

**FINAL OFFER****Escanaba USW 2008 Negotiations - Company Economic Offer****FourYear Agreement - June 1, 2008 to May 31, 2012****June 12, 2009**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Wages</b>	2%	2%	2%	2%
<i>effective date</i>	first Monday following ratification		5/31/2010	5/30/2011
	or following ratification, whichever comes later.			
<b>Shift Diff</b>	\$0.25, \$0.45 effective first week following ratification			
<i>\$.19 \$.36</i>				
<b>Medical</b>	Three plan options, with cost sharing as shown.			
<i>PPO 1 80/20</i>	PPO 1	80/20	80/20	80/20
	PPO 2	82.5/17.5	82.5/17.5	80/20
	HRA	85/15	82.5/17.5	80/20
		effective 1/1/2010	effective 1/1/2011	effective 1/1/2012
<b>Dental</b>	20% employee cost, with annual election			
<b>A&amp;S</b>	\$420	\$425	\$430	\$435
<i>\$.415</i>	effective at ratification			
<b>Pension:</b>	\$42	\$43	\$44	\$45
<i>\$.41</i>	effective 1/1/2009	effective 1/1/2010	effective 1/1/2011	effective 1/1/2012
<b>Summer Student Pay</b>	1st Summer - \$11.50, 2nd Summer - \$12.50, 3rd Summer or more- \$14.00			
<i>\$.10.91</i>				
<b>Safety Shoe Allowance</b>	One pair per year through the shoemobile. Second pair with approval.			
<i>\$.100</i>				
<b>Language:</b>				
CP1	Lines of Progression and Work Redesign New Lines of Progression (E-1, E-3, E-4) Wage Adjustments			
CP22	Transition Plans			
CP2	Article 33 - Productivity/Flexibility			
CP3	Article 23 - Paid Holidays (Christmas holiday)			
CP4	Article 11 Section 4 - Job Posting (temporary vacancies)			
CP6	Article 17 – Meals			
CP7	Article 15 Section 5 and Exhibit F - Deferred Maintenance			
<b>Retroactive Wages</b>	USW employees on the payroll at the time of ratification will receive \$1,137.40 of retroactive pay, less applicable withholding. Employees who have worked less than 1100 hours during this period (June 1, 2008 to April 30, 2009) will be prorated accordingly. This offer may be withdrawn at any time.			
	<u>Note:</u> Retroactivity paid through April 30, 2009. Amount is based on 11 months; 2400 hrs/year; \$25.85 per hour; 2% increase.			

*The Company reserves the right to add, modify or delete proposals.**The Company reserves the right to withdraw this proposal.*