

INDEPENDENT AUDITORS' REPORT

To the International Executive Board and International Executive Council
Transport Workers Union of America 1220 19th Street, NW, Washington,
D.C. 20036

I have audited the accompanying Statement of Calculation of Chargeable and Non-Chargeable Expenses (modified cash basis) of Transport Workers Union of America (a nonprofit organization) for the year ended August 31, 2022, and the related notes to the statement.

Management's Responsibility for the Financial Information

Management is responsible for the preparation and fair presentation of this statement in accordance with the modified cash basis of accounting as described in Note 1b; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of this statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

My responsibility is to express an opinion on the statement based on our audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the Statement of Calculation of Chargeable and Non-Chargeable Expenses, referred to above presents fairly, in all material respects, the chargeable and non-chargeable expenses of Transport Workers Union of America for the year ended August 31, 2021 in accordance with the modified cash basis of accounting described in Note 1b, in conformity with the Transport Workers Union of America Agency Fee Policy.

Basis of Accounting

I draw attention to Note 1b, which describes the basis of accounting. The Statement of Calculation of Chargeable and Non-Chargeable Expenses was prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. My opinion is not modified with respect to this matter.

Report on Supplementary Information

My audit was conducted for the purpose of forming an opinion on the Statement of Calculation of Chargeable and Non-Chargeable Expenses as a whole (modified cash basis). The supplementary information (modified cash basis); statement of main office expenses, statement of servicing, negotiations and grievance expenses and statement of salaries and related expenses on pages 9, 10 and 11 is presented for purposes of additional analysis and is not a required part of the Statement of Calculation of Chargeable and Non-Chargeable Expenses. Such information is the

responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the Statement of Calculation of Chargeable and Non-Chargeable Expenses. The information has been subjected to the auditing procedures applied in the audit of the Statement of Calculation of Chargeable and Non-Chargeable Expenses and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the statement or to the statement itself and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the Statement of Calculation of Chargeable and Non-Chargeable Expenses as a whole.

Intended Use of Report of Independent Auditors

This report is intended solely for the information and use of the Transport Workers Union of America and its agency fee payers and is not intended to be and should not be used by anyone other than these specified parties.

TRANSPORT WORKERS UNION OF AMERICA AGENCY FEE POLICY

STATEMENT OF CALCULATION OF CHARGEABLE AND NON-CHARGEABLE EXPENSES (MODIFIED CASH BASIS) YEAR ENDED AUGUST 31, 2022

	TOTAL	CHARGEABLE	NON-CHARGEABLE
Main office expenses	\$ 2,418,548	\$ 2,208,229	\$ 210,319
Servicing, negotiations and grievance expenses	5,379,201	5,379,201	-
Political expenses	704,341	-	704,341
Organizing expenses	595,220	-	595,220
Affiliation fees	967,915	-	967,915
TWU Express: Non-political information	211,428	211,428	-
Political information	86,484	-	86,484
Donations, tickets and advertisement	852,754	-	852,754
Salaries and related expenses	12,286,712	10,376,707	1,910,005
Convention expenses	3,055,477	3,055,477	-
Quill scholarship	94,700	-	94,700
Insurance	107,644	107,644	-
Investment expenses	349,780	349,780	-
Totals	\$ 27,110,204	\$ 21,688,466	\$ 5,421,738
Percentage to total	100.00	80.00	20.00

See independent auditors' report and notes to statement of calculation of chargeable expenses.

NOTES TO STATEMENT OF CALCULATION OF CHARGEABLE AND NON-CHARGEABLE EXPENSES AUGUST 31, 2022

Note 1 - Summary of Significant Accounting Policies

a. Basis of Presentation – The accompanying statements were prepared for the purpose of determining the fair share cost of expenses incurred by the Transport Workers Union of America (the Union) for employees represented by, but not members of, the Union and its

affiliated local unions. The accompanying statements are not intended to be a complete presentation of the Union's financial position or changes in its net assets in accordance with generally accepted accounting principles.

b. Principles of Accounting – The Union prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under the modified cash basis of accounting, revenues are recognized when received rather than when earned and expenses are generally recognized when paid rather than incurred.

c. Income Taxes – The Union is exempt from Federal income taxes under Section 501(c)(5) of the Internal Revenue Code.

d. Retirement Plan – The Union contributes to a non-contributory defined benefit pension plan for the benefit of eligible employees not covered by other union plans.

e. Depreciation – Property and equipment is stated at cost and is depreciated under the straight-line method over the estimated useful lives of the assets.

f. Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles and the modified cash basis requires management to make estimates and assumptions that affect the reported amounts of expenses during the reporting period and the allocation of chargeable and non-chargeable expenses. Actual results could differ from those estimates.

Note 2 – Agency Fee Policy

Any Transport Workers Union of America represented nonmember employee, whether publicly or privately employed who is subject to a union security clause conditioning continued employment on the payment of dues or fees, has the right to become an objector to expenses not related to collective bargaining, contract administration, grievance adjustment or other chargeable expenses. A current Transport Workers Union of America member who chooses to become an objector, must assume nonmember status prior to filing an objection. An objector's fees shall be calculated in accordance with Agency Fee Policy.

Note 3 – Agency Fee Policy chargeable expenses

The following categories of expenses are chargeable to objectors to the extent permitted by law.

- a. All expenses concerning the negotiation of agreements, practices and working conditions.
- b. All expenses concerning the administration of agreements, practices and working conditions, including grievance handling, all activities related to arbitration, and discussions with employees in the bargaining unit or employer representatives regarding working conditions, benefits and contract rights.
- c. Convention expenses and other normal Union internal governance and management expenses.
- d. Social activities and Union business meeting expenses.
- e. Publication expenses to the extent coverage is related to chargeable activities.
- f. Expenses of litigation before the courts and administrative agencies related to contract administration, collective bargaining rights or other chargeable activities.

g. Expenses for legislative, executive branch and administrative agency activities on legislative or regulator matters related to the negotiation or administration of contracts and working conditions.

h. All expenses for the education and training of members, officers and staff intended to prepare the participants to better perform chargeable activities or otherwise related to chargeable activities.

i. Other costs of activities related to group cohesion and economic action of or by TWU represented employees, e.g., demonstrations, general strike activity, informational picketing, etc.

j. Overhead and administrative expenses related to or reflective of TWU or TWU Local Union chargeable activities.

Note 4 - Agency Fee Policy non-chargeable expenses

Expenditures in the following categories arguably are non-chargeable to nonmember objectors to the extent permitted by the law.

- a. Community service and charitable contributions.
- b. Affiliations with non-TWU organizations.
- c. Support for political candidates.
- d. Member-only benefits
- e. Lobbying to the extent not chargeable as per Note 2g above.
- f. Publications, litigation and for overhead and administration to the extent related to arguably non-chargeable activities.
- g. External recruitment of new members.

Note 5 - Significant Factors and Assumptions Used in the Allocation Between Chargeable and Non Chargeable Expenses

a. Salaries and Related Expenses – Salary expenses for officers, clerical and administrative staff have been allocated between chargeable and non-chargeable activities based on time spent by personnel on such activities. Payroll taxes and workers compensation insurance are allocated based on salary allocations. Pension and welfare expenses are allocated based on employee participation in the pension plan and salary allocations.

b. TWU Express – The expenses related to the publication of the TWU Express are allocated between chargeable and non-chargeable based on the specific content of articles in the publications as determined by the editorial department. Expenses allocable to articles that are political in nature are 100% non-chargeable.

c. Legal, Accounting and Other Professional Fees – These expenses that are directly related to specific projects are allocated to those departments based on chargeable percentages of those departments except that any expenses primarily for non-chargeable expenses are 100% non-chargeable.

d. Organizing and Political Expenses – Organizing expenses are 100% non-chargeable. Political expenses that are not otherwise chargeable under Note 3g above are 100% non-chargeable.

e. Affiliation fees – Affiliation fees paid to non-TWU organizations are 100% non-chargeable.

f. Main Office Expenses – These expenses are directly allocable to chargeable or non-chargeable activities or allocated to non-chargeable activities based on salary expense allocations described in Note 5a above or any other method that is reasonable in the circumstances.

Note 6 - Union Locals — Agency Fee Policy

Effective with an amendment to the “Agency Fee Policy” adopted by the International Executive Committee on September 19, 1996, any Union Local that is required by law to have an agency fee policy, but which has failed to adopt such a policy, shall be deemed to have adopted the Agency Fee Policy of the Transport Workers Union of America and shall be deemed to have spent the

same percentage of its expenses on chargeable activities as the International.

Note 7 - Subsequent Events Review

Subsequent events have been evaluated through December 6, 2021, which is the date the statement was available to be issued. There were no subsequent events requiring adjustment to or disclosure in the accompanying statements.

**TRANSPORT WORKERS UNION OF AMERICA AGENCY FEE POLICY
SUPPLEMENTARY STATEMENT OF MAIN OFFICE EXPENSES
(MODIFIED CASH BASIS) YEAR ENDED AUGUST 31, 2022**

EXPENSES	TOTAL	CHARGEABLE	NON-CHARGEABLE
Rent and related expenses	\$ 729,977	\$ 648,514	\$ 81,463
Stationary and printing	152,329	135,614	16,715
Outside consultants	509,630	505,896	3,734
Telephone	125,909	111,234	14,675
Postage	40,353	36,340	4,013
Data processing expense	193,036	169,807	23,229
Equipment rental and maintenance	92,899	82,278	10,621
Subscriptions	134,063	117,855	16,208
Accounting	238,961	229,337	9,624
Depreciation	149,922	126,280	23,642
Miscellaneous expenses	51,469	45,072	6,397
Totals	\$ 2,418,548	\$ 2,208,229	\$ 210,319

See independent auditors’ report and notes to statement of calculation of chargeable expenses.

**TRANSPORT WORKERS UNION OF AMERICA AGENCY FEE POLICY
SUPPLEMENTARY STATEMENT OF SERVICING, NEGOTIATIONS AND GRIEVANCE EXPENSES
(MODIFIED CASH BASIS) YEAR ENDED AUGUST 31, 2022**

EXPENSES	TOTAL	CHARGEABLE	NON-CHARGEABLE
Negotiation expenses	\$ 1,669,765	\$ 1,669,765	\$ -
Legal fees	1,019,336	1,019,336	-
Transportation and facility costs	2,018,488	2,018,488	-
Reimbursement of Locals negotiating expenses	671,612	671,612	-
Totals	\$ 5,379,201	\$ 5,379,201	\$ -

See independent auditors’ report and notes to statement of calculation of chargeable expenses.

**TRANSPORT WORKERS UNION OF AMERICA AGENCY FEE POLICY
SUPPLEMENTARY STATEMENT OF SALARIES AND RELATED EXPENSES
(MODIFIED CASH BASIS) YEAR ENDED AUGUST 31, 2022**

EXPENSES	TOTAL	CHARGEABLE	NON-CHARGEABLE
Salaries	\$ 7,151,722	\$ 6,023,909	\$ 1,127,813
Pension and welfare expenses	3,925,603	3,300,945	624,658
Payroll taxes	528,018	444,751	83,267
Auto expenses	656,202	585,904	70,298
Insurance, workers compensation	25,167	21,198	3,969
Totals	\$ 12,286,712	\$ 10,376,707	\$ 1,910,005

See independent auditors’ report and notes to statement of calculation of chargeable expenses.

TRANSPORT WORKERS UNION OF AMERICA

TWU's Policy on Agency Fee Objections, as amended, is based upon decisions of the United States Supreme Court.

1. **Employees who are members of TWU are eligible to engage in a broad range of activities by virtue of their membership. This includes, for example, the right to run for and vote in Union elections, to vote on ratification of collective bargaining agreements, and to attend and participate in Union meetings and activities that are pertinent to their employment. Employees represented by TWU can elect to be non-members, but if they do, they lose these and other rights and benefits that go along with membership in good standing in TWU.**
2. A TWU-represented nonmember employee who is subject to a union security clause conditioning continued employment on the payment of dues or fees – referred to as “agency fees” for nonmembers – has the right to object to expenditures by TWU or the employee’s Local Union that are not related to collective bargaining, contract administration, grievance adjustment or other expenditures that are considered “chargeable” to nonmember objectors. A nonmember objector’s agency fees shall be calculated in accordance with this Policy.
3. To become an objector, a TWU-represented nonmember employee shall notify the International Secretary Treasurer in writing of her/his objection by mail postmarked during the month of January in the first year for which the employee elects to be an objector. The written notification shall be signed by the employees and include the objector’s current home address and TWU Local Union number, if known. The nonmember objector shall also mail a copy of this notice to her/his Local Union. A nonmember employee who first becomes subject to a TWU union security clause after January in a particular year and who desires to be an objector must submit written signed notification to the International Secretary Treasurer, with copy to the employee’s Local Union, including the objector’s current home address and TWU Local Union number, if known, within thirty (30) days after the employee has become subject to union security obligations and been provided notice of these procedures.
 - a. A current TWU member who chooses to become an objector, must first resign from TWU membership before she/he can file an objection through these procedures. A member who resigns from membership during the course of the year shall have 30 days following resignation in which to elect to become an objector by utilizing the procedures set forth in paragraph 3 above.
 - b. A TWU-represented nonmember employee, who provides notice in accordance with the procedures set forth in paragraph 3 above, will be considered an objector for each subsequent calendar year after the first year for which the employee elected to be an objector, unless and until the employee notifies the International Secretary Treasurer in writing that she/he no longer desires to be an objector.
4. Expenditures in the following categories are among those chargeable to nonmember objectors.
 - a. Negotiation of agreements, practices and working conditions.
 - b. Administration of agreements, practices and working conditions, including grievance handling, all activities related to arbitration, and discussion with employees in the bargaining unit or employer representatives regarding working conditions, benefits and contract rights.
 - c. Conventions, Union business meetings, and other Union internal governance and related expenses.
 - d. Social activities.
 - e. Publications, to the extent related to chargeable activities.
 - f. Litigation before courts and administrative agencies related to contract administration, collective bargaining rights or other chargeable activities.
 - g. Legislative, executive branch and administrative agency activities on legislative or regulatory matters related to the negotiation or administration of contracts and working conditions.
 - h. Education and training of members, officers and staff intended to prepare the participants to better perform chargeable activities or otherwise related to chargeable activities.
 - i. Activities related to group cohesion and economic action of or by TWU represented employees, e.g., demonstrations, general strike activity, informational picketing.
 - j. Overhead and administration related to or reflective of TWU or TWU Local Union chargeable activities.
5. Expenditures in the following categories arguably are non-chargeable to nonmember objectors:
 - a. Community service and charitable contributions.
 - b. Affiliations with non-TWU organizations.
 - c. Support for political candidates.
 - d. Member-only benefits.
 - e. Lobbying to the extent not chargeable as per paragraph 4.g. above.
 - f. Publications, litigation and for overhead and administration to the extent related to arguably non-chargeable activities.
 - g. external recruitment of new members.
6. The TWU Policy on Agency Fee Objections shall be reprinted in each December issue of the EXPRESS . The International shall also send a copy of this Policy to each nonmember who objected during that calendar year to inform such person of the right to elect to again object in a succeeding year. Any Local Union that is required by law to have an agency fee policy, but which has failed to adopt such a policy, shall be deemed to have adopted this “Policy on Agency Fee Objections” as its own, and such Locals shall be identified in the December issue of the EXPRESS.
7. The International shall retain an independent auditor who shall submit an annual report verifying the breakdown of chargeable and arguably non-chargeable expenditures (the “Report”). Similarly, if a Local Union has determined to apply this Policy for its expenditures, the Local Union shall arrange for an independent audit of the breakdown of the Local’s chargeable and arguably non-chargeable expenditures. Any Local Union which fails in a given year to conduct an independent audit of expenditures shall be deemed to have spent the same percentage of its expenditures on chargeable activities as the International expended as reflected in the auditor’s

AGENCY FEE OBJECTION POLICY ON AGENCY FEE OBJECTIONS

8. Report. The Report(s) of the independent auditor(s) for the International and, where applicable, the Locals shall be completed promptly after the end of the fiscal year. The most recent Report of the International's expenditures shall be reprinted in the December issue of the EXPRESS. The Local Union shall provide to the nonmembers it represents a copy of the Report of the breakdown of the Local Union's expenditures.
 - a. The fees paid by nonmember objectors shall be handled as follows:
 - b. Nonmember objectors who pay fees directly and not by checkoff shall pay an amount equal to the full amount of agency fees reduced by the percentage of agency fees ascribed by the audit Report(s) (described in paragraph 7 above) to arguably non-chargeable activities (the latter amount referred to hereafter as the "non-chargeable amount"). An amount equal to 50% of the non-chargeable amount shall be placed in an interest bearing escrow account.
 - c. With regard to nonmember objectors who pay agency fees by check-off, promptly following receipt of the checked-off fees, the non-chargeable amount, both for the International and the Local that is utilizing this Agency Fee Objection Policy, plus an additional 50% of that amount, shall be placed in an interest bearing escrow account. Promptly following each calendar quarter, the non-chargeable amount for the preceding calendar quarter, plus the interest accrued thereon, shall be paid to each such nonmember Objector.
 - d. The International shall bill each Local for the monies return to objectors from escrow in connection with the Local's arguably non-chargeable expenditures.
 - a. All such timely challenges shall be referred to an impartial arbitrator appointed by the American Arbitration Association ("AAA") under its rules for impartial determination of Union fees. TWU will request that the AAA appoint an arbitrator to promptly consider and make a determination regarding the challenges in a single consolidated hearing to take place in Washington, D.C.. TWU will provide the AAA with the names and addresses of the nonmember objectors who have filed timely challenges.
 - b. Challengers, the International and, if a participant, the Local Union(s) shall each bear its/their own costs related to the arbitration. The challengers shall have the option of paying a pro rata portion of the arbitrator's fees and expenses; if they decline that option, the Union parties to the proceeding will pay the full fees and expenses of the arbitrator and not just their pro rata portion of such fees and expenses.
 - c. Challengers may, at their expense, be represented by counsel or other representative of choice. Challengers need not appear at the hearing for their challenges to be considered. Challengers who elect not to appear at the hearing may file written statements with the arbitrator, provided they do so by no later than the beginning of the hearing before the arbitrator. Challengers who appear but elect not to present evidence or otherwise participate in the hearing may also submit written statements at or before the beginning of the hearing.
 - d. Fourteen (14) days prior to the start of the arbitration, challengers shall be provided with copies of all exhibits or a list of all such exhibits that a Union party then intends to introduce at the arbitration and a list of all witnesses the Union party then intends to call, except for exhibits and witnesses the Union party may introduce for rebuttal. If copies of exhibits have not otherwise been provided, a challenger may request that the Union forward a copy to the requesting challenger(s) during this 14-day pre-hearing period. Copies of all exhibits shall also be available for review by challengers at the hearing.
 - e. A court reporter shall make a transcript of all proceedings before the arbitrator. This transcript shall be the only official record of the proceedings and may be purchased by the challengers. The parties shall be informed when the transcript is available for purchase and/or review. If challengers do not purchase a copy of the transcript, a copy shall be available for purposes of inspection by them at the Union party's/parties' headquarters during normal business hours.
 - f. The arbitrator may determine all procedural matters affecting the arbitration consistent with the dual objectives of providing for an informed and an expeditious arbitration.
 - g. Each party to the arbitration shall have the right to file a post-hearing statement by no later than fifteen (15) days after the parties have been provided notice that the transcript has been completed and is available for purchase or review. Neither challengers nor Union parties may include or refer in the post-hearing statements to any evidence that was not previously introduced and accepted by the arbitrator during the arbitration proceeding.
 - h. The arbitrator, taking account of the record presented, shall issue a decision on the challenges to the validity of the auditor's Report of the "chargeable" percentage of Union expenditures. The arbitrator's decision shall be issued within forty-five (45) days after the final date for submission of post-hearing statements or within such other reasonable period as is consistent with the AAA rules and the requirements of law. The decision of the arbitrator shall be final and binding.
 - i. Upon receipt of the arbitrator's award, the escrowed funds, as referenced above, shall be distributed in accordance with the arbitrator's decision, with the remaining balance, if any, after any required payments to challengers, returned to the International's or Local Union's general funds.
9. A nonmember objector may challenge the last audited breakdown of chargeable and arguably non-chargeable expenditures contained in the independent accountants' Report(s) by filing a challenge with the International Secretary-Treasurer, together with notice to the employee's Local Union, postmarked no later than thirty (30) days after mailing of the December issue of the EXPRESS that includes the Report(s).
 - a. All such timely challenges shall be referred to an impartial arbitrator appointed by the American Arbitration Association ("AAA") under its rules for impartial determination of Union fees. TWU will request that the AAA appoint an arbitrator to promptly consider and make a determination regarding the challenges in a single consolidated hearing to take place in Washington, D.C.. TWU will provide the AAA with the names and addresses of the nonmember objectors who have filed timely challenges.
 - b. Challengers, the International and, if a participant, the Local Union(s) shall each bear its/their own costs related to the arbitration. The challengers shall have the option of paying a pro rata portion of the arbitrator's fees and expenses; if they decline that option, the Union parties to the proceeding will pay the full fees and expenses of the arbitrator and not just their pro rata portion of such fees and expenses.
 - c. Challengers may, at their expense, be represented by counsel or other representative of choice. Challengers need not appear at the hearing for their challenges to be considered. Challengers who elect not to appear at the hearing may file written statements with the arbitrator, provided they do so by no later than the beginning of the hearing before the arbitrator. Challengers who appear but elect not to present evidence or otherwise participate in the hearing may also submit written statements at or before the beginning of the hearing.
 - d. Fourteen (14) days prior to the start of the arbitration, challengers shall be provided with copies of all exhibits or a list of all such exhibits that a Union party then intends to introduce at the arbitration and a list of all witnesses the Union party then intends to call, except for exhibits and witnesses the Union party may introduce for rebuttal. If copies of exhibits have not otherwise been provided, a challenger may request that the Union forward a copy to the requesting challenger(s) during this 14-day pre-hearing period. Copies of all exhibits shall also be available for review by challengers at the hearing.
 - e. A court reporter shall make a transcript of all proceedings before the arbitrator. This transcript shall be the only official record of the proceedings and may be purchased by the challengers. The parties shall be informed when the transcript is available for purchase and/or review. If challengers do not purchase a copy of the transcript, a copy shall be available for purposes of inspection by them at the Union party's/parties' headquarters during normal business hours.
 - f. The arbitrator may determine all procedural matters affecting the arbitration consistent with the dual objectives of providing for an informed and an expeditious arbitration.
 - g. Each party to the arbitration shall have the right to file a post-hearing statement by no later than fifteen (15) days after the parties have been provided notice that the transcript has been completed and is available for purchase or review. Neither challengers nor Union parties may include or refer in the post-hearing statements to any evidence that was not previously introduced and accepted by the arbitrator during the arbitration proceeding.
 - h. The arbitrator, taking account of the record presented, shall issue a decision on the challenges to the validity of the auditor's Report of the "chargeable" percentage of Union expenditures. The arbitrator's decision shall be issued within forty-five (45) days after the final date for submission of post-hearing statements or within such other reasonable period as is consistent with the AAA rules and the requirements of law. The decision of the arbitrator shall be final and binding.
 - i. Upon receipt of the arbitrator's award, the escrowed funds, as referenced above, shall be distributed in accordance with the arbitrator's decision, with the remaining balance, if any, after any required payments to challengers, returned to the International's or Local Union's general funds.
10. The provisions of this Policy on Agency Fee Objections shall be considered legally separable. Should any provision or portion thereof be held contrary to law by a court or tribunal of competent jurisdiction, the remaining provisions or portions thereof shall continue to be legally effective and binding.