

AGREEMENT FOR FINAL AND BINDING ARBITRATION OF DISPUTE

This AGREEMENT FOR FINAL AND BINDING ARBITRATION OF DISPUTE (“Arbitration Agreement”) is entered into by and between UNITE HERE as one party and Workers United, an affiliate of SEIU, and Service Employees International Union (“SEIU” and, together with Workers United, “Workers United/SEIU”) as the other party, on this ____ day of June 2009 (the “Effective Date”) with an intent to be legally bound.

WHEREAS, the labor movement faces an unprecedented opportunity to create a progressive political agenda in the interests of working families and in particular an opportunity to create conditions for massive organization of unorganized workers; and

WHEREAS, the dispute between UNITE HERE and Workers United/SEIU has diverted these unions from focusing on serving their members and organizing their industries and has provided ammunition to anti-labor forces; and

WHEREAS, an immediate end to this dispute is necessary if the labor movement is to take advantage of the opportunity before us; and

WHEREAS, the parties have been unable to negotiate a settlement despite many attempts, including two mediation efforts; and

WHEREAS, President Joseph Hansen of the United Food and Commercial Workers Union presented a proposal to the parties to resolve the dispute (the “Hansen Proposal”) after many mediation sessions in which he became knowledgeable of the facts and positions of the parties, and both parties have indicated that they could accept the Hansen Proposal with some modifications; and

WHEREAS, this Arbitration Agreement provides for a final and binding solution to the dispute between the parties so that an immediate end to hostile action is necessary and appropriate upon the execution of this Arbitration Agreement;

THEREFORE, it is agreed:

1. Binding Arbitration: The parties agree to final and binding arbitration to resolve all aspects of their dispute as set forth below.
2. Scope of Arbitration: The Arbitration Panel shall resolve the issues in dispute between the parties, namely:
 - a. Geographic and industrial jurisdiction for future organizing,
 - b. Division of International Union assets and assignment of International Union liabilities as of the time of the arbitration hearing,

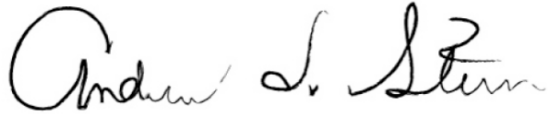
- c. Process to resolve affiliation of particular locals/bargaining units where a party establishes by objective evidence that the choice of the membership was genuinely in dispute,
 - d. Rights to the names “UNITE” and “HERE”,
 - e. Control over the archives of UNITE HERE and its predecessor unions;
 - f. Terms for ending all hostile action between the parties and remedies for non-compliance; and
 - g. Terms for enforcement of an Arbitration Award and remedies for non-compliance therewith.
3. Arbitration Standards: The Arbitration Panel shall use the Hansen Proposal as the framework for its decision.
 4. Final Offer Arbitration: The Arbitration Panel shall choose between the Final Offers submitted by each party to the Arbitration Panel (leaving open whether to consolidate or separate the issues in dispute). The Arbitration Panel has no authority to modify the Final Offer of either party or to accept aspects of one or the other Final Offer. It is authorized to select the Final Offer made by one party or the other, establish procedural rules consistent with this Arbitration Agreement, and to enforce its award.
 5. Composition of the Arbitration Panel: Each party shall select an Arbitrator, who is not an officer, employee or agent of that party. The two Arbitrators shall agree upon a third Arbitrator who shall be a person of the highest integrity and who is very knowledgeable about the labor movement. The Arbitration Panel shall make its award by majority vote.
 6. Arbitration Procedure and Time Limits:
 - a. The parties shall select their Arbitrators within three (3) days of the Effective Date.
 - b. The two Arbitrators shall select the third arbitrator within seven (7) days of the Effective Date. If they are unable to agree upon a third Arbitrator, President Joseph Hansen shall promptly select the third Arbitrator.
 - c. The parties shall exchange written proposals five (5) days after the Effective Date.
 - d. The parties shall review the proposals and seek to reach a negotiated settlement. The parties are free to modify their proposals.
 - e. The Arbitration Panel shall schedule mediation before itself or Pres. Hansen to be completed between ten (10) and fourteen (14) days after the Effective Date.
 - f. Absent a settlement, the parties shall submit their Final Offers to the Arbitration Panel fifteen (15) days after the Effective Date. The parties may submit briefs and/or supporting documents at that time.
 - g. The Arbitration Panel shall schedule a meeting promptly after the submission of Final Offers, but in no case later than ten (10) days after submission, at which meeting the parties may present their arguments in favor of their Final Offers.
 - h. The Arbitration Panel shall render an award within fourteen (14) days of the meeting.

7. Cessation of Hostilities: The parties shall immediately cease all hostile action directed against each other. Specifically, the parties shall:
- Cease any effort to pressure or convince employers to refuse, in whole or in part, to recognize the union of their employees or refuse to comply with their collective bargaining agreements, including but not limited to refusing to process grievances or arbitrations, bargain contracts, or remit dues. Cessation shall include a public written rescission of any demand, request or advice to engage in any of the conduct set forth in this paragraph 9(a).
 - Cease all action aimed at persuading members of the other party to change their union affiliation or to influence the actions or positions of their union, unless and only to the extent specifically permitted by the Arbitration Award,
 - Cease filing legal, equitable, regulatory or disciplinary actions of any kind against the other party, its officers, agents, attorneys or representatives or against any employer if such filing violates paragraph 9(a).
 - Seek to stay all legal, equitable, regulatory and disciplinary actions arising from the UNITE HERE—Workers United/SEIU dispute and seek their resolution in accordance with the terms of the Arbitration Award,
 - Cease all interference with organizing efforts by the other party until a settlement or award, at which time each party must comply with the settlement/award's resolution of organizing jurisdiction issues and
 - Cease all negative publicity concerning the other party.
8. Negotiated Settlement : It is the hope of the parties that the arbitration process agreed to herein will produce a mutually acceptable negotiated settlement. If so, the parties shall be bound to the terms of that settlement and no Arbitration Award shall issue.
9. Authority of Signatories: The signatories below represent that they have the authority to bind their organizations and the affiliates of their organizations to full compliance with this Arbitration Agreement.
10. Enforceable in Federal Court: This Arbitration Agreement is a contract between labor organizations and is enforceable in federal court pursuant to Sec. 301 of the Labor Management Relations Act, and any other applicable law. Any Arbitration Award arising from this Arbitration Agreement is likewise enforceable in federal court. The parties agree that venue lies in the Southern District of New York for any action to enforce this Arbitration Agreement or any Arbitration Award . Neither party may undertake any action to set aside or modify any Arbitration Award arising from this Arbitration Agreement.

11. Modification: This Arbitration Agreement may be modified only by a writing executed by all three signatories to the agreement.

This specific offer of an Agreement for Final and Binding Arbitration of Dispute remains open until 12:01 am on July 1, 2009 only. It is withdrawn if not accepted by that deadline.

Agreed to:



Andy Stern, President SEIU



Bruce Raynor, President Workers United, an SEIU Affiliate



Edgar Romney, Secretary-Treasurer Workers United, an SEIU Affiliate

John Wilhelm, President UNITE HERE
