

§ 403.8 Dissemination and verification of reports.

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(b)(1) If a labor organization is required to file a report under this part using the Form LM-2 and indicates that it has failed or refused to disclose information required by the Form concerning any disbursement, or receipt not otherwise reported on Statement B, to an individual or entity in the amount of \$5,000 or more, or any two or more disbursements, or receipts not otherwise reported on Statement B, to an individual or entity that, in the aggregate, amount to \$5,000 or more, because disclosure of such information may be adverse to the organization's legitimate interests, then the failure or refusal to disclose the information shall be deemed "just cause" for purposes of paragraph (a) of this section.

(2) Disclosure may be adverse to a labor organization's legitimate interests under this paragraph if disclosure would reveal confidential information concerning the organization's organizing

or negotiating strategy or individuals paid by the labor organization to work in a non-union facility in order to assist the labor organization in organizing employees, provided that such individuals are not employees of the labor organization who receive more than \$10,000 in the aggregate in the reporting year from the union.

(3) This provision does not apply to disclosure that is otherwise prohibited by law or that would endanger the health or safety of an individual.

(c) In all other cases, a union member has the burden of establishing "just cause" for purposes of paragraph (a) of this section.

PART 408—LABOR ORGANIZATION TRUSTEESHIP REPORTS

■ 5. The authority citation for part 408 is revised to read as follows:

Authority: Secs. 202, 207, 208, 73 Stat. 525, 529 (29 U.S.C. 432, 437, 438); Secretary's Order No. 4-2001, 66 FR 29656, May 31, 2001.

§ 408.5 [Amended]

■ 6. Section 408.5 is amended by:

■ a. Adding the words "and any Form T-1 reports" after the words "on behalf of the subordinate labor organization the annual financial report" and before the words "required by part 403 of this chapter".

■ b. Removing the words "together with a true copy thereof" at the end of the section and removing the comma preceding those words.

Signed in Washington, DC this 2 day of October, 2003.

Victoria A. Lipnic,

Assistant Secretary for Employment Standards.

Appendix

Note: This appendix, which will not appear in the Code of Federal Regulations, contains the revised Form LM-2 and the new Form T-1 and the instructions for these forms.