

STEVE NIEMAN, President
The OWNERSHIP UNION
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1 June 15, 2009

2 Mr. David Ross, Temporary Trustee
3 IBT Local 747
4 1419 FM 1960 Road
5 Houston, TX 77073

6 Re: Financial Corruption and/or Malpractice at L747; Monies Owed to Members
7 and Service Fee Payors

8 VIA: Registered mail; return receipt requested #70070220000401368772

9 Dear Mr. Ross:

10 As a long term Horizon Air pilot ("HAP"), I resigned from the Teamsters on
11 Nov. 18, 2002 and joined another union, the Ownership Union®. I currently serve as
12 President of this union. I have been paying a service fee to L747 through the
13 Ownership Union® since my resignation.

14 About six weeks ago, I learned that the on-going financial corruption at L747 has
15 finally been exposed. I also learned that General President James P. Hoffa has
16 ordered an emergency trusteeship. In his April 15, 2009 letter, Mr. Hoffa wrote
17 about the financial improprieties of L747 officials, which included the forced
18 collection of back dues from pilots prior to the negotiation of a collective bargaining
19 agreement. This happened at Horizon Air, starting in Aug. 2000 and continued until
20 the first contract was ratified on Sept. 6, 2001.

21 I was involved in and won a four-year arbitration with L747 from 2003-2007,
22 where the arbitrator awarded me a higher reduction percentage of fees that L747
23 officials claimed I had to pay or be fired. Included in my pleadings was my
24 assertion that the back dues were illegal according to case law such as *Ellis v.*
25 *Railway Clerks*, as well as repeated promises from organizing Teamster officials on
26 numerous occasions not to collect any dues until the first contract had been ratified.

27 I further asserted that this action tainted voting. L747 officials threatened to
28 prevent HAPs who hadn't paid back dues to vote on the initial contract that would
29 establish membership! At the last minute, they relented and permitted all HAPs to

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30 vote on the first contract that defined their new relationship with the union and
31 their employer.

32 This was not the case for the QXTeamster special assessment vote on Dec. 7,
33 2001. Almost half of the 308 votes were voided due to pilots not being paid up back
34 to Aug. 2000, and the assessment vote of an additional .0025 (1/4 of 1%) obligation
35 passed. These ballots were voided even though HAPs were still in the 90 day
36 Agency Shop window per the contract that allowed them time to decide whether or
37 not to join. My ballot was voided even though I had paid all back dues, which
38 eventually lead to my resignation and my parting ways with the Teamsters.

39 Subsequently, by President Hoffa's own admission, I have been harmed, and I
40 demand that the Teamsters reimburse me the back dues and the special
41 assessment money that I have paid. According to my records, I paid back dues
42 totaling \$1,105 and have paid assessment dues of \$1,800.75 through May of this year.
43 The grand total is \$2,905.75 which I am demanding that I be paid. We can discuss
44 interest or other ways of making me whole for the loss of the use of my money over
45 this substantial period of time. Additionally, I demand that I not be required to pay
46 any further monthly special assessment dues into the future.

47 Enclosed in this mailing is a check for \$564.76, which pays up my on-going
48 service fee obligation through May of this year.

49 I would appreciate a prompt response in satisfying my demand.

50 Sincerely,



51
52 Steve Nieman

53 email cc: Mr. Richard Foley, Chairman, the Ownership Union®