

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

NICOLE WILLIAMS, CHRISTOPHER
WILLIAMS, and MIGUEL PEREZ,

Plaintiffs,

vs.

LOCAL UNION 241 AMALGAMATED
TRANSIT UNION A.F.L.-C.I.O.-C.L.C.;
KEITH D. HILL, President; TIAN
GATEWOOD, Financial Secretary,

Defendants.

Case No. 2025CH02766

COMPLAINT

1. The Constitution and Bylaws of Defendant Local Union 241 Amalgamated Transit Union A.F.L.-C.I.O.-C.L.C. (“ATU” or “Union”) require ATU to make available to its members an annual audit performed by a certified public accountant and a semi-annual audit report. Nonetheless, ATU has failed to furnish both an annual audit and semi-annual audit report.

2. Plaintiffs, employees of the Chicago Transit Authority (“CTA”) and members of the Union, bring this lawsuit for breach of contract for failure to furnish an annual audit and semi-annual audit report, and for their remedy seek specific performance so that the Union will produce an audits and audit reports.

Parties

3. Plaintiff Nicole Williams is a Chicago Transit Authority bus operator with nearly 28 years of experience. She has been a proud dues-paying member of ATU since she joined the CTA in July 1997. She resides in Cook County, Illinois.

4. Plaintiff Christopher Williams is a Chicago Transit Authority bus operator with nearly 28 years of experience. He has been a proud dues-paying member of ATU since around the time he joined CTA. He resides in Cook County, Illinois and is married to Plaintiff Nicole Williams.

5. Plaintiff Miguel Perez is a Chicago Transit Authority bus operator residing in Jasper County, Indiana. Plaintiff Perez began employment with CTA on February 6, 2017, and he has been a dues-paying member of ATU since August 20, 2018.

6. Defendant ATU is a “labor organization” as defined by the Illinois Public Labor Relations Act, 5 ILCS 315/3(i). Additionally, ATU is an “exclusive representative” as defined by the Illinois Public Labor Relations Act, 5 ILCS 315/3(f), as it has been recognized by CTA as the exclusive representative of CTA employees. ATU’s primary place of business is located at 1613 S. Michigan Ave., Chicago, Illinois, 60616.

7. Defendant Keith D. Hill is the President of ATU.

8. Defendant Tiant Gatewood is the Recording/Financial Secretary of ATU.

Jurisdiction and Venue

9. This Court has personal jurisdiction because the parties reside and work in Cook County Illinois, and the contract at issue in this dispute was established and is administered there. Venue is proper pursuant to 735 ILCS 5/2-101.

Statement of Facts

ATU's Constitution and Bylaws are a contract between ATU and Plaintiffs.

10. ATU is governed by the Constitution & General Laws of the Amalgamated Transit Union ("Constitution")¹ and by the Bylaws of the Amalgamated Transit Union Local Union 241 ("Bylaws")².

11. Under Illinois law, a union's constitution and bylaws are a contract between the union and the union's members.

12. A contractual relationship was formed between Plaintiffs and ATU when Plaintiffs provided consideration by agreeing to pay membership dues and fulfill other obligations outlined in the Constitution and Bylaws, in exchange for ATU's commitment to adhere to the terms of those governing documents.

13. The contract between ATU and its members (collectively) was formed when ATU drafted, and its members first ratified, the Constitution and Bylaws. The respective effective dates of the contract for each Plaintiff are the dates when they became members of ATU.

14. At all relevant times, Plaintiffs have been ready, willing, and able to complete performance of the contract and Plaintiffs have, in fact, continued to perform their obligations under the contract.

15. When a union breaches the terms of its constitution and bylaws, Illinois law provides that members of the union have standing to seek redress through a

¹ Available at:

<https://drive.google.com/file/d/1E9tpiKzwTRlhFBPZGojgTelJFxeLIUkD/view>

² Available at: <https://www.scribd.com/document/507260587/ATU-Local-241-Bylaws>

breach-of-contract claim. *See Payne v. Collier*, 38 Ill. App. 3d 201, 202 (1976); *Illinois Educ. Ass'n v. Illinois Federation of Teachers*, 107 Ill. App. 3d 686, 689 (1982).

16. The Illinois Labor Relations Board has jurisdiction over collective bargaining matters between employee organizations and public employers. It does not have jurisdiction over disputes between a union and its members concerning the application of union constitutions, bylaws, and other internal governing rules.

17. Therefore, a claim that a union has violated the terms of its constitution and bylaws is appropriately brought in an action in the circuit courts.

ATU's Constitution and Bylaws require ATU to make available annual audits and semi-annual audit reports to its members.

18. Section 7(b) of Local Union 241 ATU's Bylaws sets forth the duties of the Financial & Recording Secretary Treasurer. Among other duties, the Financial & Recording Secretary Treasurer must:

Prepar[e] a semi-annual audit report at the close of each six month period ending on June 30th and December 31st of the financial transactions and affairs of the Local Union which shall be submitted to the International Union within seven (7) days of its completion and a copy shall be provided to all Officers at the following meeting of the Executive Board and made available to the membership;

Hav[e] an audit performed by a certified public accountant on an annual basis at the end of the Local's fiscal year in accordance with International Constitution, Section 38, which report in full, including auditors' notes and any recommendations, must be forwarded to the International Union within seven (7) days of its completion and a copy shall be provided to all Officers at the following meeting of the Executive Board and made available to the membership.

19. In addition, Section 38.2 of the Constitution provides:

At the close of each six-month period ending on June 30 and December 31, [Local Unions] shall have an audit made of their books and accounts. At least once a year, [Local Unions] representing bargaining unit(s) of five hundred (500) or more employees shall have the audit made by either a certified public accountant or chartered accountant.

20. And Section 38.4 of the Constitution states that a report of the audit “shall be available to the membership of the [Local Union]”.

21. Despite its contractual obligation to furnish an annual audit and a semi-annual audit report of the Union to the membership, ATU and its financial secretary have failed to do so since at least 2018.

22. Plaintiffs have on multiple requested that ATU comply with its obligation to no avail.

23. Plaintiff Williams has made multiple written requests to the Union to receive copies of the audits and audit reports which have been unanswered or ignored.

24. On May 3, 2023, Plaintiff Williams and Robert Thomas—who is not a Plaintiff to this suit—sent a letter to Defendant Gatewood, ATU’s Financial & Recording Secretary Treasurer, requesting copies of the annual audits and semi-annual audit reports for the years 2018, 2019, 2020, 2021, and 2022. **Exhibit A.**

25. And on May 18, 2023, Plaintiff Williams and Mr. Thomas, having not received a response to their May 3 letter, sent another letter to Defendant Gatewood again requesting the audits and audit reports. **Exhibit B.**

26. In response, Defendant Gatewood sent an email to Mr. Thomas stating that he could call the union office to review the reports and set up an appointment

and asserting that the reports were available online. **Exhibit C.** Defendant Gatewood's claim that the audit and audit reports are available online was and is not true. And Plaintiffs' have been unable to set an appointment with the Union to review the audits and audit reports.

27. In an effort to avoid litigation, all Plaintiffs, through undersigned pro-bono counsel, made a formal pre-litigation demand to ATU that it furnish the audits and audit reports to Plaintiffs. **Exhibit D.**

28. In response, counsel for ATU stated that Plaintiffs could make an appointment with ATU to view the audit and audit reports. **Exhibit E.**

29. On February 24, 2025, Plaintiff Williams emailed Defendants Gatewood and Hill to set an appointment to view the audit and audit reports. Those requests were ignored. **Exhibit F.** Ms. Williams subsequently attended ATU's monthly membership meeting, but no attempt to provide her with the audits or audit reports was made by any ATU personnel.

30. And on February 28, 2025, counsel for Plaintiffs sent a letter via email to counsel for ATU indicating that Plaintiff Williams requested an appointment to view the audits and audit reports with ATU and was ignored. **Exhibit G.** That letter requested that counsel for ATU communicate with the Union to set an appointment for Ms. Williams to view the audit and audit reports. Plaintiffs' counsel received no response.

31. Because ATU has not complied with its contractual duties to Plaintiffs, and because other methods short of litigation have not resolved the dispute, Plaintiffs have no recourse to protect their rights except through judicial action.

Count I
Breach of Contract

32. Plaintiffs reallege the preceding paragraphs of this Complaint as though fully restated herein.

33. The ATU Constitution and Bylaws constitute a legally binding and enforceable contract between ATU and its members.

34. The date of formation of the contract was, for each Plaintiff, the year that each became a dues-paying member of ATU.

35. The contract was supported by adequate and sufficient consideration including, among other things, membership dues paid by Plaintiffs to the Union.

36. The contract requires ATU to make available to members its annual audits and semi-annual audit reports.

37. ATU has not made available its annual audits and semi-annual audit reports since at least 2018.

38. As a result of Defendants' breach of the ATU Constitution and Bylaws, Plaintiffs have not received from ATU the annual audits and semi-annual audit reports from 2018 to the present.

39. Performance of Defendants' obligations is completely within the scope of Defendants' control and is outside the control of Plaintiffs.

40. ATU's failure to furnish annual audits and semi-annual audit reports constitutes a material breach of ATU's contract with its members.

41. Defendants' breach of the ATU Constitution and Bylaws has resulted in injury to Plaintiffs.

42. Monetary damages or other remedies at law are inadequate remedies.

43. Requiring the Defendants to furnish to members annual audits and semi-annual audit reports as set forth in the ATU Constitution and Bylaws does not require protracted court supervision.

WHEREFORE, Plaintiffs requests that this Court grant the following relief:

- A. Enter declaratory judgment in Plaintiffs' favor finding that Defendants failed to meet their contractual obligation to furnish annual audits and semi-annual audit reports;
- B. Direct Defendants to specifically perform their contractual obligation to furnish annual audits and semi-annual audit reports to the membership.
- C. Award Plaintiffs their costs of this suit; and
- D. Grant such further relief this Court deems just, proper, and equitable.

March 11, 2025

Respectfully submitted,

/s/ Jeffrey M. Schwab

Jeffrey M. Schwab (#6290710)
James McQuaid (#6321108)
Liberty Justice Center
7500 Rialto Blvd.
Suite 1-250
Austin, Texas 78735
512-481-4400
jschwab@libertyjusticecenter.org
jmcquaid@libertyjusticecenter.org
Attorneys for Plaintiffs

Williams v. ATU Local 241

Complaint

Exhibit A

05/03/2023

Tiant M. Gatewood
Financial & Recording Secretary Treasurer
Amalgamated Transit Union Local 241
1613 South Michigan Avenue
Chicago IL 60616

RE: Annual Audit Report and Semi-Annual Audit Report

Dear Mr. Gatewood:

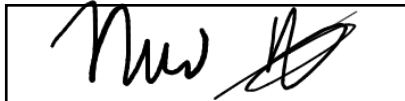
We respectfully request a true copy of the ATU Local 241 Annual Audit Report(s) for the previous five (5) fiscal years (2018,2019,2020,2021, and 2022) as provided in Section 7 of the *Amalgamated Transit Union Local Union 241 By-Laws*; with reference to Section 38 of the *International Constitution* (as Revised, Amended, and Adopted at the SIXTEENTH CONVENTION – September 19-23, 2022).

We also request true copies of the *semi-annual audit report* as of June 30th and December 31st for the same five (5) fiscal years referred to above.

Should the Fiscal Year 2022 Audit Report not be available at this time, please inform us of its expected completion date and forward as soon as practical upon your receipt of same.

Sincerely,

Nicole Williams - Badge: 33958

A rectangular box containing a handwritten signature in black ink, which appears to be "Nicole Williams".

Robert Thomas - Badge: 58117

A handwritten signature in black ink that reads "Robert Thomas".

Williams v. ATU Local 241

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Exhibit B

05/18/2023

Tiant M. Gatewood
Financial & Recording Secretary Treasurer
Amalgamated Transit Union Local 241
1613 South Michigan Avenue
Chicago IL 60616

RE: Annual Audit Report and Semi-Annual Audit Report – 2nd Request

Dear Mr. Gatewood:

On 05/04/2023, we sent you our request for certain financial reports and documents that you are required to furnish to the members (we attach a true copy of the referenced letter).

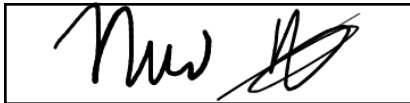
As of today's date, we have not received the requested financial reports.

In fact, we have not been afforded the courtesy of any response from you or your office acknowledging receipt of our correspondence.

We believe the clear language we reference to our By-Laws and Constitution in our request evinces our right to receive these documents.

Hopefully, you will now respond in a timely matter; and we look forward to receipt of our membership financial reports. Thank you in advance for your attention to this matter.

Sincerely,



Nicole Williams – Badge: 33958



Robert Thomas – Badge: 58117

We do not wish to contact third parties outside our "union brotherhood" and hope that your full compliance with our By-Laws will not necessitate such actions.

CC: ATU International Office

Williams v. ATU Local 241

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Exhibit C

Re: Annual Audit Report and Semi-Annual Audit Report – 2nd Request

Tiant Gatewood <tgatewood@atu241chicago.org>

Thu, May 18, 2023 at 8:07 AM

To: Robert Thomas <[REDACTED]@gmail.com>

Cc: "officeofthepresident@atu.org" <officeofthepresident@atu.org>, "mbarnes@atu.org" <mbarnes@atu.org>, "jcosta@atu.org" <jcosta@atu.org>

Good morning,

Mr. Thomas you can call the office to review the reports and set up an appointment with me, but the report are online for you to review.

Thanks,
Tiant Gatewood

Financial Recording Secretary-Treasurer
Amalgamated Transit Union Local 241
1613 S. Michigan Avenue
Chicago, Illinois 60616
Office #: 312-341-1733
Cell #: 312-982-4888

FILED DATE: 3/11/2025 11:12 AM 2025CH02766

Williams v. ATU Local 241

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Exhibit D



**LIBERTY
JUSTICE CENTER**

Via Certified Mail

February 12, 2025

Keith D. Hill, President
Tiant Gatewood, Recording/Financial Secretary
Local Union 241 Amalgamated Transit Union A.F.L.-C.I.O.-C.L.C.
1613 S. Michigan Ave.
Chicago, Illinois 60616
khill@atu241chicago.org
tgatewood@atu241chicago.org

Re: Annual Audits and Semi-Annual Audit Reports

Dear President Hill and Secretary Gatewood:

This law firm represents four members of Local Union 241 ATU, Nicole Williams, Christopher Williams, Miguel Perez, and James Rufus, who have sought, without success, access to the annual audits and semi-annual audit reports of Local Union 241 ATU covering a period of seven years. We request that you make available the annual audits and semi-annual audit reports to our clients as required by Local 241's Constitution and Bylaws.

Annual audited reports are vital for transparency and accountability to Local 241's membership whose dues fund Local 241's operations. Under Section 7(b) of Local Union 241 ATU's By-Laws, a semi-annual audit report at the close of each six-month period must be made available to the membership. In addition, Section 7(b) also provides that an annual audit performed by a certified public accountant must be made available to membership. Further, Section 38 of Local Union 241 ATU's Constitution provides that a report of the audit shall be available to the membership.

Our clients do not wish to engage in unnecessary litigation, as they believe their dues are better spent on representing the interests of Local 241 members than on defending against a lawsuit. Accordingly, they have asked us to give Local 241 an opportunity to voluntarily furnish all missing annual audits and semi-annual audit reports within two weeks of the date of this letter. Failure to comply will result in legal action to compel production of the reports.

Respectfully submitted,

Jeffrey M. Schwab
Senior Counsel
jschwab@ljc.org

Williams v. ATU Local 241

Complaint

Exhibit E

LAW OFFICES
DOWD, BLOCH, BENNETT, CERVONE, AUERBACH & YOKICH, LLP
8 SOUTH MICHIGAN AVENUE - 19th FLOOR
CHICAGO, IL 60603
PHONE (312) 372-1361 FAX (312) 372-6599

MELISSA J. AUERBACH
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BARRY M. BENNETT
ROBERT E. BLOCH
ROBERT S. CERVONE
J. PETER DOWD
JOSIAH A. GROFF
JUSTIN J. LANNOYE

DAVID P. LICHTMAN
GEORGE A. LUSCOMBE III
ELIZABETH L. ROWE
JACOB S. SCHERMER
ALEX TILLET-SAKS
RONALD M. WILLIS
STEPHEN A. YOKICH

February 14, 2025

By Email jschwab@ljc.org
Jeffrey M Schwab
Counsel
“Liberty Justice” Center
7500 Rialto Blvd., Ate 1-2500
Austin, TX 78735

Re: ATU Local 241

Dear Mr. Schwab:

This office represents Amalgamated Transit Union Local 241. I am writing in response to your letter of February 12.

First, we suggest that you confirm your clients’ status with the Union before you claim to represent them as “members.” James Rufus is not a member of the Union in good standing and, as such, is not entitled to the information you request.

Second, the Union is and always has been in full compliance with the Bylaws and the International Constitution with respect to annual audits. The audits are, as required, made available to membership at the membership meetings conducted in the first month following completion of the audits. Nicole Williams can confirm this fact because she received the audits at the meetings.

The other individuals did not attend the meetings and, as a result, may not have received the audits there. They have also never requested copies of the audits. Nevertheless, if they wish to make an appointment with the Union to receive them, and assuming they remain in good standing, the Union will provide them with the audits.

We trust this response satisfies your inquiry. If not, and if you decide to pursue some litigation as threatened in your letter, we will respond accordingly and seek sanctions for initiating a frivolous and baseless action.

Very truly yours,


Robert S. Cervone

RSC/rs

FILED DATE: 3/11/2025 11:12 AM 2025CH02766



**LIBERTY
JUSTICE CENTER**

Via Email

February 17, 2025

Robert S. Cervone
Dowd, Block, Bennett, Cervone, Auerbach & Yokich, LLP
8 South Michigan Avenue, 19th Floor
Chicago, Illinois 60603
rcervone@laboradvocates.com

Re: ATU Local 241 Annual Audits and Semi-Annual Audit Reports

Dear Mr. Cervone:

Thank you for your letter dated February 14, 2025, in response to my February 12, 2025, letter regarding the requirement that ATU Local 241 provide annual audits and semi-annual audit reports to its members.

You state that ATU Local 241 is and has always been in full compliance with the Bylaws and the International Constitution with respect to the annual audits. And you claim that those audits were made available to members at the membership meetings conducted in the first month following completion of the audits.

To ensure that the Union is and has been in full compliance with the annual audit requirement, my clients in good standing with the Union request copies of the minutes of the membership meetings where annual audits and semi-annual audit reports were provided to members and of the Executive Board meetings where the Financial & Recording Secretary Treasurer provided those audits and audit reports to the Executive Board, for the last seven years.

Further, as my February 12 letter indicated, my clients request copies of the audits for the last seven years, which you note the Union is willing to provide, and copies of the semi-annual audit reports prepared by the Financial & Recording Secretary Treasurer for the last seven years.

Should the Union meet my clients' requests, they will be satisfied since, as I mentioned in my first letter, they do not wish to engage in unnecessary litigation. Thus, your threat of sanctions is unwarranted.

Should you wish to discuss the details of providing these documents to my clients, I would be happy to do so via email or phone. I look forward to your response.

Sincerely,

Jeffrey M. Schwab
Senior Counsel
jschwab@ljc.org

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ALEX TILLET-SAKS
RONALD M. WILLIS
STEPHEN A. YOKICH

February 19, 202

By Email jschwab@ljc.org
Jeffrey M Schwab
Counsel
“Liberty Justice” Center
7500 Rialto Blvd., Ate 1-2500
Austin, TX 78735

Re: ATU Local 241

Dear Mr. Schwab:

I am writing in response to your letter of February 17. I have already explained that your clients, if members in good standing, can arrange a time with the Union to pick up audits consistent with the Bylaws. Similarly, the Bylaws provide that the Recording/Financial Secretary will make copies of the membership meeting minutes available for inspection by members. Thus, your clients can arrange with the Union a time for inspection of minutes consistent with the Bylaws.

I do not intend to rehash these same matters. Thus, unless there is some new matter you wish to address, I trust this will conclude our correspondence.

Very truly yours,


Robert S. Cervone

RSC/rs
cc: Union

Williams v. ATU Local 241

Complaint

Exhibit F

Monday, February 24, 2025 at 8:07 PM

From: Nicole Williams <[REDACTED]@icloud.com>
To: Tiant Gatewood <tgatewood@atu241chicago.org>; Keith Hill
<khill@atu241chicago.org>; Jeffrey Schwab <jschwab@libertyjusticecenter.org>;
rcervone@laboradvocates.com

Requesting Audits for Atu Local 241 for the last 7 years

Dear Mr. Gatewood,

My name is Nicole Williams and I am a member of Atu 241 in good standing.

I am attempting to set up an appointment with you to obtain audits reports for the last seven years.

I have consistently been trying to acquire this information from local 241 .

Additionally, I requesting copies of the Financial Recording Secretary Treasurer reports where Local 241 provided these audits to the membership. I'm also requesting the minutes from the executive board meetings where these audits was provided and the executive board approved these audits.

In ending I'm requesting the minutes from the Mass Membership where these audits were presented to the membership of Local 241 .

Your immediate attention is requested to this matter.

I have also cc'd my attorney and the union attorney in this matter just to provide proof of the request.

Sincerely,
Sister Williams

FILED DATE: 3/11/2025 11:12 AM 2025CH02766

Williams v. ATU Local 241

Complaint

Exhibit G



Via Email

February 28, 2025

Robert S. Cervone
Dowd, Block, Bennett, Cervone, Auerbach & Yokich, LLP
8 South Michigan Avenue, 19th Floor
Chicago, Illinois 60603
rcervone@laboradvocates.com

Re: ATU Local 241 Annual Audits and Semi-Annual Audit Reports

Dear Mr. Cervone:

After receiving your letter dated February 19, 2025, indicating that my clients in good standing with ATU Local 241 could arrange a time with the Union to review the audits and membership meeting minutes, my client, Nicole Williams, reached out to the Union to arrange a time and date to do so. To date, she has not received a response from the Union.

I request that you talk with your client and have them communicate with Ms. Williams to find an agreeable date and time for her to review the requested records.

Since there seems to be no disagreement that Ms. Williams is entitled to review these records, and given your assurances in your last letter that my clients could do so, it is unacceptable that the Union has not responded to my client's request.

If you wish to discuss this further, I am happy to do so by email or phone.

Sincerely,

A handwritten signature in black ink, appearing to read "JMS", with a long horizontal flourish extending to the right.

Jeffrey M. Schwab
Senior Counsel
jschwab@ljc.org