

Mike Hobby

From: Ron Kieswether
Sent: Monday, February 23, 2009 9:22 AM
To: Terminal Managers
Cc: Leadership Team
Subject: FW: Negotiations Update Monday 2/23/2009

Please share this latest update with your people.

Good morning,

As a refresher:

- On Oak Harbor Freight Lines has received a letter from the Union offering to unconditionally return to work.
- Oak Harbor presented the Union with an “orderly return to work plan” within 5 days of receiving the union’s letter offering to unconditionally return.
- At the meeting with the union Oak Harbor was given to understand that the union actually has conditions attached to its offer to return strikers to work and the conditions appear to be spelled out in a letter from Mr. Hobart including:
 - Oak Harbor should sign a written “interim agreement” with the unions which would provide for Teamster trust funds.
 - Such agreement must comply with Trust requirements
 - Oak Harbor must sign a new “subscription agreement” for the Trusts
 - The trust conditions include “It is critical” that the agreement specify certain dates regarding any labor dispute (Oak Harbor is not sure what this would entail)
 - Other conditions are also included
- Based on our understanding of statements at the end of our meeting with the union, the union has told us that the return to work by strikers “is on hold for now” while the union reviews the conditions it is demanding for the strikers to return to work.

Update:

- Oak Harbor has responded to calls from the Union’s attorneys over this last weekend.
- Oak Harbor believes that the Union will be proposing some form of “interim agreement” containing the unions conditions for a return by strikers however, as of this morning we have not seen it.
- Prior to any conditional return to work (which is what we understand the union has proposed) Oak Harbor would need to agree to such union proposed conditions. No agreement on conditions has been achieved as of this morning.

We deeply regret the consternation this situation creates for all our employees. We will make every attempt to promptly advise employees of any new developments as soon as we have accurate information.

For now based on our understanding of statements by the union the return to work by strikers "is on hold".

NLRB Update:

After having discussions with the NLRB regarding work load for the NLRB and the work load our own attorneys Oak Harbor withdrew our charges against the union in the Seattle office and went forward in Portland. It is our intent to refile those Seattle charges later this week.

If you have any questions please call, leaving a detailed message if I am not available.

***Thank you
Bob Braun
Braun Consulting Group***