July 1, 2014

Mr. James C. McKenna President & CEO Pacific Maritime Association 550 California Street, 3rd Floor San Francisco, CA 94105

LETTER OF UNDERSTANDING Amnesty

Mr. McKenna:

This confirms the Employers' agreement that there will be no discipline, grievances, or legal claims (and any pending claims will be withdrawn) against the Union or any individual bargaining unit worker for any acts of alleged misconduct that may have occurred between July 1, 2014 and the signing of the 2014 Memorandum of Understanding, with the exception of issues related to Section 13. In addition, all pending Section 9.41, PCLCD complaints shall be withdrawn. This confirms the Union's agreement that there will be no grievances or legal claims (and any pending claims will be withdrawn) against the PMA or any individual employer for any actions related to bargaining that may have occurred between July 1, 2014 and the signing of the 2014 Memorandum of Understanding.

As a further aspect of the general amnesty, this confirms the Employers' agreement that, with the exception of issues related to Section 13, all pending complaints against bargaining unit workers that occurred at ICTSI's Terminal 6 in the Port of Portland between June 2012 and the signing of the 2014 Memorandum of Understanding shall be withdrawn. In addition, this confirms the Union's agreement that, with the exception of issues related to Section 13, all pending complaints against ICTSI in the same period shall be withdrawn. This agreement does not affect pending legal claims.

Sincerely,

/s/ Robert McEllrath

Robert McEllrath
International President