**Letter of Agreement**

**BETWEEN**

**ESSAR STEEL ALGOMA INC.**

**(Hereinafter referred to as the Company)**

**AND**

**THE UNITED STEELWORKERS LOCAL 2724**

**(Hereinafter referred to as the Union)**

**Re: Waiver of Lifetime Maximum Limit**

During tine period of August 1, 2010 to July 31, 2014, 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 to access alternate funding sources to ensure that the claimant is fully compensated for eligible expenses.

It is acknowledged that Essar Steel Algoma Inc. will be the second payer to any and all relevant government programs.

If retirees are unable to access alternative funding, it is agreed that Essar Steel Algoma Inc. will ensure all eligible costs covered under the appropriate Policy are paid.