

From: Matthew Cox at HQ x4556 [MCox@matson.com]
Sent: Monday, February 01, 2010 3:29 PM
To: MFEC Brea; MFEC Chicago; MFEC Concord; MFEC Florida; MFEC Georgia; MFEC Guam; MFEC Hayward; MFEC Hilo; MFEC Honolulu; MFEC Kahului; MFEC Louisiana; MFEC Nawiliwili; MFEC New York; MFEC Oak HQ; MFEC OAK PACA; MFEC Oakland Terminal; MFEC Ohio; MFEC Phoenix; MFEC Portland; MFEC Seattle; MFEC Terminal Island; MFEC Texas; MFEC Utah; MFEC-Other
Subject: Matson Federal Election Committee
Attachments: FEC Payroll Deduction.doc

Dear Fellow Employee,

In 2009, Matson faced challenges on several fronts to revoke the coastwise license of *Mokihana* and restrict the ability of Matson to perform repair work on its vessels in China. In addition to winning the court case over *Mokihana*, Matson was successful in derailing proposed legislation that would have retroactively changed the law under which Matson performed modifications to its vessels in China. The strong relationships that Matson has developed with key Members of Congress were important factors in this victory. We will need their support in 2010 as more attempts at legislative and regulatory changes are made.

The Jones Act is the single most important piece of legislation to Matson. The Members of Congress now representing Hawaii have always been ardent supporters. Daniel Inouye, the senior Senator from Hawaii, and Representative Mazie Hirono are up for reelection this year. In addition, the mid-term elections of 2010 will see a new face in the U.S. House of Representatives representing Hawaii as Neil Abercrombie is resigning his seat, after serving since 1991, to run for Governor of Hawaii. It is important that whoever is elected to take his place in the House understands the importance of the Jones Act to Hawaii. Colleen Hanabusa is the only candidate who supports the Jones Act. The other two candidates, Ed Case and Charles Djou, want to exempt Hawaii from the Jones Act. When Case was in Congress before, he introduced three bills in Congress that would have amended or repealed the Jones Act. Matson was able to galvanize support from other Members of Congress to defeat the bills.

Just as Matson needs the support of Congress on these vital issues, Members of Congress need our support to win elections. The Matson Federal Election Committee ("MFEC") is the only means Matson has to contribute to candidates for federal office. Direct corporate contributions are prohibited. The MFEC is funded entirely by the donations of Matson employees like you. The generosity of those who have contributed to the MFEC has given Matson a voice to shape industry positions on critical maritime issues. Please be assured that your contributions are especially appreciated in these difficult economic times, and that your Committee makes every effort to insure your money is spent effectively.

The MFEC budget for 2010 totals \$30,300, which is a very modest sum for a company of Matson's size and stature. As always, MFEC campaign contributions to Members of Congress are based on their support for the American maritime industry, their constituent relationship with Matson, and their degree of involvement on issues of importance to the company. You are welcome to discuss any of MFEC's campaign contributions with me, Kevin O'Rourke or Sloan White at any time.

I ask that you send a check, payable to "Matson Federal Election Committee," to MFEC Treasurer John Dennen, or fill out the attached monthly automatic payroll deduction form that can be discontinued or changed at any time. Thank you for your continuing generosity.

Sincerely,

Matt Cox

Personal and Confidential

MATSON FEDERAL ELECTION COMMITTEE

PAYROLL DEDUCTION AUTHORIZATION

To: Donna Simon
Matson Federal Election Committee
555 12th Street
Oakland, CA 94607

| | |
|----------------------------|---------------------|
| _____ NAME | _____ LOCATION |
| _____ SOCIAL SECURITY # | _____ DEPARTMENT |

I hereby authorize Matson Navigation Company, Inc., on a continuing basis, to deduct from my pay \$ _____ (minimum \$2.00) per month and to transmit the amounts to the Matson Federal Election Committee. This deduction is to be continued until revoked by me in writing.

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|--------------------------------|-----------------------|----------------|--------------|
| _____ SIGNATURE OF EMPLOYEE | _____ HOME ADDRESS | | |
| _____ DATE | _____ CITY | _____ STATE | _____ ZIP |