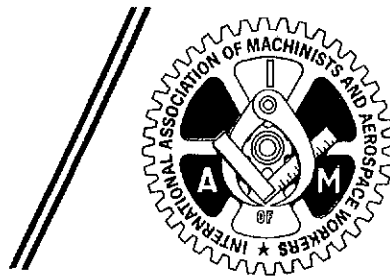


**International
Association of
Machinists and
Aerospace Workers**



9000 Machinists Place
Upper Marlboro, Maryland 20772-2687

Area Code 301
967-4500



OFFICE OF THE INTERNATIONAL PRESIDENT

LL S6

March 17, 2008

TO THE MEMBERS OF LOCAL LODGE S6

Dear Sisters and Brothers:

I am the President of the International Association of Machinists and Aerospace Workers ("IAM"), the international union with which your local union, Local Lodge S6, is affiliated. I am writing to provide you with important information about your Lodge, but before doing so, I want to say a few words about the IAM.

The IAM, also known as the Grand Lodge, is a large, international labor union, representing hundreds of thousands of workers in many different industries and occupations throughout the United States and Canada. Our sole purpose is to raise the living standards and improve the working conditions of those we represent. We do this by negotiating collective bargaining agreements with employers, like Bath Iron Works ("BIW"), and then by making sure that the terms of those agreements are respected.

The IAM provides collective bargaining services to its members through affiliated local and district lodges, like Local Lodge S6. And, while every local and district governs itself through its own bylaws, *all* IAM lodges are governed by the IAM Constitution. This is a document that is written and revised by democratically elected delegates – members just like you – at a Grand Lodge Convention every four years. In addition, the IAM and every one of its district and local lodges must comply with federal laws, which impose strict requirements on how union officials handle the money they receive from union members and on how they represent you, the membership.

For some time, the IAM has received reports of financial and other mismanagement at Lodge S6. We have tried to work with lodge officers to correct these problems, but recent events have made it clear that stronger steps are needed. Here are just a few of the serious problems that have been brought to our attention:

- In recent weeks, we received complaints of vast amounts of **pornography** being viewed on Lodge computers, both at the worksite and at the Lodge office, while individuals have been on paid union time. An analysis of Lodge computers has confirmed the accuracy of these complaints. Such conduct is completely

unacceptable. It is conduct unbecoming union members and officials, it exposes the Lodge to serious legal liability, and it brings dishonor upon the entire IAM. One computer contained photos of young children in suggestive poses. The appropriate law enforcement authorities are being notified about these materials.

- For some months, **U.S. Department of Labor investigators** have been reviewing what they believe to be serious lapses in Lodge financial controls. Among the issues we understand are being examined are:
 - The Lodge's failure to maintain appropriate accounting, inventory, and controls over the purchase, sale, and storage of **union-label merchandise**. One report indicates that the amounts in question and unaccounted for may exceed **\$100,000**.
 - The Lodge's failure to promptly cease certain practices involving **BIW payments to Lodge officers** after repeatedly being advised that such payments were unlawful;
 - The Lodge's payment of an employment **bonus** for which there was not proper authorization.
- It also appears that **tens of thousands of dollars** are being paid out monthly for "lost time" that is not properly documented or authorized, and **thousands of dollars** worth of **computer** equipment has been purchased without proper explanations of the legitimate union need for the item, proper authorization, and virtually no controls as to where the equipment is being used and by whom.
- Local Lodge **debts**, including more than **\$11,000** due to the **American Arbitration Association** and outstanding bills from **local, community merchants**, have been allowed to accrue jeopardizing the union's standing in the community and its ability to represent members who have contract disputes.
- The Lodge has allowed an enormous **backlog of grievances** and cases pending arbitration to accumulate by negligently failing to process grievances, to sort out those lacking in merit, and allowing the time limits on numerous grievances to lapse.
- Lodge leaders failed to follow IAM election policies and procedures prior to the Lodge's elections last Fall. This resulted in a **protest** being filed with the IAM, and a **required re-run election**. Had IAM procedures been followed, the Lodge could have saved about **\$10,000**.

The serious problems listed would be grounds enough for IAM action at this time. In addition, however, we are deeply concerned about the refusal and/or resistance of certain individuals to follow the IAM's tried and tested procedures for negotiating with large employers like BIW. A well-trained negotiating committee that speaks with one voice to management is the absolute key to delivering a successful contract for our members. One only has to look at our recent experience with Lockheed Martin, where we delivered record increases in pay and

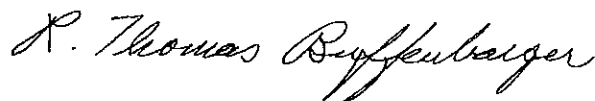
contributions to the IAM Pension Plan, to know that our program works. You and your families, like our members at Lockheed, deserve our very best efforts.

In sum, we no longer have a choice about whether to take steps to correct the serious financial irregularities and to restore sound management to Lodge S6. While we respect the rights of local lodges to conduct their own affairs, and that is why we have been reluctant to impose a trusteeship until now, we can wait no longer. Accordingly, with the approval of the IAM Executive Council and with the authority vested in me by Article VI, Section 9 of the IAM Constitution, I have appointed Grand Lodge Representative Bill Rudis to serve as temporary trustee of the Lodge, effective March 17, 2008. All current Lodge officials are hereby suspended from their union positions, pending reappointment as deputy assistants by the temporary trustee, as necessary and appropriate.

The IAM Constitution requires that a hearing be convened within 30 days to determine whether the trusteeship should be continued or dissolved. I have appointed a trial committee to conduct the hearing and to make recommendations to me. The hearing will be open to all members of the Lodge, and you are free to present testimony in favor of, or against, continuation of the trusteeship. The hearing will be held on Monday, April 14, 2008, at the District Lodge 4 office in Topsham, Maine, starting at 9:00 a.m. Further information about the trusteeship and hearing procedures may be found by consulting Article VI of the IAM Constitution.

I hope this letter explains why your International Union is involved in the affairs of your Lodge and assures you that we have no desire to extend that involvement unnecessarily. I encourage you to get involved in your union, and I have every confidence that you will take whatever steps are necessary to ensure that the Lodge is in full compliance with all legal and fiduciary duties.

In Solidarity,



R. Thomas Buffenberger
INTERNATIONAL PRESIDENT

RTB/pt

cc: Mart, GST
Tucker, GVP
Rudis, GLR