

~~LETTER OF UNDERSTANDING NO. 34~~

~~SUBJECT: RATIFICATION BONUS AND LUMP SUM PAYMENTS~~

~~The Company agrees to pay employees covered by this Agreement and on strike or on the active payroll on September 2, 2005, a bonus of eight (8) percent of their bargaining unit gross earnings during the period September 2, 2004, through September 1, 2005, less applicable withholding, if the Agreement is ratified on or before September 30, 2005. The bonus will be paid within sixty (60) days of ratification of the Agreement. Bargaining unit gross earnings are defined as that portion of an eligible employee's total earnings while in the bargaining unit which is computed at the employee's base rate plus cost of living adjustment rate, shift differential rate, remote assignment premium (swamp pay) rate, team leader premium and non-regular workweek premium rate, as applicable, on regular and overtime hours worked, overtime bonus hours, third shift bonus hours, sick leave hours (including those paid from FSP funds), vacation hours, holiday hours, report time hours and leave with pay hours. All other payments to an employee, imputed or otherwise, including this payment, are excluded from bargaining unit gross earnings for purposes of computing the ratification bonus.~~

~~For employees covered by this Agreement and on the active payroll on September 1, 2006, the Company agrees to pay a lump sum payment of \$3000, less applicable withholding. The payment will be made by December 1, 2006.~~

~~For employees covered by this Agreement and on the active payroll on September 7, 2007, the Company agrees to pay a lump sum payment of \$3000, less applicable withholding. The payment will be made by December 1, 2007.~~

~~Dated: September 29, 2005~~