



John A. Beaver
President, USW Local 9423
P.O. Box 448
Lewisport KY 42351

November 13, 2012

Mr. Jason Curry
Human Resources Manager
Century Aluminum of Kentucky, GP
P.O. Box 500
Hawesville KY 42348

VIA ELECTRONIC MAIL

Re: Unequal Distribution of Overtime

Dear Jason,

Please be advised that the Union is in receipt of the Company's response to our October 19, 2012 letter pertaining to unequal distribution of overtime and implementation of the penalty clause set forth in Article 6. Please accept the following as our response to this November 12, 2012 letter.

First and foremost, the intent of the cited language is such that the Company receives notice that the Union has concerns about the distribution of overtime, and that there may be a problem with the distribution of overtime, thus providing the Company with the information and time to correct the problems. To this extent, the Union has far exceeded any requirements established in Article 6 of the Collective Bargaining Agreement.

The Union contends that the claims established in the Company's November 12, 2012 correspondence are exacerbated and incorrect. Please allow us to explain. The Union processed three grievances pertaining to the unequal distribution of overtime through the grievance process in accordance with Article 12: 12-05-PL, 12-06-PL, and 12-15-PL.

Initially, the Company was provided verbal notice that there were concerns and problems with the distribution of overtime. This notice included the names of the employees affected, the dates, the times and hours of the overtime at issue, and the names of the supervisor involved. The vehicle in which such verbal notification was given was the grievance procedure. The Company was given verbal notice of these three specific problems with the overtime distribution on February 1, 2012 for grievance 12-05-PL; February 7, 2012 for grievance 12-06-PL; and February 25, 2012 for grievance 12-15-PL.

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International
Union

USW Local 9423 PO Box 448 Lewisport, KY 42351 Phone 270-295-9423 Fax 270-295-9428

The Company received a second notice of our concerns with the distribution of overtime by means of the three second step grievances referenced above. Grievance 12-05-PL was written on January 31, 2012 and was served sometime following February 1, 2012. The Company received written notice of further concerns with the receipt of grievance 12-06-PL on February 9, 2012. Once again, the Company received additional written notice of further concerns regarding the distribution of overtime in grievance 12-15-PL, which was written and delivered to the Company on March 7, 2012. Each of these grievances were in writing, and each contained the names of the employees affected, the dates, the times and hours of the overtime at issue, and the name of the supervisor.

At some point between January 31, 2012 and June 19, 2012, the Union and Company met to discuss grievances 12-05-PL, 12-06-PL, and 12-15-PL, providing the Company with the third notice that there were concerns and problems with the distribution of overtime. The Union is assuming that the Company performed an investigation into these allegations prior to providing the Union with their second step grievance response.

Once the Company failed to provide a response in second step suitable to the Union President, the Union, by writing, notified the Company of our intent to appeal these three grievances to third step, providing, yet again, another written notice that there were concerns with the distribution of overtime.

The Union and the Company met in third step of the grievance procedure on June 19, 2012, where the Union provided the Company with the names of the employees affected, the dates, the times and hours of the overtime at issue, and the names of the supervisors involved. This just so happens to be the meeting where Gary Elder and Danny Stevens admitted that there was problems and that the Company did not administer the overtime policy correctly.

The Union would also assume that the Company performed its second investigation into the concerns of the distribution of overtime following the third step meeting, and prior to issuing their third step grievance response. The Company, in their third step response dated July 2, 2012, once again admitted that the overtime policy was not followed, and there were problems with the distribution of overtime.

On July 5, 2012, the Union responded to the Company's third step grievance response dated July 2, 2012 for the aforementioned grievances by requesting a meeting with the Plant Manager in accordance with Article 6, Section III. The Company, failing to see the importance of these concerns with the distribution of overtime, procrastinated in meeting with the Union. Following several verbal requests by the Union, the Union and Company met on September 17, 2012 to discuss these concerns with the distribution of overtime. During this meeting, the Union provided the Company with the names of the employees affected, the dates, the times and hours of the overtime at issue, and the names of the supervisors involved. Once again, this was provided to the Company verbally and through the written grievances. It was during this meeting that the

Company requested time to investigate into the Union's allegations. As a reminder, this would be a minimum of the third investigation performed by the Company. The Company committed to reply to the Union's concerns following such investigation.

On October 1, 2012, the Union notified the Company that as of that date, the Union had not received a response to our concerns regarding the distribution of overtime. Within this letter, the Union respectfully requested that the Company respond no later than October 16, 2012.

On October 19, 2012, the Union notified the Company again in writing that we had not received a response from the Company as it pertains to our concerns with the distribution of overtime. In this letter, we invoked the sunset clause.

Any reasonable person, after review of the above, would agree that the Union has displayed a tremendous amount of patience, and has provided the Company with every opportunity to correct these concerns regarding the distribution of overtime. It can also be ascertained that the Union has met its contractual obligations in providing the information required in Article 6. Therefore, the Union is demanding that the Company implement the alternative penalty clause identified in Article 6, Section III, paragraph 3 of the Collective Bargaining Agreement. If the Company elects not to implement this penalty clause, please accept this letter as a first step grievance.

If you have any questions or comments, please do not hesitate to contact me. I would like to extend my appreciation in advance for your understanding and assistance with this matter.

Respectfully,

John A. Beaver
President, USW Local 9423

CC: Richard Haas
Richard Fry
Don Nation