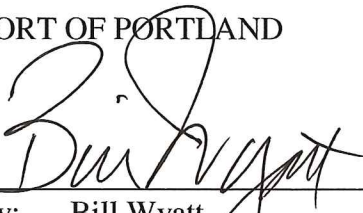


AGREEMENT AND MEMORANDUM OF UNDERSTANDING

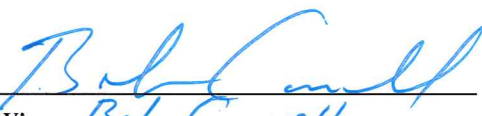
Effective: December 12, 2013

1. This Agreement and Memorandum of Understanding (“Agreement”) is between the District Council of Trade Unions (“DCTU”) and IBEW Local 48 (“Local 48”) on the one hand, and the Port of Portland (“Port”) on the other. Collectively, the DCTU, Local 48 and the Port are referred to in this Agreement as “the Parties.”
2. This Agreement is entered into contemporaneously with the Parties’ “Work Assignment Agreement Regarding the Work Assignment Dispute at Port of Portland Terminal 6.”
3. With respect to the Scope of Agreement section of the July 1, 2012 – June 30, 2016 collective bargaining agreement between the Port and the DCTU for Employees at the Marine Terminals (the “2012-2016 CBA”), the Parties acknowledge and agree that the Local 48 work jurisdiction described in the Scope of Agreement of the 2012-2016 CBA (or the then-applicable successor to the 2012-2016 CBA’s Scope of Agreement section) will apply to the Port’s employment of Local 48 members at any new marine terminal that the Port may create, develop or establish in the future.
4. In addition, the Port commits to work with Local 48 in good faith to promptly establish an electrician apprenticeship program or opportunities at the Port.
5. This Agreement is not intended to and does not alter in any way the Scope of Agreement section (or any other section) of the 2012-2016 CBA as it applies to the Port and any member or members of the DCTU other than Local 48.

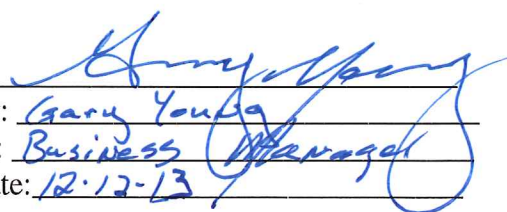
PORT OF PORTLAND


By: Bill Wyatt
Its: Executive Director
Date: 12/13/13

THE DISTRICT COUNCIL OF TRADE UNIONS


By: Bob Carroll
Its: President
Date: 12/13/13

IBEW LOCAL #48


By: Gary Young
Its: Business Manager
Date: 12-12-13

WORK ASSIGNMENT AGREEMENT REGARDING THE WORK ASSIGNMENT DISPUTE AT PORT OF PORTLAND TERMINAL 6

Effective: December 12, 2013

At the request of Governor Kitzhaber, the Port of Portland ("Port"), the District Council of Trade Unions ("DCTU"), and IBEW Local 48 ("IBEW") (collectively "the Parties") are entering into this Work Assignment Agreement ("Agreement") in order to:

- Respond to the recent announcement of Hanjin that it intends to cease calling on Terminal 6 after the end of the year due to poor labor productivity and corresponding increased costs at the Terminal;
- Induce the ILWU (and ILWU Locals 8 and 40) (collectively "ILWU") to restore and maintain labor productivity at its historic level at Terminal 6;
- Induce PMA member carriers to call on Terminal 6 at historic levels; and
- Assist the Governor in his efforts to mediate a full and final settlement between all parties involved in the on-going Terminal 6 disputes.

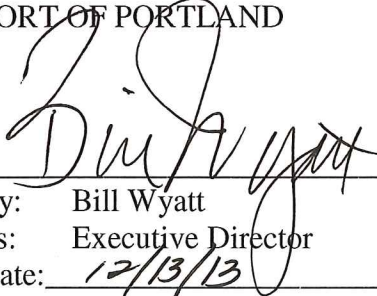
Agreement

1. The Disputed Work. The Parties recognize that the ILWU's claims to the reefer plug, unplug and monitoring or refrigerated container work at the Port (the "Disputed Work") have been rejected by United States District Court Judge Michael Simon and twice by the NLRB. The Parties also recognize that the Disputed Work is and has been controlled by the Port and has been performed by IBEW members since Terminal 6 was established in the mid-1970s. Nothing in this Agreement is intended to modify, alter or undermine the Parties' continuing position that the Port had and continues to have the right to control the Disputed Work.
2. The 2012 Settlement Agreement. The Port, DCTU and the IBEW entered into a June 13, 2012 Settlement Agreement resolving grievances that the IBEW brought against the Port in June 2012 concerning the Disputed Work alleging a violation of the parties' collective bargaining agreement. The Parties acknowledge and agree that the 2012 Settlement Agreement remains in effect and the parties further agree that this Agreement will not be considered a violation of the 2012 Settlement Agreement.
3. Port's Temporary Performance of the Disputed Work Using a Contractor.
 - 3.1 The DCTU and IBEW agree that, during the Dispute Resolution Period (defined below), the Port may instruct its IBEW employees not to perform the Disputed Work. DCTU and IBEW further agree that the Port may have the Disputed Work temporarily performed for it by a contractor in lieu of assigning the work to the Port's IBEW employees. The DCTU and IBEW understand that the contractor


selected by the Port to temporarily perform the Disputed Work for the Port may employ ILWU labor. The DCTU and IBEW further agree that such instruction not to perform the Disputed Work or the temporary use of a contractor to perform the Disputed Work will not be the subject of any further grievance or work action by the IBEW or DCTU, and that the Port's IBEW employees will honor the Port's instructions concerning the Disputed Work.

- 3.2 For purposes of this Agreement, the term "Dispute Resolution Period" means the period of time beginning as of the date of this Agreement during which the Port believes, subject to its sole discretion, that there is reasonable prospect of labor productivity at Terminal 6 returning to and sustained at its historic levels, and ending at such time as the Port has, in its sole discretion, finally exercised the options set forth in paragraph 4 below.
4. Port May Relinquish Its Right to Control the Disputed Work. If the Port concludes at any time, in its sole discretion, that labor productivity at Terminal 6 has returned, or is likely to return to, and will be sustained at its historic levels, then the DCTU and IBEW hereby consent to release of the Disputed Work from the their jurisdiction under the present and any future Port-DCTU collective bargaining agreement and to the Port relinquishing control of some or all of the Disputed Work. The DCTU and IBEW agree that they (and each of them) will assert no grievance, claim, objection or challenge should the Port decide to relinquish its right to control the Disputed Work through transfer of the Disputed Work either (i) to ICTSI's control under the Terminal 6 Lease or (ii) to some other entity. The Port may exercise this option to relinquish its right to control the Disputed Work at any time, in the Port's sole discretion.
5. Using the flexibility provided by the DCTU and IBEW through this Agreement, the Port may seek to induce the ILWU to return and sustain labor productivity at Terminal 6 to its historic levels by means of (i) a temporary assignment of the Disputed Work to a contractor employing ILWU labor (while the Port retains control of the Disputed Work) as provided in paragraph 3 above, and/or (ii) the Port relinquishing control of the Disputed Work as provided in paragraph 4 above.
6. The Port will ensure that the current DCTU-IBEW employees of the Port who are affected by the Port's instruction not to perform the Disputed Work, or by the Port's decision to exercise its option to relinquish its right to control the Disputed Work, will receive other work assignments sufficient to make up for any lost hours resulting from lack of assignments to perform the Disputed Work.
7. Except as expressly provided in this Agreement with respect to the Disputed Work, nothing in this Agreement is intended to affect or limit any DCTU-IBEW work jurisdiction rights under any collective bargaining agreement between the DCTU and the Port.
8. Nothing in this Agreement gives, or shall be construed to give, or provide any benefit, direct, indirect, or otherwise, to third persons or legal entities other than the Parties, including but not limited to, ICTSI or the ILWU or any of its affiliated local unions.

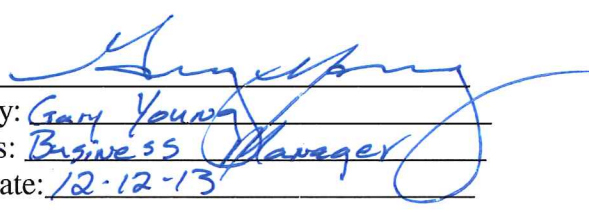
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