

July 30, 2007

STEVE NIEMAN

CLAIMANT

v.

**INTERNATIONAL BROTHERHOOD
OF TEAMSTERS LOCAL 747**

RESPONDENT

**American Arbitration
Association Case No.
70 673 00424 04**

**ARBITRATOR
JACK CLARKE**

**CLAIMANT'S MEMORANDUM OF POINTS AND AUTHORITIES IN
OPPOSITION TO RESPONDENTS' POSITION**

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INTRODUCTION

All just and successful human endeavors have certain common features. The most essential is trust. A presumption of trustworthiness and innocence is granted to all parties in the beginning of a process or relationship. If justice is to reign supreme, these presumptions must be based upon the understanding that all participants have an enlightened self-interest for the necessity of truthful, timely and balanced actions and responses.

If these fundamental building blocks of reasoned justice are absent, then neither truth nor justice will be found. With the keystone of reason removed, patterns of unreasonable assertions, behaviors and unresponsiveness by the unjust party will be revealed.

The truth we're trying to uncover is what reasonable percent of qualifying expenses¹ of the International Brotherhood of Teamster's ("IBT") Local 747 ("L747") am I legally required to pay² — or potentially lose my gainful employment as a pilot for Horizon Air Industries, Inc. where I've worked for almost 30 years. This has to be determined with extremely limited discovery.

I assert under the jurisdiction of the AAA's Rules for Impartial Determination of Union Fees, that there is an inherent right of discovery necessary to establish the accounting principles and data a union is using to arrive at the fee that dues objectors supposedly owe. Lacking such disclosure, the entire purpose of the arbitration ordered by the courts (which included the order for the union to pay all arbitration expenses) becomes moot in arriving at a decision regarding challenges to the

¹ *Ellis v. Railway Clerks* decided the line between union expenditures that all workers must help defray, and those that are not sufficiently related to collective bargaining to justify their being imposed on dissenters.

² *Machinists v. Street*, which held that the RLA does not permit a union, over the objections of non-members, to expend agency fees on political causes.

accuracy of L747's Statement of Germane and NonGermane Expenses ("SGNGE").

I am a union member of the Ownership Union® ("OU®"). I am a responsible, law abiding sovereign citizen of the United States of America. I assert and claim all rights due me under the laws of the United States of America, and the laws of the sovereign state of Washington. I assert it is my right under the First and Thirteenth Amendments of the U.S. Constitution to join and associate with the union organization of my choice. As a union member, I claim all rights under the Labor-Management Reporting and Disclosure Act of 1959 ("LMRDA").

STATEMENT OF FACTS

- A. The International Brotherhood of Teamsters conducted two representational elections at Horizon Air, a Northwest regional airline, in 1995 and 1997. It prevailed in the second election, the winning vote tallied on September 12, 1997.
- B. The Teamsters chartered a new aviation Local numbered 747 in September, 1995. It filed its first LM-2 with the U.S. Dept. of Labor for its fiscal year of 2000 in April of 2001.
- C. The initial contract negotiations dragged on from September, 1997 to the latter half of 2001. On numerous occasions the IBT publicly claimed as the law requires³ that no Horizon Air Pilot ("HAP") could be charged for any expense or pay any dues or fees until the first contract was signed and effective.

But the IBT changed its tune, and on Aug. 1, 2000 activated HAPs into the IBT's new L747, and demanded the payment of dues by every HAP.⁴ This deed was taken without a vote of HAPs. I believe this action was unlawful, and if lawful was certainly a reversal of the many public promises made to all the HAPs.

³ The court wrote in *Ellis v. Railway Clerks* that only a union that is certified as the exclusive bargaining agent is authorized to negotiate a contract requiring all employees to become members of or to make contributions to the union. Until such a contract is executed, no dues or fees may be collected from objecting employees who are not members of the union." The contract had not been executed, yet L747 required payment of dues by all HAPs.

⁴ See two letters marked Exhibit A

The first contract would decide what membership was, including union security clauses and Hudson provisions for how workers could not be forced to join. None of this was in place, yet this is what the IBT and L747 did. From this point forward for voting purposes, they measured whether HAPs were in "good standing" by tracking who paid what became to be known as "back-dues." For many HAPs, this became an instant debt that over time ran into thousands of dollars.

D. It took almost four years for the first contract to be negotiated and agreed upon on/around Sept. 6, 2001 (it was not officially signed until later that year). Per the IBT's Section 29 union security provision in the contract, HAPs had 90 days to decide to join or become a fee payer, making the effective date of membership Jan. 1, 2002.

E. L747 officials threatened to prevent HAPs who hadn't paid back dues to vote on the initial contract that would establish membership! At the last minute, they relented and permitted all HAPs to vote on the first contract that defined their new relationship with the union and their employer.

F. Not the case for the QXTeamster (QX is Horizon) special assessment vote on Dec. 7, 2001. Almost half of the 308 votes were voided due to pilots not being paid up back to Aug. 2000, and the assessment vote of an additional .0025 (1/4 of 1%) obligation passed.⁵ These ballots were voided even though HAPs were still in the 90 day Agency Shop window per the contract that allowed them time to decide whether or not to join.

CLAIMANT CAPTAIN STEVE NIEMAN

- 1) Was a member of L747 briefly until resigning on Nov. 15, 2002.
- 2) Starting in Jan. 2003, annually filed objections to L747's SGNGE.
- 3) With Richard D. Foley, started the Ownership Union® ("OU®"), and filed the union's bylaws with the U.S. DOL in March 2002. The U.S. DOL Office of Labor-Management Standards issued the OU®'s file number of LM-542-291 on June 17, 2002
- 4) First arbitration ended on June 22, 2004 with a decision handed down by Arbitrator Neal D. Rosenfeld.
- 5) Second arbitration began on July 8, 2004 and continues to this date.

⁵ See msc. letters marked Exhibit B

SUMMARY OF MY POSITION

The IBT and L747 have a long history of acting in their own interests in apparent disregard for the rights of both member and non-member workers alike, as well as the law. Those HAPs like myself who made the assessment that the pattern of behavior of the IBT and L747 didn't justify membership, found themselves obligated to the union security contractual provisions of the IBT's monopoly bargaining rights.

We are forced to pay the IBT an amount of money which the union asserts it alone, without any accountability to any members or non-members, is the sole arbiter to determine — or be fired from employment.

The union also insists that nobody so beholden may access their accounting records (including members in general) to make an independent determination of material evidence that could potentially terminate income for themselves and their families, which I believe is a violation of the LMRDA.

This entire hourly-dues method of payment by individual members forms the basis for voting inside the union, which when members are denied access to check financial records to determine their good standing status, can interfere with their inalienable democratic right to vote guaranteed under the union's bylaws, government statutes, as well as of course the U.S. Constitution.

The clear meaning of the 13th amendment is that no one, not even the individual himself, may lawfully place any person into servitude, and further that there is no such thing as voluntary servitude. No individual is allowed to enslave another, nor is any group of individuals permitted to do so. Perhaps this aspect of the agency shop the IBT insists is its right to practice as it chooses needs to be examined by the appropriate courts.

Indeed, the reason why I resigned my membership in Nov. 2002 was due to what I perceived to be the IBT's contempt for the procedure and importance of voting. (I've learned that jamming up voting is the first order of business of most people who occupy places of power. Proxy voting is another example, where stockholders often can't vote their shares because their brokers somehow always end up voting instead, i.e for management's wishes).

Throughout this long drawn-out "fair share" arbitration, I believe officials in the IBT and L747 have proven that what the union communicates cannot be trusted, and should not be relied upon for a determination of the truth.⁶

If this whole member/non-member germane/non-germane system is to be utilized, there are limited ways to surmise truth. Certainly gaining open access by competent investigators of both L747 and the Teamster International's books and records is the most sure way to make some independent determinations of what expenses a fee-payer is not legally obligated to pay according to standards developed in case law as well as doing what's right. "...the union bears the burden of proving what proportion of expenditures went to activities that could be charged to dissenters..." — *Railway v. Allen*.

"In a time of universal deceit, telling the truth becomes a revolutionary act." — George Orwell

ARGUMENT

I. L747'S ANNUAL SGNGE DO NOT CONTAIN SUFFICIENT DISCLOSURES AS REQUIRED BY LAW

L747's SGNGE and its accompanying Note 1 and Note 2 do not provide sufficient detail to make a proper determination of the percent of expenses non-members are not required to pay. If you read L747's LM-2 Labor

⁶ Remember that the IBT has been under federal trusteeship since 1989.

Organization Annual Reports, you can see that L747's annual SGNGE are gleaned from these filings. LM-2s aren't formulated for non-members. They are primarily a disclosure in compliance with the LMRDA.

The fact that the IBT's long-term auditing firm of Briggs & Velsalka Co. attaches what it and L747 claims to be an "audit" report letter does not necessarily prove the validity of the categories or the expenses listed in them.⁷ It merely endorses L747's mathematical calculations as presented on the pages of the SGNGE.

Some declarations in Briggs & Velsalka's Independent Auditor's Report which accompanies each year's SGNGE simply don't make any sense:

1. "The statement is the responsibility of management."
2. "The statement is not intended to be a complete presentation of the Local's assets, liabilities, revenues and expenses."
3. The very title of Note 2 is worthy of additional disclosure: Purpose of the Statement and Significant Factors and Assumptions Used in Determining Germane and Non-Germane Expenses. (Assumptions reside more in the hypothetical realm, whereas who paid what/when/where/how/why in the concrete).
4. Under Note 2 B. which lists factors and assumptions of expenses that are considered non-germane, the most obvious category — politics — is missing. The only four categories on the page are Legal, Organization, Charitable and Legislative.

These statements and an "audit" letter by L747's management and auditor fails to adequately provide the necessary data to form the basis of a critical analysis of L747's expenses as it relates to decades of non-members at the IBT and other labor unions who have been forced to sue to seek the assistance of the courts to resolve some of these related issues. The courts have ruled that the union has a duty to utilize arbitration,

⁷ The court ruled in Hudson that the arbiter must be independent and not selected by the union. I believe a careful reading also reveals that the court intended for the auditor to be independent of the union also, which is not the case at L747.

further that it was in the union's best financial interest to do so, therefore the expense of arbitration is clearly placed upon the union.

In 2003 I contacted Briggs & Veselka by email⁸ and phone. I tried to ascertain some information of accounting principles they used in auditing L747's SGNGEs. They answered nothing, before referring all inquiries to officials at L747.

I assert that I and all dues objectors have the right to be apprised if anyone at Briggs & Vesselka is comparing decisions in the latest court cases and designating expenses accordingly.

For instance, take the huge payment to the International that L747 annually pays as a tax. When I started this objection process back in 2003, none of this \$121,545 in L747's 2002 SGNGE was considered germane. (L747's SGNGE lag one year behind expenditures). Another large expense category, Professional fees of \$69,697 — none was considered germane. The total percentage of L747's expenses it claimed were non-germane back then was 16%.

But starting in 2003, 2004 and 2005 this percentage was reduced to only 4%, which required all dues objectors to pay higher service fees. At the May 30, 2007 hearing in Houston, L747 bookkeeper Karen Wilcox testified that L747 had trouble getting timely information from the International regarding the tax the Local was required to pay. She testified that the 2002 chargeable/nonchargeable audit from the International wasn't received until Feb. 2004. She said, "We should have gone back in 2003 and done a correction but we did not."(p44).

However this statement does not appear to be accurate when comparing L747's LM-2 filings for the period in question.⁹ L747 has filed with the U.S. DOL per capita tax amounts paid to the International from the very first year it started filing LM-2s in 2000. In 2002 that amount was

⁸ See Exhibit C

⁹ See Exhibit D

\$121,545 which was filed in L747's LM-2 dated Apr. 14, 2003. In 2003, the tax amount was \$208,475 filed on an LM-2 dated March 30, 2004. L747 had the amounts. They just started out considering it all non-germane until they capriciously decided in 2003 to consider most of it germane.

But this part of Ms. Cox's testimony wasn't as revealing as her acknowledgment that union officials at the International were the only ones determining that this entire amount is considered germane. Where is an auditor statement from the International confirming this supposed fact, which is a requirement of Hudson? Where is a breakout of the categories of expenses or other details that must be disclosed? Due to these inadequacies, I believe the arbitrator should treat these payments as suspect in L747's calculations and rule them entirely as non-germane. The factor of timeliness must be considered.

Bookkeeper Wilcox also offered testimony that only the International conducts political activities (p34). Yet neither L747 or the International provide any category or expense totals spent on politics. The fact that L747 pays this to the International does not exempt it from publishing an accounting of where/how this money is being spent. Additionally, I find it hard to believe L747's contention that it spends \$0 on politics, since we know all effective politics are local.

Over time it appears that L747 has moved to more aggressive accounting to claim more and more expenses as germane. L747 knows that every challenge is doomed to failure so long as the challenger has no access to the union's books and records.

Another obvious observation: Why is the expense reduction the same percentage — 4% — every year? You would think it would vary a few percentage points either way depending on what was going on financially inside the Local. But exactly 4% every year as non-germane? It's too tidy, arbitrary and suspect to be acceptable without a complete disclosure of all accounting data and accounting principles.

As part of the Sarbanes-Oxley Act of 2002, Congress created the Public Company Accounting Oversight Board to "oversee the audit of public companies that are subject to securities laws." In the absence of any other public standard, this Act should apply to union accounting and auditing. Officials of the IBT and L747 could integrate the spirit of this openness and transparency movement building in the corporate sector in union accounting if they chose to.

I find it impossible to conceive of any rational reason that the IBT and all of organized labor should not enthusiastically endorse accounting transparency—they have nothing to lose but decades of distrust and conflict.

Additionally, I assert that I do not have to pay the local assessment of .0025 (1/4 of 1 percent) collected by the QXTeamsters (a L747 craft affiliate composed of HAPs) due to the fact that there is no accounting of what expenses are germane and non-germane. I cannot find a breakout of expenses of this local assessment anywhere in L747's 2003, 2004 and 2005 SGNGE. I assert that I am only lawfully required to pay expenses that are annually and properly disclosed in the L747's SGNGE. L747 and its affiliates can do whatever they want regarding assessing its members, but I assert those actions do not include non-members.

**II. L747 OFFICIALS IGNORE ITS ARBITRATION CONTRACT
AND COURT RULINGS REGARDING EXPENSES**

In the attached letter,¹⁰ L747 President Ernest Sowell on July 8, 2004 wrote to the AAA requesting their services, including the appointment of an arbitrator as required by law. In the second par. he wrote: "Finally, as you will note in the 'Arbitration Procedures' the Union, by its own policies, will be paying the entire expense for the hearing arraignments and the arbitrator's fees."

¹⁰ See Exhibit E, which includes L747's Article V original "Arbitration Procedure"

Yet, now, L747 has asserted it will renege on this agreement and is attempting to get me on the hook for paying part of the expenses of this arbitration if it is ruled frivolous?

On Oct. 19, 2004, HAP dues objectors received a mailing from L747 advising us that the board passed Resolution #0431 to amend Section V, par. B.

Par. B. now reads as follows (amended portion underlined): The selection of the arbitrator, and the procedures of the arbitration, will be governed by the American Arbitration Association Rules for Impartial Determination of Union Fees. Each side will bear its own costs, lost pay, and attorneys' fees. The Union will pay all fees and expenses of the AAA and the arbitrator. However, the Arbitrator has the authority to direct the objector to pay one half (1/2) of the arbitrators fees if he finds that the objector (sic) is without merit and to direct the objector to pay the full amount of the arbitrators fees for objectors that are frivolous or in bad faith."

I believe L747's Executive Board has attacked every potential objector, certainly all dues objector non-members, and perhaps me personally, by amending the union's procedure dealing with agency fees. Their actions can only be reasonably interpreted as a form of intimidation. They do not like challenges to their authority regarding the union's preparation of "their" annual SGNGE, or any attempt to hold them accountable for their accounting.

I also assert L747 officials lack proper jurisdiction to make this change.

This amendment in policy came on the heels of the completion of the "first" arbitration, in which a decision was issued on June 22, 2004. Arbitrator Neal D. Rosenfeld ruled that I and another grievant had not objected properly by including in our assertion a complaint listing errors attributed to L747's 2002 SGNGE.

To me, this ruling swung on a technicality, and the substance of the case regarding the accuracy and verifiability of L747's claims made in its 2002 SGNGE was never properly considered, as it is the duty of the union to bear the standard of proof, not the objectors. If objectors are refused access to all the accounting data and accounting principles then there is no way to establish and list a single error or a multiple of errors.

The courts have clearly ruled that the union was to pay all arbitration costs on these issues. To assert otherwise is to vitiate the courts intent. The courts intent can only be understood to contain the expectation that objectors would be provided full access to all documents necessary to ascertain the accuracy of the unions calculations of its SGNGE, which of necessity requires full access to books and records.

In a May 21, 2004 letter to L747, I properly filed a complaint of errors regarding its 2003 SGNGE, and have done so every year thereafter.

Since an agency shop is a lot like the Eagle's Hotel California, where as a non-member you can check out but you can never leave (regarding forced payments to the union), you must object annually or the union can assume you have no problem paying whatever it says you owe.

I have alleged errors in every year since, because I feel L747 officials do not provide adequate disclosure of its finances or access to its books and records to determine expenses objectors are required to pay. Plus, even though this process has drug on for over four years, the accuracy of any of L747's SGNGE has yet to be ruled upon.

And now anyone who objects has to potentially pay some expenses to counter an attempt at taxation without representation? I'm being forced to pay monies and associate with an organization against my will, which the courts have recognized is a violation of my First Amendment rights.¹¹

¹¹ See CTU v. Hudson and Communications Workers v. Beck

If officials at L747 want to end this multi-year challenge, for starters they could switch to a new auditor. Second, they need to structure a financially transparent system that incorporates fairness to both members and non-members alike. I'm the one being forced here, not the union. Arguing that what I'm trying to do is frivolous is just an attempt to evade accountability.

In *Chicago Teachers Union v Hudson*, the Union said it would pay for the arbitration, and, if there were multiple objections, they could be consolidated, which over the years I have bent over backwards and volunteered to do (in this case, three years' worth).

In other court cases, it was determined that the union would bear all the cost for arbitration regarding fee objections, because it was much more financially advantageous to the union to arbitrate, rather than force every case into federal court for resolution. Indeed, in AAA's printed and electronic rules regarding Rules for Impartial Determination of Union Fees that we are operating under, all procedure calls for the union to shoulder payment of all expenses.¹²

Yet, when I showed up for the May 30, 2007 hearing, the first thing Mr. Flynn did was to ask me to step out of the room. Outside, he requested that I combine my claim of errors in L747's 2005 SGNGE with the current hearing, which was dealing with 2003 and 2004. I agreed.

Afterward in the hearing, he then asserted that I was then liable for arbitration expenses dealing with 2003/2004 under L747's new frivolous expense rules, something L747 had stated on many previous occasions would not be the case because the union hadn't published its new rules until after I had lodged the current objections.

Once again in dealing with officials of L747, I felt I was tricked. As I later testified in the hearing, I was trying to be helpful and compliant with the law, and wished that costs to all parties be kept to a minimum.

¹² Click on American Arbitration Association: <http://www.adr.org/sp.asp?id=22110>

Obviously, if I had known L747 would turn around and say I would be liable for expenses, I would not have agreed to consolidate.

I believe this further proves my main premise: L747 officials cannot be trusted to do the fair and decent thing. Should their assertions or statements about anything be believed? Like the 4% number? Actions speak louder than words.

**III. INADEQUATE DISCLOSURE OF FINANCES
WHEN ORDERED TO DO SO**

Mr. Arbitrator, back in early 2005 when you took over from Arbitrator Patrick Halter who abruptly resigned, you were initially not disposed to allow discovery. However, upon subsequent consideration, you wrote in your Sept. 2, 2005 letter to the parties that you were inclined to grant a reasonable request for discovery. I believe that this is the clear intent of every court that has ruled on this subject. It is really very simple: An objection cannot be determined without production of all documents and data upon which the calculations were based.

And when you ordered officials of L747 in a conference call on Feb. 6, 2006 to justify their claims by disclosing adequately their books and records, they failed to comply and only conveniently disclosed minimal documentation that only appeared to substantiate their 4% they claim is non-germane. A meaningful review of L747's finances cannot be possible without seeing more than the percent that the unions maintains is "the number." Without seeing more of the whole, one cannot tell whether a fraction is more or less than half, for instance, by looking only at the numerator and not the denominator.

Organized labor's penchant for playing politics and spending a lot of money for political action committees is well known. It was revealed in *Communications Workers of America v. Beck*, in which the court found that employees forced to pay union dues do not have to contribute to a union's

partisan political activities, that the Communications Workers of America had been using as much as 79 percent of Harry Beck's dues for such activities, almost all in support of Democratic party candidates.

Just last month in June, the U.S. Supreme court ruled in *Davenport v. Washington Education Association (WEA)* that union officials have no "constitutional right" to spend dissenting workers' mandatory dues on political causes they oppose.

Yet, without substantive and adequate disclosures or at least limited expert third party access to a union's books and records, no one can ever know what those expenses are.

IV. FREE LOADING BY WHOM? WORKERS OR UNION OFFICIALS?

Congress' intentions and case law deals a lot with "free riding," non-members getting something for nothing, by supposedly benefiting from the fruits of collective bargaining while not paying their fair share of the cost.¹³

I ask the arbitrator to note that I am not a free rider, or an individual who supposedly benefits from collective bargaining at the expense of my co-workers who are members and pay dues accordingly.

I currently pay monies to the Ownership Union®, which for now equates to the service fee for L747, and OU® writes checks to L747. L747 officials there have cashed all those checks. Even though I have objected for over four years, I am paid up to date with what L747 officials say I owe.

¹³ Indeed, in 1951 Congress introduced compulsory unionism over voluntary unionism in amending the Taft-Hartley Act and the Railway Labor Act because of the problem of non-members enjoying union-negotiated benefits without contributing to their cost. See *Communications Workers v. Beck*.

I am coming up on my 30th year with Horizon Air. I helped build this company, which was founded in 1981 with the merger and acquisition of several smaller airlines, one of which I worked for.

How can one's long-term employ ever be considered from any perspective free riding? This only makes any sense at all if people are considered widgets or cogs in a gear train, as dispensable as cold, depreciated machinery. If I had to make a free riding argument, I'd 180°-it around: Most unions and their officers are the ones free riding on the backs of their members, and that this is the prime reason they are so desperate that the secrecy surrounding their accounting be maintained. After all, it's the IBT & L747 who continue to assert that I am asking for more rights than their members have. My only reply is — why have you denied your members this right?

As a strategic stakeholder, every day when I go to work I contribute to the production of the enterprise that over time helped result in my company providing tens of thousands of jobs, as well as providing reliable air transportation for millions of customers, and investment opportunities for tens of thousands of stockholders, many of them pension investors.

Yet the union through the various ways it is organized and operates has the power to claim that I am not holding up my end and can have me fired?

Most unions offer no labor contribution to the success of a business enterprise. They offer no additional customer base that can help the company grow its sales. They offer no ways to access affordable capital so that the company can buy assets and grow.

Richard Foley and I created the Ownership Union® in an attempt to change the way organized labor exists and operates, in order to bring it into a much more symbiotic role with other corporate stakeholders so all can mutually benefit. The OU® is dedicated to the proposition that funds to operate the union would come from a collectively-bargained percent of

revenue and not a tax on workers' labor. We are demonstrating how unions can function as true participants with something at risk, just like all stakeholders.

PRAY FOR RESOLUTION

1. Order L747 to switch auditors and perform a new audit of all the years of accounting since the formation of L747. This new audit should then be compared to the ones done by Briggs & Velsalka over the last seven years to see if the germane/non-germane expense percentages changed.

2. Order that since the International or L747 have failed to supply audited info on the per capita tax, consider it all non-germane for 2003, 2004, 2005 and all subsequent years. Order that only 50% of the professional fees non-germane. This would raise the amount of deduction for dues objectors from 4% in the last three years to: 2003 — 17%; 2004 — 18%; 2005 — 18%. A more aggressive resolution would be that until L747 provides more detail, lump the per capita tax, professional fees, negotiation expenses, meetings & conferences, benefits, and subscriptions & membership all in the non-germane category. The expense reduction would then calculate out to be: 2003 — 46.4%; 2004 — 48.5%; 2005 — 34.5%.^{14 15}

3. Order the abandonment of the entire germane/non-germane process. This whole procedure is fundamentally flawed, an utter failure and is another pitiful example of the injustice of taxation without representation. Order L747 to collectively bargain for a percent of revenue of Horizon Air to pay its expenses (timing is

¹⁴ See spreadsheet Attachment F

¹⁵ See ALPA v Miller where an arbiter ruled ALPA's non-germane was 21.49% of the union's budget and not 19% as the union had determined.

good: L747 is currently in contract negotiations with Horizon Air management).

If workers were truly free-loading on the corporation, management would have fired them long ago. As long as a worker is gainfully employed, he/r should be empowered to be democratically involved in workplace and corporate governance. The IBT and L747 alone should not be the sole determiner of who gets to vote at work through its ill-conceived scheme of pay-to-vote.

Company-funded unions are criticized by organized labor as illegitimate? That's duplicitous: How unions are currently funded fits that practice exactly. Through automatic payroll deduction, company money is deducted from the workers pay. Corporate management then pays the union a lump sum for the workers dues.

The fact of the matter is revenues from the company *funds* the union. The key is ensuring governance of the union is independent from corporate management. Due to the fact that the whole fee payer/germane/non-germane member/non-member voting/non-voting structure is totally unverifiable, it is only reasonable to do away with it.

The best way to deal with this issue of timeliness is to use the same standard that the IBT has set for the objectors: The International and Local must provide the necessary accounting data thirty days after their fiscal year or forfeit any percentage that would otherwise be considered germane.

A negotiated income from the company based upon the value of its members contribution to corporate revenue would properly fund its activities of collective bargaining and contract enforcement. All this conflict over dues and voting can then be eliminated.

Funding the union by corporate revenue that workers along with customers and investors all work together to produce would end discrimination, and ensure fair and equal representation for all workers,

which complies with *Vaca v. Sipes*, where the court found that unions have a "statutory obligation to serve the interests of all members without hostility or discrimination toward any."

This could much more closely align workers production with their right to democratically participate in deciding not only labor issues but governance of the corporation as well. Critically, the voting standard would return to one guaranteed by the Declaration of Independence that ALL men (and women) are created equal, as well as the U.S. Constitution (as amended for expanding the right to vote for ALL citizens).

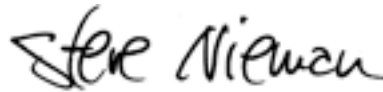
What's more important here? The principles that make up the foundation of our country and form of government? Or is it just money? And unchecked and unaccountable power?

Bottom line? If the IBT and L747 refuse to provide access to necessary accounting data, the union forfeits, and all its expenses are considered non-germane for dues objectors. Union officials *cannot* have it both ways. It's their choice.

As a layman, I have strived to provide all of my filings on these issues to the best of my abilities. If I have failed to follow any structural or legal procedures I asked that they be considered as unintentional.

I pray for relief.

Respectfully submitted,

A handwritten signature in black ink that reads "Steve Nieman". The signature is written in a cursive, slightly slanted style.

Steve Nieman