AGREEMENT

between

ArcelorMittal USA

and the

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union

September 1, 2008

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ARTICLE ONE - AGREEMENT

Section A. Parties to the Agreement

1. This Agreement, dated as of September 1, 2008 for the Employees of ArcelorMittal USA (the Basic Labor Agreement, BLA, or the Agreement), is between ArcelorMittal USA (or the Company as further defined below) and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, or its successor (the Union or USW or United Steelworkers) on behalf of the Employees of the Company (as defined in Article Two, Section A (Coverage) at its facilities in Hennepin, Illinois, both facilities in East Chicago, Indiana, Cleveland, Ohio, Warren, Ohio, Riverdale, Illinois, Burns Harbor, Indiana, Conshohocken, Pennsylvania, Coatesville, Pennsylvania, Steelton, Pennsylvania, Lackawanna, New York, Virginia, Minnesota, Georgetown, South Carolina and Weirton, West Virginia.

2. Except as otherwise provided in this Agreement, the Company shall include any current or future Affiliate of ArcelorMittal USA.

    a. An Affiliate shall mean any business enterprise that Controls, is under the Control of, or is under common Control with ArcelorMittal USA.

    b. Control of a business enterprise shall mean possession, directly or indirectly of either;

        (1) fifty percent (50%) of the equity of the enterprise; or

        (2) the power to direct the management and policies of said enterprise.

3. Except as otherwise provided in this Agreement the Company shall exclude (Excluded Entity): (i) the Parent (the publicly-traded entity); (ii) those of its Affiliates that are neither domiciled nor do business in the United States; (iii) the current affiliates associated with its investment in I/N Tek and I/N Kote, provided that such affiliates do not acquire or otherwise gain control of any additional entities; (iv) any current or future affiliates of ArcelorMittal USA which are established solely for the bona fide business purpose of securitizing or facilitating financing arrangements of ArcelorMittal USA or for participation in the trading, distribution or logistics of materials produced by ArcelorMittal USA Affiliates, and (v) Walker Wire USA provided that it neither expands its operations nor acquires an additional entity(ies).

Section B. Term of the Agreement

1. The effective date of the Agreement shall be September 1, 2008, (the Effective Date) except as otherwise expressly provided.

2. Except as otherwise provided below, this Basic Labor Agreement shall terminate at the expiration of sixty (60) days after either party shall give written notice of termination to the other party, but in any event shall not terminate earlier than September 1, 2012 (the Termination Date).

3. If either party gives such notice, it may include therein notice of its desire to negotiate with respect to Insurance, Pensions, Successorship and Supplemental Unemployment Benefits. If the parties do not reach agreement with respect to such matters by the Termination Date, either party may thereafter resort to strike or lockout, as the case may be, in support of its position with respect to such matters, as well as any other matter in dispute. This Paragraph shall apply to all such matters, including Insurance, Pensions, Successorship and Supplemental Unemployment Benefits, notwithstanding any contrary provision of existing agreements on those subjects.

4. Any notice to be given under this Agreement shall be given by certified mail and shall be postmarked by the required date. Mailing of notice to the Union should be addressed to the United Steelworkers of America, Five Gateway Center, Pittsburgh, Pennsylvania 15222; mailing of notice to the Company should be addressed to 1 S. Dearborn Street, 19th Floor, Chicago, IL 60603. Either party may, by like written notice, change the address to which certified mail notice shall be given.

ARTICLE TWO – UNION SECURITY

Section A. Recognition and Coverage

1. The Company recognizes the Union as the exclusive representative of a bargaining unit made up of production, maintenance, office, technical, clerical and railroad employees of the Company, excluding only managers, confidential employees, supervisors and guards as defined under the National Labor Relations Act. Individuals in the bargaining unit shall be known as "Employees." Individuals who are employed by the Company and are not in the bargaining unit shall be known as "non-bargaining unit employees." Individuals who are in the bargaining unit and those who are not in the bargaining unit shall be known collectively as "employees."

2. Except as expressly provided herein, the provisions of this BLA constitute the sole procedure for the processing and settlement of any claim by an Employee or the Union of a violation by the Company of this Agreement. As the representative of the Employees, the Union may process grievances through the grievance procedure, including arbitration, in accordance with this BLA or may adjust or settle same.

3. When the Company establishes a new or changed job whose duties include a material level of production, maintenance, office, technical or clerical work; the resulting job shall be considered a job covered within the bargaining unit; provided that where non-bargaining unit duties are added to a job in the bargaining unit on a temporary basis, they may be withdrawn.

4. It is understood that supervisors at a plant shall not perform work on a job normally performed by the bargaining unit except:

   a. experimental work;

   b. demonstration work performed for the purpose of instructing and training Employees;

   c. work required by conditions which, if not performed, might result in interference with operations, bodily injury or loss or damage to material or equipment; and

   d. work that would be unreasonable to assign to an Employee or which is negligible in amount.

5. If an individual other than an Employee performs work in violation of Paragraph 4 and the Employee who otherwise would have performed this work can

reasonably be identified, the Company shall pay such Employee his/her applicable Regular Rate of Pay for the time involved or for four (4) hours, whichever is greater.

Section B. Union Membership and Dues Checkoff

1. Each Employee who, on the effective date of this provision, is a member of the Union and each Employee who becomes a member after that date shall, as a condition of employment, maintain membership in the Union. Each Employee who is not a member of the Union on the effective date of this provision and each Employee who is hired thereafter shall, as a condition of employment, beginning on the thirtieth (30th) day following the beginning of such employment or the effective date of this provision, whichever is later, acquire and maintain membership in the Union.

2. Should the above provision be unenforceable for any reason, then, to the extent permitted by law, each Employee who would be required to acquire or maintain membership in the Union if the provision in Paragraph 1 above could lawfully be enforced, and who fails voluntarily to acquire or maintain membership in the Union, shall be required, as a condition of employment, beginning on the thirtieth (30th) day following the beginning of such employment or the effective date of this provision, whichever is later, to pay to the Union each month a service charge as a contribution towards the Union's collective bargaining representative expenses. The amount of the service charge, including an initiation fee if applicable, shall be as designated by the International Union Secretary-Treasurer.

3. Wherever Paragraph 1 or 2 above is applicable:

   a. The Company will check off monthly dues or service charges, including, where applicable, initiation fees and assessments, each in amounts as designated by the International Union Secretary-Treasurer, effective upon receipt of individually signed voluntary checkoff authorization cards. The Company shall within ten (10) days remit any and all amounts so deducted to the International Union Secretary-Treasurer with a completed summary of USW Form R-115 or its equivalent.

   b. At the time of employment, the Company will suggest that each new Employee voluntarily execute an authorization for the checkoff of amounts due or to be due under Paragraph 1 or 2 above. A copy of the card will be forwarded at the time of signing to the Financial Secretary of the Local Union.

c. The Union will be notified of the amount transmitted for each Employee (including the hours and earnings used in the calculation of such amount) and the reason for non-transmission, such as in the case of interplant transfer, layoff, discharge, resignation, leave of absence, sick leave, retirement, death or insufficient earnings.

d. The International Union Secretary-Treasurer shall notify the Company in writing of any Employee who is in violation of any provision of Paragraph 1 or 2 above.

e. The Union shall indemnify the Company and hold it harmless against any and all claims, demands, suits and liabilities that shall arise out of or by reason of any action taken by the Company for the purpose of complying with the foregoing provisions.

Section C. PAC and SOAR Checkoff

1. The Company will deduct Political Action Committee (PAC) contributions for active Employees who have submitted authorization for such deductions from their wages and for retirees who have submitted authorization for such deductions from their pension. Such deductions shall be on a form reasonably acceptable to the Company and shall be promptly remitted to the Secretary-Treasurer of the USW PAC Fund.

2. For retirees who are or wish to become members of the Steelworkers Organization of Active Retirees (SOAR) and who have submitted authorization for such deductions from their pension, the Company will deduct SOAR dues from their pension. Such deductions shall be on a form reasonably acceptable to the Company and shall be promptly remitted to the International Union Secretary-Treasurer.

Section D. Successorship

1. The Company agrees that it will not sell, convey, assign or otherwise transfer, using any form of transaction (any of the foregoing, a Sale), any plant or significant part thereof which is covered by this Agreement to any other party (Buyer), unless the following conditions have been satisfied prior to the closing date of the Sale:

   a. the Buyer shall have entered into an agreement with the Union recognizing it as the bargaining representative for the Employees working at the plant(s) to be sold; and

b. the Buyer shall have entered into an agreement with the Union establishing the terms and conditions of employment to be effective as of the closing date of the Sale.

2. The Company agrees that it will not consummate any transaction resulting in a Change of Control of the Company (a Transaction) unless the ultimate parent company of the entity which gains control (Newco) has satisfied the following conditions prior to the consummation of the Transaction:

a. Newco shall have recognized the Union as the bargaining representative for the Employees working at the plant(s) which are involved in the Transaction;

b. Newco shall have provided the Union with reasonable assurances that it has both the willingness and financial wherewithal to honor the commitments contained in all of the agreements between the Company and the Union applicable to the assets acquired (All USW Agreements);

c. In transactions not subject to paragraph d below, Newco shall have assumed all USW Agreements; and

d. In the event the Transaction occurs less than three (3) years before the Termination Date, Newco shall have either:

(1) entered into an agreement with the Union establishing the terms and conditions of employment to be effective upon the consummation of the Transaction; or

(2) at the USW's option, either

(a) assumed All USW Agreements applicable to the assets acquired, or

(b) assumed All such USW Agreements and extended them for a period of at least three (3) years beyond their then-scheduled expiration with the terms and conditions of the period of the extension to be determined, absent a negotiated agreement, by final offer interest arbitration.

The Union shall provide Newco with notice of the choice of its option prior to the consummation of the Transaction.

3. Change of Control is defined as the gaining by any person or group of persons (as the term person is used in Sections 13(d) and 14(d) of the Securities Exchange

Act of 1934, as amended) (Person) of the power to direct the management and policies of the Company (other than Persons having such power as of the Effective Date).

4. This Section shall not apply to any transactions solely between the Company and any of its Affiliates, nor to a public offering of registered securities.

5. If the common stock of the Company is publicly traded on a nationally recognized stock exchange, then this Section shall not apply to any Transaction that results from an unsolicited tender offer or similar unsolicited transaction. This Section shall, however, apply in case of any merger or other consensual Transaction, regardless of whether that consensual Transaction results from an initial unsolicited offer.

6. Notwithstanding the provisions of Article One, Section B (Term of the Agreement), this Section shall expire one (1) year after the Termination Date.

Section E. Neutrality

1. Introduction

The Company and the Union have developed a constructive and harmonious relationship built on trust, integrity and mutual respect. The parties place a high value on the continuation and improvement of that relationship.

2. Neutrality

a. To underscore the Company's commitment in this matter, it agrees to adopt a position of Neutrality regarding the unionization of any employees of the Company.

b. Neutrality means that, except as explicitly provided herein, the Company will not in any way, directly or indirectly, involve itself in any matter which involves the unionization of its employees, including but not limited to efforts by the Union to represent the Company's employees or efforts by its employees to investigate or pursue unionization.

c. The Company's commitment to remain neutral as defined above may only cease upon the Company demonstrating to the arbitrator under Paragraph 7 below that in connection with an Organizing Campaign (as defined in Paragraphs 3(a) through 3(c) below) the Union is intentionally or repeatedly (after having the matter called to the Union's attention) materially misrepresenting to the employees the facts surrounding their

employment or is unfairly demeaning the integrity or character of the Company or its representatives.

3. Organizing Procedures

a. Prior to the Union distributing authorization cards to non-represented employees at a facility owned, controlled or operated by the Company, the Union shall provide the Company with written notification (Written Notification) that an organizing campaign (Organizing Campaign) will begin. The Written Notification will include a description of the proposed bargaining unit.

b. The Organizing Campaign shall begin immediately upon provision of Written Notification and continue until the earliest of: (1) the Union gaining recognition under Paragraph 3(d)(5) below; (2) written notification by the Union that it wishes to discontinue the Organizing Campaign; or (3) ninety (90) days from provision of Written Notification to the Company.

c. There shall be no more than one (1) Organizing Campaign in a bargaining unit in any twelve (12) month period.

d. Upon Written Notification the following shall occur:

(1) Notice Posting

The Company shall post a notice on all bulletin boards of the facility where notices are customarily posted as soon as the Unit Determination Procedure in Paragraph 3(d)(3) below is completed. This notice shall read as follows:

"NOTICE TO EMPLOYEES

We have been formally advised that the United Steelworkers of America is conducting an organizing campaign among certain of our employees. This is to advise you that:

1. The Company does not oppose collective bargaining or the unionization of our employees.

2. The choice of whether or not to be represented by a union is yours alone to make.

3. We will not interfere in any way with your exercise of that choice.

4. The Union will conduct its organizing effort over the next ninety (90) days.

5. In their conduct of the organizing effort, the Union and its representatives are prohibited from misrepresenting the facts surrounding your employment. Nor may they unfairly demean the integrity or character of the Company or its representatives.

6. If the Union secures a simple majority of authorization cards of the employees in [insert description of bargaining unit provided by the Union] the Company shall recognize the Union as the exclusive representative of such employees without a secret ballot election conducted by the National Labor Relations Board.

7. The authorization cards must unambiguously state that the signing employees desire to designate the Union as their exclusive representative.

8. Employee signatures on the authorization cards will be confidentially verified by a neutral third party chosen by the Company and the Union."

Following receipt of Written Notification, the Company may only communicate to its employees on subjects which directly or indirectly concern unionization on the issues covered in the Notice set forth above or raised by other terms of this Neutrality Section and consistent with this Section and its spirit and intent.

(2) Employee Lists

Within five (5) days following Written Notification, the Company shall provide the Union with a complete list of all of its employees in the proposed bargaining unit who are eligible for Union representation. Such list shall include each employee's full name, home address, job title and work location. Upon the completion of the Unit Determination Procedure described in Paragraph 3(d)(3) below, an amended list will be provided if the proposed unit is changed as a result of such Unit Determination Procedure.

Thereafter during the Organizing Campaign, the Company will provide the Union with updated lists monthly.

(3) Determination of Appropriate Unit

As soon as practicable following Written Notification, the parties will meet to attempt to reach an agreement on the unit appropriate for bargaining. In the event that the parties are unable to agree on an appropriate unit, either party may refer the matter to the Dispute Resolution Procedure contained in Paragraph 7 below. In resolving any dispute over the scope of the unit, the arbitrator shall apply the principles used by the National Labor Relations Board.

(4) Access to Company Facilities

During the Organizing Campaign the Company, upon written request, shall grant continuous access to well-traveled areas of its facilities to the Union for the purpose of distributing literature and meeting with unrepresented Company employees. Distribution of Union literature shall not compromise safety or production or unreasonably disrupt ingress or egress or the normal business of the facility. Distribution of Union literature and meetings with employees shall be limited to non-work areas during non-work time.

(5) Card Check/Union Recognition

(a) If, at any time during an Organizing Campaign which follows the existence of a substantial and representative complement of employees in any unit appropriate for collective bargaining, the Union demands recognition, the parties will request that a mutually acceptable neutral (or an arbitrator from the American Arbitration Association if no agreement on a mutually acceptable neutral can be reached) conduct a card check within five (5) days of the making of the request.

(b) The neutral shall confidentially compare the authorization cards submitted by the Union against original handwriting exemplars of the entire bargaining unit furnished by the Company. If the neutral determines that a simple majority of eligible employees has signed cards which unambiguously state that the signing employees desire to

designate the Union as their exclusive representative for collective bargaining purposes, and that cards were signed and dated during the Organizing Campaign, then the Company shall recognize the Union as the exclusive representative of such employees without a secret ballot election conducted by the National Labor Relations Board.

(c) The list of eligible employees submitted to the neutral shall be jointly prepared by the Union and the Company.

4. Hiring

a. The Company shall, at any facility which it builds or acquires, give preference in hiring to qualified employees of the Company then accruing Continuous Service under the Agreement. In choosing between qualified applicants, the Company shall apply standards established by Article Five, Section E (Seniority) of the Agreement.

b. The hiring provision set forth above shall not apply where the employer for the purposes of collective bargaining is or will be a Venture (as defined in Paragraph 5(a) below); provided, however, that in a case where a Venture could have an adverse impact on employment opportunities for then current Employees, then the hiring provision set forth above shall apply to such Venture as well.

c. Before implementing Paragraphs 4(a) and (b), the Company and the Union will decide how this preference will be applied.

d. In determining whether to hire any applicant (whether or not such applicant is an Employee covered by the Agreement), the Company shall refrain from using any selection procedure which, directly or indirectly, evaluates applicants based on their attitudes or behavior toward unions or collective bargaining.

5. Definitions and Scope of this Agreement

a. Rules with Respect to Affiliates and Ventures

(1) For purposes of this Section, the Company includes (in addition to the Company) any entity which is:

(a) engaged in (1) the mining, refining, production, processing, transportation, distribution or warehousing of raw materials

used in the making of steel; or (2) the making, finishing, processing, fabricating, transportation, distribution or warehousing of steel; and

(b) either an Affiliate or Venture of the Company.

(2) An Affiliate shall mean any business enterprise that Controls, is under the Control of, or is under common Control with the Company.

Control of a business enterprise shall mean possession, directly or indirectly, of either:

(a) fifty percent (50%) of the equity of the enterprise; or

(b) the power to direct the management and policies of said enterprise.

(3) Venture shall mean a business enterprise in which the Company owns a material interest.

b. Rules With Respect to Existing Affiliates and Ventures

The Company agrees to cause all of its existing Affiliates and/or Ventures that are covered by the provisions of Paragraph 5(a)(1)(a) above, to become a party/parties to this Section and to achieve compliance with its provisions.

c. Rules with Respect to New Affiliates and Ventures

The Company agrees that it will not consummate a transaction which would result in the Company having or creating (1) an Affiliate or (2) a Venture, without ensuring that the New Affiliate and/or New Venture, if covered by the provisions of Paragraph 5a(1)(a) above, agrees to and becomes bound by this Section.

d. In the event that an Affiliate or Venture is not itself engaged in the operations described in Paragraph 5(a)(1)(a) above, but has an Affiliate or Venture that is engaged in such operations, then such Affiliate or Venture shall be covered by all provisions of this Section.

6. Bargaining in Newly-Organized Units

Where the Union is recognized pursuant to the above procedures, the first collective bargaining agreement applicable to the new bargaining unit will be determined as follows:

a. The employer and the Union shall meet within fourteen (14) days following recognition to begin negotiations for a first collective bargaining agreement covering the new unit. In these negotiations the parties shall bear in mind the wages, benefits and working conditions in the most comparable operations of the Company (if any comparable operations exist), and those of unionized competitors to the facility in which the newly recognized unit is located.

b. If after ninety (90) days following recognition the parties are unable to reach agreement for such a collective bargaining agreement, they shall submit those matters that remain in dispute to the Chair of the Union Negotiating Committee and the Chair of the Company Negotiating Committee, who shall use their best efforts to assist the parties in reaching a collective bargaining agreement.

c. If after thirty (30) days following the submission of outstanding matters the parties remain unable to reach a collective bargaining agreement, the matter may be submitted to final offer interest arbitration in accordance with procedures to be developed by the parties.

d. If interest arbitration is invoked, it shall be a final offer package interest arbitration proceeding. The interest arbitrator shall have no authority to add to, detract from or modify the final offers submitted by the parties, and the arbitrator shall not be authorized to engage in mediation of the dispute. The arbitrator shall select one or the other of the final offer packages submitted by the parties on the unresolved issues. The interest arbitrator shall select the final offer package found to be the more reasonable when considering (1) the negotiating guidelines described in Paragraph 6(a) above, (2) any matters agreed to by the parties and therefore not submitted to interest arbitration and (3) the fact that the collective bargaining agreement will be a first contract between the parties. The decision shall be in writing and shall be rendered within thirty (30) days after the close of the interest arbitration hearing record.

e. Throughout the proceedings described above concerning the negotiation of a first collective bargaining agreement and any interest arbitration that may be engaged in relative thereto, the Union agrees that there shall be no strikes, slowdowns, sympathy strikes, work stoppages or concerted refusals to work in support of any of its bargaining demands. The

Company, for its part, likewise agrees not to resort to the lockout of Employees to support its bargaining position.

7. Dispute Resolution

a. Any alleged violation or dispute involving the terms of this Section may be brought to a joint committee of one (1) representative each from the Company and the Union. If the alleged violation or dispute cannot be satisfactorily resolved by the parties, either party may submit such dispute to the arbitrator. A hearing shall be held within ten (10) days following such submission and the arbitrator shall issue a decision within five (5) days thereafter. Such decision shall be in writing and need only succinctly explain the basis for the findings. All decisions by the arbitrator pursuant to this article shall be based on the terms of this Section and the applicable provisions of the law. The arbitrator's remedial authority shall include the power to issue an order requiring the Company to recognize the Union where, in all the circumstances, such an order would be appropriate.

b. The arbitrator's award shall be final and binding on the parties and all employees covered by this Section. Each party expressly waives the right to seek judicial review of said award; however, each party retains the right to seek judicial enforcement of said award.

c. For any dispute under this Section and the interest arbitration procedure described in Paragraph 6 above, the parties shall choose the arbitrator from the list of arbitrators described in Article Five, Section I (Adjustment of Grievances), Paragraph 6, contacting them in the order listed, and retaining the first to indicate an ability to honor the time table set forth above for the hearing and the decision.

Section F. Bargaining Unit Work

1. Guiding Principle

a. The Guiding Principle is that the Company will use Employees to perform any and all work which they are or could be capable (in terms of skill and ability) of performing (Bargaining Unit Work), unless the work meets one of the exceptions outlined in Paragraph 2 below.

b. Any individual or entity other than an Employee who performs Bargaining Unit Work shall be referred to herein as an Outside Entity.

2. Exceptions

In order for work to qualify as an exception to the Guiding Principle, such work must meet all aspects of one of the definitions outlined below and the Company must be in full compliance with all of the requirements of the particular exception as outlined below.

a. Work Performed In or Around the Plant

(1) New Construction Work

New Construction Work is that portion of the work associated with significant (in the context of the facility) capital projects involving the installation, replacement or reconstruction of any equipment or productive facilities which (a) is not primarily maintenance; (b) does not involve bundling the work of separate projects which could be done separately; (c) does not involve any work not directly related to the project in question; and (d) is not regular, normal, routine, day-to-day or ongoing.

The Company may use Outside Entities to perform New Construction Work.

(2) Surge Maintenance Work

Surge Maintenance Work is that portion of maintenance and repair work which is required by bona fide operational needs performed on equipment where the Company temporarily uses Outside Entities to supplement bargaining unit forces and where: (a) the use of Outside Entities would materially reduce the downtime of the equipment; and (b) the work cannot reasonably be performed by bargaining unit forces.

The Company may use Outside Entities to perform Surge Maintenance Work provided that the Company has offered all reasonable and appropriate requested overtime to all qualified Employees who, by working such overtime, could reduce the amount of Surge Maintenance Work performed by Outside Entities in an efficient manner.

b. Work Performed Outside the Plant or its Environs

(1) Fabrication and Repair Work

Fabrication Work is the creation outside of the plant or its environs of items or parts used in the Company's business which are not themselves, either directly or after additional work is performed on them, sold to customers. Repair Work is the repair, renovation or reconstruction of those items.

Fabrication and Repair Work may be performed by Outside Entities only where the location of the work's performance is for a bona fide business purpose and the Company can demonstrate a meaningful sustainable economic advantage to having such work performed by an Outside Entity.

In determining whether a meaningful sustainable economic advantage exists, neither lower wage rates, if any, of the Outside Entity, nor the lack of necessary equipment (unless the purchase, lease or use of such equipment would not be economically feasible) shall be a factor.

(2) Production Work

The Company may use Outside Entities to perform production work outside the plant and its environs provided the Company demonstrates that it is utilizing plant equipment to the maximum extent consistent with equipment capability and customer requirements and the Company is making necessary capital investments to remain competitive in the steel business and is in compliance with Article Eleven, Section B (Investment Commitment).

c. Warranty Work

Warranty Work is work which is not a service contract or replacement program and which is performed pursuant to a pre-existing warranty on new or rehabilitated equipment or systems (1) in order to assure that seller representations will be honored at no additional cost to the Company; (2) within eighteen (18) months of the installation of such warranted equipment unless longer warranties are the manufacturer's published standard warranties offered to customers in the normal course of business; and (3) for the limited time necessary to make effective seller guarantees that such equipment or systems are free of errors or will perform at stated levels of performance.

The Company may use Outside Entities to perform Warranty Work provided the guarantor of the Warranty Work is responsible for the cost of such work.

3. Commitment

In addition to the understandings described in Paragraphs 1 and 2 above, the Company agrees that:

a. where total hours worked by employees of Outside Entities in or outside the plant reach or exceed the equivalent of one (1) full time employee, defined as forty (40) hours per week over a period of time sufficient to indicate that the work is full time, the work performed by Outside Entities will be assigned to Employees and the number of Employees will be appropriately increased if necessary, unless the Company is able to clearly demonstrate that the work cannot be performed by the addition of an Employee(s), or that assignment of the work to Employees would not be economically feasible. In determining whether the assignment of the work to Employees is or is not economically feasible, the lower wage rates, if any, of an Outside Entity shall not be a factor.

b. The parties agree that the Union may at any time enforce the obligations described above, irrespective of the Company's compliance with any other obligation in this Section or any other part of the Agreement, and that an arbitrator shall specifically require the Company to meet the above Commitment, including imposing hiring orders and penalties.

c. The Company shall supply the Bargaining Unit Work Committee (as defined below) with all requested information regarding compliance with the Commitment.

4. Bargaining Unit Work Committee

At each plant a committee consisting of four (4) individuals, two (2) individuals designated by each of the parties, shall be constituted to serve as the Bargaining Unit Work Committee. The Committee shall meet as required but not less than monthly to:

a. review bargaining unit force levels for the plant;

b. review historical contractor utilization by the plant;

c. review projections for contractor utilization by the plant;

d. monitor the implementation of new programs or hiring to reduce contractor utilization; and

e. develop new ideas and implementation plans to effectively reduce contractor usage as per the terms of this Section.

5. Notice and Information

a. Prior to the Company entering into any agreement or arrangement to use Outside Entities to perform Bargaining Unit Work, the Company will provide written notice to the Bargaining Unit Work Committee in sufficient time to permit a final determination, using the Expedited Procedure, of whether or not the proposed use of Outside Entities is permitted. Such notice shall include the following:

(1) location, type, duration and detailed description of the work;

(2) occupations involved and anticipated utilization of bargaining unit forces;

(3) effect on operations if the work is not completed in a timely fashion; and

(4) copies of any bids from Outside Entities and any internal estimating done by or on behalf of the Company regarding the use of the Outside Entities.

b. Should the Union believe a meeting to be necessary, a written request shall be made within five (5) days (excluding Saturdays, Sundays and holidays) after receipt of such notice. The meeting shall be held within three (3) days (excluding Saturdays, Sundays and holidays) thereafter. At such meeting, the parties shall review in detail the plans for the work to be performed and the reasons for using Outside Entities. The Union shall be provided with all information available to the Company concerning the use of Outside Entities at issue.

c. Should the Company fail to give notice as provided above, then not later than thirty (30) days from the later of the date of the commencement of the work or when the Union becomes aware of the work, a grievance relating to such matter may be filed.

6. Mutual Agreement

a. As of the Effective Date, all agreements, understandings or practices of any kind that directly or indirectly permit the use of Outside Entities to perform Bargaining Unit Work are hereby agreed to be null and void.

b. In the event the Bargaining Unit Work Committee resolves a matter in a fashion which in any way permits the use of Outside Entities, such resolution shall be final and binding only as to the matter under consideration and shall not affect future determinations under this Section.

c. No agreement, whether or not reached pursuant to this Section, which directly or indirectly permits the use of Outside Entities on an ongoing basis, shall be valid or enforceable unless it is in writing and signed by the President/Unit Chair and the Grievance Committee Chair/Unit Grievance Committeeperson of the affected Local Union. Any such valid agreement shall expire on the Termination Date of this Agreement, unless signed by a Representative of the International Union.

7. Expedited Procedure

In the event the Union requests an expedited resolution of any dispute arising under this Section, it shall be submitted to the Expedited Procedure in accordance with the following:

a. Within three (3) days (excluding Saturdays, Sundays and holidays) after the Union determines that the Bargaining Unit Work Committee cannot resolve the dispute, the Union may advise the Company in writing that it is invoking this Expedited Procedure.

b. An expedited arbitration must be scheduled within three (3) days (excluding Saturdays, Sunday and holidays) of such notice and heard at a hearing commencing within five (5) days (excluding Saturdays, Sundays and holidays) thereafter.

c. The arbitrator shall render a decision within forty-eight (48) hours (excluding Saturdays, Sundays and holidays) of the conclusion of the hearing.

d. Notwithstanding any other provision of this Agreement, any case heard in the Expedited Procedure before the work in dispute was performed may be reopened by the Union if such work, as actually performed, varied in any substantial respect from the description presented in arbitration. The

request to reopen the case must be submitted within seven (7) days of the date on which the Union knew or should have known of the variance.

8. Quarterly Review

a. Not less than quarterly, the Bargaining Unit Work Committee shall meet with the Local Union President/Unit Chair and the General Manager of the plant, for the purpose of reviewing all work for which the Company anticipates utilizing Outside Entities at some time during the next or subsequent quarters. The Union shall be entitled to review any current or proposed contracts concerning such work and shall keep such information confidential.

b. During the review, the Bargaining Unit Work Committee may (1) agree on items of work that should be performed by Outside Entities for which Notice under Paragraph 5 above is therefore not required; or (2) disagree on which items of work should be performed by Employees and which should be performed by Outside Entities for which notice under Paragraph 5 is therefore required.

c. During the quarterly review, the Company will provide to the Bargaining Unit Work Committee a detailed report showing work performed by Outside Entities since the last such report. For each item of work the report shall include the date and shift the work was performed; a description of the work; the trade, craft or occupation of the individual performing the work; and the total number of hours worked by each individual.

9. General Provisions

a. Special Remedies

(1) Where it is found that the Company (a) engaged in conduct which constitutes willful or repeated violations of this Section or (b) violated a cease and desist order previously issued by an arbitrator, the arbitrator shall fashion a remedy or penalty specifically designed to deter the Company's behavior.

(2) With respect to any instance of the use of an Outside Entity, where it is found that notice or information was not provided as required under Paragraph 5 above, and that such failure was willful or repeated and deprived the Union of a reasonable opportunity to suggest and discuss practicable alternatives to the use of an

Outside Entity, the arbitrator shall fashion a remedy which includes earnings and benefits to Employees who otherwise may have performed the work.

b. Outside Individuals Testifying in Arbitration

No testimony offered by an individual associated with an Outside Entity may be considered in any proceeding unless the party calling the outsider provides the other party with a copy of each Outside Entity document to be offered in connection with such testimony at least forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before commencement of that hearing.

10. Oversight and Work Subject to Transfer

a. Notwithstanding any other provisions of this Section, a Company wide Oversight and Work Subject to Transfer Committee (Committee) will be established comprised of two union members (as designated by the Union Negotiating Committee Chairman) and two company members (as designated by the Company Negotiating Committee Chairman).

b. An initial review of all outstanding issues at all plants covered by this Agreement will be conducted within one hundred twenty (120) days of the ratification of this Agreement. After the initial review the Committee will meet at least monthly to address issues that may arise during and after the review. After each meeting the Committee will prepare a written report for the Co-Chairs of the Negotiating Committee including any issues the local parties are unable to resolve, for review by the Co-Chairs.

c. The parties recognize that in addition to ongoing concerns regarding the Commitment provisions of this Section there also exists a significant amount of work that is performed inside the plants that is being performed by Outside Entities that may not meet an exception as defined in this Section. The substantial level of work inside the plants that is currently (as of the Effective Date) being performed on a full-time basis pursuant to agreement or by practice by Outside Entities is work that is identified as Work Subject to Transfer (WST). The parties are committed to having all work inside the plants performed by Employees as is required by this BLA.

d. The Company agrees that WST will be transferred to Employees pursuant to the procedures in paragraph f below unless the Company can clearly demonstrate that the work meets both of the exceptions outlined below.

1. The Outside Entity performing such work has a significant (in the context of the relevant Company facility and the number of Outside Entity employees performing the WST) investment in either equipment, facilities, proprietary technology, or business and administrative infrastructure; and

2. That to transfer such WST to Employees would, under all the circumstances, subject the Company to a material economic disadvantage measured over time and taking into account the size of the initial required investment (and without comparing wage and benefit costs).

e. The Company shall provide the members of the Committee with any relevant resources or information including arranging meetings with Outside Entities, in addition the Company will:

1. Identify Outside Entities who have employees performing WST;

2. Examine the type and amount of WST done by each Outside Entity and identify the contract termination dates of any contracts between the Company and such Outside Entities;

3. Identify those Outside Entities which meet the exception outlined in paragraph d above.

4. Develop plans to transfer the WST to Employees. In developing such plans, the objective of the Committee shall be to do so as expeditiously as possible without interfering with the orderly operation of the plant.

f. After completing the tasks set forth in this Section, the Committee will develop schedules and procedures to transfer any WST which does not meet the exception outlined above to Employees. Progress on such schedules and procedures will be monitored monthly. Should the Union Co-Chair conclude that a dispute cannot be resolved; the dispute may be referred directly to arbitration under the relevant provisions of Article Five Section I of the BLA.

Section G. Printing of Contracts

1. Immediately following the Effective Date of this Agreement, the parties will create mutually acceptable labor and benefits agreements. These agreements shall, at the expense of the Company, be printed by a union printer in a form (size, paper stock, number of copies, etc.) and a manner of distribution reasonably designated by the Union. The distribution shall occur within three (3) months of the Effective Date.

2. The Company shall provide the Union with electronic versions of all agreements between the parties.

Section H. Hiring Preference

1. In all hiring for bargaining unit positions, the Company shall, subject to its obligations under applicable equal employment opportunity laws and regulations, give consideration, to the full extent of interest, to the direct relatives (children, children-in-law, step-children, spouse, siblings, grandchildren, nieces and nephews) of Employees and retirees of the Company who meet reasonably established hiring criteria.

2. Such hiring shall conform to applicable lines of progression, bidding, promotion and other requirements under this Agreement.

3. The Company shall, subject to these and other applicable provisions, have the final responsibility for accepting or rejecting a particular applicant for employment.

ARTICLE THREE – HEALTH, SAFETY AND THE ENVIRONMENT

Section A. Employee and Union Rights

1. Employees have the right to a safe and healthful workplace, to refuse dangerous work, to adequate personal protective equipment, to safety and health training, to a proper medical program for workplace injuries and illnesses, and to a reasonable alcoholism and drug abuse policy.

2. The Union has the right to participate in active and informed Joint Safety and Health and Environmental Committees to appoint Union health and safety representatives, to join in regular safety audits and accident investigations, to receive full and continuing access to all information (including all OSHA reports), and to participate in programs which address certain special hazards. The Company will provide the Union Safety Department with prompt telephonic notification of the basic facts concerning any fatality at the worksite, followed by a written communication. The Company will also provide the Union Safety Department with a copy of any fatal accident report.

3. The Company will develop and implement, with the involvement of the Union, policies and programs for ensuring these rights.

4. The Company, with the involvement of the Employees performing the work, will develop and require the use of safe job procedures for the performance of all work. In the absence of a formal safe job procedure, a personal hazard assessment and control checklist will be used until a formal safe job procedure is developed.

Section B. The Right to a Safe and Healthful Workplace

1. The Company will provide safe and healthful conditions of work for its Employees and will, at a minimum, comply with all applicable laws and regulations concerning the health and safety of Employees at work and the protection of the environment. The Company will install and maintain any equipment reasonably necessary to protect Employees from hazards.

2. The Company will make every reasonable effort to ensure that all equipment is maintained in a safe condition. Its inspection and maintenance program will give top priority to equipment critical to Employee safety and health. Where faulty equipment creates an abnormal risk to Employees, the Company will take all necessary steps to eliminate the risk.

3. The Company will provide suitable heating and ventilation systems and keep them in good working order.

Section C. The Right to Refuse Unsafe Work

1. If an Employee, acting in good faith and on the basis of objective evidence, believes that there exists an unsafe or unhealthful condition beyond the normal hazards inherent in the operation (Unsafe Condition), s/he shall notify his/her immediate supervisor. The Employee and the supervisor will make every attempt to resolve the condition in the interest of safety. Thereafter, s/he has the right, subject to reasonable steps for protecting other Employees and equipment, to be relieved from duty on that job and to return to that job only when the Unsafe Condition has been remedied. The Company may assign the Employee to other available work in the plant, consistent with this Agreement and without displacing another Employee.

2. If the Company disputes the existence of the allegedly Unsafe Condition, the Grievance Chair and the Plant General Manager or their designees will immediately investigate and determine whether it exists.

3. If after the investigation it is determined that the condition existed, the Employee will be made whole for any lost time in connection with the condition. If after the investigation the Company does not agree that an Unsafe Condition exists, the Union has the right to present a grievance in writing to the appropriate Company representative and thereafter the Employee shall continue to be relieved from duty on the job. The grievance will be presented without delay directly to an arbitrator, who will determine whether the Employee acted in good faith in leaving the job and whether the Unsafe Condition was in fact present.

4. No Employee who in good faith exercises his/her rights under this Section will be disciplined.

5. If an arbitrator determines that an Unsafe Condition within the meaning of this Section exists, s/he shall order that the Condition be corrected and that the correction occur before the Employee returns to work on the job in question and the Employee shall be made whole for any lost earnings.

Section D. The Right to Adequate Personal Protective Equipment

The Company will provide, without cost to the Employee, effective protective equipment in good working order when required by law or regulation or when

necessary to protect Employees from injury or illness. Such equipment includes, but is not limited to, goggles, hard hats, safety glasses, hearing protectors, face shields, respirators, gloves, protective clothing, harnesses and flame resistant clothing.

Section E. The Right to Safety and Health Training

1. All employees will be provided with periodic safety and health training. In addition, before the initial assignment to a particular job, employees will receive training on the nature of the operation or process; the hazards of the job; controls in place; safe working procedures and the reasons for them; the purpose, use and limitations of the required personal protective equipment; and other controls or precautions associated with the job. The training shall be a minimum of sixteen (16) hours, site specific, over and above any State or Federal required training for employees transferring to another division within a plant or to another plant within the Company. All new hires shall have a minimum of forty (40) hours of safety training.

2. All training programs will be fully discussed and reviewed by the Joint Safety and Health Committee. The Company will make a reasonable effort to use Employees chosen by the Union Co-Chair of the Joint Safety Committee as trainers and will instruct trainers in effective teaching techniques. Upon request, the Union's Health, Safety and Environment Department (Union Safety Department) will be provided with a copy of all training materials and be afforded the opportunity to review the training.

Section F. The Right to a Proper Medical Program for Workplace Injuries and Illnesses

1. The Company will provide first aid equipment and trained personnel in close proximity to each of its facilities. The Company will provide Employees who are seriously injured on the job with prompt emergency transportation to an appropriate treatment facility and return transportation to the plant.

2. An Employee who, as a result of an occupational injury or illness, is unable to return to his/her assigned job for the balance of the shift on which s/he was injured will be paid any earnings lost on that shift.

3. The Company will make medical screening for occupational illnesses available to Employees or retirees (who work or retire after the Effective Date) in jobs where a government agency requires screening.

4. The Company will not require any Employee to submit to any medical test or answer any medical history question that is not related to the Employee's ability to perform his/her job.

5. The Company will maintain the privacy of reports of medical examinations of its Employees and will only furnish such reports to a physician designated by the Employee with the written authorization of the Employee; provided that the Company may use or supply such medical examination reports of its Employees in response to subpoenas, requests by a governmental agency authorized by law to obtain such reports and in arbitration or litigation of any claim or action involving the Company and the Employee. Upon written request by the Employee, the Company will provide the Employee with a copy of the Employee's medical records at no cost to the Employee. All medical examinations will be conducted by or under the supervision of a licensed physician.

6. If a Company physician detects a medical condition that requires further medical attention, s/he will advise the Employee of such condition.

Section G. The Right to a Reasonable Policy on Alcoholism and Drug Abuse

1. Alcoholism and drug abuse are recognized by the parties to be treatable medical conditions. The Company and the Union agree to establish an Employee Assistance Program (EAP), administered and funded by the Company, to facilitate the rehabilitation of Employees afflicted with alcoholism or drug abuse. The EAP will utilize professional and Employee peer counselors and will operate under conditions of strict confidentiality.

2. The Company may require an Employee to submit to a medical evaluation performed by qualified personnel, which may include a drug or alcohol test, only where there is reasonable cause, based on objective evidence, to believe that the Employee is legally intoxicated or impaired by drugs on the job. Employees involved in an accident will be tested only when an error in their coordination or judgment could likely have contributed to the accident. In addition any Employee who incurs an extended leave of absence (except Union leave) of greater than ninety (90) days may be required to submit to a drug and alcohol test as a part of a return to work physical.

3. Employees will not be required to submit to drug or alcohol testing for any other reason, unless such testing is required by law.

4. Drug and alcohol tests will utilize scientifically accepted methods for evaluating impairment. When a biological sample is taken, a portion will be retained for retesting, should the Employee dispute the initial results.

5. Employees who are found through testing to have abused alcohol or drugs will be offered rehabilitation in lieu of discipline. However, this provision does not affect the right of the Company to discipline Employees for violation of plant rules or for working or attempting to work while knowingly impaired.

Section H. The Union's Right to Participate in a Joint Safety and Health Committee

1. A Joint Safety and Health Committee (Joint Safety Committee) will be established at each facility to be composed of the Local Union President/Unit Chair and the Plant Manager and no less than three (3) additional members or no more than one (1) for each department as designated by each Co-Chair. The parties will designate their respective Co-Chairs and provide each other with updated lists of the members of the Joint Safety Committee.

2. The Joint Safety Committee will have the following functions: participating in the design of Company safety and health programs, including strategic planning; assisting in the establishment of safe job procedures; overseeing and participating in plant safety and health audits (including annual comprehensive audits of the entire plant); reviewing plant safety rules; participating in the investigation of workplace accidents; reviewing accident, injury, illness and other statistics related to safety and health; participating in the design of safety and health training programs; reviewing proposed changes in plant technology or operations for their impact on Employee safety and health; participating in the selection of personal protective equipment; discussing the Company's response to proposed regulations and legislation affecting safety and health; participating in and reviewing the results of safety and health inspections or industrial hygiene monitoring by OSHA, MSHA, and NIOSH; collecting and responding to safety and health concerns raised by individual members of the Joint Safety Committee or Employees; and working together to promote an awareness of safety and health hazards and safe work procedures.

3. The Joint Safety Committee will hold periodic meetings at times determined by the Co-Chairs, but no less often than monthly. Either Co-Chair may call a special meeting of the Joint Safety Committee. The Union members will be afforded time to meet privately as needed to prepare for meetings of the Joint Safety Committee.

4. The Company and the Union will each keep minutes of meetings. Prior to every regular meeting, the Company will prepare a written response to concerns or action items noted at the previous meeting, as well as any open items from previous meetings. The two (2) sets of minutes, or a jointly agreed reconciled version, along with the Company's written response to concerns and action items, will be included in the official record of the meeting.

5. The Company will not make any changes to plant safety and health programs, policies or rules; introduce new protective equipment or eliminate existing protective equipment; or modify safety and health training, unless the Joint Safety Committee has been notified and the Union has been provided the opportunity to discuss the change.

6. The Joint Safety Committee will not handle grievances, although it may discuss safety and health issues that have led to a grievance.

7. The Company, in cooperation with the Union Safety Department, will provide annual training for members of the Joint Safety Committee. The Company will pay the reasonable cost of training materials and facilities, as well as necessary expenses and earnings in accordance with local plant understandings.

8. Members of the Joint Safety Committee will be afforded access, consistent with their own safety and the safety of the operation, to all operational areas of the plant, upon notification to the appropriate management representative. The director of the Union Safety Department or his/her designee will be allowed access to the plant upon notification to the Company.

9. The Company will provide an office in a convenient location in the plant for the exclusive use of Union members of the Joint Safety Committee. The office will be equipped with a telephone and a computer.

10. The Union members of the Joint Safety Committee will be compensated in accordance with standard local plant understandings for all hours spent on Committee work.

11. The parties will sponsor an annual safety and health meeting, attended by Union members of the Joint Safety Committee from each plant covered by this Agreement, appropriate Company counterparts and members of the Union Safety Department. The Company will pay reasonable travel expenses, other expenses and earnings determined in accordance with the standard local plant understandings.

Section I. The Union's Right to Participate in Environmental Issues

1. A Joint Environmental Sub-Committee of the Joint Safety and Health Committee will be established at each location, composed of an equal number of Employees designated by the Union and the Company. The Joint Safety and Health Committee will meet regularly to discuss environmental issues affecting the Company and to make appropriate recommendations.

2. The Company will make available for review to the Joint Safety and Health Committee all environmental reports, monitoring results, analyses, materials received from the EPA and other agencies, and any other documents related to the Company's environmental program and obligations.

3. The parties also agree that energy efficiency is vital to the long term viability of the Company. Energy efficiency updates, energy use and emissions studies to the property and equipment within each plant will be analyzed by Problem Solving Teams as set forth in Article Six Section A. The information and studies will be used to assess potential cost savings in reduction of energy use and emissions.

Section J. The Right to Union Safety and Health Representatives

1. The Union will appoint a full-time safety and health representatives at each plant. These representatives will work with the Company safety and health representative under the direction of the Union Co-Chair.

2. Full-time Union safety and health representatives will receive their Regular Rate of Pay applicable to the job held immediately before becoming a full-time safety and health representative.

3. The Joint Safety Committee, Company Safety and Health Department and Union Safety Department will cooperate in designing and implementing training for Union safety and health representatives.

Section K. The Union's Right to Participate in Accident Investigations

1. When an accident occurs that results, or could have resulted, in a serious injury, the Company will immediately notify the Union Co-Chair of the Joint Safety Committee who will have the right to immediately visit the accident scene, or to assign another Union member of the Joint Safety Committee to visit the accident scene, consistent with his/her safety. The Joint Safety Committee will investigate all such accidents and prepare an accident report. The Company will provide the Joint Safety Committee with full access to the accident site and any information relevant to understanding the causes of the accident.

2. If the Company requires an Employee to testify at the formal investigation into the causes of an accident or disabling injury, the Employee will be advised that s/he may have a Union representative present at the proceedings. The Union will be furnished with a copy of the Employee's testimony.

3. No Employee will be disciplined or discriminated against in any way solely for suffering an injury or illness or for reporting an accident. The Company will not establish any program, policy, practice or work rule that might discourage Employees from reporting accidents, injuries or illnesses.

Section L. Carbon Monoxide Control, Toxic Substances and Harmful Physical Agents

1. The Company will routinely perform engineering surveys of hazards, periodic in-plant industrial hygiene sampling and testing for harmful physical agents at each location covered by this Agreement. The survey, to be conducted by qualified personnel, will list locations from which significant amounts of carbon monoxide, toxic substances and harmful physical agents could escape, the conditions which might cause such a release, and the steps necessary to minimize or control the hazard. The survey will be updated annually and whenever significant changes are made to the gas-handling system or procedure.

2. Based on sampling and surveys, the Company will implement a program for the control of such hazards including engineering and equipment changes necessary to eliminate or reduce the hazards identified in the survey; necessary amendments to safe job procedures; the installation and regular testing of fixed automatic monitors equipped with alarms; the use of portable monitors; regular inspection and maintenance of testing equipment; provision of an adequate number of approved breathing apparatus appropriate for emergency operations and in locations readily accessible to Employees; Employee training including regular drills; an emergency rescue program with appropriate rescue and trained personnel; and the investigation by the Joint Safety Committee of all incidents which involve the accidental releases of such hazards, cause an alarm to trigger or result in an elevated level of carboxyhemoglobin in any exposed person. The Joint Safety Committee will review the survey and the program whenever it is updated.

Section M. Ergonomics

The parties will establish a program to identify ergonomic risks in the plant and recommend controls.

Section N. Safety Shoe Allowance

Annually each Employee, other than a probationary Employee, will be provided a voucher for use at local vendor(s) designated by the Company for the full purchase price from an approved list of one (1) pair of safety shoes for the Employee's use at work. The Company shall also replace such shoes, as necessary, in accordance with applicable laws.

Section O. No Union Liability

The Company has the exclusive legal responsibility for safety and health conditions in the plant and for environmental matters. Neither the Union nor its representatives, officers, employees or agents will in any way be liable for any work-related injuries or illnesses or for any environmental pollution that may occur.

ARTICLE FOUR – CIVIL RIGHTS

Section A. Non-Discrimination

1. The provisions of this Agreement shall be applied to all Employees without regard to:

   a. race, color, religious creed, national origin, handicap or disability or status as a veteran; or

   b. sex or age, except where sex or age is a bona fide occupational qualification; or

   c. citizenship or immigration status, except as permitted by law.

2. Harassment based on any of the characteristics as set forth in this Section shall be considered discrimination under this Section.

3. The Company shall not retaliate against an Employee who complains of discrimination or who is a witness to discrimination.

4. There shall be no interference with the right of Employees to become or continue as members of the Union and there shall be no discrimination, restraint or coercion against any Employee because of membership in the Union.

5. The right of the Company to discipline an Employee for a violation of this Agreement shall be limited to the failure of such Employee to discharge his/her responsibilities as an Employee and may not in any way be based upon the failure of such Employee to discharge his/her responsibilities as a representative or officer of the Union. The Union has the exclusive right to discipline its officers and representatives. The Company has the exclusive right to discipline its officers, representatives and employees.

6. Nothing herein shall be construed to in any way deprive any Employee of any right or forum under public law.

Section B. Civil Rights Committee

1. A Joint Committee on Civil Rights (Joint Committee) shall be established at each location covered by this Agreement. The Union shall appoint two (2) members, in addition to the Local Union President/Unit Chair and Grievance Chair. The Company shall appoint an equal number of members, including the Plant Manager and the Plant Manager of Industrial Relations. The parties shall each

appoint a Co-Chair and shall provide each other with updated lists of the members of the Joint Committee.

2. The Joint Committee shall meet as necessary and shall review and investigate matters involving civil rights and attempt to resolve them.

3. The Joint Committee shall not displace the normal operation of the grievance procedure or any other right or remedy and shall have no jurisdiction over initiating, filing or processing grievances.

4. In the event an Employee or Union representative on the Joint Committee brings a complaint to the Joint Committee, the right to bring a grievance on the matter shall be preserved, in accordance with the following:

   a. The complaint must be brought to the attention of the Joint Committee within the same timeframe that a complaint must be brought to the First Step 1 of the grievance procedure.

   b. The Employee must provide the Joint Committee with at least sixty (60) days to attempt to resolve the matter.

   c. At any time thereafter, if the Joint Committee has not yet resolved the matter, the Employee may request that the Grievance Chair file it as a grievance in Step 2 of the grievance procedure, and upon such filing the Joint Committee shall have no further jurisdiction over the matter.

   d. If the Joint Committee proposes a resolution of the matter and the Employee is not satisfied with such resolution, then the Union may file the complaint at Step 2 of the grievance procedure, provided such filing is made within thirty (30) days of the Employee being made aware of the Joint Committee's proposed resolution.

Section C. Workplace Harassment, Awareness and Prevention

1. All Employees shall be educated in the area of harassment awareness and prevention on a periodic basis.

2. A representative of the Union's Civil Rights Department and a representative designated by the Company's Industrial Relations Department will work together to develop joint harassment and prevention education, with input from the plants and Local Unions.

3. Within six (6) months of the Effective Date of this Agreement, members of the Joint Civil Rights Committee will be trained in matters relative to this provision.

4. All new Employees (and all Employees who have not received such training) will be scheduled to receive two (2) hours of training as to what harassment is, why it is unacceptable, its consequences for the harasser and what steps can be taken to prevent it.

5. All Employees shall be compensated in accordance with the standard local plant understandings for time spent in training referred to in this Section.

Section D. Child Care, Elder Care and Dependent Care

1. The parties agree to identify programs to meet the changing needs of working families, particularly in regard to dependent care.

2. At each location covered by this Agreement the parties shall create a Dependent Care Committee, comprised of a Contract Coordinator and a designee of the Plant Manager and the Local Union President/Unit Chair. The Committee shall meet and be responsible for the development of dependent care programs. The Committee will utilize local community resources which are able to support the issues of child, elder and dependent care.

3. The Committee's efforts shall include fact finding and identifying working model programs during the term of this Agreement, such as:

    a. twenty-four (24) hour resources and referral systems;

    b. subsidy and/or reimbursement provisions for dependent care services;

    c. pre-tax programs;

    d. near-site or on-site dependent care centers;

    e. before and after work care for extended workdays;

    f. holiday, emergency and sick care on workdays; and

    g. development of community-based groups with other unions and companies in the region to cost effectively provide dependent care services.

ARTICLE FIVE – WORKPLACE PROCEDURES

Section A. Local Working Conditions

1. Local Working Conditions

The term Local Working Conditions as used in this Section means specific practices or customs which reflect detailed applications of matters within the scope of wages, hours of work or other conditions of employment, including local agreements, written or oral, on such matters. It is recognized that it is impracticable to set forth in this Agreement all of these working conditions, which are of a local nature only, or to state specifically in this Agreement which of these matters should be changed or eliminated (Change or Changed). The provisions set forth below provide general principles and procedures which explain the status of these matters and furnish necessary guideposts. Any arbitration arising under this Section shall be handled on a case-by-case basis on principles of reasonableness and equity.

2. Deprivation of Benefits

In no case shall Local Working Conditions deprive an Employee of rights under this Agreement and the conditions shall be Changed to provide the benefits established by this Agreement.

3. Benefits in Excess

Should there be any Local Working Conditions in effect which provide benefits that are in excess of, or in addition to, but not in conflict with benefits established by this Agreement, they shall remain in effect for the term of this Agreement, except as they are Changed in accordance with Paragraph 4 below.

4. Right to Change

The Company shall have the right to Change any Local Working Condition if the basis for the existence of the Local Working Condition is Changed, thereby making it inappropriate to continue such Local Working Condition; provided, however, that the Change shall be reasonable and equitable.

5. Modification of Agreement

No Local Working Condition shall be established or continued which conflicts with any provision of this Agreement.

6. Additional Requirements

As of the Effective Date, all future Local Working Conditions must be reduced to writing and signed by the Plant Manager and the Local Union President/Unit Chair.

Section B. New or Changed Jobs

1. At each location covered by this Agreement, the Union shall designate up to two (2) individuals to serve on a Job Evaluation Committee. The Committee shall be provided with paid time off in accordance with standard local plant understandings to conduct its business as described in this Section.

2. In the event the Company chooses to modify the duties of an existing job or create a new job, it shall follow the procedure outlined below.

3. The Company shall meet with the Job Evaluation Committee and present it with a written description of how it intends to modify an existing job or a complete description of a proposed new job. The description shall include:

    a. the requirements of such new or modified job in the areas of training, skill, responsibility, effort and surroundings (Requirements);

    b. the Company's view as to how these Requirements compare to the Requirements for existing jobs at the plant; and

    c. based on Paragraphs (a) and (b) above, at what rate the Company believes the job should be paid.

4. The Job Evaluation Committee shall be provided with any additional information requested in connection with its assessment of the new or modified job.

5. If the parties are unable to agree upon the appropriate duties and rate of pay for the new or modified job, they shall submit their dispute to arbitration using a procedure to be developed by the parties.

6. The arbitrator shall base his/her decision on the Requirements of the new or modified job and how those Requirements compare to the Requirements for the existing jobs at the plant and other plants of the Company.

Section C. Hours of Work

1. Normal Workday and Work Week

   a. The normal workday shall be any regularly scheduled consecutive twenty-four (24) hour period comprising eight (8) consecutive hours of work and sixteen (16) consecutive hours of rest. The normal work week shall be five (5) consecutive workdays beginning on the first day of any seven (7) consecutive day period. The seven (7) consecutive day period is a period of 168 consecutive hours and may begin on any day of the calendar week and extend into the next calendar week. On shift changes, the 168 consecutive hours may become 152 consecutive hours depending upon the change in the shift.

   b. Management shall make reasonable efforts to post or otherwise make known to Employees schedules by 2:00 p.m. on Thursday, but in no event not later than 2:00 p.m. Friday of the week preceding the calendar week in which the schedule becomes effective. The Company will establish a procedure affording any Employee whose last scheduled turn ends prior to the posting of his/her schedule for the following week an opportunity to obtain information relating to his/her next scheduled turn. This procedure will also be applicable with respect to Employees returning from vacation.

   c. Employees shall be paid for all shifts which are part of their originally posted schedule.

   d. All shifts not included on the originally posted schedule shall be considered overtime shifts.

2. Absenteeism

   a. It is expected that Employees shall adhere to their prescribed schedule. When an Employee must be absent from work, s/he shall, as promptly as possible, contact the designated person and provide the pertinent facts and when the Employee expects to return to work.

   b. Reasonable rules for the implementation of these principles shall be developed by the Company and made known to Employees. Such rules will not deprive any Employee of any rights otherwise provided by this Agreement and shall be reasonably applied.

3. Overtime

a. The parties recognize that schedules that regularly require a substantial level of overtime are undesirable and should be avoided where possible.

b. Where local practices or agreements with respect to the distribution of overtime do not presently exist, the Company and the Local Union Grievance Committee shall promptly conclude an agreement providing for the most equitable overtime distribution consistent with the efficiency of the operation.

c. The Company will consider an Employee's request to be excused from overtime work and shall accommodate those requests which are practicable and reasonable under the circumstances.

4. Full Week Guarantee

An Employee scheduled to work will receive, during a payroll week, an opportunity to earn at least forty (40) hours of pay (including hours paid for but not worked, work opportunities declined by the Employee, disciplinary time off, absenteeism and report-off time for Union business, but excluding overtime pay and premium pay). An Employee on an approved leave of absence or disability during any payroll week shall be considered as having been provided the opportunity for this guarantee during any such week, it being understood that the pay, if any, that such an Employee is entitled to receive while on approved leave of absence or disability is that provided by applicable law or the Agreement, not the earning opportunity set forth in this Paragraph.

5. Full Day Guarantee

An Employee required to report to work shall be paid for the greater of (a) eight (8) hours or (b) the hours actually worked, except as provided in other Sections of this Agreement or in cases where the Employee works less than eight (8) hours or the actual hours scheduled, as a result of the Employee voluntarily leaving work.

6. Alternative Work Schedule

The Company may adopt alternative work schedules consisting of ten (10) or twelve (12) hour per day scheduling with the approval of the Local Union President/Unit Chair and the Grievance Chair and sixty percent (60%) of the Employees who are impacted by the alternative schedule.

Alternative work schedules may be revoked by a simple majority vote of the Employees who are impacted by that schedule or by the Company for legitimate business reasons. Following such revocation, the Company shall immediately reinstate a normal schedule in accordance with this Section.

Section D. Overtime

1. Definitions

Deleted: ¶

a. The payroll week shall consist of seven (7) consecutive days beginning at 12:01 a.m. Sunday or at the changing hour nearest to that time.

b. The workday for the purposes of this Section is the twenty-four (24) hour period beginning with the time the Employee is scheduled to begin work.

c. The Regular Rate of Pay as used in Paragraph 2 below (and in this Agreement) shall mean the Base Rate of Pay plus incentive earnings for the job on which the overtime hours are worked.

d. For the purposes of determining hours which are subject to the non-duplication of overtime hours provision, hours worked on Sunday in excess of normal (or AWS) hours will not be used for the purpose of calculating overtime payments.

2. Conditions Under Which Overtime Rates Shall Be Paid

Unless worked pursuant to an agreed upon Alternative Work Schedule, overtime at the rate of one-and-one-half times the Regular Rate of Pay shall be paid for:

a. hours worked in excess of eight (8) hours in a workday;

b. hours worked in excess of forty (40) hours in a payroll week;

c. hours worked on the sixth or seventh workday of a seven (7) day period during which five (5) days were worked, whether or not all such days fall within a single payroll week; and

d. hours worked on a second reporting in the same workday where the Employee has been recalled or required to report to work after working eight (8) hours.

3. Holidays

Recognized holidays, whether or not worked, shall be counted as a day worked in determining overtime; however, worked holidays shall only be paid as specified in Article Ten, Section A (Holidays).

4. Non-Duplication of Overtime

Overtime shall not be duplicated by using the same hours paid at overtime rates more than once for the purpose of calculating overtime payments.

Section E. Seniority

1. Seniority Status of Employees

a. The parties recognize that promotional and other in-plant opportunities and job security should increase in proportion to length of continuous service and that the fullest practicable consideration shall be given to continuous service in such cases.

b. Continuous Service, as defined by Paragraph 3(a) below, shall be used for all purposes under all labor and benefits agreements, unless explicitly provided otherwise; provided, however, that accumulation in excess of two (2) years during a period of layoff shall be counted only for purposes of this Section, including local agreements thereunder.

c. In all cases of promotions, decreases in force and recalls after layoffs, the following factors shall be considered:

(1) ability to perform the work and physical fitness; and

(2) Plant Continuous Service (Plant Service).

Where factor (1) is relatively equal, Plant Service shall be the determining factor.

2. Determination of Seniority Units

a. Seniority shall be applied on a job and departmental or larger unit basis, as agreed upon. A job may be in one seniority unit for one purpose and in a different unit for another.

b. The seniority units, lines of progression, departments and rules for the application of seniority factors in effect as of the Effective Date shall

remain in effect unless modified by a local written agreement signed by the Grievance Chair.

c. Local seniority agreements shall provide that the opportunity to receive training necessary for promotions and all promotions (including step-ups), decreases in forces (including demotions and layoffs), recalls after layoff and other practices affected by seniority shall be in accordance with Plant Service; provided that (1) demotions, layoffs and other reductions in force shall be made in descending job sequence order, starting with the highest affected job and with the Employee on such job having the least length of Plant Service and (2) the sequence on a recall shall be made in the reverse order so that the same Employees return to jobs in the same positions relative to one another that existed prior to the layoff.

3. Continuous Service

a. Continuous Service shall be determined by the Employee's first employment or reemployment following a break in continuous service in any facility of the Company covered by this Agreement.

(1) Employees Who Were Employees of Any Predecessor Company

Continuous Service for Employees who were employees (within the meaning of the relevant basic labor agreement with the Union) of any predecessor company (a USW represented company some or all of whose assets are or were acquired by the Company) will be the length of time measured from the Employee's continuous service date under that predecessor company's basic labor agreement subject to the employee's eligibility dates agreed to by the parties, except as otherwise provided by this Agreement or other agreements between the parties.

(2) All Other Employees

Continuous Service for all other Employees will be the length of time measured from the Employee's first date of employment with the Company.

b. Company Continuous Service shall be the length of time measured from the Employee's first date of employment or reemployment following a break in continuous service with the Company.

c. Plant Service shall be the length of time measured from the Employee's first date of employment or reemployment following a break in continuous service in his/her plant.

d. Continuous Service (including Company Continuous Service and Plant Service) shall only be broken if an Employee:

(1) quits;

(2) retires;

(3) is discharged for cause;

(4) if on layoff, fails to report to the Employment Office within ten (10) days of registered mail notice;

(5) is absent because of layoff (including a layoff due to a permanent closure) or non-occupational physical disability for a period longer than the lesser of his/her length of Continuous Service at the commencement of such absence or five (5) years; or

(6) is absent due to a compensable disability incurred during the course of employment and does not return to work within thirty (30) days after final payment of statutory compensation for the disability or after the end of the period used to calculate a lump-sum payment. If the seniority of an Employee does not permit a return to work, the Employee will be placed on layoff and any break will be determined under Paragraph 5 above.

4. Probationary Employees

a. New Employees hired after the Effective Date of this Agreement will serve a probationary period for the first 1,040 hours of actual work and will receive no Continuous Service credit during such period. Probationary Employees shall have access to the grievance procedure but may be laid off or discharged as exclusively determined by the Company; provided that such layoff or discharge may not violate Article Four, Section A (Non-Discrimination).

b. Probationary Employees who continue in the service of the Company beyond the first 1,040 hours of actual work shall receive full Continuous Service credit from their original date of hire.

c. Where a probationary Employee is laid off and is subsequently rehired within one (1) year from the date of such layoff, the hours of actual work accumulated during the first employment shall be added to the hours of actual work accumulated during the second employment in determining when the Employee has completed 1,040 hours of actual work; provided, however, that his/her Continuous Service date will be the date of hire of the second hiring.

5. Interplant and Intraplant Transfers

It is recognized that conflicting seniority claims among Employees may arise when plant or department facilities are created, expanded, added, merged or discontinued. In the event the local parties are unable to resolve such conflicts, the International Union and the Company may reach such agreements as they deem appropriate, irrespective of existing seniority agreements, or submit the matter to arbitration.

6. Temporary Vacancies

a. In cases of temporary vacancies involving assignments within a seniority unit, the Company shall to the greatest degree, consistent with efficiency of the operation and the safety of Employees, and the progression sequence, offer that assignment to the Employee in the unit with the longest Plant Service who desires the assignment.

b. In case of a permanent vacancy on a job, the assignment of a junior Employee to a temporary vacancy on such job shall not be used as a presumption of creating greater ability in favor of such junior Employee if such temporary vacancy should have been made available to the senior Employee.

7. Posting of Job Openings

a. When a permanent vacancy develops or is expected to develop, it shall be brought to the attention of all affected or potentially affected Employees in a manner which insures adequate notice.

b. Employees in the seniority unit who wish to apply for the vacancy or expected vacancy may do so in writing in accordance with reasonable rules developed by the Company.

c. The notice requirement in Paragraph 7(a) above shall also apply to inform Employees of the Company's choice to fill the vacancy.

8. Seniority Status of Grievance Committee Members and Local Union Officers

When a decrease of force is effected, the Local Union President/Unit Chair, Vice President and the members of the Grievance Committee shall, if they would otherwise be laid off, be retained at the lowest rated job in the unit that they represent. The intent of this provision is to retain in active employment individuals who can provide continuity in the administration of the Agreement; provided that an individual shall not be retained in employment unless work which s/he can perform is available.

9. Administration of Seniority

a. The seniority standings of Employees in a given department shall be kept on file in that department and the Local Union Zone Grievance Committeeman or Grievance Chair shall have access to the file in connection with any grievances.

b. The Company shall post in each department, on a bulletin board maintained for that purpose, the Plant Service date of all Employees in that department.

10. Permanent Vacancies and Transfer Rights

a. An Employee who is assigned to a job for purposes of retention shall not be able to effectuate a permanent transfer to that unit by refusing a recall to his/her home unit. However, nothing contained herein shall preclude such an Employee from effectuating a permanent transfer by bidding for a permanent vacancy in such a unit or any other unit in accordance with established procedures.

b. A permanent vacancy shall be filled from within the first step of competition (whether it be unit, line of progression, etc.). Each succeeding vacancy shall be filled in the same manner, and the resulting vacancy in the entry level job shall thereafter be filled on a departmental basis (the second step of competition) by Employees with at least six (6) months of Plant Service on the date the vacancy is posted.

c. Resulting entry level departmental vacancies shall be filled on a plant-wide basis (the third step of competition) by Employees with at least twelve (12) months of Plant Service on the date the vacancy is posted. An Employee transferring under Article Eight, Section D (Interplant Job Opportunities) shall be eligible to bid on vacancies notwithstanding the

twelve (12) months of Plant Service requirement set forth in Paragraph 10(b) above.

d. As an exception to the procedures for filling vacancies provided for in Paragraphs 10(b) and (c) above, all permanent vacancies in craft trainee jobs shall be filled on a plant-wide basis from among qualified bidding Employees. Similarly, permanent vacancies in craft jobs which are not filled by the promotion or assignment of trainee graduates, or by the transfer of a craft Employee from one unit to another within the same trade or craft, shall be filled on a plant-wide basis from among qualified bidding Employees. An Employee shall not be disqualified from bidding on any such vacancy by reason of any minimum length of service requirement.

e. Should the Company deem it necessary to retain an Employee on his/her former job in order to continue efficient operation, it may do so, for a maximum of sixty (60) days, on the basis of establishing such Employee on the new job and temporarily assigning him/her to his/her former job until a suitable replacement can be trained for the job or its performance is no longer required. In such event, after two (2) weeks of being delayed the Employee shall be entitled to earnings not less than what s/he would have made had s/he been working on the new job on which s/he has been established and, where applicable, shall be paid as though such hours were credited to any trainee program. In addition, should the Company not assign the Employee to the new job on the sixty-first (61st) day, all subsequent hours worked will be calculated at overtime rates until the Employee is assigned to the new job.

f. If an Employee accepts transfer under this Paragraph, his/her Continuous Service in the unit from which s/he transfers will be canceled thirty (30) days after such transfer; provided, however, that during such thirty (30) day period the Employee may voluntarily return to the unit from which s/he transferred or the Company may return him/her to that unit because s/he cannot fulfill the requirements of the job or the need for the position is deemed not necessary within thirty (30) days of the date of transfer.

g. In the event an Employee accepts transfer under Paragraph 10 and remains on the new job for more than thirty (30) days, s/he may not again apply for transfer for one (1) year after such transfer.

h. In the event an Employee refuses a transfer under Paragraph 10 after applying therefore, or voluntarily returns to the unit from which s/he

transferred, s/he may not again apply for transfer to such unit for one (1) year after such event.

11. Compensation for Improper Layoff or Recall

In the event of improper layoff or failure to recall an Employee in accordance with his/her seniority rights, the Employee shall be made whole for the period during which s/he is entitled to retroactivity.

Section F. Testing

1. Where tests are used as an aid in making pre-selection determinations of the ability to perform the work, such a test must in all events be:

   a. job related;

   b. in accordance with Article Four, Section A (Non-Discrimination);

   c. uniformly applied within each respective plant; and

   d. based on the passing grade that is required to determine ability to perform the work.

2. A job related test, whether oral, written or in the form of an actual work demonstration, is one which measures whether an Employee can satisfactorily meet the specific requirements of that job including the ability to absorb any training which may necessarily be provided in connection with that job.

3. Testing procedures shall in all cases include notification to an Employee of any deficiencies and an offer to counsel how to overcome the deficiencies.

4. Where, in accordance with this Agreement, a test is used by the Company as an aid in making a determination of the Employee's ability to perform the work and where the use of the test is challenged in the grievance procedure, the following shall pertain:

   a. The Company will furnish to a designated representative of the International Union either the test itself or examples of test questions, certified by a testing agency as equivalent in any relevant respects to questions used in the disputed test and sufficient in number to evaluate the test, and all such background and related materials as may be relevant and available. In cases where all or part of the test is non-written, a complete description of the test shall be provided along with all such background and related materials as may be relevant and available.

b. All such test questions and materials will be held in strictest confidence and will not be copied or disclosed to any other person; provided that such test questions and materials may be disclosed to an expert in the testing field for the purpose of preparing the Union's position in the grievance procedure and to an arbitrator, if the case proceeds to that step. All test questions and materials will be returned to the Company following resolution of the dispute.

c. Copies of transcripts and exhibits presented in the arbitration of cases involving the challenge to a test will also be held in confidence and will not be copied or otherwise published.

Section G. Permanent Closures

1. Before the Company decides to permanently close or discontinue a plant, department or substantial portion thereof (a Closure), it shall give the Union advance written notice at least ninety (90) days prior to the proposed Closure date. Along with such notice, the Company shall provide the Union with a detailed statement of the reasons for the proposed action, all information on which the proposed decision is based and how and where the work which was performed at the closed unit will be performed.

2. Thereafter, the Company will meet with appropriate Union representatives in order to provide them with an opportunity to discuss the Company's proposed course of action, provide the Union with any additional requested information and bargain in good faith over any suggested alternatives.

3. No less than thirty (30) days prior to the Closure date, the Company shall advise the Union of its final decision, which decision shall be the exclusive function of the Company.

4. Any Employee affected by a Closure shall, after exercising any rights to which s/he may be entitled, may be placed on layoff in accordance with this Agreement.

Section H. Manning of New Facilities

1. In the manning of jobs at new facilities in existing plants, the jobs shall be filled by qualified Employees who apply for such jobs in the order of length of Plant Service from the following categories in the following order but subject to the other provisions of this Section:

a. Employees displaced from any facility being replaced in the plant by the new facilities;

b. Employees otherwise displaced as a result of the installation of the new facilities;

c. Employees presently employed on like facilities in the plant;

d. Employees presently on layoff from like facilities in the plant; and

e. Employees in the plant with two (2) or more years of Plant Service; provided, that if sufficient qualified applicants from this source are not available, the Company shall fill the remaining vacancies as it deems appropriate.

2. The local parties shall meet to seek agreement on the standards to be used to determine the qualifications entitling Employees otherwise eligible to be assigned to the jobs in question.

3. Should the local parties fail to agree on the standards for determining qualifications, an applicant otherwise eligible must have:

a. the necessary reasonable qualifications for performing the job or the ability to obtain such qualifications with a reasonable amount of training, such training to be provided by the Company;

b. the ability to absorb any additional training for the job as is necessary to enable the Employee to perform the job satisfactorily; and

c. the necessary qualifications to progress in the promotional sequence involved to the next higher job to the extent that the Company needs Employees for such progression. In determining the necessary qualifications to advance in the promotional sequence involved, the normal experience that an Employee would acquire in such sequence shall be taken into consideration; provided, however, it is recognized that the Company can require that a sufficient number of occupants of each job in a promotional sequence be available to assure an adequate number of qualified replacements for the next higher job.

4. Should the Company deem it necessary to assign an Employee to his/her regular job at the old facility in order to continue its efficient operation, it may do so, for a maximum of sixty (60) days, on the basis of establishing the Employee on the new job and then temporarily assigning him/her back to his/her former job until

a suitable replacement can be trained for the job or its performance is no longer required. In such event, the Employee shall be entitled to earnings not less than what s/he would have made had s/he been working on the new job.

Section I. Adjustment of Grievances

1. Purpose

Should any differences arise between the Company and the Union as to the interpretation or application of, or compliance with, the provisions of this or any other Agreement between the Company and the Union, prompt and earnest efforts shall be made to settle them under the following provisions.

2. Definitions

a. Grievance shall mean a complaint by the Union which involves the interpretation or application of, or compliance with, the provisions of this or any other Agreement between the Company and the Union.

b. Day as used in this Section shall mean a calendar day, excluding Saturdays, Sundays and holidays.

3. Grievance Procedure

An Employee may informally discuss a complaint with his/her supervisor, with or without his/her Grievance Committeeman (Griever) being present. However, if the Employee wishes to use this grievance procedure, s/he shall report the matter to his/her Griever, who must refer it to Step 1 of the grievance procedure by completing a grievance form and submitting it to the Employee's supervisor within thirty (30) days of the date on which the Employee first knew or should have known of the facts which gave rise to the grievance.

The grievance form shall be signed by the Griever and the Employee. The supervisor shall sign and date the grievance form and return a completed copy to the Griever.

a. Step 1 – Oral

(1) A grievance received in Step 1 shall be discussed at a meeting with the Grievance Committeeman from the area and/or the Griever, the grievant and the grievant's supervisor at a mutually convenient time within five (5) days of receipt of the grievance form. Management may call any non-represented employee as a witness

to provide testimony and/or evidence to the meeting. The Union may call any USW represented Employee as a witness to provide testimony and/or evidence to the meeting.

(2) The supervisor shall answer the grievance no later than three (3) days after the Step 1 hearing. If settled in Step 1, the grievance form shall be so noted and signed and dated by the Griever, the Grievance Committeeman and the grievant's supervisor.

(3) If not settled or withdrawn in Step 1, the Union shall, within five (5) days of the Company's Step 1 response, provide the Company with a written record, signed by the Grievance Committeeman, of the grievance, including the grievance number, a statement of the grievance, the Union's understanding of the facts, its position and the reasons therefor, the remedy requested and the date submitted.

(4) Upon receipt, the Company shall, within three (3) days, provide the Grievance Committeeman and the Chair of the Union's Grievance Committee (the Grievance Chair) with its version of the written record of the grievance, signed by the Company, with the same set of information required of the Union. These two (2) completed forms shall comprise the Step 1 written record.

b. Step 2 – Written

(1) In order to be considered further, a grievance shall be appealed by the Grievance Chair to the head of the grievant's department within five (5) days of receipt of the Step 1 written record.

(2) Such grievance shall be discussed within five (5) days at a meeting with the grievant, the involved Grievance Committeeman, the Grievance Chair, the grievant's supervisor and the involved department head. Management may call any non-represented employee as a witness to provide testimony and/or evidence to the meeting. The Union may call any USW represented Employee as a witness to provide testimony and/or evidence to the meeting.

(3) In Bargaining Unit Work or safety grievances, a representative of the relevant committee shall also be present.

(4) The department head shall provide the Grievance Chair with a written response (the Step 2 Answer) to the grievance within three (3) days of the Step 2 meeting.

(5) Unless the Grievance Chair informs the department head in writing that the grievance is settled or withdrawn on the basis of the Step 2 Answer, the Company shall, within five (5) days of providing the Step 2 Answer, provide the Grievance Chair with Step 2 minutes for the grievance which shall include: the date and place of the meeting; names and positions of those present; the number and description of the grievance discussed; background information and facts; a statement of the Union's position as understood by the Company; and a statement of the Company's position including its response to all claims, points of evidence, testimony and arguments presented by the Union as well as Company testimony and evidence, including past grievances and/or arbitration awards and the decision reached.

(6) If the Grievance Chair disagrees with the accuracy of the minutes, s/he shall submit a signed written response to the Company within five (5) days of the receipt of the Step 2 minutes.

(7) The Company shall send a copy of its version of the Step 2 minutes and any Union response to the designated representative of the International Union (the International Rep) and the Grievance Chair immediately upon its receipt of the Union response.

c. Step 3 – Written

(1) The International Rep shall send a written appeal of a Step 2 Answer to the Plant General Manager (the Company Step 3 Rep) within five (5) days of the receipt of the Step 2 Minutes.

(2) The International Rep, the Grievance Chair and the Company Step 3 Rep shall meet at a mutually acceptable time within ten (10) days of the Company's receipt of the International Rep's appeal.

(3) Grievances discussed at such meeting shall be answered in writing and sent to the International Rep within five (5) days after such meeting.

(4) The International Rep may appeal a grievance to arbitration by sending a written notice to the Board of Arbitration and the Company Step 3 Rep within ten (10) days of the Union's receipt of the Step 3 written answer.

4. General Provisions

a. The Company shall provide reasonable forms for filing and appealing grievances and documenting the Step 1 and Step 2 written records.

b. The Company and the Union shall provide each other with updated written lists of their Step 1, Step 2 and Step 3 representatives and their designees who shall have the authority to settle grievances at their respective steps and, for the grieving party, to withdraw or appeal such grievances.

c. At each Step of the grievance procedure the parties shall provide a full and detailed statement of the facts and provisions of the Agreement relied upon and the grieving party shall provide the remedy sought. Facts, provisions or remedies not disclosed at or prior to Step 3 of the grievance procedure may not be presented in arbitration.

d. The settlement or withdrawal of a grievance prior to arbitration shall be without precedent or prejudice to either party's position.

e. Any grievance filed directly in Step 2 or higher shall be initiated within thirty (30) days of the event upon which the grievance is based, or the date on which such event should reasonably have become known.

f. Except as otherwise provided in the BLA, all grievances shall be initiated at Step 1 and grievances which are not initiated in the proper step shall be referred there for processing.

g. A single grievance may be processed with the facts of additional violations presented as well. Additional claimants shall sign a special form to be supplied by the Company for this purpose. When the original grievance is resolved the additional claims shall be reviewed in light of the resolved grievance. If the additional claims are not settled, they shall be considered as grievances and processed accordingly.

h. In the case of a grievance that involves a large group of Employees, a reasonable number may participate in any discussion of the grievance.

i. In any settlement involving cash payments, payment not made within thirty (30) days will accrue interest from the date of settlement at the same rate as established at the local Federal Credit Union.

j. If, for any reason, the time limits specified in Paragraph 3 above for:

(1) meetings between the parties are not met, the grievance shall be considered denied as of the last day within the time limit for such meeting and the appropriate Union representative shall have the right to move the grievance to the next step;

(2) the Union to act are not met, the grievance shall be considered withdrawn; or

(3) the Company to act are not met, then the grievance shall be considered granted with the requested appropriate contractual remedy to the grieving party.

k. An Employee who is summoned to meet with a supervisor or any other representative of the Company for the purpose of discussing possible disciplinary action shall be entitled to be accompanied by his/her Griever and if the Griever is not then available, the meeting shall be deferred.

l. No Employee shall be required to submit to a lie detector test. The results of lie detector tests will not be used by the Company or the Union.

m. Notwithstanding anything to the contrary, the grievance procedure may be utilized by the Union with or without an individual grievant. Such grievances shall be filed in Step 2.

n. In the event an Employee dies, the Union may process his/her grievance on behalf of his/her heirs.

o. The Chair of the Union Negotiating Committee, the District Director and the International Rep shall have access to the plant at reasonable times to investigate issues with which they are concerned.

p. The Company will pay for all lost time for the grievant and the designated Union representative for participation in Steps 1, 2 and 3 of the grievance procedure in accordance with standard local plant understandings.

5. Grievance Committee

a. The Union shall provide the Company with an updated written list of individuals who comprise its Grievance Committee, including a chair and a secretary. The number of members of the Committee at each Plant shall be agreed upon by the Plant Manager and the Local Union President/Unit Chair, but in no case shall there be less than three (3) nor more than ten

(10) members and no more than one member of the Committee shall be from any one department (excluding the Grievance Chair). Committee members will be afforded time off upon reasonable notice and approval to:

(1) attend scheduled committee meetings;

(2) attend meetings pertaining to suspension or discharge or other matters which cannot reasonably be delayed; and

(3) visit departments at reasonable times for the purpose of transacting the legitimate business of the Grievance Committee after notice to the head of the department to be visited and after reasonably granted permission from his/her own department head if the Grievance Committee member is at work.

b. Where the Grievance Committee so decides, the Griever may be designated to aid the Committee. The Union shall provide the Company with an updated written list of such individuals. Each Griever shall:

(1) be limited to the handling of grievances in Step 1 within the plant unit represented by him/her; and

(2) upon reasonable notice to and reasonable approval by his/her immediate supervisor, be afforded time off to investigate the facts essential to the settlement of any grievances.

6. Board of Arbitration

a. The parties shall choose for the term for this Agreement a Board of Arbitration (the Board) consisting of six (6) individuals. In the event of the resignation, incapacity or death of a member of the Board the parties shall promptly agree upon a successor. If the parties cannot agree on a successor, each party shall submit three (3) names and use a "strike" method to determine the final selection and a "flip of a coin" to determine the party that "strikes" first.

b. The member of the Board (arbitrator) chosen in accordance with Paragraph 7(a) below shall have the authority to hear and decide any grievance appealed in accordance with the provisions of the grievance procedure as well as disputes concerning the Insurance Agreement. The arbitrator shall not have jurisdiction or authority to add to, detract from or

alter in any way the provisions of this Agreement or the Insurance Agreement.

c. The Board, after consultation with the Company and the Union and subject to the procedures described in this Paragraph, shall adopt rules and regulations to govern its procedure and administration.

d. The decision of an arbitrator shall be final and binding upon the Company, the Union and all Employees concerned.

e. In cases involving repeated violations of the same or similar provisions of the Agreement, including the provisions of the grievance procedure, the arbitrator shall fashion a remedy designed to significantly deter such repeated violations.

f. Where the parties are in disagreement with respect to the meaning and application of a decision, either party may apply to the Board for a compliance hearing in accordance with rules that the Board shall prescribe. Such application shall be given priority and be resolved by the Board within thirty (30) days.

g. Expenses connected with specific cases shall be shared equally by the Company and the relevant Local Union.

7. Arbitration Hearings

a. Thirty (30) days prior to the start of each calendar quarter the Director of the USW Arbitration Department (or his designee) shall provide the parties with a calendar listing hearing dates for that quarter and be responsible for scheduling the hearings.

b. The hearings shall be scheduled as required at each location.

c. On each hearing date the parties shall, subject to the time available, attempt to present all cases previously appealed to arbitration. The cases shall be heard in the order in which they were appealed, provided that all pending discharge cases shall be heard first.

d. Failure to present a case when it is called shall constitute withdrawal of the grievance and failure to respond to a case when presented shall constitute granting of the grievance and agreement to the remedy sought, provided that a hearing may be postponed once if the arbitrator determines that circumstances clearly require postponement.

8. Rules for Hearings

a. The parties agree that the prompt resolution of cases brought to arbitration is of the highest importance. Therefore, except as provided in Paragraph 8(b) below, arbitration hearings shall be heard in accordance with the following rules:

(1) the hearing shall be informal;

(2) no briefs shall be filed or transcripts made;

(3) there shall be no formal evidence rules;

(4) the arbitrator shall have the obligation of assuring that the hearing is, in all respects, fair;

(5) the arbitrator shall issue a decision no later than two (2) days after conclusion of the hearing. The decision shall include a brief written explanation of the basis for the conclusion; and

(6) the Board shall adopt such other rules as it deems necessary.

b. In the event the Union or the Company believes that the issues involved are of meaningful precedential significance or great complexity, it may petition the arbitrator to allow the filing of briefs as follows:

(1) the moving party will notify the other party that it intends to so argue at least seventy-two (72) hours prior to the start of the hearing;

(2) the hearing shall begin with the arbitrator taking no more than fifteen (15) minutes of testimony from each side on that issue;

(3) the arbitrator shall rule from the bench on the issue of whether briefs may be filed and the hearing on the case shall commence immediately thereafter; and

(4) if the arbitrator rules that briefs are to be allowed, then briefs shall, without exception, be due within thirty (30) days of the close of the hearing and the arbitrator's decision shall be rendered within thirty (30) days thereafter.

c. The Company agrees that it shall not, in an arbitration proceeding subpoena or call as a witness any bargaining unit Employee or retiree. The Union agrees not to subpoena or call as a witness in such proceedings any non-bargaining unit employee or retiree.

9. Suspension and Discharge Cases

a. No Peremptory Discharge

(1) Before imposing a discharge (which must be in accordance with Paragraph 9(b) below) the Company shall give written notice of its intent to the affected Employee and the Grievance Chair.

(2) Where the Union files a grievance protesting such intended discharge within five (5) days of receipt of the notice, the Company may impose no more than a suspension (which must be in accordance with Paragraph 9(b) below) on such Employee prior to completing the procedure referred to in Paragraph 3 below.

(3) The grievance protesting the intended discharge shall be filed at Step 2 of the grievance procedure and the Step 2 Answer shall be given prior to the Company converting the suspension to a discharge. At the Step 2 meeting the Company shall provide a written statement fully detailing all of the facts and circumstances supporting its proposed disciplinary action.

(4) In the event the Company does convert the suspension to a discharge, the action shall be treated as a denial of the grievance at Step 2 and the Union may thereupon move the case through the balance of the grievance procedure.

b. Justice and Dignity

(1) In the event the Company imposes a suspension or discharge , and the Union files a grievance within five (5) days after notice of the discharge or suspension, the affected Employee shall remain on the job to which his/her seniority entitles him/her until there is a final determination on the merits of the case.

(2) This Paragraph will not apply to cases involving offenses which endanger the safety of employees or the plant and its equipment, including use and/or distribution on Company property of drugs, narcotics and/or alcoholic beverages; possession of firearms or

weapons on Company property; destruction of Company property; gross insubordination; threatening bodily harm to, and/or striking another employee; theft; or activities prohibited by Article Five, Section K (Prohibition on Strikes and Lockouts).

(3) When an Employee is retained pursuant to this procedure and the Employee's discharge or suspension is finally held to be for just cause, the removal of the Employee from the active rolls shall be effective for all purposes as of the final resolution of the grievance.

(4) When a discharged Employee is retained at work pursuant to this provision and is discharged again for a second dischargeable offense, the Employee will no longer be eligible to be retained at work under these provisions.

c. Any case involving a suspension or discharge may be filed at Step 2 of the grievance procedure.

d. The Company will not make use of any personnel records of previous disciplinary action against the Employee involved where the disciplinary action occurred two (2) years prior to the date of the event which is the subject of suspension or discharge, except records relevant and necessary to establish progressive discipline of the action in dispute, but in no event longer than five (5) years.

e. Should the arbitrator determine that an Employee has been suspended or discharged without just cause, the arbitrator shall have the authority to modify the discipline and fashion a remedy warranted by the facts.

f. Nothing in these provisions shall restrict or expand the Company's right to relieve an Employee for the balance of such Employee's shift under the terms of the Agreement.

Section J. Management Rights

The management of the plants and the direction of the working forces, including the right to hire, transfer and suspend or discharge for proper cause, and the right to relieve employees from duty, is vested exclusively in the Company.

In the exercise of its prerogatives as set forth above, the Company shall not deprive an Employee of any rights under any agreement with the Union.

Section K. Prohibition on Strikes and Lockouts

1. There shall be no strikes or work stoppages or the interruption or impeding of work. No officer or representative of the Union shall authorize, instigate, aid or condone any such activities. No Employee shall participate in any such activities.

2. The applicable procedures of this Agreement will be followed for the settlement of all complaints or grievances.

3. There shall be no lockouts.

Section L. Workforce Planning

1. The parties recognize that their shared goals of a highly productive and skilled workforce, as well as continuity of operations, require thoughtful attention to hiring decisions. Accordingly, in addition to any other provision of this BLA, the Company agrees that it will develop workforce plans that ensure timely hiring of additional Employees upon the occurrence of any of the following circumstances:

    a. Anticipated attrition will result in a shortage of trained Employees in any unit(s) of the plant.

    b. Actual attrition results in a shortage of trained Employees in any unit(s) of the plant.

    c. Sustained high levels of overtime worked in any unit(s) of the plant demonstrates that additional forces are needed to return to reasonable levels of overtime.

2. Where attrition can be reasonably anticipated the Company will, to the extent practicable, complete the hiring process in sufficient time to provide training such that the new Employee(s) will be capable of providing for uninterrupted operations without resort to unreasonable overtime to cover the shortfall in Employees.

ARTICLE SIX – JOINT EFFORTS

Section A. Partnership

1. Intent and Purpose:

The intent is to establish and maintain a Partnership which will provide the parties the ability to achieve the following common partnership objectives:

a. improve health and safety
b. provide continued, permanent, rewarding employment
c. improve product quality
d. reduce operation / unit costs
e. improve productivity, efficiency of operation
f. improve quality of life in the working environment
g. increase the overall skills of employees
h. improve Company and Union relations at all levels
i. promote Employee involvement in solving problems and business challenges

To allow the Company and the Union to fully function as partners, the parties will fully and continually discuss issues that arise during the term of the Basic Labor Agreement, including capital investment changes in the market or business conditions, adjustments to business strategies and/or other work place changes.

2. Access to Information

The Company shall provide the Union and its advisors with:

a. full and continuing access to its short and long-term operating and financial results and forecasts including inputs relevant to the development of them;

b. the earliest practicable notification and continuing updates of any contemplated material corporate transactions, including plans for capital investment, mergers, acquisitions, joint ventures and new facilities to be constructed or established;

c. Information and continuing updates on any proposed Workplace Change.

Access to and the use of this information will be covered by a reasonable confidentiality agreement.

3. Comprehensive Training and Education Program

a. Company and Union representatives shall receive ongoing training developed and conducted by their respective organizations in the application of this Section.

b. Any training in the application of this Section that is attended by both Employees and managers shall be jointly developed and implemented.

c. The Company shall fund all costs associated with training programs referred to in this Section.

4. Mechanisms

The parties agree to the following to carry out this Section.

a. Strategic Labor Management Committee

(1) Appointment and Composition

A Joint Strategic Labor Management Committee (Strategic Committee) shall be established consisting of for the Company: the Chief Executive Officer, Vice President of Labor Relations and one (1) additional designee and for the Union: the Chair of the Union's Negotiating Committee, the Secretary of the Union's Negotiating Committee and one additional designee.. Each side shall designate a Co-Chair and provide the other with an updated list of its members of the Committee.

(2) Contract Coordinators

The Chair of the Union's Negotiating Committee will appoint a Partnership Contract Coordinator for each Division of ArcelorMittal USA. The Union Partnership Coordinators will be Employees of the Company. Partnership Coordinators will work with the Managers of each Division and Local Union Presidents to ensure that the Partnership agreement is proactively applied and managed at each location within the division.

(3) Meetings

The Strategic Committee shall meet as required. These meetings will be for the purpose of reviewing and discussing the information described in Section A. Partnership (it being understood that the Union Co-Chair will be updated more timely/frequently regarding time-sensitive information)

as well as other information and updates reasonably requested by the Union.

(4) Access to Board of Directors

The Union members of the Strategic Committee shall have the right to appear before and be heard by the Board of Directors on matters of concern to the Union.

b. Plant Labor Management Committees

(1) Appointment and Composition

The Local Union President and Plant Manager will be responsible to ensure that the Partnership process at all levels of the business in each location is properly implemented. Any unresolvable issues regarding the Partnership may be referred to the Negotiation Co-Chairs to be addressed.

The parties shall establish a Plant Partnership Committee at each of the Company's facilities. The Plant Partnership Committee shall be composed of three (3) Union representatives who are Employees of the Company and an equal number of Company representatives. The Company members of each Plant Partnership Committee shall include the Plant Manager (who shall serve as the Company Co-Chair). The Company Members of the Committee shall be selected and serve at the pleasure of the Plant Manager. The Union members of each Plant Partnership Committee shall include the Local Union President/Unit Chair (who shall serve as the Union Co-Chair). The Union Members of the Committee shall be selected and serve at the pleasure of the Local Union President/Unit Chair at the plant.

(2) Meetings

The Plant Committee shall meet at least monthly. These meetings will be for the purpose of reviewing and discussing information concerning the operations, results and outlook for the Company, with emphasis on the particular facility, as well as information concerning Workplace Changes.

Each quarter or as required by the Negotiation Co-Chairs and no less frequently than the Annual Meetings described 5(e) below, the Local Union President and Plant Manager shall report out on the state of the Partnership Process at their location. The report out will include such key measures as grievances statistics, workforce participation, communication

of continuous improvements and other subjects as described in A. 1. above.

c. Area Labor Management Committees

(1) The Plant Committee shall establish Area Labor Management Committees (Area Committees) in specific departments, operational units or divisions. The Area Committee Co-Chair for the Union shall be the Grievance Committeeman/Committeemen for the area(s). The Co-Chair for the Company shall be the Division Manager for the area (or his/her designee). Additional members of the Area Committee shall be drawn equally from the Company and Union. The Local Union President/Unit Chair (or designee) and the Plant Manager (or designee) may attend meetings of the Area Committees.

(2) The Area Committees shall provide a forum for exchange of information and discussion of issues related to operations and Workplace Changes.

d. Problem Solving Teams

The Plant Committee or an Area Committee may create one or more Problem Solving Teams to study, address and report back on specific problems mutually agreed to by the Co-Chairs.

e. Company-Wide Meetings

(1) In each calendar year the parties will hold a two (2) day meeting (the first day for separate meetings for preparation) in proximity to a Company facility to review and discuss the information described in Paragraph 2 (Access to Information), above with the Union's leadership at the plants, Districts and International and the progress of the Partnership in achieving it's intent and purpose, (Section 1).

(2) The Strategic Committee shall agree on a level of disclosure appropriate for the group.

(3) Union participants shall include the Chair of the Union Negotiating Committee, Secretary of the Union Negotiating Committee, Local Union Presidents/Unit Chairs, Grievance Committee Chairs (or their designees) Contract coordinators at each of the Company's facilities and such others that the union designates. Company participants shall include the

Company's officers, Plant Managers and such others as the Company may designate.

5. Workplace Change

a. The Plant Committee and relevant Area Committee shall be provided with the earliest practicable notification of any plan to significantly modify or change in any way machinery, equipment, controls, materials, software, work organization or any other work process that could directly or indirectly impact Employees (a Workplace Change). Such notification shall include:

(1) a description of the purpose, function and established timetable of the Workplace Change, and how it would fit into existing operations and processes;

(2) the estimated cost of the proposed Workplace Change including justification;

(3) disclosure of any service or maintenance warranties or contracts provided or required by the vendor (if any);

(4) the number and type of jobs (both inside and outside the bargaining unit) which would be impacted;

(5) the anticipated impact on the skill requirements of the workforce;

(6) details of any training programs connected with the Workplace Change (including duration, content and who will perform the training); and

(7) the expected impact on job content, method of work, safety and health, training needs and the utilization of Outside Entities.

b. Union representatives on the Plant Committee and the relevant Area Committee may request and shall receive reasonable access to Company personnel knowledgeable about any proposed Workplace Change in order to review, discuss and receive follow-up information.

6. Safeguards and Resources

a. No entity created under this Section may amend or modify the Basic Labor Agreement, recommend or affect the hiring or discipline of any Employee or take any action with respect to contractual grievances.

b. Service on any entity created under this Section shall be voluntary, and no Employee may be disciplined for lack of involvement or commitment to the matters covered under this Section.
c. Employee participation or training contemplated in this Section shall normally occur during normal work hours.
d. At the mutual invitation of the Co-Chairs of any committee created under this Section, appropriate Union representatives and Company representatives may attend a committee meeting.
e. All meeting time and necessary and reasonable expenses associated with any committee created under this Section shall be paid for by the Company and Employees attending such meetings in accordance with standard local plant understandings.
f. Joint committees may mutually agree to employ experts from within or outside the Company as consultants; advisors or instructors and such experts shall be jointly selected and assigned.
g. All Union participants involved in any and all joint activities under this Section or in any other joint committee involving members of a Union bargaining unit, shall be chosen and removed from the process exclusively by the relevant Local Union President/Unit Chair and the Chair of the Union Negotiating Committee.
h. All current improvement, involvement and joint programs will be restructured to be consistent with this Section. Following the Effective Date, new improvement programs involving Employee participation may not be implemented without approval of the Union and, where implemented, shall operate in a manner consistent with this Section.
i. This Section shall in no way diminish the Union's collective bargaining rights regarding changes in technology and work organization that impact Employees.

Section B. Public Policy Activities

1. The Company and Union hereby agree to establish a jointly administered public policy fund (Public Policy Fund) meeting the following guidelines.

a. Purpose and Mission: The purpose of the Fund shall be to:

(1) support public policies promoting the interests of the Company and the Union on such subjects as health care, legacy costs, international trade, currency valuation, and other public policy issues of importance to the parties;

(2) to contribute to and promote greater cooperation between labor and management; and

(3) to assist the Company and Union in solving problems of mutual concern that are not susceptible to resolution through collective bargaining.

b. The Public Policy Fund will pursue its mission through labor-management cooperative endeavors such as public and political education, issue advocacy, research, and the coordination of such activities with other like-minded groups.

c. The Fund will have a six-person Governing Committee. The Company representatives shall include the Chief Executive Officer of the Company, (or his/her designee). The Union representatives shall include the International President of the USW or his designee, the Secretary of the Union's Basic Steel Industry Conference and the USW District Director serving as the Chair of the Union Negotiating Committee.

d. The Public Policy Fund will be financed

by an accrual of $0.12 for each ton of steel shipped to third parties by the Company facilities covered by this Agreement.

e. All activities of the Public Policy Fund shall be subject to approval by the Governing Committee, provided that :

(1) In the event that the Union members of the Governing Committee propose that the Union or its designee take responsibility for any or all aspects of the content, administration, delivery or implementation of any programs or activities conducted under the auspices of the Fund, the Company Members of the Governing Committee shall give recognition to the special advantages that such Union responsibility would contribute to such programs or activities, including but not limited to the knowledge and experience of the Union, the familiarity of the Union with target audiences, and the added credibility that Union responsibility would add to such programs or activities.

(2) The document creating the Governing Committee will contain a procedure for the quick and binding resolution of any dispute over the administration, delivery, or implementation of programs or activities conducted under the auspices of the Fund.

2. Stand Up For Steel

   a. The Company agrees to join the Stand Up For Steel Labor/Management Committee (Stand Up For Steel) effective on the Effective Date.

   b. The parties agree that Stand Up for Steel will serve as a focal point for industry-wide joint activities in combating unfair trade in steel and related products and other subjects as agreed to by the parties. The parties will continue to pursue other activities separately as appropriate and the funding and structure contemplated herein shall not be applicable to litigation to enforce the nation's trade laws.

   c. Stand Up For Steel will have a Governing Board consisting of an equal number of Union and company representatives. The Board will be co-chaired by the President of the USW and a CEO selected by the participating companies.

   d. All activities conducted under the banner of Stand Up For Steel shall be approved by the Governing Board.

   e. The parties will jointly recruit all American steel (carbon and stainless) and iron ore companies and others to join the organization under the terms described in this Section. The Company agrees to work with the other participating companies so that the company representatives on the Governing Board will represent the interests of all participating companies.

3. Energy Efficiency and Carbon Emissions Task Force

   a. The purpose of the Task Force shall be to work jointly to identify, analyze, and make recommendations regarding ways to conserve energy, improve energy efficiency and reduce green house gas emissions at the operating facilities of the Company.

   b. The Task Force shall work in conjunction with the joint efforts of the Parties on legislative initiatives related to the issues, as directed by the Public Policy Governing Committee.

   c. Two Employees from each plant shall be jointly selected by the Chairs of the Negotiating Committee to work in conjunction with representatives from the Company's Environmental and Energy Management programs at each plant for the purpose of pursuing the activities set forth herein.

Section C. Contract Coordinators

In this BLA, the parties have committed themselves to a number of joint undertakings crucial to the success of the Company, its Employees and the Union. In recognition of the crucial role being served by the Union in accomplishing the joint goals of the parties, the parties agree as follows:

1. The Chair of the Union Negotiating Committee shall select and direct twelve (12) Contract Coordinators, who shall be responsible throughout the Company for implementation and ongoing monitoring of joint undertakings of mutual interest to the Company and the Union. It is expected that Contract Coordinators will visit each of the Company's locations on a regular basis in the performance of their duties.

2. Each Contract Coordinator shall be an Employee of the Company. The Contract Coordinator shall be compensated by the Company in the amount of the appropriate wages, benefits and other fringe benefits s/he would have earned during his/her normal course of employment with the Company, but for this assignment. In addition, each Contract Coordinator shall be reimbursed for reasonable out-of-pocket expenses including, but not limited to, travel (coach airfare, hotel and per diem) incurred in connection with this assignment and as reasonably agreed to by the Company and the Union in advance of incurring such expense. In order to receive such lost time payments and expense reimbursements, supporting vouchers must be provided by the Contract Coordinator.

Section D. New Employee Orientation

1. The parties agree that within one-hundred eighty (180) days of the Effective Date they shall jointly develop an Employee Orientation Program which shall include the following:

    a. an introduction of plant Company officials, International Union officials and Local Union representatives as may be appropriate;

    b. distribution and discussion of the BLA, including any relevant local agreements;

    c. discussion of safety and health programs and safe working procedures;

    d. presentation and discussion on labor-management participation, problem solving, communications and the role of the Union and the workforce in quality and customer satisfaction;

e. discussion of the history and achievements of the United Steelworkers of America and the particular Local Union;

f. discussion of the structure of the United Steelworkers of America and the particular Local Union and the services that are provided by the various offices and committees;

g. presentation on the history of the Company and plant;

h. review of the markets in which the Company participates, the products produced and the customers serviced; and

i. discussion of the structure of the Company, the plant organization and the functions and services that are provided by the various departments.

2. This program shall be jointly presented, on Company time, to each Employee of the Company during the one (1) year period following the Effective Date and to each Employee hired thereafter within their probationary period. The Union will be allotted a portion of the program to address the Employees.

3. All costs associated with developing this Program shall be borne by the Company.

4. In addition the Company shall compensate each Employee at their Regular Rate of Pay, within the same timeframe as the joint orientation described above, to attend an orientation session conducted by the Contract Coordinators at a location designated by the Union.

ARTICLE SEVEN – TRAINING

Section A. Workforce Training Program

1. Commitments

The parties are committed to:

a. the Company's workforce being sufficiently skilled so that all Bargaining Unit Work can be performed in accordance with this Agreement by Employees; and

b. Employees receiving sufficient training to allow for all reasonable opportunities to progress within the workforce and maximize their skills to the greatest extent possible.

c. multi-skilled, multi-functional training and upgrading of skills in order to achieve a safe workplace and full utilization of the workforce.

d. maximize training resources and use of skills on the job.

2. Plant Training Committees

a. Appointment and Composition

The parties shall establish a Plant Training Committee at each of the Company's facilities. The Plant Training Committee shall be composed of three (3) Union representatives who are Employees of the Company and an equal number of Company representatives. The Company members of each Plant Training Committee shall include the Human Resource Representative responsible for Training (who shall serve as the Company Co-Chair). The Company Members of the Committee shall be selected and serve at the pleasure of the Plant Manager. The Union members of each Plant Training Committee shall include the Union Training Coordinator (who shall serve as the Union Co-Chair). The Union Members of the Committee shall be selected and serve at the pleasure of the Local Union President/Unit Chair at the plant.

b. Staff

Each Plant Training Committee shall have one (1) full time Training Coordinator who will be responsible for coordination and oversight of the Training Program. The Training Coordinator will be an Employee selected by and serving at the pleasure of the Chair of the Union

Negotiating Committee and the Vice President of Labor Relations, it being understood that the Union Committee Chair shall consult with the Local Union President(s)/Unit Chair(s) at the plant of the Company. The Training Coordinator shall be compensated in the same manner as the Contract Coordinators referred to in Article Six, Section C of this Agreement.

3. Annual Study of Workforce Training Needs

By January 15th of each year the Plant Training Committee shall complete a plan (Plan) to meet the expected training needs of the workforce over the term of the Agreement, given the Commitments outlined in Paragraph 1 above. Such Plan shall include Findings and Recommendations as described below.

a. Findings

(1) an age and service profile and the anticipated attrition rates of the workforce over the life of the Agreement;

(2) an assessment of the current skill requirements (both competencies and force levels) of the plant, the availability of such skill requirements within the existing workforce and any training practices or programs necessary to bring the competencies and/or force levels of the current workforce into prompt conformity with the plant's current skill requirements;

(3) an evaluation of the appropriateness of existing training programs and the necessity of developing additional training programs, giving due consideration to changing technology and future skill needs;

(4) an examination of current overtime levels and an assessment of whether Employees in certain positions are working excessive overtime;

(5) an examination of methods by which productivity can be improved through additional training of Employees;

(6) an examination of the plant's business plan, including projected capital spending, planned or potential new technology or technological change and other relevant factors over the term of the Agreement; and

(7) an assessment of the work practices and the training practices at the plant, as compared to those of other steel producers represented by the Union.

(8) an analysis of the achievements and expectations of the previous year's Plan.

(9) an estimate of the necessary resources required to implement the Plan.

b. Recommendations

Based on its Findings, the Plant Training Committee shall develop a comprehensive training program, including a detailed implementation plan and all necessary resources for administration, implementation, delivery and evaluation (Training Program) designed to, on a practical and timely basis, meet the commitments outlined in Paragraph 1 above.

c. Update

Each year the Plant Training Committee shall prepare an Update that reviews the Findings and modifies them based on changed circumstances, measures the success of the Training Program against its objectives and modifies the Training Program accordingly.

d. Separate Statements

The Plan and each Update will include separate statements by the parties with respect to any Finding or Recommendation as to which they disagree.

4. Action by the Chairs of the Negotiating Committee

a. Within thirty (30) days of receipt of the Plan or an Update, the Chair of the Union Negotiating Committee and the Chair of the Company Negotiating Committee shall approve a Training Program or Update (including modifications upon which they can agree) or submit those matters on which they do not agree to an Arbitrator, pursuant to procedures to be agreed upon by the parties.

b. The dispute will be resolved on the basis of a final offer submission by the parties at a hearing. The arbitrator will determine which of the

submissions best meets the Commitments outlined in Paragraph 1 above, in light of the Findings referred to in Paragraph 3(a) above. The arbitrator shall have the power to determine the procedures pursuant to which the hearing is conducted.

5. Administration and Union Role

a. In accordance with Section A1. and to facilitate the provisions of Section 3b. of this Article, each Plant Training Committee shall jointly oversee the administration and delivery of its Training Program, the expenditure of Company funds necessary for its operation, and an annual audit of such activity.

b. In the event that the Union members of the Plant Training Committee propose that the Union or its designee take responsibility for any or all aspects of the administration, delivery, or implementation of the Training Program, the Company members of the Committee shall give recognition to the special advantages that such Union responsibility would contribute to the Training Program, including but not limited to the knowledge of the Union concerning the Program and its development, the familiarity of the Union with the capabilities and learning styles of Employees, and the added credibility that Union responsibility would add to the Program. Any dispute over aspects of the administration, delivery, or implementation of the Program shall be a matter for resolution under paragraph 7 below.

6. Safeguards and Resources

a. The Company shall provide the members of the Plant Training Committee and the Training Coordinator with such training as is necessary to enable them to perform their responsibilities under this Section with a high degree of competence. Employee participation in the Plant Training Committee shall normally occur during normal work hours. All meeting time and necessary and reasonable expenses of the Plant Training Committee shall be paid for by the Company and Employees attending such meetings shall be compensated in accordance with standard local plant understandings.

b. Union members of the Plant Training Committee shall be entitled to adequate opportunity on Company time to caucus for purposes of study, preparation, consultation and review, and shall be compensated in the same manner as set forth in Paragraph (a) above. Requests for caucus

time shall be made to the appropriate Company representative in a timely manner, and such requests shall not be unreasonably denied.

c. To the extent that Company facilities are available and appropriate for Training Program activities, they will be made available.

7. Dispute Resolution

In addition to the matters covered by the dispute resolution procedure described in Paragraph 4 above, in the event that the Plant Training Committee is unable to reach agreement on any matter involving the Training Program, the Plant Training Committee shall appoint the arbitrator referred to in Paragraph 4(a) to resolve such dispute. The further details of this procedure shall be as agreed to by the Plant Training Committee unless they are unable to reach such agreement, in which case they shall be determined by the arbitrator.

Section B. Institute for Career Development

1. Establishment

The Union and the Company hereby establish the USW/ArcelorMittal Institute for Career Development (the Institute) which, in conjunction with similar programs negotiated by the Union with various other employers, will be administered under the rules and procedures of the Institute for Career Development (ICD).

2. Purpose

The purpose of the Institute is to provide resources and support services for the education, training and personal development of the Employees of the Company, including upgrading their basic skills and educational levels.

3. Guiding Principles

The Institute and ICD shall be administered in a manner consistent with the following principles:

a. workers must play a significant role in the design and development of their jobs, their training and education and their working environment;

b. workers should be capable of reacting to change, challenge and opportunity and this requires ongoing training, education and growth; and

c. worker growth and development can only succeed in an atmosphere of voluntary participation in self-designed and self-directed training and education.

4. Financing

The Institute will be financed by $0.15 for each hour worked by all Employees. The parties will also seek and use funds from federal, state and local governmental agencies.

5. Administration

a. The Institute will be administered jointly by the Company and the Union in accordance with procedures, rules, regulations and policies agreed to by the parties.

b. Training is separately provided for in the Agreement. The Company may, however, contract with the Institute to provide services and resources in support of such training.

c. The Company agrees to participate fully as a member of ICD in accordance with policies, rules and regulations established by the ICD. The Company's financial contributions to the Institute will continue to be separately tracked. ICD will continue to be under the joint supervision of the Union and participating employers with a Governing Board consisting of an equal number of Union and employer appointees.

6. Reporting, Auditing, Accountability and Oversight

The following minimum requirements shall govern reporting, auditing, accountability and oversight of the funds provided for in Paragraph 4.

a. Reporting

(1) For each calendar year quarter, and within thirty (30) days of the close of such quarter, the Company shall account to the ICD, the International Union President and the Chair of the Union Negotiating Committee for all changes in the financial condition of the Institute. Such reports shall be on form(s) developed by the Institute broken down by plant and shall include at least the following information:

(a) The Company's contribution, an explanation thereof and the cumulative balance; and

(b) a detailed breakdown of actual expenditures related to approved program activities during said quarter.

(2) The Union Co-Chairs of each of the Local Joint Committees shall receive a report with the same information for their plant or Local Union, as the case may be.

b. Auditing

The Company or the Union may, for good reason, request an audit of the Company reports described in Paragraph 6(a) above and of the underlying Institute activities made in accordance with the following: (1) the Company and the Union shall jointly select an independent outside auditor; (2) the reasonable fees and expenses of the auditor shall be paid from ICD funds and (3) the scope of audits may be Company-wide, plant-specific, or on any other reasonable basis.

c. Approval and Oversight

Each year, the Local Joint Committees shall submit a proposed training/education plan to the Chairs of the Union and Company Negotiating Committees or their designees. Upon their approval, said plans shall be submitted to the Institute. The Institute must approve the plan before any expenditure in connection with any activities may be charged against the funds provided for in this Agreement. An expenditure shall not be charged against such funds until such expenditure is actually made.

7. Dispute Resolution Mechanism

a. Any dispute regarding the administration of the Institute at the Company or plant level shall be subject to expedited resolution by the Chairs of the Union and Company Negotiating Committees and the Executive Director of ICD who shall apply the policies, rules and regulations of the Governing Board and the provisions of this Section in ruling on any such dispute. Rulings of the Executive Director may be appealed to the Governing Board, but shall become and remain effective unless stayed or reversed by the Governing Board.

b. Within sixty (60) days of the Effective Date, the parties will develop an expedited dispute resolution mechanism that resolves disputes within two (2) weeks.

ARTICLE EIGHT – EARNINGS SECURITY

Section A. Employment Security

1. Objective

The parties agree that it is in their mutual interest to provide all Employees, with at least three (3) years of Continuous Service, with the opportunity for at least forty (40) hours of pay each week.

2. Layoff Minimization Plan

The Company agrees that, prior to implementing any layoffs, it shall review and discuss with the Union:

a. documentation of a clear and compelling business need for the layoffs (Need);

b. the impact of the layoffs on the bargaining unit, including the number of Employees to be laid off and the duration of the layoffs (Impact); and

c. a Layoff Minimization Plan which shall contain at least the following elements:

(1) a reduction in the use of Outside Entities;

(2) the elimination of the purchase or use of semi-finished and hot-rolled steel from outside vendors that can be reasonably produced by the Company;

(3) the minimization of the use of overtime;

(4) a program of voluntary layoffs;

(5) the use of productive alternate work assignments to reduce the number of layoffs; and

(6) a meaningful program of shared sacrifice by management, including senior management.

3. Employee Protections

Reference to the elements of a Layoff Minimization Plan in Paragraph 2 above shall not be construed to impair in any way any protection afforded to Employees under other provisions of this Agreement.

4. Union Response

The Union shall be provided with sufficient information to reach its own judgment on whether there is a Need, the appropriate Impact and to develop its own proposed Layoff Minimization Plan.

5. Dispute Resolution

a. In the event the parties cannot reach agreement on whether there is a Need, the appropriate Impact and the terms of a Layoff Minimization Plan, the Company may implement its plan and the Union may submit their dispute to an expedited final offer arbitration under procedures to be developed by the parties. If the Company lays off Employees in violation of this Article, such Employees shall be made whole.

b. The arbitrator's ruling shall address whether the Company demonstrated a Need and if it did, whose proposed Impact and Layoff Minimization Plan are more reasonable, given all the circumstances and the objectives of the parties.

Section B. Supplemental Unemployment Benefits

1. Eligibility

An Employee shall be eligible for a weekly supplemental unemployment benefit (Weekly Benefit) for any week beginning on or after the Effective Date, if s/he:

a. has completed two (2) years of Continuous Service prior to his/her seeking weekly benefits;

b. is and remains an Employee within the meaning of the Agreement;

c. does not receive sickness and accident benefits under an agreement between the Company and the Union;

d. is not in the military service, including training encampments;

e. is eligible, applies for state unemployment benefits for the week and takes all reasonable steps to receive such benefits; provided, however, that this

requirement will not apply if s/he has exhausted state unemployment benefits, receives other compensation in an amount that disqualifies him/her for state unemployment benefits, has insufficient employment to be covered by the state system, fails to qualify for state unemployment benefits because of a waiting week, is unable to work by reason of disability, or is participating in a federal training program; and

f. either

(1) is on layoff for any week in which, because of lack of work, s/he does not work at all for the Company;

(2) is on layoff during a plant vacation shutdown and s/he is not entitled to vacation during the shutdown; or

(3) became disabled while on layoff and is not physically able to return to work.

2. Amount and Duration of Benefits

a. Weekly Benefits are equal to:

(1) forty (40) multiplied by the Employee's Base Rate of Pay; and

(2) the applicable percentage shown in the following table:

Supplemental Unemployment Benefit Percentage

	Duration of Benefits, in Weeks		
Continuous Service	1 to 26	27 to 52	53 to 104
2 but less than 10	60%	40%	0%
10 but less than 20	70%	50%	25%
20 and over	80%	60%	40%

b. Notwithstanding the above table, the duration of Weekly Benefits payable to an Employee who becomes disabled while on layoff and is not physically able to return to work shall be limited to fifty-two (52) weeks beginning with the week the Employee is recalled to work.

c. The amount of a Weekly Benefit may be offset only by the amount of state unemployment benefits, Trade Adjustment Allowance and any Excess

Other Compensation, but in no event will the total Weekly Benefit be less than $250.00 per week for the Duration of Benefits.

d. Excess Other Compensation means any weekly earnings from an employer other than the Company in excess of the amount that would reduce the Employee's state unemployment benefit to zero. The amount to be offset shall be $1 for each $2 of Excess Other Compensation.

3. Company Payment

The Company shall make reasonable calculations of Weekly Benefits and pay such benefits based on the best information in its possession and obtained from the state system.

4. Disputes

In the event an Employee believes that his/her Weekly Benefit or eligibility determination has been made in error, the Employee may file a grievance, as outlined in the grievance procedure of the Agreement.

5. Administration of the Plan

Subject to and in accordance with the terms and conditions outlined in this Section, the Company shall administer the Supplemental Unemployment Benefits Plan (Plan) and may prescribe reasonable rules and regulations. The costs of administering the Plan shall be borne by the Company.

6. Finality of Determination

The Company shall have the right to recover overpayments and correct underpayments to Employees. However, any benefit determination shall become final six (6) months after the date on which it is made if (a) no dispute is then pending and (b) the Company has not given notice in writing of an error.

7. Termination

Notwithstanding the provisions of Article One, Section B (Term of the Agreement), this Section and the Plan on which it is based shall expire 150 days after the Termination Date.

8. Documentation

The parties shall adopt a mutually agreed upon Plan to provide the benefits described in this Section.

Deleted: ARTICLE EIGHT – EARNINGS SECURITY¶

Section C. Severance Allowance

1. Right to Severance Allowance

   Employees meeting the conditions outlined below shall, upon request, receive a Severance Allowance as described herein.

2. Eligibility

   In order to be eligible for a Severance Allowance an Employee must:

   a. at the time s/he requests such Allowance, have accumulated three (3) or more years of Continuous Service; and

   b. be on layoff (other than voluntary layoff):

      (1) for six (6) consecutive months, or in any twelve (12) month period be offered, under the terms of the Agreement, less than 520 hours of straight time work, or

      (2) due to a Permanent Closure as defined in this Section.

3. Employment in Lieu of Severance

   In lieu of Severance Allowance, at the time an Employee requests such Severance Allowance, the Company may offer such Employee a regular full-time job of equal earnings at the Employee's plant or within 50 miles of that plant if in accordance with 6 below if:

   a. the job is in a bargaining unit represented by the Union;

   b. the job is not a temporary job or a job known to be of limited duration;

   c. the Employee is physically qualified to perform the job; and

   d. the Employee has the ability and skills required to perform the job or has the ability to absorb such training for the job as is offered and is necessary to enable the Employee to perform the job satisfactory.

4. Notwithstanding 3 above an Employee who is otherwise eligible for a sole option pension may decline the employment offer.

5. Amount and Form

a. In the case of Paragraph 2(b)(1) a single lump sum payment equal to one (1) week of pay at the Employee's Vacation Rate of Pay for each year of Continuous Service or portion thereof.

b. In the case of Paragraph 2(b)(2) above:

(1) One (1) week of pay at the Employee's Vacation Rate of Pay for each year of Continuous Service or portion thereof; plus

(2) Two (2) weeks of pay at the Employee's Vacation Rate of Pay for each year of service over 15 years of Continuous Service or portion thereof.

c. The total of a. and b. above may not exceed seventy thousand dollars ($70,000).

6. Definitions

For the purposes of this Section:

a. Age means an Employee's age as of their last birthday at the time of the Permanent Closure;

b. Service means the Employee's Continuous Service as that term is defined in Article Five, Section E (Seniority, Paragraph 3 of the Basic Labor Agreement), at the time of the Permanent Closure;

c. Permanent Closure means the permanent closure of a plant or permanent discontinuance of a department of a plant or substantial portion thereof. In addition to an announced Company decision providing therefore, a Permanent Closure shall be deemed to have occurred wherever the Company is not operating the subject plant, department, or substantial portion thereof and cannot clearly demonstrate reasonable plans or expectations for a re-start in the immediate future.

d. Region means the area in which a Plant is located for the purposes of this Section. The Cleveland, Lackawanna, Weirton and Warren Plants are considered in Region 1. The Riverdale, Hennepin, Burns Harbor, Minorca Mines and both East Chicago Plants are considered in Region 2. The

Georgetown, Steelton, Conshohocken, and Coatesville Plants are considered in Region 3.

7. Consequence of Acceptance

Any Employee who requests and accepts a Severance Allowance shall permanently terminate employment with the Company.

In lieu of Severance Allowance, at the time an Employee requests such Severance Allowance, the Company may offer such Employee a regular full-time job of equal earnings at the Employee's Plant or within that Plant's Region or at the Employee's option, a Plant in any other Region. It is also the Employee's option whether to accept the offer of a job or the Severance Allowance.

Section D. Interplant Job Opportunities

1. An Employee with more than two (2) years of Continuous Service who is continuously on layoff for at least sixty (60) days and not expected to be recalled within sixty (60) days, shall be given priority over new hires and probationary Employees for permanent job vacancies at other than his/her plant as described below:

   a. The Employee must file with his/her home plant, on a form provided by the Company, a written request for such transfer specifying the other plant or plants at which s/he would accept employment.

   b. Employees who apply shall be given priority in the order of their Continuous Service (the earlier date of birth to control where such service is identical), provided the Employee has the necessary qualifications to perform the job. In determining qualifications, the Employee shall be treated as if the job were an opening at his/her home plant.

   c. An Employee laid off from his/her plant who is offered and accepts a job at another plant, will have the same obligation to report for work there as though s/he were a laid-off Employee at that plant. During his/her employment at that plant, s/he will be subject to all the rules and conditions of employment in effect at that plant. S/he will be considered as a new Employee at that plant and therefore such Employee's Plant Service shall be defined in accordance with Article Five Section E 3a(2)c.

   d. An Employee shall be deemed to reject such job if s/he does not affirmatively respond within five (5) days of the time the offer is made,

which offer shall be directed to his/her last place of residence as shown on the written request referred to in Paragraph (a) above.

e. An Employee who accepts employment at another plant under this Section will continue to accrue Plant Service for seniority purposes at his/her home plant in accordance with the applicable seniority rules for a maximum period of six (6) months from the date of transfer. If within six (6) month period, s/he is recalled to work at his/her home plant and s/he elects to return, his/her Continuous Service for seniority purposes at the other plant will be cancelled. If s/he elects to remain at the other plant, his/her Continuous Service for seniority purposes at his/her home plant will be cancelled.

f. When an Employee is recalled to his/her home plant, the Company may require the Employee to remain at such other plant for the calendar week following the calendar week during which such recall occurs.

2. An Employee who accepts a job at another plant more than 100 miles from his/her home Plant will receive a relocation allowance when they relocate their permanent residence of $5000.

ARTICLE NINE – ECONOMIC OPPORTUNITY

Section A. Wages

1. Definitions:

   a. Regular Rate of Pay as used in this Agreement shall mean the Base Rate of Pay plus incentive earnings.

   b. Base Rate of Pay as used in this Agreement shall be the rates of pay as shown in Appendix A.

Section B. Incentive Plans

1. New incentive plans shall be designed to afford Employees the earnings opportunity generally available under existing plans. Modified incentive plans shall be designed to afford Employees the earning opportunity generally available under the plan being modified.

2. The Company shall establish new incentive plans to cover newly created jobs. The Company shall also modify existing incentive plans where new or changed conditions resulting from mechanical improvements made by the Company in the interest of improved methods or products, or from changes in equipment, manufacturing processes or methods, materials processed, or quality or manufacturing standards impact the earnings opportunity provided under an existing incentive plan. In all other circumstances, existing incentive plans shall remain unchanged. Such plans shall be installed within ninety (90) days of an Employee being assigned to work on a new or modified job.

3. Such new or modified incentive plans shall be established in accordance with the following procedure:

   a. The Company will develop the proposed new incentive plan.

   b. The proposed new plan will be submitted and explained to the Local Union Incentive Committee along with such additional Employees as the Committee shall deem appropriate. The explanation shall include all information reasonably required to understand how the new plan was developed. The Union shall be afforded a full opportunity to be heard with regard to the new plan.

   c. Should agreement on a new plan not be reached, the new plan may be installed and the Employees affected shall give the plan a fair trial.

d. The Local Union Incentive Committee may file a grievance at any time from ninety (90) to 180 days from the date of installation of a new plan. Such grievance shall be filed in Step 2 of the grievance procedure and shall be decided on the basis of the standard referred to in Paragraph 1 above.

e. In the event the Company does not install a new incentive plan on a timely basis, the Local Union Incentive Committee may file a grievance in Step 2 of the grievance procedure requesting that a new plan be installed. Any such grievance shall include a statement of the alleged changed condition(s), including approximate date(s) of such alleged change(s). If the Board decides that a change has occurred which requires new standards, it shall order the Company to develop and install an appropriate new plan and to appropriately compensate the grievant(s).

4. The Company shall be permitted to establish an interim rate which may be used while the new incentive plan is being developed. The interim rate shall consist of, in addition to the applicable Base Rate of Pay, a special hourly interim allowance equal to the percentage equivalent of the straight-time average hourly earnings above the Base Rate of Pay in Appendix A during the six (6) pay periods immediately preceding implementation of the interim rate. If the job involved is a new job, the interim rate shall be the applicable average interim rate found by relating the job requirements of such new job to the job requirements of the existing jobs under the previously existing incentive plan and shall be based solely on the incentive earnings of the related job(s) under the old plan.

Section C. Shift Premium

Employees shall receive a shift premium of twenty-five cents ($0.25) for all hours worked by Employees designated as Shift Workers. Shift Workers are those Employees who are routinely scheduled at least half their shifts on other than the day shift (all eight (8) hour shifts starting between 6:00 a.m. and 9:00 a.m. are defined as the day shift).

Section D. Sunday Premium

All hours worked by an Employee on Sunday, shall be paid for on the basis of one and one-half times the Employee's Regular Rate of Pay. For the purpose of this Section, Sunday shall be deemed to be the twenty-four (24) hours beginning with the shift change hour nearest to 12:01 a.m. Sunday.

Section E. Profit Sharing

1. Introduction

The parties agree to establish a profit sharing plan (the Plan).

2. Level of Payout

The Company agrees that it will create a profit sharing pool (the Pool) consisting of 7.5% of the Company's Quarterly Profits, as defined below, and to distribute the Pool within forty-five (45) days of the end of each fiscal quarter, in the manner described below. The fourth (4th) quarter payment will be distributed within fifteen (15) days following the date of the auditor's opinion of the Company's annual audited financial statements, which may include an adjustment for the correction of errors in prior quarters.

3. Calculation of Profits

For the purposes of this Plan,

a. Profits shall be defined as Earnings Before Interest and Taxes of the Company, calculated on a consolidated basis in accordance with United States Generally Accepted Accounting Principles (GAAP), with the following exclusions:

(1) income or loss related to any charges or credits (whether or not identified as special credits or charges) for unusual, infrequently occurring or extraordinary items as defined by GAAP, including credits or charges for plant closures, business dispositions and asset sales that are not normal operating charges or credits of the Company;

(2) any cost or expense associated with the Benefit Trust or other similar vehicle;

(3) any cost or expense associated with the Plan or any other profit sharing or similar plan for any of the Company's employees;

(4) any expense attributable to the allocation or contribution of stock to Company employees;

(5) any payments, fees or other expenses that are not in the normal course of business paid directly or indirectly to any person or entity

who directly or indirectly owns or controls any equity or equity-like interest in the Company; and

(6) profits from Excluded Entities as defined in Article One Section A – Parties to the Agreement.

b. All transactions between the Company and the Parent or any of its Affiliates shall be conducted on an arms length basis on commercially reasonable terms not less favorable to the Company then those that could be obtained from an unrelated third party.

4. Individual Entitlement

The Pool will be divided among all Employees (Participants) on the basis of the Hours (as defined below) of each such Participant in the calendar weeks within each fiscal quarter.

a. Hours shall include the following, but shall not exceed forty eight (48) hours for any week for any Participant: hours worked (including straight time and overtime hours), vacation and holiday hours at the rate of eight (8) hours for each holiday or day of vacation; hours on Union business; and hours, at the rate of eight (8) hours a day, while receiving Workers' Compensation benefits (based on the number of days absent from work while receiving such benefits).

b. Any payments made to a Participant pursuant to this Plan shall not be included in the Participant's earnings for purposes of determining any other pay, benefit or allowance of the Participant.

5. Administration of the Plan

a. The Plan will be administered by the Company in accordance with its terms and the costs of administration shall be the responsibility of the Company. Upon determination of each Quarterly Profit calculation, such calculation shall be forwarded to the Chair of the Union Negotiating Committee accompanied by a Certificate of Officer signed by the Chief Financial Officer of the Company, providing a detailed description of any adjustments made to Earnings Before Income and Taxes and stating that Profit was determined in accordance with GAAP and that Quarterly Profit was calculated in accordance with this Section.

b. The Union, through the Chair of its Negotiating Committee or his/her designee, shall have the right to review and audit any information,

calculation or other matters concerning the Plan. The Company shall provide the Union with any information reasonably requested in connection with its review. The reasonable actual costs incurred by the Union in connection with any such audit shall be paid from the Pool and deducted from the amount otherwise available under the Pool for distribution to Employees.

c. In the event that a discrepancy exists between the Company's Profit Sharing calculation and the results obtained by the Union's review, the Chairs of the Union and Company Negotiating Committees shall attempt to reach an agreement regarding the discrepancy. In the event that they cannot resolve the dispute, either party may submit such dispute to final and binding arbitration under the grievance procedure provided in this Agreement.

6. Prompt Payment

Notwithstanding Paragraph 5, the Company shall comply with the requirements of Paragraphs 2 through 4 based on its interpretation of the appropriate payout. If the process described in Paragraph 5 results in a requirement for an additional payout, said payout shall be made no more than fourteen (14) days after the date of the agreed upon resolution or issuance of the arbitrator's decision.

7. Summary Description

The parties will jointly develop a description of the calculations used to derive profit sharing payments under the Plan for each quarter and distribute it to each Participant.

Section F. Inflation Recognition Payment

1. General Description

The below general description is qualified in its entirety by Paragraphs 2 through 6 below.

The purpose of the Inflation Recognition Payment (IRP) is to make quarterly lump-sum payments to Employees if cumulative inflation, as measured over the life of the Basic Labor Agreement, exceeds three percent (3%) per year.

At the end of each calendar quarter, the Consumer Price Index (CPI) for the final month of that quarter will be compared to a CPI Threshold (as found in the Table in Paragraph 5 below) which represents what the CPI would be if total inflation since the beginning of the Agreement had averaged three percent (3%) per year.

If the actual CPI is higher than the CPI Threshold, a lump sum payment shall be made equal to each full one percent (1.0%) by which the actual CPI is higher than the CPI Threshold, multiplied by the Regular Rate of Pay (overtime rates if applicable) for each position worked by an Employee for all hours actually worked in full calendar weeks in the fiscal quarter (hereafter referred to as "earnings").

Thus, if in a given quarter three percent (3%) annual inflation since the beginning of the Agreement would have produced total inflation of ten percent (10%) and the actual CPI indicates that inflation since the beginning of the contract has been twelve percent (12%) and an Employee had earnings as defined in the paragraph above during the quarter of $15,000, then that Employee would receive a lump-sum payment of two percent (2%) (12% actual inflation minus a 10% CPI Threshold) times $15,000 or $300.

2. IRP Payments

a. Beginning the period ending December 31, 2008, the Company shall, on each Payment Date, make to each Employee an IRP payment equal to:

(1) their total earnings as defined above for the Covered Period, multiplied by

(2) each full percentage (1.0%), by which the CPI for the Measurement Month exceeds the CPI Threshold for the Measurement Month.

b. No IRP will be made for any Covered Period unless the CPI for the Measurement Month is greater than the CPI Threshold; in the event the CPI is lower than the CPI Threshold there shall be no recoupment of any kind.

The IRP shall be a lump-sum payment and shall not be part of the Employee's Base Rate of Pay or used in the calculation of any other pay, allowance or benefit.

3. Definitions

a. CPI shall mean the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), U.S. City Average, All Items, Not Seasonally Adjusted (1982-84=100) as published by the Bureau of Labor Statistics. If the Consumer Price Index in its present form and on the same basis as the last Index published prior to June 2008 becomes unavailable, this Section shall be adjusted to produce as nearly as possible the same result as would

have been achieved using the Index in its present form.

b. Payment Date shall be the forty-fifth (45th) day after the last day of the Measurement Month.

c. Measurement Month shall be the last month of a Covered Period.

d. Covered Period(s) shall be as shown in Paragraph 5 below.

e. CPI Threshold(s) shall be as shown in Paragraph 5 below, based on the formula in Paragraph 6 below.

4. Example:

Covered Period	10-01-11 – 12-31-11
Measurement Month	December 2011
Hypothetical CPI in Measurement Month	240.0
CPI Threshold for the Covered Period	235.2
The amount, of full percentage point(s), by which the CPI for the Measurement Month exceeds the CPI Threshold for the Covered Period ((240.0 – 235.2)/235.2) = 2.0%	
Earnings in Covered Period	$15,000
IRP Payment ($15000 x 2.0%)	= $300.00

5. Covered Periods and CPI Thresholds

Covered Period	CPI Threshold
07-01-08 – 09-30-08	None
10-01-08 – 12-31-08	215.2
01-01-09 – 03-31-09	221.7
04-01-09 – 06-30-09	221.7
07-01-09 – 09-30-09	221.7
10-01-09 – 12-31-09	221.7
01-01-10 – 03-31-10	228.3
04-01-10 – 06-30-10	228.3

Covered Period	CPI Threshold
07-01-10 – 09-30-10	228.3
10-01-10 – 12-31-10	228.3
01-01-11 – 03-31-11	235.2
04-01-11 – 06-30-11	235.2
07-01-11 – 09-30-11	235.2
10-01-11 – 12-31-11	235.2
01-01-12 – 03-31-12	242.2
04-01-12 – 06-30-12	242.2
07-01-12 – 09-30-12	242.2

6. Formula to Calculate CPI Threshold

The CPI Threshold shown in the Table above is the CPI for the month of June, 2008 multiplied by 1.03 per year as expressed in the following formula:

$$\text{CPI-W for 6-08} \times (1.03)^{n}$$

Where n is the number of Covered Years from the first calendar year of 2008 to the Covered Year in which the calculation is made.

ARTICLE TEN – PAID TIME OFF AND LEAVES OF ABSENCE

Section A. Holidays

1. An Employee shall be paid two and one-half (2 ½) times his/her regular rate of pay for all hours worked on any of the holidays specified below.

January 1
Martin Luther King, Jr.'s Birthday
Good Friday
Memorial Day
July 4
Labor Day
Thanksgiving Day
Day after Thanksgiving Day
Day Preceding Christmas Day
Christmas Day

2. In the event a holiday falls on Sunday, it shall be observed on Monday. A holiday is the twenty-four (24) hour period beginning at the shift-changing hour nearest to 12:01 a.m. on the day so observed.

3. Pay for a Recognized Holiday Not Worked

   a. An eligible Employee who does not work on a holiday shall be paid eight (8) times his/her Regular Rate of Pay.

   b. As used in this Section, an eligible Employee is one who (1) has worked thirty (30) calendar days since her/his last hire; (2) performs work or is on vacation in the payroll period in which the holiday is observed; or if s/he is laid off for such payroll period, performs work or is on vacation in either the payroll period preceding and the payroll period following the payroll period in which the holiday is observed; and (3) works as scheduled or assigned on both his/her last scheduled workday prior to and his/her first scheduled workday following the day on which the holiday is observed, unless s/he has failed to so work because of sickness or other good cause.

   c. When any holiday is observed during an eligible Employee's vacation, s/he shall be entitled to pay for the unworked holiday.

   d. If an eligible Employee works on a holiday for less than eight (8) hours, s/he shall be paid for time not worked for the remainder of the eight (8) hours.

e. It is understood that no Employee shall receive more than double time and one-half for hours worked on a holiday.

Section B. Vacations

1. Eligibility

a. To be eligible for a vacation in any calendar year, an Employee must:

(1) have one year or more of Continuous Service; and

(2) have worked for at least 520 hours during the preceding calendar year; or

(3) have been off work due to compensable workplace illness or injury, in which case the Employee will be credited up to forty hours of work per week for the purpose determining eligibility described in this section; or

(4) have been off work due to service in the Armed Forces, in which case the Employee will be credited up to forty hours of work per week for the purpose determining eligibility described in this section; and

(5) has not quit, retired or been discharged for cause prior to January 1 of the vacation year.

2. Length

a. The amount of vacation due an eligible Employee shall be based on his/her Continuous Service as follows:

Years of Service	Weeks of Vacation
1 but less than 3	1
3 but less than 8	2
8 but less than 15	3
15 but less than 24	4
24 or more	5

b. A week of vacation shall consist of seven (7) consecutive days.

3. Scheduling

a. On or promptly after October 1 of each year, each Employee entitled or expected to become entitled to vacation in the following year shall receive a Company form asking him/her to specify in writing the desired vacation period or periods. The Employee shall return the form to the Company within thirty (30) days.

b. Vacations will, so far as practicable, be granted at times most desired by Employees (longer service Employees being given preference as to choice), but the final right to allot vacation periods on a level load basis and to change such allotments is reserved to the Company.

c. Employees will be provided with their vacation schedule at least sixty (60) days prior to the start of their vacation period, but in all cases no later than January 1 of the year in which the vacation is to be taken.

d. Where an Employee transfers from one seniority unit to another, s/he shall take his/her vacation in accordance with the schedule established in his/her old seniority unit, except as orderly operations of his/her new seniority unit preclude it, and his/her transfer shall not be a basis for altering the schedule established prior to his/her transfer.

e. Consistent with Paragraphs 3(a) through 3(d) above, Employees shall be permitted to use up to two 21) weeks (i.e., ten (10) days) of their allotted vacation on a day-at-a-time basis.

f. With the consent of the Employee, the Company may pay up to one (1) week of vacation allowance, in lieu of time off for vacation, for a week of vacation in excess of two (2) weeks in any one (1) calendar year.

h. At the time of his/her retirement, an Employee may elect to receive a lump-sum payment for any unused vacation entitlement.

4. Grievances

Grievances regarding vacation scheduling must be referred to Step 1 of the grievance procedure not later than fifteen (15) days after notification to the Employee of the scheduled vacation (or changed scheduled vacation) is given to the Employee and shall be handled in a manner that assures resolution prior to the disputed date(s).

5. Vacation Rate of Pay

a. Employees will be paid for each week of vacation the greater of:

(1) forty (40) multiplied by the Regular Rate of Pay of the Employee's permanent job as of January 1 of the vacation year, or

(2) two percent (2%) of their W-2 earnings excluding profit sharing payments during the preceding year (such amount Vacation Rate of Pay).

b. The Daily Vacation Rate of Pay of each Employee shall be the Vacation Rate of Pay divided by five (5).

c. The Hourly Vacation Rate of Pay of each Employee shall be the Vacation Rate of Pay divided by forty (40).

d. Any Employee who did not work in the prior year shall have his/her Vacation Rate of Pay computed on the basis of his/her last calculated Rate.

6. Minimum Vacation (Employees Other Than New Hires)

Notwithstanding the above, an Employee with one (1) year or more of Continuous Service who is not eligible for vacation based on the above and who works at least 520 hours in a calendar year shall receive one (1) week of vacation during that calendar year. The Company shall make reasonable efforts to schedule that vacation at the time desired by the Employee, provided it does not disrupt the vacation schedule already established hereunder.

7. Vacation Bonus

A vacation bonus of $250 per week will be paid to Employees for each week of vacation taken in the ten (10) consecutive calendar week period beginning with the first full week following the calendar week containing New Year's Day.

Section C. Bereavement Leave

1. In the event of the death of any of the relatives listed below, an Employee, upon request, will be excused and paid for scheduled shifts as detailed below, which fall within a consecutive day period, provided however that one such calendar day shall include the day of the service.

Relation	Scheduled Shifts Off
Legal Spouse, Parent, Sibling, Grandchild, Child or Step-Child who lived with the Employee in an immediate family relationship	5
Step-Parent and Step-Siblings who have lived with the Employee, Mother or Father in-law, Grandparent	3

2. Payment shall be eight (8) times the Employee's Regular Rate of Pay. An Employee will not receive bereavement pay when it duplicates pay received for time not worked for any other reason. Time thus paid will not be counted as hours worked for purposes of determining overtime or premium pay.

Section D. Jury or Witness Duty

An Employee who is called for jury service or subpoenaed as a witness shall be excused from work for the days on which s/he serves. Service, as used in this Section, includes required reporting for jury or witness duty when summoned, whether or not the Employee is used. The Employee shall receive, for each such day of service on which s/he otherwise would have worked, the difference between the payment received for such service and the amount calculated by multiplying eight (8) times his/her Regular Rate of Pay. To receive payment the Employee must present proof that s/he did serve, report for service or was subpoenaed and reported as a witness and the amount of pay, if any, received therefor.

Section E. Leave of Absence for Employment with the Union

1. Leaves of absence for the purpose of accepting positions with the International or Local Unions shall be made available to a reasonable number of Employees. Employees who intend to apply for such leaves shall give the Company adequate notice to enable it to fill the jobs vacated.

2. Leaves of absence for the purpose of accepting or continuing in a temporary position with the International shall be for periods of six (6) months and shall be extended upon request; provided, however, in no event shall an Employee be entitled under this provision to a leave of absence exceeding two (2) continuous years.

3. Leaves of absence for the purpose of accepting permanent positions with the International Union shall be for a period concurrent with the individual's

permanent employment with the International Union. When an individual is made a permanent employee of the International Union (by completing his/her probationary period), s/he shall, from that point forward, retain his/her leave of absence status with the Company but shall not receive any Covered Service or hourly contributions under the Steelworkers Pension Trust. Such individual shall accumulate Continuous Service for all other purposes under the Agreement and local agreements thereunder; provided that s/he shall not be entitled to actually receive any contractual benefits during the period of the leave of absence.

4. Leaves of absence for the purpose of accepting positions with the Local Unions shall be for a period not in excess of three (3) years and may be renewed for further periods of three (3) years each.

5. Except as set forth above in Paragraph 3, Continuous Service shall continue to accrue and shall not be broken by a leave of absence under this Section.

Section F. Service with the Armed Forces

1. Reemployment Rights

An Employee who leaves the Company employment to enter the service of the Armed Forces of the United States (the Armed Forces) shall be granted all statutory rights to reemployment and shall continue to accrue Continuous Service during such service.

2. Training

An Employee shall be provided with a reasonable program of training in the event s/he does not qualify to perform the work on a job which s/he might have attained except for his/her service in the Armed Forces.

3. Educational Leave of Absence

Any Employee entitled to reemployment under this Section who applies for reemployment and who desires to pursue a course of study in accordance with a federal law granting such opportunity shall be granted a leave of absence for such purpose. Such leave of absence shall not constitute a break in Continuous Service. Any such Employee must notify the Company and the Union in writing at least once each year of his/her continued interest to resume active employment with the Company upon completing or terminating such course of study.

4. Disabled Returning Veterans

Any Employee entitled to reemployment under this Section who returns with a service-connected disability which makes returning to his/her prior job onerous or impossible shall be assigned to a vacancy suitable to such impaired condition during the continuance of such disability.

5. Vacation Pay

a. An Employee who did not receive but was entitled to paid vacation during the calendar year in which s/he enters the Armed Forces shall be paid an amount equal to the vacation pay to which s/he was entitled.

b. Notwithstanding any other provisions of this Agreement to the contrary, an Employee who is reemployed after being honorably discharged shall be entitled to paid vacation for the calendar year in which s/he is reemployed, provided that no Employee shall be afforded more than one (1) vacation allowance for any one (1) calendar year, at a rate of pay based on his/her earnings for the last full year in which s/he worked prior to his/her serving.

6. Military Encampment Allowance

An Employee who attends an encampment (for a period not to exceed two (2) weeks in any one (1) calendar year), weekend drill, or any specialized training in preparation for active duty assignment of the Reserve of the Armed Forces or the National Guard shall be paid the difference between the amount paid by the Government (not including travel, subsistence and quarters allowance) and his/her Regular Rate of Pay for the number of days s/he would have been scheduled to work during such encampment, weekend drill or specialized training in preparation for active duty assignment. Such hours paid shall be considered hours worked for all purposes.

Section G. Family and Medical Leave Act

The Company shall comply with the Family and Medical Leave Act of 1993 (FMLA) and shall apply its requirements as set forth below. Nothing in this Section shall be construed to provide lesser treatment than that required under the FMLA or to deprive any Employee of any right or forum thereunder.

1. General

   a. A copy of a summary of the law and Employee rights thereunder is available at the Company's Personnel Services Office for review and will be issued upon request and at the time any FMLA leave is requested. The required posting under the FMLA will be maintained by the Company.

2. Eligibility and Entitlement

   a. Leave under this Section shall be available to any Employee who has twelve (12) months or more of Continuous Service calculated pursuant to the Seniority provisions of this Agreement. There shall be no hours-worked requirement for eligibility.

   b. Any eligible Employee shall be entitled to up to twelve (12) weeks of unpaid leave in any twelve (12) month period. This period shall be measured on a rolling twelve (12) month basis, measured backward from the date of any FMLA leave is used. Any time taken off in connection with any of the situations covered by the FMLA shall be counted toward the twelve (12) week period, excluding time off related Sickness and Accident, or compensable workplace illness or injury.

3. Pay During FMLA Leave

   a. Employees seeking FMLA leave under this Section may be required to utilize up to one (1) week of unused paid vacation.

   b. An Employee may request to utilize additional paid vacation during the FMLA leave time. The Company reserves the right to approve such a request where it involves a change in the vacation schedule.

   c. Except for the substitution of paid vacation , all time off provided shall be unpaid and shall be considered as time not worked for all other matters.

   d. An Employee on FMLA leave is not eligible for Supplemental Unemployment Benefits in the event of a layoff, until following the termination of the leave.

4. Continuous Service

   Leaves of absence under this Section shall not constitute a break in Continuous Service and the period of such leave shall be included in an Employee's length of Continuous Service under this Agreement and all benefit agreements.

5. Benefit Continuation

a. All Employees' benefit coverage will continue during such leave, provided the Employee is otherwise eligible for such coverage and the Employee continues making any normally-required premium or other payments in a manner acceptable to the Company. In the event the Employee fails to make such payments, all benefit coverage shall terminate.

c. In the event an Employee fails to return to work or quits after the Employee's FMLA leave period has been concluded, the Company waives its right to recover the cost of health insurance coverage provided by the Company during such leave.

ARTICLE ELEVEN – CORPORATE GOVERNANCE

Section A. Board of Directors

1. The Company and the Union acknowledge that every member of the Company's Board of Directors (Board, members of such Board, Directors) has a fiduciary duty to the Company and all of its stockholders.

2. The Company agrees that the Union shall have the right, subject to the procedure; and as described below, to designate two individuals to serve on the Board.

    a. The International President shall provide the Company CEO with the name and resume of the individuals whom s/he wishes to have serve on the Board.

    b. Provided that the individuals are acceptable to the CEO, such acceptance not to be unreasonably withheld, the CEO shall direct the Secretary of the Company to promptly take such steps under the By-laws of the Company as are necessary for the election of the individuals to the Company's Board at the earliest reasonable date.

3. If after selection, an individual becomes unwilling or unable to serve or the Union wishes to replace him/her, the International President shall provide the CEO with the name of a new individual whom s/he wishes to have serve on the Board and the process outlined above shall thereafter be followed. In such case the individual previously named by the International President may be removed from the Board.

4. In Accordance with Article Six Section A (Partnership), the Union appointees to the Board shall be provided an opportunity to appear before the ArcelorMittal Investment Allocation Committee on matters of concern to the Union.

Section B. Investment Commitment

1. The Company agrees to make the capital expenditures required to make its Steel Related Assets world class and to maintain them as such.

2. The Union agrees to contribute to the competitiveness of the facilities and work with the Company to maintain the competitive nature of the facilities.

3. The Company agrees that, except during maintenance and repair outages, it will not directly or indirectly replace the product which could have been produced at

any facility covered by this Agreement with product obtained from other than Canadian or United States facilities that provide base wages, benefits and protections such as just cause and seniority that are substantially equivalent to those provided in this Agreement, unless it is operating the relevant facilities covered by this Agreement at full capacity.

4. The Company agrees that it will make capital expenditure at the facilities covered by the Agreement of no less than $3 Billion over the term of the Agreement, with a material portion of such spending made in each year of the Agreement.

5. The Company agrees to acquire and maintain long-term stable supplies of Coke and Iron Ore sufficient to operate all of its Blast Furnaces at full capacity and to use the Company's best efforts to obtain such supply from sources in the United States and Canada.

6. For the purpose of this Section,

   a. Company shall be defined as in Article Two, Section E (Neutrality); and

   b. Steel-Related Assets are assets or operations that the Company owns or controls and operates, located at facilities covered by this Agreement and have not been shut down pursuant to provisions of this Agreement, at any time during the term of this Agreement that are used or associated with:

      (1) the manufacture, production, finishing, warehousing or transportation of any steel product; or

      (2) the manufacture, mining, concentration, agglomeration, storage or transportation of coke or iron ore.

7. The Strategic Committee established under Article Six, Section A – Partnership of the Agreement shall be responsible for the oversight and implementation of the commitments outlined above.

Section C. Upstreaming

1. The Company agrees that it will not, other than as provided in its agreements with the Union, directly or indirectly, pay any dividends on, or make any distributions, exchanges, conversions, retirements, repurchases or redemptions, in respect of its stock (any of such activities, Upstreaming) to any stockholder of the Company or any affiliate of any such stockholder.

2. The Company agrees that it will only Upstream if the Company is in material compliance with all of its agreements with the USW. The Company may only Upstream to the extent of paying dividends in an amount consistent with: the Company's historical, current and projected financial performance and capital spending requirements; the terms of any preferred stock sold for full and fair value and paying a market rate dividend (at the time of issuance); and the maintenance of a reasonable financial position;

3. Without in any way limiting the applicability of Paragraphs 1 and 2 above, the Company agrees that all transactions (including, without limitation, sales, loans, purchases, leases, guarantees, fees of any kind, and equity transactions) between the Company and any equity holder or any Affiliate of any equity holder, shall be conducted on an arm's-length basis, on commercially reasonable terms not less favorable to the Company than those that could be obtained from an unrelated third party, and in accordance with any shareholders agreement of the Company. In addition, any loan or similar transaction to any such person shall only be made if it is beneficial to the Company and on terms consistent with the business relationship between such person and the Company. Subject to the foregoing, the Company may engage in transactions with its equity holders and their Affiliates.

4. It is understood that the Company's Board of Directors shall have the authority to Upstream as described in Paragraphs 2(a) and 2(b) above and to engage in the actions described in Paragraph 3 above, that the Union shall have access to a dispute resolution procedure (at the option of the USW, either arbitration before a panel of AAA commercial arbitrators or litigation in the United States District Court having jurisdiction over Cook County, Illinois) in the event it believes that the Company's actions violated this Section of the Agreement and that the dispute resolution procedure shall include the authority to determine if a violation occurred and what if any remedy should be prescribed.

5. The Company will not undertake any transaction the effect of which is to materially reduce the Company's ability to fulfill its obligations under this Agreement.

Section D. Right to Bid

1. Should the Company decide or be presented with an offer to sell or otherwise transfer a controlling interest in the corporate entity which owns its assets (a Controlling Interest) or all or a portion of one or more of its facilities (Facilities) (either or both, the Assets), it will promptly advise the USW in writing and grant

to the USW the right to organize a transaction to purchase the Assets (a Transaction).

2. The Company will provide the USW with any information provided to other bidders so that the Union may determine whether it wishes to pursue a Transaction. All such information shall be subject to an executed Confidentiality Agreement.

3. The Company shall promptly notify the USW of the schedule and/or timetable for consideration by the Company of any possible transaction. The Company will provide the USW with the greater of (a) forty-five (45) days or (b) the time provided by the schedule and/or timetable given to other interested parties to submit an offer for the Assets, except in the case of an unsolicited offer for a controlling interest in the Company in which case the USW shall be provided with the time provided by the schedule and/or timetable given to other interested parties.

4. During the period described in Paragraph 3 above, the Company will not enter into any contract regarding the Assets with another party.

5. In the event that the USW submits an offer pursuant to the above, the Company shall not be under any obligation to accept such offer. However, the Company may not enter into an agreement with regard to the Assets with an entity other than the USW unless that Transaction is superior to the USW offer. The Company may only deem a proposed Transaction superior if its Board of Directors reasonably determines that such Transaction is more favorable to the Company and/or its shareholders, taking into consideration such factors as price, certainty of payment, conditions precedent to closing and other factors which influence which of the transactions is in the best interests of the Company and/or its shareholders.

6. This Section shall not cover any public offering of equity.

7. The rights granted to the USW in this Section may be transferred or assigned by the USW; provided, however, that in the event of a Transaction:

   a. that does not involve a Controlling Interest; and

   b. where the Company decides to only pursue, for legitimate business reasons, a Transaction which will result in a sale of less than 100% of the Company's interest in the Assets,

the USW's transferee or assignee must be reasonably acceptable to the Company.

Section E. North American Growth

1. The Parties agree that the Company and all of its stakeholders would benefit from the Company's growth in the following areas: (i) continuing to acquire steelmaking capacity; (ii) expanding its ownership of raw material (coke and iron ore) producing assets; and (iii) adding "value-added" downstream capacity.

2. While individual transactions must meet the criteria and where appropriate the approval of the Company's Board of Directors, the Company agrees to aggressively pursue opportunities in all of the three areas described above, subject to the reasonable and timely approval of the Union, such approval not to be unreasonably withheld. Opportunities may arise between the quarterly meetings provided for below, and therefore the Company will provide the Union with as much notice as is commercially practicable in the circumstances, in order for the Union to exercise its responsibilities under this section.

3. In order to facilitate such growth the parties agree to constitute a Strategic Committee consisting of, from the Company: the Chairman and two individuals designated by the Chairman which may include the senior official responsible for operations in the United States; and for the Union: the Union's International President and two (2) individuals designated by the Union's International President.

4. The Committee will meet quarterly. It shall review opportunities for growth in the areas described above and shall make recommendations to the ArcelorMittal Group Management Board regarding particular opportunities and general approaches. This Section applies to potential growth in North America by the Company or its North American entities which are under the common control of the Parent (publicly traded entity).

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed in their respective names of their respective representatives thereunto duly authorized.

ARCELORMITTAL USA	**UNITED STEELWORKERS**
_____	_____
Michael Rippey President and CEO	Leo W. Gerard International President
_____	_____
James Michaud Vice President, Human Resources	James D. English Secretary-Treasurer
_____	_____
Dennis Arouca Vice President, Labor Relations	Thomas Conway Vice President (Administration)
_____	_____
William Boehler Director, Labor Relations	Fred Redmond Vice President (Human Affairs)
_____	_____
Patrick Parker Manager, Labor Relations	David McCall District 1 Director and Chairman of the Negotiating Committee
_____	_____
John Perham Manager, Labor Economics and Productivity Programs	Jim Robinson District 7 Director and Secretary of the Negotiating Committee
_____	_____
Christine Fleps Director, Pensions	Pat Gallagher Subdistrict Director – District 1

ARCELORMITTAL USA

Mary Hendrickson
Manager, Employee Benefits

Neil Kohlberg
Director, Strategic Planning & Analysis

Madhu Ranade
Plant Manager, Burns Harbor

Jim Bellamy
Manager-LR Burns Harbor

Terry Fedor
Plant Manager, Cleveland

Janet Jordan - Cleveland

Sean Hussey - Cleveland

Mark Whalen
Plant Manager, Indiana Harbor

UNITED STEELWORKERS

Mike Millsap
Subdistrict Director – District 7

Gary Steinbeck
Subdistrict Director – District 1

Mark Granakis
President, Local Union 979

Tom Hargrove
President, Local Union 1010

Loren Hansen
President, Local Union 1011

Bill Sharp
President, Local Union 1165

William Prejsnar
Unit Chair, Local Union 1375-07

Greg Bowers
President, Local Union 1688

ARCELORMITTAL USA

Ed Livorine
Division Manager, LR/HR
Indiana Harbor

Jim Wozniak
Senior Manager, LR Western Div.

Bob Cayia
Manager, LR-Indiana Harbor

Sally Buckner-Indiana Harbor

Tim Kinach -Indiana Harbor

Nick Pappas-Indiana Harbor

Roger Hughes-Indiana Harbor

Mark Langbehn - Indiana Harbor

UNITED STEELWORKERS

Tony Fortunato
President, Local Union 2604

Mark Glyptis
President, Local Union 2911

Ray Pierce
President Local Union 6115

Paul Gipson
President, Local Union 6787

Dave York
President, Local Union 7367

James Sanderson
President, Local Union 7898

Gary Bender
President, Local Union 9481

Art Faddis
President, Local Union 9462

ARCELORMITTAL USA	**UNITED STEELWORKERS**
_____ Al Fuller - Coatesville	_____ Ron Bloom Special Assistant to the President
_____ Joanne Babaian - Conshohocken	_____ Emily Newport Technician, Pension and Benefits Dept.
_____ Pat Dzurik - Georgetown	_____ Chad Apaliski Technician, Corporate Research Dept.
_____ Lynn Wagner - Hennepin	_____ Sara Mansell, Esq. Technician, Pension and Benefits Dept.
_____ Larry Sampsell - Lackawanna	_____ Tony Montana Technician, Communications Dept.
_____ Jonathan Holmes, Operations Manager Minorca Mines	_____ Jacquelyn Smith Executive Assistant, District 1
_____ Gerry Golobich, Manager-HR/LR Minorca Mines	_____ Sherman Crowder Contract Coordinator
_____ Gary Norgren Plant Manager, Riverdale	_____ Mike Mormile Contract Coordinator

ARCELORMITTAL USA

_____
Joe Petravage - Steelton

_____
Bob Korbel - Weirton

UNITED STEELWORKERS

_____
Bob Rankin
Contract Coordinator

_____
Steve Wagner
Contract Coordinator

_____
Luis Agular
Contract Coordinator

USW Negotiating Committee

William Pienta, Director District 4
Ernest R. Thompson, Director District 8
Stan Johnson, Director District 9
John DeFazio, Director District 10
Robert Bratulich, Director District 11
Mark Shaw, Key Staff, District 1
Santo Santoro, Key Staff, District 1
Dennis Brubaker, Staff Representative, District 1
Russ Sheffler, Local Union 979
Len Sauro, Staff Representative, District 4
Rick Bucher, Staff Representative, District 7
Bill Carey, Staff Representative, District 7
Debbie Hayes-Cook, Staff Representative, District 9
Lewis Dopson, Staff Representative, District, 10
John Rebrovich, Sub-District Director, District 11

APPENDIX A – WAGES

Labor Grade	Job(s)
1	Utilityperson
2	Service Technician Plant Transportation Specialist
3	Operating Technician
4	Maintenance Technician – Mechanical Maintenance Technician – Electrical
5	Senior Operating Technician

Base Rates of Pay

Labor Grade	09-01-08	09-01-09	09-01-10	09-10-11
1	$17.39	$18.09	$18.81	$19.56
2	$19.03	$19.79	$20.58	$21.41
3	$20.94	$21.78	$22.65	$23.55
4	$22.03	$22.91	$23.83	$24.78
5	$23.40	$24.34	$25.31	$26.32

Red Circle Rates that were established under the predecessor BLA will be maintained during the Term of this BLA.

APPENDIX B
Letters Concerning Miscellaneous Matters

September 1, 2008

David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane -- J
Columbus, Ohio 43085

Re: Strengthening the Partnership

Dear Mr. McCall:

The parties recognize that the Partnership is implemented by many managers, union representatives, and employees from the shop floor to the executive office. Each person is responsible for contributing to the success of the Partnership, and is accountable to their colleagues. Based on experience, the following guidelines will promote the effective implementation of the Partnership Section of the Basic Labor Agreement.

1. The parties recognize that:

    a. The Union and Management both serve valuable and necessary roles required for the sustainability of the Company;

    b. Active ongoing communication is necessary for the Partnership to succeed;

    c. Having the Union as a stakeholder is a benefit to the sustainability of the Company;

    d. Acting with integrity and responsibility in performing one's job and keeping commitments is essential to the success of this Partnership;

    e. Consistent performance of the above will create trust important for success

    f. Partnership is a long term process, with many phases during which many obstacles will occur, that will require the focus of both the Union and Management to succeed and which will lead to continuous improvement in the Partnership, in employment security and in the reliability and sustainability of the Company.

    g. Management must:

i. Acknowledge that a strong partnership requires sharing of some authority on the shop floor and recognize the Union serves a legitimate and valued purpose;

ii. allow the Union to be part of the solution:;

iii. communicate issues that impact the workplace before they occur or decisions are made and in greater depth than in the past;

iv. consider the institutional needs of the Union;

v. accept a stronger, more responsible Union as a stakeholder.

h. The Union must:

i. Recognize Management serves a valuable and essential role;

ii. fully support continuous improvement in costs, quality, reliability and customer satisfaction;

iii. respond and take the lead when Management has proven they are sincere;

iv. encourage and support joint efforts;

v. recognize that Partnership is not in conflict with collective bargaining;

vi. accept the responsibility that goes with being a stakeholder in the enterprise.

i. together both Management and the Union must:

i. Let go of past issues ;

ii. Focus on solutions to problems

iii. commit to developing and maintaining a long term Partnership;

iv. Agree to disagree at times but never hold the relationship or the Partnership hostage to resolving other issues;

2. Plant Labor Management Committee

a. The Co-Chairs of each Plant Labor Management Committee will appoint one individual to serve as its facilitator including agenda preparation and follow-up in consultation with the Local Union President.

b. The composition of each Plant Labor Management Committee will be submitted by the facilitator of each Plant to the Negotiation Co-Chairs within 30 days of the ratification of the Basic Labor Agreement and within 30 days following any change to the composition of each Plant Labor Management Committee;

c. Each member of the Plant Labor Management Committee will be expected to participate in the development of possible capital expenditure proposals at each facility in a timely manner;

d. The facilitator at each location in consultation with the Local Union President and Training Committee is responsible to ensure that all members of the Plant Labor Management Committee and the Area Labor Management Committee(s) at each location, the Grievance Committee, Supervisors and Managers of Employees and all Senior Operating Technicians will be trained in joint Partnership and problem solving techniques – with the goal of training, no less than 25% of this group per year per location. Newly assigned members to the Plant Labor Management Committee and Area Labor Management Committee will be trained within thirty (30) days of their assignment;

e. The facilitator at each location in consultation with the Local Union President and Training Committee is responsible to ensure that all newly hired employees will be trained in the Partnership as part of their orientation;

f. The facilitator at each location in consultation with the Local Union President are responsible for coordinating the submission of a Problem Solving Team from each Area Labor Management Team to the Plant Labor Management Committee for recognition each year and for submitting a Problem Solving Team to the Strategic Labor Management Committee each year for recognition;

g. The Co-Chairs of each Plant Labor Management Committee will submit a yearly report to the Strategic Labor Management Committee describing the effectiveness of the Partnership at their location including the behavioral guidelines described above and any barriers standing in the way of strengthening the Partnership.

h. The Plant Labor Management Committee at each location will be responsible for auditing the effectiveness of each Area Labor Management Committee;

i. Each Plant Labor Management Committee will recommend to the Strategic Labor Management Committee a Problem Solving Team that has worked jointly and effectively in resolving a problem in their respective Plant.

j. Each Plant Labor Management Committee and each Area Labor Management Committees will set goals for their respective Partnership activities each year.

3. Area Labor Management Committee

a. An Area Labor Management Committee composed of the Division Manager and Grievance Committeeman for each department will be established for each department;

b. The Area Labor Management Committee will review, on at least a monthly basis, safety and health audits, ongoing production and maintenance issues, the ongoing Partnership training efforts, Partnership initiatives, and the efforts of on-going Problem Solving Teams;

c. Each Area Labor Management Committee will recommend each year for recognition a Problem Solving Team that has worked jointly and effectively in resolving problems in their respective areas;

4. Plant Wide Meeting

a. In each calendar year the parties will hold a Plant Wide Meeting. Invited to the Plant Wide Meeting will be the Strategic Labor Management Committee, the Plant Labor Management Committee and each of the Area Labor Management Committees;

b. Each of the Area Labor Management Committees will be required to report out and to review the progress toward achieving the Intent and Purpose of the Partnership involving the objectives listed in the Basic Labor Agreement and the goals that had been established for that previous year;

c. Partnership goals for the coming year will be agreed to by the Co-Chairs of the Plant Labor Management Committee and clearly communicated to all employees at the location;

d. And at the Plant Wide Meeting a Problem Solving Team will be selected for special recognition.

5. Company – Wide Meeting

a. At the Company – Wide Meeting a Problem Solving Team will be selected for special recognition.

Sincerely,

Dennis Arouca, Vice President Labor Relations
ArcelorMittal USA

Confirmed:

_____
David McCall, Director
USW – District 1

September 1, 2008

David McCall
District 1 Director
United Steelworkers
777 Dearborn Park Lane - J
Columbus, OH 43085

RE: Ongoing Training

Dear Mr. McCall:

1. The parties agree that the right to adequate training is fundamental to achieving the safe and successful implementation of the Agreement.

2. The parties recognize that certain jobs may require skills which some Employees may not possess. In light of this situation, the Company agrees to provide Employees who do not have the required skills for their jobs with reasonable ongoing training and skill enhancement opportunities to ensure competent job performance.

3. In the event that, despite the efforts described in Paragraph 2 above, the Employee is not capable of acquiring the needed job skills, then the Company shall be relieved of its obligation to provide further training and the Employee may bid on a vacancy for which s/he is qualified.

4. The training programs necessary to carry out the provisions of this letter of understanding will be conducted during the Employee's normal working hours.

5 No Employee will be disciplined for poor job performance that results from a failure of the Company to provide training pursuant to this letter of understanding or for failure to acquire needed skills for a particular job.

6. The parties agreed that in order to maintain competent job performance, continuing familiarization and rotation within various assignments related to job descriptions is both required and necessary. It is the parties' understanding that Employees will be trained in all required job functions within a Job Description in order to maintain proficiency. The parties at each plant will develop a Plan in accordance with Article Seven Section A in order to achieve the expectations of this understanding consistent with maintaining safety, productivity, quality and avoidance of unreasonable overtime.

Sincerely,

Dennis Arouca
Vice President Labor Relations
ArcelorMittal USA

Confirmed:

_____
David McCall, Director
USW District 1

September 1, 2008

David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane, - J
Columbus, OH 43085

Re: Craft Training

Dear Mr. McCall;

This will confirm the understanding reached in conjunction with the negotiations of the Basic Labor Agreement dated September 1, 2008 regarding Article Seven Section A. The Parties recognize that additional efforts are needed to address the increasing need to both develop the skills of current as well as to provide for additional qualified MTMs and MTEs. In order to meet these challenges, the Parties commit to the following:

1. At each site covered by the Agreement, the Training Committee will develop a Plan to address craft needs using the process contained in Article Seven Section A. The parties commit to the development of these Plans by December 1, 2008.

2. Should the parties be unable to reach agreement on a Plan, Separate Statements, in accordance with Article Seven Section A, shall be prepared and sent to the Chairs of the Negotiating Committee or their designee by January 15, 2009.

3. In order to insure an effective craft workforce the parties agree that when filling craft vacancies the following should be part of each Plan:

a. In conjunction with the ICD/LJC, each Training Committee will develop a forty (40) hour Introduction to Craft Training for any Employee who desires to pursue such training.

b. The Plan will provide for non craft Employees who attained a raw score of 84 or above on the MTM Ramsey test or a raw score of 73 or above on the MTE Ramsey test and are successful bidders (in accordance with Article Five Section E.) to a MTM or MTE vacancy to immediately and prior to filling the vacancy enter a Training Program that provides a minimum of 400 hours for MTM and 520 hours for MTE of classroom training in MTM or MTE basic craft skills.

1). In addition to the curriculum for classroom training the Plan will include on the job training that supports the classroom

training. On the job training hours will at a minimum be equal to the number of classroom hours. Classroom and on the job training hours will not exceed a time period of one (1) year.

2). The craft skill training will provide initial safety training and orientation to all newly qualified Employees filling a vacancy and such safety training will not be counted towards the basic skill training.

3). The Plan will contain a remedial Training Program for non craft Employees who did not attain a qualification level, but did achieve a raw score of a minimum of 55 on the Ramsey test. The remedial Training Program will provide opportunities to achieve the knowledge needed to attain qualification level on the Ramsay test. This Training Program will involve classroom training to be developed in conjunction with and provided by the local ICD Program. Following remedial training, an Employee will be allowed to retest.

c. The Plan will also contain a Trainee Program to address long term craft Needs. The Plan will provide for annual postings for Trainees (such postings to be filled in accordance with Article Five Section E.) by those Employees described below. The parties will develop a Trainee Program which will be up to a two (2) year program consisting of eight (8) training semesters with approximately one thousand (1,000) hour of classroom or equivalent training; with the remaining training to be completed as "on the job training". Employees will be required to pass an entry test (a minimum raw score of 55 on the Ramsay test shall be used initially and the parties agree to develop an alternative assessment instrument) and must maintain a passing status per semester. The Training Program will also include a "hands on" test. Failure to maintain a passing status will require the Employee to be returned to the entry level job in Seniority Unit from which the Employee bid prior to accepting the Trainee Program vacancy.

d. The Plan will include provisions to allow for new hires to be placed in MTM or MTE vacancies when vacancies for the positions have not been filled by qualified Employees using the processes described in b. and c above. Criteria for a new hire will include training and testing as described in b. above and will also include "hands on" testing. The parties will continue their cooperative effort to refine elements of the Steelworker for the Future Work Study New Hire Craft Certification efforts as part of this new hire effort, deployment of which will be in accordance with the Basic Labor Agreement including paying Utility Technician Labor Grade 1 for hours worked under the program.

e. The Plan will provide for current MTM/MTE Employees to upgrade their skills. Employees will be evaluated and provided training on at least an annual basis to improve their individual skills.

4. Training Plans shall also include (a) provisions to insure that sufficient trainers and training facilities are available to meet the training deadlines of the Plan; (b) the development of mutually acceptable selection and development of trainers.

5. Standardization of Basic Principles:

a. Training facilities, trainers, materials and testing/training equipment are common assets among the plants and should be utilized by all plants to deliver, assist, supplement and enhance training initiatives.

b. The Plan shall include mechanisms to insure that the training is accomplished in a timely fashion. The Plan will also include the training schedule and curriculum.

c. During the Training Program, an Employee described in 3b. and 3d. above, shall be paid Labor Grade 4 and the Plant Maintenance average incentive. A Trainee described in 3c. above shall received Labor Grade 3 and the Plant average incentive for all hours paid for the first year of the Training Program and shall receive Labor Grade 4 and the Plant Maintenance average incentive for all hours paid the second year of the Training Program. In the case of all other Training Programs the Employee shall receive their Regular Rate of Pay.

d. The Parties may agree to use other mutually agreed to entry level tests other than the Ramsey test.

6. The development of training and the associated implementation Plans are not exclusive to a specific plant or facility; standards for training development and the associated implementation plans will maximize the use of the following:

a. Asset utilization including facilities, equipment, trainers, trainees, and classroom enrollment.

b. The sharing of best practices

c. The use of innovative training technology (e.g. on-line web based programs, DVD's etc.)

Sincerely,

Dennis Arouca, Vice President, Labor Relations

Confirmed:

_____

David McCall
Director, District 1

September 1, 2008

David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane - J
Columbus, OH 43085

Dear Mr. McCall:

This will confirm the miscellaneous understandings reached in conjunction with the negotiations of the Basic Labor Agreement dated September 1, 2008.

- If Management schedules a deviation from the Agreed to Alternative Work Schedule during any week without the agreement of the area Grievance Committeeman or the affected Employee(s), the provisions of Article Five, Section D. (Overtime) will apply for the week.

- Employees working an Alternative Work Schedule as allowed under Article Five, Section D, will be treated as follows under the below listed provisions:

    i. For purposes of Article Five, Section D. (Overtime), when an Employee works beyond scheduled hours under the Alternative Work Schedule such Employee will be eligible for overtime for such hours worked beyond the Alternative Work Schedule.

    ii. For purposes of Article Eight, Sections A. (Employment Security) and B. (Supplemental Unemployment Benefits), Employees working pursuant to a normal pattern Alternative Work Schedule will be considered as being provided the opportunities required by these sections.

    iii. For purposes of Article Ten, Section A. (Holidays), an Employee scheduled off on his/her normal pattern Alternative Work Schedule will be paid for an unworked Holiday at the hours he/she would have been scheduled under the Alternative Work Schedule.

    iv. For purposes of Article Ten, Section C. (Bereavement), Article Ten, Section D. (Jury and Witness Duty), Employees absent from work pursuant to such provision will be paid the number of hours they would have been scheduled under the Alternative Work Schedule for qualifying days.

- Where the Company establishes a steady shift schedule on a job where Employees are also scheduled on rotating shifts, assignment to the steady shift schedule shall be by seniority, with the senior Employees who desire to work the schedule given preference to the assignment in accordance with understandings reached between Plant Management and the Local Union Committeeman.

- The Training Coordinator established in Article Seven Section A will perform activities similar to those below on behalf of the Company and Union. It is understood that this position will work on other matters of mutual interest of the parties involving training and education of the workforce.

    i. Coordinates, develops and plans training activities undertaken by the parties.

    ii. Coordinates and facilitates training sessions for Employees.

    iii. Maintains data base records of training accomplished and monitors when training needs to be renewed on all matters including, safety, civil rights, license renewal, etc.

    iv. Assists in training needs involved in capital expenditures.

    v. Administers tests to Employees. Responsible for tracking training records.

    vi. Conducts training sessions on routine topics involved in routine plant programs.

    vii. Participates in pre-training activities necessary to meet plant needs.

    viii. Works with the Human Resources department on training programs throughout the plant.

    ix. Works with community educational resources to assist the current and potential future workforce.

    x. Fulfills the roll of coordinating ICD activities on behalf of the plant as directed by the Training Committee.

- Employees required to remain on the job until relieved shall be allowed to relieve each other ('buddy relief") in accordance with procedures established between the management and union, up to 30 minutes prior to the scheduled end of the turn provided the Employee has worked their scheduled total hours.

- The Company will provide reasonable and appropriate arrangements for lunch opportunity and other personal needs for Employees during the course of a shift.

- At the request of the Union and where practicable the local parties may agree to provide that, identified Union representatives at the Plants will be scheduled on a steady day turn basis, to an available job at the applicable rate, in accordance with efficient operations of the plant.

- Where contribution or eligibility for benefits or pay is based upon hours worked, hours spent on Union Business, whether compensated by the Company or by the Union, shall be considered hours worked for the purpose of the benefit contribution, pay or eligibility. The Local Union President will validate to the Company the Union Business hours compensated.

- In the discussions concerning the use of Funds contributed to the Institute for Career Development, the parties agree, that it may be appropriate to allocate funds to certain programs that will be established by the parties to address training requirements and programs established in the Basic Labor Agreement. The Local Joint Committee may recommend the use of such funds for such programs. Should the Local Joint Committee be unable to determine which programs may be applicable for the use of such funds, the parties will submit the issue to the Co-Chairs of the Negotiating Committee to resolve such dispute consistent with the intent of the parties and by mutual agreement.

- In the event of a "Need" for layoff under the provisions of Article Eight Section A, the local parties, by mutual agreement, may agree to utilize reduced work schedules of 32 hours as part of a layoff minimization plan.

- When a normal payday coincides with a holiday, payday will be recognized on the last working day before the holiday.

- The Company will make arrangements at each Plant to provide express checks within twenty four (24) hours for payroll shortages in excess of $100.00,provided the affected employee alerts the Payroll Department by 12:00 Noon of the previous day.

- The parties have agreed to delay the effectiveness date of the overtime penalty provisions associated with Article Five Section E (10) (e) until September 1, 2010.

Sincerely,

Dennis Arouca
Vice President, Labor Relations

Confirmed:

_____

David McCall
Director, District 1

September 1, 2008

David McCall, Director
USW District 1
United Steelworkers
777 Dearborn Park Lane – J
Columbus, OH 43085

Dear Mr. McCall:

During discussions leading to the 2008 BLA, the Union presented the Company with a list of various crane assignments for the parties to discuss and determine which such assignments, if any, are highly skilled and which are integral to the operating units. This letter will confirm our understanding reached on those cranes assignments which are currently being paid at Labor Grade 2 and upon the Effective Date will be increased to Labor Grade 3. The parties agreed that the below list of cranes are to be considered highly skilled assignments which are integral to the operating units.

1. Burns Harbor – 501 Hot Rolling Slab Yard
2. Cleveland – South Hot Rolling Slab Yard, RS 22 Finishing Pickle/Tandem
3. Hennepin – 300 Finishing Pickler,
4. Indiana Harbor West – 3 Hot Rolling Slab Yard, 2 East Finishing Pickler
5. Indiana Harbor East – 22 Hot Rolling Slab Yard, 27 Finishing Pickler.
6. Conshohocken – 113 Hot Roll Slab Yard.

It is further agreed that, in light of the changes to the Operating Technician job description contained in this Agreement should disputes involving other crane Labor Grade issues arise during the term of this Agreement, the above cranes maybe used as benchmarks pursuant to Article Five Section B. of the BLA.

Sincerely,

Dennis Arouca, Vice President, Labor Relations

Confirmed:

_____
David McCall
Director, District 1

September 1, 2008

David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane – J
Columbus, OH 43085

Dear Mr. McCall:

This will confirm the understandings reached in conjunction with the negotiations of the Basic Labor Agreement (BLA) dated September 1, 2008. Except as specifically addressed in this Appendix, all terms and conditions of employment set forth in the BLA between ArcelorMittal USA (ArcelorMittal or Company) and the United Steelworkers (USW) shall apply to the Employees of the various Company owned railroads associated with the Plants covered by this Agreement (Railroads) who work within the crafts and classes as certified by the National Mediation Board.

1. Term of the Agreement: Solely as it relates to the Employees of the Railroads, the ArcelorMittal/USW BLA shall become amendable upon the Termination Date of the ArcelorMittal/USW BLA ("Moratorium Date"), subject to the following:

   a. Any and all changes to the ArcelorMittal/USW BLA shall be implemented with respect to the Employees of the Railroads, except as limited herein or except as the Parties may otherwise agree.

   b. Any change in the Termination Date of the ArcelorMittal/USW BLA shall change the Moratorium Date to that same date.

2. Union Security: Article Two, Section B, Lines 3-6 of the ArcelorMittal/USW BLA shall be modified to provide that it shall be a condition of continued employment that all Employees of the Railroads shall become members of the USW on the 60th day following the Effective Date of the ArcelorMittal/USW BLA.

3. Railroad Retirement Act Issues: The Railroads shall take all acts and make all contributions required by the Railroad Retirement Act and that the rights of Railroad Employees shall be preserved to the fullest extent allowed by such act. It is understood that, to the fullest extent possible, Railroad Employees shall receive credit for all former service and that the

Company shall make the same level of contributions to the retirement system as formerly made.

4. Steelworker Pension Trust Contributions: The Company shall make contributions to the Steelworkers Pension Trust ("SPT") on behalf of employees of the Railroads as set forth in the Pension Agreement of the ArcelorMittal/USW BLA, with the exception that the Company will offset all such contributions of the SPT by the amount the Company contributes on behalf of such Employees to the railroad retirement system, as described in Paragraph 3 above. The offset as described above (not including the individual's personal contributions) will ensure that the total retirement benefit paid to the Employees of the Railroads is equal to the total retirement benefit paid to the other represented Employees covered by the ArcelorMittal/USW BLA.

5. Offset to Sickness and Accident Benefits: The Company will pay Sickness and Accident Benefits to Employees of the Railroads in accordance with the ArcelorMittal/USW Program of Insurance Benefits regarding Sickness and Accident, with the exception that the Company will offset such amounts by any amounts paid to such Employees for like benefits paid by other sources.

6. Hours of Service: The number of hours worked by Employees of the Railroads shall comply in all respects with the statutory requirements of 49 U.S.C. § 21101 et seq.

Sincerely,

Dennis Arouca
Vice President, Labor Relations

Confirmed:

_____
David McCall
Director, District 1

September 1, 2008

David McCall, Director
USW District 1
United Steelworkers of America
777 Dearborn Park Lane, - J
Columbus, OH 43085

Dear Mr. McCall:

This will confirm the understandings reached in conjunction with the negotiations of the Basic Labor Agreement dated September 1, 2008.

- Not withstanding any local understandings to the contrary, the company may contract out non-core functions limited to, janitorial, mail activities, landscaping, snow removal, garbage and trash removal track repair and general plant housekeeping which is not directly associated with general labor work on a production facility.

- The Parties agree that any incumbents in the jobs listed above will continue to perform such work until such time as the incumbent executes a successful bid to a permanent vacancy in the plant. Additionally, in the case of a lay-off situation, Employees shall be assigned to such work (if being performed) before being laid-off.

Sincerely,

Dennis Arouca
Vice President Labor Relations

Confirmed:

_____
David McCall
Director, District 1

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane - J
Columbus OH 43085

Dear Mr. McCall:

This letter will confirm our understandings, reached during the 2008 negotiations, concerning the Property Protection employees at Indiana Harbor West.

Except as otherwise provided by this letter, all terms and conditions contained in the Basic Labor Agreement (BLA) between ArcelorMittal USA ("Company") and the United Steelworkers ("Union") shall be applicable to all Property Protection employees except superintendents, captains, lieutenants, sergeants, and confidential clerks.

The Union agrees that Property Protection employees are expected to abide by the rules of the Company as set forth in the Company's published rules outlining the special and unique duties and responsibilities of the Property Protection employees, as amended from time to time.

The Union recognizes and agrees that the special responsibilities of Property Protection employees referenced in paragraph 2, above, are of the greatest importance to the Company, and that failure to fully and diligently carry out these special responsibilities and duties, including giving entire obedience and loyalty to the Company, shall be grounds for discipline or discharge, in the sole discretion of the Company; provided that no discrimination will be exercised against any member of the Union because of such membership. In any grievance or arbitration which relates to discipline or discharged alleged to be based upon failure of an employee to fulfill his or her responsibilities to the Company or to carry our his or her duties or to give entire obedience and loyalty to the Company, the sole issue shall be whether there is sufficient evidence to show that the employee in question was guilty of the offense charged.

Sincerely,
Dennis Arouca
Vice President Labor Relations

Confirmed: _____
David McCall
Director, District 1

APPENDIX C
OFFICE AND CLERICAL

The parties agree that in addition to the rights established in Article Two, Section A (Recognition and Coverage), all Office and Clerical jobs previously performed by USW members shall continue to be performed by USW-represented Employees. To ensure adherence to this Agreement, in each plant where an Office and Clerical bargaining unit previously existed, a review shall be conducted in accordance with the following:

(a) Within ninety (90) days of the Effective Date, the parties at each plant shall meet at mutually agreeable times to review all non-represented jobs to determine whether such jobs should properly be included in the bargaining unit. In making such determination, the parties shall be guided by the practices under the predecessor companies. Where jobs have been restructured, the guiding principle shall be whether the job is more nearly like a job that would have been included under the previous contract with the previous employer.

(b) Such review shall be completed no less than 120 days after the Effective Date.

(c) A representative of the International Union, the Local Union President/Unit Chair or his/her designee and up to two (2) other representatives of the Local Union may participate in such a review. The Local Union representatives shall be afforded time off as may be required to participate in such meetings.

(d) The Company shall provide the Union with a list of all non-represented jobs, including the incumbents of such jobs, currently excluded from the bargaining unit.

(e) The Company shall produce a description of the duties, the job classification and the location of each excluded job.

(f) The review shall result in the determination of whether the jobs are properly excluded from the bargaining unit. If the parties are unable to reach agreement, the Union may file a grievance on such issue directly in Step 2 of the grievance procedure for determination. Should arbitration be necessary to resolve a dispute, the arbitrator shall decide the issue on the basis of the standard set forth in the above provisions.

(g) If it is determined that a job has been improperly excluded from the bargaining unit under the procedures provided herein, such job shall be placed in the bargaining unit.

APPENDIX D

JOB DESCRIPTIONS

Position Title: Senior Operating Technician
Labor Grade 5

Operates and is responsible for the performance of all functions on a producing unit as a member of the operating team. Directs other operating crew members and service areas, and communicates with maintenance, as required, to maximize production. Performs and assists in production and maintenance tasks and functions necessary to assure maximum production, quality, and inspection. Performs or leads maintenance activities as required with operating crew members and coordinates and works in conjunction with Maintenance Technicians.

Position Title: Maintenance Technician Mechanical
Labor Grade 4

Performs all mechanical functions necessary to maintain all operating and service equipment using standard and specialized tools and equipment. Makes mechanical repairs as required in connection with their mechanical service. Operates equipment in conjunction with repairs and provides assistance in operating functions as necessary to keep equipment running. May work alone, with minimal supervision and works with other Maintenance Technicians, and coordinates and works in conjunction with Operating Technicians and/or Service Technicians in the performance of mechanical maintenance tasks.

Position Title: Maintenance Technician Electrical
Labor Grade 4

Performs all electrical functions necessary to maintain all operating and service equipment using standard and specialized tools and equipment. Makes electrical repairs as required in connection with their electrical service. Operates equipment in conjunction with repairs and provides assistance in operating functions as necessary to keep equipment running. May work alone, with minimal supervision and works with other Maintenance Technicians, and coordinates and works in conjunction with Operating Technicians and/or Service Technicians in the performance of electrical maintenance tasks.

Position Title: Operating Technician
Labor Grade 3

Operates and assists Senior Operating Technician and other crew members in tasks on producing units necessary to assure maximum production, quality, inspection and maintenance of material and equipment. Performs specialized functions, including highly skilled crane operations which are integral to the operating unit. Performs and assists in maintenance tasks as directed by Senior Operating Technicians and Maintenance Technicians as required.

Position Title: Plant Transportation Specialist
Labor Grade 2

Operates various types of plant mobile equipment including trucks, heavy equipment, dozers, front end loaders, boom trucks, mobile cranes, etc. If required, Class A CDL and required endorsements in plants where necessary. Fuels, inspects and performs preventative maintenance on all types of mobile equipment.

Position Title: Service Technician
Labor Grade 2

Performs all work which support operations of the various producing units. Operates material handling equipment, overhead electric cranes and tractors (various sizes and types) and directs the flow of material to be processed to and from producing units and performs functions necessary to support operations. Works with materials and equipment necessary to transport and process product and materials. Supports and assists in maintenance activities in their area and in support of operating units.

Position Title: Utility Person
Labor Grade 1

Performs any type of general labor and light mobile equipment operation required to maintain plant operations.

Office and Technical Job Descriptions
(Not applicable at Indiana Harbor – East)

Position Title: Technician
Labor Grade 3

Analyzes data and interacts with production group to schedule steel movement to facilitate the flow of materials and processed steel. Interacts with and directs support crew members, performs administrative duties, and communicates with maintenance, as required to maximize production. Is responsible for ordering raw materials, scheduling and facilitating repairs and interacting with outside vendors to ensure that a

steady flow of required outside services to be accomplished in a correct and timely manner. Operates and repairs computers, test equipment and light mobile equipment as required to support and maintain plant operations. Interacts with outside processing firms making adjustments in shipping and delivery schedules as required. Satisfies customers needs by continually making the necessary adjustments to their orders whether it is shipping changes, product adjustments, or whatever the customer needs in order to maintain a good business relationship. Is responsible for the flow of information throughout the plant and corporation. Analyzes accounting information and relays it for use in the overall decision making process. May work alone with minimal supervision or with maintenance or operating crews. Some areas may require testing and/or certification in order to perform duties.

Position Title: Plant Technician
Labor Grade 2

Collects, analyzes, and applies data to facilitate the movement of steel through the entire production process. In conjunction with the production department is responsible for the sequence of events which the product must travel in order to reach our customer in a correct and timely fashion. Is responsible for the repair and maintenance of safety equipment both in a repair facility and throughout the plant. Required to operate gauging equipment, analyzers, some light mobile equipment, test equipment and computers. May work alone, with minimal supervision or with maintenance and operating crew members. Some areas may require testing and/or certification in order to perform duties.

Position Title: Administrative Technician
Labor Grade 1

Responsible for the administrative functions on a plant wide basis. Duties include the distribution of mail, cost control and analysis, data gathering and posting, and general clerical duties. Must be proficient in the use of various office equipment, including but not limited to computers, typewriters, word processors, and duplicating equipment. Some areas may require testing in order to perform the duties.

Exhibit 1A

Program of Insurance Benefits for Active Employees
(As of the Effective Date unless otherwise indicated)

Section A. General Provisions

1. The Company and the Union will execute an Insurance Agreement that will outline parameters applicable to all ArcelorMittal USA bargaining units. The current PIB applicable to the former Inland plants will be updated to reflect current administrative practices and a new PIB will be created for the former ISG plants.

2. The Company and the Union will establish a functional Wellness Program that will be applied equally to all Employees. A joint Wellness Committee will be established by the parties to evaluate the available wellness initiatives and implement the program. This joint committee will meet at least semi-annually to receive information about the effectiveness of the program and review future recommendations and programs. All Wellness Programs will be jointly administered. Any potential disputes arising from this provision will be referred to the USA level joint Benefits Committee for resolution. Neither party will unreasonably withhold its agreement on proposals. Barring resolution, no changes will be made. The Company will provide a total annual incentive of $100 to covered employees who participate in stipulated Wellness initiatives. At a later date, covered spouses will also be eligible for a total incentive of $100 annually with similar guidelines.

3. No later than January 1, 2010, the Company will make available to all Employees an Optional Long Term Care program. The terms, conditions and carrier for this program will be determined by mutual agreement between the parties.

4. The Company will provide to the Union updated PIBs and SPDs no later than June 2009. Upon approval, the Company will distribute copies to every Employee.

5. The current practice of offering a payment to Employees who waive coverage will be reduced to writing in terms that are mutually acceptable. Employees who waive Medical/Rx coverage will maintain Dental and Vision coverage. An Employee who waives coverage will have the ability to re-enroll in the applicable PIB annually and in the event of any change in life status event. Employees who waive coverage will receive an annual payment of $3,600 (prorated by pay period). Legacy Inland employees who elect the waiver will not be eligible for spousal coverage reimbursement. Life Insurance, Sickness and Accident and any

other provisions of the PIB not related specifically to the coverage being waived will remain in effect and unchanged.

6. Any elective change in carriers/vendors by the company or the Steelworker Health and Welfare Fund will be discussed in advance by both parties. Any potential disputes arising from these discussions will be referred to the joint Benefits Committee for resolution. Neither party will unreasonably withhold its agreement on proposals. Barring resolution, no changes will be made**.**

Section B. Program of Insurance Benefits – former ISG Plants (including Weirton)

1. Medical Care Benefits.

The following modifications will apply to the PPO Program administered by the Steelworkers Health and Welfare Fund via Highmark Blue Cross Blue Shield.

a. Hearing aids, and the examination for the prescription or filling thereof and their repair, to a benefit limit of $1,500 per ear in a three year period. Replacement hearing aid(s) will be covered if at least 3 years have passed since the hearing aid(s) being replaced were purchased and the previous hearing aid(s) are unserviceable.
b. Increase Lifetime Maximum to $5,000,000, additional $1,000,000 maximum for transplant services, with a reset start date of January 1, 2009.
c. Waive all co payments and coinsurance for Preventive Care office visits and related tests and diagnostic procedures based on the attached 2008 Preventive Care Schedule issued by Highmark. Prospective changes will be made by mutual agreement of the Benefits Committee. Neither party will unreasonably withhold its agreement on proposals. Barring resolution, no changes will be made.
~~d.~~ Outpatient speech therapy performed by a licensed Speech Therapist is covered, subject to medical necessity.
e. Increase the number of Spinal Manipulation visits to 18 maximum per year combined in-network and out-of-network.
f. Modify language on page 37 of SHWF SPD regarding what is not covered (cosmetic surgery). New language to read: "For operations for cosmetic purposes done to improve the appearance of any portion of the body except for cosmetic surgery to correct a condition resulting from an injury, disease, birth defect, prior covered treatment, or surgery".
g. Remove exclusion for elective abortions. Cover as any other expense.
h. Remove exclusion related to artificial and/or mechanical hearts, etc. Cover as any other expense.
i. Remove exclusion for reversal of sterilization. Cover as any other expense.
j. Add coverage for penile implants when medically necessary.

2. Prescription Drug Benefits.

The following modifications will apply to the Rx program administered by Caremark.

a. Add coverage for ED class of drugs with prior doctor authorization indicating medical necessity and limited to eight pills per month.
b. Add coverage for diet pills with prior doctor authorization and diagnosis of obesity.
c. Cover all smoking cessation therapies at the generic co pay level.

3. Dental Care Benefits.

The following modifications will apply to the PPO Program administered by the Steelworkers Health and Welfare Fund via United Concordia.

a. Increase Annual Maximum to $2,000 for in-network, $1,500 out-of-network.
b. Increase Orthodontic Lifetime Maximum to $2,500.
c. Remove deductible for in-network only.
~~d.~~ Increase coinsurance level to 85% for Restorative and Periodontal services and Oral Surgery.
~~e.~~ Increase coinsurance level to 85% for Crowns, Inlays and Onlays.
f. Adjust reimbursement levels from MAC to UCR.

4. Vision Care Benefits.

The following modifications will apply to the PPO Program administered by the Steelworkers Health and Welfare Fund via Davis Vision.

a. Modify coverage to reflect an annual exam for all members and coverage for lenses if prescription changes if age 19 and over; otherwise lenses are limited to every two years.
b. Modify Allowance Schedule as follows:

Type of Lens	Benefit Per Lens
Single Vision	$50.00
Bifocal	$55.00
Trifocal	$60.00
Lenticular	$65.00
Contact	$60.00

Frames not more than $85.00 per frame. Frames up to $120.00 retail are available at $60 from network vision care service providers. Purchase of frames limited to once every two years.

5. Life Insurance Benefits.

    a. Optional Life Insurance
        i. Offer a one time opportunity to purchase an additional $50,000 without Evidence of Insurability (EOI) unless previously denied by the insurer for this reason or unless already at maximum allowed without EOI.
        ii. Provide for continuation of coverage for an active employee for up to 90 days in the event that premiums are in arrears. If a member dies with premiums in arrears, benefits will be held until the premiums have been paid. The employee and the local Union will be notified prior to the 90 day period lapsing if payments are in arrears.

6. Sickness and Accident Benefits

    Cover all Employees under one S&A program based on the current Inland program. See Inland Section for details.

7. General Provisions

    a. Eligibility Issues
        i. Employees with 20+ years of service will be eligible for 24 months of continued coverage in the event of a non-compensible injury or illness.
        ii. Modify definition of dependent children to cover all children to age 19 unless a full-time student, then to age 25. Coverage will be continued until the end of the semester in which the dependent child is no longer eligible.
        iii. Student certification will be performed semi-annually.
    b. Any active Employee and eligible dependent covered by Medicare as their primary insurance will be reimbursed the entire amount of the required Medicare Part B premium on no more than a quarterly basis.

Section C. Program of Insurance Benefits – former Inland Plants

Medical Care Benefits

1. Increase Lifetime Maximum to $5,000,000, additional $1,000,000 maximum for transplant services, with a reset start date of January 1, 2009.

2. Modify PIB III/SPD Section 3.57(t) as follows:

(t) Waive all co payments and coinsurance for Preventive Care office visits and related tests and diagnostic procedures based on the attached 2008 Preventive Care Schedule issued by Highmark. Prospective changes will be made by mutual agreement of the Benefits Committee. Neither party will unreasonably withhold its agreement on proposals. Barring resolution, no changes will be made.

3. Modify PIB III/SPD Section 3.57(r) as follows:

(r) Hearing aids, and the examination for the prescription or filling thereof and their repair, to a benefit limit of $1,500 per ear in a three year period. Replacement hearing aid(s) will be covered if at least 3 years have passed since the hearing aid(s) being replaced were purchased and the previous hearing aid(s) are unserviceable.

4. Add new Section 3.57(bb) as follows:

"Orthotic Devices" The plan covers the purchase, filling, necessary adjustment, repairs and replacement of a rigid or semi-rigid supportive device which restricts or eliminates motion of a weak or a diseased body part. Foot orthotics are covered if they are prescribed in conjunction with or in lieu of surgery. Non-covered items include, but are not limited to, orthopedic shoes.

5. Remove the following sentences from PIB III/SPD Section 3.5:

"Failure to certify the admission will result in a $300 penalty if the stay is later determined to be medically necessary and appropriate. If the stay is determined not to be medically necessary and appropriate, the plan will not cover charges incurred by you or your eligible dependent for the inpatient stay. The $300 penalty does not apply toward your deductible or co-payment maximum."

6. Outpatient Speech Therapy performed by a licensed Speech Therapist is covered, subject to medical necessity.

7. Add coverage for spinal manipulation to 18 maximum per year combined in-network and out-of network.

8. Add coverage for Lap-Band surgery to be covered as any other expense for diagnosis of morbid obesity.

<u>Prescription Drug Benefits</u>

1. Remove the exclusion for birth control medications and devices in PIB III/SPD Section 4.7.

2. Add coverage for diet pills with prior doctor authorization and diagnosis of obesity.

3. Cover all smoking cessation therapies at the generic co pay level. Remove $700 limit.

4. Prior doctor authorization will apply to ED drugs and limited to eight pills per month.

Dental Care Benefits

1. Modify PIB III/SPD Section 6.1 as follows:

> (a) The maximum benefit payable for all covered dental expenses incurred during any calendar year except for services described in paragraphs 6.5(b), 6.5(d) and 6.5(f) below, shall be $2,000 per covered individual for services by in-network dental providers and $1,500 for services performed by all other dental providers.
> (b) The maximum benefit payable for covered dental expenses in connection with orthodontic diagnostic procedures and treatment described in paragraph 6.5(f) below shall be $2,500 during the lifetime of each individual.

2. Modify PIB III/SPD Section 6.0 to eliminate $50 family deductible applied to out-of- network dental services.

Vision Care Benefits

1. Modify PIB III/SPD Section 7.2 as follows:

7.2 Benefit payment for covered vision services is:

(a) Vision examination (for services specified in paragraph 7.1(a)) – not more than $60.00 per examination.
(b) Lens (as specified in paragraph 7.1(b))

Type of Lens	Benefit Per Lens
Single Vision	$50.00
Bifocal	$55.00

Trifocal	$60.00
Lenticular	$65.00
Contact	$60.00

(c) Frame (as specified in paragraph 7.1(c)) – not more than $85.00 per frame. Frames up to $120.00 retail are available at $60 from Company sponsored network vision care service providers.

Benefit payments for lenses and a frame set forth in paragraph 7.2(b) and (c) include the allowance for dispensing services.

2. Modify PIB III/SPD Section 7.4 as follows:

Modify coverage to reflect an annual exam for all members and coverage for lenses if prescription changes, otherwise lenses are limited to every two years. Frames are limited to every two years.

Life Insurance Benefits

1. Modify PIB III/SPD Section 1.0 as follows:
In the event of your death, life insurance in the amount of $50,000 will be payable to any person you designate as beneficiary. You have the right to change the beneficiary at any time by completing and returning the proper beneficiary change form to the Employee Benefits Office at the plant where you work.

2. Optional Life Insurance

i. Offer a one time opportunity to purchase an additional $50,000 without Evidence of Insurability (EOI) unless previously denied by the insurer for this reason.
ii. Allow new participants to purchase an initial guarantee issue amount of $50,000.
iii. Provide for continuation of coverage for an active employee for up to 90 days in the event that premiums are in arrears. In the event of the death of an employee whose premiums are in arrears, the life insurance payment will not be made to their designated beneficiaries until the premiums have been paid. The employee and the local Union will be notified prior to the 90 day period lapsing if payments are in arrears.

Sickness and Accident Benefits

1. Modify PIB III/SPD Sections 2.2 and 2.4 as follows:

(a) Change first paragraph of Section 2.2 as follows: Sickness and Accident Benefits begin with the first day of total disability resulting from an accident, or with the first day of inpatient hospitalization or outpatient surgery regardless of cause, or with the eighth day of total disability resulting from a sickness . . .
(b) Strike second paragraph of Section 2.2.
(c) Increase amount of weekly benefit to 70% of Employee's Base Rate of Pay up to a maximum of 40 hours.
(d) Change footnote ** as follows: If (1) you have 20 or more years of continuous service as of your last day worked, benefits will be continued for a period not to exceed 52 additional weeks: provided that Sickness and Accident Benefits terminate when you retire under the Company sponsored pension plan, Steelworkers Pension Trust or the Weirton 401(k) Plan, as applicable.
(e) Delete Section 2.9 Outpatient Pre-Admission Testing/Surgery
(f) Remove 1040 hour requirement for eligibility for former ISG plants.
(g) August 1, 1999 Letter to Jack Parton regarding light duty assignment applies to former ISG plants also.

General Provisions

1. Modify PIB III/SPD Section 8.2 as follows:
If you are a new employee, you will be enrolled in the Plan at the time of your employment and your coverage will become effective on the first day of your employment. (the remainder of this section is unchanged).

Attachment A

INSURANCE AGREEMENT

AGREEMENT dates September 1, 2008 between ArcelorMittal USA (the "Company") and the United Steelworkers (the "Union").

1. Definitions

Wherever used herein:

a. "Employee" means an employee in one of the bargaining units in Exhibit A attached hereto;
b. "Program" means the program of insurance benefits effective January 1, 2009 established by this Agreement and described in the Summary Plan Descriptions ("SPDs") adopted by the parties and constituting part of this Agreement as though incorporated herein;
c. "Prior Program" means the program of insurance benefits in effect as of December 31, 2008;

2. Program of Insurance Benefits

The Program shall be applicable to Employees while this Agreement is in effect (the period beginning January 1, 2009), in accordance with the provisions of this Agreement, subject to the following provisions:

a. Any coverage which was in effect as of December 15, 2002 (former ISG plants) or January 1, 2006 (former Inland plants) will be continued in accordance with the provisions of the Prior Programs. Any Employee absent from work on December 31, 2008, shall have his/her coverage under the applicable Prior Program continue in accordance with such Prior Program until the Employee returns to active work. Any such coverage which was terminated under the Prior Programs prior to January 1, 2009 shall be reinstated under the Program as of the date the Employee returns to active work.

b. The benefits of the Prior Programs shall be applicable to any occurrence prior to January 1, 2009, subject to all of the provisions of the Prior Programs, except that to the extent Medical, Prescription Drug, Dental and Vision Care benefits related to such occurrence are payable for a period extending beyond December 31, 2008, the benefits otherwise payable shall be conformed to the benefits provided under the Program,

and will be payable for the period provided under the Program reduced by the amount of or the period for which benefits were paid prior to January 1, 2009.

c. Benefit provisions of the Program not contained in the Prior program shall not be applicable to any period prior to January 1, 2009.

3. Cost of Benefits

The cost of the benefits under the Program (or Prior Program) shall be paid by the Company, except as provided below in this paragraph 3 and paragraph 6 hereof:

a. In the event of a strike or lockout resulting from failure of the parties to reach an agreement following proper notice given by either party under the provisions of any collective bargaining agreement, the Program (and the Former Program), with the exception of Sickness and Accident coverage will be continued for 150 days, which premium will be paid by the Company.

4. Participation by Employees

Each Employee shall be a participant in the Program (and the Former Program if eligible) and the amount, if any, which the Employee shall be required to contribute to the cost thereof, shall be deducted by the Company from his or her pay. Each Employee shall furnish to the Company any such written authorization or assignment (in a form agreed to by the Company and the Union) as shall be necessary to authorize the deduction from his or her pay of the amount of any contributions.

5. Requirements of Law

It is intended that the provisions for the insurance benefits which shall be included in the Program (or Former Program) shall comply with and be in substitution for the provisions for similar benefits which are or shall be made by any applicable law or laws. Where, by agreement, certain basic benefits under the Program (or Former Program) are provided under law rather than under the Program (or Former Program), the Company will pay the amount required to be paid therefore, including any Employee contribution required by law on account of such benefits. The Company shall, after consultation with the Union, reduce the benefits of the Program (or Former Program) to the extent that benefits provided under any law would otherwise duplicate any of the Program (or Former Program) benefits.

6. Additional and Alternate Benefits

a. The Program (and the Former Program where applicable) shall be in substitution for any and all insurance benefits or payments to or on behalf of Employees for death, sickness or accident, hospitalization (including less acute care alternatives and outpatient services), dental, medical, surgical or vision care services provided by the Company in whole or in part, except as the Company and the Union have agreed or may agree in writing.

b. The Union and the Company may agree that benefits may be provided in addition to those which are to be financed by the arrangements set forth in paragraph 3, provided that the full cost of such additional benefits shall be paid by the Employees covered for such additional benefits and provision may be made by the agreement between the Company and the Union to deduct the cost of such additional benefits from the pay of such Employees.

7. Administration of the Program

The Program (and the Former Program) shall be administered by the Company or through arrangements provided by it. Except as may otherwise be provided in the Agreement, the Company will arrange to have Medical, Prescription Drug, Dental, Vision, Life Insurance and Sickness and Accident benefits provided through contracts with carriers and/or administrators mutually agreed to by the Company and the Union. Any contracts entered into by the Company with respect to the benefits of the Program (and the Former Program) shall be consistent with this Agreement and shall provide benefits and conditions conforming to those set forth in the booklets. Any elective change in carriers/vendors by the company or the USW Health and Welfare Fund will be discussed in advance by both parties. Any potential disputes arising from these discussions will be referred to the joint Benefits Committee for resolution. Neither party will unreasonably withhold its agreement on proposals. Barring resolution, no changes will be made.

8. Life Insurance after Retirement

Any Employee who shall have retired and who shall have become entitled to life insurance after retirement pursuant to the provisions of the insurance agreement and booklet applicable to such Employee at the time of retirement shall not have such basic life insurance terminated or reduced (except as provided in such booklet) so long as he or she remains retired from the Company, notwithstanding the expiration of such agreement or booklet or of this Agreement, except as the Company and Union may agree otherwise.

9. Extent of Company Obligation

The failure of any carriers and/or administrators to provide for benefits under the Program (or Former Program) shall not result in any liability to the Company, nor shall such failure be considered a breach by the Company of any of the obligations which is has undertaken by this or any other agreement with the Union. In the event of any such failure, the Company and the Union shall immediately take action to provide substitute coverage in accordance with the provisions of this Agreement. Notwithstanding the foregoing, any decision reached with respect to a grievance processed under the provisions of the Basic Labor Agreement applicable to insurance grievances shall be binding on the Company, and, to the extent such decision requires the provision of benefits which the carrier/administrator fails to pay, the Company will provide such benefits.

10. Insurance Reports

The Union shall be furnished annually a report regarding the Program. From time to time during the term of this Agreement, the Union and Company shall be furnished such additional information as shall be reasonably required for purpose of enabling it to be properly informed concerning the operation of the Program (and the Former Program). Any accounting under the Program (and the Former Program) shall make no distinction between the experience with respect to Employees and other employees who may be covered, except that experience of employees who participate in the Program on a different basis or are entitled to different benefits from those provided for Employees represented by the Union shall be included in such accounting only to the extent that the company and the Union agree to such inclusion. The Company will continue the present arrangements under which it undertakes the keeping of insurance records of individual employees, the recording of changes in insurance classifications and a major portion of the investigation and payment of claims. The cost to the Company of performing such work will not, for any accounting under the Program (or the Former Program) be deemed to be a cost of such programs.

11. Continuation of Benefits after Expiration

Any employee who is on layoff or absent from work due to disability and entitled to benefits under the provisions of the Insurance Agreement and Program applicable at the time the layoff or absence commenced shall receive such benefits for the duration specified in such Agreement or Program, notwithstanding the expiration or termination of this Agreement or the Program, or the collective bargaining agreement between the Company and the Union.

12. Terms of Agreement

This Agreement shall become effective September 1, 2008 and shall remain in effect until September 1, 2012 and thereafter remain in effect for an additional 150 days beyond the expiration date.

ArcelorMittal: **United Steelworkers:**

_____ _____

Exhibit 1B
Program of Insurance Benefits for Retirees

(As of the Effective Date unless otherwise indicated)

Section A. General

1. The Company and the Union will execute a Retiree Insurance Agreement that will incorporate the provisions of the current Retiree Insurance Agreement applicable to the former Inland plants which will be updated to reflect current administrative practices and a new PIB will be created for the former ISG plants. Except as provided herein, the current Retiree Benefit Programs will remain in effect for each designated group. (single PIB if possible)

2. The Company shall pay the full cost of the benefits of the Program less the applicable pensioner/surviving spouse monthly contributions set forth in the attached schedule**.**

3. If an employee dies as a direct result of an on-the-job accident or on the job injury, the company will provide surviving spouse and dependent children retiree medical coverage until such time that they would otherwise not be eligible for such coverage.

4. Any elective change in carriers/vendors by the Company or the Steelworker Health and Welfare Fund will be discussed in advance by both parties. Any potential disputes arising from these discussions will be referred to the joint Benefits Committee for resolution. Neither party shall unreasonably withhold its agreement during such discussions. Barring resolution, no change will be made.

5. The Retiree Insurance Agreement shall become effective on the Effective Date, and shall remain in effect until 150 days following the Termination of the Basic Labor Agreement.

Section B. Program of Retiree Insurance Benefits – former ISG Plants (including Weirton and Georgetown)

1. Current and future retirees of ArcelorMittal USA, excluding Weirton retirees prior to January 1, 2008 will continue to participate in the same Medical and Prescription Drug programs as the Active employees (including negotiated changes with the exception of $0 copayments/coinsurance for preventive care services)**.** The Medical program will be administered by the Steelworkers Health and Welfare Fund and the Prescription Drug program will be administered by CVS Caremark. Any elective changes in carriers/vendors will be discussed in

advance by both parties. Any potential disputes arising from these discussions will be referred to the joint Benefits Committee for resolution. Neither party shall unreasonably withhold its agreement during such discussions. Barring resolution, no change will be made.

2. If an Employee has applied for, but not yet been granted, Social Security Disability and the Employee would otherwise meet the criteria for a disability pension, the Company will extend retiree health care and life insurance to the retiree.

Section C. Program of Retiree Insurance Benefits – former Inland Plants

1. All retirees currently enrolled in the Pre-1993 retiree program will be moved into the Post-1993 (PIB III) plan at the premium contribution levels attached. Retirees affected by this change will be informed of these changes by joint letter prior to the effective date of January 1, 2009.

2. The PIB III program will be modified to reflect the same changes as applied to the Active PIB excluding coverage for preventive services. The $150 Limit for preventive care services will be eliminated. Organ transplant coverage will be broadened to cover all transplants currently covered under the active PIB III Plan.

Section D. Life Insurance Benefits (Pensioners Only)

All prospective Retirees will receive Life Insurance benefits in the amounts set forth below:

1. Prior to Age 62: $25,000

2. Age 62 and thereafter: $15,000

Attachment A

RETIREE INSURANCE AGREEMENT

AGREEMENT dated September 1, 2008 between ArcelorMittal USA (or its predecessors thereto, including but not limited to Inland Steel, Ispat Inland and International Steel Group) (the "Company") and the United Steelworkers (the "Union").

1. Definitions

Wherever used herein:

a. "Pensioner" means an individual who meets the definition in (i) or (ii) below:
   i. an individual who
      A. retired under the Company non-contributory pension plan, on other than a deferred vested pension on or after September 1, 2008 from one of the bargaining units in Exhibit A attached hereto, and at the time of retirement had 15 or more years of Continuous Service (as defined in the BLA); or
      B. retired from ArcelorMittal Weirton with at least 15 years of Continuous Service with ArcelorMittal Weirton and any Predecessor Company, with the sum of age and Continuous Service equal to 85 or more or after attaining age 65 and after having accrued at least 2 years of Continuous Service as an Employee of ArcelorMittal Weirton (measured from January 1, 2008 without reference to service with any with any Predecessor Company).
   ii. an individual who retired from the Company from one of the bargaining units in Exhibit A having accrued at least 15 years of Continuous Service and qualifies as an eligible individual by satisfying one of the following eligibility requirements:
      A. receipt of a Normal Retirement or unreduced Early Retirement Benefit from the Steelworkers Pension Trust; or
      B. eligibility for a Severance Allowance due to a Permanent Closure in accordance with Article Eight, Section C (Severance Allowance) of the Basic Labor Agreement with age and Continuous Service is the sum of 65 or greater and with at least twenty (20) years of Continuous Service; or
      C. receipt of a Disability Benefit from the Steelworkers Pension Trust or retires from ArcelorMittal Weirton after January 1, 2008 after receiving Social Security Disability.

b. "Surviving Spouse" means an individual who meets the definition in (i), or (ii) below:
    i. an individual who is receiving a Surviving Spouse's benefit under the Pension Agreement effective September 1, 2008 between the Company and the Union by reason of the death on or after September 1, 2008 of a person who at the time of death was in or retired from one of the bargaining units in Exhibit A; or
    ii. an individual who is a Surviving Spouse of a Weirton 401(k) participant who died on or after January 1, 2008 and who had accrued at least 15 years of continuous service with ArcelorMittal Weirton and any Predecessor Company; or an individual who is the Surviving Spouse of a pensioner described in paragraph 1(a)(ii) above and
        A. was married to such individual both at the time of retirement or eligibility for Severance Allowance as described in paragraph 1(a)(ii)(B) above and the date of death; or
        B. was married to an employee who had completed 15 years of Continuous Service and who died while accruing Covered Service under the Steelworkers Pension Trust.
c. "Program" means the program of retiree insurance benefits effective January 1, 2009 established by this Agreement and described in the Summary Plan Descriptions ("SPDs") adopted by the parties and constituting part of this Agreement as though incorporated herein;
d. "Prior Program" means the program of insurance benefits in effect as of December 31, 2008;
e. "Covered Adult" means Pensioners, spouses and Surviving Spouses.

2. Program of Retiree Insurance Benefits

The Program shall be applicable to Pensioners and Surviving Spouses in accordance with the provisions of this Agreement, subject to the following provisions:

a. Except as provided in (b) below in no event shall any benefit provisions of the Program be applicable, (i) to any period prior to January 1, 2009, or (ii) to any part of a period of continuous hospitalization or skilled nursing facility care which commenced prior to the later of January 1, 2009 or the effective date of coverage under the Program.

b. The benefits of the Prior Programs shall be applicable to any occurrence prior to January 1, 2009, subject to all of the provisions of the Prior Programs, except that to the extent Program benefits related to such occurrence are payable for a period extending beyond December 31, 2008, the benefits otherwise payable shall be conformed to the benefits provided under the Program, and will be payable for the period provided under the Program reduced by the amount of or the period for which benefits were paid prior to January 1, 2009.

3. Cost of Benefits

a. The cost of the benefits under the Program (or Prior Program) shall be paid by the Company, except as provided below.

b. During the term of this Agreement the ArcelorMittal Retiree premiums will be as follows:

Pre Medicare Eligible - $70 per adult per month
Medicare Eligible - $35 per adult per month

c. Effective January 1, 2010, the amount of Company contributions for the Program will be limited to the Per Covered Adult Maximum. The Per Covered Adult Maximum (Cap) shall be the separate Pre-Medicare and Medicare-eligible per Covered Adult Company Costs that were paid for calendar year 2008. Covered Adult Company Cost for the Pre-Medicare group will be determined using the actual 2008 Medical, Vision, Prescription Drug claims history and administrative fees, less any formulary rebates and retiree premiums, divided by the average number of Pre-Medicare Covered Adults. The Covered Adult Company Cost for the Medicare group will be determined using the actual 2008 Medical, Vision, Prescription Drug claims history and administrative fees, less any formulary rebates and retiree premiums, divided by the average number of Medicare eligible Covered Adults. Effective for plan year 2009 and each year thereafter, the Company will treat the funds it projects it will receive under the RDS for the immediately preceding plan year as a reduction in plan costs for the current plan year for purposes of determining the amount over the Cap for Medicare-eligible Covered Adults. After data for the year becomes available, the Company will provide reconcilement between the actual and projected RDS funds for the Program. All costs of the Program in excess of the Cap will be borne by the participants, unless offset by the Benefit Trust in accordance with the provisions of the Benefit Trust and any side letters pertaining thereto.

d. The Company and Union agree that in negotiations over the successor agreement to the 2008 Agreement any proposal regarding the Cap shall be treated as a mandatory subject of bargaining, and neither side shall directly or indirectly take any action or position or make any statement to the contrary during the term of this Retiree Insurance Agreement.

e. With respect to any aspect of the Cap, if the parties are unable to agree on a successor agreement, either side may resort to strike or lockout as the case may be, in support of its position.

4. Requirements of Law

It is intended that the provisions for the insurance benefits which shall be included in the Program shall comply with and be in substitution for the provisions for similar benefits which are or shall be made by any applicable law or laws. Where, by agreement, certain basic benefits under the Program are provided under law rather than under the Program, the Company will pay any direct contribution required of any Pensioner or Surviving Spouse by law on account of such benefits, except as otherwise provided in the Program with respect to the Medicare Part B premiums. The Company shall, after consultation with the Union, reduce the benefits of the Program to the extent that benefits provided under any law would otherwise duplicate any of the Program benefits.

5. Administration of the Program

a. The Program shall be administered by the Company or through arrangements provided by it. Except as may otherwise be provided in the Agreement, the Company will arrange to have Program benefits provided through contracts with carriers and/or administrators mutually agreed to by the Company and the Union. Any contracts entered into by the Company with respect to the benefits of the Program shall be consistent with this Agreement and shall provide benefits and conditions conforming to those set forth in the booklets. Any elective change in carriers/vendors by the company or the Steelworkers Health and Welfare Fund will be discussed in advance by both parties. Any potential disputes arising from these discussions will be referred to the Joint Benefits Committee for resolution. Neither party will unreasonably withhold its agreement on proposals. Barring resolution, no changes will be made.

b. Nothing in this Agreement shall preclude the parties from mutually agreeing to changes in the Program.

6. Life Insurance after Retirement

Any Employee who shall have retired and who shall have become entitled to life insurance after retirement pursuant to the provisions of the insurance agreement and booklet applicable to such Employee at the time of retirement shall not have such basic life insurance terminated or reduced (except as provided in such booklet) so long as he or she remains retired from the Company, notwithstanding the expiration of such agreement or booklet or of this Agreement, except as the Company and Union may agree otherwise.

7. Continuation of Benefits after Expiration

Any Pensioner or Surviving Spouse who shall become covered by the Program established by this Agreement shall not have such coverage terminated or reduced (except as provided in the Program) so long as the individual remains retired from the Company or receives a Surviving Spouse's benefit, notwithstanding the expiration of this Agreement, except as the Company and the Union may agree otherwise.

8. Enforcement

Notwithstanding any provision of the Agreement to the contrary, this Agreement shall be enforceable in any court of competent jurisdiction without resorting to any grievance and/or arbitration procedure.

9. Terms of Agreement

This Agreement shall become effective September 1, 2008 and shall remain in effect until September 1, 2012 and thereafter remain in effect for an additional 150 days beyond the expiration date.

ArcelorMittal: **United Steelworkers:**

_____ _____

PENSIONS

Exhibit 2

Understanding Concerning Pension Matters

(As of the Effective Date unless otherwise indicated)

Section A. ArcelorMittal USA Defined Benefit Pension Agreement

1. The existing Defined Benefit Pension Plan, maintained pursuant to the 2005 Pension Agreement (Mittal Steel USA 2005 Plan), shall be assumed by ArcelorMittal USA. As a result, ArcelorMittal USA shall become the plan sponsor and be responsible for the payment of benefits to:

   a. pensioners and beneficiaries currently receiving benefit payments;
   b. participants eligible for deferred vested benefits as of the Effective Date;
   c. survivors eligible for pre-retirement survivor annuity benefits as of the Effective Date; and
   d. participants hired on or before November 13, 2005 accruing continuous service with the Mittal Steel USA (former Ispat Inland Steel) as of the Effective Date as provided in paragraph 2 below.

2. The terms of the 2005 Pension Agreement shall be renewed and/or modified to incorporate the changes provided in this paragraph 2 and any necessary editorial and housekeeping changes, to establish a new pension agreement (2008 Pension Agreement) as of the Effective Date which shall apply to all participants as of that date.

   Modify Defined Benefit Plan document at Section 3.2(b) and the Pension Agreement at Section 3.3(b) (1) as follows:

   Effective January 1, 2009, the monthly amount used in the calculation of any Regular Pension shall be an amount determined by multiplying the number of Years of Service (and fractions thereof calculated to the nearest month) by an amount as follows:

For Each Year of Benefit Service	
Up to 30 years	$65.00
Over 30 years	$85.00
All future years of service	$100.00

Renew Pension Agreement Attachment D-11 letter regarding supplemental payment for retirees receiving less than $560.

Renew Pension Agreement Section 4.8 regarding the "ad hoc and increase" by revising Section 4.8 of the Pension Agreement as follows:

4.8 Ad Hoc Increase

Notwithstanding any provision of this Agreement to the contrary, ~~during the period beginning August 1, 1999, and ending July 31, 2004,~~ the monthly amount payable under the Surviving Spouse's Benefit as defined in this Section 4 for a participant whose retirement occurred prior to August 1, 1989, shall be increased by the following amount:

~~Effective Date~~	~~Total Amount of Increase~~
~~August 1, 1999~~	~~$50.00~~
~~January 1, 2000~~	~~54.17~~
~~January 1, 2001~~	~~58.33~~
~~January 1, 2003~~	~~62.50~~

Effective Date	**Total Amount of Increase**
January 1, 2009	**$100.00**
January 1, 2010	**$100.00**
January 1, 2011	**$100.00**
January 1, 2012`	**$100.00**

Renew Pension Agreement Attachment D-13 and Attachment O regarding payments to certain surviving spouses and revise the payment schedule as follows:

Payment Date	**Amount**
January 31, 2009	**$825**
July 31, 2009	**$825**
January 31, 2010	**$825**
July 31, 2010	**$825**
January 31, 2011	**$825**
July 31, 2011	**$825**
January 31, 2012	**$825**

July 31, 2012	**$825**

Renew Pension Agreement Sections 3.4 and 3.5(a), regarding the $400 supplement by modifying Section 3.4 of the Pension Agreement as follows:

3.4 Increased Pension – Permanent Incapacity; 70/80; 30-year; 62/15

~~The following provisions shall apply to retirements that occur on or after August 1, 1999 and prior to August 1, 2004:~~

In the determination of the amount of any regular pension for permanent incapacity or 70/80 retirement, the monthly amount determined in accordance with paragraph 3.3(b) **for any participant who was accruing continuous service on November 13, 2005** shall be increased by $400 per month; provided, however, that such increase shall not be applicable with respect to such a regular pension payable for any month for which the participant ~~is eligible for Public Pension~~ **attains an age sufficient to be eligible for 80 percent of full Social Security old age insurance benefits at Social Security retirement age.**

In the determination of the amount of any regular pension for 30-year retirement, the monthly amount determined in accordance with paragraph 3.3(b) for any participant who was accruing continuous service on ~~July 31, 1999~~ **November 13, 2005** shall be increased by $400 for any participant who receives a pension calculated in accordance with paragraph 3.3(b)(1) or 3.3(b)(2) provided, however, that such increase shall not be applicable with respect to such regular pension payable for any month after the participant attains ~~age 62, becomes eligible for Public Pension as a result of disability~~ **an age sufficient to be eligible for 80 percent of full Social Security old age insurance benefits at Social Security retirement age** or dies. However, in no event will a participant receive less than 12 months of such increased pension unless death occurs in the 12-month period.

In the determination of the amount of any regular pension for a 62/15 retirement, the monthly amount determined in accordance with paragraph 3.3(b) for any participant who was accruing continuous service on ~~July 31, 1999~~ **November 13, 2005** shall be increased by the greater of:

the amount by which ~~$1,260, $1,575 effective August 1, 2000, $1,687.50 effective August 1, 2002~~ **$1950** exceeds the monthly amount determined in accordance with paragraph 3.3(b); or

$400, for any Participant who receives a pension calculated in accordance with paragraph 3.3(b)(1) or 3.3(b)(2).

Such amount shall be payable for the first 12 monthly pension payments unless death occurs during this 12-month period.

3.5 Increased Pension – Rule of-65

(a) In determination of the amount of any regular pension for Rule-of-65 retirement, the monthly amount determined in accordance with paragraph 3.3(b) shall be increased by $400 per month (hereinafter "increased pension"): provided, however, that such increase shall not be applicable with respect to such a regular pension payable for any month for which the participant ~~is eligible for Public Pension~~ **attains an age sufficient to be eligible for 80 percent of full Social Security old age insurance benefits at Social Security retirement age.**

Add new Section 5.3 as follows:

Notwithstanding the above, an employee who sustained a break in continuous service due to layoff between August 1, 1985 and August 1, 1999 and was recalled or rehired before September 1, 2008 shall be credited with all lost Continuous Service for pension purposes.

g. The 2008 Pension Agreement shall remain in effect until January 31, 2013 and, thereafter, subject to the right of either party on 120 days' written notice served on or after October 31, 2012 to terminate the Pension Agreement, unless otherwise agreed to by the parties.

Section B. Steelworker Pension Trust

1. The existing Steelworker Pension Trust Incorporation Agreements shall be renewed and maintained except as herein modified.

a. Increase the SPT contribution rate from $1.80 per each hour worked to $2.65 per each hour worked (adjusted appropriately for Railroad Employees).

Accordingly, the Incorporation Agreement, Section C (1) and (2) shall be replaced by the following:

Beginning on September 1, 2008 and continuing each month thereafter, the Company shall contribute to the SPT an amount equal to $2.65 for each Covered Employee's Contributory Hours during the previous month. The first such increased contributions are due by October 1, 2008 for each Covered Employee's Contributory Hours during September 2008.

b. Adjust past service dates for certain former Bethlehem Steel Co. employees. ArcelorMittal shall adjust and credit past service dates for former Bethlehem Steel Lackawanna employees who had a break in service and accepted severance pay, and who upon rehire repaid their severance pay.

Change Contributory Hour Rules for SPT. Modify the Contributory Hour rules in the SPT Incorporation Agreement, Section G, as follows (changes are in **bold**):

Section G. Hours for Which Contributions are Made

1. Contributory Hours include:

   a. hours actually worked by Covered Employees;

   b. hours for which Covered Employees were paid because of vacation, holidays, jury duty, bereavement leave, union business;

   c. hours for periods on lay-off of up to two (2) years, during which time the Employee will be deemed for this purpose alone to have worked forty (40) hours per week;

   d. hours for absences during which the Employee is receiving sickness and accident benefits up to (2) years, during which time the Employee will be deemed for this purpose alone to have worked forty (40) hours per week; and

   e. hours for absences during which the Employee is receiving workers' compensation, Railroad compensation or is on Union Leave as set forth in Article 10, Section E (Paid Time Off And Leaves Of Absence), leave of absence for military service or military encampment as set forth in Article 10, Section F (Service with the Armed Forces), or leave of absence on Family

or Medical Leave as set forth in Article 10, Section G (Family and Medical Leave). Such absences will be credited as Contributory Hours at a rate of up to forty (40) hours per week.

Section C. Weirton Facility

1. All new hires as of the Effective Date shall participate in the Steelworkers Pension Trust at the same contribution rates as all other ArcelorMittal USA Employees.

2. Current Employees shall remain in the current 401(k) plan, and the Company shall make contributions to the 401(k) plan equal to the contributions made to the SPT, based upon the same terms and conditions as the SPT.

3. Effective January 1, 2009, the Company will provide a Long Term Disability plan for Employees who become disabled during the term of the Agreement. All Employees who are actively at work or return to work on or after the Effective Date are eligible. The Long Term Disability benefit will be equal to 60% of Employee's Base Rate of Pay up to a maximum of $3,000 per month. The elimination period for LTD benefits is equal to the benefit duration of S&A benefits that an Employee is entitled to based on the provisions of the S&A benefits program. The Company and the Union will finalize the details of the program no later than October 21, 2008.

Section D. General Provisions Pursuant to the Pension Protection Act of 2006

1. In accordance with the Pension Protection Act of 2006 (hereinafter "PPA"), the ArcelorMittal USA Defined Benefit Plan (hereinafter "the Plan") shall at all times maintain a plan funded status of no less than 80 percent. Failure to maintain such minimum funding levels shall constitute a violation of the Basic Labor Agreement.

2. In the event that the Plan's funded status falls below 80 percent, the plan sponsor shall within 30 days make additional contributions and/or provide security to the plan so as to increase the plan's funded percentage to at least 80 percent and thereby avoid PPA mandated benefit restrictions for underfunded plans.

3. In the event that the Plan becomes subject to PPA mandated benefit restriction(s), the plan sponsor shall provide all plan participants and the USW with written notice at least 30 days prior to the date on which the plan will become subject to such benefit restriction(s).

4. Effective January 1, 2009, as required by PPA, the Plan shall offer married participants a Qualified Optional Survivor Annuity in addition to the existing Qualified Joint and Survivor Annuity.

5. As required by PPA, participants and surviving spouses receiving lump sum distributions and/or other eligible rollover distributions from the Plan shall have the option to roll over such distributions directly to either a Roth IRA or a traditional IRA. During 2008 and 2009 plan years only, participants and surviving spouses who elect to rollover such distributions to a Roth IRA must satisfy the following eligibility requirements:
    a. Their modified Adjusted Gross Income for the year of the distribution may not exceed $100,000, and

    b. If married, the participant must file a joint return with his or her spouse.

6. In accordance with PPA, Lump Sum Payments from the Plan, as described in Pension Agreement Section 3.13, and 1.1(j), shall continue to be calculated using the 30-Year Treasury bond yield curve, provided that the use of the 30-Year Treasury bond yield curve does not result in a lump sum amount that is less than the amount that would result from using the Corporate Bond interest rate.

EXHIBIT 3

BENEFIT TRUST

Section A. Establishment of the Trust

The Company will maintain the trust dedicated to the payment of retiree health care and death benefits (the "Trust") pursuant to the welfare benefits plan described in Section E. The Trust is a tax-exempt, voluntary employees' beneficiary association under section 501(c)(9) of the Internal Revenue Code (the "Code"),. The VEBA Trust will also accept assets, if any, from any similar tax-exempt trusts maintained by Predecessor Companies (as that term is used in the BLA).

Section B. Beneficiaries

The following individuals shall be beneficiaries of the VEBA Trust:

1. "Legacy Retirees" shall be defined as retirees (including surviving spouses) and dependents, except for those retirees who elect to receive benefits under the ArcelorMittal USA Inc. Retiree Insurance Plan, from USW-represented bargaining units (in the case of 1 e. below regarding Weirton, the ISU) who, by reason of any collectively bargained agreement between the Union and:

   a. LTV Corporation (or any one of its direct or indirect subsidiaries, other than Copperweld Corporation or any direct or indirect subsidiary of Copperweld Corporation), were retired on or before March 31, 2002, and at the time of retirement were eligible for retiree insurance benefits;

   b. Bethlehem Steel Corporation (or any one of its direct or indirect subsidiaries), were retired on or before May 8, 2003, and at the time of retirement were eligible for retiree benefits;

   c. Acme Metals Incorporated, (or any one of its direct or indirect subsidiaries, other than Acme Packaging Corporation), were retired on or before June 1, 2002, and at the time of retirement were eligible for retiree insurance benefits;

   d. International Steel Group, Inc. (ISG), (1) received a benefit under the Transition Assistance Program, and (2) as of May 8, 2003, had completed at least 15 years of continuous service with Bethlehem and satisfied the requirements for a Normal, 62/15, 60/15 or 30-Year Retirement under a

Pension Agreement between the Union and Bethlehem Steel Corporation (determined as if the termination of the Pension Plan of Bethlehem Steel & Subsidiary Companies had not occurred);

e. Weirton Steel Corporation, were retired on or before December 21, 2007 , and at the time of retirement were eligible for retiree benefits from the Weirton Benefit Trust; or

f. Georgetown Steel Corporation LLC, (or any one of its direct or indirect subsidiaries), were retried on or before June 22, 2004, and at the time of retirement were eligible for retiree insurance.

2. "ArcelorMittal Retirees" shall be defined as Employees from USW-represented bargaining units who retired, retire in the future, are eligible or become eligible to retire from the Company (or predecessors thereto, including but not limited to Inland Steel Company, Ispat Inland, and International Steel Group, except those who retired from ISG under paragraph B(1)(d) above) with eligibility for retiree insurance coverage from ArcelorMittal (or its predecessors).

Section C. Company Contributions

1. The Company shall make the following contributions to the Benefit Trust:

a. Within 45 days of the end of each fiscal quarter, a Contribution consisting of $25 million.

b. Medicare Part D Reimbursement. The Company shall remit to the Benefit Trust fifty percent (50%) of the amount of any reimbursement it receives under the Medicare Modernization Act attributable to both Legacy Retirees and ArcelorMittal Retirees. The Company shall take all actions necessary to secure such reimbursement, shall remit these funds in a timely fashion and will provide all supporting documentation to the Union.

Section D. Review of Contributions

Review of Contributions upon the close of each fiscal quarter, the Company shall provide the Union for its review a detailed report of the amount of any Company Contribution. The Union shall have the right to review and audit any information, calculation, or other matter concerning a Company determination affecting its amount of contributions. The Company shall provide the Union with any information reasonably requested in connection with such review.

Section E. Adoption of the Plan

The Company will adopt and maintain the Retiree Welfare Benefits Plan (the "Plan") document providing the terms and conditions of the Benefits described in exhibits thereto.

Section E. Benefits

The Company will determine the Benefits to be described in, and provided under, the Plan (the "Benefits"). Benefits will include, without limitation, which beneficiaries will receive which benefits, the amount of the benefits, the funding of the benefits, whether the benefits will be insured and by what insurer, and the method by which the benefits will be delivered and by which provider.

Section G. Plan Administration

The Company, or its designee, will administer the Plan and manage the Trust.

Section H. Trustee and Service Providers

The Company will designate a financial institution to serve as the trustee. The Company will retain professional service providers as may be necessary or appropriate to keep the Plan and Trust in compliance with the law and to invest the Trust's assets.

Section H. Expenses

The reasonable costs of administering the Plan and managing the Trust will be paid out of the assets of the Trust.

Section J. Bargaining Obligations

1. The Company will bargain with the Union regarding the fulfillment of its obligations under Sections A, E, and F. The Company and the Union will bargain over the terms of any necessary or appropriate modifications of the trust agreement, the Plan document, and the Benefits.

2. To facilitate ongoing bargaining the Company and the Union each will designate three representatives who will meet quarterly, or more frequently as necessary or appropriate, to bargain on their behalf. In addition, the Company and the Union will arbitrate any dispute among the representatives on an expedited basis. As soon as a deadlock is declared by either set of representatives, the matter will be set for arbitration without regard to the procedures set forth in Article Five of the Basic Labor Agreement. The parties shall have 30 days from the date of any

declaration of deadlock to submit a statement and whatever evidence that they wish the arbitrator to consider in support of their respective positions. After receiving the statements of both parties, the arbitrator may request a face-to-face or telephonic meeting with representatives of the parties, but in all events the arbitrator shall have no more than 30 days from receipt of the parties' statements within which to determine which of the parties' positions is in the best interests of the beneficiaries. The arbitrator may only select one of the parties' positions, not an independent alternative position. The Company and the Union will designate one permanent arbitrator and one alternate arbitrator for this purpose. If neither arbitrator is available, the representatives may agree to waive the time limits or select a temporary arbitrator.

3. The Company will furnish the bargaining representatives with regular periodic reports on the fulfillment of its obligations under Sections G and H, including without limitation, audit reports, valuations, actuarial reports, necessary or appropriate analytic studies, and any additional reports that would be necessary for the representatives to design necessary or appropriate Benefits modifications.

4. The Company and the Union will bear their own costs in fulfilling their obligations under this Section J.

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane-J
Columbus, OH 43085

Dear Mr. McCall:

The parties acknowledge their obligations under Exhibit 3, in particular those contained in Sections F and J. However, as part of the bargaining which resulted in the 2008 BLA, the parties made certain specific agreements regarding Legacy Retirees and ArcelorMittal Retirees. Specifically:

1. ArcelorMittal Retirees. The Benefit Trust will be responsible for any costs incurred by the Company to provide healthcare benefits to ArcelorMittal Retirees in excess of the Company's Per Covered Adult Obligation (Cap) as defined in the Retiree Insurance Agreement.

2. Legacy Retirees.

    a. By no later than 1/31/09, the parties shall agree upon an initial design (the Initial Design) of a program of benefits for the Legacy Retirees (the Legacy Retiree Program or LRP) that, based on reasonable assumptions, will cost a total of $500 Million over the period 1/1/09 – 12/31/12 with spending of no more than $140 Million in any single year (the Budget) and to offer such LRP to Legacy Retirees over that period.

    b. If the parties are unable to agree upon any aspect of the Initial Design of the LRP they shall submit their dispute to final-offer arbitration with the arbitrator's final ruling to occur by no later than 3/1/09.

    c. If, upon implementation of the LRP, the actual experience and cost of the LRP differs materially from the assumptions used in the Initial Design, the parties shall modify the LRP to stay within the Budget.

Sincerely,

Dennis A. Arouca
Vice President – Labor Relations

Confirmed:

David McCall
Director – District 1

EXHIBIT 4

401(k) SAVINGS PLAN

The Company shall offer Employees the opportunity to participate in a 401(k) Savings Plan in accordance with the following:

1. Eligibility

   Employees active on September 1, 2008 and those hired after September 1, 2008 will be eligible to participate in the Plan.

2. Employee Contributions

   Participants may elect to make, increase or decrease contributions each pay period. These changes will go into effect as soon as administratively possible, which is typically in the same or following pay cycle. Participants may defer eligible compensation as set forth in the Plan provisions (currently from 1% to 50% of compensation and from 1% to 100% of profit sharing), subject to Internal Revenue Service regulations.

3. Plan Administration

   The Plan shall be sponsored by the Company. The Company shall bear the payroll administrative costs associated with the Plan. Any per participant, trustee, recordkeeping, transaction and other administrative fees will be borne by the Plan. Selection of the recordkeeper, trustee and investment funds will be made by the Company after consultation with the Union and reasonable efforts to accommodate the Union's concerns.

4. Vesting

   Participants shall be fully vested in their contributions.

5. Withdrawals and Distributions

   Withdrawals will be available at age 59-1/2 or in the event of hardship (as determined by facts and circumstances) as set forth by the Internal Revenue Service. Distributions will be available at retirement, death, disability or termination.

6. Additional Requirements

The Plan will accept eligible rollover contributions from eligible sources subject to Internal Revenue Service rules.

7. Investment Options

The Plan will offer at least six (6) investment options, including a broad range of investment objectives and risk. Participants will be able to change investment options or transfer funds among options as frequently as permitted by the recordkeepers and/or the fund's investment guidelines.

8. Loan Provision

The Plan will allow participants to take out up to two loans, to the extent legally permissible. Subject to legal guidelines, loan repayment provisions providing reasonable terms and flexibility will be adopted by the Plan.

9. USW 401(k) Plan

In the event that the USW establishes a multi-employer 401(k) savings plan, the Company will not unreasonably withhold its participation.

10. Documentation and Compliance

The Company will maintain the Plan in accordance with legal regulations. The Company will accommodate the Union's requests to review documents and address issues or concerns. The Company may make changes to the Plan to maintain legal compliance and/or realize allowable fiduciary protection. The Union will be informed of such changes.

11. Auto-Enrollment

Beginning no sooner than January 1, 2009, new hires will automatically be enrolled in the Plan at a 5% deferral rate unless they affirmatively elect to opt out in advance. A participant can change or eliminate their deferral election prospectively.

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane-J
Columbus, OH 43085

Re: 2008 Signing Bonus

Dear Mr. McCall:

This confirms our understanding in connection with the payment of the 2008 Signing Bonus:

1. Employees who are off work receiving Sickness and Accident payments or Workers Compensation payments will receive their 2008 Signing Bonus when and if they return to work within one (1) year of the Effective Date of the 2008 Basic Labor Agreement.

2. Probationary Employees will receive their 2008 Signing Bonus upon completion of their probationary period. Employees who do not complete their probationary period will not be entitled to a 2008 Signing Bonus.

3. Employees of other than Indiana Harbor East and Minorca Mines are paid on a staggered basis – half of the facilities pay the Employees on an alternating Thursday schedule, (Side A - Indiana Harbor West), with the remaining facilities paying on the other or following Thursday, (Side B - Indiana Harbor East). The parties have agreed to change the pay cycle to an alternating Monday cycle in which Employees will be paid the second Monday following the end of the pay period Except as described above, these Employees whose pay cycle is being changed, will receive their signing bonus on the Thursday preceding their new Monday payday but in no event later than October 16, 2008 **[change as required depending on the Ratification Date]**:

   - Side A (Indiana Harbor West) will close October 4, 2008 and will be paid on Monday, October 13, 2008; the bonus will be paid on October 9, 2008.

   - Side B (Indiana Harbor East) will close on October 11, 2008 and will be paid on Monday, October 20, 2008; the bonus will be paid on October 16, 2008.

4. Except as described above, Employees from Indiana Harbor East and Minorca Mines will receive their signing bonus no later than October 2, 2008.

Sincerely,

_____
Dennis A. Arouca
Vice President – Labor Relations

Confirmed:

_____
David McCall
Director – District 1

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane-J
Columbus, OH 43085

Re: **Third Quarter 2008 Profit Sharing and Benefit Trust Payment**

Dear Mr. McCall:

This will confirm our understanding in regards to third quarter 2008 payments under the Profit Sharing Plan and the Benefit Trust given the September 1, 2008, effective date of the Basic Labor Agreement. Payment will equal two-thirds of the payment for the third quarter using the previous Basic Labor Agreement calculation, plus one third of the payment for the third quarter using the new Basic Labor Agreement calculations.

Sincerely,

_____
Dennis A. Arouca
Vice President – Labor Relations

Confirmed:

_____
David McCall
Director – District 1

September 1, 2008

David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane – J
Columbus, OH 43085

Dear Mr. McCall:

[Nonprecedential Sideletter]

This confirms our understandings regarding the Lackawanna facility.

The parties will continue to explore options to improve the viability of the Lackawanna facility. If, notwithstanding such efforts, the Company elects to close or substantially reduce the level of operations at the Lackawanna plant, affected Employees shall opt for one of the following:

A. Severance Package: (i) $3,000 per year of service, with a minimum of $25,000, (ii) continued healthcare coverage for one additional year beyond current coverage eligibility for each affected employee; or

B. Interplant Opportunity: In accordance with the BLA, except that the right shall be extended to all Employees, not just those with more than two (2) years of Continuous Service and the relocation allowance will be $15,000; or

C. Dofasco Employment:

1. an opportunity to work at ArcelorMittal's Dofasco facility in Hamilton, Ontario.

2. Employees electing this option shall remain as Employees of the Company and covered by the Agreement. Therefore they shall be compensated in all respects as they would have in the event their facility had continued to operate. They shall also continue to enjoy all the rights to which they are entitled under the Agreement and shall be expected to perform work of which they are capable and to which their Continuous Service entitles them. In addition, Employees shall be expected to observe reasonable local plant rules.

3. These Employees shall maintain the local union structure that they maintained as of September 1, 2008, to the maximum extent permitted under all applicable laws.

4. Any Employee choosing this option shall be entitled to either a daily travel voucher of $50 or a relocation allowance of $15,000.

5. The Company shall be responsible for and shall make its best effort to secure all necessary governmental and other approval(s) necessary for this Option C to occur.

6. The Company shall continue to provide employment at the Lackawanna facility as if the facility were operating at current capacity until the earlier of (i) its securing of all such approvals or (ii) January 1, 2010, provided that the Company has made its best efforts to secure the approvals..

D. Employment at other ArcelorMittal operations not covered by the BLA:

The Company shall make its best efforts to provide a similar opportunity to that described in "C" above at other ArcelorMittal operations not covered by the BLA.

E. The economic provisions described above shall not be in addition to the provisions described in Article Eight Section C of the BLA.

Sincerely,

Dennis Arouca
Vice President – Labor Relations

Confirmed:

_____
David McCall
Director, District 1

September 1, 2008

David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane – J
Columbus, OH 43085

Dear Mr. McCall:

The Company has indicated to the Union that it has no present intention of operating any asset at the Weirton facility other than the tin-mill and assets directly related thereto (all such non-tin assets, the Non-Tin Assets or NTA).

The Company agrees to the following regarding the NTA:

1. To take all reasonable actions to maintain the NTA at their current state of repair, so that the cost to re-start them would be no higher than it is today.

2. To fully cooperate with any bona fide business enterprise designated by the Union who wishes to conduct due diligence on all or some of the NTA.

3. To fully consider any bona fide offer to purchase or lease NTA.

4. To fully and extensively consult with the Union, and fully and carefully consider all Union input, on implementation of this agreement.

5. The Company and Union shall act in a commercially reasonable manner regarding all aspects of a potential transaction under this agreement.

Sincerely,

Dennis Arouca
Vice President, Labor Relations

Confirmed:

_____
David McCall
Director, District 1

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane-J

Columbus, OH 43085

Dear Mr. McCall:

This confirms our understandings regarding capital investments at the Weirton facilities.

The Company commits to capital expenditures of $50 million over 5 years at the Weirton facility.

The commitments in this letter are subject to the parties' understanding in connection with the implementation of Article Eleven Section B-Investment Commitment of the Basic Labor Agreement.

Sincerely,

_____
Dennis A. Arouca
Vice President – Labor Relations

Confirmed:

_____
David McCall
Director – District 1

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane-J
Columbus, OH 43085

Dear Mr. McCall:

This confirms our understanding in connection with Article Eleven Section A of our agreement dated September 1, 2008, entitled Board of Directors. The appointment of directors recommended by the USW pursuant to Article Eleven Section A are a continuation of comparable provisions in our prior Agreements, and are in addition to and not a substitute for the understandings that may be in effect for the ArcelorMittal Board of Directors (the publicly traded entity).

Sincerely,

_____
Dennis A. Arouca
Vice President – Labor Relations

Confirmed:

_____
David McCall
Director – District 1

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane-J
Columbus, OH 43085

Dear Mr. McCall:

This will confirm our understanding in connection with implementation of Article Eleven Section B – Investment Commitment of the Basic Labor Agreement.

The core of Article Eleven Section B is reciprocal commitments focused on enhancing the long-term employment security of USW members through a financially successful enterprise. Without in any way derogating the commitments in Article Eleven, Section B., the Company commits to spending $1.3 Billion per year in repair and maintenance expenses and to a $3.0 Billion capital expenditure "footprint" program, which has been described to the Union. This program will commence immediately and be completed in no more than 5 years. The USW commits to encourage a work environment of world class performance and make and maintain those facilities as competitive.

The 2008 negotiations have focused on how the parties could build on the success achieved to date in stabilizing the US steel industry, and in constructing together a platform for continued recovery and growth. The parties want to further enhance the competitiveness of ArcelorMittal, which in turn enhances employment security. The foundation is best in class performance; additional capital investment in plants and facilities covered by this Agreement; investment in human capital, especially training; and appropriate realignment of the sharing of results for those who determine the performance. Therefore, subject to all the terms and conditions in Article Eleven Section B, we have agreed to the following in the 2008 Agreement:

1. Strengthen the Partnership.

2. Operational Excellence.

3. Jointly develop the Steelworker for the Future program; by investing in training and developing our people to deliver best in class performance.

4. Fund the VEBA to enable the continuation of benefits to legacy retirees.

5. Appropriately develop compensation plans that promote continuous improvement and equitable sharing by Employees in improved quality and reliability.

6. Pursuit of the ArcelorMittal business strategy previously shared with the USW, including capital expenditures described therein. The Union has concerns regarding the future viability of certain facilities under that business strategy. The Company has committed to working with the Union to develop a joint plan to promote the continuing operation of all facilities during the term of this Agreement. The joint effort will include full and extensive consultation with the USW and careful consideration of all USW input.

7. If the Company believes market and industry conditions change in the future, and warrants adjustment regarding a particular capital project, the Company will seek the USW's consent to such adjustment, and such consent will not be unreasonably withheld. The parties will jointly inform the ArcelorMittal Investment Allocation Committee of the undertakings herein.

Sincerely,

Dennis Arouca
Vice President Labor Relations

confirmed: _____
David McCall, Director
USW – District 1

September 1, 2008

Mr. David McCall
District 1 Director
United Steelworkers
777 Dearborn Park Lane -- J
Columbus, OH 43085

Re**:** Employee Transfer – Return to Home Plant

Dear Mr. McCall:

This will confirm our understanding on the above captioned matter. During the term of the 2002 BLA certain former LTV Cleveland Works and Hennepin Works (Home Plant) Employees accepted transfers to other plants as an option to remaining on their Home Plant recall lists. Within ninety (90) days of the Effective Date, such Employees may apply for transfers to their Home Plant and will be allowed to return to their Home Plant in lieu of new hires, subject to the conditions set forth below.

1. Employees who desire to return to their Home Plant must provide written notification of such desire to their Home Plant's Human Resources Department within ninety (90) days of the Effective Date of the 2008 BLA.

2. Employees who provide written notification will be placed on a "List" and when contacted for an opening, the Employee will have the same obligation to report for work at the Home Plant as though s/he were a laid off Employee at their Home Plant. Employees who apply shall be given priority in the order of their Continuous Service.

3. Such Employees will be considered a new Employee at their Home Plant and therefore the Employee's Plant Service shall be defined in accordance with Article Five Section E. 3.a.(2)c. Any Employee who refuses the offer to return to his/her Home Plant shall be removed from the "List" and shall receive no further consideration for future openings at their Home Plant.

All Employees returning to their Home Plant shall follow the established procedures for filling vacancies.

Sincerely,

Dennis Arouca
Vice President, Labor Relations
ArcelorMittal

Confirmed:

David McCall
Director, USW District 1

September 1, 2008

David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane, - J
Columbus, OH 43085

Dear Mr. McCall:

This will confirm the understanding reached in conjunction with the negotiation of the Basic Labor Agreement dated September 1, 2008, regarding retiree healthcare for certain Employees at the Minorca Mine. The parties have agreed that, due to unique circumstances involving certain former employees of LTV who were hired by Ispat Inland at the Minorca Mine after the shutdown of LTV, such Employees should be eligible for retiree health care under the same criteria as other former LTV employees.

Therefore, such a former LTV employee and his/her dependant(s) will be eligible for retiree health care under any of the following circumstances:

1. The Employee retires from ArcelorMittal and receives a Normal Retirement pension or unreduced early retirement benefit under the Company's defined benefit pension plan, and has accrued at least the following years of continuous service at the Minorca Mine:

Age at Retirement	Minorca Mine Continuous Service
62 or over	2 years
60 – 62	3 years
Less than 60	5 years

2. The Employee becomes eligible for a Severance Allowance in accordance with the Basic Labor Agreement and the sum of his/her age and Continuous Service totals at least 65.

3. The Employee becomes eligible for and receives a pension under the Company's defined benefit pension plan by reason of disability.

The following Employees are known at this time to be impacted by this letter, but this letter will apply to any Employee who falls within the above definitions.

P/R No.	Name

843	T. Lautigar
860	R. Ferdig
842	G. Shostedt
850	R. Maki
840	J. Heitzman
845	C. Niedzielski
855	M. Rhein

Sincerely,

Dennis Arouca
Vice President, Labor Relations

Confirmed:

_____
David McCall
Director, District 1

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane-J
Columbus, OH 43085

Re: Minorca Mines

Dear Mr. McCall:

During these negotiations the local union at Minorca Mine submitted a proposal for an increase in incentive pay. The Company submitted a counterproposal, but after discussions the parties were unable to reach agreement. It is therefore agreed that within thirty days after the September 1, 2008 Basic Labor Agreement is ratified, the parties will attempt to reach agreement on a revision to the current incentive plan. In the event the parties are unable to reach agreement, the final proposals that were submitted during negotiations will be presented to final offer interest arbitration. The case will be decided by a three person panel consisting of one (1) representative of the Company and one (1) representative of the Union, to be appointed by the respective chairs of the Negotiation Committee and a neutral arbitrator jointly selected and experienced in incentive matters. The panel will choose the offer that best provides increased earnings opportunity above the current plan while providing increased performance of the operations.

Sincerely,

_____
Dennis A. Arouca
Vice President – Labor Relations

Confirmed:

_____
David McCall
Director – District 1

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane-J
Columbus, OH 43085

Dear Mr. McCall:

This confirms our understandings regarding operating levels and capital investments at the Hennepin facilities.

The Company and the Union believe that, by working together, changes can be identified to reduce operating costs at Hennepin by a minimum of $10/ton, which would yield about $6 million/year at the current level of operations. The Company commits to spending no less than 50% of such savings (about $3 Million) in capital expenditures at Hennepin each year. The Company further commits to spend the first year's savings up front, before the detailed changes have been finalized.

In addition, the Company commits to secure an adequate supply of hot band (without diverting hot bands currently used at other USW-represented facilities) to operate Hennepin at full capacity, consistent with market demand.

The commitments in this letter are subject to the parties' understanding in connection with the implementation of Article Eleven Section B - Investment Commitment of the Basic Labor Agreement.

Sincerely,

_____
Dennis A. Arouca
Vice President – Labor Relations

Confirmed:

_____
David McCall
Director – District 1

September 1, 2008

David McCall
United Steelworkers
Director, District 1
777 Dearborn Park Lane - J
Columbus, Ohio 43085

RE: Payroll Guidelines

Dear Mr. McCall:

The below guidelines have been agreed as further guidance in implementing the pay provisions of the Basic Labor Agreement. These guidelines apply to all locations other than Indiana Harbor East and the Minorca Mine. If you concur, please sign below.

Normal Schedule

Sunday Premium

- Paid on first eight (8) hour turn worked on Sunday. Any hours worked on Sunday in addition to the first eight (8) hours are considered paid at overtime and are not used for the purpose of calculating overtime.

Holidays

- Unworked holidays are paid at eight (8) times an Employee's Regular Rate of Pay.
- Worked holidays are paid at 2.5 times an Employee's Regular Rate of Pay for all hours worked.
- Holidays whether worked or not shall be counted as time worked for the purpose of calculating overtime.

Overtime (paid at 1.5)

- For hours worked in excess of eight (8) hours in a workday.
- For hours worked in excess of forty (40) hours in a payroll week.
- For hours worked on a 6th or 7th workday in a payroll week.
- For hours worked on a 6th or 7th workday in a 2 week period in which 5 consecutive days were worked (days may not be worked in the same payroll week) except where it is worked pursuant to a Local Working Condition Agreement.

- Hours worked on a second reporting in same workday after employee has worked eight (8) hours.

Article Five, Section C 1. c. – Paid for all Shifts on Original Schedule

- If a shift is canceled after the schedule is posted**,** an employee shall be paid for the canceled shift. Such shift will be used for the purpose of calculating overtime.
- If multiple shifts are canceled and rescheduled due to unforeseen circumstances or for valid operating reasons **after the schedule is posted**, the employee shall be paid for one (1) canceled shift and the rescheduled shifts shall be paid in accordance with Article Five, Section C 1. d. (see below).

Article Five, Section C 1. d. – Shift added after Schedule is Posted

- If the Employee is required to work**,** due to a shift/shifts being added to the schedule, after the schedule is posted, the Employee shall be paid at 1.5 times their Regular Rate of Pay for all hours worked.
- The hours worked will not be used for the purpose of calculating overtime.

Alternative Work Schedule (AWS)

Definition of AWS – In order for a schedule to be considered an Alternative Work Schedule it must consist of ten (10) or twelve (12) hour shifts in accordance with Article Five Section C. 6. If the schedule does not meet the criteria then it must follow the rules of a normal workday and workweek, and the overtime rules outlined in Article Five – Section D will apply. If a pattern of scheduled (or required) deviation from the AWS is established without agreement of the area Grievance Committeeman, the provisions of Article Five, Section D will apply until the normal pattern is re-established.

Sunday Premium

- Paid on first shift (ten (10) or twelve (12) hours) worked on Sunday. Any hours worked on Sunday in addition to the first shift (ten (10) or twelve (12) hours) are paid at overtime and are not used for the purpose of calculating overtime.

Holidays

- Unworked holidays that are not part of the agreed to AWS schedule are paid at eight (8) times employees Regular Rate of Pay.

- Unworked holidays that are part of the agreed to AWS schedule are paid at the number of hours (ten (10) or twelve (12) hours) times employees Regular Rate of Pay.
- Worked holidays are paid at 2.5 times employees Regular Rate of Pay for all hours worked.
- Holidays whether worked or not shall be counted as time worked for the purpose of calculating overtime.

Overtime (paid at 1.5)

- For hours worked in excess of the agreed to (ten (10) or twelve (12) hours) AWS hours in a workday.
- For hours worked after reaching forty (40) hours in a payroll week.
- All hours worked in excess of normal agreed to AWS hours in a payroll week, provided the employee has worked as scheduled.

Article Five, Section C 1. c. - Paid for all Shifts on Original Schedule

- If a shift is canceled after the schedule is posted **,** an employee shall be paid for the canceled shift. Such shift will be used for the purpose of calculating overtime.
- If multiple shifts are canceled and rescheduled due to unforeseen circumstances or for valid operating reasons after the schedule is posted, the employee shall be paid for one (1) canceled shift and the rescheduled shifts shall be paid in accordance with Article Five, Section C 1. d. (see below).

Article Five, Section C 1. d. – Shift added after Schedule is Posted

- If the Employee is required to work**,** due to a shift/shifts being added to the schedule, **after** the schedule is posted, the Employee shall be paid at 1.5 times their Regular Rate of Pay for all hours worked.
- The hours worked will not be used for the purpose of calculating overtime.

Employee Convenience

- A pay code has been added that allows an Employee to change his/her schedule under certain circumstances. This will allow the Company the ability to accommodate the Employee without incurring additional overtime costs.
- The use of the pay code must be agreed to by the Local Union at each location pursuant to a Local Working Condition Agreement.

Sincerely yours,

Dennis Arouca
Vice President for Labor Relations
ArcelorMittal Steel USA

Confirmed: _____
David McCall, Director
USW District 1

September 1, 2008

David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane – J
Columbus, Ohio 43085

Dear Mr. McCall:

During the course of negotiations leading to the 2008 Agreement, the Company agreed to minimize the ratio of non-bargaining unit employees (including full-time or full-time equivalent contractors of any sort performing services historically performed by the Company's non-bargaining unit employees) to bargaining unit Employees and shall take all reasonable actions (including transferring responsibilities and duties to bargaining unit Employees) to achieve a ratio of no more than one (1) non-bargaining unit employee for each five (5) bargaining unit Employees. The Union and Employees will fully cooperate with any reasonable assignment of responsibilities and work (including training) that affects achievement of the target ratio.

However, as you know the Company is committed to continuous improvement in operations and substantial increase in capital expenditures in order to maintain and improve its competitive position in the industry. To achieve these objectives, increases in professional engineering competency, will be required.

Therefore, it is agreed that the addition of these professionals will not be considered in determining the ratio of non-bargaining unit employees to bargaining unit employees that is provided in this agreement.

The Company will provide information to the Union concerning the number of professionals exempted from being counted in the ratio.

Sincerely,

Dennis A. Arouca
Vice President Labor Relations

Confirmed:

David McCall
Director, USW District 1

September 1, 2008

David McCall, Director
USW District 1
United Steelworkers
777 Dearborn Park Lane – J
Columbus, OH 43085

Dear Mr. McCall:

RE: Bayou Steel/Monessen Coke

This letter will confirm our understanding reached during the course of negotiations leading to the 2008 BLA on the above captioned matter.

1. The Parties agree that the successor collective bargaining agreements to the current collective bargaining agreements CBA) covering the USW-represented employees at Bayou Steel and Monessen Coke (if the transaction closes) shall include:

   A. consolidating the bargaining units into the bargaining unit covered by the BLA, consistent with labor law, and

   B. (i) in the case of Monessen Coke, substituting for that CBA, the BLA; and (ii) in the case of Bayou Steel, substituting for that CBA those provisions of the BLA that are primarily non-economic in nature and adapting those provisions of the BLA that are primarily economic in nature bearing in mind the wages, benefits and working conditions: (a) in the most comparable operation covered by the BLA, (b) of USW-represented comparable operations, (c) where neither of (a) or (b) exist, of unionized comparable operations.

2. Any issues regarding the details of how the BLA should be applied or adapted that the Parties are unable to resolve through negotiations shall be resolved by final-offer arbitration, with the arbitrator's ruling occurring no later than the expiration of the current CBA(s).

Sincerely,

Dennis Arouca, Vice President, Labor Relations

Confirmed:

_____

David McCall
Director, District 1

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane - J
Columbus, OH 43085

Dear Mr. McCall:

This will confirm our understanding reached during our negotiations of the 2008 BLA, with regard to incentive plans.

During negotiations resulting in the 2008 BLA, the parties agreed to pursue the potential opportunity to improve quality and yield, strengthen the business and generate additional earnings opportunities for Employees from improvements in these areas. The parties commit to exert every reasonable effort, in good faith, to develop methods of modifying existing incentive plans, to improve quality, yield and environmental compliance through adjustments designed to share the gains of improved performance between Employees and the Company. The parties will each appoint two representatives to a Problem Solving Team under Article Six- Joint Efforts, Section A. Partnership, to work together and report back to the Co-Chairs of the Negotiating Committee on this effort no later than December 20, 2008.

Sincerely,

_____
Dennis A. Arouca
Vice President - Labor Relations

Confirmed:

_____
David McCall
Director - District 1

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane-J
Columbus, OH 43085

Dear Mr. McCall:

This confirms our understanding that an Employee covered under the ArcelorMittal Defined Benefit Pension Plan and otherwise entitled to a severance allowance under the provisions of Article 8 Section C, who elects to take an immediate unreduced pension as a result of a shutdown, shall not be entitled to receive a severance allowance.

Sincerely,

_____
Dennis Arouca
Vice President – Labor Relations

Confirmed:

_____
David McCall
District 1 Director

September 1, 2008

Mr. David McCall
Director, District 1
United Steelworkers
777 Dearborn Park Lane-J
Columbus, OH 43085

Re: Selection of a Board of Arbitration

Dear Mr. McCall:

In accordance with Article Five, Section I of the Basic Labor Agreement, it is agreed that within one hundred and twenty, (120) days of the Effective Date of the 2008 Basic Labor Agreement that the Chair of the Union's Negotiating Committee and Chair of the Company's Negotiating Committee will agree on a Board of Arbitration, (the Board) consisting of six (6) individuals – three (3) to hear and decide any case from the Midwest Region and three (3) to hear and decide any case from the Eastern Region.

Sincerely,

_____
Dennis A. Arouca
Vice President – Labor Relations

Confirmed:

_____
David McCall
Director – District 1