

**NOTICE TO BARGAINING UNIT MEMBERS OF LOCALS 38, 117,
174, 231, 252, 313, 589, 690, 760, 763 839 AND 959 REGARDING
RIGHTS AND OBLIGATIONS OF
FINANCIAL CORE/OBJECTOR EMPLOYEES**

Employees represented by a Union for the purpose of collective bargaining and related activities are not required by law to become members of the Union. Employees may, however, be required, under valid Union security clause, to pay an amount equivalent to Union initiation fees and dues. Alternately, employees may elect to pay their proportional share of the costs of operating the Union, if the employees are covered by a valid Union security, agency shop, or maintenance of membership contract. This proportional share is based upon the Union's expenditures in performing the duties "of an exclusive representative of the employees in dealing with the employer on labor management issues." Employees who choose the first option are referred to as "financial core payers." Those who choose the second alternative are "objectors." Under either option, the employee is not a member of the Union.

Non-members do not enjoy many of the benefits of full membership in the Local Union including: (1) They may not be permitted to attend Union meetings, including contract ratification meetings; (2) they are not eligible to run for Union office or vote for Union officers; (3) they may not be eligible for an honorable withdrawal card or to transfer to another Teamster Local, which may result in the need to pay an initiation fee upon being transferred; (4) if they obtain work under another labor agreement of the Local Union, they may be required to pay an initiation fee in order to achieve good standing; (5) they may not be eligible for certain Union benefits, such as certain life insurance policies, that are available only to Union members. The general policy in complying with the law is as follows. Employees should contact their Local Union for the Local's policy.

1. Employees who choose to be financial core payers rather than Union members must notify the Union in writing of their intention to claim financial core status.

2. Employees who choose to be objectors rather than Union members may request an adjustment in their dues based on their objection to Union expenditures they believe are not reasonably related to collective bargaining, contract negotiations, and grievance adjustment.

3. Written notice of objector status must be sent to the Local Union with a copy to the International Union. The address of the International Union is: International Brotherhood of Teamsters, Attention General Secretary-Treasurer, 25 Louisiana Avenue N.W., Washington D.C. 20001. The letter of the objection must include the employee's name, address, Social Security number, IBT Local number, and employer.

4. The amount payable by objectors will be based on the applicable Local Union's expenditures for those activities or projects normally or reasonably undertaken by the Union to advance the employment-related interests of the employees it represents. These

are referred to as “chargeable” expenditures. The balance of the expenditures are “non-chargeable.”

5. Expenditures considered “chargeable” include but are not limited to: negotiations with the employers; enforcing collective bargaining agreements; handling employees’ work-related problems through the grievance procedure, before administrative agencies, or at informal meetings; organizing employees of competing employers in the industry; Union governance and administration; litigation related to any of the above; and the cost of economic activities in support of chargeable expenditures. Among the expenditures treated as “non-chargeable,” which objectors will not be required to support, are for example those for community service, the cost of affiliation with non-related organizations, and support of political candidates. In calculating the chargeable percentage of the listed Local Unions, the chargeable percentage of amounts paid to the International Brotherhood of Teamsters, 83.96% and Joint Council No. 28, 59.4% were factored in. Based on the latest available audited information, the chargeable percentage for each listed Local Union within the Joint council No. 28 is as follows:

Local No. 38, 98.79%; Local Union No. 117, 95%; Local Union No. 174, 98.63%; Local Union No. 231, 98.24%; Local Union No. 252, 97.81%; Local Union No. 313, 82.39%; Local Union No. 589, 97.7%; Local Union No. 690, 99.26%; Local Union No. 760, 97.2%; Local Union No. 763, 99.15%, Local Union No. 839, 99.76% and Local Union No. 959, 88.19%. The amount payable by objectors to each Local Union during the current calendar year will be equal to that Local Union’s “chargeable” expenditures times the ordinary amount of dues. The applicable initiation fee uniformly required for Union members will also be payable by the objectors.

6. Objectors who disagree with the figures will be given, on written request, a full explanation of the basis for the reduced fee charged to them. That explanation will include a more detailed list of the categories of expenditures deemed to be “chargeable” and those deemed to be “non-chargeable,” and will also include the **independent accountant’s** report showing the expenditures on which the reduced fee is based.

7. Objectors will have the right to challenge the Union’s calculation of the reduced fee before an impartial arbitrator appointed by the **American Arbitration Association**. The portion of the objector’s fee equal to the amount which is challenged will be held in interest-bearing escrow while the objector pursues that challenge. Details on the method of making such a challenge and the rights accorded to those who do so will be provided by the Local Union to the challengers along with the explanation of the fee calculation.