

COLLECTIVE AGREEMENT

August 1, 2010

Between

ESSAR STEEL ALGOMA INC.
(hereinafter referred to as the Company)

-and-

**THE UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE
WORKERS INTERNATIONAL UNION (UNITED STEELWORKERS)
ON BEHALF OF ITSELF AND ITS LOCAL 2724**
(hereinafter referred to as the Union)

WITNESSETH THAT THE PARTIES HERETO HAVE AGREED AS FOLLOWS:

GENERAL ARTICLE

WORKPLACE REDESIGN AND EMPLOYEE PARTICIPATION PROCESS

1. MISSION STATEMENT

The parties are committed to a successful and sustainable Essar Steel Algoma Inc. founded upon principles of tolerance and respect between a strong independent union and a strong independent management and a recognition of the value of every employee.

2. OBJECTIVES

The parties will continue the process of redesigning the workplace so that it becomes more participative, safer and more fair. They agree that the skill content of jobs and the skills of employees must be enhanced and opportunities must be created for employees to solve operating problems.

In order to manage change, the parties commit to ongoing consultation, and discussion between management and the union and among employees at all levels. As part of these consultations, management is committed to providing the Union and employees with the opportunity to participate in decisions related to change as early as possible.

The parties agree on the following objectives, and agree to implement changes in the workplace which will:

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- upgrade the skill content of jobs and the skills of employees on a progressive and ongoing basis, and provide employees with greater opportunity for training and development;
- eliminate health and safety hazards, including ergonomic hazards;
- ensure workers are trained in safe production practices;
- provide workers with greater influence, accountability, responsibility, and control over day-to-day operations of their workplace;
- lead to continual improvements in productivity and quality based on working smarter, using better equipment, and reducing waste;

3. JOINT STEERING COMMITTEE

a) Mandate and Purpose

A Joint Steering Committee has been established for the following purposes:

- I. to work with the Company's President and Chief Executive Officer and senior management on business matters generally and in particular with respect to the achievement of the goals of the Annual Business Plan and other general business goals and objectives of the Company.

Assist the Company to develop short-term strategies to withstand changing business conditions;.
- II. the parties agree that the process of redesigning the workplace must be a joint endeavour. The Company agrees not to initiate any action, program or change with respect to workplace restructuring or training without the input of the Joint Steering Committee. For the purpose of this Section workplace restructuring will be defined to include the combination, amalgamation, creation, or elimination of tasks, job families and job ladders, and the establishment of operating work groups or teams or job rotation systems;
- III. to jointly develop and implement workplace training programs;
- IV. to administer the agreed to JSC policies;
- V. to act as an ongoing forum for senior management and union officials to discuss and resolve issues related to the workforce and the Company;
- VI. direct all other joint committees which are established by the Joint Steering Committee or the Collective Agreement;

VII. to ensure that monthly department UMC meetings are occurring and that agreed agenda items are being discussed.

b) Composition

The Joint Steering Committee will consist of the following:

- a co-chair—as appointed from time to time by the Company President and CEO;
- a co-chair as appointed from time to time by the United Steelworkers Director of District 6;
- Executive Officers of the Company;
- six union officials of USW Local 2251, and;
- the President and Vice President of USW Local 2724.

The District 6 and/or National Director of the Union may attend meetings of the Steering Committee on the invitation of either co-chair.

c) Duties and Responsibilities

The Joint Steering Committee will:

- work with the President and CEO and senior management towards achievement of the company's business goals and objectives and in particular as they relate to facilities, manning objectives including attrition and other matters which impact the company's employees;
- periodically review and monitor progress toward meeting performance, sales, employment, and other targets set out in the Annual Business Plan;
- monitor capital expenditure programs;
- review proposed major sale, lease or rental of assets, and review major purchases for materials and supplies, and the tender selection process;
- establish corporate travel policy for bargaining unit members;
- direct and set policy for Union Management Committees;
- review annual plans of the Departments within each area of accountability of the Union Management Committee.

d) Training

The Joint Steering Committee shall exercise its responsibilities regarding training through the Joint Training Team.

The Joint Training Team shall review the training needs of all employees, and develop and recommend a comprehensive training plan and budget for Essar Steel Algoma Inc. to the Joint Steering Committee. The training plan will include both shorter term and longer term components, a timetable, and be designed to ensure that the objectives set out in Section 2 are achieved. The Joint Training Team will determine the needs associated with succession planning and professional development in the salaried workforce.

The Company agrees not to implement a training plan without considering the recommendations of the Joint Training Team.

The Joint Training Team shall consist of 2 members appointed by the Local Union and 2 members appointed by management. The Joint Training Team will make recommendations to management and the Joint Steering Committee following their deliberations.

The parties agree to establish a corporate wide system to track training costs for those purposes established by the Joint Steering Committee.

e) Major Technological Change

No major technological change shall be introduced prior to review by the Joint Steering Committee. Technological change is defined as technological changes in the method of operations, materials and process, including the introduction of new or modified equipment which substantially alters the manner in which work is performed.

The Joint Steering Committee will evaluate technological changes based on their contribution to achieving the objectives set out in Section 2 and set policies and procedures to be followed in respect of major technological change.

Employees who will be affected by a proposed technological change must be involved in the process of designing and implementing that change.

f) General

The Company will pay lost time wages and expenses for union members of the Committee for their Committee activities, including time union members spend preparing for such meetings.

The Steering Committee will select consultants, advisors and instructors retained by the Company to facilitate and support any process and programs related to, training, and will determine assignments and duties of such consultants, advisors and instructors.

The Joint Steering Committee may from time to time define and amend as appropriate the roles and responsibilities inherent in structures and jobs involved in workplace restructuring and redesign.

The Joint Steering Committee will not;

- determine individual benefit entitlement;
- deal with any discipline matter;
- have access to confidential personnel files (unless approved by the individual on authorized form);

- assume any of the functions of the employer under any legislation of Canada or Ontario.

4. UNION MANAGEMENT COMMITTEES

a) Mandate and Purpose

The parties will establish Union Management Committees in various areas of the Company (see list of areas in Appendix A). Each of these committees shall report to and be subject to the direction of the Joint Steering Committee. The purpose of the Union Management Committee shall be to:

- Assist in the implementation of change in the workplace which will achieve the jointly agreed to objectives set out in Section 2;
- Assist in the achievement of the department's goals and objectives as set out in the annual business plan of each area, in particular as they relate to facilities.

b) Composition

Each Union Management Committee shall have the following members:

- A General Manager assigned by the Company who shall be a Co-chair;
- A Union Executive assigned by the President of the Local shall be the Union Co-chair;
- Union stewards and union health and safety representatives selected by the Union;
- Other employees within the department as selected from time to time by the co-chairs;
- Human Resources' representatives assigned to area; and
- A Union Coordinator will be assigned as a resource.

c) Duties and Responsibilities

- Administer policies and procedures agreed at the JSC;
- Development, implementation and monitoring of training and development opportunities and plans and plans for improving quality of worklife, including plans for the achievement of objectives set out in Section 2;
- Implement workplace restructuring and redesign within the departments of each area;
- Changes considered in workplace restructuring and redesign must be reviewed by the department Joint Health and Safety Representatives for their potential impacts on employee health;
- Monitors contracting out and overtime hours (excluding replacement hours) in excess of 10% of all hours worked in a 12 month period in any specific functions or jobs in the departments of each area and initiates any action

required in accordance with the policies and administrative processes established by the Joint Steering Committee;

- Monitors and reviews all other issues governed by the Joint Steering Committee;
- The Company will pay lost time wages and expenses for union members of the Committee for their Committee activities;
- The Union Co-chair of the Union Management Committee may request further resource personnel to assist them in carrying out their duties.

5. RESTRUCTURING SUPPORT AND PROCESSES

Management and the Union are committed to providing appropriate training and support.

Management and the Union agree to create a team of internal personnel dedicated to supporting the Joint Steering Committee, the Joint Training Team and the Union Management Committees in achieving the objectives as set out in Section 2. The Union shall select two employees to act as Union Co-ordinators. Management shall appoint counterparts to work jointly with the Union appointees. The Union Co-ordinator shall work under the direction of, and report to, the Union Co-chair of the Joint Steering Committee.

A Union Co-ordinator may attend meetings of the Joint Steering Committee and sub-committees or task forces, at the invitation of the Union Co-chair of the Joint Steering Committee. In a corresponding fashion Management may have its Co-ordinator attend meetings of the Joint Steering Committee. The Union Co-ordinator will be responsible for making regular reports to the Union Co-chair and the other union members of the Joint Steering Committee on the progress of the workplace participation process and any other matters they require. At the joint request of the Union and Management Co-chairs the Union Co-ordinator shall make reports to the Joint Steering Committee.

The wages and benefits of the Union Co-ordinators will be paid by the Company, and they will continue to be covered by the provisions of their respective collective agreements. The Company will provide the Co-ordinators with an office, equipment and access to clerical support.

The Company shall provide the Union Co-ordinator with a resources budget of \$50,000 on the first day of each quarter to be used to support the activities of the Co-ordinator, including, but not limited to, assistance, travel and expenses, training, workshops, external consultation and educational material. The resources budget shall be approved by the Union Co-chair. If at the end of each quarter the resources budget has not been allocated, the resources budget for the next quarter shall be reduced by the unused amount. The resources budget will be held in a separate bank account.

The Company shall provide up to two additional people, selected by the Director of District 6, to assist the Union Co-chair of the Joint Steering Committee in carrying out his functions related to the Joint Steering Committee. Wages and benefits will be on the same basis as the Union Co-ordinator.

The Union Co-Chairs of the Union Management Committees shall be provided with office space and office equipment.

6. OVERTIME, CONTRACTING OUT, AND EMPLOYMENT LEVELS

The parties agree to monitor and review the levels of overtime and the levels and type of contracting out on an ongoing basis.

Each Union Management Committee will provide the Joint Steering Committee with a quarterly report for each department in their area.

The Joint Steering Committee will take appropriate action to eliminate or reduce any overtime or contracting out deemed to be excessive.

APPENDIX A - LIST OF DEPARTMENTS

For the purposes of this Agreement, the Company shall be deemed to be divided into the following departments:

Primary Operations

Cokemaking and By-Products – Operation and Maintenance

Ironmaking – Operation and Maintenance

Steel & Casting

Steelmaking

Slabcaster

Steelmaking & Slabcaster – Maintenance

Direct Strip Production Complex – Operation and Maintenance

Flat-rolled and Other Operations

Plate and Strip – Hot Mills

Plate and Strip – Finishing

Flat-roll - Maintenance

Cold Mill – Operation and Maintenance

Welded Beam Division

Quality Blanks International

Maintenance & Maintenance Services

Central Maintenance

Maintenance Technology

Shops

Transportation

Utilities

Automotive Repairs

Masonry and Material Movement

Material Reprocessing Raw Materials

Staff Areas

Quality Engineering

Accounting

Human Resources

Purchasing and Stores and Logistics

Safety, Health & Environmental

Information Technology

Supply Chain

Technical Services

Engineering

Construction

ARTICLE 1

UNION RECOGNITION

1.01.10 The Company recognizes the Union as the sole bargaining agent for all employees of Essar Steel Algoma Inc. at Sault Ste. Marie, and in Burlington, save and except Department Heads, persons above the rank of Department Head, persons covered by a subsisting collective agreement(s) or a certificate granted by the Ontario Labour Relations Board, Human Resources Officer – Industrial Relations, Human Resources Officer – Personnel Services/Industrial Relations, Supervisor – Industrial Relations/Medical Services, Supervisor – Employee Benefits, Supervisor – Wage and Salary Administration, Supervisor/Co-ordinator – Personnel Services, Sales employees, and secretaries to the President and CEO, the Vice Presidents, General Counsel and Corporate Secretary, and the Manager of Human Resources.

Clarity Note: For the purposes of clarity, it is understood that technical service employees are not sales employees and are included in the bargaining unit.

1.01.11 The Company will notify the Union in writing of new jobs established which are to be excluded from the bargaining unit. Such notification shall include a summary of job functions, responsibilities, date of establishment, and shall name incumbents assigned to the new job. If the Union does not agree that the job is properly excluded it may file a grievance of a General Nature within 21 days of such notification in order to discuss and/or to conduct an on-site examination of the job and incumbents.

1.01.12 When existing jobs are changed or new jobs are to be established which contain duties being performed by employees of the Local 2724 bargaining unit, or similar duties, as well as duties which may be appropriate for another bargaining unit, the Company will advise the Union in writing as far as possible in advance of the establishment of such jobs. The Company and Union will attempt to agree on the proper placement of such jobs in a bargaining unit and to agree on any other relevant matters such as seniority rights of employees affected.

If agreement is not reached, the matter shall be referred to referees, one named by each party, who will attempt to resolve any outstanding issues. Agreement by the referees will be binding on both parties. If agreement is not reached by the referees, the Union may file a grievance of a General Nature.

1.02.10 Except for work covered by the Exclusions and Exceptions identified in Article 1.02.10.01 or as agreed to by the Local Union, work normally performed by employees within the bargaining unit shall continue to be performed by employees within the bargaining unit except when employees with

the necessary skills are not available for such work. Every effort will be made to train existing employees to perform such work where practical. No employee will be displaced from his job or be laid off as a result of the Company contracting out such work. The Company may contract out work not normally performed by employees within the bargaining unit, but shall, whenever practicable, and especially during layoffs, have such work performed by employees within the bargaining unit.

1.02.10.01

EXCLUSIONS and EXCEPTIONS

In order to achieve the economic efficiencies and long term sustainability associated with Essar Steel Algoma Inc. aligning with a larger entity which provides strategic capital investment, technology, global management expertise, leverage and stability throughout the business cycle, the following exclusions have been established to identify the work that is not defined as Contracting Out and therefore are not subject to the Contracting Out and Scope language in Article 1 of the collective agreement.

The Essar Global Family is defined as Essar Global, its direct and indirect subsidiaries, affiliated companies and related companies.

Corporate Functions may be performed by anyone on behalf of Essar Global Family and are defined as activities associated with administration of any corporate service or activity at any location.

Shared Services may be performed by any employee of the Essar Global Family and are defined as coordinated activities which are performed at any location within the Essar Global Family on behalf of multiple sites and/or operations.

Capital Work may be contracted out and is defined as work associated with significant capital projects involving the installation, replacement or reconstruction of any business systems, equipment or productive facilities and (a) is not regular, normal, routine, day-to-day or ongoing; (b) does not involve bundling of work of separate projects which could be done separately; or (c) does not involve any work not related to the project in question.

Surge Work may be contracted out and is defined as work where Company temporarily uses contractors to supplement employees and where the use of contractors would materially reduce the downtime of the activity or to meet customer requirements in a timely fashion.

Warranty Work may be contracted out and is defined as work performed pursuant to a pre-existing warranty on new or rehabilitated equipment or systems in order to assure that seller representations will be honoured at no additional cost to the Company.

Safeguards

In the event Essar Steel Algoma Inc. enters into an arrangement with regards to Shared Services, the Company will meet with the Union Executive of Local 2724 to discuss the nature of the Shared Services being contemplated, the timing and the potential effects it may have on the bargaining unit. This meeting will take place prior to the commencement of the work to ensure the safeguards are implemented.

No employee will be laid off as a direct result of any of the Exclusions and Exceptions identified in this Article. However, if Shared Services arrangements directly result in a reassignment, but not a layoff of an employee, such employee will have rate protection in accordance with the Letter of Agreement – Maintenance of Earnings unless they fail to bid on a higher rated job for which they are qualified. Any directly affected employee will be trained in order to advance.

The Company and the Local Union will agree on the process and selection and reassignment to be used when it is necessary to reassign an employee to a different position for any reason. (Factors to be considered will include the efficiency of the operation, the ability of the employee to perform the work, inconvenience to the employee, salary, and relative seniority of the employees concerned.)

Employees may interface with non-bargaining unit personnel as required.

Any Shared Services or Corporate Functions activity located at Essar Steel Algoma Inc. as defined in Article 1.01.10 will be within the bargaining unit if such activities were historically performed by the bargaining unit.

1.02.11 Except for work covered by the Exclusions and Exceptions identified in Article 1.02.10.01, a Joint Local Union-Management Committee will be established with a mandate to review all work which is being considered for contracting out. Evaluation of all of the facts involved with such work will be weighed by the Joint Committee but at the same time assures the ability to operate the plant facilities. Included in this evaluation will be the option to retain desirable work in-house and to substitute less desirable work for contracting out. All of the facts and circumstances being considered will be openly shared by all members of the Joint Committee. If agreement cannot be reached at the Joint Contracting Out Committee and the Company contracts out this work, the Union may exercise its right to file a General Nature grievance. If the decision is to contract out, management shall select the supplier and in doing so, consideration shall be given to all relevant factors. All information requested associated with contracting out will be provided in a timely manner.

A monthly evaluation will be conducted of all contracted out work so as to determine if such work should be assigned within the bargaining unit and within what time frame. The contracted out work under this review shall include work

performed by contractors inside the plant as well as work which is performed by contractors off site. Notwithstanding the foregoing, the parties recognize that work of an emergency nature may be contracted out if the alternative would be to place the facilities and/or employees in jeopardy. The reasons and details for such will be forwarded to the Joint Committee for evaluation.

In recognition of Essar Steel Algoma Inc. and the United Steelworkers commitment to the community of Sault Ste. Marie and the District of Algoma, when the Joint Contracting Out Committee has made a decision to contract out work, preference shall be given to suppliers in the City of Sault Ste. Marie or District of Algoma.

1.02.12 The purpose of the monthly evaluation meetings will be to review issues related to contracting out and temporary management hours related to Local 2724 positions. The Company will supply the Union with data on the aforementioned in preparation for this meeting. This review is intended to develop solutions to issues identified.

1.02.20 Employees within the bargaining unit have no claim to jobs outside the bargaining unit. Except as expressly provided in this Agreement, employees outside the bargaining unit have no claim to jobs within the bargaining unit.

1.02.30 Except by mutual agreement, employees excluded from the bargaining unit defined in this article shall not perform work of employees covered by this Agreement, except in cases of emergency if no other qualified employee is available either on shift or off shift. It is recognized that excluded employees do certain routine work and this clause does not apply to such persons, provided that any work so performed shall not have the effect of jeopardizing employment in the bargaining unit.

1.03 The Union shall not solicit membership on the Company's time.

1.04 The Company shall give each employee entering the bargaining unit a copy of this Agreement within 30 days of the employee entering the bargaining unit.

1.05 The Local Union shall elect or appoint an appropriate number of stewards for each department, and shall, as such elections are held or appointments made, give written notice of the names of such stewards in each department, to the Superintendent – Employee Relations and the Department Head concerned.

1.06 The Company and authorized Union committees (which may include the International Representatives of the Union) shall meet when necessary for the proper administration of this and other agreements between the parties.

1.07 All negotiations between the Company and the Union shall be carried on through the regular procedures established by this Agreement, and the Company shall not recognize or bargain separately with any individual or group of employees within the bargaining unit. This Agreement shall not be altered or amended except by agreement between the Company and the executive of the Local Union.

1.08 When hiring new employees the Company shall give consideration to applicants who are former employees.

ARTICLE 2

DEDUCTION OF UNION DUES

2.01 When used herein and in authorizations assigning to the Union an amount equivalent to Union dues, the expression "Union dues" means the amount of the regular Union dues payable by members of the Union as confirmed from time to time by written notice to the Company from the officers of the Union.

2.02 As a condition of employment, each employee entering the bargaining unit shall be required by the Company to sign an authorization in duplicate assigning to the Union until the employee leaves the bargaining unit an amount equivalent to Union dues, and shall send one copy of the authorization to the Union.

2.03 The Company shall deduct, as a condition of employment, from the wages of each employee in the bargaining unit, Union dues including, where applicable, initiation fees and assessments on a monthly basis. The amount of dues shall be calculated in accordance with the Union's Constitution.

2.04 All dues, initiation fees and assessments shall be remitted to the Union forthwith and in any event no later than 15 days following the last day of the month in which the remittance was deducted. The remittance shall be sent to the International Secretary Treasurer of the United Steelworkers AFL – CIO – CLC, P.O. Box 13083 Postal Station "A", Toronto, Ontario, M5W 1V7 in such

form as shall be directed by the Union to the Company along with a completed Dues Remittance Form R-115. A copy of the Dues Remittance Form R-115 will also be sent to the Union office designated by the Area Coordinator. A copy of the Dues Remittance Form R-115 will also be sent to the Union Office at 68 Dennis Street, P6A 2W9 and the LU 2724 office.

2.05 The remittance and the R-115 form shall be accompanied by a statement containing the following information:

- a) A list of the names of all employees from whom dues were deducted and the amount of dues deducted;
- b) A list of names of all employees from whom no deductions have been made and reasons:
- c) This information shall be sent to all Union addresses identified in Article 2.04 in such form as shall be directed by the Union and agreed to by the Company.

2.06 The Union shall indemnify and save the Company harmless against all claims, or other forms of liability that may arise out of any action taken by the Company, in compliance with this Article.

2.07 The Company, when preparing T-4 slips for the employees, will enter the amount of Union dues paid to the employee during the previous year.

ARTICLE 3

DISCRIMINATION

3.01 No employee shall be discriminated against by the Company or the Union because he is or is not a member of the Union, because of Union activities, or because of exercising any right provided by law or by this Agreement.

3.02 The Company and Union agree there shall be no discrimination against any employee in contravention of the Ontario Human Rights Code, Statutes of Ontario, 1981, Chapter 53 or as amended from time to time.

ARTICLE 4

MANAGEMENT

4.01 Except to the extent otherwise stated in the Collective Agreement, the Union recognizes that all functions, rights, powers and authority which the Employer has not specifically abridged, delegated or modified by this Agreement are retained by the Employer. Management retains the right to discipline, but shall do so in a just, fair and reasonable manner consistent with the terms of this Collective Agreement.

4.02 Employees who perform supervisory functions shall continue to be responsible for ensuring that employees of the Company work in compliance with the workplace rules and regulations and the Health and Safety rules and regulations in accordance with the Practices and Procedures of the Company, the Health and Safety Manual, the Employees' Conduct Rules and the contractual obligations of the Company.

ARTICLE 5

HOURS OF EMPLOYMENT AND OVERTIME

5.01.10 Except as provided in Article 5.02.10, normal hours of work shall be as follows:

- operating and service salary scale - 40 hours per week and 8 hours per day.
- administrative and staff salary scale - 38 3/4 hours per week and 7 3/4 hours per day.

5.01.20 The work day shall be a period of 24 hours beginning at 12.01 a.m. For the purposes of Sunday premium pay and statutory holiday premium pay, only hours worked on such days will be credited accordingly.

5.01.30 The work week shall be a period of seven work days beginning at 12:01 a.m. Sunday or the shift starting time closest thereto.

5.01.40 If changes are contemplated to existing schedules the Company shall consult with the Local Union prior to implementing such changes. Factors to be considered when changing a schedule may include the efficiency of operations and the wishes of the employees involved. Except in emergency

situations, the changed schedule will be implemented through agreement with the Local Union.

5.01.60 Where two or more employees are employed in the identical occupation within the same department and are working on a crew schedule, the senior employee will have the preference to be assigned to a crew and the junior employee will be assigned the “floater” role.

The alignment of crews will take place at the end of each year prior to vacation scheduling. There may be instances where the re-assignment of crews would cause an adverse effect upon the operation. In these cases the reassignment may be delayed and where requested, the Company will meet with the Local Union executive to explain their reasons for not reassigning the crews.

5.02.10 Employees shall be scheduled as provided in this Agreement for the work which is available. The Company and Union recognize there are situations where it may be beneficial to establish special scheduling arrangements of up to twelve hours per shift and forty-eight hours per week. Where such a scheduling arrangement is implemented, it must be approved by the President of Local 2724 and the Superintendent – Employee Relations in the form of a binding Letter of Agreement which will specify the type of schedule to be worked, identify the scheduling areas and employees affected, and the terms of such agreement. All such scheduling arrangements shall specify:

- the hours and shift cycle to be worked including an example of the schedule;
- lunch breaks will consist of two periods of thirty (30) minutes for eating lunch at a designated lunch room or area away from the immediate work area;
- what hours qualify for shift and Sunday premiums (provided that there is no increase in premiums to be paid);
- how overtime is to be distributed;
- how vacation is to be booked ; and
- how Statutory Holiday provisions shall apply and how weeks in which Statutory Holidays fall are to be scheduled (provided there is no net increase in wages resulting from any such schedule). If agreement cannot be reached the guidelines developed by the parties will be applied.
- once a special scheduling arrangement has been agreed to, the Company will apply for any necessary approval or permit from the Employment Standards Branch on behalf of the Company and Union.

5.03.10 The parties agree that overtime must be kept to a minimum, but will co-operate in meeting situations where it is necessary. The Company will provide the Union with a monthly report indicating the overtime hours worked by each member.

5.03.20 Overtime rates shall be one and one-half times the hourly equivalent of the base monthly salary.

5.03.30 There shall be no doubling up or pyramiding of overtime rates. Any hour or hours of work paid for at overtime rates shall not again be counted as hours worked for the calculation of overtime pay.

5.03.40 Notwithstanding anything contained in this Agreement, overtime rates shall be paid only for authorized periods worked. When the Company requires an employee to receive training and that training is scheduled outside of the employee's normal scheduled working hours the employee will be paid at overtime rates for such periods.

5.04.10 Overtime rates shall be paid to an employee for authorized periods worked:

1. in excess of 8 hours per shift for employees on the operating and service salary scale or in excess of 7 3/4 hours per shift for employees on the administration and staff salary scale.
2. in excess of 8 hours in any 16 hour period,
3. in excess of 8 continuous hours,
4. in excess of 40 hours in a work week for employees on the operating and service salary scale or in excess of 38 3/4 hours per week for employees on the administration and staff salary scale.
5. on his designated days off.
6. for the second and any succeeding scheduled short change in any 7 day period unless the schedule is agreed to by the employee prior to the short changes being worked. A short change occurs when there is less than 16 hours between shifts.

5.04.11 Where requested by the employees, overtime work shall as far as possible be equitably distributed among the employees within a vacation scheduling group.

Where time does not permit, equitable distribution need not be applied and employees who are already at work may be called upon to work the necessary overtime.

5.04.20 An employee not scheduled to work on a statutory holiday for which he is paid Statutory Holiday pay shall be deemed to have worked on that day for the purposes of Article 5.04.10(4).

5.05.10 An employee may agree to work overtime or the Company may require an employee to work overtime in cases of work urgently required to be done, or which is necessary to avoid serious interference with the ordinary working of the plant. Where the Company requires an employee(s) to work overtime and in the event no one agrees to work overtime, the most junior qualified employee available will be required to work the overtime.

5.05.11 Employees as a general guideline should not work overtime or a combination of regular hours plus overtime hours in a manner that results in the employee working:

- a) in excess of 60 hours in a week
- b) in excess of 16 hours in any 24 hour period
- c) no night to day doubles

Where it is necessary to exceed the above guidelines, the Company will notify the Local Union of the incident.

5.06.10 An employee who is called out to work and reports on the job during hours for which he is not scheduled and then leaves the plant, shall be paid a minimum of four hours pay provided he reports within a reasonable time of being called. If such employee works more than two hours and forty minutes for which he is not scheduled, he shall be paid at overtime rates for all such hours worked.

5.06.20 Notwithstanding Article 5.06.10, when an employee is directed by his Department Head to be available to answer calls and/or report to work on short notice on days which he is not scheduled to work he shall be paid standby pay of 4 hours at straight time for each such day. In the event the employee is required to work more than 2 1/2 hours on such day he shall be paid overtime rates for all such hours in lieu of the 4 hours standby pay. On call work shall, as far as possible, be equitably distributed among the employees within a vacation scheduling group.

On a “down” statutory holiday, as defined in Article 6.04.20, an employee shall be paid 6 hours at straight time for standby, or double time for all hours worked in lieu of the standby pay, if he is required to work in excess of 3 hours.

On days where an employee is scheduled to work and is directed by his Department Head to be available to answer calls and/or report to work on short notice for the remainder of that day and/or part of the following day, the employee shall be entitled to 2 hours at straight time for each 6/8 hour period in excess of his regular work day.

5.06.30 Authorized hours spent at home committed to resolving urgent problems via a home terminal or telephone shall be paid for at overtime rates.

5.07.10 The Company shall pay to any employee required to work in excess of ten hours in a shift an overtime meal allowance of \$8.00. This amount shall be added to the employee's regular cheque.

ARTICLE 6

STATUTORY HOLIDAYS

6.01 Statutory holiday means the work day on which New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day or Boxing Day is celebrated.

6.02.10 Operations shall be reduced as much as possible on the days on which Canada Day, Labour Day and Christmas Day are celebrated, keeping in mind a return to normal operations after such day in the least possible time.

6.02.20 Employees required to work on statutory holidays are under obligation to report for work and work just as on any other work day.

6.03.10 Statutory Holiday pay means regular earnings for a work day based on the employee's base monthly salary.

6.03.20 Every employee shall be paid statutory holiday pay in respect of a statutory holiday unless:

1. he is required to work on the statutory holiday and fails to do so,

2. he is on layoff or on leave of absence on the statutory holiday,
3. he is in receipt of Income Security, Workplace Safety and Insurance Board Loss of Earnings, Salary Continuance, Short Term Disability, Long Term Disability, or any other such payment made to the individual by the Company (except vacation pay) for the week in which the statutory holiday falls.

6.04.10 In addition to any statutory holiday pay to which he may be entitled under this article an employee who works on a statutory holiday other than Canada Day, Labour Day, or Christmas Day shall be paid overtime rates for all hours worked, provided that he shall be paid double the hourly equivalent of his base monthly salary for time worked which also qualifies for overtime rates.

6.04.20 In addition to any statutory holiday pay to which he may be entitled under this article an employee who works Canada Day, Labour Day, or Christmas Day, shall be paid double the hourly equivalent of his base monthly salary for time worked, provided that he shall be paid two and one half times the hourly equivalent of his base monthly salary for time worked which also qualifies for overtime rates.

ARTICLE 7

SENIORITY

7.01.10 An employee's bargaining unit seniority shall be determined as follows:

Employees who were members of S.A.G. on May 1, 1992, shall have their plant service date as their bargaining unit date except for employees in the Mississauga Sales department.

Employees who were on salary on May 1, 1992 and were not included in S.A.G. and are in Local 2724 on the date of ratification of this Agreement shall have their plant service date as their bargaining unit date.

Those employees from Local 2251 accepted on a job posting, shall have their date of acceptance of the offer as their bargaining unit date, once they arrive to the job.

All other employees shall have their date of entry into the bargaining unit as their bargaining unit date.

If more than one employee enters the bargaining unit on the same date, the employee with the most corporate service will be considered the senior employee. If the corporate service is equal then the employee with the lowest clock number will be considered senior. Clock numbers for new employees will be assigned alphabetically by the first initial of the last name. Should the employee not be given the lowest clock number, seniority will be assigned alphabetically by the first initial of the last name.

The Company will advise the Union of all employees entering the bargaining unit. Such notification shall include the employees' names, clock numbers, dues check off forms and start dates.

7.01.20 The Company shall post in each department a list showing seniority as per Article 7.01.10 by March 31st of each year. Two copies of this list shall be sent to the Union.

7.01.30 Complaints by employees regarding errors or omissions in the list posted in accordance with Article 7.01.20 shall be corrected by agreement, reached by consensus, of the Company and the Union provided such error or omission relates to the period subsequent to the date of the previous list. Nothing contained herein will prohibit the parties from correcting administrative errors or omissions by consensus.

Establishment

7.02 The seniority provisions of this Article do not apply to any employee with less than three months of continuous service from his most recent date of hire. The purpose of this establishment period is to allow the Company to decide whether it wishes to retain an employee in the plant, the department, or the job concerned.

Loss of Seniority

7.03 An employee's employment shall be considered terminated and his seniority permanently cancelled when:

1. he quits his employment, or
2. he is discharged for cause, or
3. he overstays a leave of absence without reasonable cause, or
4. he is absent from work for ten consecutive scheduled working days without reasonable excuse, or

5. he does not return to work within ten days of the delivery of notice of recall, by registered mail, to his last address in the Company records provided that the ten day period may be extended by a leave of absence from the Superintendent – Employee Relations if he applies in writing for such leave of absence within 5 days of the delivery of notice of recall, or
6. he is laid off for a period in excess of twelve calendar months if he has less than two years seniority at the time of layoff, or
7. he is laid off for a period in excess of twenty-four calendar months if he has less than three years seniority at the time of layoff, or
8. he is retired under the terms of the Pension Agreement.

Departments

7.04 For the purposes of this Agreement, the plant shall be deemed to be divided into the following departments:

Primary Operations

Cokemaking and By-Products – Operation and Maintenance
Ironmaking – Operation and Maintenance

Steel & Casting

Steelmaking
Slabcaster
Steelmaking & Slabcaster – Maintenance
Direct Strip Production Complex – Operation and Maintenance

Flat-rolled and Other Operations

Plate and Strip – Hot Mills
Plate and Strip – Finishing
Flat-roll - Maintenance
Cold Mill – Operation and Maintenance
Welded Beam Division
Quality Blanks International

Maintenance & Services

Central Maintenance
Maintenance Technology
Shops
Transportation
Utilities
Automotive Repairs
Masonry and Material Movement
Material Re-processing Raw Materials

Staff Areas

Quality Engineering
Accounting
Human Resources
Purchasing and Stores and Logistics
Safety Health & Environmental
Information Technology
Supply Chain
Technical Services

The foregoing list of departments may be amended as necessary by agreement of the Company and Local Union.

Progression

7.05 Progression is the means by which an employee moves to the higher level of a job within a department (e.g.) - “analyst to senior analyst”. A list of these jobs will be developed and agreed to by the Company and the Local Union.

Appendix “C” of this Collective Agreement sets out the “ladders” and “families” currently agreed to by the parties. The creation of new or changes to existing “ladders and families” may only be done by agreement of the parties.

Appendix “D” of this Collective Agreement provides definition of ladders and families

Job Posting

7.06.10 All vacancies will be posted within the bargaining unit except those jobs which have been agreed to in Article 7.05 or except as agreed to by the Local Union and the Company.

Any position, which has been temporarily filled in excess of 1,000 hours, shall be posted except as agreed to by all parties.

7.06.11 The terms and conditions of the agreed to posting selection process (Appendix “E”) form part of this Collective Agreement.

7.06.12 Every effort will be made to move the successful applicant to the new position as quickly as possible. If such move has not been possible within six (6) weeks, the employee shall be paid the rate offered for the new position if it is higher than his current rate.

7.06.13 An employee who is selected and transferred to a job as a result of a posting shall not again be permitted to apply for another posted vacancy for a

period of 9 months from the date of offer. This restriction shall not apply if the vacancy would be a promotion.

Demotion

7.07.10 Demotion is the means by which an employee is reverted to a lower job because of inability to do his job.

7.07.11 The Company shall not unreasonably demote an employee for inability to do the job and the Department Head shall discuss any such case with the Local Union Executive before making the demotion. If the Union believes that the demotion is unjust, it may within twenty-one (21) days of the demotion refer the matter to Step 2 of the Grievance Procedure.

Assignment & Reassignment

7.08.10 Where there is a temporary assignment to be filled under this Article, the Company will consult with and advise the Local Union, prior to the assignment being made. The Company will endeavour to ensure that such assignment is less than 1 month and, should such assignment exceed 1 month the process detailed in Article 7.08.20 will be followed.

7.08.20 The Company and the Local Union will agree by consensus on the process and selection and reassignment to be used when it is necessary to reassign an employee to a different position for any reason. (Factors to be considered will include the efficiency of the operation, the ability of the employee to perform the work, inconvenience to the employee, salary, and relative seniority of the employees concerned.)

7.08.30 Where there is a temporary vacancy due to vacation, illness or leave of absence, the Department Head will consult with the Local Executive Officer prior to the assignment being made. The senior qualified employee will be given the opportunity to fill the vacancy but will not be forced if a qualified junior employee is available. This assignment may be extended beyond a month with the agreement of the Local Union.

Layoff and Reduction in Force

7.10.10 If, during the term of this Agreement it is found to be necessary to lay off employees the Company and the Local Union will agree on the process to be used prior to any lay off taking effect. No employee will be laid off if there is a

junior employee on a job which the senior employee is capable of doing given reasonable training.

7.10.20 An employee with 1 or more years of service who has been laid off for 35 weeks in any period of 52 consecutive weeks, or who has been advised in writing by the Company's Human Resources Department that his return to work is unlikely, may elect to receive severance pay as outlined below provided he abandons his recall rights under the Collective Agreement, terminates his employment with the Company. The Company shall add to the amount payable in accordance with the applicable legislation sufficient monies to ensure that such employee receives, in total, the equivalent of two normal non-overtime weeks for each year of service to a maximum of fifty-two (52) weeks.

Recall and Increase in Force

7.11 If during the term of this Agreement it is found to be necessary to recall employees the Company and the Local Union will agree on the process to be used prior to any recalls taking effect. Unless otherwise agreed to by the Local Union, the most senior employee laid off will be recalled to a vacancy provided he can do the job with reasonable training.

In instances where a position needs to be filled for 4 days or more (for vacation or other reasons) the opportunity to fill that position will be offered to any qualified employee who is laid off and can perform the job with minimal training. This will be done prior to filling the position with an employee from outside the Local or working scheduled overtime.

Reversion Rights

7.12.10 An employee who was or is established in the bargaining unit permanently promoted or transferred to a job not in this bargaining unit and who is later removed from such position but still in the employ of the Company shall be reassigned in accordance with Article 7.08.20.

Effective January 1, 2000 an employee will not accrue seniority while outside the bargaining unit and will have his seniority date adjusted equal to the time he was out of the bargaining unit.

If the employee is returned to the bargaining unit, the employee will have the right to apply for any job vacancy which may be posted.

7.12.11 The Company shall notify the Union of all persons so promoted or transferred out of the Local.

New Departments

7.13 If new departments are established, the Company and the Local Union shall achieve consensus on the selection of employees for such departments.

ARTICLE 8

LEAVE OF ABSENCE

8.01 A leave of absence is permission granted by the Company to an employee to be absent from his job without pay for a specified period. The Company reserves the right to refuse to grant a leave of absence.

8.02 An employee may apply for a leave of absence by completing the approved form at the Employment Office. When approved and signed by the Supervisor - Industrial Relations & Medical Services and the Department Head a copy of the signed form will be returned to the employee.

8.03 Copies of approved leave of absence forms shall be sent to the Union.

8.04 Notwithstanding Article 8.01, the Company and Union shall agree by consensus on the granting of leaves of absence to enable employees to accept elected or appointed positions with the United Steelworkers, provided that such leaves of absence shall expire ten days after the date any such employee concerned ceases to hold such elected or appointed position. Such employees shall be reassigned per Article 7.08.20 with their original seniority date held when the leave of absence commenced.

8.05 Leave of absence for the transaction of Union Business shall be given to delegated members of the Union in the plant if proper application is made by the Union and approved by the Superintendent – Employee Relations. Requests for such leaves shall be submitted as far in advance as possible.

8.06 Employees qualifying under the provisions of the Employment Standards Act shall, upon request, be granted a pregnancy and or parental leave. The Pregnancy Leave may be initiated by the Company when in the opinion of the Company Medical Director the duties of the employee's job cannot reasonably be performed by a pregnant woman or her work is materially affected by her pregnancy. In such cases, the Company Medical Director will consult with, and consider information provided by, the employee's physician. In the

event that the employee provides medical documentation to support a request for accommodation, placement in alternate work will be considered and discussed with the Employee and the Union prior to initiation of the Pregnancy Leave.

ARTICLE 9

JUSTICE AND DIGNITY

9.01.10 When it is the intention of the Company to meet with an employee to discuss any matter relating to discipline, or which may lead to discipline, the employee will be informed in writing that he is entitled to be accompanied by a union steward.

The Department Head shall meet with the employee and, where requested, a union steward prior to issuing discipline.

9.01.20 When it is the Company's intention to discharge an employee for the accumulation of 100 demerit points, the Company will first convene a meeting between Human Resources and the Union. Except in cases where the final incident that results in the accumulation of 100 demerit points under the Employees' Conduct Rules is an offence involving:

- any significant theft or breach of trust, or
- sabotage, or
- a concerted or individual refusal to work, or
- an incident that creates a situation where continued employment would threaten the safety of the disciplined employee, or other employees, or the plant,

The employee shall continue working provided his performance is satisfactory, provided work is available, until a grievance, which may have been filed protesting the intention of the Company to discharge the employee, has been finally resolved through the Problem Resolution and Grievance Procedure. Notwithstanding the provisions for an employee's return to work, an employee will not be allowed to return to work if he would present a danger to the safety of employees or equipment in the plant. The meeting will be convened as soon as possible and will constitute the Step II meeting of the Grievance Procedure in the event a grievance is filed. Such grievance must be filed within twenty-four hours of the meeting on discharge. This does not include weekends or statutory holidays

9.02 When an employee is disciplined the disciplinary action shall be taken within 21 days of the Company's first reasonable opportunity to have

knowledge of the circumstances giving rise to the discipline. The department steward and local office shall be informed of the reason for such discipline and the penalty assessed. Where available information indicates the issuance of discipline may be warranted and the potential recipient is not available, management may agree with the employee or his representative to extend the 21 day time period. If the penalty is not considered warranted, the matter may be referred to the Grievance Procedure.

9.03 In dealing with grievances arising out of Article 9.01 or Article 9.02, an arbitrator may uphold, remove, or modify any discharge or other penalty imposed by the Company.

ARTICLE 10

SAFETY AND HEALTH

10.01 The Company and the Union, realizing the benefits to be derived from a safe and healthy place of employment, agree that they and all employees, members of the grievance committee and supervisors at all levels will co-operate to the fullest extent to promote fire prevention, safe work practices, health conditions and the enforcement of safety rules.

10.02 The Company and Union shall establish a Joint Health and Safety Committee consisting of employees selected by the Local Union in accordance with the Occupational Health and Safety Act 1978, and an equal number of management representatives selected by the Company. This committee shall ensure that safety meetings are held at various levels to conform to the requirements of the Occupational Health and Safety Act 1978.

10.03 Algoma's Health and Safety Manual for the Joint Health and Safety Committee contains the procedures and practices to be followed in implementing the provisions of the Occupational Health and Safety Act, 1978 as it relates to the functioning of the Joint Health and Safety Committees. The provisions of this manual will be considered as representing commitments of the parties.

Sections of the manual requiring Company and Union Agreement may be amended from time to time by agreement of the Joint Health and Safety Committee members representing the Company and Union.

10.04 When required, the Union and Company shall meet for the purpose of agreeing on the use of compulsory safety devices, and where agreement is reached shall work together to see that all employees follow the rules for the use of such devices.

10.05 The Company shall furnish protective equipment and safety devices in accordance with present practices subject to such improvements or changes as may from time to time be agreed to.

10.06 The Company shall provide adequate welfare facilities and lockers for employees as required and such facilities shall be no less than the minimum standards required by the regulations pursuant to the Occupational Health and Safety Act 1978.

10.07 The Company shall maintain adequate medical services, including ambulance service, for the treatment of employees during working hours.

10.08 If an employee is injured on the job and unable to continue working, he shall be paid for his regularly scheduled hours or the time worked on the shift, whichever is greater.

10.09 Any employee covered by this Agreement shall have a credit of \$100.00 which will be applied to any purchase of work boots or work gloves that the employee makes between January 1 and December 31 next. An employee may not however, make such purchases while laid off or on a leave of absence. Any unused portion of the \$100.00 will be carried forward to the next year except that the amount carried forward plus the \$100.00 annual allotment may not total more than \$200.00.

10.10 The parties agree that Local 2724 may select one full-time Health and Safety Representative who will be paid his or her existing salary for the 168 or 173 hours per month, as appropriate. The Health and Safety Representative shall report his/her attendance to the appropriate person as directed by the Superintendent – Employee Relations.

ARTICLE 11

LETTERS OF AGREEMENT

11.01 The current Letters of Agreement, including, but not limited to, the Letters of Agreement re: Payment of Legal Fees, Wrap Plan and Income Security, are supplemental to this Agreement, but nothing contained herein shall affect the termination dates or any other provision of such Letters of Agreement.

ARTICLE 12

NOTICES

12.01 Except as otherwise provided, when under any of the provisions of this Agreement the Company is required to notify an employee, the employee shall be deemed to have been notified if he is told personally or is called by telephone at the most recent local telephone number shown in the records of the Company at the Company's Employment Office, and

1. the message is given to the employee, or
2. the employee is not available and the message is given to a person accepting the call who consents to give the employee the message, or
3. two calls are made at least one-half hour apart and no answer is received or the person answering the calls does not consent to give the employee the message.

ARTICLE 13

PROBLEM RESOLUTION AND GRIEVANCE PROCEDURE

The Company and the Union recognize the mutual benefits to be derived by resolving issues of concern of employees and/or the Union in a reasonable and expeditious manner. The parties recognize that all consultation processes and resources at their disposal should be exhausted in the problem resolution process prior to the implementation of the written grievance procedure at Step 2. At the option of the Local, the President of the Local can request a meeting with the Vice President, Human Resources in an attempt to resolve the issue prior to going to arbitration.

13.01 The Local Union shall form a Grievance Committee which may include an International Staff Representative of the U.S.W. to represent the Union in processing grievances, and shall give the Company written notice of the members of the Committee and any changes therein.

13.02 Step I

If a matter arises which an employee wishes to take up with the Company, it shall first be discussed by the employee with his Department Head or the

Department Head's representative in an attempt to resolve the matter. The employee may elect to have a Union steward in attendance.

13.03 Step II

If the matter is not resolved to the satisfaction of the employee, and the matter relates to the Collective Agreement the employee may file a grievance with a Union representative. The Union may deliver a written complaint to the Superintendent - Employee Relations within 21 calendar days of the occurrence of the fact or event giving rise to the matter in dispute, specifying the reasons why the employee and/or the Union believes the named section has been wrongly applied by the Company.

13.04 A meeting will be scheduled by mutual agreement and held within 30 calendar days to review the facts and attempt to resolve the matter in dispute. This meeting will be attended by the employee, the Department Head or his departmental designate, a Union representative, the Superintendent – Employee Relations or his representative and any others who the parties agree would be helpful in seeking a resolution to the dispute. There will be a full disclosure by all parties of all pertinent information at this meeting.

Within 7 calendar days following the meeting the Superintendent – Employee Relations or his representative will deliver a written response to the employee and the Union stating the Company's position on the matter in dispute.

13.05 Step III

If the Union disagrees with the answer of the Superintendent - Employee Relations it may within 21 calendar days deliver a written notice referring the matter to arbitration or the concern will be considered resolved. Unless otherwise agreed by the parties, the Company will notify the arbitrator within 7 days of receiving the referral.

For the term of this Agreement, the arbitrator will provide a hearing date within 60 calendar days from the date the matter was referred to arbitration. If the arbitrator is unable to respond to the matter within these time limits, the parties must mutually request the selection of another arbitrator. The arbitrator shall render a written decision within 30 calendar days of the hearing based on the facts and with reference to this Collective Agreement.

At the time of the appointment of the arbitrator the parties may agree to direct the arbitrator to provide an oral award as an alternative to a written decision. In all presentations to the arbitrator, the parties encourage the sharing of pertinent information and, wherever possible, submit joint statements of fact.

The arbitrator shall not alter, modify, or amend any part of this Collective Agreement or make any decision inconsistent with its provisions.

The decision of the arbitrator shall be binding on the parties.

All arrangements for the hearing shall be made jointly, and expenses of the arbitrator shall be borne equally by the Company and the Union.

Any matter dealing with a discharge case may be introduced into this appeal procedure at Step II within 7 calendar days of the occurrence of the event giving rise to the dispute.

13.06 Any grievance filed by either party claiming a violation of the provisions of this Agreement may be filed as a grievance of a General Nature at Step 2 of the Grievance Procedure.

13.07 A written grievance to be processed to the next step shall state the reasons why the previous reply was unsatisfactory.

If the Company or the Union fails to reply to a grievance within the time limits prescribed, or any extension thereof, the party failing to reply shall be deemed to have conceded the grievance. The foregoing shall not prejudice the parties in any future grievances of a similar nature, providing notification in writing is given the other party within a period of thirty (30) days from the time the grievance was deemed to be conceded.

The parties agree to give each other ten calendar days' written notice prior to claiming a breach of time limits as provided for in the second paragraph of Article 13.07.

13.08 Arbitrator Selection

The Superintendent - Employee Relations and the President of Local 2724 will agree on the selection of an arbitrator. Failing agreement, selection of Arbitrators will be done under the provisions of the Ontario Labour Relations Act.

ARTICLE 14

VACATIONS WITH PAY

14.01

Regular Vacation

14.01.10 The Company and Union recognize the necessity for all personnel to get away from their regular work environments on annual vacation. Therefore employees who meet the following service year requirements at January 1 annually are entitled to vacation as follows:

1 service year but less than 5 service years	2 weeks
5 service years but less than 9 service years	3 weeks
9 service years but less than 15 service years	4 weeks
15 service years but less than 20 service years	5 weeks
20 service years but less than 25 service years	6 weeks
25 service years and more	7 weeks

New hires will be given 2 weeks vacation in the year of hire, prorated for the actual months of service (for example, an employee hired May 1 would get 8/12 of 2 weeks). This vacation is to be taken in the year of hire, however, should the employee leave prior to the end of the year; the appropriate adjustments will be made to their final payout. The provisions of Article 14.02 will not apply in the first year of hire. In the first full calendar year, the employee will receive 2 weeks vacation plus vacation bonus that would be applicable to the amount of vacation earned in the year of hire.

14.01.20 Service for the purposes of vacation entitlement shall normally accrue from the first of the month following the employee's date of hire.

14.01.30 An employee who works 6 months or more (except in his first year of employment) will be entitled to full vacation for the following year in accordance with 14.01.10. An employee who misses work due to a compensable injury or illness will be deemed to have worked 6 months or more.

It is agreed that this article does not apply to employees in the year of their retirement. In the year of retirement, the employee will receive a prorated amount of vacation entitlement (for example if the date of retirement is October 1, they will receive 9/12 of their vacation entitlement)

14.01.40 An employee who has worked less than 6 months in the year, because of illness or disability of a non-occupational nature, will be entitled to vacation in the subsequent year in accordance with the following calculation:

(Full months worked ÷ 6) X regular vacation entitlement

14.01.50 An employee who has worked less than 10 months in the year due to leave of absence will be entitled to vacation in the subsequent year in accordance with the following calculation:

(Full months worked ÷ 10) X regular vacation entitlement

14.01.60 All employees will receive one service year for each year of service except that an employee who requests and is granted a leave of absence for the following reasons will receive one service year less that proportion which weeks on leave of absence during the year bears to 52 weeks (to the nearest hundredth).

1. leave for personal reasons other than a parental or pregnancy leave.
2. leave to accept an elected or appointed position with the United Steelworkers.
3. leave to accept an elected or appointed position with any level of government or an agency thereof.

14.02

Vacation Bonus

All employees are entitled to a vacation bonus for each week of regular vacation. The bonus will be in the form of extra cash or, as may be mutually agreed by the Department Head and the individual employee, extra time off.

AMOUNT OF REGULAR VACATION	AMOUNT OF VACATION BONUS AS A % OF FEBRUARY'S SALARY	DAYS OF EXTRA VACATION IN LIEU OF VACATION BONUS
1 week but less than 2	5%	1 day
2 weeks	10%	2 days
3 weeks	15%	3 days
4 weeks	20%	4 days
5 weeks	25%	5 days
6 weeks	30%	6 days
7 weeks	35%	7 days

The vacation bonus will be paid automatically by separate cheque in March based on the preceding month's salary (exclusive of any Production Supplement or incentive) unless the Department Head authorizes the bonus to be converted to additional vacation days as indicated in the preceding table.

14.03

Scheduling Vacations

Subject to the following guidelines and procedures which should be adhered to as much as possible employees are to work out within their appropriate scheduling group, an equitable method of scheduling their vacations allowing the maximum number to be off at any one time without disrupting the efficiency of the operation.

1. Preference will be given to employees in accordance with bargaining unit seniority where vacation periods requested conflict, and efforts to resolve the conflict between the requesting employees, and their Department Head, have been exhausted.
2. Vacations must be scheduled in the calendar year and every effort should be made to keep scheduling groups to a minimum size. It is recommended that no more than 5 people be in a relevant scheduling group.
3. Subject to his scheduling group's guidelines and the needs of the operations, an employee may:
 - take all of his vacation at one time or in separate weeks;
 - take one year's vacation at the end of the year and the next year's vacation at the beginning of the succeeding year;
 - take his vacation in periods of less than a week.
4. Vacation should be booked in the department the employee is working in at the time of booking, not the department that they will be transferred to. Should the employee transfer during the year, he will schedule his remaining vacation in his new department, ensuring he does not displace a current employee's scheduled vacation weeks.
5. Employees must take all of their vacation as scheduled in the year in which they are entitled. Where the employee fails to take vacation because of a specific request by the employee or his Department Head, on mutual agreement between the employee and his Department Head, the vacation may be carried forward and added to the next year's vacation. This will be done by properly completing the "Vacation Deferral" form and submitting it to Salaried Payroll. Carry-forward for more than one year is not permitted. If it is in the interest of operations the Department Head may recommend pay in lieu of vacation which cannot be scheduled as time off in the current year. Subject to the provisions of the Extended Health Benefit Agreement, an employee who is unable to schedule his vacation as time off by the end of the

year because of an illness or injury will receive pay in lieu of any outstanding vacation pay.

In those instances where employees have unused Vacation or "C" time remaining at the end of the calendar year the following process will apply:

Vacation Time

All unused vacation time that is not authorized to be carried over into the following calendar year will be paid out, at straight time, during the next pay period thereafter (February 01 cheque).

Unused vacation time agreed to be carried over in accordance with Article 14.03 (5) must be taken by June 30th of the next calendar year.

Authorized carry over vacation time not taken by the June 30th date will be paid out, at straight time, during the next pay period thereafter (August 01 cheque).

"C" Time

"C" time that is carried over from one year to the next must be taken by June 30th of the year after it was earned.

All carried over "C" time not used by the June 30th date will be paid out, at time and one half, during the next pay period thereafter (August 01 cheque).

6. An employee who is disabled due to sickness or accident on a working day immediately prior to going on scheduled vacation may reschedule that period of vacation at a time later in the year which will not interfere with any vacation already scheduled by other department personnel.
7. An employee who is off on regularly scheduled vacation and who becomes disabled due to sickness or accident will continue to be on vacation until the scheduled vacation period is complete. However any subsequent vacation, which was scheduled prior to the disability occurring, may be rescheduled if the employee is still disabled when the vacation period is due to commence. The rescheduled vacation should not interfere with any vacation already scheduled by other department personnel.
8. When a person's employment is to be terminated as a result of retirement, any vacation to which he is entitled as of January 1st must be scheduled in accordance with departmental vacation scheduling procedures and must be taken as scheduled unless the employee retires prior to his scheduled vacation time or his failure to take such vacation was because of a specific request by the Division Manager or General Manager. In such cases he will receive pay in lieu of any vacation which is not taken as time off prior to retirement. An employee may, with the agreement of his department head, pull ahead and take vacation time off which had originally been scheduled to be taken after the effective date of his retirement.

9. Required Use of Vacation in Current Year When Absences Due to Disability Extend Beyond 15 weeks:

- An employee who is eligible for Salary Continuance during disability will normally have his salary continued for up to 15 weeks. However, if absences as a result of disability add up to 15 weeks in a 12 month period and the disability continues, the employee will be required to take his vacation entitlement for the current year at the end of that cumulative 15 week period. He will continue to be on vacation until his full vacation for the current year has been used up or until he returns to work, whichever comes first.
- Should an employee return to work from a disability before all his vacation is used up and he later becomes disabled again within 12 months after returning to work for a period of at least 2 weeks, he will be considered on vacation again immediately until his remaining vacation entitlement has been used.
- If a continuous absence due to non-occupational disability carries over into a new year, any unused vacation from the previous year must first be used at the end of the cumulative three-month period to be then followed by any new vacation to which the disabled employee becomes entitled on January 1st, to a maximum of three weeks. The scheduling of any balance of new vacation will then be determined on a monthly basis according to individual circumstances. This determination will be made by Human Resources and the Department Head.

10. When a person's employment is terminated for any reason he will receive pay for the regular vacation earned but not taken as of the date of leaving.

ARTICLE 15

15.01

Salaries

15.01.10 The Manual for Job Description and Classification is incorporated into this Agreement as Appendix "A" and its provisions shall apply as if set forth in full herein. The Company and the Union will each appoint one person to an evaluation committee which is responsible for describing and classifying 2724 occupations.

15.02 Each job shall be described and classified and a rate of pay applied to each job in accordance with the provisions of this Agreement.

15.03 Salaries

ADMINISTRATIVE AND STAFF SALARY SCALE

Effective August 1, 2010

GRADE	Standard								
	A	B	C	D	E	F	G	H	I
803	3709	3894	4089	4293	4508	4733.05	4970	5219	5480
804	3794	3984	4183	4392	4612	4842.36	5084	5338	5605
805	3876	4070	4274	4488	4712	4947.36	5195	5455	5728
806	4016	4217	4428	4649	4881	5124.54	5381	5650	5933
807	4106	4311	4572	4753	4991	5240.21	5502	5777	6066
808	4198	4408	4628	4859	5102	5357.10	5625	5906	6201
809	4293	4508	4733	4970	5218	5479.10	5753	6041	6343
810	4391	4611	4842	5084	5338	5604.97	5885	6179	6488
811	4493	4718	4954	5202	5462	5734.58	6021	6322	6638
812	4601	4831	5073	5327	5593	5873.17	6167	6475	6799
813	4716	4952	5200	5460	5733	6019.29	6320	6636	6968
814	4833	5075	5329	5595	5875	6169.26	6478	6802	7142
815	4953	5201	5461	5734	6021	6321.78	6638	6970	7319
816	5084	5338	5605	5885	6179	6488.30	6813	7154	7512
817	5210	5471	5745	6032	6334	6650.97	6984	7333	7700
818	5347	5614	5895	6190	6499	6823.81	7165	7523	7899
819	5490	5764	6052	6355	6673	7006.85	7357	7725	8111
820	5637	5919	6215	6526	6852	7194.93	7555	7933	8330

OPERATING AND SERVICE SALARY SCALE (OS9)

Effective August 1, 2010

GRADE	Standard								
	A	B	C	D	E	F	G	H	I
906	4182	4391	4611	4842	5084	5338.14	5605	5885	6179
907	4314	4530	4757	4995	5245	5506.73	5782	6071	6375
908	4457	4680	4914	5160	5418	5689.24	5974	6273	6587
909	4604	4834	5076	5330	5597	5876.89	6171	6480	6804
910	4767	5005	5255	5518	5794	6083.59	6388	6707	7042
911	4934	5181	5440	5712	5998	6297.77	6613	6944	7291
912	5095	5350	5617	5898	6193	6503.16	6828	7169	7527
913	5261	5524	5800	6090	6395	6714.87	7051	7404	7774
914	5439	5711	5997	6297	6612	6943.03	7290	7655	8038
915	5625	5906	6201	6511	6837	7178.83	7538	7915	8311
916	5819	6110	6416	6737	7074	7427.30	7799	8189	8598

OPERATING AND SERVICE SALARY SCALE (ST9)

Effective August 1, 2010

GRADE	A	B	C	D	E	Standard			
						F	G	H	I
906	4081	4285	4499	4724	4960	5207.69	5468	5741	6028
907	4199	4409	4629	4860	5103	5357.65	5626	5907	6202
908	4325	4541	4768	5006	5256	5519.08	5795	6085	6389
909	4455	4678	4912	5158	5416	5686.79	5971	6270	6584
910	4599	4829	5070	5324	5590	5869.83	6163	6471	6795
911	4748	4985	5234	5496	5771	6059.21	6362	6680	7014
912	4890	5135	5392	5662	5945	6242.24	6554	6882	7226
913	5037	5289	5553	5831	6123	6429.07	6751	7089	7443
914	5197	5457	5730	6016	6317	6632.41	6964	7312	7678
915	5361	5629	5910	6206	6516	6842.13	7184	7543	7920
916	5534	5811	6102	6407	6727	7063.26	7416	7787	8176

700 SALARY SCALE AT AUG.1, 2010

GRADE	A	B	C	D	E	Standard			
						F	G	H	I
701	4167	4375	4594	4824	5065	5317.92	5584	5863	6156
702	4546	4773	5012	5263	5526	5802.66	6093	6398	6718
703	4831	5073	5327	5593	5873	6166.23	6475	6799	7139
704	5306	5571	5850	6143	6450	6772.17	7111	7467	7840
705	5876	6170	6478	6802	7142	7499.30	7874	8268	8681
706	6636	6968	7316	7682	8066	8468.80	8892	9337	9804

Effective August 1, 2011

The cost of living allowance will be rolled into the base salaries as per Article 15.04.60. The above salary scales will then be increased by 1%.

Effective August 1, 2012

The cost of living allowance will be rolled into the base salaries as per Article 15.04.70. The above salary scales will then be increased by 2.5%.

Effective July 31st, 2013

The cost of living allowance will be rolled into the base salaries as per Article 15.04.80.

Effective August 1, 2013

The above salary scales will be consistent with those negotiated with USW Local 2251 for the same period.

15.04

Cost of Living

15.04.10 Following the release of the Consumer Price Index for July 2010 by Statistics Canada based on the 1981 equals 100 index, the Company shall compare such index with the Consumer Price Index for April 2010.

15.04.20 Effective with the first pay period following the release of the Consumer Price Index for July 2010, and on a similar basis quarterly thereafter, a cost of living allowance will be paid on the basis of one cent for each .125 increase for the comparison periods listed below:

FOLLOWING THE RELEASE OF THE INDEX FOR	BASED ON THE COMPARISON OF
July 2010	July 2010 with Apr. 2010
Oct. 2010	Oct. 2010 with July 2010
Jan. 2011	Jan. 2011 with Oct. 2010
Apr. 2011	Apr. 2011 with Jan. 2011
July 2011	July 2011 with Apr. 2011
Oct. 2011	Oct. 2011 with July 2011
Jan. 2012	Jan. 2012 with Oct. 2011
Apr. 2012	Apr. 2012 with Jan. 2012
July 2012	July 2012 with Apr. 2012
Oct. 2012	Oct. 2012 with July 2012
Jan. 2013	Jan. 2013 with Oct. 2012
Apr. 2013	Apr. 2013 with Jan. 2013
July 2013	July 2013 with Apr. 2013

15.04.30 Such allowance will be paid for straight time hours worked only, and will not be paid for overtime hours, premium hours or used as a basis for calculation of overtime or incentive payment.

15.04.40 Should the Consumer Price Index in its present form based on the formula 1981 equals 100 become unavailable, the parties shall attempt to adjust this Article or, if agreement is not reached, request Statistics Canada to provide the appropriate conversion or adjustment which shall be applicable as of the appropriate adjustment date and thereafter.

15.04.50 The cost of living allowance referred to in Article 15.04.20 will be reduced on the same basis as the increases provided for herein if the Consumer

Price Indices on the review date specified herein are below the indices used for comparison purposes.

15.04.60 Effective August 1, 2011, the total amount of the cost of living allowance in effect at July 31, 2011 will be added to the Standard Salary Grid.

15.04.70 Effective August 1, 2012, the total amount of the cost of living allowance in effect at July 31, 2012 will be added to the Standard Salary Grid.

15.04.80 Effective July 31, 2013 the total amount of the cost of living allowance in effect at July 31, 2013 will be added to the Standard Salary Grid.

15.05

Premiums

15.05.10 The Company shall pay employees a shift premium on the following basis:

Afternoon Shift - 3 p.m. to 11 p.m. or 4 p.m. to 12 midnight

Night Shift - 11 p.m. to 7 a.m. or 12 midnight to 8 a.m. or on any scheduled shift beginning at or after 4:30 p.m.

Sunday - the twenty-four hour period beginning 12:01 a.m. Sunday or the shift starting time closest thereto

<u>Shift Worked</u>	<u>Payment per Shift</u>
Afternoon	\$2.00
Night	\$2.80
Sunday	\$3.60

The Sunday premium will be paid in addition to the afternoon or night premium if either one of those is also applicable.

15.05.20 Shift and Sunday premiums will not be paid for part shifts worked and will not be used as part of the hourly rate for the purpose of calculating overtime rates.

Base Monthly Salary

15.06.10 Base monthly salary is defined as the employee's base salary exclusive of any Out of Line Differential, shift and Sunday differential, etc.

The Company may pay an employee above the Standard Rates listed in the "Administrative and Staff Salary Scale" or the "Operating and Service Salary Scale".

15.06.20 An employee who is assigned to work on a higher paying job in the bargaining unit will receive a replacement rate in addition to his regular rate under any of the following conditions:

1. He works on the higher job for at least a full work week, or
2. He works on the higher job for at least 5 days during a calendar month, or
3. He does not satisfy #1 or #2 but continuously replaces on the higher job to the point that he is proficient on and can perform the full scope of the job, even when promoted for short periods.

The replacement rate is not intended to be paid for intermittent or isolated shifts.

The replacement rate will normally be an amount of not less than 5% and not more than 10% of the employee's basic rate of pay. His total rate will not exceed the standard rate (F rate) for the job on which he is replacing. When an employee has been continuously replacing for 12 months he will be entitled to an increase in his replacement rate provided that this total rate does not exceed the standard rate for the job on which he is replacing. Where his total rate equals the standard rate for the higher job, he will be paid the standard rate for the higher job until such time as he returns to his former occupation.

Where an employee works overtime on the job on which he is replacing he shall receive O/T rates on the replacement rate. Where an employee takes vacation while replacing on a higher job he shall receive the replacement rate while on vacation provided that he has replaced for at least one month during the period in question and has replaced for at least one week both before and after his vacation.

Pay Days

15.07 Normally employees shall be paid on the first day of every month.

Jury Pay

15.08 An employee who is called for jury duty, or subpoenaed to appear as a witness in a court of law, will be paid for each day of jury or witness duty his regular salary for his regular shift. The employee will present proof of service.

Funeral Pay

15.09 An employee shall be permitted time off from work for the purpose of arranging and attending the funeral of a member of his immediate family, up to a maximum of three days. Where any of such days fall on a scheduled working day for the employee, he shall be paid a funeral pay allowance for each day equivalent to 8 times (or 7 3/4 times, whichever is appropriate) the hourly equivalent of his base monthly salary. Immediate family shall mean spouse, son, daughter, mother, father, sister, brother, mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, grandmother, grandfather, grandchild, common-law spouse as defined in Article 1.01 of the Extended Health Benefit Agreement and the parents of such common-law spouse.

Bereavement Pay

15.10 An employee, not entitled to funeral pay under Article 15.09, shall be permitted, upon request, one day off work with pay in the event of the death of a member of his immediate family as defined in Article 15.09. He shall be paid a bereavement pay allowance for such day of 8 times (or 7 3/4 times, whichever is appropriate) the hourly equivalent of his base monthly salary. Such time off will be given on the day of the death or on the first or second day immediately following or the date of the funeral or memorial service.

Correction of Errors

15.11 Any mathematical or clerical errors made in the preparation, establishment or application of job descriptions, job classifications, or standard monthly rates shall be corrected to conform to the provisions of this Agreement.

15.12

Out of Line Differentials

15.12.10 An out-of-line differential (O.L.D.) shall be established for any employee(s) whose job is re-evaluated such that total monthly compensation is permanently reduced.

15.12.20 The out-of-line differential shall be equal to the difference in the total compensation between the former and the new rate for the occupation.

15.12.30 Except as provided below, the out-of-line differential shall continue to be paid to the employee(s) for whom the O.L.D. is established during such time the employee(s) continues to occupy the occupation for which the O.L.D. is established.

15.12.40 If an employee with an out-of-line differential accedes to a job having a higher total monthly compensation, then the differential shall be reduced by the amount of the increase in the total monthly compensation.

15.12.50 If an employee with an out-of-line differential is assigned to another job and under the terms of this Agreement a lower total monthly compensation is applicable, then the out-of-line differential shall be terminated.

15.12.60 Such O.L.D. shall be reduced by the amount of any salary grid increase and Cost of Living Allowance until the employee's total monthly compensation based on the salary grid exceeds his O.L.D. earnings.

Inequity Grievances

15.13 Except as otherwise provided herein, no basis shall exist for an employee covered by this Agreement, to allege that a salary rate inequity exists, and no grievance on behalf of an employee alleging a salary rate inequity shall be filed or processed during the term of this Agreement.

Listing of Occupations

15.14 The attached Appendix "F" provides a listing of occupations covered within the bargaining unit for information purposes only. It will not be relied upon by either party in any claim. It does not reflect all the jobs in the Local.

ARTICLE 16

STRIKES AND LOCKOUTS

16.01 There shall be no lockout by the Company and no interruption of work, work stoppage, strike, sit-down, slow-down or any other interference with production by an employee or employees during the term of this Agreement.

16.02 In the event of a strike or work stoppage and unless the Union by its recognized officers renounces said unauthorized strike or work stoppage, either general or partial, within twenty-four hours after the commencement of such strike or work stoppage, and declares any picket line set up in connection therewith to be unauthorized and not binding on the Union, the deduction of Union dues under this Agreement may be suspended by the Company for a period of not less than one or more than six months. Such suspension shall be for such period as the Company deems reasonable having regard to all the circumstances and the exercise of its discretion may be reviewed by the Arbitrator set up as provided in Article 13.05.

ARTICLE 17

PENSION, EXTENDED HEALTH BENEFIT AGREEMENTS

17.01 The Company agrees to provide a defined benefit pension plan. The terms and conditions of the Pension Plan are set out in the Pension Agreement (which is the legal Plan text as filed with the pension authority under the name "Essar Steel Algoma Inc. Salaried Employees Pension Plan" established effective September 17, 2001). The Pension Agreement is incorporated into, and forms part of this Collective Agreement.

17.01.01 The Company agrees to provide a defined contribution pension plan effective January 1, 2011 for all new hires and those existing employees wishing to switch for future service purposes. The terms and conditions of the Pension plan are set out in the Pension Agreement (which is the legal Plan text as filed with the pension authority under the name "Essar Steel Algoma Inc. Employees Defined Contribution Pension Plan – Salary Division" established effective January 1, 2011). The Pension Agreement is incorporated into, and forms part of this Collective Agreement.

17.02 The Extended Health Benefit and S.U.B. Agreements between the Company and the Union are supplemental to this Agreement, but nothing contained herein shall affect the termination dates or any other provisions of such agreements.

ARTICLE 18

PROFIT SHARING PLAN

The Company and the Union agree to continue the existing profit sharing plan for all employees including non-bargaining unit employees. The formula to be used will be based on a percentage of annual income from the Company's Sault Ste. Marie operations adjusted for the effects of Purchase Accounting ("Adjusted Annual Income From Operations") as outlined below:

<u>Adjusted Annual Income From Operations</u>	<u>Profit Sharing Percentage</u>
On first \$50 million	0%
On income over \$50 million to \$100 million	6%
On income over \$100 million to \$150 million	8%
On income in excess of \$150 million	10%

Profit sharing will be made in two installments. 50% of the projected profit sharing payments will be paid within 30 days of the release of Q2 financials. The remaining profit sharing payment, if any, shall be paid within 90 days of the close of the fiscal year. 100% of the profit sharing pool will be paid out.

Profit sharing and other special payments shall be excluded from the calculation of Vacation Pay.

Profit sharing payments for the first two quarters of each calendar year shall be based on reported unaudited results. Fourth quarter and final annual calculations shall be based on audited financial statements of each fiscal year. The Company agrees to supply the United Steelworkers with a copy of each reported unaudited quarterly financial statement within 60 days of the end of each quarter as well as a copy of the audited annual financial statement within ninety days of the end of each fiscal year.

"Adjusted Annual Income From Operations" is defined as income from Sault Ste. Marie operations excluding charges for interest and other financial expense, interest income, dividends on preferred shares, income taxes, extraordinary items, one-time and other special charges, adjusted for the effects of the Purchase Accounting adjustments required under generally accepted accounting principles as a result of the acquisition of the Company in June 2007. The Purchase Accounting adjustments affect the future amount of cost of sales, amortization expense, pension expense and post-employment benefit expense. It is intended that Adjusted Annual Income From Operations will remove the impact of these Purchase Accounting adjustments so that the amount of profit sharing is not affected by the accounting for the acquisition.

It is understood that, for the purposes of determining Annual Adjusted Income from Operations, all transactions and other dealings with related companies, shall be accounted for at arm's length.

If the Union so requests, the Company shall pay for an independent auditor to verify the calculation of Adjusted Annual Income from Operations.

Accounting principles used to calculate Adjusted Annual Income from Operations will be consistent. Accounting principles will be the same as those used in 2006 Audited Statements and generally accepted accounting principles. If accounting principles change such that there is a material effect on profit sharing, the Company is to inform the Union and there is agreement to amend the formula of the profit sharing plan or the determination of Adjusted Annual Income From Operations to offset the changes in accounting principles.

Profit sharing payments will be paid on the basis of hours. The total amount of the Profit Sharing Pool will be divided by total hours to establish the hourly profit share. Individual profit sharing payments will be equal to the hourly profit share multiplied by individual's hours.

Hours shall be defined as:

- straight time hours worked,
- overtime hours worked,
- out of bank hours,
- vacations and statutory holidays,
- jury duty, witness and bereavement leave,
- leave for union business,
- Union Executive,
- members in receipt of sickness and accident benefits or salary continuance and Workers' Compensation to a maximum of one year,
- pregnancy and paternity leaves,
- military and compassionate leaves.

Any exclusions and inclusions in a signed letter, entitled "Profit Sharing Rules", agreed to by Locals 2251 and 2724, on March 9, 2006 will be incorporated into the Profit Sharing Rules of this Collective Agreement, except for the following change.

Eligible hours are capped at 2,000 for all schedules for the year to be eligible for a full share.

ARTICLE 19

PAYMENT OF PROFESSIONAL FEES

19.01 Where an employee is required by the Company to maintain a professional accreditation to establish a particular level of competency, and there is a cost to do so, the Company will reimburse each such individual so required the amount of the fee upon presentation of appropriate proof of payment to his Department Head.

ARTICLE 20

DURATION OF AGREEMENT

20.01 This Agreement shall be effective from August 1, 2010 to July 31, 2014 and thereafter from year to year unless either party gives written notice of termination at the end of a contract year (commencing with the year ending July 31, 2014) not more than ninety (90) days nor less than sixty (60) days prior to July 31 of such year.

Appendix “C”

Families – USW Local 2724

Position	Family I.D	Locations	Job Code
Mechanical Engineering Specialist	F-01	Cokemaking	51101
		Ironmaking	53259
		Steelmaking	57259
		Plate & Strip	36651
		Cold Mill	36651
Electrical Engineering Specialist	F-02	Cokemaking	51107
		Ironmaking	53251
		Steelmaking	59302
		Plate & Strip	62059
		Cold Mill	35333
FLS - Central Mtce	F-03	Central Maintenance	36328
		Crane Repairs	38330
		Mobile Mtce (Central Mtce)	38328
		Carpenters	38333
		Infrastructure	38331
		Central Trades	36400
Senior Planner - Central	F-04	Central Maintenance	36185
		Crane Repairs	38336
		Mobile Maintenance	38334
		Carpenters	36185
		Infrastructure	36185
		Central Trades	36406
FLS - Masonry	F-05	Ironmaking/Speciality Shop	42108
		Cokemaking	42106
		Steelmaking, Caster, DSPC	42037
FLS - Shops	F-06	Welding	31800
		Fabrication & Car Shop	31500
FLS - DSPC	F-07	Casting	61051
		Mill Area	62053

Position	Family I.D	Locations	Job Code
Engineering Ladder	F-08	Mechanical Electrical / Automation Maintenance Reliability/Project Group	26058
			26062
			26064
			26066
			26067
			26076
			26100
			26185
			27037
			27043
Process Engineering Ladder	F-09	Central Assigned Quality Assurance	26239
			26250
			26251
			48237
			48238
FLS - Cold Mill	F-10	Shipping & Steel Flow Temper Mill/Slitter Pickler Reduction & Anneal	77294
			77296
			77009
			77295
FLS - Cokemaking	F-11	By-Products Material Handling	51297
			51425
FLS - Ironmaking	F-12	Ironmaking & Furnaces Casthouse	53048
			53047
Q.E./Technical Services - Metallurgist Ladder	F-13	Metallurgical Materials Design	28418
			28465
			28464
			28460
			28463
Technical Service Managing Met	F-14	Metallurgical Materials Design	28449
			28449
H+E Officer (and ladder)	F-15	Air Water ISO	21458
			21122
			21457

Position	Family I.D	Locations	Job Code
FLS - Steelmaking	F-16	Cranes & Equipment Utilization	59100
		Charging & Melting	59102
		Ladles	59104
		Refining	59103
		Casting Supervisor	60100
Human Resources Representative	F-17	Training	} { 21811 21812 21813 21814 21875 21876
		Benefits	
		Wage+ Salary Evaluation	
		Comp. + Rehab	
		Personnel	
IT &BPI	F-18	Network Operations +	} { 27037 27042 27043 27048 27050 27051 27073 27074 27148 27333 27338 51021
		Support Services	
		Systems Development	
		IT Architecture / Technology	
		Projects	
Business Analyst	F-19	all areas	27014
Specification Analyst (and ladder)	F-20	Plate	24408
		Strip	24408
Supervisor - Order Fulfilment & Services	F-21	Booking & Planning	24118
		Order Entry	24119
		Slab Purchase/Conversion & Special Projects	24118
FLS - Manufacturing Scheduling	F-22	FLS - Finishing & Outside Processing	24393
		FLS - 106/166/Plate Finishing	24792
FLS Vacation Replacement - Primary	F-23	Cokemaking	51710
		Ironmaking	53700
		Steelmaking	59700
FLS Vacation Replacement - Rolling Mills	F-24	DSPC	62700
		Cold Mill	77700
		Plate and Strip	64700

Ladders – USW Local 2724

Location	Ladder ID	Job Code	Grade	Title	
Finance & Accounting	L-01	23222	812	Financial Accounting Analyst	
		23218	816	Senior Financial Accounting Analyst	
	L-02	23018	812	Cost Analyst	
		23016	815	Senior Cost Analyst	
	L-03	23636	812	Accounting Systems Analyst	
		24395	814	Senior Analyst/Programmer	
		23632	815	Senior Accounting Systems Analyst	
		23642	816	Senior Accounting Specialist	
	L-04	23038	812	Accounting Control Analyst	
		23037	815	Senior Accounting Control Analyst	
	Maintenance Technology	L -05	45206	814	Maintenance Engineer
			45205	816	Senior Maintenance Engineer
Construction	L-06	26185	912	Project Planner	
		45010	914	Project Supervisor	
		45207	915	Senior Project Supervisor	
Technical Services	L-07	28110	Level 1	Tech. Service Representative Level 1	
		28111	Level 2	Tech. Service Representative Level 2	
		28112	Level 3	Tech. Service Representative Level 3	
		28113	Level 4	Tech. Service Representative Level 4	
	L-08	28192	909	Developmental Chemist	
		28190	912	Senior Chemist	
	L-09	28418	809	Engineering Assistant	
		28465	912	Metallurgist	
		28464	915	Senior Metallurgist	
		28460	916	Metallurgical Specialist	
	L-10	28291	812	Metallurgical Services Technologist	
		28292	814	Senior Metallurgical Services Technologist	
	L-11	28366	809	Assistant Metallographer	
		28364	812	Metallographer	
		28369	813	Senior Metallographer	
	Manufacturing Technology	L-12	26251	909	Process Analyst
26250			911	Senior Process Analyst	
26239			913	Process Engineering Specialist	
48237			914	Manufacturing Technology Associate	
48238			9 NG	Manufacturing Technology Consultant	

Location	Ladder ID	Job Code	Grade	Title		
Engineering (Mechanical & Electrical, Project or Maintenance Technology)	L-13	26078	807	Draughtsperson		
		26076	809	Engineering Assistant		
		26185	810	Engineering Technologist		
		26068	812	Designer		
		26066	813	Department Engineer		
		26067	814	Senior Designer		
		26064	816	Technical Specialist		
		26100	816	Project Supervisor		
		27037	813	Supervisor Engineering		
		27043	818	Senior Technical Specialist		
		26062	818	Senior Project Supervisor		
IS & BPI	L-14	27042	808	Systems Assistant		
		51021	810	Programmer		
		27048	810	Software Support Analyst Analyst		
		27338	812	Programmer		
		27051	812	Computer Operations Analyst		
		27074	812	Systems Designer		
		27148	814	Senior Analyst Programmer		
		27050	814	Senior Computer Systems Analyst		
		27073	814	Senior Systems Designer		
		27037	816	Technical Specialist		
		27043	818	Senior Technical Specialist		
		27333	818	Senior Technical Supervisor		
			L-15	27047	811	Office Systems Analyst
		27046		813	Senior Office Systems Analyst	
			L-16	27071	911	Supervisor Computer Systems Maintenance
	27070	913		Senior Supervisory Computer Systems Mtce		
Customer Service	L-17	24775	809	Junior Customer Service Specialist		
		24780	812	Customer Service Specialist		
		24088	815	Senior Customer Service Specialist		
		L-18	24409	809	Specification Analyst	
	24408		812	Senior Specifications Analyst		
	24407		814	Senior Specifications Specialist		
	24410		815	Product Configuration Specialist		
	Manufacturing Scheduling	L-30	24090	812	Manufacturing Scheduling Analyst	
24092			814	Senior Manufacturing Scheduling Analyst		
Strategic Business Analysis	L-19	23018	812	Cost Analyst - Profitability		
		23029	815	Senior Cost Analyst - Profitability		

Location	Ladder ID	Job Code	Grade	Title
Sales Planning	L-20	24334	812	Planning Analyst
		24333	814	Senior Planning Analyst
	L-21	24348	808	Systems Assistant
		24355	810	Software Support Analyst
		24357	812	Analyst Programmer
		23637	814	Senior Analyst Programmer
24344	816	Technical Specialist		
Corporate Logistics, Purchasing & Stores	L-22	22871	812	Buyer
		22868	814	Senior Buyer
		22869	815	Senior Commodity Buyer
	L-31	22248	812	Junior Traffic Analyst
		22246	814	Traffic Analyst
		22249	815	Senior Traffic Analyst
Quality Blanks International	L-23	78114	812	Customer Service Representative
		78113	814	Senior Customer Service Representative
Welded Beam	L-24	78114	812	Customer Service Representative
		78113	814	Senior Customer Service Representative
Safety, Emergency & Environmental Services	L-25	21378	908	Emergency Response Officer
		21392	911	Senior Emergency Response Officer
	L-26	21458	809	Assistant Environmental Control Officer
		21122	812	Environmental Control Officer
		21457	815	Senior Environmental Control Officer
	L-27	27556	809	Assistant Occupation Health & Safety Officer
27554		812	Occupational Health & Safety Officer	
27552		815	Senior Occupational Health & Safety Officer	
27551		816	Industrial Hygienist	
Human Resources	L-28	21811	812	Human Resources Representative Level 1
		21812	815	Human Resources Representative Level 2
		21813	817	Human Resources Representative Level 3
		21814	818	Human Resources Representative Level 4
	L-29	21874	809	Return-to-work Specialist
		21875	812	Sr. Return-to-work Specialist

Appendix “D”

Ladders and Families Definition Article 7.05

A job family has the following characteristics (in certain circumstance there may be exceptions):

- a. Same job description (refer to ladder language) job description encompasses all the functions performed by the incumbents
- b. Same standard rate pay
- c. Same dept.
- d. In case of reduction, the junior person (Local 2724 seniority) would be displaced
- e. Posting mention the family and the various locations
- f. Similar hours of work (don't combine shift workers and day workers)
- g. Incumbents should have the ability to move to standard rate and be allowed to train in all areas or move to standard rate if wishes to train but not allowed.
- h. An Organizational Chart will be developed with consensus of the Company and the Local and published by December 31, 2010.
- i. Any new job families or changes to job families must be agreed to by Company and Local.

Ladders

Progression is the means by which an employee moves to the higher level of a job within a department (e.g.) – “analyst to senior analyst”. A list of these jobs will be developed and agreed to by the Company and Local Union.

Progression requirements for each job on a ladder will be identified and explained to the employees affected. If an employee has not met the progression requirements, their supervisor will identify areas of deficiency. If an employee believes that they should advance on their ladder progression and their direct supervisor disagrees, the employee may contact the Human Resources department. The Human Resources department will then arrange for a meeting with the employee, their immediate supervisor, the Local Union and a representative from the Human Resources department to determine what actions can be taken.

Appendix “E”

RECRUITMENT PROCESS

The parties recognize that a fair, consistent, efficient and effective selection process must be implemented to ensure that capable and committed people are selected or recruited for all positions and that bargaining unit employees have the opportunity to reach their full potential through a fair and open process. In recognition of the above, the posting and selection process will take into account the following:

Skilled Knowledge – does the applicant have the skilled application of knowledge to the accountabilities of the role? (includes Education, Technical Skills, knowledge of product or processes, computer skills);

Maturity - is the employee mature enough to handle the stresses, uncertainties, tough decisions and strained working relations that invariably occur in demanding work environment? (includes interpersonal skills, leadership skills, communications, team skills, decision making);

Commitment - does the employee value the work of the role and the working conditions sufficiently to fully apply his / her capabilities to succeed in meeting the roles accountabilities? (includes knowledge of product and process, technical skills decision making, education);

Capability – does the applicant have the ability to handle the complexity of the role? (includes trouble shooting, problem solving, decision making, experience).

Posting Process

Jobs should be posted for a minimum of 8 days.

Postings for positions will be developed as soon as notice of vacancy is received from Accountable Manager(s). Postings will list:

- Qualifications
- Job Class
- Standard Rate
- Posting Closing Date
- Department/Role/Location
- Reporting Relationship
- Ladder or Family (identify related roles)
- Context of role and Primary Accountabilities

Qualifications

Only applicants meeting musts are considered for an interview.

The resumes of candidates not meeting musts are forwarded to Local 2724.

If the manager(s) accepts the senior qualified applicant, no interview is required otherwise the process is outlined below.

A Human Resources Representative will contact applicants not meeting musts or candidates who meet musts who will not be interviewed because the role is filled.

In the event the position is not filled by a member of Local 2724, executive involvement for the filling of the vacancy is at their discretion.

Where there are no Local 2724 candidates or qualified Local 2724 applicants who did not meet the musts or meet the bar, the process will be the same for interviews outside of the bargaining unit. Any of the candidates who meet the minimum musts can be selected for an interview.

Position Criteria

Job selection criteria as determined by the Accountable Manager(s) and a Human Resources Representative must be kept current and will be consistent with changes to the job description.

Description and re-evaluation of position must take place within 14 days of change to accountabilities of the role.

Criteria and scoring guidelines defined for each job will be weighted and applied consistently to comparable roles across the company. Similar positions will have similar criteria and similar criteria weightings. Criteria will be measurable and demonstrable (for example, using behavioral based questions and the person's documented work history).

A scoring bar will be determined at a level which the candidate could perform the job and perform competently with training and experience.

Selection Committee

The selection committee must consist of the Accountable Manager(s), Human Resources Representative and Local 2724 executive designate and may include the incumbent or other knowledgeable person.

Committee members must not be applying for the position. Any other conflicts should be discussed by the committee and be dealt with on an individual basis by the Selection Committee.

The role of this committee is to;

- Review job descriptions, criteria and scoring guidelines.
- Interview and evaluate candidates.
- Provide feedback on applicants to the Accountable Manager(s) and the Human Resources Representative.

Interview and Selection Guidelines

- The 'Musts' are mandatory, measurable and reasonable.
- Criteria can be combined where appropriate.
- Less than 8 criteria limits scope of evaluation.
- More than 15 criteria become cumbersome and limits impact of individual criteria.
- Appropriate criteria for the job will be defined and weighted.
- Questions will be drawn up for each criteria. A decision is made on whether the responses will be written or verbal. (Some criteria may be evaluated from the resume). The questions should address the criteria and the scoring for those criteria.
- Scoring for appropriate responses will be determined.
- A scoring bar will be determined at a level at which the candidate scoring over the bar could "perform the job adequately and perform competently with training".
- The first candidate will be run through the interview process to assess the appropriateness of the bar and create consensus of scoring levels for various responses.

To note:

- * We are setting criteria for a single job only, not for possible future jobs. (i.e. not used for succession planning).
- * May need to adjust criteria for ladders.
- * Criteria must be assessable by an independent observer. (criteria such as being honest, respected and other such attributes are based on subjective opinion and are not acceptable.)
- * Criteria and questions should be geared to skills and characteristics that can be demonstrated.

The normal qualifications which are part of the posting process that are weighted according to the requirements of the position are listed below. These are over and above the musts e.g. 4 year Engineering Degree:

Interpersonal Skills
Organizational Skills
Communication Skills
Leadership Skills
Trouble Shooting and Problem Solving
Decision Making
Computer Skills
Knowledge of product and processes of area
Health & Safety
Team Player
Education
Technical Skills

Outline of Process Steps

1. The job vacancy is identified by the Accountable Manager(s).
2. The Selection Committee is identified.

It is the responsibility of the Accountable Manager(s) and the Human Resources Representative to:

- Develop the posting based on the role specification and qualifications.
 - Select and define the criteria (including any musts).
The “bar” and “weights” are established.
 - Prepare a list of all applicants meeting the “musts,” for review by the Accountable Manager(s).
3. The Human Resources Representative will send questions requiring a written response, and where applicable, job related assessments as defined in the “musts” to the candidates on the short list to help give further insight about candidates.
 4. The Selection Committee may meet to discuss and evaluate the candidates’ written answers and any applicable job related assessments administered. Where warranted, specific follow-up questions will be asked in the interview.
 5. Candidates are interviewed in order of seniority. There will be no limit to the number of 2724 candidates that may be interviewed.

6. From the list of candidates over the bar, the successful applicant will be selected by the Selection Committee based on qualifications, skill, ability and previous work performance. When those factors are relatively equal, the candidate with the most seniority will be offered the position.
7. The successful candidate is identified and the unsuccessful candidate(s) are notified and provided with feedback on strengths and weaknesses by the Accountable Manager(s) on the Selection Committee if requested.

Appendix “F”

Note – This listing captures the diversity of the occupations in the Local Union and as such may not reflect all Job Titles and Job Codes.

Job Code	Job Title	Type	Grade	Std Rates Aug 01/10
05-140	Pricing Analyst	ST8	812	\$5,873.17
21-250	Apprenticeship Coordinator	MIA	815	\$6,327.44
21-311	Medical Records Officer	ST8	807	\$5,240.21
21-320	Technician	MIA	808	\$5,596.60
21-376	Shift Supervisor - Emergency Response	MIA	913	\$6,713.14
21-377	Senior Emergency Response Officer	ST9	911	\$6,059.21
21-378	Emergency Response Officer	ST9	908	\$5,519.08
21-405	Fire Prevention Officer	MIA	913	\$6,713.14
21-409	Records Officer- Security	ST8	807	\$5,240.21
21-454	Supervisor Environment Control Services	MIA	819	\$7,642.89
21-456	Environment Control Officer	ST8	812	\$5,873.17
21-457	Sr. Environment Control Officer	MIA	815	\$6,399.19
21-458	Assistant Environment Control Officer	ST8	809	\$5,479.10
21-662	Administrative Assistant	MIA	805	\$4,978.35
21-668	CWS Clerk	ST8	805	\$4,947.83
21-800	Health & Safety Committee Member	ST9	900	\$6,427.55
21-811	Human Resources Representative Level 1	ST8	812	\$5,873.17
21-812	Human Resources Representative Level 2	MIA	815	\$6,327.44
21-813	Human Resources Representative Level 3	MIA	817	\$6,732.93
21-814	Human Resources Representative Level 4	MIA	818	\$7,160.03
21-874	Return - To - Work Specialist	ST8	809	\$5,479.10
21-875	Senior Return-To-Work Specialist	ST8	812	\$5,873.17
21-876	Claims Management Specialist	MIA	815	\$6,327.44
22-202	Supervisor Corporate Logistics & Raw Material Processing	ST8	818	\$6,823.81
22-244	Senior Analyst/Programmer	MIA	814	\$6,198.08
22-246	Traffic Analyst	ST8	814	\$6,169.27
22-248	Junior Traffic Analyst	ST8	812	\$5,873.17
22-249	Senior Traffic Analyst	ST8	815	\$6,321.78
22-411	FLS - Stores	OS9	914	\$6,943.03
22-415	Supervisor - Inventory Management	MIA	816	\$6,698.66
22-865	Purchasing Agent	MIA	818	\$7,915.92
22-866	Supervisor - Buying	MIA	816	\$6,698.63
22-868	Senior Buyer	ST8	814	\$6,169.26
22-869	Senior Commodity Buyer	ST8	815	\$6,321.78
22-871	Buyer	ST8	812	\$5,873.16

23-016	Senior Cost Analyst - Primary	MIA	815	\$6,671.00
23-018	Cost Analyst	ST8	812	\$5,873.17
23-029	Senior Cost Analyst - Profitability	MIA	816	\$6,823.80
23-037	Senior Accounting Control Analyst	MIA	816	\$7,005.84
23-038	Accounting Control Analyst	ST8	812	\$5,873.16
23-054	Supervisor - Works Accounting	MIA	817	\$7,990.07
23-057	Cost Control Accountant	MIA	816	\$6,823.80
23-065	Supervisor - Cost Accounting	MIA	817	\$7,597.12
23-068	Tax Accountant	MIA	800	\$8,602.84
23-080	Time Supervisor	MIA	815	\$6,433.53
23-084	Supervisor - Cash Forecasting & Banking	MIA	817	\$7,193.34
23-090	General Supervisor - Payroll	MIA	818	\$8,062.22
23-091	Supervisor - Credit	MIA	816	\$6,776.90
23-151	Senior Commodity Tax Analyst	MIA	815	\$6,823.80
23-178	Payroll Supervisor	MIA	816	\$6,823.80
23-179	Payroll Administrator	ST8	810	\$5,604.97
23-182	Treasury Assistant	ST8	808	\$5,357.10
23-185	Senior Credit Analyst	ST8	812	\$5,873.17
23-187	Accounting Generalist	ST8	812	\$5,873.17
23-209	Senior Staff Auditor	MIA	816	\$7,038.97
23-218	Senior Financial Accounting Analyst	MIA	816	\$6,823.80
23-222	Financial Accounting Analyst	ST8	812	\$5,873.17
23-224	Accounting Assistant	ST8	809	\$5,479.10
23-333	Project Evaluation & Forecast Analyst	MIA	816	\$6,823.80
23-632	Senior Accounting Systems Analyst	MIA	815	\$6,671.00
23-636	Accounting Systems Analyst	ST8	812	\$5,873.17
23-642	Senior Accounting Specialist	MIA	816	\$6,975.26
24-024	Special Assignment	MIA	818	\$7,892.98
24-026	Staff Assistant to Gen Mgr Flat Roll	ST8	813	\$6,019.29
24-088	Senior Customer Service Specialist	ST8	815	\$6,321.78
24-090	Manufacturing Scheduling Analyst	ST8	812	\$5,873.17
24-092	Senior Manufacturing Scheduling Analyst	ST8	814	\$6,169.26
24-116	Supervisor - Planning/Booking	MIA	818	\$7,892.99
24-118	Supervisor - Purchase & Conversion	MIA	818	\$7,892.99
24-119	Supervisor - Order Entry	MIA	818	\$7,892.99
24-124	Channel Coordinator	MIA	815	\$6,433.53
24-333	Senior Planning/Booking Analyst	ST8	814	\$6,169.26
24-334	Planning/Booking Analyst	ST8	812	\$5,873.17
24-354	Administrative Assistant	ST8	807	\$5,240.21
24-393	FLS Sheet Finishing & Outside Processing	MIA	816	\$6,718.64
24-407	Senior Specification Specialist	ST8	814	\$6,169.26
24-408	Senior Specifications Analyst	ST8	812	\$5,873.17

24-409	Specifications Analyst	ST8	809	\$5,479.10
24-410	Product Configuration Specialist	MIA	815	\$6,433.53
24-480	Master Scheduler - Flat Roll	MIA	814	\$6,248.43
24-521	FLS - Load Planning & Scheduling	MIA	913	\$6,848.75
24-527	FLS - Manifesting & Car Control	MIA	913	\$7,191.19
24-591	Distribution Co-ordinator	ST8	814	\$6,169.26
24-771	FLS - Primary Scheduling	MIA	817	\$7,181.22
24-775	Junior Customer Service Specialist	ST8	809	\$5,479.10
24-780	Customer Service Specialist	ST8	812	\$5,873.17
24-792	FLS - Scheduling Hot Mills & Plate Finishing	MIA	816	\$7,054.58
26-010	Senior Electrical & Automation Engineer	MIA	820	\$8,602.95
26-061	Chief Supervisor	MIA	820	\$8,602.96
26-062	Senior Project Supervisor (Eng.)	MIA	818	\$7,916.90
26-066	Department Engineer	MIA	813	\$6,073.64
26-067	Senior Designer	MIA	814	\$6,198.05
26-068	Designer	ST8	812	\$5,873.17
26-076	Engineering Assistant	ST8	809	\$5,479.10
26-078	Draughtsperson	ST8	807	\$5,240.21
26-086	FLS-Mechanical/Civil/Construction	MIA	914	\$7,298.28
26-088	FLS-Electrical Construction	MIA	913	\$7,115.13
26-100	Project Supervisor	MIA	816	\$7,518.21
26-185	Engineering Technologist	ST8	810	\$5,604.97
26-221	Manufacturing Technology Engineer/Specialist	MIA	916	\$8,657.53
26-239	Process Engineering Specialist	MIA	913	\$7,212.99
26-250	Senior Process Analyst	OS9	911	\$6,297.76
26-251	Process Analyst	OS9	909	\$5,876.89
26-270	Supervisor-Engineering Services	MIA	813	\$6,029.83
26-324	Print Librarian	ST8	806	\$5,124.54
27-014	Business Analyst	MIA	816	\$7,160.19
27-015	Variant Configurator	MIA	818	\$7,915.91
27-021	Operations Assistant	ST8	807	\$5,240.21
27-022	I. T. Process Documentation Coordinator	ST8	808	\$5,357.10
27-035	Functional Application Specialist-Time	MIA	816	\$7,160.20
27-037	Technical Specialist	MIA	816	\$7,160.20
27-042	Systems Assistant	ST8	808	\$5,357.10
27-043	Senior Technical Specialist	MIA	818	\$7,915.92
27-047	Office Systems Analyst	ST8	811	\$5,734.58
27-059	Co-ordinator Operations	MIA	816	\$7,160.21
27-061	Co-ordinator Office Services	ST8	815	\$6,321.78
27-070	Senior Supervisor-Computer Systems Maintenance	MIA	913	\$7,390.24
27-071	Supervisor-Computer Systems Maintenance	OS9	911	\$6,297.77
27-073	Senior Systems Designer	MIA	814	\$6,198.08

27-074	Systems Designer	ST8	812	\$5,873.17
27-111	Security Architect	MIA	820	\$8,602.88
27-112	Systems Architect	MIA	820	\$8,602.88
27-113	Business Architect	MIA	820	\$8,602.88
27-114	Process Architect	MIA	820	\$8,602.88
27-148	Senior Analyst/Programmer	MIA	814	\$6,198.08
27-338	Analyst/Programmer	ST8	812	\$5,873.17
27-351	Technical Specialist - BSR	ST8	816	\$6,488.30
27-354	Senior Technical Specialist - BSR	ST8	818	\$6,823.81
27-550	Acting Supervisor-Occupational Health & Safety	MIA	819	\$7,978.30
27-551	Industrial Hygienist	MIA	816	\$6,665.33
27-552	Senior Occupational Health & Safety Officer	MIA	815	\$6,399.19
27-554	Occupational Health & Safety Officer	ST8	812	\$5,873.17
27-555	Ergonomist	MIA	815	\$6,399.19
27-556	Assistant Occupational Health & Safety Officer	ST8	809	\$5,479.10
27-560	Administrative Assistant	ST8	805	\$4,947.83
28-091	Supervisor-Customer Claims	ST8	813	\$6,019.29
28-092	Claims Analyst	ST8	808	\$5,357.10
28-096	Technical Services Administrator	ST8	706	\$8,468.80
28-110	Technical Service Representative Level-1	ST8	701	\$5,317.92
28-111	Technical Service Representative Level-2	ST8	702	\$5,802.66
28-112	Technical Service Representative Level-3	ST8	704	\$6,772.17
28-113	Technical Service Representative Level-4	ST8	705	\$7,499.30
28-140	Senior Supervisor Chemist	MIA	915	\$7,997.52
28-190	Senior Chemist	MIA	912	\$7,044.87
28-192	Developmental Chemist	ST9	909	\$5,686.79
28-293	Technical Specialist-Metallurgical Services.	ST8	813	\$6,019.29
28-294	FLS-Mechanical/Metallographic Test Labs	MIA	913	\$7,214.00
28-364	Metallographer	ST8	812	\$5,873.17
28-366	Assistant Metallographer	ST8	809	\$5,479.10
28-369	Senior Metallographer	MIA	813	\$6,061.67
28-374	Supervisor-Metallography	MIA	814	\$6,992.07
28-418	Engineering Assistant	ST8	809	\$5,479.10
28-424	FLS-Sample Lab	MIA	912	\$7,197.41
28-448	FLS - Hold & Release	MIA	912	\$7,048.80
28-449	Managing Metallurgist	MIA	916	\$9,644.10
28-460	Metallurgical Specialist	MIA	906	\$8,579.92
28-463	Metallurgical Specialist	MIA	906	\$8,579.92
28-464	Senior Metallurgist	MIA	915	\$7,977.14
28-465	Metallurgist	MIA	912	\$6,900.53
28-483	Senior Technical Supervisor	MIA	818	\$7,915.92
28-800	Technical Specialist-Systems & Statistics	MIA	818	\$7,915.92

30-556	FLS - Auto Repairs	MIA	913	\$7,102.80
30-560	FLS-Auto Shop	MIA	913	\$7,102.80
31-040	Planning Coordinator	MIA	913	\$6,784.93
31-042	Senior Scheduler Planner	MIA	912	\$6,269.87
31-453	FLS-Machine Shop	MIA	913	\$7,050.61
31-458	FLS - Vacation Relief	MIA	912	\$6,828.32
31-460	FLS - Fitting & Staging	MIA	913	\$7,050.61
31-500	FLS - Fabrication & Car Shop	MIA	913	\$7,050.61
31-800	FLS - Welding Shop	MIA	913	\$7,050.61
32-018	Supervisor-Information Services	ST8	815	\$6,321.78
32-038	General Supervisor-Energy Technology	MIA	915	\$7,987.79
33-007	Shift Co-ordinator-Utilities	MIA	915	\$7,514.91
33-040	FLS-Utilities Operations	MIA	916	\$8,591.13
33-042	FLS-Quality Initiatives & Project Supervisor	MIA	914	\$7,290.18
33-319	FLS-HVAC & Mechanical-Utilities	MIA	914	\$7,298.27
33-551	Co-ordinator-Planning & Projects	MIA	913	\$6,787.42
35-051	FLS - Maintenance - DSPC	MIA	916	\$7,798.67
35-052	Electrical Technical Specialist-DSPC	MIA	913	\$7,220.32
35-061	Electrical Supervisor/Coordinator-DSPC	MIA	914	\$7,154.94
35-065	Senior Planner Combination (DSPC-Caster)	MIA	912	\$6,522.47
35-096	FLS - Electrical Maintenance - Cokemaking	MIA	914	\$7,512.69
35-098	FLS-BOSP Gas & Utilities	MIA	913	\$7,370.14
35-136	FLS - Electrical Maintenance - Utilities	MIA	913	\$7,250.00
35-140	FLS - Power & Services	MIA	913	\$7,050.61
35-160	Technical FLS - Power & Services	MIA	914	\$7,383.79
35-164	Shift Coordinator - Power & Services	MIA	914	\$7,048.45
35-200	Supervisor - Electrical Repair Shop	MIA	913	\$7,050.61
35-248	FLS-Electrical 106" Mill	MIA	913	\$7,398.31
35-284	FLS-Electrical Maintenance	MIA	913	\$7,398.31
35-303	FLS-Electrical Assigned (Cold Mill)	MIA	913	\$7,371.17
35-324	Automation Engineer	MIA	913	\$7,220.25
35-333	Electrical Engineering Specialist	MIA	913	\$7,220.32
36-032	FLS - Mechanical DSPC (Strip)(Mech Supv/Coord-Strip)	MIA	914	\$7,437.08
36-033	FLS - Mechanical Maintenance	MIA	914	\$7,437.08
36-035	Mechanical Supervisor/Coordinator-Caster	MIA	914	\$7,437.08
36-050	Mechanical Technical Specialist	MIA	913	\$7,220.32
36-182	FLS-Mechanical (Coke)	MIA	913	\$7,269.06
36-185	Senior Planner	MIA	912	\$6,269.87
36-261	FLS - Maintenance - Ironmaking	MIA	913	\$7,370.14
36-278	FLS-Mechanical Maintenance - Ironmaking	MIA	913	\$7,370.14
36-328	FLS - Central Maintenance	MIA	914	\$7,298.27
36-382	FLS - Mechanical Maintenance	MIA	913	\$7,370.13

36-400	FLS - Central Trades	MIA	914	\$7,298.28
36-403	Technical Assistant	MIA	913	\$7,171.29
36-530	FLS - Mechanical - Plate Finishing	MIA	913	\$7,159.29
36-531	FLS - Mechanical Maintenance	MIA	914	\$7,437.06
36-731	FLS - Mechanical Maintenance-CM	MIA	913	\$7,269.07
37-009	Secretary - Transportation Services	ST8	805	\$4,947.83
37-045	Shift Coordinator	OS9	912	\$6,503.16
37-048	FLS - Hoisting / Rentals	MIA	913	\$7,050.61
37-049	FLS - Replacement Transportation Services	MIA	913	\$7,050.61
37-090	Project Co-ordinator	MIA	913	\$6,764.56
37-152	FLS-Mobile Equipment	MIA	913	\$7,102.79
37-401	FLS - Tracks	MIA	913	\$7,050.61
37-405	FLS - Switching & Marine	MIA	913	\$7,050.61
37-487	FLS-Welfare & Yard Services	MIA	913	\$7,050.61
38-328	FLS-Central Maintenance	MIA	914	\$7,298.27
38-330	FLS - Infrastructure	MIA	914	\$7,298.27
38-334	Senior Planner	MIA	912	\$6,269.87
42-032	Supervisor - Refractories	MIA	913	\$7,102.79
42-037	FLS Masonry - Steelmaking/Casters/DSPC	MIA	914	\$7,298.28
45-010	Project Supervisor – Mechanical	MIA	914	\$7,619.73
45-068	Maintenance & Services Designer	ST8	812	\$5,873.17
45-103	Maintenance Systems Specialist	MIA	915	\$7,740.55
45-104	FLS - NDE & Vibration	MIA	913	\$7,437.06
45-205	Senior Maintenance Engineer	MIA	816	\$7,350.55
45-206	Maintenance Engineer	MIA	814	\$6,235.59
45-207	Senior Project Supervisor (Construction)	MIA	915	\$8,389.19
45-209	Electrical Technical Support	MIA	915	\$7,574.86
45-210	Spares Control Specialist	OS9	913	\$6,714.87
45-211	Senior Technical Specialist - Vibration & Lubrication	ST8	818	\$6,823.81
45-212	Specialist - NDE & Vibration	MIA	814	\$6,709.14
45-216	Hydraulic Support	MIA	914	\$7,254.32
45-800	Maintenance Services Engineering Specialist	MIA	813	\$6,073.64
45-814	Maintenance Services Senior Designer	MIA	814	\$6,198.06
45-816	Maintenance Services Technical Specialist	MIA	816	\$7,160.20
45-818	Maintenance Services Senior Technical Specialist	MIA	818	\$7,915.93
48-237	Manufacturing Technology Associate	MIA	914	\$7,953.59
48-238	Manufacturing Technology Consultant	MIA	900	\$8,656.98
48-825	Supervisor-Q.A.-Audits & Specifications	MIA	817	\$7,246.21
48-826	Senior Coordinator - Audits & Specifications	ST8	814	\$6,169.26
48-827	Coordinator - Audits & Specifications	ST8	812	\$5,873.17
50-010	FLS - Maintenance Trans West	MIA	914	\$7,290.18
50-011	Shift Coordinator - Material Reprocessing	OS9	910	\$6,083.59

50-090	Office Supervisor	ST8	811	\$5,734.58
50-157	FLS - Scrap Processing & Cranes	MIA	914	\$7,290.18
50-165	FLS - Mobile Equipment & Burning	MIA	914	\$7,290.18
51-008	FLS-#8 Battery	MIA	914	\$7,509.61
51-017	Shift Coordinator (Cokemaking)	MIA	915	\$7,584.47
51-021	Analyst / Programmer	ST8	812	\$5,873.17
51-101	Electrical Engineering Specialist	MIA	913	\$7,220.32
51-103	FLS - Electrical & Automation Maintenance	MIA	913	\$7,269.05
51-105	FLS - Mechanical Maintenance (Cokemaking)	MIA	913	\$7,370.14
51-107	Mechanical Engineering Specialist	MIA	913	\$7,220.32
51-158	Metallurgist - Coke	MIA	912	\$6,854.68
51-159	Cokemaking Material Processing Specialist	MIA	912	\$6,854.68
51-297	FLS - By-Products	MIA	914	\$7,509.61
51-301	FLS-#7 Battery	MIA	914	\$7,290.18
51-305	FLS - #9 Battery	MIA	914	\$7,509.61
51-425	FLS - Material Handling - Cokemaking	MIA	916	\$8,795.26
51-710	FLS - Operations - Vacation Relief - Cokemaking	MIA	910	\$6,585.53
53-017	Shift Co-ordinator-Ironmaking	MIA	915	\$7,530.09
53-047	FLS - Cast House	MIA	915	\$8,010.45
53-048	FLS - Ironmaking / Furnaces	MIA	915	\$8,010.45
53-049	#7 Blast Furnace Shift Coordinator	OS9	914	\$6,943.03
53-253	FLS - Material Handling	MIA	913	\$7,197.41
53-254	FLS - Hot Metal Processing & Movement	MIA	914	\$7,290.18
53-255	FLS-Electrical Maintenance (Ironmaking)	MIA	913	\$7,466.08
53-257	FLS-Mechanical Maintenance (Ironmaking)	MIA	913	\$7,437.08
53-259	Mechanical Engineering Specialist	MIA	913	\$7,220.32
53-700	FLS Operations - Vacation Relief - Ironmaking	MIA	910	\$6,585.53
54-200	FLS-Lime Plant & Material Movement	MIA	913	\$7,050.61
57-101	FLS - Material Movement	MIA	914	\$7,298.28
59-049	Shift Co-ordinator	MIA	915	\$7,530.10
59-052	Melter	MIA	912	\$6,590.00
59-100	FLS - Cranes & Equipment Utilization	MIA	914	\$7,509.61
59-102	FLS - Charging & Melting	MIA	914	\$7,509.61
59-103	FLS - Refining	MIA	914	\$7,509.61
59-104	FLS - Ladles	MIA	914	\$7,509.61
59-302	Electrical Engineer	MIA	913	\$7,218.00
59-333	FLS - Maintenance BOSP	MIA	913	\$7,370.13
59-700	FLS-Operations Vacation Relief	MIA	910	\$6,585.53
60-006	Shift Coordinator SlabCast	OS9	914	\$6,943.03
60-010	FLS - Electrical Maintenance Slabcast	MIA	914	\$7,506.81
60-011	FLS - Mechanical Maintenance Slabcast	MIA	913	\$7,370.13
60-100	Casting Supervisor	MIA	914	\$7,509.61

60-157	FLS - Segment Shop	MIA	912	\$6,828.32
61-050	FLS - Thin Slab Caster (Old GF Job)	MIA	916	\$7,798.67
61-051	FLS - Casting	MIA	915	\$8,591.13
61-054	DSPC Technician / Engineering	MIA	914	\$7,670.99
61-060	Thin Caster Specialist	MIA	916	\$8,536.93
61-099	FLS – DSPC Mill Furnaces	MIA	914	\$8,000.00
62-028	FLS - Shipping & Steel Disp	MIA	914	\$7,290.18
62-040	Mechanical Technical Specialist	MIA	913	\$7,220.32
62-052	FLS-DSPC Roll Shop	MIA	915	\$7,916.91
62-053	FLS - Mill Area	MIA	915	\$8,591.13
62-054	Shift Co-ordinator-DSPC - 2 Supervisors (NOT USED)	MIA	915	\$7,416.31
62-054	Shift Co-ordinator-DSPC - 1 Supervisor *	MIA	915	\$7,666.04
62-059	Elect & Automation Specialist	MIA	913	\$7,220.32
62-210	FLS - Electrical Assigned DSPC	MIA	914	\$7,512.69
62-212	FLS - Mechanical Assigned DSPC	MIA	914	\$7,437.08
62-280	FLS - Mechanical Maintenance (Relief)	MIA	914	\$7,290.18
62-700	FLS Operations - Vacation Relief - DSPC	MIA	910	\$6,585.53
64-011	FLS - Plate Transfer	MIA	913	\$7,050.61
64-018	FLS - Shipping-Plate	MIA	912	\$6,959.98
64-023	FLS - Heat Treat	MIA	914	\$7,531.41
64-032	FLS - Shear/Flame Cut	MIA	913	\$7,050.61
64-033	Shift Coordinator Plate & Strip	OS9	912	\$6,503.16
64-116	FLS - Electrical Maintenance Plate	MIA	913	\$7,337.78
64-550	Shift FLS (Plate & Strip Finishing)	MIA	913	\$7,050.61
65-012	FLS - Strip Finishing	MIA	914	\$7,531.41
65-020	FLS - Strip Shipping	MIA	911	\$6,612.66
65-119	FLS - Electrical Maintenance Strip	MIA	913	\$7,159.31
66-021	FLS - 166" Mill	MIA	915	\$7,916.96
66-022	FLS - 106" Mill	MIA	915	\$7,916.96
66-025	FLS - Furnaces	MIA	916	\$7,798.67
66-027	FLS-Slab Yard/Furnaces	MIA	915	\$7,916.96
66-104	FLS - Hot Mill Slab Yd	MIA	914	\$7,290.18
66-284	FLS - Electrical Maintenance	MIA	913	\$7,398.32
66-302	FLS - Roll Shops	MIA	912	\$6,828.32
66-429	Roller / Shift Coordinator	MIA	914	\$7,252.73
66-531	FLS - Mechanical Maintenance	MIA	914	\$7,437.07
66-534	FLS - Mechanical Area Maintenance	MIA	913	\$7,159.31
68-012	FLS - Welded Beam	MIA	914	\$7,531.41
68-018	Scheduling Coordinator	MIA	814	\$6,264.27
68-021	Mechanical Technical Specialist-Welded Shapes	MIA	913	\$7,220.32
68-023	Service to Customer Representative	ST8	812	\$5,873.17
68-025	Shift Coordinator	OS9	912	\$6,503.16

77-009	FLS - Pickler	MIA	914	\$7,680.36
77-015	Shift Coordinator - Cold Mill	OS9	913	\$6,714.87
77-101	FLS - Mechanical Maintenance-CM	MIA	913	\$7,269.07
77-294	FLS - Shipping & Steel Flow	MIA	914	\$7,680.36
77-295	FLS - Reduction/Anneal/Roll Shop	MIA	914	\$7,680.36
77-296	FLS - Temper Mill / Slitter	MIA	914	\$7,680.36
77-700	FLS Operations - Vacation Relief - Cold Mill	MIA	910	\$6,585.53
78-001	FLS - Operations (QBI)	MIA	914	\$7,509.61
78-010	Shift Coordinator	OS9	912	\$6,503.16
78-015	FLS - Technical QBI	MIA	914	\$7,602.45

Appendix “G”

FRONT LINE SUPERVISORS

The following amendments to the Collective Agreement will apply to those positions listed in the Attachment to this Appendix. Newly-created front line supervisor positions will be added to the Attachment.

Article 1.07

Notwithstanding Article 1.07, the Company may provide those employees who perform supervisory functions with improved terms and conditions of employment.

Article 3.01

The Union commits that it will not discriminate against an employee who performs supervisory functions, cause such employee to be discriminated against or support any employee who discriminates against such an employee.

Article 4.02

Employees who perform supervisory functions shall continue to be responsible for ensuring that employees of the Company work in compliance with the workplace rules and regulations and the Health and Safety rules and regulations in accordance with the practices and procedures of the Company, the Health and Safety Manual, the Employees’ Conduct Rules and the contractual obligations of the Company.

Employees who perform supervisory functions acknowledge and agree that they will meet all expectations placed upon them by the Company and will carry out their responsibilities as requested and expected by the Company.

Article 5.01.40

Delete the last sentence so that the parties will acknowledge that the Company after consultation has the unilateral right to amend the working schedule for an employee covered by this Appendix based upon its operational needs.

Article 5.02.10

This Article is amended to the extent necessary to allow the Company to establish special scheduling arrangements up to twelve hours per shift directly with the employee(s) concerned and without the need to secure the agreement of the President of the Local Union.

Article 5.03.20

This Article is amended to provide that any overtime hours in excess of 48 hours will be compensated by granting “C” time or overtime pay at the employee’s option. Any overtime hours between 40 hours and 48 hours will be compensated only when the 7-3/4 hours therein are worked consecutively.

Article 5.03.40

Disregard the second sentence regarding employees being trained outside of their normal schedule.

Articles 5.04.10; 5.04.11; 5.05.10; 5.06.10; 5.06.20; 5.06.30

These Articles do not apply. In recognition of this, each employee covered by this Appendix will receive two (2) compensating days annually.

Article 7.03 (2)

Amended to read, “he is discharged, or”

Article 7.05

The second paragraph is amended by deleting the sentence, “The creation of new or changes to existing ‘ladders and families’ may only be done by agreement of the parties.”

Article 7.06.10

This Article does not apply. Instead, the Company will post and seek “Expressions of Interest” for employees covered by this Appendix so that they may advise of their wishes for alternate assignment.

Article 7.06.12

This Article does not apply.

Article 7.06.13

This Article does not apply.

Article 7.06.16

This Article does not apply.

Articles 7.08.10; 7.08.20; 7.08.30

These Articles do not apply

Article 7.11

This Article does not apply.

Article 9.01.20

This Article will be amended to reflect the fact that employees covered by this Appendix are not subject to receiving Demerit Points as a form of discipline. Likewise employees who are discharged will not be allowed to continue to work while a grievance, which may have been filed protesting his discharge, is being processed through the Grievance Procedure.

Article 9.03

Amend Article to limit an Arbitrator's jurisdiction for discharges to awarding notice and severance under the Employment Standards Act and Common Law for terminations determined to be without just cause to four (4) weeks per year of service to a maximum of eighteen (18) months. In the alternative, the Company may re-assign the employee to another position within the Company.

The decision to terminate will be reviewed and determined by the appropriate Vice President, the Vice President - Legal, the Vice President - Human Resources and the CEO.

Article 10

As a general preamble to this Article, the parties must acknowledge that the employees covered by this Appendix represent Management in all matters pertaining to Health and Safety.

Article 13.01

No employee covered by this Appendix may be a member of the Union Grievance Committee.

Article 13.05

Consistent with the restriction placed upon the arbitrator, no employee covered by this Appendix may be reinstated via an arbitration award.

Articles 15.09; 15:10

A one time salary adjustment of 5% will be added to the Base Salary of those positions denoted in the attached.

Employees covered under this Appendix will receive the same considerations as the Exempt Group with respect to the granting of Funeral Leave and Bereavement Pay. In no event shall the benefit given be less than that contained within the Collective Agreement.

Article 16

In the event of a legal labour disruption between the parties, the Local Union agrees that employees covered by this Appendix will be made available throughout the duration of the dispute. The Local Union commits to take no action or support any action taken against any such employee.

Article 18

Employees covered by this Appendix will be placed in the Company's Discretionary Management Bonus System. In no circumstance will the amount of bonus paid be less than such employee would have received under the Profit Sharing Plan.

Appendix D – Ladders and Families Definition

This Appendix requires modification in that all jobs may not be in the same department, may not have similar hours of work, and changes to the revised Family structure will incorporate consultation with the Local Union but not the achievement of consensus.

Appendix E – Posting and Selection Process

This Appendix will not apply to those employees covered or to those employees applying for a role which exercises supervisory or managerial functions.

Extended Health Benefits Agreement

The Company may at its discretion offer improved benefits to employees covered by this Appendix.

Job Code	Job Title	Type	Grade	Std Rates Aug 01/09	One time Salary Adjustment
21-376	Shift Supervisor - Emergency Response	MIA	913	\$6,652.59	
21-454	Supervisor Environment Control Services	MIA	819	\$7,584.09	
22-202	Supervisor Corporate Logistics & Raw Material Processing	ST8	818	\$6,765.01	
22-411	FLS - Stores	OS9	914	\$6,882.48	
22-415	Supervisor - Inventory Management	MIA	816	\$6,639.86	
22-866	Supervisor - Buying	MIA	816	\$6,639.83	
22-865	Purchasing Agent	MIA	818	\$7,857.12	
23-054	Supervisor - Works Accounting	MIA	817	\$7,931.27	
23-065	Supervisor - Cost Accounting	MIA	817	\$7,538.32	
23-080	Time Supervisor	MIA	815	\$6,374.73	
23-084	Supervisor - Cash Forecasting & Banking	MIA	817	\$7,134.54	
23-090	General Supervisor - Payroll	MIA	818	\$8,003.42	
23-091	Supervisor - Credit	MIA	816	\$6,718.10	
23-178	Payroll Supervisor	MIA	816	\$6,765.00	
24-116	Supervisor - Planning/Booking	MIA	818	\$7,834.19	
24-118	Supervisor - Purchase & Conversion	MIA	818	\$7,834.19	
24-119	Supervisor - Order Entry	MIA	818	\$7,834.19	
24-393	FLS Sheet Finishing & Outside Processing	MIA	816	\$6,659.84	
24-521	Supervisor Load Planning & Scheduling	MIA	913	\$6,788.20	
24-527	FLS-Manifesting & Car Control	MIA	913	\$6,788.20	*
24-771	FLS - Primary Scheduling	MIA	817	\$6,780.46	*
24-792	FLS - Scheduling Hot Mills & Plate Finishing	MIA	816	\$6,659.85	*
26-061	Chief Supervisor	MIA	820	\$8,544.16	
26-062	Senior Project Supervisor (Eng.)	MIA	818	\$7,858.10	
26-086	FLS-Mechanical/Civil/Construction	MIA	913	\$6,890.19	*
26-088	FLS-Electrical Construction	MIA	913	\$6,715.76	*
26-100	Project Supervisor	MIA	816	\$7,101.40	*
26-270	Supervisor-Engineering Services	MIA	813	\$5,971.03	
27-070	Senior Supervisor-Computer Systems Maintenance	MIA	913	\$7,329.69	
27-071	Supervisor-Computer Systems Maintenance	OS9	911	\$6,237.22	
27-550	Acting Supervisor-Occupational Health & Safety	MIA	819	\$7,919.50	
28-091	Supervisor-Customer Claims	ST8	813	\$5,960.49	
28-140	Senior Supervisor Chemist	MIA	915	\$7,936.97	
28-294	FLS-Mechanical/Metallographic Test Labs	MIA	913	\$6,654.32	*
28-374	Supervisor-Metallography	MIA	814	\$6,600.31	*
28-424	FLS-Sample Lab	MIA	912	\$6,794.13	*
28-448	FLS - Hold & Release	MIA	912	\$6,652.59	*
28-449	Managing Metallurgist	MIA	916	\$9,583.55	n/a
28-483	Senior Technical Supervisor	MIA	818	\$7,857.12	

30-556	FLS - Auto Repairs	MIA	913	\$6,704.02	*
30-560	FLS-Auto Shop	MIA	913	\$6,704.02	*
31-453	FLS-Machine Shop	OS9	913	\$6,654.32	*
31-458	FLS - Vacation Relief	OS9	912	\$6,442.61	*
31-460	FLS - Fitting & Staging	OS9	913	\$6,654.32	*
31-500	FLS - Fabrication & Car Shop	OS9	913	\$6,654.32	*
31-800	FLS - Welding Shop	OS9	913	\$6,654.32	*
32-018	Supervisor-Information Services	ST8	815	\$6,262.98	
32-038	General Supervisor-Energy Technology	MIA	915	\$7,927.24	
33-040	FLS-Utilities Operations	MIA	916	\$8,121.48	*
33-042	FLS-Quality Initiatives & Project Supervisor	OS9	914	\$6,882.48	*
33-319	FLS-HVAC & Mechanical-Utilities	MIA	914	\$6,890.18	*
35-051	FLS - Maintenance - DSPC	OS9	916	\$7,366.75	*
35-096	FLS - Electrical Maintenance - Cokemaking	MIA	914	\$7,094.39	*
35-098	FLS-BOSP Gas & Utilities	MIA	913	\$6,958.63	*
35-136	FLS - Electrical Maintenance - Utilities	OS9	913	\$6,654.32	*
35-140	FLS - Power & Services	OS9	913	\$6,654.32	*
35-160	Technical FLS - Power & Services	MIA	914	\$6,971.63	*
35-200	Supervisor - Electrical Repair Shop	OS9	913	\$6,654.32	*
35-248	FLS-Electrical 106" Mill	MIA	913	\$6,985.46	*
35-284	FLS-Electrical Maintenance	MIA	913	\$6,985.46	*
35-303	FLS-Electrical Assigned (Cold Mill)	MIA	913	\$6,959.61	*
36-033	FLS - Mechanical Maintenance	MIA	914	\$7,022.38	*
36-035	Mechanical Supervisor/Coordinator-Caster	MIA	914	\$7,022.38	*
36-182	FLS-Mechanical (Coke)	MIA	913	\$6,862.36	*
36-261	FLS - Maintenance - Ironmaking	MIA	913	\$6,958.63	*
36-278	FLS-Mechanical Maintenance - Ironmaking	MIA	913	\$6,958.63	*
36-328	FLS - Central Maintenance	MIA	914	\$6,890.18	*
36-382	FLS - Mechanical Maintenance	MIA	913	\$6,958.62	*
36-400	FLS - Central Trades	MIA	914	\$6,890.19	*
36-530	FLS - Mechanical - Plate Finishing	MIA	913	\$6,757.82	*
36-531	FLS - Mechanical Maintenance	MIA	914	\$7,022.36	*
36-731	FLS - Mechanical Maintenance-CM	MIA	913	\$6,862.37	*
37-048	FLS - Hoisting / Rentals	OS9	913	\$6,654.32	*
37-049	FLS - Replacement Transportation Services	OS9	913	\$6,654.32	*
37-152	FLS-Mobile Equipment	MIA	913	\$6,704.01	*
37-401	FLS - Tracks	OS9	913	\$6,652.00	*
37-405	FLS - Switching & Marine	OS9	913	\$6,652.00	*
37-487	FLS-Welfare & Yard Services	OS9	913	\$6,652.00	*
38-328	FLS-Central Maintenance	MIA	914	\$6,890.18	*
38-330	FLS - Infrastructure	MIA	914	\$6,890.18	*
42-032	Supervisor - Refractories	MIA	913	\$6,704.01	*

42-037	FLS Masonry - Steelmaking/Casters/DSPC	MIA	914	\$6,890.19	*
45-010	Project Supervisor - Mech	MIA	914	\$7,196.34	*
45-104	FLS - NDE & Vibration	MIA	913	\$7,022.36	*
45-207	Senior Project Supervisor (Construction)	MIA	915	\$7,929.15	*
48-825	Supervisor-Q.A.-Audits & Specifications	MIA	817	\$7,187.41	
50-010	FLS - Maintenance Trans West	OS9	914	\$6,882.48	*
50-090	Office Supervisor	ST8	811	\$5,675.78	
50-157	FLS - Scrap Processing & Cranes	OS9	914	\$6,882.48	*
50-165	FLS - Mobile Equipment & Burning	OS9	914	\$6,882.48	*
51-008	FLS-#8 Battery	MIA	914	\$7,091.46	*
51-103	FLS - Electrical & Automation Maintenance	MIA	913	\$6,862.35	*
51-105	FLS - Mechanical Maintenance (Cokemaking)	MIA	913	\$6,958.63	*
51-297	FLS - By-Products	MIA	914	\$7,091.46	*
51-301	FLS-#7 Battery	OS9	914	\$6,882.48	*
51-305	FLS - #9 Battery	MIA	914	\$7,091.46	*
51-425	FLS - Material Handling - Cokemaking	MIA	916	\$8,315.89	*
51-710	FLS - Operations - Vacation Relief - Cokemaking	MIA	910	\$6,211.38	*
53-047	FLS - Cast House	MIA	915	\$7,568.45	*
53-048	FLS - Ironmaking / Furnaces	MIA	915	\$7,568.45	*
53-253	FLS - Material Handling	MIA	913	\$6,794.13	*
53-254	FLS - Hot Metal Processing & Movement	OS9	914	\$6,882.48	*
53-255	FLS-Electrical Maintenance (Ironmaking)	MIA	913	\$7,050.00	*
53-257	FLS-Mechanical Maintenance (Ironmaking)	MIA	913	\$7,022.38	*
53-700	FLS Operations - Vacation Relief - Ironmaking	MIA	910	\$6,211.38	*
54-200	FLS-Lime Plant & Material Movement	OS9	913	\$6,654.32	*
57-101	FLS - Material Movement	MIA	914	\$6,890.19	*
59-100	FLS - Cranes & Equipment Utilization	MIA	914	\$7,091.46	*
59-102	FLS - Charging & Melting	MIA	914	\$7,091.46	*
59-103	FLS - Refining	MIA	914	\$7,091.46	*
59-104	FLS - Ladles	MIA	914	\$7,091.46	*
59-333	FLS - Maintenance BOSP	MIA	913	\$6,958.62	*
59-700	FLS-Operations Vacation Relief	MIA	910	\$6,211.38	*
60-010	FLS - Electrical Maintenance Slabcast	MIA	914	\$7,088.79	*
60-011	FLS - Mechanical Maintenance Slabcast	MIA	913	\$6,958.62	*
60-100	Casting Supervisor	MIA	914	\$7,091.46	*
60-157	FLS - Segment Shop	MIA	912	\$6,442.61	*
61-050	FLS - Thin Slab Caster (Old GF Job)	OS9	916	\$7,366.75	*
61-051	FLS - Casting	MIA	915	\$8,121.48	*
62-028	FLS - Shipping & Steel Disp	OS9	914	\$6,882.48	*
62-052	FLS-DSPC Roll Shop	MIA	915	\$7,479.36	*
62-053	FLS - Mill Area	MIA	915	\$8,121.48	*
62-210	FLS - Electrical Assigned DSPC	MIA	914	\$7,094.39	*

62-212	FLS - Mechanical Assigned DSPC	MIA	914	\$7,022.38	*
62-280	FLS - Mechanical Maintenance (Relief)	OS9	914	\$6,882.48	*
62-700	FLS Operations - Vacation Relief - DSPC	MIA	910	\$6,211.38	*
64-011	FLS - Plate Transfer	OS9	913	\$6,654.32	*
64-018	FLS - Shipping-Plate	MIA	912	\$6,568.00	*
64-023	FLS - Heat Treat	MIA	914	\$7,112.22	*
64-032	FLS - Shear/Flame Cut	OS9	913	\$6,654.32	*
64-116	FLS - Electrical Maintenance Plate	MIA	913	\$6,927.81	*
65-012	FLS - Strip Finishing	MIA	914	\$7,112.22	*
65-020	FLS - Strip Shipping	OS9	911	\$6,237.22	*
65-119	FLS - Electrical Maintenance Strip	MIA	913	\$6,757.84	*
66-021	FLS - 166" Mill	MIA	915	\$7,479.41	*
66-022	FLS - 106" Mill	MIA	915	\$7,479.41	*
66-025	FLS - Furnaces	OS9	916	\$7,366.75	*
66-027	FLS-Slab Yard/Furnaces	MIA	915	\$7,479.41	*
66-104	FLS - Hot Mill Slab Yd	OS9	914	\$6,882.48	*
66-284	FLS - Electrical Maintenance	MIA	913	\$6,985.47	*
66-302	FLS - Roll Shops	OS9	912	\$6,442.61	*
66-531	FLS - Mechanical Maintenance	MIA	914	\$7,022.37	*
66-534	FLS - Mechanical Area Maintenance	MIA	913	\$6,757.84	*
68-012	FLS - Welded Beam	MIA	914	\$7,112.22	*
77-009	FLS - Pickler	MIA	914	\$7,254.08	*
77-101	FLS - Mechanical Maintenance-CM	MIA	913	\$6,862.37	*
77-294	FLS - Shipping & Steel Flow	MIA	914	\$7,254.08	*
77-295	FLS - Reduction/Anneal/Roll Shop	MIA	914	\$7,254.08	*
77-296	FLS - Temper Mill / Slitter	MIA	914	\$7,254.08	*
77-700	FLS Operations - Vacation Relief - Cold Mill	MIA	910	\$6,211.38	*
78-001	FLS - Operations (QBI)	MIA	914	\$7,091.46	*
78-015	FLS - Technical QBI	MIA	914	\$7,179.88	*

IN WITNESS WHEREOF the parties hereto have executed this agreement.

ESSAR STEEL ALGOMA INC.

By

J. Rennie

P. Shukla

V. Chiappetta

T. Goodfellow

H. Beresford

T. Wood

**UNITED STEELWORKERS
LOCAL UNION 2724**

W. Fraser

J. Ostroski

I. Kersley

L. Masters

M. Nott

S. Maszczakiewicz

B. Picco

EXTENDED HEALTH BENEFIT AGREEMENT
MADE THIS 1st DAY OF AUGUST 2010

BETWEEN

ESSAR STEEL ALGOMA INC.

-and-

**THE UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE
WORKERS INTERNATIONAL UNION (UNITED STEELWORKERS)
ON BEHALF OF ITSELF AND ITS LOCAL 2724**
(hereinafter referred to as the Union)

WITNESSETH THAT THE PARTIES HERETO HAVE AGREED AS FOLLOWS:

ARTICLE 1

DEFINITIONS

1.01 In this agreement:

- a. "Company" means Essar Steel Algoma Inc.
- b. "Union" means Local Union 2724, United Steelworkers.
- c. "Plan" means the Extended Health Benefit plan established by this agreement.
- d. "Employee" means a person who is employed full time by the Company in a job which is in the bargaining unit for which the above named Union is the bargaining agent.
- e. "Member" means an employee who becomes a member pursuant to Article 2.01.
- f. "Dependent" means a person who is dependant pursuant to Article 5.
- g. "Committee" means the Joint Compensation/Benefits Committee established pursuant to Article 4.03.
- h. "Spouse" means either:
 - i) a person who is legally married to the member; or

ii) a person of the same or the opposite sex with whom the member has cohabited in a conjugal relationship for at least twelve months; or

iii) a person of the same or the opposite sex with whom the member has cohabited in a conjugal relationship of some permanence, if they are natural or adoptive parents of a child.

In any event, where a conflict exists between a legal spouse and the common-law spouse for benefits under this Plan, precedence will be given to the person cohabiting with the member. Under no circumstances will there be a duplication of benefit payments to more than one spouse. Evidence of a common-law relationship shall be presented to the Company by signed and sworn affidavits of the member and common-law spouse. Notwithstanding the provisions of this Article, a common-law spouse and her dependents will not be eligible to be covered as dependents if the member is bound by the terms of a legal separation agreement to provide health care benefits for his separated legal spouse.

- i. "Health Plan" means the Ontario Health Insurance Plan (OHIP).
- j. "Dental Plan" means a dental care plan equivalent to Green Shield's Standard Dental Plan.
- k. "Total and Permanent Disability" means complete inability of the member, due to sickness or injury, to engage in any and every gainful occupation for which he is reasonably fitted by education, training, or experience.
- l. Where necessary herein, the masculine pronoun shall be construed to include the feminine pronoun.

ARTICLE 2

MEMBERSHIP

2.01 Membership in Plan

An employee shall become a member as a condition of employment and be covered for all benefits under this plan except those benefits to which he is not entitled pursuant to Article 2.02:

- a. on the date on which he was last hired if he is at work on such date, or
- b. on the effective date of the plan, if he was covered by the former Extended Health Benefit plan and actively at work on the effective date, or
- c. on the date on which he returns to work if he was off work because of illness, accident or disability on the date established pursuant to Article 2.01(b), or

- d. on the date on which he enters the bargaining unit if immediately prior to such date he was a member of an Extended Health Benefit plan in effect with the Company, or
- e. on the date on which he returns to work if he is a former member whose membership was terminated pursuant to Article 2.03(b), or (c) or (d).

2.02 Partial Exemption From Coverage

A member whose spouse is also employed with the Company shall not be entitled to coverage, other than coverage for life insurance, accidental death and dismemberment insurance, continuance of earnings and long term disability benefits, if he is covered as a dependent under the spouse's Extended Health Benefit Plan, except that this exemption will not apply when the spouse ceases to be an employee of the Company.

2.03 Termination of Membership

An employee shall cease to be a member:

- a. Immediately on termination of his employment with the Company, except that if termination is as a result of death, coverage will continue for dependents to the end of the month in which death occurs, or
- b. At the end of the 13th week following the week in which he is laid off unless he is on Income Security or, at the time of layoff, he is in receipt of Workplace Safety and Insurance Board benefits for an injury suffered in the employ of the Company not more than one year prior to the date of layoff, in which case he shall cease to be a member on the later of:
 - 1) the end of the 13th week following the week in which he is laid off, or
 - 2) the cessation of Workplace Safety and Insurance Board benefits or one year from the date of the injury, whichever comes first, or
- c. At the end of the month in which he goes on leave of absence, (except a pregnancy or parental leave granted in accordance with the Employment Standards Act), provided that he may continue as a member for an additional two months if he pays the full cost of benefits for such months in advance, or
- d. At the end of the month in which L.T.D. benefits cease.

2.04 Special Case

An employee, who is off work on the date provided for in Article 2.01(b) because of an injury suffered in the employ of the Company less than one year earlier and for which he is receiving Workplace Safety and Insurance Board benefits, shall be deemed to be a member from the date provided until such Workplace Safety and Insurance Board benefits end or until one year from the date of the injury, whichever first occurs.

ARTICLE 3

HEALTH AND INSURANCE BENEFITS

3.01 How Benefits Provided

Basic hospital and medical benefits provided under the plan shall be provided by the Ontario Health Insurance Plan. Life insurance, accidental death and dismemberment insurance, disability coverage, prescription drug coverage, major medical coverage, semiprivate hospital coverage and dental coverage provided under the plan shall be insured with or administered by a recognised public insurance carrier or carriers.

Notwithstanding anything contained herein, the terms of the contract with the carrier or carriers, the regulations of the Ontario Health Insurance Plan, and the decisions of the Joint Compensation/Benefits Committee shall be controlling in all matters pertaining to benefits hereunder.

3.02 Life Insurance for Members

A member's life shall be insured against death for an amount equal to the member's base monthly salary for one year, exclusive of bonus or incentives, rounded to the next \$500.

3.03 Accidental Death and Dismemberment Insurance for Members

A member's life shall be insured against death resulting from an accident for an amount of \$50,000. A member shall be insured against accidental dismemberment resulting from an accident according to the following schedule:

- a. Loss of use of both legs (paraplegia).....\$100,000
- b. Loss of use both arms and both legs (quadriplegia).....\$100,000
- c. Loss of use of one arm and one leg on the same side of the body (hemiplegia).....\$100,000
- d. Loss of both hands, both feet, sight of both eyes, one hand and one foot, one hand and sight of one eye, one foot and sight of one eye\$ 50,000

- e. Loss of one arm or one leg.....\$ 37,500
- f. Loss of one hand, one foot, sight of one eye, or hearing
in both ears.....\$ 25,000
- g. Loss of thumb and index finger (or at least four fingers)
of one hand.....\$ 12,500

3.04 Life Insurance for Retired Employees on Pension

A member who retires pursuant to Article 4 of the Pension Plan for employees in Local 2724 USW shall cease to be a member of this plan pursuant to Article 2.03(a) and the life of such former member shall be insured against death from any cause for \$4,000 unless his life insurance is extended pursuant to Article 3.05(1).

3.05 Extension of Life Insurance Benefits

- 1. A member's group life insurance shall continue in effect until 31 days after he ceases to be a member.
- 2. Group life insurance for a member who develops a total and permanent disability which continues unabated shall continue in effect without cost to him until:
 - a. he reaches the age he would be able to retire on an unreduced pension per the current Pension Agreement, or
 - b. he ceases to be totally disabled, or
 - c. he fails, on request of the insurance carrier, to submit annually a doctor's certificate of total disability,
 whichever occurs first.
- 3. When a person whose group insurance is being continued under this Article meets the provisions of 2(a), (b) or (c) above, his life shall be insured pursuant to Article 3.04 provided he is in receipt of a pension pursuant to Article 4 of the Pension Plan for employees in Local 2724 USW.

3.06 Life Insurance Conversion Privilege

During the thirty-one day period after a person ceases to be a member, he may, in accordance with the terms of the contract between the Company and the insurance carrier, change his group life insurance to an individual policy without a medical examination, provided that the amount convertible under this clause

shall be reduced by the face value of any insurance to which the person is entitled pursuant to Article 3.04.

3.07 Short and Long Term Disability Benefits

a) Short Term Disability - up to 6 months

A member must apply for these benefits by filling out the necessary forms with the Company's insurance carrier in order to be paid beyond the seventh consecutive calendar day off.

A member who is unable to work because of illness, accident or disability shall be entitled to Earnings Continuance for a period of up to 6 months, on the same claim, as follows:

- (i) A salaried employee who is absent from work as a result of illness or injury resulting from a non-occupational cause will normally be carried at base monthly salary for a period of 15 weeks after the second day of such illness or injury.

If the non-occupational disability continues beyond 15 weeks, the employee is considered to be on vacation until he returns to work or his current vacation, including any "C" days, is used up, whichever occurs first.

When all vacation and "C" days have been used and if the employee is still unable to return to work and such continued non-occupational disability is confirmed by the attending Physician, the employee will revert to full Earnings Continuance (i.e. base monthly salary).

If vacation was originally scheduled during the period of sickness or injury then:

- a) vacation which was in process before the illness or disability began must be taken in its entirety
- b) vacation scheduled to begin after the onset of illness or disability will be cancelled and rescheduled for a later date (employees will not be paid Earnings Continuance and vacation pay at the same time)
- c) outstanding vacation remaining at year end will be paid off if the employee returns to work before December 31 and is unable to schedule his remaining vacation
- d) if sickness or injury carries over vacation year end, the previous year's outstanding vacation will be held and applied to weeks of absence in excess of 15 followed by up to 3 weeks of the new vacation year entitlement

- (ii) If the employee returns to work for *less than 4* continuous weeks during this period and is off again he will return to the same claim, after the second day he has been off. The 6 month period will be extended by time worked but the 18 month period will not.

If the employee returns to work for *4 or more* continuous weeks of work during this period and is off again he will begin a new claim after the second day, if he is off for a *different* disability.

If the employee returns to work for *12 or more* continuous weeks of work during this period and is off again he will begin a new claim after the second day, if it is for the *same* disability.

If the employee returns on any Rehabilitation Program or Work Trial he is not considered to have returned to work for purposes of the foregoing.

- (iii) If the disability which keeps the employee off work is of an occupational nature, the equivalent of full salary will be supplemented by Essar Steel Algoma Inc. Workplace Safety and Insurance Board Benefits will be paid directly to the employee and Essar Steel Algoma Inc. will top-up the employee's monthly compensation by an amount that will provide the employee with 100% of his pre-injury or illness "net" salary and production supplement.
- (iv) Earnings Continuance after the first 15 weeks will be offset by the amount of any C.P.P. Disability Pension benefits, including any dependent benefits, for which an employee is eligible. Where any portion of "other" income is paid on a "net" of income basis, that income will be grossed up to Equivalent Before Tax Earnings for this purpose.
- (v) Active rehabilitation services will be employed at the earliest stage deemed medically advisable.
- (vi) Medical information may indicate that the disabling condition has improved to the extent that the employee may be able to engage in meaningful work, other than his own job, which is compatible with his education, training and experience. In such cases the Company will determine if suitable work, consistent with his condition, is available, first in his own department or failing that, elsewhere in the operation, in which case he will be so assigned.

b) Short Term Disability - 7 to 18 months

A member who is unable to work because of illness, accident, or disability in excess of 6 months, on the same claim, shall be entitled as follows:

- Earnings Continuance will cease and be replaced by Reduced Earnings Continuance (REC) which is 55% of base monthly salary (to the next

\$1.00) to a maximum of \$3,000. This benefit is subject to reduction for "other" income to the extent that his total income exceeds 75% of his base monthly salary at the time he became disabled. Where any portion of "other" income is paid on a "net" of income tax basis, that income will be grossed up to Equivalent Before Tax Earnings for this purpose.

- Accidental Death & Dismemberment Insurance coverage in Article 3.03 ceases.
- Periodic medical certification will be required every 3 months or less unless waived by the Plan Administrator (employee responsible for cost of certification).
- Employees on a Rehabilitation Program or Work Trial will continue on Reduced Earnings Continuance at 55% until they are able to be assigned to meaningful work for a full shift.
- The terms of Article 3.07 (a) (v) and (vi) continue to apply.

If the employee returns to work and is off again:

- i) on the same disability, and he
 - 1) has worked less than 12 continuous weeks; after the second day he will be paid REC (55%)
 - 2) has worked 12 or more continuous weeks but less than 6 months; after the second day he will be paid 15 weeks Earnings Continuance at 100% followed by all outstanding vacation and "C" days and then REC (55%)
 - 3) has worked 6 or more continuous months; after the second day he will be paid full Earnings Continuance entitlement at 100%, as in first 6 months above, then REC (55%)
 - ii) on a different disability, and he
 - 1) has worked less than 4 continuous weeks; after the second day he will be paid REC at 55%
 - 2) has worked 4 or more continuous weeks but less than 6 continuous months; after the second day he will be paid 15 weeks Earnings Continuous at 100% followed by all outstanding vacation and "C" days, and then REC at 55%
 - 3) has worked 6 or more continuous months; after the second day he will be paid full Earnings Continuance entitlement at 100% as in first 6 months above, then REC (55%)
- Time worked in (i) 1 or 2, or (ii) 1 or 2, will not extend the 18 month period.
 - After 18 months absence from first day on same claim, Reduced Earnings Continuance will cease.

c) Long Term Disability

If, at the end of 18 months or anytime subsequent to the 18 months, an employee not eligible for an unreduced pension, is unable, due to total and permanent disability, to perform any occupation, he is entitled to Long Term Disability benefits (L.T.D.) which will pay him 55% of his base monthly salary (to the next \$1.00) to a maximum of \$3,000. Such entitlement ceases upon reaching eligibility for an unreduced pension (i.e., age 60 and 10 years of credited service, or the terms of the Early Retirement Windows contained in the current Pension Agreement)

This benefit is subject to reduction for "other" income to the extent that his total income exceeds 75% of his base monthly salary at the time he became disabled. Where any portion of "other" income is paid on a "net" of income tax basis, that income will be grossed up to Equivalent Before Tax Earnings for this purpose.

While drawing L.T.D. benefits, a salaried employee will continue to accrue credited service for pension purposes. He will also continue as a member of the Essar Steel Algoma Inc. Extended Health Benefit Plan without premium cost to him and be eligible for all benefits except Accidental Death & Dismemberment Insurance (AD&D).

L.T.D. Benefits will be paid subject to the following conditions:

1. Approval of L.T.D. is based on acceptable medical certification of the employee's continued total disability, upon proper application by the employee.
2. Unless this requirement is waived by the Plan Administrator, the Plan Administrator, (or Essar Steel Algoma's Medical Department), will periodically request medical certification of continued disability from the L.T.D. recipient's attending physician, on the appropriate medical form, at the employee's cost.
3. Where subsequent medical information indicates that the disabling condition has improved to the extent the L.T.D. recipient may be able to engage in meaningful work, other than his own job, which is compatible with his education, training and experience, the company will determine if suitable work, consistent with the L.T.D. recipient's improved condition, is available, first in his own department, or failing that, elsewhere in the operation.
4. If an L.T.D. recipient is returned to suitable work which meets the requirements set by the Medical Director, he will be considered as returning to work on a rehabilitative basis for three months which may be extended to six months under certain conditions. Should it be necessary for him to stop working again during that rehabilitation period as a result of the same disability, he will immediately be reinstated for L.T.D. benefits.

5. Subject to 6. below, if suitable work for an L.T.D. recipient cannot be found in the plant, the Plan Administrator will be instructed by the Company that L.T.D. benefits are to continue until such time as the employee can be retrained for meaningful work or the condition improves even further so that suitable work can be found or he can return to his own job.
6. L.T.D. benefits will be paid, subject to the other provisions in this Article, only if the employee is completely unable to engage in any and every gainful occupation for which the employee is reasonably fitted by education, training or experience.
7. A plan member must have 3 or more years of corporate service prior to the commencement of the disability to be eligible for any L.T.D. Benefits.

3.08 Major Medical Benefits

A member and his eligible dependents shall be covered for Major Medical Coverage. On a reasonable and customary basis, Major Medical Coverage shall reimburse the member for 90% of the actual charges incurred for all eligible expenses in any calendar year. Subject to an automatic annual reinstatement of up to \$1,000.00, the lifetime maximum payment for each covered individual shall not exceed \$140,000.00. The Company will continue to address those who reach the Lifetime Maximum on a case-by-case basis.

a. ELIGIBLE EXPENSES SHALL INCLUDE:

- 1) services and supplies furnished by the hospital for medical care therein, and
- 2) room and board charges in a licensed nursing home or clinic, and
- 3) emergency local ambulance service, and
- 4) professional services of any duly licensed physician, surgeon or psychiatrist, and
- 5) dental treatment for an accidental injury to natural teeth, and
- 6) after the annual OHIP maximum payment has expired, up to \$20.00 per visit and a maximum of 20 visits per year for paramedical services rendered by a duly licensed chiropractor, or osteopath, or podiatrist or naturopath, and
- 7) charges for the services of a trained, duly licensed nurse, other than a close relative or other person normally resident in your home, when ordered by the attending physician, and

- 8) speech therapy by a qualified speech therapist, other than a close relative, to restore speech loss or correct an impairment, due to
 - i) a congenital defect for which corrective surgery has been performed, or
 - ii) an accident or illness other than a functional nervous disorder, and
- 9) the cost of orthopaedic shoes and elastic support stockings when recommended as necessary by a doctor to a maximum of one pair in any 24 month period (every 12 months for dependent children under age 18), and
- 10) the cost of orthotics up to \$500 in any 24-month period (as required for dependent children under age 18), and
- 11) the cost of drugs and medicines available by prescription only and purchased from a licensed pharmacist, physician or hospital and injectable drugs, sera and vaccines when administered by a qualified person. (Subject to a calendar year deductible of \$25.00 single or family but not subject to co-insurance). An employee and their dependents will be restricted in the amount of reimbursement to the dispensing fee in place within the Preferred Provider Network. Where there are no preferred provider pharmacies or no delivery service this Article will not apply and the reasonable and customary dispensing fee will be paid. Patent medicines, food supplements or vitamins available without a prescription are not covered whether prescribed or not, and
- 12) Medical supplies:
 - i) blood and blood plasma,
 - ii) bandages and surgical dressings,
 - iii) crutches, casts, splints, braces and trusses,
 - iv) the initial cost of artificial limbs or eyes,
 - v) oxygen and rental of equipment for its administration,
 - vi) rental of an iron lung or other mechanical equipment for the treatment of respiratory paralysis, and
- 13) Radiology, and
- 14) Physiotherapy, and

- 15) Up to \$20 per visit and a maximum of 20 visits per year for the diagnosis and treatment of mental, nervous or emotional disorders by a duly licensed Psychologist or Social Worker with minimum M.S.W. qualifications.

b) **ELIGIBLE EXPENSES (not subject to deductible or co-insurance):**

1. Vision Care (not subject to deductible or co-insurance):

- i) up to \$225 every two years for the purchase of lenses and frames,
- ii) ocular examination by refraction,
- iii) diagnostic services for suspected disease,
- iv) visual training or remedial exercises,
- v) contact lenses for a minimum 20/40 vision in the better eye where glasses cannot increase visual capacity to that extent, and

2. Up to \$425 every two years or \$650 every three years for the purchase of a hearing aid when prescribed by a doctor.

c) **LIMITATIONS TO ELIGIBLE EXPENSES:**

Eligible expenses under this Major Medical Coverage shall exclude:

- 1) expenses for care or service for which insurance benefits are prohibited by any provincial plan, or other governmental plan or law, or
- 2) expenses for care or services to the extent that benefits are provided under any provincial plan or other governmental plan or law under which the individual is or could be covered to the extent to which benefits would be provided had the individual met the requirements for having care or services furnished under the plan or law, or
- 3) expenses for care or services provided by or on behalf of any government, political sub division or governmental agency unless a non-recoverable charge is made to the covered individual, or
- 4) anything not ordered by a doctor, not reasonably necessary for medical care or charges in excess of those usually made when there is no insurance but not more than the general level in the area for comparable services or supplies, or

- 5) expenses incurred in treatment of a condition which resulted from an act of war or armed aggression, or
- 6) expenses in connection with cosmetic surgery unless due to an accident occurring while covered, or
- 7) treatment of periodontal or periapical disease or any condition involving teeth, surrounding tissue or structure, unless treatment is due to accidental injury occurring while covered, or
- 8) nursing, speech therapy or physiotherapy rendered by yourself, spouse or a child, brother, sister or parent of yourself or spouse, or
- 9) charges for an uncomplicated pregnancy and delivery.

3.09 Dental Plan

- a) A member and his dependents (including dependent children younger than age 21) shall be entitled to benefits under a dental care plan equivalent to Green Shield's Standard Dental Plan. The O.D.A. Schedule of Fees will be updated annually to maintain a 3 year lag behind the current O.D.A. Schedule of Fees.
- b) Qualified dependent children younger than age 20 shall be entitled to orthodontic services up to an individual lifetime maximum of \$1,500. The amount payable will be 60% of the reasonable and customary charge for the orthodontic services listed below up to the lifetime maximum.

The following are covered orthodontic services:

1. diagnostic services (once only) and surgical services,
2. interceptive orthodontics,
3. comprehensive orthodontics,
4. habit inhibiting appliances.

The following are not covered:

1. myofunctional therapy
2. charges for replacement or repair of an orthodontic appliance
3. motivation of a patient.

3.10 Health Benefits on Retirement

An employee who ceases to be a member of this plan because he has retired from active service with the Company, (or the spouse of an employee who died), and who is receiving a pension under the provisions of the Pension Plan for employees in Local 2724 USW (except a pension payable under the "deferred pension" provision of Article 5 of the pension agreement) shall be covered, and his eligible dependents shall be covered, as of the effective date of the pension, for a Major Medical Plan (including prescription drugs) and a Semi-Private Hospital Plan. The spouse of a deceased pensioner who retired from active service (and that deceased pensioner's eligible dependents) shall also be covered by the Major Medical and Semi-Private Hospital Plans.

The plan will include drugs or medicines purchased from a licensed pharmacy, a physician, or hospital for which a medical prescription is necessary except that benefits available under a government prescription drug plan will not be duplicated under this plan.

The plan will also pay for injectable drugs, sera and vaccines when administered by a qualified person but excludes the actual charge for its administration. The plan will pay 80% of the cost of such Major Medical expenses including prescribed drugs and medicines, up to a lifetime maximum of \$140,000, after a deductible of \$25 for each person to a maximum of \$75 per family has been satisfied in any calendar year. The plan will also pay 100% of a hospital's standard Semi-Private room daily rate, for the retiree and his eligible dependents.

The plan does not provide the many patent medicines, food supplements, vitamins and other items that normally could be bought over the counter without a prescription whether such items are prescribed or not.

The spouse and dependents of an employee who died while in active service will also be entitled to Dental benefits under Article 3.09 until the later of the youngest dependent attaining age 21 or the former spouse attaining age 60.

A more detailed explanation of the Health Benefits on retirement is available from the Human Resources department.

The plan will reimburse 50% of the receipted cost of glasses and hearing aids to a maximum of \$200 per family through to July 31, 2013. This shall also apply to all retirees who retired prior to August 1, 2010.

During the period of August 1, 2010 to July 31, 2013, any retiree or eligible dependent who reaches the Lifetime Maximum Limit (i.e. \$140,000) will be provided with the full support of Essar Steel Algoma Inc. to access alternate funding sources to ensure that the claimant is fully compensated for eligible expenses. Essar Steel Algoma Inc. will be the second payer to any and all government funding program. If retirees are unable to access alternate funding,

it is agreed that Essar Steel Algoma Inc. will ensure all eligible costs covered under the appropriate Policy are paid.

3.11 Supplementary Hospital (Semi-Private) Coverage

In addition to ward hospital care covered under O.H.I.P., this plan shall provide for the additional cost of semi-private hospital care for a member and his dependents as defined in Article 5.01.

ARTICLE 4

ADMINISTRATION AND COST OF PLAN

4.01 Administration

The plan shall be administered by the Company.

4.02 Cost

The cost of the benefits provided under the plan shall be paid by the Company.

4.03 Joint Compensation/Benefits Committee

A separate Joint Compensation/Benefits Committee with the local Unions shall be established which will be made up of six members from the Union and three members from the Company. The duties of the Committee shall be to advise on the day-to-day administration of the plan and to deal with problems which may, from time to time, arise concerning the application of the terms of this agreement. This committee shall have all information reasonably necessary to carry out its functions.

4.04 Arbitration

Any dispute as to the meaning or application of the provisions of the plan which cannot be settled by the Joint Compensation/Benefits Committee may be submitted by either party to arbitration in accordance with the terms of the labour agreement between the parties to which this plan is an appendix.

ARTICLE 5

DEPENDENTS

5.01 Definition

Subject to Article 5.02, a dependent is a person who is either the member's spouse (unless legally separated) who has been reported as a dependent in accordance with Article 5.02 or who is a member's unmarried child under 21 years of age or enrolled as a full time student in an educational institution and younger than age 23 and completely dependent upon the member for support

and maintenance. "Unmarried Children" shall include stepchildren, foster children and legally adopted children who have been reported to the Company for coverage. Foster child shall not include any child placed in the care of the member by the Children's Aid Society or any similar government organization.

Relatives such as parents, brothers or sisters are NOT considered as dependents under any circumstances.

5.02 Reporting Dependents

When an employee becomes a member, he must certify to the Company the names of his dependents, if any. If a member without dependents acquires one or more dependents on any date after he becomes a member, he shall report such dependent or dependents to the Personnel Services Section of the Company's Human Resources Department within 30 days of such date and coverage for such a person(s) will become effective on the reporting date. If he fails to report them within the 30 day period, dependent coverage for those dependents will be delayed until the first day of the month following the month in which they are reported. If a member with dependents acquires additional dependents he must report those dependents to the Personnel Services Section of the Human Resources Department and dependent coverage for the additional dependents will become effective as of the reporting date.

ARTICLE 6

DURATION OF AGREEMENT

6.01 This agreement shall be effective from August 1, 2010 to July 31, 2014 and thereafter from year to year unless either party gives written notice of termination at the end of a contract year (commencing with the year ending July 31, 2014) not more than ninety days nor less than sixty days prior to July 31 of such year.

ESSAR STEEL ALGOMA INC.
SALARIED EMPLOYEES PENSION PLAN
(CLOSED TO NEW EMPLOYEES EFFECTIVE JANUARY 1, 2011)

The following summary is provided for your information and is a generalization of The Essar Steel Algoma Inc. Salaried Employees Pension Plan (the "Salaried Plan") as at August 1, 2010. The actual terms of the Salaried Plan and the laws of Ontario shall govern in the event of any discrepancy between them and this summary.

1. MEMBERSHIP

You become a member of the Salaried Plan on the first day of the month following the month in which you are hired or permanently promoted into a Salaried position, unless you are promoted on the first day of the month, in which case you become a member on that day.

2. PENSION PLAN BENEFITS

On retirement the Salaried Plan provides a continuing monthly income, for the balance of your lifetime, which is the sum of:

- (a) a non-contributory pension based on your earnings and service, and
- (b) a contributory pension based on your voluntary decision to contribute to the plan and your earnings. (The ability to contribute was discontinued on January 1, 1988).

3. WHEN YOU MAY RETIRE

You may retire at age 55 or if you have 35 years of Credited Service or if the sum of your age plus Pensionable Service is equal to at least 90, provided you give the Company four months' notice.

Note: If you choose to retire early and on your retirement date you are not age 60 and do not have at least 10 years of Credited Service, your pension will be reduced. See 5 - Early Retirement Reductions.

During the term of the current Collective Agreement, there are Early Retirement Windows. See 8 on page 101.

Note: All retirements are on the first day of the month.

4. AMOUNT OF PENSION

(a) NON-CONTRIBUTORY PENSION

Since the salaried non-contributory pension is based on earnings and service these terms should first be clarified.

“Credited Earnings” is the monthly average of basic salary and production supplements paid to you in the 60 months in which your earnings were highest.

“Base Earnings” is Credited Earnings to a maximum of 1.50 times the monthly average YMPE (defined below) in the 3 calendar years ending in the year in which you retire. In 2010 maximum Base Earnings are \$5,900.00.

“Salaried Service” is the number of years that you have been a salaried employee.

“YMPE” is the Yearly Maximum Pensionable Earnings established by the Canada Pension Plan and used in determining your Canada Pension Plan benefit. It is also used for your Bridge Pension calculation.

If you were a salaried employee on January 1, 1965 all years of service before 1965 (back to your most recent date of hire) count as salaried service as do all years as a salaried employee after January 1, 1965.

If you were hired or promoted after January 1, 1965 any time spent on a salaried occupation counts as salaried service while any time spent on an hourly occupation counts as Prior Hourly Union Service provided your service was continuous.

Prior Hourly Union Service pension amounts are calculated under the formula in the Hourly Employees Pension Plan in effect when you retire. Total Credited Service (Hourly plus Salaried Service) is subject to the greater of:

- (i) service to December 31, 1993 (to a maximum of 40 years),
or
- (ii) 35 years

As your earnings increase, your Credited Earnings also increase and so does the value for each year of your service. As your service increases, so does your pension.

Lifetime or Basic (Age 65) Pension

- (i) 1.35% of your Credited Earnings multiplied by your Salaried Service.

Plus

- (ii) If you contributed to a previous plan in 1965, 0.25% of your Credited Earnings multiplied by your Salaried Service before January 1, 1965.

Plus

- (iii) If you are an executive officer of the Company or a salaried employee who was covered by Part B of the Original Salaried Plan on or before January 1, 1996, 0.36% times your Credited Earnings in excess of \$4,166.67 per month times your Salaried Service.

Bridge Pension (Before Age 65)

If on your early retirement date you are age 60 and have at least 10 years of Credited Service, you will receive a bridge benefit equal to 0.6% of Base Earnings multiplied by your years of Credited Service payable from your early retirement date to age 65.

If on your early retirement date, you are not age 60 and do not have at least 10 years of Credited Service but you qualified for early retirement at December 31, 2001, a bridge benefit for your service to December 31, 2001 will be calculated as above subject to the reductions outlined in 5 - Early Retirement Reductions.

If on your early retirement date, you are not age 60, do not have at least 10 years of Credited Service and did not qualify for early retirement at December 31, 2001, you will not receive a Bridge Pension.

(b) CONTRIBUTORY PENSION

If you elected to contribute to the Salaried Plan for service up to December 31, 1987 your contributory pension shall be the sum of:

- (i) 0.75% of your Credited Earnings or \$31.25, whichever is less, multiplied by your Contributory Service, if any, prior to January 1, 1968, and
- (ii) 0.5% of your Credited Earnings or \$20.83, whichever is less, multiplied by your Contributory Service, if any, after December 31, 1967, and prior to January 1, 1973, and

- (iii) 0.65% of your Credited Earnings or \$33.85, whichever is less, multiplied by your Contributory Service, if any, after December 31, 1972 and prior to January 1, 1988.

In the event of your death before retirement, any contributions plus interest will be returned to your spouse or to your estate.

(c) HOURLY PENSION PLAN

If you retire directly from continuous service, you may elect to receive pension benefits equivalent to those provided in the Hourly Employees Pension Plan provided the benefits as determined on an actuarial basis are worth more to you than the pension otherwise payable under the Salaried Plan.

(d) RETIRING ALLOWANCE

If you retire from the Company during the life of this agreement with at least 30 pension credits and the total (lifetime and bridge) pension payable in the normal form is less than \$2,500 per month, you will receive a retiring allowance equal to \$2,500 less your total early retirement pension payable under the normal form. The retiring allowance is payable monthly from your early retirement date to age 65. Note: Normal form is before any reduction for Joint & Survivor pension and taxes.

5. EARLY RETIREMENT REDUCTIONS

Not qualified for early retirement at December 31, 2001

If you choose to retire early and you did not qualify for early retirement at December 31, 2001, your Basic Pension will be reduced to the actuarial equivalent of the pension you would have received if you were age 60 and had 10 years of Credited Service.

Qualified for early retirement at December 31, 2001

If you choose to retire early and you qualified for early retirement at December 31, 2001

- (i) For your service prior to January 1, 2002

your Basic and Bridge Pensions will be reduced by the lesser of:

- (a) **Reduction Based on Age** - Your pension will be reduced by 0.25% for each complete month that you retire prior to your 62nd birthday plus an additional 0.25% for each complete month that you elect to retire prior to your 59th birthday.

- (b) **Reduction Based on “Age Plus Service = 85 or 90”** - Your pension will be reduced by 0.33% for each complete month that your age plus service at retirement is less than 90 for service prior to August 1999 and less than 85 for service after July 1999.

Note: The above reduction will not apply if you have 35 or more years of Pensionable Service at your retirement date.

NOTE: THE AGE PLUS SERVICE = 90 FACTOR WILL BE USED FOR SERVICE EARNED PRIOR TO AUGUST 1, 1999. THE AGE PLUS SERVICE = 85 FACTOR WILL ONLY APPLY TO SERVICE EARNED ON AND AFTER THAT DATE. FOR EXAMPLE, IF YOU RETIRE AFTER AUGUST 1, 1999 WITH MORE THAN 85 BUT LESS THAN 90, THERE WILL BE A REDUCTION TO YOUR PENSION EARNED PRIOR TO AUGUST 1, 1999 BUT NO REDUCTION THEREAFTER.

An employee may elect to receive the 85 point formula for pre 1999 service if they also accept the \$52,000 cap under the Hourly Pension Plan.

- (ii) For your service after December 31, 2001

your Basic Pension will be reduced to the actuarial equivalent of the pension you would have received if you were age 60 and had 10 years of Credited Service.

6. OPTIONAL PENSIONS

The form of pension you receive will depend on whether or not you have a spouse when you retire. If you do not have a spouse, your pension will be payable for your life. If you have a spouse when you retire, the law requires that your pension be paid as a Joint and Survivor pension, unless you and your spouse waive the right to that form of benefit in writing. The Joint and Survivor form pays you a reduced pension for life with 60% of the reduced pension continuing to your spouse after your death. This pension will be equal in value to the lifetime pension that you would receive if you do not have a spouse when you retire. You may elect to receive your pension in either or a combination of both of the following options:

(a) Joint and Survivorship Option

The Ontario Pension Benefits Act requires a 60% joint and survivorship (J&S) pension for your spouse by taking a slightly smaller pension payable for your lifetime. You and your spouse, however, may elect to take a smaller or larger percentage J&S pension or no J&S pension.

If you elect to take a J&S pension of less than 60% the law requires that both spouses sign a waiver form.

The amount paid to your spouse in the event of your death is dependent on your age at retirement, the age difference between you and your spouse and the percentage amount you elect.

The J&S pension is based on the lifetime portion of the pension only, that is, it does not apply to the bridge benefit.

(b) Guarantee Option

You may also elect to have your basic (lifetime) pension guaranteed for a period of 15 years from your retirement date by accepting a percentage reduction in your pension. The reduction is based on your age at retirement. If, for example, you retired and elected a guaranteed pension and you died one year after retiring, the basic lifetime pension would continue to be paid for the balance of the 14 years in the guarantee period.

The additional contributory pension which you may have provided for yourself by your own contributions is also subject to the guarantee option in the event you elect that option.

(c) Combination Option

You may also elect a combination of the joint and survivorship and the guaranteed pension.

Your election will be made by submitting to the Company, at least one month prior to your pension commencement date, a completed application on the form provided by the Company.

7. POST-RETIREMENT INDEXING OF BASIC PENSION

If you retire from active service, have been retired for at least 24 months and are at least age 55, you will have a portion of your Basic Pension increased on July 1, 2011, July 1, 2012, July 1, 2013 and July 1, 2014 based on the Percentage Adjustment which shall be calculated as the lesser of:

- (a) 80% of the average annual percentage increase in the Consumer Price Index in the immediately preceding calendar year subject to an annual maximum of 3%, and

(b) the difference between the rate of return on the assets of the pension fund in the preceding calendar year and the solvency interest rate for the current calendar year plus 1.5%.

If the Percentage Adjustment is zero or negative, no indexing will be paid. Any unused positive or negative balance in the Percentage Adjustment will be carried forward to future years.

The maximum portion of your Basic Pension which will be increased is equal to \$48 per month times your years of Credited Service (Salaried and Hourly to a maximum of 35 years) plus increases previously granted to you.

8. Early Retirement Windows

If you retire during one of the following periods:

- (a) August 1, 2010 to October 31, 2010
- (b) January 1, 2011 to October 31, 2011
- (c) January 1, 2012 to October 31, 2012
- (d) January 1, 2013 to July 31, 2013

your Basic and Bridge Pensions will be calculated using the reductions outlined in Section 5(i) of this booklet with respect to all years of service.

Remember: All retirements are on the first of the month. For example, the last opportunity to retire under these early retirement windows will be on July 1, 2013.

9. Plant Closure Benefit

If the plant closes and you were a Member of the Salaried Plan on December 31, 2001, your Basic and Bridge Pensions will be calculated using the reductions outlined in Section 5(i) and 5(ii) of this booklet.

This benefit will not be pre-funded and will impact the funded status of the Salaried Plan in the event of a plant closure.

10. INTEGRATION WITH GOVERNMENT PLANS

Although full Canada Pension Plan (CPP) benefits do not become payable until age 65 (unless you become totally disabled), you may take a reduced CPP benefit as early as age 60. Old Age Security is payable at age 65. Since the Salaried Plan provides you with the option to retire before you are eligible for the Government benefits, it provides an extra amount of pension (Bridge Pension) if you decide to retire before age 65

and if you meet the qualifying criteria. When you reach age 65 the Bridge Pension ceases. If you choose to take your CPP before age 65, the Bridge Pension will still continue to age 65.

11. SURVIVOR BENEFITS

In the event of your death before retirement from any cause, your surviving spouse will be entitled to receive an on-going monthly survivor pension under the terms of the Salaried Plan.

NOTE: Not eligible for a Survivor Pension would be the surviving spouse of an employee who previously elected not to be covered for this benefit in favour of group life insurance coverage of 2-1/2 times annual salary, rather than one times.

The Survivor Benefit payable under the Salaried Plan is the greater of:

- half of your Basic Lifetime (Age 65) pension entitlement earned to your date of death, or
- 20% of your basic monthly salary at time of your death, plus an additional 10% if you have one or more dependent children.

Any contributions you paid into the Salaried Plan will be returned with earned interest. Any contributions which are returned will be paid to your surviving spouse in a lump sum, if desired, or the contributions may be transferred to a Registered Retirement Savings Plan (RRSP) in your spouse's name.

The Survivor Benefit monthly income is payable for the lifetime of your spouse.

Dependent children will be eligible for the 10% survivor benefit even if there is no surviving spouse or if a surviving spouse later dies, in which case the 10% dependent child benefit will be paid to the child's guardian until the end of the year the child attains age 18, or until age 21 if the dependent is a full time student or is dependent by virtue of mental or physical infirmity.

The minimum death benefit is the commuted value of your pension earned after January 1, 1987 and a refund of your contributions made prior to January 1, 1987, plus interest to your date of death.

If you do not have a surviving spouse, your designated beneficiary will receive a lump sum payment equal to the minimum death benefit. If you have not designated a beneficiary or if your beneficiary predeceases you or dies before receiving all payments to which the beneficiary is due, any

remaining benefits payable to the beneficiary will be paid as a single lump sum to your estate or to the estate of your beneficiary, respectively.

A surviving spouse and surviving dependants under the Salaried Plan also receive, at Company cost:

- Major Medical protection, including prescription drugs, at 80% coverage
- Semi-private Hospital accommodation at 100% coverage
- Dental Plan coverage until the spouse reaches age 60 or there are no dependent children, whichever occurs last.

In all cases of the death of an employee and/or a surviving spouse, the Company will assist beneficiaries in any way possible.

12. TERMINATION OF EMPLOYMENT

If you terminate your employment with the Company prior to becoming eligible for an early retirement pension and you have at least 24 months of continuous service, you shall be entitled to receive a deferred pension. You will receive as a minimum the value of your non-contributory basic lifetime (at age 65) pension and the return of your contributions made prior to January 1, 1987 plus interest to your date of termination. You will have the option of transferring the commuted value of your deferred pension to your new employer's pension plan (if it will accept the funds), or to your own locked in Retirement Account (such as a RRSP) or using it to purchase a Deferred Life Annuity.

You will have 60 days to make your election. If you do not make an election, you will be deemed to have elected not to transfer the commuted value of your deferred pension from the Salaried Plan.

13. ESTIMATED PENSION CALCULATION

When you are approaching retirement contact Employee Benefits for an estimate of your pension entitlement.

14. DEFINED CONTRIBUTION PENSION PLAN

The parties have agreed to a Defined Contribution Pension plan for all new employees and current employees (for future service only) effective January 1, 2011.