

TENTATIVE AGREEMENT HIGHLIGHTS

Signing Bonus

\$3,000 signing bonus will be paid to each employee who works for at least sixty days following his/her return to active work on or after the effective date (the date of receipt of written notice of ratification of this agreement). This bonus can be directed to the District 6 Savings plan before taxes. A special request sheet shall be put on the website to print out and faxed in. To option to direct into the District 6 Savings plan shall be the whole amount only.

Profit Sharing Plan

A new plan will be created effective with the second quarter of 2010. The plan will be calculated quarterly and will pay out a pool of 6.5% of EBITDA for the Lake Erie Plant in excess of \$45 million capped at a quarterly payment of \$3500 per active employee.

C.O.L.A.

Cost of living allowance will remain at the same calculation. Item 14 will be amended to reflect the new profit sharing plan. The C.O.L.A. projections are as follows:

Month	Year	Index		
April	2010	553.6 Points		Increase
July	2010	557.1	3.43	.11
Oct.	2010	560.5	3.45	.11

Jan.	2011	564.2	3.70	.12
April	2011	568.4	4.18	.14
July	2011	572.6	4.22	.14
Oct.	2011	576.9	4.25	.14
Jan.	2012	581.1	4.28	.14
April	2012	585.5	4.31	.14
July	2012	589.8	4.34	.14
Oct.	2012	594.2	4.37	.15
Jan.	2013	598.6	4.41	.15
April	2013	603.0	4.44	.15

Total \$1.63 over the course of the agreement.

Above are some COLA projections for the term of the contract based on inflation this year of 2.5% and 3% in years 2 & 3 Based on 1971 base with \$0.01 increase for each 0.3 increase in the CPI

It is also based on the first increase being in July 2010 when compared to April 2010.

Pensions-Current Employees/Pensioners

There will be no change to the Basic or Supplement rates under the U.S. Steel Canada Inc. Retirement plan

Credited Service for the Lock Out Period

A plan member who is an active employee on or after the Effective Date shall receive Credited Service for the period of the lockout. This is to include people on layoff and lockout.

Pension Credits for People on Future Layoff

For pension purposes any future layoffs for a lack of work by the Company that commences on or after the Effective Date of ratification will accrue Credited Service for such lay-off up to a maximum of 1 year.

Pension Indexing

The Company will make lump sum cash payments to retired employees and survivors of deceased retired employees (except those with deferred pensions) who are in receipt of a pension under the Plan on the Effective Date and alive on the payment dates listed below. The payments shall be paid from payroll separate and apart from the Plan, pursuant to the following schedule.

May 1, 2010- One lump sum cash payment equal to 1.5% of the eligible pensioner's monthly basic pension (excluding Supplemental Pension if any) as of April 1, 2010 times twelve (12).

August 1, 2011- One lump sum cash payment equal to 3% of the eligible pensioner's monthly basic pension (excluding Supplemental Pension) as of July 1, 2011 times twelve (12).

August 1, 2012- One lump sum cash payment equal to 4.5% of the eligible pensioner's monthly basic pension (excluding Supplemental Pension) as of July 1, 2011 times twelve (12).

Special Early Retirement

Up to 50 employees who satisfy the age and service requirements for a 55 age and 10 years of service Special Early Retirement under the Plan as of the Effective Date of Ratification and had not previously been provided the opportunity to request approval for retirement under such provisions may request with the consent of the Company to elect to retire on such Special Early Retirement. A list of employees to retire under this provision will be developed by the Company and reviewed and agreed upon by the Union.

Pensions for New Employees

Employees hired after the effective date of this Agreement will not be eligible to participate in the Defined Benefit Plan. Rather the Union (Local 8782) will take control of the plan and administration of the plan. New hires will participate in a separate plan with the Company's contribution to the plan to be fixed at \$2.50/hour for all hours worked. It will be a Group RRSP Retirement Fund that will be completely portable; however the Company contribution should not be removed unless employment with the Company is terminated. There will be a Retirement Fund Board set up to oversee the fund management and returns. The Plan will be monitored by John Cocurrullo's firm and John will sit on the board. There will be an option for you to contribute more if you like. The proposed plan estimates are as follows on the next page, the estimates are based on a 40 hour work week. The illustrations are based on conservative interest rates for practical

purposes. The estimates assume no negotiated increases over that period of time.

	\$2.50 per hour based on 40 hr work week For the year		\$100.00 per Week \$5,200.00	
Deposits	4.00%	5.00%	6.00%	
1	5,200.00	5,408.00	5,460.00	5,512.00
2	5,200.00	11,032.32	11,193.00	11,354.72
3	5,200.00	16,881.61	17,212.65	17,548.00
4	5,200.00	22,964.88	23,533.28	24,112.88
5	5,200.00	29,291.47	30,169.95	31,071.66
6	5,200.00	35,871.13	37,138.44	38,447.96
7	5,200.00	42,713.98	44,455.37	46,266.83
8	5,200.00	49,830.54	52,138.13	54,554.84
9	5,200.00	57,231.76	60,205.04	63,340.13
10	5,200.00	64,929.03	68,675.29	72,652.54
11	5,200.00	72,934.19	77,569.06	82,523.69
12	5,200.00	81,259.56	86,907.51	92,987.12
13	5,200.00	89,917.94	96,712.89	104,078.34
14	5,200.00	98,922.66	107,008.53	115,835.04
15	5,200.00	108,287.56	117,818.96	128,297.15
16	5,200.00	118,027.06	129,169.91	141,506.97
17	5,200.00	128,156.15	141,088.40	155,509.39
18	5,200.00	138,690.39	153,602.82	170,351.96
19	5,200.00	149,646.01	166,742.96	186,085.07
20	5,200.00	161,039.85	180,540.11	202,762.18
21	5,200.00	172,889.44	195,027.11	220,439.91
22	5,200.00	185,213.02	210,238.47	239,178.30
23	5,200.00	198,029.54	226,210.39	259,041.00
24	5,200.00	211,358.72	242,980.91	280,095.46
25	5,200.00	225,221.07	260,589.96	302,413.19
26	5,200.00	239,637.91	279,079.46	326,069.98
27	5,200.00	254,631.43	298,493.43	351,146.18
28	5,200.00	270,224.69	318,878.10	377,726.95
29	5,200.00	286,441.68	340,282.01	405,902.57
30	5,200.00	303,307.34	362,756.11	435,768.72
31	5,200.00	320,847.64	386,353.91	467,426.85
32	5,200.00	339,089.54	411,131.61	500,984.46
33	5,200.00	358,061.12	437,148.19	536,555.52
34	5,200.00	377,791.57	464,465.60	574,260.86
35	<u>5,200.00</u>	<u>398,311.23</u>	<u>493,148.88</u>	<u>614,228.51</u>
Total	182,000.00	398,311.23	493,148.88	614,228.51

Retiree Health Care for Members Under the New Pension Plan

The retiree health care benefits have the same triggers as the defined benefit

Group Benefits

No change to the plan and no life time cap.

Supplementary Unemployment Benefits

The Company will establish a \$2 million SUB fund accrual upon the effective date of this Agreement. Thereafter, should the funding be drawn down to a \$1 million balance, the Company will refresh the accrual back to the \$2 million level. The weekly benefit payable under the plan will be increased from \$150 to \$200. In all other respects, however, the provisions of the SUB plan remain in effect.

Jury Service and Bereavement Pay

Son-in-law and daughter-in-law will be added to eligibility criteria.

Vacations

Retain existing language - modify Paragraph 11.04 (d) to reflect that an employee may schedule up to two (2) weeks of his or her annual vacation entitlement in single days.

Overtime Meals

It is agreed that an employee who works more than three (3) consecutive hours overtime immediately after having worked a regularly scheduled eight (8) hour

shift will be paid a \$6.50 meal allowance in his / her bi-weekly pay or may elect to be provided with a vending card with a value of \$6.50.

Section 5

The Union will be notified of the scheduling of monthly safety meetings and shall be provided with a proposed agenda. The parties will meet to discuss the scheduling of safety training. It is understood that employees may be required to attend monthly meetings before their normal work day and such time will be compensated in accordance with the provisions of Section 5.

Training

Company agrees to accommodate off site training costs (mileage, parking, etc.)

Tools

All trades people who did not remove their tools prior to the lockout will remove their tools and be provided another set (as per the agreed to tool list) by the Company. These new tools will remain the property of the Company.

Term of the Agreement

3 years