, that the officers and the majority of the members of said local union who have associated with them, did conspire together for the purpose of removing the aforesaid moneys from the New York Bank and who did so withdraw the same and deposit
- 30 it in the Union Trust Company of New Jersey, then knew that there were more than seven members who would not withdraw from said local union No. 2 and who would not consent to take said local Union No. 2 out of the United Garment Workers of America, and that the said officers and members knew that so long as seven members objected to the withdrawal of said local union
- 40 No. 2 from the National Union, the property of

Bill of Complaint.

said Local Union would have to remain in the case and custody of those who desired to continue said Local Union #2 as a branch of the United Garment Workers of America.

Deponent charges the fact to be that the withdrawal of said moneys from the New York Bank and its deposit in the New Jersey Bank, were never authorized at a meeting of the said local union. 10

Deponent further says that the then officers and the present officers of said local union, have unlawfully and fraudulently obtained said moneys and deposited the same in the Union Trust Company of New Jersey.

Deponent further says that in addition to removing the said money from the New York Bank and depositing the same in the Union Trust Company of New Jersey, that the officers and the majority of the members have seceded from the United Garment Workers of America as shown by the facts herein and above stated and that such secession has for its purpose the affiliation of said local union with a stranger organization and the application and use of said sums of money in the interest of said stranger organization and not in the interest of said local union No. 2 and the United Garment Workers of America. 20 30

HYMAN MILLER.

Sworn and subscribed to before me this }
30th day of December, A. D., 1914. }

CHARLES H. WELLER,
Commissioner of Deeds,
Hudson Co., N. Y.

Copy of Charter and Application for Affiliation were annexed to the Bill of Complaint. Same were introduced in evidence and are designated Exhibits S-10 and S-11, respectively. 40

Order to Strike Out.

(Filed, April 1st, 1915.)

Cause No. 2.**IN CHANCERY OF NEW JERSEY.**

	Between	} On Bill etc.
10	THE UNITED GARMENT WORKERS OF AMERICA, and JACOB ITZKO- WITZ, et als.,	
	<i>Complainants,</i>	
	<i>and</i>	
	HYMAN DIRECTOR, et als.,	
	<i>Defendants.</i>	

20 Due notice having been given by the defendants of a demand that complainants give security for costs, as provided by statute, and notice also having been given of an application for an order striking out the bill of complaint, or in the alternative, the names of the several complainants, and the Court having heard the argument of counsel,

IT IS, on this twenty-ninth day of March, nineteen hundred and fifteen,

30 ORDERED that the complainant The United Garment Workers of America be and the same is hereby struck out as a party complainant to said bill.

40 And it appearing that the complainants other than The United Garment Workers of America reside out of the State of New Jersey, it is further ORDERED that said complainants other than The United Garment Workers of America file within ten days a bond as security for costs to the defendants in the penal sum of One hundred and fifty dollars, conditioned to prosecute the suit with effect and to pay costs to the defendants if they shall be entitled thereto.

Respectfully advised :

Order to Amend Bill of Complaint.

(Filed May 4th, 1915.)

Cause No. 2.**IN CHANCERY OF NEW JERSEY.**

Between

JACOB ITZKOWITZ, JACOB GREEN-
GRAS, ISAAC MADANSKY, HEYMAN
MILLER, ISIDORE ALTUS, MORRIS
RIEBSTEIN and ABRAM KAPLAN,

*Complainants,**and*

HEYMAN DIRECTOR, et als.,

Defendants.

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On Bill, &c.

This matter coming on to be heard on Notice
given by the defendants upon an application for
an order striking out the bill of complaint or in
the alternative the names of the several com-
plainants, and the Court having heard the argu-
ment of Counsel and the Court having made an
order that the complainant, The United Garment
Workers of America, be struck out as a party com-
plainant to said bill, and the Court having granted
leave to the remaining complainants to amend the
bill of complaint by striking out the said com-
plainant, The United Garment Workers of Amer-
ica, and likewise in respect to the paragraphs one
and two of said bill of complaint, so that the same
will read as follows:

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"I. This action is brought by the said
Jacob Itzkowitz, Jacob Greengras, Isaac Ma-
danský, Heyman Miller, Isadore Altus, Morris
Riebstein and Abram Kaplan, members of
Local Union No. 2 of the United Garment
Workers of America, which is a voluntary

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Order to Amend Bill of Complaint.

association and not incorporated, having the recognized name as aforesaid, on behalf and for the use and benefit of your orators and all other members of said Local Union No. 2 of the United Garment Workers of America.”

10 “II. That the said Local Union No. 2 of the United Garment Workers of America is a voluntary unincorporated association chartered by and affiliated with the said United Garment Workers of America, which said United Garment Workers of America is a national organization consisting of Two hundred and seventy-eight (278) branches or local unions or organizations, having the recognized names and numbers that are affiliated or connected with and acknowledge the jurisdiction and authority of said United Garment Workers of America, which said local union organization is composed of persons who are employed in the manufacturing of garments and work at the trade throughout the states and territories of the United States and the Dominion of Canada. That for the sake of convenience, the said United Garment Workers of America is hereafter referred to as the ‘National Union.’”

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IT IS on this third day of May, A. D. Nineteen hundred and fifteen, on motion of Hudspeth & Rysdyk, Solicitors of the above named complainants,

30 ORDERED, that the bill of complaint be amended as hereinabove set forth, by filing this order, and that the amended bill need not be engrossed, anewed, sworn to and filed.

Answer.

(Filed May , 1915.)

Cause No. 2.**IN CHANCERY OF NEW JERSEY.**

Between

JACOB ITSKOWITZ, JACOB GREEN-GRAS, ISAAC MADANSKY, HYMAN MILLER, ISIDOR ALTUS, BARNET REIBSTEIN and ABRAHAM KAPLAN
(originally joined as complainants with the United Garment Workers of America),

*Complainants,**and*

HYMAN DIRECTOR, DAVID GOLDSTEIN, SAM SCHEPPS, ABRAHAM SCHWARTZ, ISAAC LEVINSON and JOSEPH FINKELSTEIN and UNION TRUST COMPANY OF NEW JERSEY,

Defendants.

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On Bill, &c.

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The answer of the defendants, Hyman Director, David Goldstein, Sam Schepps, Abraham Schwartz, Isaac Levinson and Joseph Finkelstein, to the bill of complaint of the above named complainants.

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These defendants for answer unto the said bill of complaint or unto so much thereof as they are advised it is material or necessary for them to make answer unto, answering say:

(1) They have not sufficient knowledge or information of the facts alleged in paragraph one of the said bill of complaint to admit or deny the same and leave the said complainants to make such proof thereof as they may be advised.

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Answer.

(2) These defendants further answering deny the allegations of paragraph two of the said bill of complaint.

10 (3) These defendants have not sufficient knowledge or information of the matters set forth in paragraph three of said bill of complaint to admit or deny the same and leave the said complainants to make such proof thereof as they may be advised.

(4) These defendants deny the allegations of paragraph four of the said bill.

(5) These defendants deny the allegations of paragraph five of the said bill.

(6) These defendants deny the allegations of paragraph six of the said bill.

20 (7) These defendants deny the allegations of paragraph seven of the said bill.

(8) These defendants deny the allegations of paragraph eight of the said bill.

(9) These defendants deny the allegations of paragraph nine of the said bill.

(10) These defendants deny the allegations of paragraph ten of the said bill.

30 (11) These defendants further answering say, that at all the times in the bill of complaint mentioned and for several years prior thereto, the Basters' and Tailors' Branch of United Brotherhood of Tailors, Local Union, No. 2, herein described and referred to as Basters' and Tailors' Local Union No. 2, was a voluntary unincorporated association consisting of more than seven (7) members and that as such voluntary unincorporated association it had an independent and separate existence, sources of revenue, funds and property, a president, secretary, treasurer and other officers. That the sources of its revenue consisted of dues and assessments paid by the mem-

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Answer.

bers of the said association and that the funds and property accumulated from such payment of dues and assessments at all such times were and still are the funds and property of the said association and of the members thereof.

(12) That the defendant Hyman Director is the President of the said Basters' and Tailors' Local Union No. 2; that the defendant David Goldstein is the Treasurer of the same; that the defendant Sam Schepps is the Financial and Recording Secretary of the same, and that the defendants Isaac Levinson, Abraham Schwartz and Joseph Finkelshtein are the Trustees of the same. That all of these defendants were duly elected to their said respective offices, and that they have held the said offices at all the times mentioned in the bill of complaint herein and that they were such officers of the said Basters' and Tailors' Local Union No. 2 on and prior to the thirteenth day of October, Nineteen hundred and fourteen.

(13) That on and prior to the said thirteenth day of October, Nineteen hundred and fourteen, the said Basters' and Tailors' Local Union No. 2 had certain funds or moneys on deposit in the Manhattan Savings Institution in the Borough of Manhattan, City, County and State of New York, which said funds and money had been contributed by the members of the said Basters' and Tailors' Local Union No. 2 for the general purposes of the said Local Union and were the property of the said Basters' and Tailors' Local Union No. 2. That the sum of Seventeen hundred and fifty (\$1750) Dollars mentioned in the bill of complaint herein was part of such moneys and funds of the said Basters' and Tailors' Local Union No. 2.

(14) That at all the times in the bill of complaint mentioned and on and prior to the said thirteenth day of October, Nineteen hundred and

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Answer.

fourteen, the said Basters' and Tailors' Local Union No. 2 had an Executive Committee, which said Executive Committee was vested with full power to manage the business and affairs of the said Basters' and Tailors' Local Union No. 2, and to designate banks or other institutions in which the moneys and funds of the said Basters' and Tailors' Local Union No. 2 should be deposited.

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(15) That on or about the thirteenth day of October, Nineteen hundred and fourteen, the said Executive Committee of the said Basters' and Tailors' Local Union No. 2, in regular session duly convened, by proper resolution, authorized and directed these defendants to withdraw from the said Manhattan Savings Institution in the said Borough of Manhattan aforesaid, the sum of Seventeen hundred and fifty (\$1750) Dollars and to deposit the same in the name of the said Basters' and Tailors' Local Union No. 2 with the defendant Union Trust Company of Jersey City in the State of New Jersey.

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(16) That these defendants thereupon and in compliance with such authorization and direction of the said Executive Committee, did so withdraw the said sum of Seventeen hundred and fifty (\$1750) Dollars from the said Manhattan Savings Institution in the Borough of Manhattan aforesaid and did deposit the same with the defendant Union Trust Company in the City of Jersey City, State of New Jersey, and that the said sum of Seventeen hundred and fifty (\$1750) Dollars is the sum of money mentioned in the bill of complaint herein and sought to be recovered herein by the complainants.

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(17) That the said Basters' and Tailors' Local Union No. 2 was organized and created independently of The United Garment Workers of America, and was in existence and had property

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Answer.

and funds prior to its affiliation with the said The United Garment Workers of America, as hereinafter set forth. That the said The United Garment Workers of America at all the times in the bill of complaint mentioned was and still is a voluntary unincorporated association consisting of such labor organizations as chose to affiliate with it from time to time; that it had and still has a set of officers separate and independent from the officers of such local unions, and sources of income and property of its own and an organized existence separate and apart from that of the said several local labor unions. 10

(18) That on or about the eighth day of June, Nineteen hundred and twelve, the said Basters' and Tailors' Local Union No. 2 voluntarily affiliated with the said The United Garment Workers of America and agreed to and did pay to the said complainant certain monthly dues based upon the number of its members; that by such affiliation the said Basters' and Tailors' Local Union No. 2 did not abandon its separate existence, sources of income, property and property rights, but that it retained the same in every respect as theretofore. 20

(19) That thereafter and on or about the twelfth day of October, Nineteen hundred and fourteen, a division occurred within the organization of the said The United Garment Workers of America, which said division resulted in the creation of two separate organizations, each styling itself The United Garment Workers of America and each having a separate set of officers, and that the local unions affiliated with the said The United Garment Workers of America thereupon were likewise divided in their respective adherence and affiliation, a number of the same giving adherence and affiliation to that organization which is herein represented by the complainants and a num- 30 40

Answer.

ber of the said local unions adhering and giving affiliation to the organization likewise known as The United Garment Workers of America and represented by one Sidney Hillman as President.

10 (20) That on or about the fifteenth day of October, Nineteen hundred and fourteen, said Basters' and Tailors' Local Union No. 2 at a meeting duly and regularly called and held for that purpose, by a vast majority of the members thereof, decided to and did give adherence and affiliation to the organization known as The United Garment Workers of America and represented by the said Sidney Hillman as President.

20 (21) That thereafter and on or about the twenty-sixth day of December, Nineteen hundred and fourteen, the said organization known as The United Garment Workers of America and represented by the said Sidney Hillman as President, with which said Basters' and Tailors' Local Union No. 2 was then affiliated as aforesaid, consolidated with another national organization of labor and assumed the name of Amalgamated Clothing Workers of America and that said Basters' and Tailors' Local Union No. 2 continued its adherence and affiliation with the said organization under this said new name.

30 (22) That the said changes in the national organization with which said Basters' and Tailors' Local Union was affiliated did not at any time change or impair the existence of the said Basters' and Tailors' Local Union No. 2, or its right or title to any of its property and funds, including the sum of Seventeen hundred and fifty (\$1750) Dollars in litigation herein; that the said Basters' and Tailors' Local Union No. 2 retains its former identity and membership, except that a few members have voluntarily given up their membership
40 therein and formed a new organization signed by

Answer.

them as Local Union No. 2 of The United Garment Workers of America; that the complainants are such former members of the said Local Union No. 2 who have so voluntarily seceded from the same; that they do not represent the said Basters' and Tailors' Local Union No. 2, which was accumulated and which owns the funds and moneys in suit; that they do not bring this action in behalf of the said Basters' and Tailors' Local Union No. 2 or any authorized officers thereof; and that the organization represented by them has no claim whatsoever to the said moneys and funds. 10

(23) And these defendants submit to this honorable Court that all and every of the matters in the said bill of complaint mentioned and complained of are matters which may be tried and determined at law, and with respect to which the said complainants are not entitled to any relief in this Court; that it appears by the said bill of complaint that the same is exhibited by the complainants having no interest in common with each other, and that the said bill contains a demand of several matters of distinct natures against several of these defendants and is exhibited against these defendants for distinct matters and causes, in several whereof, as appears by the said bill other of these defendants are not in any manner interested or concerned, and that the said bill is altogether multifarious, and these defendants hope they shall have and pray that they may have the same benefit of this defense as if they had demurred to the said bill of complaint. 20 30

And these defendants pray to be hence dismissed with their reasonable costs and charges in this behalf most wrongfully sustained.

MCDERMOTT & ENRIGHT,
Solicitors for and of Counsel 40
with the Defendants.

Replication.

(Filed May , 1915.)

Cause No. 2.**IN CHANCERY OF NEW JERSEY.**

Between

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JACOB ITZKOWITZ, JACOB GREEN-
GRAS, ISAAC MADANSKY, HEYMAN
MILLER, ISIDORE ALTUS, MORRIS
RIEBSTEIN and ABRAM KAPLAN,

*Complainants,**and*

HEYMAN DIRECTOR, et als.,

Defendants.

On Bill, &c.

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The complainants join issue on the Answer of the
defendants.

HUDSPETH & RYSDYK,
Solicitors of Complainants.

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Final Decree.

(Filed September 30th, 1915.)

Cause No. 2.**IN CHANCERY OF NEW JERSEY.**

Between

JACOB ITSKOWITZ, JACOB GREENGRAS, ISAAC MADANSKY, HYMAN MILLER, ISIDOR ALTUS, BARNET REIBSTEIN and ABRAHAM KAPLAN (originally joined as complainants with the United Garment Workers of America),

*Complainants,**and*

HYMAN DIRECTOR, DAVID GOLDSTEIN, SAM SCHEPPS, ABRAHAM SCHWARTZ, ISAAC LEVINSON and JOSEPH FINKELSTEIN and UNION TRUST COMPANY OF NEW JERSEY,

Defendants.

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On Bill, &c.

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This matter coming on to be heard in the presence of Hudspeth & Rysdyk, solicitors of complainants, and Nathan Waxman of counsel, and McDermott & Enright, solicitors of the defendants, and Alexander Levene of counsel, and the Court having heard and considered the pleadings and proofs in the cause and the arguments of the respective counsel, and being of opinion that the complainants are not entitled in equity to the possession and control of the funds deposited in the defendant Union Trust Company of New Jersey by the other defendants in this cause, and that the defendant herein, Union Trust Company of

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Final Decree.

New Jersey, should not be restrained from paying out the said moneys, and the other defendants herein should not be restrained from drawing the same,

10 IT IS THEREUPON, on this 29th day of September, 1915, by his Honor, Edwin Robert Walker, Chancellor of the State of New Jersey, ORDERED, ADJUDGED AND DECREED, and the said Chancellor by virtue of the power and authority of this Court, does hereby order, adjudge and decree that the restraining order made in this cause on the filing of the bill herein be vacated, and that the injunction heretofore issued in this cause under the order made herein on the eighth day of March, 1915, be vacated and dissolved.

20 AND IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the prayer of the bill of complaint that an injunction issue against the defendants herein be, and the same is, hereby denied.

AND IT IS FURTHER ORDERED, ADJUDGED AND DECREED that the possession and control of the said fund now on deposit in the defendant Union Trust Company of New Jersey be, and the same is, hereby awarded to the defendants and the organization represented by them, with costs.

30 AND IT IS FURTHER ORDERED, ADJUDGED AND DECREED that there be allowed to the solicitors of the defendants the sum of \$50.00, as a counsel fee, to be taxed in and collected with the bill of costs in this cause.

Respectfully advised,

E. R. WALKER,
C.

VIVIAN M. LEWIS,
V. C.

Testimony.

The Complainants and Defendants agreed that the following testimony should be used as evidence in both causes.

IN CHANCERY OF NEW JERSEY.

Between

BEN SCHWEITZER, HENRY WAXMAN, HENRY LANGER, SAM PASHKIN, MOSES SILFERMAN (originally joined as complainants with the United Garment Workers of America),

Complainants-Appellants,
and

PHILIP SCHNEIDER, MORRIS SILBERSTEIN, MORRIS PROZANSKY, HARRIS HIRSHKOWITZ, LOUIS RAVAIL, ABRAHAM BLANK, JOSEPH SENDEROWITCH and UNION TRUST COMPANY OF NEW JERSEY,

Defendants-Respondents.

On Bill, &c. 10

Between

JACOB ITZKOWITZ, JACOB GREENGRAS, ISAAC MADANSKY, HYMAN MILLER, ISADOR ALTUS, BARNET REIFSTEIN and ABRAHAM KAPLAN (originally joined as complainants with the United Garment Workers of America),

Complainants-Appellants,
and

HYMAN DIRECTOR, DAVID GOLDSTEIN, SAM SCHEPPS, ABRAHAM SCHWARTZ, ISAAC LEVINSON and JOSEPH FINKELSTEIN and UNION TRUST COMPANY OF NEW JERSEY,

Defendants-Respondents.

On Bill, &c. 20

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Transcript of testimony taken in the above-entitled causes, at the Chancery Chambers, Jersey City, New Jersey, on the fourteenth day of June, Nineteen hundred and fifteen, before HON. VIVIAN M. LEWIS, Vice-Chancellor.

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Agreed State of Case.

APPEARANCES:

HUDSPETH & RYSDYK, ESQS., associated with NATHAN WAXMAN, ESQ., of the New York Bar, for the Complainants.

MCDERMOTT & ENRIGHT, ESQS., associated with ALEXANDER LAVINE, ESQ., of the New York Bar, for the Defendants.

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MR. RYSDYK: I offer in the case of *Ben Schweitzer, et als., v. Philip Schneider, et als.*, an agreed statement of facts.

Marked "Exhibit C-1."

MR. RYSDYK: Agreed statement of facts is as follows:

20 "The following is a statement of facts agreed upon between the complainants and defendants in this cause and to be used at the hearing in lieu of oral testimony to substantiate the same, said facts being agreed upon solely for the purposes of the present trial of this cause and for no other purpose whatsoever.

30 "That heretofore and prior to on or about the 6th day of January, 1915, the complainants and defendants herein were members of an association known as Pressers' Branch, Local Union No. 3, United Garment Workers of America. That said Pressers' Branch, Local Union No. 3, was a voluntary unincorporated association consisting of more than seven members and was a labor union composed of persons employed in the clothing manufacturing industry and was organized prior to the organization of the United Garment Workers of America, hereinafter mentioned.

40 "That most of the members thereof were residents of the City and State of New York and the business of said local union was confined to the

Agreed State of Case.

City of New York. That the defendants herein are the officers and trustees of said Pressers' Branch, Local Union No. 3. That the defendant Philip Schneider is the President of said local union; that the defendant Morris Silberstein is the Recording Secretary of said union; that the defendant Morris Prozansky is the Treasurer thereof; that the defendant Harris Hirshkowitz is the Financial Secretary thereof; and that the other three defendants are the trustees thereof. That said officers and trustees were elected on December 23, 1914. That during the months of October, November and December, 1914, one Morris Seisblatt was the President of said local union; the defendant Morris Silberstein was the Recording Secretary thereof; one Abraham Stiglitz was the Financial Secretary thereof and Joseph Senderowitch, one of the defendants herein, Abram Fox, one of the original complainants herein, and one L. Rubchinsky were the Trustees of said local union.

"That the United Garment Workers of America was prior to on or about said 6th day of January, 1915, a voluntary unincorporated association and was an international labor union of employees in the clothing manufacturing industry and had affiliated with it about two hundred and seventy-eight (278) local labor unions in said industry throughout the United States and Canada. Each of said local unions so affiliated with the United Garment Workers of America received a charter from said United Garment Workers of America and said United Garment Workers of America was in turn affiliated with the American Federation of Labor, a federation of national unions representing various industries, and had received a charter from said American Federation of Labor.

"That the aforesaid local unions affiliated with

Agreed State of Case.

said United Garment Workers of America were designated by it as distinctive numbers and also were known by distinctive names, such as 'Basters' and Tailors' Branch,' 'Coat Pressers' Branch,' and the like.

10 "That on or about the 23rd day of August, 1909, the aforesaid Pressers' Branch, Local Union No. 3, affiliated with said United Garment Workers of America and received a charter therefrom. Said Local Union had previously from time to time been affiliated with United Garment Workers of America.

20 "That on or about the 31st day of August, 1912, the said United Garment Workers of America adopted a constitution, which is submitted herewith and marked 'Exhibit I,' and which continued to be the constitution of said United Garment Workers of America up to on or about the 12th day of October, 1914.

30 "That on and prior to the 12th day of October, 1914, the United Garment Workers of America had a duly elected General Executive Board and General Officers headed by one Thomas A. Rickert as General President, and that the terms of office of said General Officers were about to expire. That on said 12th day of October, 1914, a convention of said United Garment Workers of America was to be held in the City of Nashville, State of Tennessee, for the purpose, among other things, of electing General Officers and a General Executive Board to fill the vacancies to be created by the expiration of the terms of the aforementioned general officers and executive board.

40 "That prior to the holding of said convention the General Secretary of the United Garment Workers of America sent a communication to the aforesaid Pressers' Branch, Local Union No. 3,

Agreed State of Case.

and to numerous other local unions affiliated with said United Garment Workers of America, a copy of which communication is submitted herewith and marked 'Exhibit 2.'

"That the indebtedness referred to in said communication was disputed and denied by said Pressers' Branch, Local Union No. 3, and also by a number of the other local unions that received the same. 10

"That said Pressers' Branch, Local Union No. 3, delegated four persons to attend the convention at Nashville, Tennessee.

"That the biennial convention of the United Garment Workers of America called for October 12th, 1914, at the Capitol, Nashville, Tennessee, was opened on that date at that place, and was attended by the delegates from various local unions accredited thereto. That Thomas A. Rickert presided at the opening of said convention. That shortly after the opening thereof a dispute arose among the delegates thereto and a number of the delegates, including the delegates from Local Union No. 3, attempted to continue the convention at Duncan Hotel at Nashville, Tennessee, on October 13th, 1914, and there held a convention which they declared to be the convention of the United Garment Workers of America which had opened on October 12th, 1914, and among other business transacted by them elected general officers and a general executive board headed by Sidney Hillman as General President. 20 30

"That the other delegates attempted to continue the Convention at the Capitol, which was presided over by Thomas A. Rickert, and declared said Convention to be the Convention of the United Garment Workers of America which had opened on October 12th, 1914, and among the other business transacted by it was the re-election of all the 40

Agreed State of Case.

then general officers and general executive board headed by Thomas A. Rickert as President.

"That the four delegates elected to the convention by Pressers' Branch, Local Union No. 3, joined in and recognized the election of the General Officers and General Executive Committee headed by Sidney Hillman as General President.

10 "That under the provisions of the aforesaid constitution of the United Garment Workers of America, each local union affiliated therewith was required to pay thereto a per capita tax of fifteen cents (15¢) per month for each member and twenty-five cents (25¢) from the initiation fee of each new member, as well as to collect any assessment that might be imposed by said United Garment Workers of America.

20 "That the aforesaid Pressers' Branch, Local Union No. 3, collected from each of its members the sum of sixty cents (60¢) dues per month, which together with initiation fees, assessments levied and fines imposed by it constituted its main source of income. That out of said funds said Pressers' Branch, Local Union No. 3, paid initiation fees and per capita tax to the United Garment Workers of America as well as other

30 funds remaining after the payment of expenses were deposited by said local union in various banks including The Bank of United States, located in the Borough of Manhattan, City and State of New York. That said funds of the said Pressers' Branch, Local Union No. 3, so deposited in said The Bank of United States could be withdrawn therefrom only by a check or voucher signed by the Treasurer and two of the three

40 trustees of said local union.

"That on or about the 16th day of October,

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1914, several of the defendants withdrew the sum of One Thousand (\$1000) Dollars from The Bank of the United States in the City of New York and deposited the same in the Union Trust Company of New Jersey in the City of Jersey City, State of New Jersey, and received as evidence of said deposit Bank Book No. 6004. That said sum of money so deposited by the defendants in the Union Trust Company of New Jersey is the subject matter of this suit. 10

“That thereafter and on the 21st day of October, 1914, at a general meeting of said Pressers’ Branch, Local Union No. 3, the following resolution was adopted:

“That delegates of the Local Executive reported that it was necessary to secure the finances of Local No. 3 and that Twenty-eight (\$28.00) Dollars was spent for that purpose. It was decided to approve of the action of the Local Executive and to pay the expense that was incurred thereby.’ 20

“That between on or about the 14th day of October, 1914, and the 28th day of December, 1914, there were two groups of men, each of which claimed to be the duly elected General Officers and General Executive Board of the United Garment Workers of America and that one of said groups was headed by Thomas A. Rickert as General President, and the other was headed by Sidney Hillman as General President, and that various locals affiliated with the United Garment Workers of America, by majority vote of those members who attended their meetings, recognized the group headed by Thomas A. Rickert as General President and that other locals affiliated with said United Garment Workers of America, like 30 40

Agreed State of Case.

wise by majority vote of those members who attended their meetings, recognized the group headed by Sidney Hillman as General President.

10 "That Pressers' Branch, Local Union No. 3, was one of the local unions in which a majority of the members who attended its meetings recognized the group of officers headed by Sidney Hillman as President as the duly elected General Officers and General Executive Board of United Garment Workers of America, and that of officers of said Pressers' Branch, Local Union No. 3, after said 14th day of October, 1914, in all their business with the United Garment Workers of America, transacted such business in behalf of said local union with that group of General Officers and General Executive Board of the United Garment Workers of America, headed by
20 Sidney Hillman as General President.

30 "That on or about the 26th, 27th and 28th days of December, 1914, delegates from Pressers' Branch Local Union No. 3, and from other local unions in which a majority of the members recognized the group of General Officers and General Executive Committee headed by Sidney Hillman as General President, held a convention at Webster Hall in the City of New York, State of New York, at which said delegates duly adopted a resolution to consolidate the organization represented by them with the Journeyman Tailors' Union of America, another national labor union of employees in the clothing manufacturing industry, by which said consolidation the consolidated organization adopted the name 'Amalgamated Clothing Workers of America.'

40 "That after the said last-mentioned convention, and on the 6th day of January, 1915, Pressers'

Agreed State of Case.

Branch, Local Union No. 3, held a meeting thereof at which about four hundred (400) members attended out of a total membership of about Two thousand five hundred (2500). That the following is an extract of the minutes of said meeting:

“Report of Special Convention heard. The delegates report that the convention has adopted their good resolutions and that the name of our organization shall hereafter be called “Amalgamated Clothing Workers of America.”

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“A motion was duly made and seconded that the report of the convention shall be accepted. It was taken to vote and all the brothers voted in favor of accepting the report and the name Amalgamated Clothing Workers of America shall hereafter be our name.”

20

“That at said meeting a communication was delivered to the Secretary of said Pressers’ Branch, Local Union No. 3, a copy of which communication is submitted herewith, marked ‘Exhibit 3,’ and that there was also at the same time delivered to the officers of said local union a communication, a copy of which is submitted herewith and marked ‘Exhibit 4.’

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“That the individuals whose names were subscribed to the said communications, (Exhibits 3 and 4) were then members of said Pressers’ Branch, Local Union No. 3, and that they together with other members of said local union, being in all about eighty (80) in number, have ever since said meeting considered themselves as Local Union No. 3, and have attempted to continue to conduct the business and affairs of said Local Union No. 3, and shortly after said meet-

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Agreed State of Case.

ing elected the following as officers of said Local Union No. 3, Solomon Zuckerman, President; Sam Ostrich, Vice-President; Max Srebo, Recording Secretary; Joseph Goldberg, Financial Secretary and Treasurer, and Henry Waxman and Morris Levine, Trustees. Other members of said local union amounting to at least one thousand (1000) in number and including defendants herein, have ever since said meeting considered themselves as said Pressers' Branch, Local Union No. 3, have attempted to continue to conduct the business and affairs of said local union and have continued as their officers the persons who held similar offices theretofore.

“That since the aforementioned acts, that is, since January 6, 1915, the Pressers' Branch, Local Union No. 3, as represented by the defendants herein and of which the defendants herein are officers, has been affiliated with the Amalgamated Clothing Workers of America, being the organization resulting from the consolidation of the faction of the United Garment Workers of America represented by the group of General Officers and General Executive Board headed by Sidney Hillman as General President and the Journeyman Tailors' Union of America and has not been in any way affiliated with the faction of said United Garment Workers of America represented by the group of General Officers and General Executive Board headed by Thomas A. Rickert as General President, and has not in any manner whatsoever acknowledged the authority or jurisdiction of said faction of the United Garment Workers of America headed by said Thomas A. Rickert as General President, but has adhered to the faction headed by Sidney Hillman as Gen-

Agreed State of Case.

eral President. That the Pressers' Branch, Local Union No. 3, as represented by the complainants, is affiliated with the faction of the United Garment Workers of America headed by Thomas A. Rickert as General President, and that because of the failure of the Local Union as represented by the defendants, to surrender the charter (Exhibit 7) received by Local Union No. 3 from United Garment Workers of America, the faction of said United Garment Workers of America headed by Thomas A. Rickert as General President has issued to the Local Union as represented by the complainants, a paper purporting to be a duplicate of said charter. 10

"That submitted herewith and marked 'Exhibit 6' is the application filed by Pressers' Branch, Local Union No. 3, in August, 1909, with the United Garment Workers of America for a charter therefrom. 20

"That submitted herewith and marked 'Exhibit 7' is the charter issued to said local union by said United Garment Workers of America.

"That submitted herewith and marked 'Exhibits 8 and 9' are two letters written by the General Secretary of the United Garment Workers of America to Pressers' Branch, Local Union No. 3, in August and September, 1914, respectively, the matters contained in said letters not being conceded or admitted, the only admission being that said letters were mailed and received. 30

"That submitted herewith and marked 'Exhibit 10' is a letter dated January 20th, 1915, written by Solomon Zuckerman, President of Local Union No. 3, United Garment Workers of America to Philip Schneider, President, and Morris Prozansky, Treasurer Local Union No. 3 Amalga- 40

Agreed State of Case.

mated Clothing Workers of America, and received by said Schneider and Prozansky.

(Signed) HUDSPETH & RYSDYK,
Solrs. of Compl'ts.
MCDERMOTT & ENRIGHT,
Solrs. Defts."

10 MR. RYSDYK: I also offer, in the case of Jacob Itskowitz, et als, Complainants, vs. Hyman Director, et als., an agreed statement of facts between counsel of the respective parties.

Marked "Exhibit C-2."

"Agreed Statement of Facts.

20 "The following is a statement of facts agreed upon between the complainants and defendants in this cause and to be used at the hearing in lieu of oral testimony to substantiate the same, said facts being agreed upon solely for the purposes of the present trial of this cause and for no other purpose whatsoever.

30 "That heretofore and prior to on or about the 16th day of January, 1915, the complainants and defendants herein were members of an association known as Basters' and Tailors' Branch of United Brotherhood of Tailors, Local Union No. 2, United Garment Workers of America, or more briefly as Basters' and Tailors', Local Union No. 2. That said Basters' and Tailors', Local Union No. 2 was a voluntary unincorporated association consisting of more than seven members and was a labor union composed of persons employed in the clothing manufacturing industry and was organized prior to the organization of the United Garment Workers of America, hereinafter mentioned.

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Agreed State of Case.

That most of the members thereof were residents of the City and State of New York and the business of said local union was confined to the City of New York. That the defendants herein are the officers and trustees of said Basters' and Tailors' Local Union No. 2.

"That the defendant Hyman Director is the President of said local union; that the defendant Sam Schepps is the Financial and Recording Secretary of said union; that the defendant David Goldstein is the Treasurer thereof; and that the other three defendants are the trustees thereof. That said officers and trustees were elected on December 8, 1914. That during the months of October, November and December, 1914, the same persons held like offices.

"That the United Garment Workers of America was prior to on or about said 16th day of January, 1915, a voluntary unincorporated association and was an international labor union of employees in the clothing manufacturing industry and had affiliated with it about two hundred and seventy-eight (278) local labor unions in said industry throughout the United States and Canada and was organized in April, 1891. Each of said local unions so affiliated with the United Garment Workers of America received a charter from said United Garment Workers of America and said United Garment Workers of America was in turn affiliated with the American Federation of Labor, a federation of national unions representing various industries, and had received a charter from said American Federation of Labor.

"That the aforesaid local unions affiliated with said United Garment Workers of America were designated by it by distinctive numbers and also

Agreed State of Case.

were known by distinctive names, such as, 'Basters' and Tailors' Branch,' 'Coat Pressers' Branch' and the like.

10 "That on or about the 8th day of June, 1912, the aforesaid Basters' and Tailors' Local Union No. 2, affiliated with said United Garment Workers of America and received a charter therefrom. Said Local Union had previously, from time to time, affiliated with United Garment Workers of America.

20 That on or about the 31st day of August, 1912, the said United Garment Workers of America adopted a constitution which is submitted herewith and marked 'Exhibit I' and which continued to be the constitution of said United Garment Workers of America up to on or about the 12th day of October, 1914.

30 "That on and prior to the 12th day of October, 1914, the United Garment Workers of America had a duly elected General Executive Board and General Officers headed by one Thomas A. Rickert as General President, and that the terms of office of said General Officers were about to expire. That on said 12th day of October, 1914, a convention of said United Garment Workers of America was to be held in the City of Nashville, State of Tennessee, for the purpose among other things of electing General Officers and a General Executive Board to fill the vacancies to be created by the expiration of the terms of the aforementioned general officers and executive board.

40 "That prior to the holding of said convention the General Secretary of the United Garment Workers of America sent a communication to the aforesaid Basters' and Tailors' Local Union No. 2, and to numerous other local unions affiliated

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with said United Garment Workers of America, a copy of which communication is submitted herewith and marked 'Exhibit 2.'

"That the indebtedness referred to in said communication was disputed and denied by said Basters' and Tailors' Local Union No. 2, and also by a number of the other local unions that received the same.

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"That said Basters' and Tailors' Local Union No. 2 delegated four persons to attend the convention at Nashville, Tennessee.

"That the biennial convention of the United Garment Workers of America called for October 12th, 1914, at the Capitol, Nashville, Tennessee, was opened on that date at that place, and was attended by the delegates from various local unions accredited thereto. That Thomas A. Rickert presided at the opening of said convention. That shortly after the opening thereof a dispute arose among the delegates thereto and a number of the delegates, including the delegates from Local Union No. 2 attempted to continue the convention at Duncan Hotel at Nashville, Tennessee, on October 13th, 1914, and there held a convention which they declared to be the convention of the United Garment Workers of America which had opened on October 12th, 1914, and among other business transacted by them elected general officers and a general executive board headed by Sidney Hillman as General President.

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"That the other delegates attempted to continue the convention at the Capitol, which was presided over by Thomas A. Rickert, and declared said convention to be the convention of the United Garment Workers of America which had opened on October 12th, 1914, and among the other busi-

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Agreed State of Case.

ness transacted by it was the re-election of all the then general officers and general executive board headed by Thomas A. Rickert as President.

10 "That the four delegates elected to the convention by Basters' and Tailors' Local Union No. 2, joined in and recognized the election of the General Officers and General Executive Board headed by Sidney Hillman as General President.

20 "That under the provisions of the aforesaid constitution of United Garment Workers of America, each local union affiliated therewith was required to pay thereto a per capita tax of fifteen cents (15¢) per month for each member and twenty-five cents (25¢) from the initiation fee of each new member, as well as to collect any assessment that might be imposed by said United Garment Workers of America.

30 "That the aforesaid Basters' and Tailors' Local Union No. 2 collected from each of its members the sum of sixty cents (60¢) dues per month, which together with initiation fees, assessments levied and fines imposed by it constituted its main source of income. That out of said funds said Basters' and Tailors' Local Union No. 2, paid initiation fees and per capita tax to the United Garment Workers of America as well as other expenses of said local union and that any surplus funds remaining after the payment of expenses were deposited by said local union in various banks including the Manhattan Savings Institution and The Bank of United States, both located in the Borough of Manhattan, City and State of New York. That said funds of the said Basters' and Tailors' Local Union No. 2 so deposited in said The Manhattan Savings Institution and Bank of the United States could be with-

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drawn therefrom only by a check or voucher signed by the Treasurer and two of the three trustees of said local union.

"The following is an extract from the minutes of a meeting of the Executive Board of said Local Union No. 2 held on the 13th day of October, 1914:

"Taking into consideration that under present circumstances we cannot draw any moneys from the bank without sixty days' notice, and being that we may have to draw money from the bank, it is therefore decided that a committee of three composed of the following: Harry Gosman, Harry Barash and the president of the local, Hyman Director, together with the trustees, shall withdraw our money from the Manhattan Savings Bank and the Bank of the United States and they shall deposit it in another bank, wherever they will find it necessary and fit and so that we are able to withdraw money at all times necessary.'

"The following is an extract from the Treasurer's financial report as contained in the minutes of the meeting of the Executive Board of Local Union No. 2 held on the 15th day of October, 1914:

" '23 Drawn from the Manhattan Bank, \$1750;

" '94 Deposited in the Union Trust Company, \$1750.'

"The following is an extract from the minutes of a general meeting of said Local Union No. 2 held on the 20th day of October, 1914:

"The minutes of the last three meetings were read and approved.'

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10 "That the balance of One thousand five hundred (\$1,500) Dollars remaining on deposit from said sum of One thousand seven hundred and fifty (\$1750) dollars withdrawn from Manhattan Savings Bank and re-deposited in the Union Trust Company of New Jersey, in the City of Jersey City, State of New Jersey, on October 14, 1914, is the subject matter of this suit, the sum of Two hundred fifty (\$250) Dollars having been withdrawn on December 24th, 1914.

20 "That between on or about the 14th day of October, 1914, and the 28th day of December, 1914, there were two groups of men, each of which claimed to be the duly elected General Officers and General Executive Board of the United Garment Workers of America and that one of said groups was headed by Thomas A. Rickert as General President and the other was headed by Sidney Hillman as General President, and that various locals affiliated with the United Garment Workers of America, by majority vote of those members who attended their meetings, recognized the group headed by Thomas A. Rickert as General President and that other locals affiliated with said United Garment Workers of America, likewise by majority vote of those members who attended their meetings, recognized the group headed by Sidney Hillman as General President.

40 "That Basters' and Tailors' Local Union No. 2, was one of the local unions in which a majority of the members who attended its meetings recognized the group of officers headed by Sidney Hillman as President as the duly elected General Officers and General Executive Board of United Garment Workers of America, and that the officers of said Basters' and Tailors' Local Union No. 2, after said 14th day of October, 1914, in all their

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business with the United Garment Workers of America, transacted such business in behalf of said local union with that group of General Officers and General Executive Board of the United Garment Workers of America, headed by Sidney Hillman as General President.

“That on or about the 26th, 27th and 28th days of December, 1914, delegates from Basters’ and Tailors’ Local Union No. 2, and from other local unions in which a majority of the members recognized the group of General Officers and General Executive Committee headed by Sidney Hillman as General President, held a convention at Webster Hall in the City of New York, State of New York, at which said delegates duly adopted a resolution to consolidate the organization represented by them with the Journeyman Tailors’ Union of America, another national labor union of employees in the clothing manufacturing industry, by which said consolidation the consolidated organization adopted the name ‘Amalgamated Clothing Workers of America.’”

“That after the said last-mentioned convention, and on the 16th day of January, 1915, Basters’ and Tailors’ Local Union No. 2, held a meeting thereof at which about seven hundred (700) members attended out of a total membership of about Three thousand (3000). That the following is an extract of the minutes of said meeting:

“ ‘And then our delegates made a report of the special convention which was held December 26th, 27th and 28th at Webster Hall, East 11th Street. That the report was accepted by the members. Then Brother Nathan Siegel made a motion that

“ ‘WHEREAS we were now affiliated with the garment workers that we shall hereafter be affil-

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iated with the Amalgamated Clothing Workers of America.

“ ‘Brother Morris Rappaport seconded that motion and the Chairman has taken it to a vote and the motion was unanimously accepted.

10 “ ‘The Chairman called upon the members three times, urging those who desired to be affiliated with the United Garment Workers to rise but not a single member rose.’

“ ‘That at said meeting a communication was delivered to the Secretary of said Basters’ and Tailors’ Local Union No. 2, a copy of which communication is submitted herewith, marked ‘Exhibit 3’ and that there was also at the same time delivered to the officers of said local union a communication, a copy of which is submitted herewith and marked ‘Exhibit 4.’

20 “ ‘That the individuals whose names were subscribed to the said communications, (Exhibits 3 and 4) were then members of said Basters’ and Tailors’ Local Union No. 2, and that they together with other members of said local union, being in all about one hundred twenty-five (125) in number, have ever since said meeting considered themselves as Local Union No. 2, and have attempted to continue to conduct the business and

30 affairs of said Local Union No. 2, and shortly after said meeting elected the following as officers of said Local Union No. 2, Isaac Madansky, President; Abraham Kaplan, Vice President; Felix Reingewerts, Recording Secretary; Gustav Feder, Financial Secretary; Isidor Altus, Treasurer, and Joseph Greengras and Hyman Miller, Trustees. Other members of said local union amounting to at least one thousand five hundred

40 (1500) in number and including the defendants herein, have ever since said meeting considered

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themselves as said Basters' and Tailors' Local Union No. 2, have attempted to continue to conduct the business and affairs of said local union and have continued as their officers the persons who held similar offices theretofore.

"That since the aforementioned acts, that is since January 16, 1915, the Basters' and Tailors' Local Union No. 2, as represented by the defendants herein and of which the defendants herein are officers has been affiliated with the Amalgamated Clothing Workers of America, being the organization resulting from the consolidation of the faction of the United Garment Workers of America represented by the group of general officers and General Executive Board headed by Sidney Hillman as General President and the Journeyman Tailors' Union of America and has not been in any way affiliated with the faction of said United Garment Workers of America represented by the group of General Officers and General Executive Board headed by Thomas A. Rickert as General President, and has not in any manner whatsoever acknowledged the authority or jurisdiction of said faction of the United Garment Workers of America headed by said Thomas A. Rickert as General President, but has adhered to the faction headed by Sidney Hillman as General President. That the Basters' and Tailors' Local Union No. 2, as represented by the complainants, is affiliated with the faction of the United Garment Workers of America headed by Thomas A. Rickert as General President, and that because of the failure of the Local Union as represented by the defendants, to surrender the charter (Exhibit 7) received by Local Union No. 2 from United Garment Workers of America, the faction of said United Garment Workers of America headed by Thomas A. Rickert as General President has

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issued to the local union as represented by the complainants, a paper purporting to be a duplicate of said charter.

10 "That submitted herewith and marked 'Exhibit 6' is the application filed by Basters' and Tailors' Local Union No. 2, in August, 1909, with the United Garment Workers of America for a charter therefrom.

"That submitted herewith and marked 'Exhibit 7' is the charter issued to said local union by said United Garment Workers of America.

20 "That submitted herewith and marked 'Exhibits 8 and 9' are two letters written by the General Secretary of the United Garment Workers of America to Basters' and Tailors' Local Union No. 2 in August and September, 1914, respectively, the matters contained in said letters not being conceded or admitted, the only admission being that said letters were mailed and received.

30 "That submitted herewith and marked 'Exhibit 10' is a letter dated January 20th, 1915, written by Isaac Madansky, the President of Local Union No. 2 United Garment Workers of America to Hyman Director, President and David Goldstein, Treasurer Local Union No. 2, Amalgamated Clothing Workers of America and received by said Director and Goldstein.

(Signed)

HUDSPETH & RYSDYK,
Solicitors of Complainants.

MCDERMOTT & ENRIGHT,
Solicitors of Defendants."

Colloquy.

MR. RYSDYK: Counsel has agreed that in the event that it may become necessary to amend or file a supplemental bill to include certain facts that are referred to in the agreed state of facts, which have occurred since the filing of the original bill, the same may be done. The same shall apply to both cases.

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MR. MCDERMOTT: And the same stipulation to apply to the answers of the defendant, if an amendment shall become necessary.

MR. RYSDYK: I now desire to offer an exemplified copy of a judgment entered in the Supreme Court, County of New York, in the suit of Thomas A. Rickert as President of the United Garment Workers of America, Plaintiff, vs. Sidney Hillman, Joseph Schlossberg and Tobias Lapan, defendants, bearing the certificate signed, "Certificate of Thomas F. Donnelly, Justice of the Supreme Court of the State of New York," dated "New York, June 4, 1915"; and certificate of Clerk, William F. Schneider, Clerk of the Supreme Court of the State of New York, dated June 4, 1915.

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MR. MCDERMOTT: The defendants object to this document, not on the ground of incompetency, but on the ground that it is immaterial and irrelevant; that it is not binding in any way upon the defendant. The suit, as your Honor has observed in the reading of it, is a suit by Thomas A. Rickerts, as President of the United Garment Workers of America against Sidney Hillman, Joseph Schlossberg and Tobias Lapan, defendants. None of the parties to

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Colloquy.

10 this suit in the exemplified record is a party to either of the present causes of action. This action is brought by Mr. Bickert, as President of the United Garment Workers of America, but your Honor will recall, that in the case, before an order was made striking out the United Garment Workers of America as a party complainant; so that I am unable to see any reason why a judgment in the cause set forth in the exemplified record, could be material or admissible in any way against the defendants in this cause.

20 MR. WAXMAN: Your Honor will find, when you come to read the agreed statement of facts, that the question which is presented to you for determination is: "Who is the owner of the particular fund in question?" That controversy arises, as you will also find, from the statement of facts out of a secession of a local body from the parent body. And your Honor will find in that statement of facts, references to two different groups of persons as the general officers constituting the United Garment Workers of America; one group is referred to as Thomas A. Rickert, as
30 General President of the United Garment Workers of America, and Thomas A. Rickert is the plaintiff in this action in which the judgment is rendered; and the other group, is the group, headed by Sidney Hillman, as General President, United Garment Workers of America, who is the defendant in this action. Now, if there was a secession, from whom did they secede? The claim of the defendants in this action
40 is, that the group, headed by Sidney Hill-

Colloquy.

man as General President of the United Garment Workers of America, who is the defendant in this action, has all the time continued to be the United Garment Workers of America, and that there has been merely a change of name.

Now, then, if the Supreme Court has determined who is who as to the parent body, then it is determinative of the question, whether this local union seceded from the parent body headed by Thomas A. Rickert as General President, or their contention being if Sidney Hillman was the General President of the United Garment Workers of America, then there was no secession and we are the seceders. 10

Now, the organization is termed in the statement of facts, or it is headed in one case—the head is referred to as Thomas A. Rickert as General President; in another case it is referred to as Sidney Hillman as the General President. It is absolutely necessary to determine which was the United Garment Workers of America. 20

THE COURT: What is this judgment?

MR. WAXMAN: The judgment restrains the defendants, their agents, representatives and attorneys, from holding themselves out as officers of the United Garment Workers of America. (Reading the judgment). 30

This particular local union is a creature of the United Garment Workers of America.

MR. LAVINE: In the first place, I would like to take exception to Mr. Waxman's statement that the agreed statement of facts herein states that some organization, 40

Colloquy.

whichever it might be, seceded; there is nothing in the statement of facts relating to any secession by anyone or by any organization from any other organization; nor is there anything in the agreed statement of the facts, or in the issues, pleadings or records as to whether Mr. Rickert or Mr. Hillman procured judgments against each other, or otherwise; nor is there any admission as to which of them had the legal or other right to use the name, United Garment Workers of America, or to hold its property or otherwise. The issues here are between two bodies of men.

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THE COURT: I think I shall rule this out and hold it until you produce evidence to connect it up in some way. Mark it for identification, to be considered—if it appears to the Court upon reading the agreed statement of facts, or from other evidence, that it is material, the Court will admit it. I don't understand it, of course, until I have read this statement.

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Marked "Exhibit C-3 for identification."

MR. McDERMOTT: I did not object to this because it was incompetent; I do not mean to object to it as incompetent, because of the form, or anything of that sort; the form is regular. I do object to it, however, because it is not binding upon us in any way, and if that objection ought to be embraced in the objection because it is incompetent, I wish to object to it on the ground that it is incompetent.

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THE COURT: I don't think that is necessary, but, still, at the same time, you may put that in.

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Admitted in evidence Sept. 27, 1915, and marked Exhibit C-3.

Bernard Antony Larger—Direct.

BERNARD ANTONY LARGER, sworn in behalf of the complainants, testified as follows:

MR. WAXMAN: I desire to offer in evidence the constitution of the United Garment Workers of America referred to in the statement of facts.

MR. LAVINE: No objection; that is agreed upon. 10

Marked "Exhibit S-1."

MR. WAXMAN: I offer in evidence, if the Court please, a letter dated December 23, 1914, addressed to the officers and members of the Local Union No. 2, United Garment Workers of America, signed by Jacob Itskowitz and others, members of Local Union No. 2, United Garment Workers of America.

Marked "Exhibit S-3." (There is no "Exhibit S-2"). 20

MR. WAXMAN: I offer in evidence letter dated December 23, 1914, addressed to the President, Treasurer and Trustees of Local Union No. 2, United Garment Workers of America, signed by Jacob Itskowitz and others, members of Local Union No. 2, United Garment Workers of America.

Marked "Exhibit S-4." 30

MR. WAXMAN: I offer in evidence letter dated December 23, 1914. It is to the officers and members of Local Union No. 3, United Garment Workers of America, signed by H. Waxman and others, members of Local Union No. 3, United Garment Workers of America.

Marked "Exhibit S-4 1-2."

MR. WAXMAN: I offer in evidence letter dated December 23, 1914, addressed to the 40

Bernard Antony Larger—Direct.

President, Treasurer and Trustees of Local Union No. 3, United Garment Workers of America, and signed by H. Waxman and others, members of Local Union No. 3, United Garment Workers of America.

Marked "Exhibit S-5."

10 MR. WAXMAN: I offer in evidence, if the Court please, a letter dated—I think we had better read this into the record.

MR. LAVINE: I don't care.

THE COURT: Just mark it; don't read it into the record now.

MR. WAXMAN: Suppose we tear off this heading.

MR. LAVINE: Let it go in as it is.

20 MR. WAXMAN: I offer in evidence, if the Court please, a copy of a circular letter sent to the Local Union of the United Garment Workers of America on the day of the date of this letter, the difference in each letter being in the name of the addressee, and the amount of the balance claimed to be due; sent to the Local Unions by Bernard Antony Larger, General Secretary of the United Garment Workers of America, dated September 14, 1914.

Marked "Exhibit S-6."

30 MR. WAXMAN: In the case of Itskowitz vs. Director, the balance claimed to be due was \$3,651.41, and in the case of Schweitzer vs. Schneider, the amount claimed to be due was \$814.41; said figures referring to the statement in "Exhibit S-6." "Your local union owes a balance of dollars, per Auditor Haskins' statement, which is herewith attached."

Marked "Exhibit S-7."

40 MR. WAXMAN: I offer in evidence copy

Bernard Antony Larger—Direct.

of a circular letter dated September 28, 1914, addressed to Local Unions of the United Garment Workers of America, and signed "Fraternally yours, Bernard A. Larger, General Secretary United Garment Workers of America."

Marked "Exhibit S-8."

MR. WAXMAN: Now, it is understood and agreed, that the Exhibits S-6 and S-8, are exhibits in both actions. 10

MR. LAVINE: The defendants in both actions consent to the admission of these exhibits only insofar as they admit that those letters were mailed and received; but the admission does not cover any admission of any of the facts mentioned or contained in the letters.

MR. LAVINE: We do not admit the substance of the letter; we do not admit the claims contained therein, but we admit the letters were received. 20

MR. WAXMAN: I offer in evidence application for certificate of affiliation to the United Garment Workers of America, bearing date August 19, 1909, which applies to the case of Itskowitz vs. Director.

Marked "Exhibit S-9."

MR. WAXMAN: It is understood that the typewritten matter at the very top of this last exhibit forms no part of the exhibit. 30

I offer in evidence application for certificate of affiliation to the United Garment Workers of America, of Local Union No. 3, referring to the case of Schweitzer vs. Schneider, and it is understood that the typewritten matter on the top of the exhibit forms no part of the exhibit.

Marked "Exhibit S-10." 40

Bernard Antony Larger—Direct.

MR. WAXMAN: I offer in evidence charter of the United Garment Workers of America, Local Union No. 2, referring to the action of *Itskowitz vs. Director*. Dated June 8, 1912.

Marked "Exhibits S-11."

10 MR. LAVINE: The Local Union referred to in the other action received a charter of a similar form.

MR. WAXMAN: Won't you agree that the copy attached to our bill of complaint is substantially a correct copy of the charter, with this amendment, that the charter issued to Local Union No. 3 of the United Garment Workers of America, was issued on August 23, 1909, and is addressed to the persons whose names are signed to "Exhibit S-10."

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MR. WAXMAN: I offer in evidence letter dated January 20, 1915, addressed to Hyman Director, President, David Goldstein, Treasurer, Local Union No. 2, Amalgamated Clothing Workers of America, signed by Isaac Madansky, President Local Union No. 2, United Garment Workers of America.

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Marked "Exhibit S-12."

MR. WAXMAN: I offer in evidence letter dated January 20, 1915, of similar tenor addressed to Philip Schneider, President, Morris Prozansky, Treasurer, Local Union No. 3, Amalgamated Clothing Workers of America, signed by Solomon Zuckerman, President, Local Union No. 3, United Garment Workers of America.

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Bernard Antony Larger—Direct.

MR. LAVINE: I want to say, that the defendants admit the receipt of the last two letters of the addressees, but do not admit the truth of the facts therein mentioned.

The defendants concede that the complainants, or their witnesses, will testify that the constitution of the United Garment Workers of America, marked "Exhibit S-1," is still in force and in use in substantially the same form, by them and their associates, as on October 12, 1914, but no admission is made as to the binding effect of this constitution on defendants, beyond that contained in the agreed statement of facts. 10

MR. WAXMAN: Let us state what the fact is.

THE COURT: He says that the defendants concede that your witnesses will testify that this is the constitution of the United Garment Workers of America in use among the complainants and their associates, but does not admit that it is binding on the defendants. 20

MR. WAXMAN: As I understand it, you are prepared to concede that the constitution and any amendment to it, ceased to bind after January 16th in the Itskowitz case. 30

MR. LAVINE: I would not say that; but, to clarify my statement to your Honor, I will say this: the United Garment Workers of America, I claim the defendants are not concerned with it or the manner in which it is split up.

MR. WAXMAN: I had better prove it. 40

Bernard Antony Larger—Direct-Cross.

DIRECT EXAMINATION BY MR. WAXMAN:

Q. Now, Mr. Larger, what is your occupation?

A. General Secretary of the United Garment Workers of America.

Q. How long have you been such? A. I have been such for eleven years, now.

10 Q. As such General Secretary of the United Garment Workers of America, are you the custodian of records of the United Garment Workers of America? A. Yes, sir.

Q. Since October 12, 1914, have any amendments to the constitution been proposed? A. None whatever, except the last convention proceedings.

Q. I am referring to that? A. Oh, yes, there were three or four of them.

20 Q. Can you state what they were? A. Not without looking at them.

Q. I show you a paper and ask you if that contains the proposed amendments? A. Yes, sir, these contain the four amendments—the International constitution that was adopted by the International convention.

30 Q. With the exception of the four amendments which appear on the paper that I have just shown you, has the constitution been amended in any respect since October 12, 1914? A. No, sir.

MR. WAXMAN: I offer this "Exhibit S-13."

CROSS-EXAMINATION BY MR. LAVINE:

40 Q. You refer to the convention which adopted these amendments; that is the convention held in what city and in what hall? A. The convention of the United Garment Workers of America at the Capitol building in Nashville, Tennessee.

Bernard Antony Larger—Re-Direct.

Q. You don't know anything about what was done with the constitution at the convention in the Duncan Hotel? A. I have no knowledge of what took place at the Duncan Hotel.

RE-DIRECT EXAMINATION BY MR. WAXMAN:

Q. Mr. Larger, did you attend the convention of the United Garment Workers of America, which opened at the Capitol in Nashville, Tennessee on October 12, 1914? A. Yes, sir. 10

Q. And did you act in the capacity of Secretary? A. Yes, sir.

Q. Were you in attendance at every session of the convention? A. At every session.

Q. When did that convention conclude its deliberation?

MR. LAVINE: Objected to on the ground that it is immaterial and irrelevant. 20

THE COURT: I don't think it is material.

Q. Do you know who were elected officers of the United Garment Workers of America at that convention?

MR. LAVINE: Objected to as incompetent, irrelevant and immaterial and not binding on the defendants in these actions. 30

THE COURT: Why is that immaterial?

MR. LAVINE: It does not concern the defendants in this action nor the issues involved here.

THE COURT: I am inclined to allow that. I will note your objection to it as immaterial; answer the question.

A. Yes, sir; they are on this letterhead which I show you: "Thomas A. Rickert, President; Henry 40

Bernard Antony Larger—Re-Direct.

Waxman, Treasurer; I. Haskins, General Auditor; Victor Altman, Trustee; Maier Schwartz, Trustee; Margaret C. Daley, Trustee; B. Abrams, General Executive Board Member; Abram Gordon, Executive Board Member; Frank Doyle, Executive Board Member; W. F. Bush, Executive Board Member; he happens to be an English Bush.

10 **MR. McDERMOTT:** I move to strike out this testimony on the ground that it is immaterial and irrelevant, and I ask that objection, with your Honor's permission, be noted to all questions relating to the proceedings of this convention. I don't want to be on my feet all the time.

20 **THE COURT:** All right; it will be noted on the record—an objection on the part of the defenadants to any testimony from this witness relating to proceedings which took place at the convention held at the Capitol in Nashville, Tennessee, as immaterial and irrelevant.

Q. Now, the officers whose names you have just given us as having been thus elected at that convention, were they installed in office subsequently? A. Yes, sir.

30 **Q.** And have they held office ever since? A. Yes, sir.

Q. And are holding office to-day? A. Yes, sir.

Q. The constitution provides that the Borough of Manhattan, in the City of New York, shall be the headquarters of the United Garment Workers of America? A. Yes, sir.

40 **Q.** And where is the office of the United Garment Workers of America? A. In the Bible Rooms 116-117-118-120-122-124, just opposite

Bernard Antony Larger—Re-Direct.

Cooper Union; Eighth Street and Third Avenue, in the Borough of Manhattan and City of New York.

Q. Under the constitution of the United Garment Workers of America, Mr. Larger, the secretary and the treasurer are required to give fidelity bonds? A. Yes, sir.

MR. WAXMAN: It is conceded that the provision of the constitution of the United Garment Workers of America requires the secretary and treasurer to give fidelity bonds. 10

THE COURT: Do you want to offer these bonds? Just offer them. Say, "I offer bonds" so and so and so and so."

MR. WAXMAN: I offer bond No. 1,201,745, of National Surety Company, issued to the United Garment Workers of America for the fidelity of Henry Waxman, together with the continuation certificates thereof. 20

MR. McDERMOTT: Objected to as immaterial and irrelevant, but not because they are incompetent.

Marked "Exhibit S-15."

MR. WAXMAN: I offer in evidence Bond No. 9,394, Maryland Casualty Company, issued to General Executive Board of United Garment Workers of America for the fidelity of Bernard A. Larger, and the continuation certificates thereof. 30

MR. McDERMOTT: Same objection.

Marked "Exhibit S-16."

Q. The Thomas A. Rickert and other names as those of officers, who you say were elected at the 40

Harris Herman—Direct.

convention in the Capitol at Nashville, Tennessee, which opened on October 12, 1914, are the names of the same persons who held identical offices of the United Garment Workers of America for the two years preceding? A. Yes, sir.

COMPLAINANTS REST.

10

DEFENCE.

HARRIS HERMAN, sworn in behalf of the defendants, testified as follows:

DIRECT EXAMINATION BY MR. LAVINE:

20 Q. Where do you live? A. 330 East 100th Street, Borough of Manhattan, New York City.

Q. Are you a member of Local No. 3, referred to in the action between Schweitzer and Schneider? A. Yes, sir.

Q. Do you hold an office in that local union? A. No, sir, only I collect dues; I don't hold any office.

Q. Are you an officer of the so-called Joint Board of the United Brotherhood of Tailors? A. Yes, sir.

30 Q. What is that?

MR. WAXMAN: Objected to as immaterial and irrelevant and incompetent; we don't know of any such organization. There is nothing in any of the pleadings that refers to that, and there is nothing in the statement of facts.

40 MR. LAVINE: We are going to supplement the statement of facts to show that this General Board is a sort of joint clearing house.

Harris Herman—Direct.

THE COURT: I will allow it to stand for the present.

A. I am a member of Local 3.

Q. What is the Joint Board of the United Brotherhood of Tailors? A. The joint Board represents all the locals around Brooklyn, New York and Brownsville.

Q. Now, does Local Union No. 3, of which you are a member, belong to this Joint Board? A. Yes, sir, Joint Board of the United Brotherhood of Tailors, Amalgamated Clothing Workers of America. 10

Q. Does Local Union No 2, referred to in the action of Iskovitz against Director, belong to this same Joint Board? A. Yes, sir.

Q. It does? A. Yes, sir.

Q. Now, what does the Joint Board do for this local union, if anything? 20

MR. WAXMAN: I object to it on the further ground of its incompetence.

Q. In October of last year, you were a member of the local Union No. 3 of the United Garment Workers of America? A. Yes, sir.

Q. And was there a joint board at that time?

A. Yes, sir, there was a joint board at that time.

Q. Were you a member of the joint board then? 30

A. Yes, sir.

Q. And your local belonged to it? A. Yes, sir.

Q. And local No. 2, did that belong to the joint board at that time? A. Yes, sir.

Q. Were you an officer of this joint board then?

A. Yes, sir.

Q. What office did you have in the joint board?

A. The collection of dues.

Q. What title did you have? A. Second Secretary. 40

Harris Herman—Direct.

Q. And your duties as Second Secretary, what were they? A. To collect dues and give out receipts for dues collected, and to give out new books also.

Q. What kind of books? A. Member books.

Q. Then, did you commence to hold this office in December of last year? A. Yes, sir.

10 Q. How about January of this year? A. Also.

Q. And you are still there in the same office? A. Yes, sir.

Q. Still doing the same thing? A. Yes, sir.

Q. In collecting your dues from the members, do you also keep a list of all the members? A. Yes, sir.

Q. And do you keep a ledger showing how many members there are in each local union? A. Yes, sir.

20 Q. Now, have you got that ledger with you? A. Yes, sir.

Q. Now, can you tell us how many members Local Union No. 3 had in October of last year?

MR. WAXMAN: It seems that counsel wants to cover the ground already covered by the statement of facts, and I object to it on the ground that it is immaterial.

30 THE COURT: The question is, whether it is repetitious.

MR. WAXMAN: I am perfectly willing to stand by it. We agreed upon this as a labor saving device. If I had opened the door, it would be proper for you, perhaps, to come back.

40 MR. LAVINE: In *Iskowitz vs. Director*, on page 8 (the Court examines that page), there is a paragraph there which says: "That after the said last-mentioned con-

Harris Herman—Direct.

vention and on the 16th of January, 1915, the Basters' and Tailors' Local Union No. 2, held a meeting thereof at which about 700 members attended out of a total membership of about 3,000." Now, I think I am not modifying the statement if I fix that total membership definitely at about 3,000.

10

MR. WAXMAN: I don't think Mr. Lavine should go into that question.

MR. LAVINE: Now, to come down to the actual issue involved, it then goes on to say that certain members joined the complainants and certain members joined the defendants, and we state here at the bottom of page 9—(reading from the statement of facts); and then further on, on the next page (reading). I think, therefore, I am clearly within my right in fixing that number definitely, (page 10 on the 7th line) amounting to at least 1500.

20

THE COURT: You have agreed to certain propositions; now, why open the door again? What is the object of it?

MR. LAVINE: Just simply to fix the relative majorities and minorities more accurately than we could agree upon here.

30

THE COURT: The case has started upon a proposition of this kind, that you stipulated certain facts which you find to be all right and accurate, and those facts you are willing to have read into the record as the stipulated and agreed upon facts between the parties. Now, if you are going to open the door and show that there may be a variance, then you have to have your books to meet it.

40

Harris Herman—Direct.

MR. LAVINE: Then I will withdraw the witness and stand on the record.

THE COURT: If this witness goes on to vary anything in this record, then we shall have to open the door.

MR. LAVINE: If your Honor holds it a variance, then I will withdraw the witness.

10 THE COURT: I cannot permit you, without a general opening of the door, to vary the stipulation, unless you say now that your stipulation is inaccurate.

MR. LAVINE: I say it is accurate insofar as it goes.

MR. WAXMAN: If the Court should hold that the exemplified copy of the judgment is excluded, we shall be permitted an opportunity to make this proof?

20 THE COURT: That is correct.

MR. LAVINE: It is stipulated and consented that the issues in these two actions be considered to be the issues as set forth in the agreed statement of facts, and wherever the pleadings do not conform thereto, that the said pleadings be considered to be amended accordingly, and that the issues herein be the question of whether the association, as represented by the complainants, or the association as represented by the defendants, is entitled to the funds in question, and that each side be considered to be claiming the same funds.

Exhibit S-3.

New York, December 23, 1914.

To The Officers and Members of Local
Union No. 2, U. G. W. of A.

Dear Sirs and Brothers:

We, the undersigned, having heard that it is proposed by some of the members of this local to abandon the charter issued by the United Garment Workers of America and to affiliate themselves with another organization not chartered by or recognized by or affiliated with the United Garment Workers of America, hereby give notice of our objection to the abandonment by this local union of such charter of the United Garment Workers of America and to the proposed or attempted affiliation of this said local union with any organization not countenanced or chartered by or affiliated with the United Garment Workers of America.

We also give you notice that under Article XII, Section 2 of the Constitution of the United Garment Workers of America:

“A local union shall not withdraw from the U. G. W. of A. or dissolve so long as seven members at a special meeting called for that purpose object, and are willing to retain the charter, and three months' notice to the General Secretary of any withdrawal shall be required.”

We hereby give you notice that the undersigned are willing to retain the charter granted heretofore to this local union by the United Garment Workers of America, and to continue the existence of said local union.

We give further notice that any attempt by any member or members, or any officer or officers to remove or transfer the money, books or other property belonging to this local union, or any use

Exhibit S-4.

and property to persons or organizations not recognized by or affiliated with the United Garment Workers of America.

We, the undersigned, are opposed to the abandonment of the charter issued to this local union by the United Garment Workers of America and desire to continue the existence of said local union as a branch of the United Garment Workers of America, and in view of the provision of Article XII, Section 2, of the Constitution of the United Garment Workers of America that no local union of the United Garment Workers of America, shall withdraw or dissolve so long as seven members object and are willing to retain the charter, the undersigned, therefore, and such other members of this local union, who object to the withdrawal of the local union from the United Garment Workers of America or to its dissolution, will constitute local union No. 2, United Garment Workers of America, and will be entitled to all its moneys, funds and property as such.

We give you notice that if you have already made any use, disposition, transfer or removal of any of the property of this local union contrary to the constitution of the United Garment Workers of America and the law covering such a case, to make immediate restitution and restoration of the same.

We shall hold each of you strictly accountable for any part you take in the misuse, deviation or misappropriation of the money and property of this local union.

JACOB ITSKOWITZ,	BARNET REIBSTEIN,
JACOB GREENGRAS,	S. KATZEN,
ISAAC MADANSKY,	D. REICH,
ABRAHAM KAPLAN,	HYMAN MILLER,
ISIDOR ALTUS.	

Members of Local Union No. 2 UNITED GARMENT WORKERS OF AMERICA.

Exhibit S-4¹/₂.

New York, December 23, 1914.

To The Officers and Members of Local
Union No. 3, U. G. W. of A.

Dear Sirs and Brothers:

We, the undersigned, having heard that it
is proposed by some of the members of this local
10 to abandon the charter issued by the United
Garment Workers of America and to affiliate
themselves with another organization not chartered
by or recognized by or affiliated with the
United Garment Workers of America, hereby give
notice of our objection to the abandonment by
this local union of such charter of the United
Garment Workers of America and to the proposed
or attempted affiliation of this said local
20 union with any organization not countenanced
or chartered by or affiliated with the United
Garment Workers of America.

We also give you notice that under Article XII,
Section 2 of the Constitution of the United Garment
Workers of America:

30 "A local union shall not withdraw from
the U. G. W. of A. or dissolve so long as
seven members at a special meeting called
for that purpose object, and are willing to
retain the charter, and three months' notice
to the General Secretary of any withdrawal
shall be required."

We hereby give you notice that the undersigned
are willing to retain the charter granted heretofore
to this local union by the United Garment Workers
of America, and to continue the existence of said
local union.

40 We give further notice that any attempt by
any member or members, or any officer or officers
to remove or transfer the money, books or other

property belonging to this local union, or any use or appropriation of the same for any purpose not sanctioned by the constitution of the United Garment Workers of America, is without our consent, and we shall hold to strict accountability and prosecute to the full extent of the law any attempt to remove, carry away, use or appropriate the property of local union No. 3 of the United Garment Workers of America.

Fraternally yours,

10

H. WAXMAN,	B. SCHWEITZER,
HENRY LANGER,	SAM PASKIN,
MOSES SILBERMAN,	ABRAM FOX,
MAX SILBERSTEIN,	L. POHOLSKY.

Members of Local Union No. 3. UNITED GARMENT WORKERS OF AMERICA.

Exhibit S-5.

New York, December 23, 1914.

20

To the President, Treasurer and Trustees,
of Local Union No. 3 U. G. W. of A.

Greeting:

We, the undersigned members in good standing of Local Union No. 3, United Garment Workers of America, hereby give you notice not to use, pay out, transfer or remove any of the cash on hand, moneys on deposit in bank or elsewhere, or any other property of Local Union No. 3, United Garment Workers of America, to any person or persons or organization or organizations, unless such use, payment, or transfer is for the benefit of Local Union No. 3 United Garment Workers of America, or authorized by the constitution of the United Garment Workers of America.

30

This notice is given to you because of information we have received of an attempt to transfer the organization of this local union and its money

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Exhibit S-5.

and property to persons or organizations not recognized by or affiliated with the United Garment Workers of America.

We, the undersigned, are opposed to the abandonment of the charter issued to this local union by the United Garment Workers of America and desire to continue the existence of said local union as a branch of the United Garment Workers of America, and in view of the provision of Article XII, Section 2, of the Constitution of the United Garment Workers of America that no local union of the United Garment Workers of America, shall withdraw or dissolve so long as seven members object and are willing to retain the charter, the undersigned, therefore, and such other members of this local union, who object to the withdrawal of the local union from the United Garment Workers of America or its dissolution, will constitute local union No. 3, United Garment Workers of America, and will be entitled to all its moneys, funds and property as such.

We give you notice that if you have already made any use, disposition, transfer or removal of any of the property of this local union contrary to the constitution of the United Garment Workers of America and the law covering such a case, to make immediate restitution and restoration of the same.

We shall hold each of you strictly accountable for any part you take in the misuse, deviation or misappropriation of the money and property of this local union.

	H. WAXMAN,	B. SCHWEITZER,
	HENRY LANGER,	SAM PASKIN,
	MOSES SILBERMAN,	ABRAM FOX,
40	MAX SILBERSTEIN,	L. POHOLSKY.

Members of Local Union No. 3. UNITED GARMENT WORKERS OF AMERICA.

Exhibit S-9.

APPLICATION FOR CERTIFICATE OF AFFILIATION
to the
UNITED GARMENT WORKERS OF AMERICA

Bible House, New York, N. Y.
B. A. LARGER, General Secretary.

Charter Fee, \$10.00 With Outfit, \$16.00

10

Consisting of twenty-five due books, financial ledger book, Treasurer's account book, Day book, Secretary's order book, Press seal, ten Clearance Cards, two Manuals, twenty-five letter heads and twenty-five envelopes.

Any number of Garment Workers not less than seven, who are desirous of forming a Local Union Affiliated with the Union Garment Workers of America, must fill up this form and forward it, together with ten dollars, for certificate of affiliation, to this office, as above, for approval.

20

(City and Date) New York Aug. 19, 1909.

We, the undersigned Garment Workers, believe it to well calculated to improve our condition, and promote our industrial well-being and advancement, respectfully petition the United Garment Workers of America to grant a certificate of affiliation to us as representatives of the following branch of the trade.

30

Name of Organization Baister Local No. 2.

Holding regular meetings at No. 98 Forsyth Street on Thursday evening in the City of New York, State of New York.

We hereby pledge ourselves, individually and collectively, to be governed by the Constitution,

40

Rules and Usages of the United Garment Workers of America, with the reserved right to preserve the autonomy or self-government of our own organization, subject to such rules and regulations as are now established in our organization as above named.

Total number of members in Union 500.

(Signed) ABRAHAM BREGOFSKY,
 Chairman or President.
 GALLAY,
 Secretary.

10

Address of Secretary_____

Name of Applicant. Address of Applicant.

- | | |
|-----------------------|---------------------|
| 1. K. FREEDMAN, | 54 Broome St., |
| 2. ISICK GOLDMAN, | 212 Henry St., |
| 3. KAZZEL COHEN, | 201 Madison St., |
| 4. ABRAHAM BREGOFSKY, | 131 Henry St., |
| 5. ISRAEL KIRSTEIN, | 202-4 Stanton St., |
| 6. A. LEVINSON, | 281 Madison St., |
| 7. MAX BLEU, | 312 E. Houston St., |

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Exhibit S-10.

An application to the United Garment Workers of America similiar to S-9, was offered by complainants as evidence in Cause No. 1. Application marked "Exhibit S-10."

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Exhibit S-11.**UNITED GARMENT WORKERS OF AMERICA**

Doth grant this

CHARTER.

To

K. FREEDMAN, ISICK GOLDMAN, KASSEL COHEN, ABRAM BEYOFOSKY, ISRAEL KIRSTEIN, A. LEVINSON, MAX BLAU and to their successors to constitute a branch of this The United Garment Workers of America to be known as Local Union No. 2 United Garment Workers of America of the City of New York, State of New York, for the purpose of effecting a thorough organization of the trade. And the said Union being duly formed is hereby authorized and empowered to initiate into the said Local Union any person or persons duly proposed and elected according to the Constitution adopted by the United Garment Workers of America, and to enact By-laws for the government of the same as a Local Union.

PROVIDED, that the said Local Union do conform to the Constitution, Laws, Rules and Regulations of this The United Garment Workers of America, and provided also, that said Local Union be located in New York City, State of New York and not removed therefrom without the consent of the United Garment Workers of America.

And further, in consideration of the due performance by the above union of its obligation to the United Garment Workers of America, the UNITED GARMENT WORKERS OF AMERICA. Do bind themselves to support said Union of the City of New York, State of New York in their demands of rights, privileges and benefits as a Subordinate Union.

IN WITNESS WHEREOF, we have ordered the seal of the United Garment Workers of America to be affixed this 26th day of August A. D., One Thousand Nine Hundred and nine.

(Signed) by General Officers and General Executive Board.

Exhibit S-12.

January 20, 1915.

HYMAN DIRECTOR, President,
DAVID GOLDSTEIN, Treasurer,

Local Union No. 2, Amalgamated Clothing
Workers of America.

SIRS:

- 10** On behalf of Local Union No. 2, of the United
Garment Workers of America, I hereby notify
you that because of your withdrawal from the
United Garment Workers of America, you are no
longer entitled to hold any of the property, of
Local Union No. 2, of the United Garment Work-
ers of America; and I have been directed by said
Local Union No. 2, United Garment Workers of
America, to demand and I do hereby demand
20 that you deliver at once to said Local Union No.
2, United Garment Workers of America, its ban-
ner, books, records, seal, bank book and charter
issued by the United Garment Workers of America
and all other books, papers and property be-
longing to said Local Union No. 2, United Gar-
ment Workers of America and now in your
possession.

Yours truly,

- 30** ISAAC MADANSKY,
President Local Union No. 2,
United Garment Workers of America.

Exhibit S-12¹/₂.

January 20, 1915.

PHILIP SCHNEIDER, President,
 MORRIS PROZANSKY, Treasurer,
 Local Union No. 3, Amalgamated Clothing
 Workers of America.

SIRS:

On behalf of Local Union No. 3, of the United **10**
 Garment Workers of America, I hereby notify
 you that because of your withdrawal from the
 United Garment Workers of America, you are no
 longer entitled to hold any of the property, of
 Local Union No. 3, of the United Garment Work-
 ers of America; and I have been directed by said
 Local Union No. 3, United Garment Workers of
 America, to demand and I do hereby demand
 that you deliver at once to said Local Union No. **20**
 3, United Garment Workers of America, its ban-
 ner, books, records, seal, bank book and charter
 issued by the United Garment Workers of America
 and all other books, papers and property belong-
 ing to said Local Union No. 3. United Gar-
 ment Workers of America and now in your
 possession.

Yours truly,

SOLOMON ZUCKERMAN, **30**
 President Local Union No 3,
 United Garment Workers America.

Exhibit C-3.

The following transcript of judgment in the Supreme Court was properly exemplified before having been admitted into evidence.

The Certificate of Exemplification and Affidavits are omitted for the purpose of shortening the record.

10

Summons.**SUPREME COURT — NEW YORK COUNTY.**

THOMAS A. RICKERT, as President
of United Garment Workers of
America,

*Plaintiff,**against*

20 SIDNEY HILLMAN, JOSEPH SCHLOSS-
BERG and TOBIAS LAPAN,

Defendants.

To the above named Defendants:

30 YOU ARE HEREBY SUMMONED to answer the complaint in this action, and to serve a copy of your answer on the Plaintiff's Attorney within twenty days after the service of this summons, exclusive of the day of service, and in case of your failure to appear, or answer, judgment will be taken against you by default, for the relief demanded in the complaint.

Dated, N. Y., December 9, 1914.

MAX D. STEUER,

Plaintiff's Attorney,

Office and P. O. Address,

No. 42 Broadway,

Borough of Manhattan,

New York City.

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*Exhibit C-3.***Complaint.****SUPREME COURT — NEW YORK COUNTY.**

THOMAS A. RICKERT, as President
of United Garment Workers of
America,

*Plaintiff,**against*

SIDNEY HILLMAN, JOSEPH SCHLOSS-
BERG and TOBIAS LAPAN,

Defendants.

10

The plaintiff, complaining of the defendants, respectfully shows to this Court and alleges:

FIRST: That The United Garment Workers of America is a voluntary, unincorporated association, consisting of more than seven members, and that the plaintiff, Thomas A. Rickert, is the President thereof.

20

SECOND: That The United Garment Workers of America is an international labor organization affiliated with and chartered by the American Federation of Labor, and it is made up of men and women upwards of the age of sixteen years, engaged in the men's garment-making industry in the various parts of the United States and Canada.

30

THIRD: That the said The United Garment Workers of America was organized in the City of New York in the year 1891, at the convention of labor organizations held in the said city, and that the object of said organization is to improve the material conditions of the workers engaged in the men's clothing industry, to provide for their comfort, constant employment, uniform wage, shortening of the hours, compensation commensurate

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with the labor done, the procurement of legislation in the interest of the wage earner, better sanitary conditions in the shops in which the labor is done, and everything for the betterment of the condition of the garment worker, for the providing of sick benefits for the members and provision in case of non-employment.

10 **FOURTH:** That the said The United Garment Workers of America is composed of a large number of local organizations or unions in the larger cities of the United States and Canada, and that its total membership is upwards of 50,000.

20 **FIFTH:** That all of the said members of The United Garment Workers of America pay stated monthly dues to The United Garment Workers of America, which are collected by the Local Unions, which are chartered by The United Garment Workers of America, which dues are paid for the purposes of the organization and for its work in
20 improving the material conditions of its members.

30 **SIXTH:** That The United Garment Workers of America maintains an office for the transaction of its business at the Bible House, Ninth Street and Third Avenue, in the Borough of Manhattan, City of New York; that it owns very large quantities of property and very considerable sums of money deposited in several banks in the City of New York, namely, the Corn Exchange Bank, The Bank of United States, and The Public Bank.

SEVENTH: That the said The United Garment Workers of America owns a label, duly registered in its name in every state in the Union of the United States, except in the State of Mississippi, where there is no label law, which said label is placed in every garment, thereby indicating that it is the product of the labor of the members of the said organization, and which said label has

Exhibit C-3.

acquired a great value in the trade and is supplied in enormous numbers to manufacturers employing members of the said organization in the manufacture of the said garments, and which is only delivered to the manufacturers as part of a contractual agreement between The United Garment Workers of America and the said manufacturers, regulating the terms and conditions of the employment of members of the plaintiff by the said manufacturers. 10

EIGHTH: That The United Garment Workers of America has a written constitution for the government of the said organization and for the transaction of its business, which constitution was duly adopted by the members of The United Garment Workers of America in the year 1912, and that said constitution is now in full force and effect, and has been since the time of its adoption, and is binding upon all the members of The United Garment Workers of America, the Local Unions affiliated therewith, and all officers and members of The United Garment Workers of America, and the Locals, in their dealing with the said organization. 20

NINTH: That for the purpose of assuring unto itself the payment of the dues by the members of The United Garment Workers of America, it has issued what is known as a due stamp, which due stamp is delivered to the various Local Unions upon payment for it by the said Local Unions in advance, and which in turn must be issued by the Local Union to each member of the Local Union when the dues of the said member are paid to the Local Union. The Local Union has the privilege of charging dues to the member in excess of the dues charged by The United Garment Workers of America for membership therein, and 40

Exhibit C-3.

it is out of the dues collected by the Local Union that the dues to The United Garment Workers of America are paid.

TENTH: That The United Garment Workers of America has adopted a seal, which has been in use ever since the organization thereof.

10 ELEVENTH: That on the schedule annexed to this complaint, and under No. 1 thereof, appears copy of the regular official label of The United Garment Workers of America; under No. 2 the counterfeit label used and issued by the defendants as the label of The United Garment Workers of America; under No. 3 the due stamp issued by the plaintiff; under No. 4 the counterfeit due stamp used and issued by the defendants; under No. 5 an impression of the seal, the genuine seal of the plaintiff; under No. 6 an impression of the seal of the defendants as annexed by the defendant Schlossberg, to a communication issued by him, and in which he signs himself, "Joseph Schlossberg, General Secretary," upon a letterhead upon which is printed "United Garment Workers of America".

20 TWELFTH: That in the month of October, 1914, the defendants, conspiring and confederating together formed the scheme and plan of injuring the plaintiff and depriving it of its just dues and funds and diverting from it its property and destroying its usefulness and integrity and to that end and purpose inserted various advertisements in the newspaper and issued circular letters to the effect that they were the officers of The United Garment Workers of America, to-wit, that the defendant Hillman was the General President thereof, the defendant Schlossberg was the General Secretary thereof, and the defendant Lapan was the General Treasurer thereof, and that the

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Exhibit C-3.

offices of The United Garment Workers of America had been moved from the Bible House, in the City of New York, to No. 32 Union Square; and further for the purpose of injuring the plaintiff and deceiving the membership of The United Garment Workers of America, and all persons who traded therewith and who traded in the product thereof, they procured to be made and printed a label in all respects similar to the label of the plaintiff, and which appears in the schedule annexed to the complaint under No. 2, and a due stamp, which is in all respects similar to the due stamp of the plaintiff, and which appears in the annexed schedule under No. 4, and a seal which makes an impression exactly similar to the one in use by the plaintiff, and which appears in the schedule annexed under No. 6, and have sent forth a great deal of printed matter, all under the name of The United Garment Workers of America, by reason of which all those dealing with The United Garment Workers of America have become confused and have addressed communications to it at No. 32 Union Square, which the defendants have taken possession of; and the defendants have, in addition thereto, sent communications to the Corn Exchange Bank and to The Public Bank and to The Bank of United States to the effect that the said banks should not honor checks drawn by the officers of the plaintiff, but that they should only honor checks drawn by the defendant Hillman and by the defendant Schlossberg, by reason of which the moneys on deposit, and which were deposited by the plaintiff, and aggregating an excess of \$20,000 in the Corn Exchange Bank alone, have been tied up and the said banks have refused to honor the checks drawn by the plaintiff, and the plaintiff

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Exhibit C-3.

has been unable to transact its regular business; and defendants have caused to be printed 500,000 of the said counterfeit labels and have issued the same to various garment manufacturers throughout the United States, thereby preventing the use and purchase of the labels of the plaintiff and have placed a large number of the members of The United Garment Workers of America in
10 a position where they did not know to whom to pay their dues, and the said members have thereby forfeited their rights of membership in The United Garment Workers of America; and great confusion has been created in the garment workers industry, the effect of which has been to greatly destroy the usefulness and effectiveness and integrity of the plaintiff with a large portion of its membership and with the manufacturers of men's
20 garments; and in addition thereto, great financial damage has resulted, all of which cannot be estimated, and which is irreparable, and for which there is no plain, adequate or complete remedy at law, or any remedy whatsoever.

THIRTEENTH: That the defendants have persuaded and induced a large number of the secretaries of the Local Unions to purchase from them the spurious due stamps which they have issued, and they have thereby obtained thousands of dollars from the said Local Unions which should
30 naturally have gone to the plaintiff, and the amount of which it is at the present time impossible to ascertain, since the Local Unions are situated and located all over the United States and Canada.

FOURTEENTH: That the plaintiff has demanded of the defendants, and each of them, that they desist from the use of the labels which they counterfeited, and which they have issued and sold, which
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Exhibit C-3.

are exactly like the labels of the plaintiff; that they desist from the use of the due stamps, which are exactly like the due stamps of the plaintiff; that they desist from the use of the name The United Garment Workers of America; that they desist from holding themselves out as officers of The United Garment Workers of America; and performing the functions thereof, that they desist from the use of the seal of The United Garment Workers of America; that they desist from inserting advertisements in newspapers to the effect that they are the officers of The United Garment Workers of America; and that they abstain from sending communications to the various Local Unions in the name of The United Garment Workers of America; and that they withdraw from the various banks the communications to the effect that the checks signed by the plaintiff should not be recognized as the checks of The United Garment Workers of America. But the defendants have not abstained from using the said labels and due stamps and seal and name, and have insisted and persisted in their use of the same, and have threatened to continue the same indefinitely all of which is of irreparable damage and will prove to be of irreparable damage to the plaintiff.

WHEREFORE, the plaintiff demands judgment against the defendants:

1. That the defendants, and their agents, servants and representatives, be enjoined and restrained from using the name, The United Garment Workers of America.

2. That they be enjoined from issuing labels similar to those issued by The United Garment Workers of America, and appearing under No. 1 in the schedule annexed to the complaint.

Exhibit C-3.

3. That they be enjoined from issuing due stamps similar to those issued by the plaintiff, and appearing under No. 3 in the schedule annexed to the complaint.

10 4. That they be enjoined from using a seal similar to the seal of The United Garment Workers of America, and which appears under No. 5 in the schedule annexed to the complaint.

5. That they be enjoined from issuing literature, circulars, or inserting advertisements holding themselves out as officers of The United Garment Workers of America.

6. That they be enjoined from issuing communications to the banks in which the moneys of the plaintiff are deposited, giving instructions or directions as to what checks of The United Garment Workers of America shall be honored.

20 7. That they be enjoined from collecting or accepting or taking any moneys as dues for membership in the United Garment Workers of America, or initiation fees therein.

30 8. That the defendants, and each of them be directed to account for all moneys by them, and each of them received and accepted as officers of The United Garment Workers of America, from any source whatsoever and that they be directed to surrender for cancellation and destruction all seals, labels and due stamps which they have in their possession similar to those in use by the plaintiff, and all literature, of every kind, character and description, printed or written, which is in the name of The United Garment Workers of America.

And that the plaintiff have against the defendants, and each of them, such other and further

Exhibit C-3.

relief as to the Court may seem meet and proper besides the costs and disbursements of this action.

MAX D. STEUER,
Attorney for Plaintiff,
Office and P. O. Address,
42 Broadway,
Borough of Manhattan,
New York City. 10

(Annexed to the complaint was a schedule containing copies of the labels, stamps and seals which were used by the complainants and the defendants. Nos. 1, 3 and 5, were the genuine label, stamp and seal of the United Garment Workers of America and Nos. 2, 4 and 6 were the labels used by the defendant.

STATE OF NEW YORK, }
County of New York, } ss: 20
Borough of Manhattan. }

THOMAS A. RICKERT, being duly sworn, deposes and says that he is plaintiff in the within action; that he has read the foregoing complaint and knows the contents thereof, that the same is true to his own knowledge, except as to the matters therein stated to be alleged on information and belief, and that as to those matters he believes it to be true.

THOMAS A. RICKERT. 30

Sworn to before me this 9th }
day of December, 1914. }

Nathan Waxman,
Notary Public,
New York Co.

*Exhibit C-3.***Answer.****SUPREME COURT — NEW YORK COUNTY.**

THOMAS A. RICKERT, as President
of The United Garment Workers
of America,

Plaintiff,

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against

SIDNEY HILLMAN, JOSEPH SCHLOSS-
BERG and Tobias Lapan,

Defendants.

The defendants answering the plaintiff's complaint herein, allege:

I. They admit that The United Garment Workers of America is a voluntary unincorporated association consisting of more than seven members and deny each and every other allegation contained in the paragraph of the said complaint marked and numbered "FIRST."

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II. They admit that The United Garment Workers of America owns large quantities of property and very considerable sums of money and deny each and every other allegation contained in the paragraph of the said complaint marked and numbered "SIXTH."

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III. They deny each and every allegation contained in the paragraphs of the said complaint marked and numbered "ELEVENTH," "TWELFTH," "THIRTEENTH" and "FOURTEENTH."

The defendants further answering and for a first separate defense herein, allege:

I. That at all the times hereinafter mentioned The United Garment Workers of America was and still is a voluntary unincorporated association consisting of more than seven members and made up of workers engaged in the men's garment mak-

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Exhibit C-3.

ing industry in various parts of the United States and Canada.

II. That the said The United Garment Workers of America was organized in the City of New York in the year 1891 at a convention of labor organizations held in the said City and that the object of said organization is to improve the material conditions of the workers engaged in the men's clothing industry and to improve their standard of living by reducing their hours of labor, increasing their wages and obtaining better conditions and larger independence in the shops and factories in which they are employed.

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III. That the said The United Garment Workers of America is composed of a large number of local organizations or unions in the City of New York and State of New York and in other parts of the United States and Canada.

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IV. That the said The United Garment Workers of America, has a written constitution for the government of the said organization and for the transaction of its business, which said constitution was duly adopted by the membership of the said organization by a general vote in the year 1912, and that said constitution at all the times hereinafter mentioned was and still is in full force and effect and binding upon the said organization, its General Officers, all local unions affiliated with the same and all officers and individual members thereof.

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V. That said constitution among other things, provides that the General Officers of said organization shall consist of a General President, a General Secretary, a General Treasurer, General Auditor and three Trustees and that its affairs shall be managed by the General Executive Board which shall consist of eleven members including

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Exhibit C-3.

the said seven General Officers above mentioned, and said constitution further provides that such officers, shall be elected at the conventions of the said The United Garment Workers of America to be held every two years and that they shall hold office until their successors are duly elected and installed. The said constitution also provides that the General Secretary shall preserve all important documents, papers and books of said organization and shall be the custodian of the seal of said organization.

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VI. That heretofore and prior to the 14th day of October, 1914, the plaintiff herein, THOMAS A. RICKERT, was the President of the United Garment Workers of America, but that on or about said 14th day of October, 1914, at the regular biennial convention of said organization held in pursuance of the constitution of said organization in the City of Nashville, State of Tennessee, the defendant herein, SIDNEY HILLMAN, was duly elected General President of The United Garment Workers of America to succeed said Thomas A. Rickert, and at the same time the defendant JOSEPH SCHLOSSBERG was elected General Secretary and the defendant TOBIAS LAPAN was elected General Treasurer of said organization and one ISIDOR KANTROWITZ was duly elected General Auditor thereof and MORRIS ELLSTEIN, GEORGE SUDER and SAMUEL ZORN were duly elected Trustees thereof, and that in addition to said officers the following members were elected to the General Executive Board, to wit: FRANK ROSENBLUM, ANGELLO D. MARIMPIETRI and E. RABKIN, and M. SEINFELD. That the aforesaid officers so elected were thereupon duly installed in their said respective offices and that thereupon the term of office of the plaintiff herein as President of said The United Garment Workers of America terminated

Exhibit C-3.

and that the aforementioned newly elected officers including the defendants herein, became and now are the General Officers of The United Garment Workers of America and entitled to the custody and possession of its seal, books, funds, labels, property and other effects.

VII. That the said The United Garment Workers of America owns a certain union label duly registered in its name in every state in the United States except in the State of Mississippi, in which State there is no union label law, which said label is placed in every garment manufactured by members of said organization and that said The United Garment Workers of America has also adopted and is using a due stamp which stamp is used to evidence the payment of dues by members of said organization and which stamp is issued by the General Executive Board to the various local unions comprising said The United Garment Workers of America.

VIII. That the defendants herein as General Officers of The United Garment Workers of America and as members of the Executive Committee of said organization in conjunction with the other officers and the said Executive Committee, have full custody and control of the union label and the due stamps and the seal and other property of The United Garment Workers of America and are using same in conformity with and under power granted to them by the Constitution of the said The United Garment Workers of America.

THE DEFENDANTS FURTHER ANSWERING AND FOR A SECOND SEPARATE DEFENSE HEREIN ALLEGE:

I. The defendants repeat and reiterate each and every allegation of the first separate defense herein as if the same were herein fully set forth.

Exhibit C-3.

10 II. That at the time of the commencement of this action there was and still is another action pending in the Supreme Court of the State of New York in and for the County of New York in which action the defendant herein, SIDNEY HILLMAN, as president of the United Garment Workers of America, is the plaintiff, and the plaintiff herein, Thomas A. Rickert and the other ex-officers of the United Garment Workers of America are the defendants, in which said action the same issues are before the Court as in this action.

WHEREFORE, the defendants demand judgment that the complaint herein be dismissed with costs.

HILLQUIT & LEVENE,
Attorneys for Defendants,
Office and P. O. Address,
20 .. 30 Church Street,
Borough of Manhattan,
City of New York.

CITY AND COUNTY OF NEW YORK: SS.

30 JOSEPH SCHLOSSBERG being duly sworn, deposes and says that he is one of the defendants in the above entitled action; that he has read the foregoing answer and knows the contents thereof; that the same is true to his own knowledge, except as to the matters herein stated to be alleged on information and belief, and as to those matters he believes it to be true.

JOSEPH SCHLOSSBERG.

Sworn to before me this 17th }
day of December, 1914 }

40 ABRAHAM MANN,
Comm. of Deeds,
N. Y. City.

At a Special Term of the Supreme Court Part II. held in and for the County of New York at the County Court House in the Borough of Manhattan, on the 22nd day of December 1914.

Present.

Hon. LEONARD A. GIEGERICH, Justice.

SUPREME COURT — NEW YORK COUNTY.

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THOMAS A. RICKERT, as President
of THE UNITED GARMENT WORK-
ERS of America,

Plaintiff,

against

SIDNEY HILLMAN, JOSEPH SCHLOSS-
BERG and TOBIAS LAPAN,

Defendants.

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An action having been commenced by the above plaintiff against the above defendants for a permanent injunction, and a temporary injunction having been granted by Mr. Justice E. Newberger, December 9th, 1914, and the attorneys for the respective parties hereto having consented to the entry of the foregoing judgment without costs or damages to either parties against the other,

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Now, on motion of Max D. Steuer, attorney for the plaintiff herein, it is ordered, adjudged and decreed that the plaintiff Thomas A. Rickert, as President of The United Garment Workers of America, recover of and have judgment against the defendants, Sidney Hillman, Joseph Schlossberg and Tobias Lapan, permanently and forever restraining these defendants, their agents, servants and representatives and each and all of them, from issuing labels, similar to those issued and used

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Exhibit C-3.

by the plaintiff and which appears in the complaint in this action under Number one, in the schedule annexed thereto, and enjoined from issuing or using due stamps similar to those issued by the plaintiff and appearing under Number three, in the schedule annexed to the complaint herein, and enjoined from using a seal similar to the seal used by the plaintiff and which appears in the schedule annexed herein, under number five, and enjoined from using literature, circulars or inserting advertisements holding themselves out as officers of the United Garment Workers of America and collecting or accepting any moneys as dues for membership in The United Garment Workers of America, or initiation fees therein, and are enjoined from issuing communications to the banks in which moneys of the plaintiff are deposited, giving instructions or directions as to what check of The United Garment Workers of America shall be honored. And they are directed to surrender for cancellation and destruction all seals, labels and due stamps which they have in their possession similar to those used by the plaintiff, and all literature used of every kind, character and description, printed or written, which is in the name of The United Garment Workers of America.

ENTER L. A. G. J. S. C.

WM. F. SCHNEIDER, Clerk.

IT IS HEREBY CONSENTED by and between the attorneys of the respective parties hereto that the above judgment be entered in the above entitled case without costs or damages to either parties against the other.

MAX D. STEUER,
Attorney for Plaintiff,
HILLQUIT & LEVENE,
Attorneys for Defendant.

Exhibit S-1.

Counsel have agreed that the Constitution and By-Laws of the United Garment Workers of America be submitted in the form of copies attached in place of printing the same and have agreed that copies that are hereto annexed are the same as the copy of the Constitution and By-Laws that were admitted in evidence, page 149.

See page 151

Opinion of the Court.

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~~NOTE: The Vice Chancellor's Opinion will be submitted in a Supplemental State of Case.~~

The Vice Chancellor's Opinion follows on page 151.

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Section 2-1

The court has held that the defendant's
conduct was negligent in the absence of
any other evidence. The court has
found that the defendant's conduct
was negligent in the absence of any
other evidence. The court has found
that the defendant's conduct was
negligent in the absence of any
other evidence.

Opinion of the Court

The court has held that the defendant's
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any other evidence. The court has
found that the defendant's conduct
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other evidence. The court has found
that the defendant's conduct was
negligent in the absence of any
other evidence.

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Opinion of the Vice Chancellor.
IN CHANCERY OF NEW JERSEY,

Between :

BEN SCHWEITZER, et al.,
Complainants,
and
 PHILIP SCHNEIDER, et al.,
Defendants.

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On Bill, &c.
 Memorandum.

Between :

JACOB ITZKOWITZ, et al.,
Complainants,
and
 HYMAN DIRECTOR, et al.,
Defendants.

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Messrs. HUDSPETH & RYSDYK, for the Complainants.

Messrs. McDERMOTT & ENRIGHT, for the Defendants.

V. C. LEWIS:

The complainant seeks an injunction restraining the defendant from withdrawing certain funds from the Union Trust Company of Jersey City. The funds in question belong to Pressers' Branch, Local Union No. 2, and Basters' and Tailors' Branch of the United Brotherhood of Tailors, Local Union No. 2. 30

The facts in the case were agreed upon and were practically identical in the two above named actions. The defendants in the first action were officers and trustees of a voluntary incorporated

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Opinion of the Vice Chancellor.

association, known as the Pressers' Branch No. 3, which is a labor union composed of persons employed in the clothing manufacturing industry of the City of New York. The defendants in the second action were officers and trustees of a voluntary unincorporated association, known as Basters' and Tailors' Branch of the United Brotherhood of Tailors' Local Union No. 2, likewise a labor union, composed of persons employed in the clothing manufacturing industry of the City of New York. Both these organizations were affiliated with the United Garment Workers of America, which was also a voluntary unincorporated association and an international labor union of employees in the clothing manufacturing industry. The two associations are local unions of which the defendants in these two actions were respectively officers and trustees, and were organized prior to the organization of the United Garment Workers of America, aforesaid. These two local associations each collected from each of its members the sum of sixty cents dues per month, together with initiation fees, assessments levied and fines imposed by it, and out of the funds so accumulated, each of the said local unions paid to the United Garment Workers of America, the international union, initiation fees and per capita taxes, and the balance of said funds, after the payment of the expenses of the respective local unions in question, were deposited by the said local union in various banks, and the moneys, for the recovery of which these actions are brought, constituted such funds of the said respective local unions accumulated in such manner.

The United Garment Workers of America here referred to, had a constitution and by-laws, which were offered in evidence in this action. This constitution provided for the holding of bi-annual

Opinion of the Vice Chancellor.

conventions for the election of officers, and pursuant thereto, a convention was called for October 12, 1914, at Nashville, Tennessee. Each of the local unions whose officers are defendants in these two actions sent delegates to the convention. At the convention a dispute arose between the delegates, and the convention split into two separate conventions, each of which elected a full set of general officers, one set of officers being headed by Sidney Hillman as General President, and the other by Thomas A. Rickert as General President. The delegates representing the two local unions recognized the election of the general officers headed by Sidney Hillman as General President. On or about the twenty-sixth day of December, 1914, another convention was held in the City of New York by the various local unions which had recognized the group of officers headed by Sidney Hillman as General President in conjunction with another national labor union known as the Journeymen Tailors' Union of America, and the two local unions involved in these actions sent delegates to this convention. This convention decided to consolidate with the Journeymen Tailors' Union of America and to adopt the name of Amalgamated Clothing Workers of America. After this convention, the association of which the defendants in the first action were officers and trustees held a meeting on January 6th, 1915, at which about four hundred members attended out of a total membership of twenty-five hundred, and the association of which the defendants named in the second action are officers and trustees held a meeting on January 16th, 1915, at which about seven hundred members attended out of a total membership of three thousand, and at each of said meetings of said respective associations the local unions ratified by unanimous vote the action of the con-

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Opinion of the Vice Chancellor.

vention held December 26th, 1914, and the adoption of the name Amalgamated Clothing Workers of America.

- 10 That at each of the said meetings a communication was delivered to the secretary of the respective local unions, which communication was signed by the several members of the said local unions, setting forth what is now claimed to be an objection to the action taken at the said meeting, but there is nothing in the record to show that any of the subscribers of the said communication attended said meeting or voted or attempted to vote in opposition to the resolution adopted. The said subscribers thereupon talked with a few other members of the said local unions and seceded from the said local unions and attempted to set up rival organizations, claiming to be the original unions.
- 20 That in the case of the Basters' Branch, Local Union No. 3, involved in the first action, the number of said seceders associated with said subscribers and with the complainants in said action were about eighty, while the number of members upholding the original union, represented by the defendants, amounted to at least one thousand. In the case of the Basters' and Tailors' Branch of the United Brotherhood of Tailors, Local Union
- 30 No. 2, involved in the second action, the number of such seceders associated with said subscribers and with the complainants in said action were about one hundred and twenty-five, while the number of members upholding the original local union represented by the defendants amounted to at least fifteen hundred. That the said large majorities represented by the defendants in these two actions included all of the officers and trustees of the said respective local unions, who have continued to hold the same offices theretofore held by
- 40 them.

Opinion of the Vice Chancellor.

It appeared clear to me from the evidence that the claims presented by the complainant were those of a very small minority of a voluntary unincorporated association or labor union, and being dissatisfied with a certain action of the members of the association had attempted to set up a rival organization to claim the funds. The minority represented about four per cent. of the original membership. Upon the argument of this cause before the Court it was urged on behalf of this small minority that because the Supreme Court of the State of New York had restrained the defendant organization from using the name of United Garment Workers of America, and the Rickert faction, to which the complainant organization adhered, had been permitted to retain the said name, that therefore this small minority membership of the local unions constituted the real and true organization and were entitled to the funds.

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The case of *Altman v. Benz*, 27 N. J. Equity, 331, complainants contended was dispositive herein. I cannot see how under any view of the case that the funds involved in this dispute were trust funds within the meaning of the decision in *Altman v. Benz*. If these funds can be called trust funds at all, then the said trust is for the benefit only of the members of the local unions as they represented a net surplus which belongs to the local union and upon which the national union had no claims. The funds represented a net accumulation of the contributions paid by the members of the respective local unions after deducting therefrom all initiation fees, per capita taxes and other charges which had been paid to the national body, and also all the expenses of the local union itself. Furthermore, the organizations now before the Court are labor unions whose principal objects are the ame-

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Opinion of the Vice Chancellor.

lioration of working conditions. The payment of sick benefits is merely a non-essential purpose of the local unions. In the case in hand the United Garment Workers of America, which is not a party to these proceedings, was not the parent organization of the two local unions involved in this issue. The two local unions were formed prior to the organization of the United Garment Workers of America.

10 The views expressed by the Court in the case of the *State Council v. Enterprise Council*, 75 N. J. Equity, 247, can properly be applied to this case. There the Court held that the relation between the National Council, State Council and the subordinate councils are purely voluntary and may be severed at any time, the subordinate councils having an independent existence.

20 The bills in these cases must be dismissed and the defendants be awarded the funds on deposit in the Jersey City Bank.

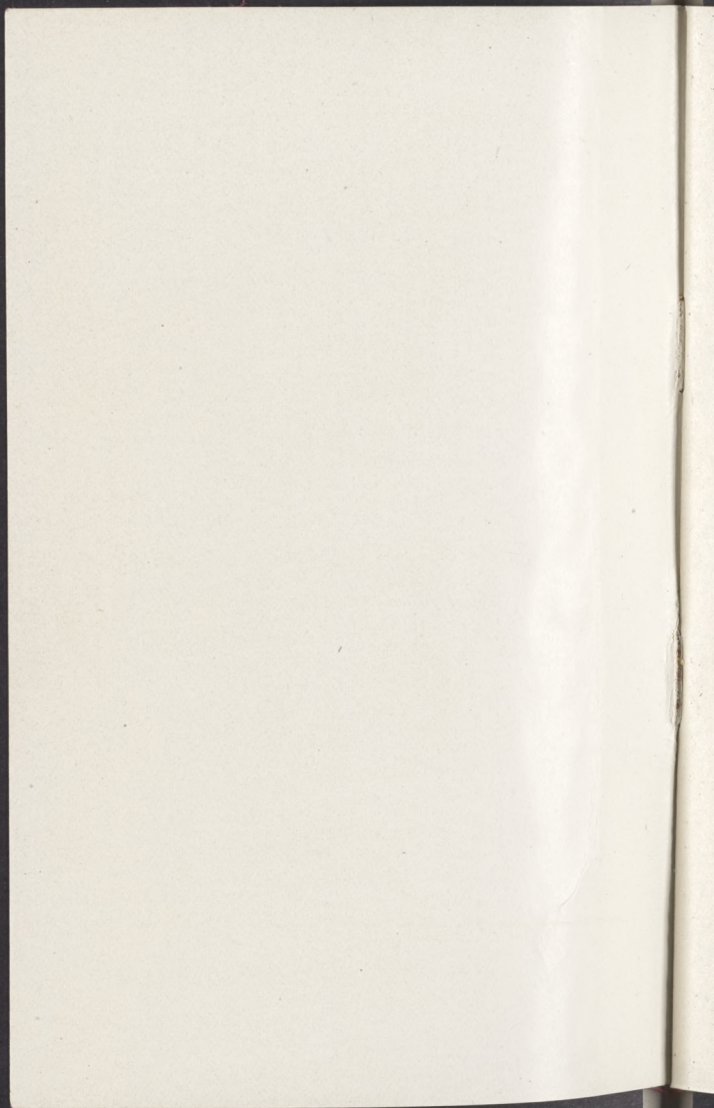
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EXHIBIT S-1.
Constitution and By-Laws of
United Garment Workers
of America.

EXHIBIT S-1.
Constitution and By-Laws of
United Garment Workers
of America.



CONSTITUTION
.. OF THE ..
United Garment Workers
OF AMERICA



GENERAL CONVENTIONS HELD:

- NEW YORK CITY, April 12th-15th, 1891.
BOSTON, MASS., November 16th-21st, 1891.
PHILADELPHIA, PA., November 21st-24th, 1892.
NEW YORK CITY, November 19th-23d, 1894.
BALTIMORE, MD., November 12th-15th, 1895.
ROCHESTER, N. Y., August 9th-13th, 1897.
CINCINNATI, O., August 8th-14th, 1898.
PHILADELPHIA, PA., August 11th-15th, 1899.
DETROIT, MICH., August 13th-18th, 1900.
BALTIMORE, MD., August 12th-17th, 1901.
CLEVELAND, O., August 11th-17th, 1902.
INDIANAPOLIS, IND., August 10th-15th, 1903.
BUFFALO, N. Y., August 22d-29th, 1904.
TORONTO, CAN., August 27th-Sept. 1st, 1906.
MILWAUKEE, WIS., August 24th-28th, 1908.
DETROIT, MICH., August 22d-27th, 1910.
INDIANAPOLIS, IND., August 26th-31st, 1912.
~~NASHVILLE, TENN., October 12th-17th, 1914.~~

Concord Printing Co.



195 Bowery, opp. Spring St.

NEW YORK

Demands of the American Federation of Labor.

1. Compulsory education.
2. Direct legislation through the initiative and referendum.
3. A legal work-day of not more than eight hours
4. Sanitary inspection of work-shops, mines and homes.
5. Liability of employers for injury to health, body or life.
6. The abolition of the contract system on all public works.
7. The abolition of the sweating system.
8. The municipal ownership of the street cars, water works and gas and electric plants for public distribution of light, heat and power.
9. The nationalization of telegraph, telephone, railroads and mines.
10. The abolition of the monopoly system of landholding and substituting therefor a title of occupancy and use only.
11. Repeal of conspiracy and penal laws affecting seamen and other workmen incorporated in the Federal and State laws of the United States.
12. The abolition of the monopoly privilege of issuing money, and substituting therefor a system of direct issuance to and by the people.

Resolution adopted at the Eighth Annual Convention, Philadelphia, August, 1899 :

Resolved, That we reaffirm the policy of the U. G. W. of A., as declared at previous Conventions, namely :

That our sphere of action be confined strictly to trade matters, believing that by that means alone can unity and directness of purpose be secured, and while other methods may promise more, costly experience has plainly shown that the hopes of the wage-earners lies in compact organization on trade-union lines by securing gradual concessions from the employers, by improving the standard of living, by obtaining more independence in the shop and obtaining a higher standard in Society.

RECEIPT BOOK

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L. U. No.....

Ledger Page.....

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SECRETARIES must cancel each stamp, with date, and no member is in good standing unless a stamp is used in the proper space as receipt for monthly dues or assessments.

RECEIPT BOOK

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L. U. No..... Ledger Page.....

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RECEIPT BOOK

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RECEIPT BOOK

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SECRETARIES must cancel each stamp, with date, and no member is in good standing unless a stamp is used in the proper space as receipt for monthly dues or assessments.

ARTICLE XVII.

MEMBERS IN ARREARS—REINSTATEMENT.

SECTION 1. MEMBERS WHO ARE EMPLOYED ALL OR PART OF THE TIME MUST PAY DUES MONTHLY, AND NO MEMBER SHOULD BE PERMITTED TO WORK ON THE FIRST DAY OF THE MONTH UNLESS DUES ARE PAID FOR THE PREVIOUS MONTH. WORKING MEMBERS ARE NOT IN GOOD STANDING WHO OWE ONE MONTH'S DUES.

UNEMPLOYED MEMBERS THREE (3) MONTHS IN ARREARS STAND SUSPENDED FROM ALL RIGHTS AND PRIVILEGES OF MEMBERSHIP UNLESS HIS OR HER DUES ARE REMITTED BY VOTE OF THE LOCAL UNION, IF AFTER THREE (3) MONTHS MORE THE MEMBER FAILS TO MEET HIS OR HER OBLIGATION THE NAME SHALL BE DROPPED FROM THE ROLL.

CONSTITUTION

ARTICLE 1.

Name and Jurisdiction.

Section 1. This body shall be known as "The United Garment Workers of America." In it alone is vested the power to establish subordinate Local Unions of the craft, and to it is reserved the right to finally determine and adjust all matters of general importance to the welfare of the various Local Unions or any members thereof, while to subordinate Unions is conceded the right of making all necessary laws for local self-government which do not conflict with the laws of the United Garment Workers of America.

Sec. 2. All legislative power shall be reserved to the United Garment Workers of America duly convened in session, except as hereinafter provided for. Its executive and judicial power when not in session shall be vested in the General Executive Board.

Sec. 3. The United Garment Workers of America shall affiliate with the American Federation of Labor. Withdrawal from such affiliation shall be determined by general vote, a two-thirds majority deciding.

ARTICLE II.

Headquarters.

Section 1. The Headquarters of the United Garment Workers of America shall be in the City of New York, N. Y., and cannot be removed therefrom except by a vote of the general membership, a two-thirds majority to decide.

Sec. 2. The United Garment Workers of America shall not be dissolved while there are three dissenting Local Unions.

Sec. 3. The following abbreviations, when used in any document, shall have the annexed meanings :

U. G. W. of A.—United Garment Workers of America :

Gen. Pres.—General President.

G. E. B.—General Executive Board.

G. S.—General Secretary.

G. T.—General Treasurer.

G. A.—General Auditor.

G. O.—General Organizer.

B. of T.—Board of Trustees.

L. U.—Local Union.

ARTICLE III.

General Convention.

Section 1. The U. G. W. of A. shall meet biennially in General Convention on the second Monday in October, at ten (10) A. M., at such place as may have been chosen by the last Convention.

Sec. 2. On motion of five (5) L. U.'s, no two of which shall be of the same State or Province, the place for holding the convention may be changed by a general vote, a two-thirds majority to decide. A special convention can be called in the same manner.

Sec. 3. L. U.'s shall be entitled to representation in the convention according to the average membership on which they paid per capita tax for the twenty-four (24) months ending Aug. 31st immediately preceding the convention, on the following basis: For the first one hundred (100) members or less, one (1) delegate, and one (1) additional delegate for every additional three hundred (300) over the first one hundred (100) or majority fraction thereof. No L. U. shall be entitled to more than four (4) delegates.

Sec. 4. All L. U.'s shall be notified by the G. S. sixty (60) days before the biennial convention takes place to elect the number of delegates

they are entitled to on the basis of representation, but if any special meeting of the U. G. W. of A. should be called before any biennial convention, all delegates of the last past convention shall be sent by their L. U. to represent them at such special meeting.

Sec. 5. Delegates shall be elected at a special meeting of their L. U. by ballot, not later than Aug. 31st preceding the convention, and a plurality vote shall constitute an election. No person shall be eligible to election as a delegate unless a garment worker employed at the trade or by the Organization, who shall have been a member in good standing of the L. U. he represents at least six (6) months immediately preceding the date on which said election is held. At the same time and in the same manner that delegates are elected, there shall be elected an equal number of alternates. In the case of death, resignation, inability or other disqualification of a delegate, the alternate having the highest number of votes at the election shall succeed to the vacancy and become the delegate, with all the rights and privileges thereof.

Sec. 6. Delegates shall establish their right to a seat in the convention by credentials signed by the presiding officer and the secretary of the L. U., with the seal of the L. U. attached. They shall hold office until the election of their successors.

Sec. 7. Each delegate shall be allowed one vote. No proxies shall be allowed.

Sec. 8. Credentials shall be forwarded to G. S. by the secretary of a L. U. immediately after the election of the delegate or delegates.

Sec. 9. Expenses of delegates to the convention shall be paid by the L. U. they represent.

Sec. 10. No L. U. shall be entitled to representation at the biennial convention unless the per capita tax and assessments are paid up to the first day of September preceding the convention

nor unless the Local Union has been organized at least six months prior to the convention.

Sec. 11. In order to provide for the presence of the Gen. Pres. and G. S. at the next succeeding convention to render their reports (in case they should not be elected as delegates), the expense of their presence shall be taken out of the General Fund of the U. G. W. of A.

Sec. 12. A quorum for the transaction of business shall consist of two-thirds of the delegates attending the convention. Delegates absent at roll call shall be fined one dollar (\$1), unless they are sick or on business for the convention, which shall be paid forthwith. The hours of session shall be governed by the respective conventions.

Sec. 13. The convention shall be governed by the following order of business, unless suspended by a two-thirds majority :

Order of Business.

1. Call to order by Gen. Pres.
2. Report of Credential Committee.
3. Roll call.
4. Report of officers.
5. Reading of minutes.
6. Appointment of the following committees :
Press, Resolutions, Law, Reports of Officers,
Appeals and Grievances, Organization, Label and
Miscellaneous.
7. Reports of L. U.'s.
8. Reports of committees.
9. Unfinished business.
10. New business.
11. Election of officers and delegates to the A.
F. of L. Convention.
12. Installation of officers.
13. Selection of place for next convention.
14. Good and welfare.
15. **Adjournment.**

Sec. 14. Secretaries of L. U.'s shall send a report of the conditions of the L. U. to G. S. thirty days before the convention, to be printed in the convention number of the Official Journal. Seal of respective L. U., together with the signature of the President and Secretary, must be attached to all reports.

Sec. 15. During the sessions of the conventions none but members of the U. G. W. of A. shall be admitted, except upon suspension of business, and no time shall be given to entertainments of any kind between the hours of nine A. M. and five P. M. during the conventions of the U. G. W. of A.

ARTICLE IV.

Referendum Vote—How Taken.

Section 1. Any and all additions and amendments to this Constitution adopted at any session of the convention shall not become a law until approved by a majority vote of the general membership. The G. S. shall submit any and all changes made by the convention to a referendum vote within thirty days after the close of the convention.

Sec. 2. During the interim between conventions any L. U. may propose amendments or additions to the Constitution, and if five (5) other L. U.'s second the same, the G. S. shall submit proposition for a vote of the general membership, and if approved by a two-third majority of the members voting, the same shall become law.

Sec. 3. When the G. E. B. considers a question of sufficient general importance, a referendum vote must be ordered and a two-thirds majority vote shall decide.

When a referendum vote is ordered each L. U. shall call a special meeting and take action serially on all questions submitted for a vote, only members present to be counted. The President and Recording Secretary shall carefully record

the vote, and send the same, under their signatures and the seal of the L. U., to the G. S.

Section 4. The G. S. must issue a referendum ballot when ordered within two (2) weeks, and vote of L. U.'s to be counted must be received within thirty (30) days from date of issue of any referendum ballot.

ARTICLE V.

General Officers and How Chosen.

Section 1. The General Officers of the U. G. W. of A. shall consist of a General President, who shall be the chief organizer; a General Secretary, General Treasurer, General Auditor, and three Trustees. The G. E. B. shall consist of eleven members, including the seven General Officers. One member shall be chosen from the overall branch of the organization and one member from Canada. The General President and General Secretary shall be permanent delegates to the American Federation of Labor Conventions. Delegates to the American Federation of Labor Conventions shall represent the United Garment Workers of America at the Conventions of the Label Trades Department of the A. F. of L.

Section 2. All members of the G. E. B. shall attend quarterly meetings of the Board, to be held during the months of November, February, May and August, in New York City. There shall be no August meeting of the G. E. B. previous to the Biennial Convention. Their expenses to be defrayed by the U. G. W. of A.

sors are duly elected and installed.

Section 4. No member shall be eligible to election as a General Officer unless a least one year a member of the U. G. W. of A. in good standing.

Sec. 5. The election shall be by open ballot, and it shall require a majority of all the votes

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Sec. 3. All officers shall be elected at the Biennial Convention, to hold office until their successors are duly elected and installed.

Section 4. No member shall be eligible to election as a General Officer unless a least one year a member of the U. G. W. of A. in good standing.

Sec. 5. The election shall be by open ballot, and it shall require a majority of all the votes

cast to constitute an election. Upon roll call each delegate shall rise and declare his or her choice from the list of nominations for the respective offices. At every unsuccessful balloting the name of the candidate receiving the lowest number of votes shall be withdrawn until an election takes place. Whenever there is but one candidate nominated the election may be made by acclamation.

Sec. 6. The General President shall appoint before proceeding to an election two tellers and a clerk, who shall keep a correct record of the votes, and the General President shall announce the result. All officers shall be installed as soon after the election as possible.

Sec. 7. The General Officers must be competent mechanics, fully conversant with all technicalities of the craft, and must at all times be in good standing in their respective L. U.

Sec. 8. Any member of the U. G. W. of A. shall be eligible to any office in the International Union.

Sec. 9. No member holding a political position shall be eligible to hold office in this International Union.

ARTICLE VI.

DUTIES OF GENERAL OFFICERS.

General President.

Section 1. The General President shall preside over all meetings of the International Convention; attend to disputes between employers and employes; adjust differences between local unions; perform necessary organizing and other work usual to the office of General President. He shall keep a record of the work performed by him and make a detailed report of the same to the convention. All actions of the General President shall be under the direction of the G. E. B. He shall sign all official documents when satisfied that they are correct. He shall at the end of each week submit to the General Secretary an

itemized statement of all money expended by him in the interest of the International Union during the said week.

He shall appoint a Committee on Finance and Credentials, whose duty it shall be to examine the books of the International Union and the credentials of the delegates. Report to the convention the names of the delegates who are entitled to be seated, and also the names of the delegates who have been disqualified, or a contest made against their credentials. The committee shall also report its findings on the condition of the books of the International Office. Committee shall meet prior to the convention in the city where convention takes place. All reports shall be submitted in writing.

He shall give bonds to the amount of one thousand dollars (\$1,000) in some first-class security company. The cost of the bond to be paid from the funds of the U. G. W. of A.

Sec. 2. The General President shall devote his entire time to the service of the U. G. W. of A., and shall receive as compensation the sum of forty dollars (\$40) per week.

General Secretary.

Sec. 3. The General Secretary shall keep a correct record of the proceedings of the convention, and publish the same in pamphlet or small book form, preserve all important documents, papers, books, etc., all letters received by him and copies of letters sent on business of the U. G. W. of A. He shall be custodian of the seal of the U. G. W. of A. He shall conduct all correspondence of the U. G. W. of A., and lay the same regularly before the Executive Board, and be subject to their direction. He shall receive all moneys due the U. G. W. of A. giving his receipt therefor. He shall keep a correct account of all financial business of the U. G. W. of A. and pay over to the G. T., taking

his receipt therefor, all funds in his hands at the end of each month, after paying all claims approved by the G. E. B. The General Secretary shall have charge of the distribution of the label.

Sec. 4. The G. S. shall act as Secretary of the G. E. B. He shall receive all applications for charters, and shall issue the same when approved by the G. E. B. He shall have power to hire such clerical help as shall be necessary to carry on the business of the U. G. W. of A.

Sec. 5. The G. S. shall submit a biennial report, with any recommendations he may consider necessary to the convention, and shall perform all duties devolving upon him under the Constitution or required of him by the G. E. B.

Sec. 6. The G. S. shall devote his entire time to the services of the U. G. W. of A., and shall receive as compensation the sum of forty dollars (\$40) per week. He shall give bonds to the amount of five thousand dollars (\$5,000) in some first-class surety company, the cost of the bond to be paid from the funds of the U. G. W. of A.

Sec. 7. The G. S. shall keep separate and itemized accounts of postage, telegrams, printer's and office expenses, and all bills of Organizers and General Officers must be fully itemized.

Sec. 8. The G. S. shall issue an itemized monthly financial report to each L. U. He shall also issue monthly report blanks to L. U.'s, with instructions for filling out and returning same.

Sec. 9. The G. S. shall promptly notify L. U.'s when two (2) months in arrears.

General Treasurer.

Sec. 10. The G. T. shall, as provided for in Section 3, take charge of funds of the U. G. W. of A. He shall pay all warrants regularly drawn on him by a majority vote of the G. E. B., and signed by the G. S. and chairman of the G. E. B. He shall not hold in his possession more than two

hundred dollars (\$200), and all over that amount he shall deposit within twenty-four hours in some savings or interest-paying bank approved by the G. E. B. He shall give bonds to the amount of ten thousand dollars (\$10,000) in some first-class surety company, the cost of the bond to be paid from the funds of the U. G. W. of A. Should the amount in the bank be in excess of said amount, the said bond shall be increased accordingly. He shall, through the G. S., send to the convention a full report of all moneys received and paid out by him, together with any other information in his possession of importance to the U. G. W. of A. He shall receive for his services the sum of twelve dollars (\$12) per year.

General Auditor.

Sec. 11. It shall be the duty of the G. A. to examine all books of the G. S. and G. T., and from time to time the books of the L. U.'s attached to the U. G. W. of A., as the G. E. B. may decide.

Sec. 12. The G. A. may from time to time appoint a Financier to examine the account books of each L. U. in any particular locality, and said Financier shall report his findings to the G. E. B. quarterly.

Sec. 13. The G. A. shall receive compensation for all work performed, the amount to be determined by the G. E. B.

The expenses of the G. A. to the biennial convention shall be paid from the general funds.

Board of Trustees.

Sec. 14. The B. of T. shall consist of three (3) members. Their duties shall be such as generally pertain to the same officers in other organizations. The B. of T. shall have general supervision over all properties of the International Union.

Sec. 15. The bonds of the General Secretary and General Treasurer to be placed in a safety deposit vault in the same city where the General

Office is located, expenses to be defrayed by the U. G. W. of A. The Board of Trustees only shall have the key to the safety deposit box.

General Executive Board.

Sec. 16. The G. E. B. shall decide all points of law arising under the jurisdiction of the U. G. W. of A.; also claims, grievances and appeals; such decision shall stand until the next General or Special Convention of the U. G. W. of A., when, if not reversed, it shall be final.

Sec. 17. They shall have the power to authorize strikes in accordance with this Constitution, shall have the general supervision of the affairs of the U. G. W. of A., and fill all vacancies which may occur. The G. E. B. shall present a report to the biennial International Convention, and shall include therein such recommendations as they may deem to be in the interest of the U. G. W. of A.

Sec. 18. A resolution affecting the garment industry or the interests of the U. G. W. of A. shall not be presented by any delegate from this body at any convention of the A. F. of L., unless such resolution shall have been approved by and shall bear the seal of the G. E. B. A delegate violating this section shall be liable to punishment under the provisions of Article VIII.

Sec. 19. The salaries of the General Executive Board members and organizers, when in the employ of the General Office, shall not exceed \$30.00 per week, except as provided for in Sections 2 and 6 of this Article.

ARTICLE VII.

Finance.

Section 1. All local unions shall pay to the G. S. a per capita tax of fifteen (15) cents per month for each member not suspended, three (3) cents of which shall constitute an agitation and organization fund, and shall be used for no other purpose.

Sec. 2. A monthly due stamp shall be issued by the G. S., the price of which shall be fifteen (15) cents each, payable in advance. This stamp must be placed in the official due book of the U. G. W. of A. as a receipt for the per capita tax of each member.

Members not having such stamps in their due books must be declared in arrears, and shall not be entitled to the benefits of the U. G. W. of A.

Sec. 3. Every L. U. shall pay to the G. S. twenty-five (25) cents from the initiation fee of each new member. Organizations joining in a body are exempt from such fees. Such moneys to be used for an organization and label fund.

Sec. 4. The Financial Secretary of a L. U. shall immediately after the first meeting in each month fill out the monthly report issued by the G. S., sign the same, in conjunction with the President and Recording Secretary, and forward it, together with the amount due, to the G. S. keeping a duplicate copy on file. All money shall be sent by P. O. money order, express or check.

Sec. 5. Any L. U. three months in arrears shall be allowed until the seventh day of the fourth month to pay up its arrears; if not then paid the L. U. shall be suspended. The G. S. shall notify L. U. when two (2) months in arrears.

Sec. 6. All assessments shall take precedence over per capita tax.

Sec. 7. No bills for expenses incurred in any city shall be paid unless authorized by the G. E. B.

Sec. 8. All orders for due stamps and supplies, other than labels, must be accompanied by certified check, express or Post Office Money Order. Checks not certified will not be accepted.

ARTICLE VIII.

Trials and Appeals.

Section 1. Any elective or appointive officer of the U. G. W. of A. may be removed for any viola-

tion of the Constitution, or for any act calculated to impair the dignity of the organization, provided such violations be deemed of sufficient consequence.

Sec. 2. Any L. U. shall have power to prefer charges against any elective or appointive officer of the U. G. W. of A. for any violation of the Constitution or laws thereof, or for any act calculated to impair the dignity of this organization. Such charges shall be presented to the General President (or if that officer be charged with any misconduct, then the charges shall be presented to the G. S.) who shall lay the same before the G. E. B., which Board is empowered to try all such cases. All charges against any of the above-named officers must be made by the officers of a L. U., and sworn to or affirmed before a notary public or justice of the peace.

Sec. 3. Upon receipt of such charge, the General President (or the G. S.) shall notify all members of the Board within ten (10) days, and furnish the accused with a copy of the charges.

Sec. 4. The Board, at its first meeting, after receipt of charges, shall investigate said charges. The accused shall be notified of the date of the meeting, and the Board shall have power to call for any books or papers, and demand the presence of any witnesses pledging such witnesses that their expenses shall be paid.

Sec. 5. The accused shall have the right, in person or by attorney (said attorney to be a good standing member of the U. G. W. of A.) to question all witnesses and to present such evidence bearing on the charges as to him seems advisable.

Sec. 6. Upon receiving all the evidence from both the accuser and the accused, the Board shall consult privately on the same and shall determine the guilt or innocence of the accused upon each charge and specification, and it shall be the duty of the G. E. B. to issue a circular containing their findings and testimony thereon in brief, with full

recommendation attached, a copy of the same to be sent to each L. U., which shall, at a special meeting called for that purpose, proceed to vote on the same, each L. U. having the same number of votes it would be entitled to at a Convention, a majority vote to approve the findings of the G. E. B.

Sec. 7. Any member of the Board who may have charges preferred against him shall be disqualified to sit at his own trial.

Sec. 8. No member of the U. G. W. of A. shall be fined or expelled by any L. U. or by the G. E. B. without being properly notified of the charges against him and being given a chance for a fair hearing.

Charges may be made by any member of the U. G. W. of A., but must be submitted in writing to the L. U. of which the defendant is a member. The Local Executive Board shall duly notify the member of the nature of the charges and of the time and place of trial, which shall be within one month from receipt of charges. Should the accused member fail to appear when notified, the Executive Board shall proceed to take testimony the same as if accused member were present, and submit their decision and evidence in brief and concise form in writing to the L. U. for approval.

Sec. 9. Charges against elective or appointive officers of a District Council or Joint Executive Board, or against any member of the U. G. W. of A., serving two or more Locals in an official capacity, may originate in any L. U. interested, and shall be tried by the Executive Boards (jointly) of all the L. U.'s directly interested. The trial shall proceed as provided for in Section 8 and be subject to the ratification of a majority of the members of said L. U.'s.

Sec. 10. Any member of the U. G. W. of A. feeling aggrieved at the decision of the L. U. in regard to themselves shall have the right of appeal to the G. E. B.

Sec. 11. Any L. U., or any member of the U. G. W. of A., feeling aggrieved at the decision of the G. E. B., shall have the right of appeal to the next Convention, except cases covered by Sections 1, 2, 3, 4, 5.

Sec. 12. All decisions of the L. U. or the G. E. B. shall be binding until reversed by the higher tribunal.

Sec. 13. No appeal from decisions of L. U.'s or D. C.'s shall be considered unless submitted in writing within sixty (60) days after such decisions have been rendered. The General Secretary shall notify the Local Union or District Council that an appeal has been taken from their decision.

A copy of the evidence on which the decision was based must be sent to the General Secretary and one to the appellant by the authority rendering the decision, when notified by the General Secretary of an appeal.

Sec. 14. An appeal from the decision of the G. E. B. to the Convention must be in the hands of the G. S. at least one week before the Convention convenes.

Sec. 15. Any officer or member who wilfully slanders or libels another member of the U. G. W. of A., or who wilfully violates the provisions of this Constitution, may be fined or expelled, at the option of the L. U., on conviction thereof. In cases where a General Officer has been slandered or libelled by a member charges against said member shall be presented to the L. U. of which he or she is a member. The official who has been slandered or libelled making complaint shall then select three members from one or more locals and the accused member shall be permitted to select three, the said six to constitute a committee empowered to select a seventh. This committee shall then have power to judge of the merits of the case and punish according to the severity of the offense. All fines in excess

of twenty-five dollars (\$25.00) shall, before being imposed, be approved by the G. E. B.

Sec. 16. No L. U. shall be suspended or expelled from the U. G. W. of A. by the G. E. B. without first having the charges tried and decided against them by the District Council (except in such cases where there is no D. C.), unless for non-payment of assessment, per capita tax, or any indebtedness due the U. G. W. of A., or for refusing to obey the orders of a General Officer acting under instructions from the G. E. B., or for committing acts injurious to members or the International Union.

All charges against the L. U. must be tried within thirty (30) days after being presented to District Council, and if District Council fails to act upon such charges within the specified time, the charges may be presented to the G. E. B.

Sec. 17. Any member who has charges preferred against him shall not be suspended from the office he may be holding, or be debarred from being a candidate for any office, or from any rights and privileges that a member is entitled to under the Constitution of the U. G. W. of A.

ARTICLE IX.

Property.

Section 1. All general and local union officers shall deliver to their successors all properties and moneys of the L. U. or United Garment Workers of America, and shall not be released from their bonds until they have done so. Any officer or member who appropriates any funds of the United Garment Workers of America for their own use shall be legally prosecuted.

Sec. 2. Any officer or member of the U. G. W. of A. who knowingly supplies or issues, or aids in illegally supplying or issuing the union label shall, upon conviction thereof, be legally prosecuted by the G. E. B., and shall be debarred from membership in the U. G. W. of A.

ARTICLE X.

RULES GOVERNING USE OF UNION LABEL.

Section 1. The label shall be granted to any firm willing to abide by the conditions of the said label.

Sec. 2. Labels shall be attached to any garment that has been cut, trimmed and made in Union shops under the jurisdiction of the U. G. W. of A. by being sewed in the inside pocket of the coat, hip pocket of the pants, inside pocket of the vest, hip pocket of an overall, and right-hand pocket of an overall coat, by machine stitching sewed around all four sides and once diagonally through the centre.

Sec. 3. Whenever the members of more than one union are employed in the making of garments requiring the label, said unions shall jointly select a label secretary to control the said label.

Sec. 4. The label secretary shall fill out a blank statement furnished by the G. S., giving the names of the firms requiring the label, the location of the shop in which the garments are made, and the G. S. shall supply the label secretary with the number of labels required.

Sec. 5. All proper sanitary rules shall be observed in each shop using the label.

Sec. 6. On overalls and shirts the label shall not be granted to any firm unless the garments are manufactured directly upon the premises of the firm, without the intervention of a contractor, and all garments shall be labeled. In such shops a sufficient quantity of labels shall be advanced by the G. S. to the label secretary.

Sec. 7. Custodians of the label or Shop President, who shall violate any of the rules governing the use of the label, shall, if found guilty after proper investigation, be fined twenty-five dollars (\$25.00) or be expelled from membership in the U. G. W. of A., or both. No officer or member of

the U. G. W. of A. shall be discriminated against by any firm using the label for enforcing the laws governing the same.

Sec. 8. In all localities where there is no District Council, the G. E. B. shall appoint a Label Secretary, who shall have charge of the distribution of labels. The said secretary shall distribute the labels to a labor custodian in each shop where the garments are made, care being taken that a system shall be used that will result in the legal and correct use of the label.

Sec. 9. It shall be the duty of the G. E. B. to carefully supervise the work of the label secretaries from time to time, and should they discover that the label is being misused, they are authorized to appoint a label secretary in that locality to take charge of the distribution of labels until the next general convention of the U. G. W. of A.

Sec. 10. It is furthermore required that the said label secretary shall be bonded to the G. E. B., the amount of the bond to be fixed by the G. E. B.

Sec. 11. The label secretary shall have a complete list of all shops entitled to the use of the label. It shall be his duty to deliver labels to the shop chairman, visit the shops personally and inspect work for which the label has been issued.

Sec. 12. The label secretary, in performing such duties, will be required to give his entire time if a large number of shops are to be placed in his control.

Sec. 13. The label shall not be granted to any firm to be placed upon the whole or any part of its product, if said firm cuts, trims or makes clothing under the contract system.

Sec. 14. No Label Agreement shall be signed with any firm using perforated patterns in the cutting department.

Sec. 15. No Label Agreement shall be signed with any firm purchasing or selling Non-Union Garments.

ARTICLE XI.

Strikes and Lockouts.

Section 1. When any difficulty arises between the members of any L. U. and their employers the members shall lay the case before the L. U., and if approved by the L. U., the L. U. shall send their Executive Committee to investigate the case and wait on the employer with whom the trouble exists and try to settle the same; said committee shall make a full report next meeting of the L. U.

Sec. 2. If the committee reports being unable to settle the trouble, then the case shall be at once submitted for a secret vote of the L. U. as to whether the members shall be called out and supported or not, and if a two-thirds majority vote to sustain the members, then the Recording Secretary of the L. U. shall at once transmit to the G. S. a full statement of the case, with the names of all the members involved therein and upon receipt of such statement, the G. S. shall submit the report to the members of the G. E. B. within twenty-four hours to act upon the application of the L. U. for support.

Sec. 3. The G. E. B. shall then have the power to sustain or refuse to sustain the action of the L. U., provided the L. U. has complied with this Constitution; the G. S. shall notify the L. U. of the decision of the G. E. B. without delay.

Sec. 4. In case the G. E. B. refuses to sustain the L. U. in their application for support, the L. U. can appeal to the G. S. for a vote of all the L. U.'s on their request for support, and it shall be the duty of the G. S. to submit the appeal and the facts in the case to a vote of the general membership, which vote shall be returned to the G. S. within fifteen days; and if the appeal is sustained

by a two-thirds majority of the members voting, the L. U. shall be sustained by the G. E. B.

Sec. 5. No strike shall be considered legal or be permitted to take place which involves a conflict with a firm recognizing the Union without the sanction of the G. E. B. being obtained. Further, no strike shall be permitted which involves more than twenty-five persons and affects more than one union, until the grievance is first submitted to the G. E. B. and the contemplated strike approved by it.

Sec. 6. Any member or other person going to work for an employer during a duly authorized strike against such employer shall be fined such sum as the L. U. may direct, but in no case shall the fine be more than twenty-five dollars (\$25.00), which fine must be paid in full before the person can be reinstated or become a new member.

Sec. 7. Any L. U. desiring assistance from the U. G. W. of A. cannot order a strike until authorized by the G. E. B. to do so, except as provided for in Section 5 of this Article. All strikes commenced by the L. U. without the sanction of the G. E. B. shall be at the risk and expense of the L. U.

Sec. 8. No person shall be entitled to strike benefit unless he or she has been a member in good standing at least three months prior to the day on which the strike is declared, nor shall the members of any L. U. be entitled to strike benefit before the L. U. has been three (3) months connected with the U. G. W. of A. and have paid three months' dues and are in good standing.

Sec. 9. The G. E. B. shall have power to levy an assessment of five (5) cents per week on each member to pay strike benefits or other purposes. Locals involved in a strike shall be exempt from paying assessments.

All assessments must be paid within fifteen days.

Sec. 10. Members victimized on account of their activity for the interests of the U. G. W. of

A. shall be entitled to assistance from the General Fund as the G. E. B. may direct, the same not to exceed ten dollars (\$10) at one time.

Sec. 11. The G. E. B. shall have power when satisfied from facts in their possession that a strike is lost to declare the same at an end so far as financial aid of the U. G. W. of A. is concerned, but before such action is taken an investigation shall be made by the President in person or by deputy.

Sec. 12. In case of a strike in one branch of the trade the G. E. B. shall be authorized, if in its judgment it is deemed essential to the success of said strike, to order all branches in the same city or section to join in said strike.

ARTICLE XII.

Admission of Local Unions.

Section 1. A Local Union may be organized by seven or more persons employed in the making of men's, boys' or children's garments, provided they are qualified according to this Constitution. They must apply to the General Secretary for a charter, and shall send sixteen dollars (\$16) for charter fee and supplies. On receipt of the charter fee, the G. S. shall forward the same to the new local union when approved by the G. E. B.

Sec. 2. A L. U. shall not withdraw from the U. G. W. of A. or dissolve so long as seven members at a special meeting called for that purpose object, and are willing to retain the charter, and three months' notice to the G. S. of any withdrawal shall be required.

Sec. 3. Each L. U. shall have full power to enact and enforce such local constitution and by-laws as they may consider necessary, provided, however, that they shall not conflict with this Constitution.

Sec. 4. Initiation and installation shall be in accord with the Official Manual of the U. G. W. of A.

Sec. 5. Whenever a charter has been granted to any Union of a branch of the trade, all members working at said trade in the locality must join the said Union. All property and money of the L. U. shall be the property and money of the United Garment Workers of America. The number of charters to be granted to one branch of the trade in any locality shall be decided by the General Executive Board. Members of one Local Union shall not discriminate against the members of another Local Union.

Sec. 6. A L. U. shall not be divided into two or more L. U.'s unless by a two-thirds vote of the members present at a special meeting called for the purpose of considering said division.

ARTICLE XIII.

Duties of Local Unions and District Councils.

Section 1. Any L. U. which fails to hold regular meetings for two consecutive months shall forfeit its charter. Seven members shall constitute a quorum.

Section 2. Each Local Union shall maintain labor bureaus, hold lectures, join central labor unions and State Federations, maintain friendly relations with other labor organizations, and do all in their power to strengthen and promote the labor movement.

It shall also be the duty of the Local Union where there is no District Council, to appoint committees whose duty it shall be to visit labor organizations and promote the sale of union label goods, and submit a report quarterly to the General Executive Board.

Sec. 3. Where there are three or more local unions of the U. G. W. of A. in any city or locality they shall form a District Council; said Council shall transact business pertaining to the welfare of the various unions, such as organizing label agitation, and to prevent one union from striking without the consent of the said D. C.; to adjust

all local differences, if possible, before the same is referred to the G. E. B. Such body shall be known as the United Garment Workers' District Council, and shall be entitled to send one delegate to represent it as a central body, with voice and vote at the general convention of the U. G. W. of A. The officers shall be elected for a term of one year.

Sec. 4. District Councils shall be authorized to at all times investigate the financial condition of affiliated L. U.'s, and shall forward the results of its investigations to the G. E. B.

Sec. 5. The proper officers of each L. U. shall promptly and properly fill all report blanks furnished them by the G. S. Failing to do so for two (2) consecutive months, they shall be liable to a fine of not more than five dollars (\$5) for the first offense.

Sec. 6. They shall produce the books of the L. U. when demanded by a General Officer. Failure to do so within forty-eight (48) hours, the local officers or Union shall be liable to suspension by the General Officer for insubordination.

Sec. 7. Should at any time an official of a District Council (or a L. U. where no District Council exists) be indicted for carrying out the instructions of the G. E. B. said District Council or L. U. shall assume equal share of expense which may accrue from said litigation.

Sec. 8. Any L. U. requiring the special services of the G. E. B., said L. U. shall pay the expenses thereof.

Sec. 9. The G. S. shall prepare a local Financial Secretary and Treasurer's account book for the use of all L. U.'s, and every L. U. shall purchase them and keep their accounts in accord therewith.

Sec. 10. All printing of the General Office and L. U.'s to be done in strictly union shops, and shall bear the union label.

Sec. 11. L. U.'s desiring financial assistance from the other Locals shall send their appeal to the G. S. In no case shall one L. U. appeal direct to the other Locals attached to the U. G. W. of A., and all moneys contributed by Locals shall be through the General Office.

Sec. 12. Not more than one apprentice in three years to be allowed to every ten cutters, or majority fraction thereof, steadily employed, and helpers not permitted.

Sec. 13. At all meetings of Local Unions and District Councils one paragraph of the following Label Order of Business shall be read immediately after reading the minutes, and at each meeting thereafter until the six paragraphs have been read, when the Secretary shall begin again with paragraph number one and continue as before :

Meeting Number One.

All members whose clothing bear the Union Label will please rise.

All members who insist that Union clerks wait on them will please rise.

Meeting Number Two.

All members who purchase only Union-made cigars and tobacco will please rise.

All members who patronize only Union restaurants, Union barber shops, Union saloons and Union markets will please rise.

Meeting Number Three.

All members whose hats bear the Union Label will please rise.

All members whose shoes bear the Union Label will please rise.

Meeting Number Four.

All members whose shirts and collars bear the Union Label will please rise.

All members whose working clothes and overalls bear the Union Label will please rise.

Meeting Number Five.

All members who employ Union plumbers, carpenters, painters, etc., will please rise.

All members who use only Union-made brooms, bread and flour in their homes will please rise.

Meeting Number Six.

All members who purchase only Union-mined coal will please rise.

All members who patronize only Union working cards and buttons will please rise.

ARTICLE XIV.

Officers of Local Unions—Their Duties.

Section 1. The officers of a local union shall consist of a President, Vice-President, Recording Secretary, Financial Secretary, Treasurer, Sergeant-at-Arms, three Trustees, Guide, three members of Finance Committee, an Executive Board of seven members and a Correspondent for the Garment Worker. They shall be elected annually on the last meeting night of December by ballot. Those receiving the highest number of votes shall be declared elected.

Sec. 2. It shall be the duty of the President to preside at all meetings of the organization, preserve order during its deliberations, sign all orders on the Treasurer authorized by the body, give the pass word to all members entitled thereto, appoint all officers not otherwise provided for, enforce the rules and usages as laid down in this Constitution, and transact such other business usual to the office of President.

Sec. 3. It shall be the duty of the Vice-President to perform all the duties of the President in the event of his absence. Upon the death, removal or resignation of a President, the Vice-

President becomes President until the next regular election. In that event the Vice-President shall be chosen at each meeting.

Sec. 4. It shall be the duty of the Recording Secretary to keep a correct account of the proceedings of the Organization, which shall include report of the Treasurer, the receipts and disbursements of the evening, as well as the number of each voucher issued. The amount of money in treasury as reported by the Secretary must correspond with the Treasurer's report.

Keep a special book, in which shall be recorded the names of all persons rejected, suspended or expelled, specifying for what offense such action was taken; to conduct the correspondence of the Organization and keep on file a copy of the same; have charge of the property not otherwise provided for, to be held responsible for their safe-keeping and prompt delivery to his successor in office, and perform such other duties as the Organization may direct. He shall read all documents and correspondence for the Organization and keep the same on file for future reference. He shall have charge of the seal of the Organization and attach the same to all documents requiring authentication, and perform such other duties usual to the office.

Sec. 5. It shall be the duty of the Financial Secretary of each L. U. to keep a record of all finances and collect all money due the L. U. and pay the same to the Treasurer, taking receipt therefor. He shall also fill out the monthly report issued by the G. S., sign the same, in conjunction with the President, Recording Secretary and Treasurer, and forward it, with the necessary finances, to the G. S., keeping a duplicate copy on file. He shall prepare and send to the G. S. a list of the members of the L. U.; also the date of each member's admittance, and the branch of the trade in which each member is engaged. He shall notify all members at least one week before

they are three months in arrears (notice sent to the last given address being sufficient). He shall draw all orders for money on the Treasurer, attesting the same by signature, draw up quarterly financial report and submit the same to the L. U. He shall on demand of the G. A., produce his books for examination. At the close of his term of office he shall turn over to his successor all books and other property belonging to the Organization which he may have in his possession.

Sec. 6. The Treasurer shall receive all money from the Financial Secretary, giving receipt therefor, and deposit the same in the name and number of the Local Union. The money received must be deposited not later than forty-eight hours thereafter in such bank as the Organization may direct, reserving one hundred dollars (\$100.00) for current expenses; keep a correct account of all moneys received, and pay all bills when properly attested.

The Treasurer shall be bonded in some reliable surety company to the amount of not less than \$1,000. The amount of bond to be raised when necessary. Cost of the bond to be paid for by the Local Union.

The Treasurer shall report in writing, at each regular meeting of the Local Union, the money received, paid out, and the amount still on deposit; and deliver to his successor in office all money and other property of the Organization which he may have in his possession.

Sec. 7. It shall be the duty of the Sergeant-at-Arms to guard the door, receive the pass word from a member desiring admittance, inspect receipt book, and perform such other duties usual to the office.

Sec. 8. It shall be the duty of the Guide to receive the pass word and inspect due books of members before opening of the meeting, obtain the names of all candidates in writing, report the

same to the meeting, and perform such other duties as is usual to the office.

Sec. 9. It shall be the duty of the Board of Trustees to supervise the funds and property of the Organization, and, together with the Treasurer, assume charge of all surplus money, and at least two members of the Board shall countersign all checks drawn on account of the Organization from the bank by the Treasurer.

Sec. 10. It shall be the duty of the Finance Committee to examine all bills presented to the Organization and report any irregularity at the end of each quarter, examine the accounts of the Organization, and make financial report in conjunction with the Financial Secretary.

Sec. 11. No member shall be eligible to any office in the union unless being at least six months a member in good standing.

Sec. 12. The Executive Board shall be composed of seven members. They shall transact all business of the Organization when it is not in session and enforce the same, adopt measures either aggressive or defensive in the interest of the Organization or trade, and recommend such action to the Organization as they may deem necessary for its interest. All acts of the Executive Board shall be made subject to the ratification of the Organization. In cases where a boycott is considered necessary by the Local Executive Board, the matter shall be submitted to the G. E. B. or General Convention for approval and action.

Sec. 13. It shall be the duty of the Correspondent to send semi-weekly to the Editor of the Garment Worker all news and items concerning the Local Union, its members and the trade, giving the conditions thereof, and such other items as will be of interest to our members.

ARTICLE XV.

Membership.

Section 1. A candidate, male or female, to be admitted to membership of a L. U. of the U. G. W. of A., must be sixteen years of age, and employed in the manufacture of garments for men, boys or children.

The initiation fee shall be as follows; In L. U.'s of less than one year's existence, not less than one dollar (\$1.00); in L. U.'s existing one year, not less than three dollars (\$3.00). No L. U. shall charge a higher initiation fee than five dollars (\$5.00), unless by permission of the General Executive Board.

Sec. 2. Dues for L. U.'s shall not be less than forty (40) cents per month, and for Local Unions of Cutters not less than fifty (50) cents per month. The latter shall not apply to Canada. In addition each member shall pay fifteen (15) cents per month, said amount to be set aside for benefit system provided for in Article XXI.

Sec. 3. No person who has been expelled, suspended, stricken from the roll or rejected by any L. U. shall be eligible for membership until all matters are settled to the satisfaction of the L. U. having the grievance against the person.

Sec. 4. No member of the U. G. W. of A. can be a member of more than one L. U. at the same time, or of any other organization of the trade, under a penalty of fine or expulsion by the L. U. of which he was first a member.

Sec. 5. Persons working at the trade in towns where there are not enough to form a L. U., or where a L. U. has lapsed, shall be allowed to join the nearest L. U. of the same branch of the trade.

Sec. 6. It shall be optional with all L. U.'s as to the acceptance of foreman or forewoman to membership.

Sec. 7. Local Unions shall not charge the difference of initiation fees from members traveling from one locality to another.

Sec. 8. An applicant, if elected to membership in a L. U., shall for a period of six months from the date of said election be called a "probationary member;" and during said six months shall be debarred from working in what is termed a strictly union or card house.

Sec. 9. Should the members in good standing in said L. U. be employed at the time of said election, said L. U. may grant a temporary card, which card shall be subject to withdrawal if at any time during said six months members in good standing in said L. U. are from lack of work without employment.

Sec. 10. This law (Secs. 8 and 9) shall apply only to Clothing Cutters' and Trimmers' Unions.

Sec. 11. Members buying non-union goods when union goods can be had will be fined not less than one dollar (\$1) nor more than five dollars (\$5).

ARTICLE XVI.

Duties of Members.

Section 1. No member of the U. G. W. of A. shall be allowed to injure the interests of other members by undermining them in wages or in any other wilful manner.

Sec. 2. All business of the L. U. shall be kept strictly private from employers, except otherwise ordered by vote of the L. U. Any member violating Sections 1 or 2 of this Article may be punished by fine or expulsion, as the L. U. may direct.

Sec. 3. Members shall keep the Financial Secretary notified of their address, and shall attend all meetings of the L. U., or shop, subject to such penalties as the L. U. may prescribe.

ARTICLE XVII.

Members in Arrears—Reinstatements.

Section 1.. Members who are employed all or part of the time must pay dues monthly, and no

member should be permitted to work on the first day of the month unless dues are paid for the previous month. Working members are not in good standing who owe one month's dues.

Unemployed members three (3) months in arrears shall stand suspended from all rights and privileges of membership unless his or her dues are remitted by vote of the Local Union. If after three (3) months more the member fails to meet his or her obligation the name shall be dropped from the roll.

Sec. 2. Any member who has been dropped from the roll can only be reinstated by paying the regular initiation fee, together with all money due the organization at the time his name was dropped from the roll. His application for reinstatement shall be read and laid over until the next meeting, when a majority vote shall be sufficient to accept or reject the applicant.

ARTICLE XVIII.

Withdrawal of Members.

Section 1. Any member desiring to leave the country or quit the trade shall be allowed to withdraw from membership by paying all demands to date of withdrawal, surrender of his membership book or card and written notice of his withdrawal to the L. U. The surrendered book or card shall be sent to the G. S.

ARTICLE XIX.

Clearance Card.

Section 1. Any member desiring to travel or transfer his membership shall apply to the Financial Secretary for a clearance card for a stated time, which time shall not exceed three (3) months. This card shall be null and void, and the member shall be stricken from all rights and privileges and benefits, unless deposited in some L. U. or renewed before its expiration.

Sec. 2. The foregoing section is not to be construed to mean that the member traveling or transferring to another L. U. can work at another branch of the tailoring trade.

Sec. 3. If a member is square on the books and not under charges, the presiding officer and the Financial Secretary shall grant the clearance card without the vote of the L. U. upon payment by the member of all per capita tax in advance to the general fund of the U. G. W. of A. for the full time for which the card is granted, and five (5) cents fee for card.

Sec. 4. No L. U. shall have the right to collect per capita tax of the U. G. W. of A. again for the months paid for on the clearance card. The L. U. issuing the clearance card shall pay to the G. S. the per capita tax for the member for the time the card holds good, and the member drawing a clearance card shall be considered a traveling member of the L. U. that issues the clearance card until the card is deposited with some other L. U., when he shall become a member of the L. U. where the clearance card is deposited, and shall pay the L. U. dues from the time the card is deposited. The Recording Secretary of the Local Union receiving the clearance card shall immediately notify the Recording Secretary of the Local Union issuing the same.

Sec. 5. Any member depositing a clearance card shall be entitled to attend a meeting of any L. U.

Sec. 6. Section 5 shall not entitle the member depositing a clearance card to any special sick or other benefits provided by the L. U. without payments of such amount as the L. U. charges for participation therein, and subject to all special laws governing said benefits.

Sec. 7. Any member not depositing their clearance card within two weeks after arrival in any city or town, "if there is a L. U. in said town or

city," shall forfeit the clearance card and all rights and benefits as a member.

Sec. 8. Any member with a clearance card, working in a non-union city, can return the card before its expiration to the L. U. where it was issued, and draw a new card for another period of time in accordance with Section 3 of this Article.

Sec. 9. No clearance card shall be granted to any member unless he or she has been a member of the U. G. W. of A. for at least six (6) months.

ARTICLE XX.

General Laws.

Section 1. It shall be the policy of the U. G. W. of A. to substitute for piece or task work a system of week work, to make uniform the conditions of labor in the trade, and to gradually reduce the hours to eight per day.

ARTICLE XXI.

Sick Benefit System.

Section 1. To establish a sick benefit fund, not less than fifteen (15) cents per month of the dues should be set apart for such purpose and added to the local dues. Said fund to be used only in payment of sick benefits.

Sec. 2. Any member belonging to the organization six months, and not under any of the restrictions specified in the Constitution, shall be entitled, should they become sick and unable to attend to their usual vocation, to the sum of \$3 per week in the Locals composed of women, and \$4 per week in the Locals composed of men, out of the funds of the union, provided such sickness or disability shall be for at least one week of seven days, not caused by intemperance or other improper conduct. The amount of sick benefit may be increased by raising correspondingly the dues and the amount set apart for such fund.

Not more than eight weeks in any one year.

Not more than twelve weeks in any two years.

Not more than fifteen weeks in any three years.

Not more than eighteen weeks in any four years.

Sec. 3. Benefits will be paid on favorable reports of the examining physician, and not otherwise.

Sec. 4. Any member being three months in arrears with dues and assessments to this organization shall be declared out of benefit and suspended from all rights and privileges as a member.

Sec. 5. Any suspended member wishing to be reinstated in this organization must pay all money due at the time of his or her suspension, as well as all weekly dues and assessments which were levied during the time of his or her suspension, and shall not be entitled to any sick benefit for six months from date of reinstatement.

Sec. 6. Members wishing to avail themselves of sick benefits must notify the Secretary in writing, physician's certificate accompanying such notice. Benefits shall begin from the date of postmark of notification to the Recording Secretary, who shall immediately notify the Sick Committee of the time to visit the patient.

Sec. 7. At the first meeting night of each month a visiting committee of three shall be appointed (alphabetically), whose duty it shall be to visit all sick and disabled members when notified, and report regularly at each meeting during their term of service, which shall be from the first meeting night to the first meeting night of the following month.

Sec. 8. Any member of the visiting committee who shall fail to visit the sick member or to report at the proper time, shall be fined the sum of twenty-five (25) cents, no excuse being valid except that of self-sickness, State duty or absence from State, unless a patient has some contagious disease, in which case only an attest from the attending physician shall be required.

Sec. 9. All members who are not entitled to sick benefits by reason of not being members for

six months shall not be suspended for non-payment of dues, etc., during their sickness or after said sickness or disability, but shall be given four weeks' grace after said sickness or disability to pay a sufficient amount to keep them in good standing.

Sec. 10. The adoption of the aforesaid plan is made obligatory upon all Local Unions which have been granted a charter since August 18, 1900, as per resolution of Detroit General Convention.

Sec. 11. Any member transferring from one L. U. to another, and applying for sick benefit to the L. U. from which he transferred, must send a doctor's certificate, signed by the President and Secretary, with seal of the L. U. of which he is a member.

RULES OF ORDER

FOR LOCAL UNIONS.

ORDER OF BUSINESS.

1. Roll Call of Officers.
2. Reading the Minutes.
3. Election and Obligation of Candidates.
4. Reading of Communications and Bills.
5. Reports of Committees.
6. Reports of Officers.
7. Unfinished Business.
8. Election and Installation of Officers.
9. New Business.
10. Good and Welfare of the Union (discussion of economic questions).
11. Adjournment.

STANDING RULES

1. No business shall be taken up except in the order prescribed, unless, on motion, such irregularity shall be sanctioned by a majority of the members present.

2. All petitions, bills, credentials, returns and appeals belonging to the standing committees shall be referred to the same by the Recording Secretary as soon as received, and a brief note of such reference shall be made on the minutes.

3. The President, while presiding, shall state every question coming before the Union before suffering debate thereon, and immediately before putting it to a vote shall ask, "Is the Union ready for the question?" Should no member rise to speak, and the Union indicates its readiness, he shall rise to take the question. After he has risen, no member shall be permitted to speak upon it.

4. When the decision of the President is appealed from, he shall state his decision and the reasons therefor from the chair. The party appealing shall then briefly state the reasons for the appeal; after which, without further debate, the question shall be put thus: "Shall the decision of the Chair stand as the judgment of the Union?"

5. Every member while speaking shall adhere to the question under debate, and avoid all personality and indecorous language, as well as any reflection on the Union or any member thereof.

6. Any member, while speaking, being called to order by a member, at the request of the Chair, shall cease speaking and be seated until the question of order is determined.

7. No member shall speak more than once on the same question until all the members wishing to speak shall have had an opportunity to do so, nor more than twice without permission from the Chair, nor more than five (5) minutes at one time.

8. Resolutions, amendments to the Constitution and By-Laws, and charges against officers and members must in all cases be presented in writing; otherwise they shall not be considered.

9. Any member may call for a division of a question when the sense will admit of it.

10. When a question is before the Union no motion shall be received unless:—1. To adjourn; 2. To close debate; 3. To take the previous question; 4. To lie on the table; 5. To postpone indefinitely; 6. To postpone to a definite time; 7. To refer; 8. To amend. And they shall have preference in the order herein arranged, the first four of which shall be decided without debate.

11. The motion to close debate may be made by any two members, and shall be put in this form: "Shall the debate now close?" And, if adopted, the President shall proceed to take the question on the resolutions and amendments thereto, according to priority, without further debate.

12. The call for the previous question may be made by any six members, and shall be put in this form; "Shall the main question now be put?" If adopted, the effect shall be to take the question on the original resolution, to the exclusion of all debate and all amendments which have not been adopted.

13. All votes other than amendments to the Constitution, Laws or Rules, may be reconsidered at the same or next succeeding regular meeting, upon a motion made and seconded by two members who voted in the majority, provided the Union agrees thereto; but after a motion to reconsider has been once lost it shall not be renewed.

14. Every member present shall vote on all questions before the Union, unless personally interested.

15. A motion to excuse a member from voting shall be put without debate.

16. No member shall enter or leave the meeting during the admission of new members, installation of officers, or the taking of a question by yeas and nays, nor shall any member be permitted to enter or leave during the reading of the minutes, except by permission of the President.

17. When a motion has been declared carried or lost by acclamation, any five members before the Union proceeds to other business, may call for a count; but the yeas and nays cannot be called, unless demanded before the President rises to take the question.

18. All reports of committees shall be in writing, and when read to the Union shall be considered as accepted without a vote, unless objection is made thereto.

19. On a final report of a special committee being accepted, the committee shall be considered discharged without a vote, unless otherwise ordered.

20. The yeas and nays may be called for by two members, and upon the assent of one-third of the members present shall be so taken.

21. No subject of a partisan, political, religious or personal nature shall at any time be admitted. The word "political," as here used, shall not debar the discussion of or action being taken upon legislative or public matters having a direct bearing upon the interests of labor and which are not partisan in character.

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It is the duty of every member at all times to give preference to goods bearing the Union Label, and not to patronize a dealer or purchase an article upon the unfair list, likewise to refuse to vote for any political candidate, regardless of party, not friendly to the cause of labor.

