

May 21, 2011

NAVISTAR UNIT UPDATE

C.A.W. Local 127

Dear Sisters and Brothers:

A meeting was held on May 19, 2011 between the National Union and the Company. Present at the meeting were Brother Lewenza, Brother Chernecki and Brother Peter Kennedy. Discussion took place in regard to the future of the Chatham Plant. The meeting was reported to have lasted for approximately 40 minutes.

On May 21, 2011 a Conference Call took place and those on this call were the Bargaining Committee, Brother Lewenza and Brother Chernecki. As I have always stated, the Bargaining Committee remains obligated to being transparent in our reporting to the Members, therefore the following was reported to be discussed on May 19, 2011:

There has been some ongoing conversation between the parties about the potential of Military Product being built in Chatham. This was not the first time the Company has approached the National Union about this possibility. It was the first time that the Company stated that perhaps this item was "over exaggerated" and may not be a viable option for Chatham in the near future. The Company brought forward the issue of the current market and their ability based on capacity at their other facility's to build trucks. They stated they have the capacity to meet the market demand.

The Company has claimed since the onset of Bargaining in May of 2009 that they had no intention of closing the Chatham facility and even prior to this. During the meeting held on the 19th of May, it was the first time this possibility was raised by the Company. No formal notice has been given of such an event, and unless one is given to us, we will continue to operate as "laid off".

Is anything any clearer than it was in June of 2009? No. The Company announced to the public in January of 2011 that they would make a decision in 2011 about the future of the Chatham Plant. During the meeting the Company announced they will go to the Board of Directors with all of the possible solutions in Chatham and look for a decision from them.

When a decision is rendered by the Company, the Bargaining Committee remains committed to doing the best we can do regardless of circumstance on behalf of the Membership.

In Solidarity,

Cathy Wiebenga – Plant Chairperson