

Proposed Settlement

T.A.
4/1/11
[Signature]

Local Union: 1011

Local Issue No(s):

PW-23

Subject: Rate of Pay in West Coating (side letter)

The Company proposes to resolve this demand as stated below:

The parties recognize the uniqueness of the single branch LOP and the flexibility it provides the Company to run two (2) lines simultaneously or on an alternating basis at West Coating. The parties also recognize the desirability and difficulty of assuring that senior employees are provided with the greatest earnings opportunity on a weekly basis regarding the alternating lines at West Coating. In order to avoid the issues surrounding scheduling crews based on opportunity and seniority on a weekly basis, the parties agree to the following:

- 1) Employees will be paid their incumbent rate of pay regardless of the job they are scheduled to perform in a given week. The Company may schedule employees to jobs as the Company sees fit in its sole discretion. This agreement does not constitute a right for employees to choose their job.
- 2) The Company has the right to periodically balance crews when permanent vacancies exist by reviewing LOP manning levels and anticipated production requirements on at least an annual basis.
- 3) This agreement will not be valid when 2 lines are running simultaneously at West Coating or in periods of reduced operations.
- 4) This agreement does not constitute a guarantee to any employee of working on a specific crew. The Company maintains the right to assign employees to crews within its sole discretion.

This agreement only applies at Indiana Harbor West Coating and will not apply at any other Department in Indiana Harbor West or any other ArcelorMittal facility. Nothing contained in this agreement is intended to constitute a base force or fixed crew size. Furthermore, this agreement is not intended to compel the scheduling of overtime, or to serve as a guarantee of hours of work. This agreement shall not constitute a precedent and shall not be relied upon or cited by either party in any other situation.

*The parties agree that this Proposal does not constitute a guaranteed crew size or any future assignment preferences.
This Proposal is subject to addition, modification, alteration, or withdrawal until a final agreement is reached on all issues.*

Confidential – Covered by the USW/AMUSA Confidentiality Agreement

Agreed to:

Company: _____

Union: _____

Date: _____