ISPAT INLAND INC.

Pension Plan
Summary Plan Description
For Bargaining Unit Employees

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This SPD describes the Ispat Inland (the Company) Pension Plan in plain English and it is intended to inform Bargaining Unit Employees about their rights and responsibilities under the Pension Plan. If the information in this SPD conflicts with the official plan documents, the official plan documents will govern.

The Company reserves the right to change or end the Pension Plan in whole or in part at any time and reviews its benefit plans regularly, subject to the Collective Bargaining Agreement.

Eligibility for or participation in the Pension Plan does not constitute a contract for, or guarantee of, employment with the Company.

About the Collective Bargaining Agreement

The benefits described in this summary plan description reflect the provisions of the Pension Plan Supplement for Hourly and Bargaining Unit Employees as outlined in the Collective Bargaining Agreement between Ispat Inland and the union representing Ispat Inland employees. The plan document is available for examination by participants and beneficiaries. A copy of the plan document may be obtained by participants and beneficiaries upon written request to the Plan Administrator. A reasonable duplication charge may be made for copies furnished in response to such written request.

About the Pension Plan

The Pension Plan is an automatic benefit provided to you at no cost by Ispat Inland. The plan is designed to provide income to you in retirement based on your earnings and service when you retire. This summary plan description (SPD) focuses on the specifics of the Pension Plan.

Eligibility and Vesting

You are ***eligible*** for the Pension Plan if you:

- Have at least one year of continuous service with the Company,
- Are age 21 or older, and
- Are a member of the following bargaining units listed below:
  - — **Production and Maintenance:** Local Union Number 1010 of the United Steelworkers of America.
  - — **Office and Technical:** Local Union 1010-06 of the United Steelworkers of America.
  - — **Vessel Department:** Local Union Number 5000 of the United Steelworkers of America.
  - — **Certain Former Employees of the Lime and Stone Company Division:** Local Union Number 4302 of the United Steelworkers of America.
  - — **Minorca Mine:** Local Union Number 6115 of the United Steelworkers of America.

Being ***vested*** means that you have enough service to receive a plan benefit at retirement. You are 100% vested after you have five years of continuous service with the Company.

Cost

Ispat Inland pays the full cost of this benefit. You pay nothing!

Your Service

Your service is used to determine:

- When you are eligible to join the Pension Plan.
- When you become 100% vested in the Plan.
- The amount of your plan benefit.

Continuous Service

Your continuous service is essential in determining eligibility for the amount of your pension benefit. Continuous service is generally defined as all of your service with the Company or an affiliate measured from your initial date of employment to the date you leave. If you leave and are rehired, special rules apply. See the sections titled *Breaks in Service* and *If You Leave and Come Back.*

Break in Service

You will have a break in service if any of the following events occur:

- You leave the Company or are terminated for cause
- While on layoff, you fail to report for work within the earlier of:
  - — Seven calendar days after you receive a certified mail notice or
  - — 14 calendar days after the certified notice has been mailed.

  The notice will be sent to the most current address on file in Company records.

What About Layoff or Physical Disability?

Up to two years of absence because of a layoff or physical disability will still be considered continuous service. If you are receiving workers' compensation during the absence, you will receive continuous service for the full period of absence, provided you return to work within 30 days of receiving your last payment of workers' compensation.

- You are absent from work for five days without notifying the Company and fail to report for work within five days after receiving a notice from the Company (sent by certified mail, return receipt requested).
- You fail to report for work at the end of a leave of absence (or at the end of the extension of a leave of absence).
- Your employment is terminated because of a permanent shutdown of a plant, department, or subdivision.
- You do not return to work upon completion of a qualified military leave.
- You are absent for more than one year because of pregnancy or maternity/paternity leave. This applies if you were on an approved leave of absence in accordance with the Collective Bargaining Agreement. Absence for reasons of maternity or paternity includes time you spend away from work because of your pregnancy, the birth of your child or care after that birth, or adoption or placement for adoption of a child, care after adoption or placement for adoption.

Break in Service Before 1976

If you had a break in service before 1976, refer to Exhibit B in the Agreement.

Time you take off under the Family and Medical Leave Act of 1993 (FMLA) will not constitute a break in service.

If You Leave and Are Rehired

If you leave Ispat Inland and are rehired, the time you work before you leave may not count as service. If it isn't counted, your continuous service will be measured beginning on the date you return to service.

If you had a break in service between January 1, 1976, and December 31, 1984, and are rehired, your service before the break will be counted if one of the following is true:

- You were vested at the time your break started.
- Your break was shorter than the time you worked at the Company before the break and you have been back for one year.

If you had a break in service on or after January 1, 1985, and are rehired, your service before the break will be counted if one of the following is true:

- You were vested at the time your break started.
- Your break was less than five years and you have been back for one year.
- Your break was shorter than the time you worked at the company before the break and you have been back for one year.

If you had a break in service due to a layoff between January 1, 1980, and August 1, 1993, and were recalled or rehired before August 1, 1999, you will be credited with:

- An additional year of service, or
- If rehired or recalled within three years of your last work date, you will be credited with the lesser of:
  - An additional year of service or
  - A period of continuous service equal to the period between your last work date and the date you were recalled.

When You Can Retire

You can elect normal, late or early retirement – as long as you meet the requirements listed below. Read on for details.

Normal Retirement

Your normal retirement age is 65. You can retire with benefits if you have five years of continuous service or if it is the fourth anniversary of the date you joined the plan.

Late Retirement

You are not required to retire once you reach age 65. If you continue working past your normal retirement age, you can retire at any time and begin receiving benefits. However, you must begin receiving your Pension Plan benefit no later than April 1 of the year after you reach age 70½, even if you are an active employee at that time.

Want to Know More?

To learn more about these options, refer to these sections of the Agreement:

- Normal Retirement – Section 2.1.
- 62/15 Retirement – Section 2.2.
- 30-Year Retirement – Section 2.3.
- 60/15 Retirement – Section 2.4.

Early Retirement (Sole Option Retirement)

You can retire before age 65 under the options below if you meet the following qualifications:

Option	Your Age	Your Minimum Years of Continuous Service
62/15 Retirement	At least age 62 but less than age 65	15 years
60/15 Retirement (with reduced benefit)*	At least age 60 but less than age 62	15 years
30-Year Retirement	Less than age 62	30 years

* Under this option, benefits you receive before you are age 62 will be reduced for your lifetime depending on your age when you begin receiving payments. If you retire before age 62 and choose not to receive your benefit until you are age 62, your benefits will not be reduced. Once reduced, your benefit will not increase.

If you apply for retirement and die before you receive your benefit, your benefit amount will be paid as though you survived until your requested retirement date. Your benefit will be paid to your designated beneficiary or your estate. The benefit amount will depend on the form of payment you requested.

If you'd like to see the percentage that your pension would be reduced depending on your age at retirement, see the section titled *Early Retirement Reductions* at the back of this SPD.

Definition

Continuous Service – All your service with the Company or an affiliate before retirement. A break in service may affect how your service is calculated under the plan. See the section titled *Break in Service*.

Definition of Permanent Incapacity

You are considered permanently incapacitated if:

- You have been totally disabled by physical injury or disease and cannot engage in any employment covered under the Collective Bargaining Agreement,
- You have been totally disabled for five continuous months, and
- A qualified physician believes your disability will continue for the rest of your life.

– OR –

- You have been granted disability benefits under Social Security with an award effective date during which you were accruing continuous service. This will apply to all claims for Permanent Incapacity Pension pending as of July 31, 1999, and all subsequent claims arising during the term of the Agreement.

Disability Benefit (Permanent Incapacity Pension)

You may be eligible for a Permanent Incapacity Pension (PIP) if you retire because of a disability. You can receive a PIP if you are permanently incapacitated and have at least 15 years of service.

You won't be eligible for PIP if your disability was the result of you participating in:

- A criminal activity.
- Military service (even if you were receiving a military pension because of that disability).

Your PIP will stop if you are no longer disabled before you reach age 62. Your PIP will continue if your disability ends after age 62.

Your Normal Pension benefit will not be reduced for any payments you may receive under workers' compensation or a similar program, if applicable.

Other Types of Early Retirement Options

If you don't meet the early retirement requirements listed in the section titled *Early Retirement (Sole Option Retirement),* you may be eligible for the 70/80 Retirement or the Rule-of-65 Retirement.

Want To Know More?

Details about PIP are in Sections 2.5, 3.4, and 7.2 of the Agreement.

70/80 Retirement

You are eligible for 70/80 Retirement if you meet the following qualifications:

70/80 Retirement		
Years of Continuous Service	**Age When You Leave the Company**	**Combined Age and Service When You Leave the Company Equals**
15	At least age 55 but not yet age 62	70 or more
15	Any age under age 62	80 or more

Assuming you meet the requirements above, you can retire under this option if:

- Your continuous service is broken because:
  - Of a permanent shutdown of a plant, department, or subdivision,
  - You are laid off, or
  - You are physically disabled.
- Your service is not broken and
  - You are absent from work because of a layoff, after electing to be placed on layoff status (according to the Collective Bargaining Agreement) in the event of a permanent shutdown, or
  - While on layoff (at your election under the Collective Bargaining Agreement), you accept a job with the Company, but then retire within the first 90 continuous days on that job.

Rule-of-65 Retirement

You are eligible for Rule-of-65 Retirement if you meet the following qualifications:

Rule-of-65 Retirement		
Years of Continuous Service	**Age When You Leave the Company**	**Combined Points (Age Plus Service) When You Leave the Company Equals**
20 (as of your last day worked)	Less than age 55	At least 65 but less than 80 points

If you meet the above requirements, you may retire early under the Rule-of-65 Retirement if you have not been offered suitable long-term employment and your continuous service is:

- Broken because of a layoff or disability
- Not broken and you are absent from work because of a layoff, after electing to be placed on layoff status (according to the Collective Bargaining Agreement) in the event of a permanent shutdown.

Want to Know More?

If you want more information about these early retirement options, refer to these Sections of the Agreement:

- 70/80 Retirement – Section 2.6.
- Rule-of-65 Retirement – Section 2.7 and Appendix A.

Deferred Vested Retirement

If you have at least five years of continuous service and you leave Ispat Inland before you are eligible to retire, you can receive a benefit when you reach retirement age. This is called a Deferred Vested Retirement. Here's what you would get and when:

Age When You Leave	Years of Continuous Service	When You Would Start Getting Your Benefit	
		Reduced	Unreduced
Age 40 or older	15 or more years	At least age 60 but less than age 62	Age 62
Age 40 or older	At least five but less than 15 years	At least age 60 but less than age 65	Age 65
Less than age 40	At least five years but less than 30 years	At least age 60 but less than age 65	Age 65

No Unused Vacation?

If you are not entitled to any vacation in the year that you retire, your special payment will be calculated as though you had retired in the year that you were last entitled to vacation.

Want to Know More?

For details about the Special Payment, refer to Sections 3.1(a) and 3.2 of the Agreement.

How Your Benefit Is Calculated

In addition to your Normal Pension, you may be eligible for a special payment or a Supplement:

- *Special Payment:* Payment you receive which includes payment for any vacation weeks that you are entitled to but did not take during the year that you retire. This money would generally come in one lump sum during the second month of your retirement. This is not available to you if you retire through Permanent Incapacity Pension or a Deferred Vested Retirement Pension.
- *Normal Pension:* Your Normal Pension will generally be paid in monthly installments for your life (and possibly your beneficiary's life, depending on the payment option you choose).
- *Supplement:* Applies if you retire:
  - Before age 62 on a:
    - 30-Year Retirement.
    - 70/80 Retirement.
    - Rule-of-65 Retirement.
    - Permanent Incapacity Pension.
  - Before age 65 on a:
    - 62/15 Retirement.

Special Payment Calculation

If you are entitled to vacation in the year you retire that you have not taken, you may receive a special payment for the unused vacation. The payment is distributed in one lump sum during the second month of your retirement. This is not available to you if you retire through Permanent Incapacity Pension or a Deferred Vested Retirement Pension. See the section titled *Administrative Information* for tax withholding information and rollover rules.

Here's how the Special Payment is calculated:

13 minus your vacation week entitlement

TIMES

Your "adjusted" vacation pay

PLUS

Your vacation week entitlement times your regular vacation pay

MINUS

All vacation pay you received that year

EQUALS

Your Special Payment

Normal Pension Calculation

Your Normal Pension benefit is calculated under several different formulas. Whichever formula will give you the highest benefit is then used. The pension formulas are:

- **Standard Formula (previously called "Flat 42")** – Applies to all your years of continuous service and is the same for all participants.
- **Alternate Benefit Unit** – Applies to participants who earned $32,000 or more annually during 1986, 1987, or 1988.

Additional benefit formulas may apply for employees with service under a previous agreement. If this applies to you, your benefit will never be less than it would have been under a previous agreement.

Standard Formula

The Standard Formula applies to all of your years of continuous service with the Company. The formula is the same for all participants:

All of your years and months of continuous service

TIMES

$42

For example, assume that Jack has 35 years and six months of continuous service with the Company as of March 1, 2000. His Standard Formula pension would be $1,491. Here's how it was calculated:

35.5 years of continuous service

TIMES

$42

EQUALS

$1,491 per month

As of August 1, 2000, the formula increases for anyone retiring on or after August 1, 1999. The formula changes to:

All of your years of continuous service up to 30 years times $52.50

plus

all of your years and months of continuous service over 30 years times $70.

Let's see how Jack (from the last example) would be affected. He retired in March 2000 with 35 years and six months of service. On August 1, 2000, his monthly benefit would increase to $1,960. Here's how it was calculated:

30 x $52.50 = $1,575

PLUS

5.5 x $70 = $385

Benefit = $1,960 per month

As of August 1, 2002, the formula increases again for anyone retiring after August 1, 1999. The formula changes to:

All your years of continuous service up to 30 years times $56.25

plus

all your years and months of continuous service over 30 times $75.

On August 1, 2002, Jack's monthly benefit would increase again to $2,100. Here's how it was calculated:

30 x $56.25	$1,687.50
5.5 x $75 =	412.50
	$2,100.00 per month

Alternate Benefit Unit (ABU) Formula

If you had earnings of $32,000 or more per year during 1986, 1987, or 1988, the Alternate Benefit Unit (ABU) formula applies to you:

Your years of continuous service

TIMES

Your Alternate Benefit Value

Want to Know More?

To learn more about Standard Formula, see Section 3.3(b)(1) of the Agreement.

Definition

Continuous Service – All your service with the Company or an affiliate before retirement. If you have a break in service, that break may affect how your service is calculated under the plan. See the section titled *Break in Service*.

Your Alternate Benefit Value depends on what your earnings were:

If your highest annual earnings during either 1986, 1987, or 1988 were at least…	But less than…	Your Alternate Benefit Value is…
$32,000	$40,000	$42
$40,000	$44,000	$46
$44,000	$48,000	$50

Want to Know More?

To find out more about the ABU formula, refer to Section 3.3(b)(2) of the Agreement.

Your earnings were subject to cost of living adjustments (COLA) for purposes of determining your ABU formula.

Supplement Calculation

In addition to your Normal Pension, you will receive the Supplement if you retire under:

- Permanent Incapacity Pension.
- 70/80 Retirement.
- 30-Year Retirement.
- 62/15 Retirement.

The amount of the Supplement depends on which of the above options you retire under. The Supplement is added to your Normal Pension. No supplement payment will be made if you die before the payment date.

Permanent Incapacity Pension and 70/80 Retirement

If you retire under either of these options, you may receive the Supplement. The $400 Supplement amount is payable until age 62.

You won't receive the Supplement if you are eligible for a public pension, such as Social Security or Railroad Retirement benefits. You must file for Social Security if you're retiring under PIP.

30-Year Retirement

If you retire under this option, you will receive the $400 Supplement until age 62, for a minimum of 12 months, unless you die during that 12-month period.

If you become eligible for a public pension because of a Social Security disability, the Supplement will be payable for a 12-month period only.

62/15 Retirement

If you retire under this option, you will receive the Supplement in addition to your pension payments for 12 months, unless you die during that 12-month period. Your Supplement would equal one of the following:

- $400, *or if greater*,
- The minimum pension of $1,260 minus your monthly Normal Pension amount. (In August 2000, the minimum pension will increase to $1,575. In August 2002, the minimum pension will increase to $1,687.50.)

Rule-of-65 Retirement

If you retire under this option, you will receive the Supplement in addition to your pension payments, until age 62.

The Supplement does not apply for any month that you are eligible for a public pension. If your calendar year earned income is more than the Social Security earnings limitation for ages 65-69, you'll lose $1 of the Supplement for each $2 of income above the earnings limitation. (The earnings limitation is prorated for the year that you retire and the year that you become eligible for a public pension.) Beginning in 2000, the earnings limit is frozen at $17,000.

Payment Options

Guaranteed Benefit for Five Years

If you're eligible, you will receive a benefit called the *Guaranteed Benefit* for the first five years of your retirement. The period in which you receive the benefit is called the G*uaranteed Period.* If you die before the end of the five-year guaranteed period, remaining payments go to your beneficiary.

After the guaranteed period, you or your beneficiary will receive any remaining benefit in the form you select at retirement.

The Guaranteed Benefit applies to all retirements except Deferred Vested Retirements and to those who die as active employees with eligibility for a 30-year, 60/15, 62/15, or a Normal Pension. (If you are not yet vested, this benefit does not apply to you.)

Payment Options After the Guaranteed Period

The normal form of payment depends on your marital status at the time you retire (unless you choose an optional form listed below):

- **If you are single** – You will receive equal monthly payments for life. When you die, payments stop unless you elect one of the co-pensioner options.
- **If you are married** – You will receive a reduced pension for your life, unless your spouse consents in writing for you to choose an option other than the Automatic 50% Spouse Option With Pop-Up. When you die, your spouse will receive payments based on the payment option you elect at retirement.

The optional payment forms you can receive after the guaranteed period include the life annuity option, Automatic 50% Spouse Option With Pop-Up, and the co-pensioner options:

- **Life Annuity Option** – Under this option, you receive a monthly benefit for life. When you die, payments stop. If you are married, you may **not** choose this payment form without the written consent of your spouse.
- **Automatic 50% Spouse Option With Pop-Up** – Under this option, you receive a reduced monthly benefit for your lifetime. If you die before your spouse, your spouse will receive 50% of your reduced benefit for his or her lifetime. When your spouse dies, payments stop. If your spouse dies before you, your reduced pension will be increased to its unreduced amount. This is referred to as a "Pop-Up."

  Refer to the section titled *Benefit Reductions Under Certain Payment Options* to see the percentage of the Life Annuity that you will receive.
- **Co-Pensioner Options (50% or 100%)** – Under this option, you receive a reduced monthly benefit for your lifetime. If you die first, your co-pensioner will receive payments equal to 100% or 50% of your reduced pension – depending on your election – for his or her lifetime.

  If your co-pensioner dies before you, your reduced pension will *not* be increased.

  Refer to the section titled *Benefit Reductions Under Certain Payment Options* to see the percentage of the Life Annuity that you will receive.

Surviving Spouse's Benefit

If you're married, your spouse may be entitled to the Surviving Spouse's Benefit. See the section titled *Surviving Spouse's Benefit* for details.

Who Can Be Your Co-Pensioner?

If you're single, anyone can be your co-pensioner. And, you can change that election at any time before you retire.

If you're married, your spouse is your co-pensioner, unless he or she gives you notarized consent to choose someone else. Your spouse can withdraw that consent at any time before your retirement date.

Payment Option Examples

The following examples will help demonstrate the different payment options. The employees in the examples are retiring under a normal retirement, which is a full benefit without reductions for early retirement. (If they retired early, their benefits may be reduced further.)

Example For Married Employees

Assume Steve is married and retired at age 65 on August 1, 2000. He has 35 years of continuous service. His spouse is age 65. Steve's monthly benefit is $1,925 per month (30 x $52.50 = $1,575 and 5 x $70 = $350) to be increased effective August 1, 2002, to $2,062.50 (30 x $56.25 = $1,687.50 and 5 x $75 = $375) for life.

If Steve elects the Life Annuity Option he would need his spouse's consent to revoke the Automatic 50% Spouse Option With Pop-Up. If he receives consent, he would receive $1,925 per month (30 x $52.50 = $1,575 and 5 x $70 = $350) to be increased effective August 1, 2002, to $2,062.50 (30 x $56.25 = $1,687.50 and 5 x $75 = $375) for life.

If Steve dies (for this example assumes Steve dies on or after August 1, 2002), and his spouse survives him and is eligible for the Surviving Spouse's Benefit, she will receive a monthly benefit of $1,031.25 for life – **subject to adjustments for widow's Social Security benefits**. The offset for the widow's Social Security benefit is one-half of the widow's Social Security benefit she could receive when she is first eligible to apply for Social Security.

Remember, the benefit Steve gets for the first five years of retirement is a Guaranteed Benefit. If he dies within that time, his spouse would get $2,062.50 per month for the remaining period.

If Steve elects the 100% Co-Pensioner Option and his wife is his co-pensioner, the benefit he receives for life is reduced to $1,866.56. He will receive $1,925 per month through July 31, 2002, and $2,062.50 per month effective August 1, 2002, for the Guaranteed Period and $1,866.56 per month for his lifetime after that period.

If he dies within the five years (again, assume for this example Steve dies on or after August 1, 2002), his spouse will receive $2,062.50 per month for the remainder of the Guaranteed Period. After that period, she would receive $1,866.56 for life – **subject to adjustments for widow's Social Security benefits**. These dollar amounts consist of the following portions:

- $2,062.50: ($1,031.25 under the Co-Pensioner Option and $1,031.25 through the Surviving Spouse's Benefit).
- $1,866.56 ($835.31 under the Co-Pensioner Option and $1,031.25 through the Surviving Spouse's Benefit).

This table should help explain your options further:

Example of Benefits Effective August 1, 2002

Marital Status	Form	You		Your Survivor			
		Payment	Period	Payee	Payment	Payment Type	Period
Married	Life Annuity	$2,062.50	Lifetime	Surviving Spouse	$1,031.25	Surviving Spouse's Benefit	Lifetime*
				Beneficiary (Surviving Spouse)	$1,031.25 $2,062.50	Guaranteed Benefit Total	Guaranteed Period
	100% Co-Pensioner	$2,062.50	Guaranteed Period	Co-Pensioner	$835.31	100% Co-Pensioner Benefit	Lifetime
				Surviving Spouse	$1,031.25	Surviving Spouse's Benefit	Lifetime
				Beneficiary (Surviving Spouse)	$195.94 $2,062.50	Guaranteed Benefit Total	Guaranteed Period
		$1,866.56	Lifetime After the Guaranteed Period	Co-Pensioner	$835.31	100% Co-Pensioner Benefit	Lifetime
				Surviving Spouse	$1,031.25 $1,866.56	Surviving Spouse's Benefit Total	Lifetime*

*Subject to adjustments for widow's Social Security benefits.

Example For Single Employees

Assume Sue is single and retires at age 65. She has 35 years of continuous service. Her co-pensioner is age 65. Sue's monthly benefit is $1,925 (30 x $52.50 = $1,757 and 5 x $70 = $350) to be increased effective August 1, 2002, to $2,062.50 (30 x $56.52 = $1,687.50 and 5 x $75 = $375).

If Sue elects the Life Annuity Option she would receive $1,925 to be increased effective August 1, 2002, to $2,062.50 monthly for life. If she dies within the first five years of her retirement (the Guaranteed Period) her designated beneficiary would receive $2,062.50 each month until the Guaranteed Period ends. This example assumes Sue dies on or after August 1, 2002.

If Sue elects the 100% Co-Pensioner Option, the benefit she receives for life is reduced to $1,670.63. She'll receive $2,062.50 for the first five years of retirement (the Guaranteed Period) and $1,670.63 for the rest of her life. The reduction takes into account her co-pensioner's age, which is 65.

If Sue dies on or after August 1, 2002, but within the five years, her co-pensioner will receive $2,062.52 per month for the remainder of the Guaranteed Period. After that period, the co-pensioner will receive $1,670.63 for life. Payments stop when her co-pensioner dies.

Sue is allowed to choose a beneficiary for her Guaranteed Benefit who is different from her co-pensioner.

This table should help explain a single employee's options further:

Example of Benefits Effective August 1, 2002

Marital Status	Form	You		Your Survivor			
		Payment	Period	Payee	Payment	Payment Type	Period
Single	Life Annuity	$2,062.50	Lifetime	Beneficiary	$2,062.50	Guaranteed Benefit	Guaranteed Period
	100% Co-Pensioner	$2,062.50	Guaranteed Period	Co-Pensioner Beneficiary	$1,670.63 $391.87 $2,062.50	100% Co-Pensioner Benefit Guaranteed Benefit Total	Lifetime Guaranteed Period
		$1,670.63	Lifetime After the Guaranteed Period	Co-Pensioner	$1,670.63	100% Co-Pensioner Benefit	Lifetime after the Guaranteed Period

Survivor Benefits

Surviving Spouse's Benefit

This benefit would provide your **eligible** spouse with a benefit if you die after at least 15 years of continuous service with the Company. This is paid in addition to any benefit received through the:

- Automatic 50% Spouse Option With Pop-Up,
- Co-Pensioner Options (100% or 50%), or
- Pre-Pension Spouse Coverage

Your eligible spouse would receive roughly 50% of the Normal Pension benefit that you were receiving or would have received at retirement – reduced for any widow's or widower's benefit your spouse would receive through the Social Security Act. The reduction for the widow's or widower's Social Security benefit is one-half of the widow's or widower' Social Security benefit that the surviving spouse could receive when he or she is first eligible to apply for Social Security.

Your spouse will begin receiving payment the month after you die. Payment will continue until your spouse dies.

If your spouse is eligible for this benefit, the minimum monthly payment is $200 per month for each month before becoming eligible for widow's or widower's benefits under Social Security or the Railroad Retirement Act and $150 per month for each month after becoming eligible.

Eligibility for the Surviving Spouse's Benefit

Your spouse is eligible for this benefit, if at your death:

- You were an active employee with at least 15 years of continuous service
- You had a break in continuous service on or after August 1, 1999, you had not yet applied for your pension, you were eligible for retirement on an immediate pension at the time of your break in service, and you had at least 15 years of continuous service.
- You retired on or after August 1, 1999 with a pension (other than a deferred vested pension), and you had at least 15 years of continuous service.

Your spouse must also:

- Be your widow or widower according to the Social Security Act.
- Have been married to you on the date of your death and at retirement if you were already receiving payments.

Spouse as Co-Pensioner

Remember, if you are married, your spouse is automatically your co-pensioner. You must have your spouse's notarized consent to name someone else as your co-pensioner.

Pre-Pension Spouse Coverage

This coverage provides a benefit to your spouse for life if you die as an active employee before receiving a benefit. You may no longer elect this coverage. It is available to you only if you elected it before August 1, 1999.

Your retirement benefits will be reduced for the time this coverage is in effect.

Pre-Retirement Survivor Annuity Coverage

This coverage provides a benefit to your spouse if you die before receiving your pension benefit. To be eligible for this benefit at your death:

- Your spouse must have been married to you for one year,
- One of the following must be true:
  - You are an active employee with at least five years of continuous service.
  - You leave the Company:
    - After you are age 60 and are eligible for either a 60/15 Retirement or a deferred vested pension and you did not elect immediate payment of benefits.
    - Before age 60 and are eligible for a deferred vested pension.

This coverage is offset by any Surviving Spouse's Benefit that your spouse receives.

Want to Know More?

See Section 3.15 of the Agreement to learn more about Pre-Retirement Survivor Annuity Coverage.

When Benefits May Not Be Paid

This SPD describes plan benefits. However, keep in mind that if you leave the Company before you are vested, you are not eligible for any benefits.

Maximum Benefits

The IRS places limits on the maximum benefit that can be paid out from a defined benefit plan (such as the Pension Plan).

No more than $140,000 per year can be paid from a defined benefit plan. This amount is adjusted depending on your age at retirement and the form of benefit payment. The limit is subject to change by the IRS.

In addition, the IRS places a limit on the amount of pay that may be considered in determining benefits or contributions to a retirement plan. No more than $170,000 per year can be taken into account when calculating the benefit payable to a Pension Plan participant. This limit is subject to change by the IRS.

Ispat Inland will notify you if you are affected by the federal regulations on maximum benefits.

When Coverage Ends

Your coverage as a participant in the Pension Plan will end if:

- You are no longer eligible for coverage under the Pension Plan.
- Your employment with the Company ends and you are not eligible for a deferred vested benefit.
- The Pension Plan is terminated.

Benefit Deductions

Your benefit may be reduced by payments you receive from:

- Government plans (besides Social Security).
- Plans to which Ispat Inland contributes.

See Sections 1.1(f), 3.7, and 3.8 of the Agreement for details.

Administrative Information

Tax Withholding

The Company is required by law to withhold federal (and, in some cases, state) income tax from any taxable Pension Plan distribution. You may choose to not withhold taxes from your monthly annuity payment. (This choice does not apply to the 20% withholding on rollover-eligible distributions.) Before you retire, you'll receive a form on which to make this choice. Of course, even if you elect not to have the Company withhold the taxes from your monthly annuity, you will still be subject to taxes on the amount of the benefit.

Automatic Lump Sum

If you are vested in your benefit when you leave *and* the present value of your retirement benefit is $5,000 or less, the benefit will be paid to you in a single lump sum as soon as practical after you terminate employment. (This applies whether you are single or married.) It will not be paid as a monthly retirement income. This $5,000 limit is set by law and is subject to change.

If you receive a lump sum payment, you may have the option of rolling over that payment directly to an Individual Retirement Account (IRA) or another eligible retirement plan. See the section titled *Rollover Distributions* for details.

Rollover Distributions

A special 20% income tax withholding requirement applies to all eligible rollover distributions paid directly to you. An eligible rollover distribution is any distribution from the plan that can be rolled over to an IRA or to another eligible retirement plan that accepts rollovers. Required minimum distribution and any distributions that are part of a series of distributions spread over a period of 10 years or more are not rollover-eligible distributions. (For example, annuity payments under the other plan payment options are not eligible for rollover.)

If your beneficiary is someone other than your surviving spouse, the distribution to that beneficiary cannot be rolled over.

Any "eligible rollover distribution" *paid directly to you* will be subject to 20% income tax withholding. Twenty percent of your distribution will be withheld and sent to the IRS as income tax withholding to be credited against your taxes. (You don't have the choice of refusing withholding in this case.)

Any "eligible rollover distribution" *paid directly to an IRA* or *another eligible retirement plan* will not be subject to the 20% income tax withholding. The distribution will not be taxed until after you withdraw it from the IRA or other retirement plan.

If you are receiving a distribution from the plan, you should consult with a tax advisor who can help you decide how to handle your distribution.

Assignment of Benefits

You cannot have your benefit under the Pension Plan paid to someone else instead of you while you are alive. This is called "assignment of benefits" and generally is not permitted under the Pension Plan. There is an exception, however, if you are responsible for child support, alimony, or a marital property rights payment (see the section titled *Qualified Domestic Relations Order (QDRO)*).

Qualified Domestic Relations Order (QDRO)

A Qualified Domestic Relations Order (QDRO) is a legal judgment, decree, or order that recognizes the rights of an alternate payee under the Pension Plan with respect to child or other dependent support, alimony, or marital property rights.

If you become legally separated or divorced, a portion or all of your benefit under the Pension Plan may be assigned to someone else to satisfy a legal obligation you may have to a spouse, former spouse, child, or other dependent.

The order must meet specific requirements to be recognized by the Plan Administrator and specific procedures regarding the amount and timing of payments. The Plan Administrator is responsible for determining the validity of such an order.

You will be notified by the Pension Department if you are affected by a QDRO. You can request a free copy of these procedures from the plan administrator.

Future of the Plan

Although Ispat Inland expects to continue the Plan on a year-to-year basis, it reserves the right to change or end any plan at any time (subject to the terms of the Collective Bargaining Agreement) due to:

- Changes in federal or state laws governing benefits provided by that plan,
- Internal Revenue Code requirements,
- ERISA requirements, or
- Any other reason.

A Plan change may transfer Plan assets and debts to another plan, or split the Plan into two or more parts, subject to applicable law.

If the Plan is terminated, all participants will immediately become fully vested in the benefits they have earned as of the date of termination.

Plan assets will be shared among participants and beneficiaries according to ERISA in the following order:

- Participants who three years before the Plan termination were receiving pension benefits or could have been receiving benefits if they had retired.
- Other vested pensions guaranteed by the Pension Benefit Guaranty Corporation.
- Other vested pensions.
- Other accrued benefits under the Plan.

If the Plan is fully funded at termination, you will receive your full accrued benefit. Once your benefit has been determined, it may be paid in the form of one or more cash payments or an insurance company annuity contract that will pay you a monthly income. The exact form of payment may be set by law. If there is a choice, Ispat Inland will decide the type and timing of payment.

After all benefits have been paid and legal requirements have been met, the Plan will turn over any remaining Plan assets to Ispat Inland.

Top-Heavy Rules

As a tax-qualified retirement plan, the Pension Plan offers tax advantages to both participants and Ispat Inland. If a plan were to provide more than 60% of its benefits solely to key employees, the plan would be considered “top-heavy.”

If the Pension Plan were to become top-heavy, participants’ benefits might be increased and special accelerated vesting might apply. You would receive detailed information about this provision if it were ever to apply to the Plan.

Pension Benefit Guaranty Corporation

Your benefits under the Pension Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the Pension Plan were to terminate (end) without enough money to pay all benefits, the PBGC would step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers:

- Normal and early retirement benefits.
- Disability benefits if you become disabled before the plan terminates.
- Certain benefits for your survivors.

The PBGC guarantee generally does **not** cover:

- Benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates.
- Some or all of benefit increases and new benefits based on plan provisions that have been in place for less than five years at the time the plan terminates.
- Benefits that are not vested because you have not worked long enough for the Company.
- Benefits for which you have not met all of the requirements at the time the plan terminates.
- Certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age.
- Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the internet at www.pbgc.gov.

Applying for Benefits

When you want to retire, you should contact your local benefits office. You can complete the retirement form at any time shortly before your retirement. (If you leave the Company with a deferred vested benefit, however, you should not apply for benefits earlier than 90 days before the date that the monthly benefit becomes payable.)

You will need to supply proof of your spouse's or co-pensioner's age. (The age difference between you and your co-pensioner is used in determining most payment forms where a benefit continues to a co-pensioner. This is because that form of payment is calculated to be paid over two lifetimes.)

If Your Application for a Pension Benefit Is Denied

If your application for a pension benefit is denied (in whole or in part), you will receive – within 90 days after receipt of your claim (180 days if special circumstances apply) – a written explanation from the Plan Administrator detailing:

- The specific reasons for the denial,
- The specific references in the plan document to support those reasons,
- Any additional information you could provide to support your claim – and the reasons why that information is necessary, and
- The procedures available for a further review of your claim.

If the Pension Plan rejects your claim for a pension benefit, or if you disagree with the amount of benefit that the plan says you have earned, you have the right to appeal the denied claim.

You should contact your union representative and your local benefits office as soon as possible to file your appeal.

If the Plan Administrator and a representative of your union cannot reach agreement regarding your claim, the question will be referred to an impartial umpire. (The Plan Administrator and the union will jointly select the umpire.) The question can be referred to the umpire however, only with the written approval of the president of the union (or his designee).

The impartial umpire will have the authority to decide the question pursuant to the provisions of the Agreement. The decision of the umpire will be binding on the Company, the Plan Administrator, the participant, and the union.

Official Plan Name

Ispat Inland Inc. Pension Plan.

Plan Number

001.

Plan Financing

The Pension Plan is financed by the Company through contributions to a trust fund held by the Trustee. Contribution amounts are determined actuarially. The Company has appointed a Plan Administrator and pays the cost of administering the Pension Plan, to the extent not paid by the trust.

Collectively Bargained Plan

You are covered by the collectively bargained portion of the Pension Plan. The Collective Bargaining Agreement is included with this SPD for you to review and examine.

ERISA Information

The Pension Plan is a defined benefit plan, providing retirement income benefits to participants.

The Employer Identification Number assigned to Ispat Inland Inc. by the Internal Revenue Service is 36-1262880. You may obtain a complete list of the employers sponsoring the Pension Plan by writing to the Plan Administrator at the address below. Such list is available for examination in the principal office of the Company and the office of the Plan Administrator.

The day-to-day operation of the Plan is handled by an individual designated by the Retirement Committee. The Retirement Committee has the responsibility to the Plan to make and enforce any necessary rules for the Plan and to interpret the Plan's provisions uniformly for all employees. If it is necessary for you to communicate with the Retirement Committee, you should submit your written comments or request in care of:

Director, Pensions
Ispat Inland Inc.
3210 Watling Street
East Chicago, Indiana 46312

The plan sponsor is:

Ispat Inland Inc.
3210 Watling Street
East Chicago, Indiana 46312

The Plan Administrator is:

Director, Pensions
Ispat Inland Inc.
3210 Watling Street
East Chicago, Indiana 46312

The records of the Pension Plan are kept on the basis of a "plan year" which is the 12 continuous month period beginning each January 1 and ending December 31.

The Plan Trustee is:

Northern Trust Company
50 South LaSalle, D-9th
Chicago, Illinois 60675

The Corporate Secretary is the designated agent for service of legal process. The Corporate Secretary's address is:

Corporate Secretary
Ispat Inland Inc.
3210 Watling Street
East Chicago, Indiana 46312

Service of legal process may also be made upon the Plan Trustee.

Your ERISA Rights

As a participant in an ERISA-covered plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all ERISA-protected plan participants shall be entitled to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites and union halls, all documents governing the plan, including insurance contracts and Collective Bargaining Agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the plan, including insurance contracts and Collective Bargaining Agreements, and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. This statement is provided free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the Pension Plan. The people who operate your plan are called plan "fiduciaries." A fiduciary has a duty to operate the plan prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer, your union, or any person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a benefit is denied in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, you can take steps to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from a plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court (see the section titled *Qualified Domestic Relations Order (QDRO)*).

If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the party you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees (for example, if the court finds that your claim is frivolous).

Assistance With Your Questions

If you have any questions about your plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory. Or, contact the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor,
200 Constitution Avenue, N.W.,
Washington, D.C. 20210.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

Official Plan Documents

Under the Employee Retirement Income Security Act of 1974 (ERISA), employers are required to provide written summaries of the benefit plans offered to their employees. This SPD explains the key features of the Pension Plan sponsored by Ispat Inland and is intended to meet ERISA's requirements of a clear, written summary.

This SPD is a summary of the most important provisions of the benefit plans. While this SPD should answer most of your questions, it does not provide all the details of the plans. Those can be found in the official plan documents. Plan documents are always used in cases requiring a legal interpretation of the plan. If there is any difference between the plan documents and this SPD, your rights will be based on the provisions of the plan document (and any legal rules that require changes not yet written into the plan document).

Early Retirement Reductions

The tables below show the percentages that your pension would be reduced if you began receiving it at certain ages. The percentages differ depending on the type of early retirement you take. Refer to the first table if your retirement would be a 60/15 Retirement or a Deferred Vested Retirement commencement if you were at least age 40 with at least 15 years of service when you last left the Company. Refer to the table on the next page if your retirement would be a Deferred Vested Retirement other than a 40/15 Deferred Vested Retirement benefit.

60/15 Retirement or 40/15 Deferred Vested Commencement

The reduction factors in the following tables are based on the age you would begin receiving your 60/15 Retirement benefit or your 40/15 Deferred Vested Retirement benefit. The reduction percentages apply if you are age 60 or age 61 and retire with between 15 and 30 years of continuous service.

Age at Retirement	Reduction Percentage
60	83.82%
60-1/12	84.46
60-2/12	85.09
60-3/12	85.73
60-4/12	86.36
60-5/12	87.00
60-6/12	87.64
60-7/12	88.27
60-8/12	88.91
60-9/12	89.54
60-10/12	90.18
60-11/12	90.81

Age at Retirement	Reduction Percentage
61	91.45%
61-1/12	92.16
61-2/12	92.87
61-3/12	93.59
61-4/12	94.30
61-5/12	95.01
61-6/12	95.72
61-7/12	96.44
61-8/12	97.15
61-9/12	97.86
61-10/12	98.57
61-11/12	99.29
62	100.00

For Example

Assume Mark turned age 60 two months ago. He has 15 years of continuous service. If he would wait until age 62 to retire, his unreduced monthly benefit would be $630. Since he'd like to retire now, his benefit would be reduced to 85.09% (as shown above) of the unreduced benefit. His benefit would be $536.07. Here's how it was calculated:

Mark's unreduced benefit x age 60-2/12 reduction percentage = Mark's reduced benefit at age 60-2/12

$630 x 85.09% = $536.07

Deferred Vested (not 40/15) Retirement

The reduction factors in the following tables are based on the age you would begin receiving your Deferred Vested Retirement pension. The reduction percentages apply if you are less than age 40 or have less than 15 years of continuous service when you leave the Company.

Age at Retirement	Reduction Percentage
60	63.10%
60-1/12	63.58
60-2/12	64.06
60-3/12	64.54
60-4/12	65.02
60-5/12	65.50
60-6/16	65.98
60-7/12	66.45
60-8/12	66.93
60-9/12	67.41
60-10/12	67.89
60-11/12	68.37
61	68.85
61-1/12	69.38
61-2/12	69.92
61-3/12	70.45
61-4/12	70.99
61-5/12	71.53
61-6/12	72.06
61-7/12	72.60
61-8/12	73.14
61-9/12	73.67
61-10/12	74.21
61-11/12	74.75
62	75.28
62-1/12	75.89
62-2/12	76.49
62-3/12	77.10
62-4/12	77.70
62-5/12	78.30
62-6/12	78.91

Age at Retirement	Reduction Percentage
62-7/12	79.51%
62-8/12	80.11
62-9/12	80.71
62-10/12	81.32
62-11/12	81.93
63	82.53
63-1/12	83.21
63-2/12	83.89
63-3/12	84.58
63-4/12	85.26
63-5/12	85.94
63-6/12	86.62
63-7/12	87.30
63-8/12	87.99
63-9/12	88.67
63-10/12	89.35
63-11/12	90.03
64	90.72
64-1/12	91.49
64-2/12	92.26
64-3/12	93.04
64-4/12	93.81
64-5/12	94.58
64-6/12	95.36
64-7/12	96.13
64-8/12	96.91
64-9/12	97.68
64-10/12	98.45
64-11/12	99.23
65	100.00

For Example

Assume Anne leaves the Company when she is age 42 with 12 continuous years of service. If she would wait until she was age 65 to retire, her unreduced monthly benefit would be $504. Since she'd like to retire at age 60, her benefit would be reduced to 63.10% of the unreduced benefit. Her reduced monthly benefit would be $318.02. Here's how it was calculated:

Anne's age 65 benefit x age 60 reduction percentage = Anne's reduced benefit

$504 x 63.10% = $318.02

Benefit Reductions Under Certain Payment Options

If you choose the Automatic 50% Spouse Option With Pop-Up or the 50% or 100% Co-Pensioner Option, your benefit will be reduced. The reduction occurs because the benefit continues over two lifetimes.

Automatic 50% Spouse Option With Pop-Up

Age Difference Between You and Spouse (Years)	Automatic 50% Spouse Option With Pop-Up	
	Your Benefit If Older Than Spouse	Your Benefit If Younger Than Spouse
0	87.1%	87.1%
1	86.7	87.4
2	86.4	87.8
3	86.0	88.1
4	85.7	88.4
5	85.3	88.8
6	85.0	89.1
7	84.6	89.4
8	84.3	89.8
9	83.9	90.1
10	83.5	90.4
11	83.2	90.8
12	82.8	91.1
13	82.4	91.5
14	82.1	91.8
15	81.7	92.2
16	81.3	92.5
17	80.9	92.9
18	80.6	93.2
19	80.2	93.6
20 and over	79.8	94.0

Your age and your spouse's age are rounded to the nearest whole year (for example, age 51 years and six months becomes age 52). The age difference is the net difference between your rounded age and your spouse's rounded age.

50% Co-Pensioner Option and 100% Co-Pensioner Option

Age Difference Between You and Your Co-Pensioner (Years)	If You Are Older Than Your Co-Pensioner		If You Are Younger Than Your Co-Pensioner	
	50% Co-Pensioner Option	100% Co-Pensioner Option	50% Co-Pensioner Option	100% Co-Pensioner Option
0	88.0%	81.0%	88.0%	81.0
1	87.6	80.4	88.4	81.6
2	87.2	79.8	88.8	82.2
3	86.8	79.2	89.2	82.8
4	86.4	78.6	89.6	83.4
5	86.0	78.0	90.0	84.0
6	85.6	77.4	90.4	84.6
7	85.2	76.8	90.8	85.2
8	84.8	76.2	91.2	85.8
9	84.4	75.6	91.6	86.4
10	84.0	75.0	92.0	87.0
11	83.6	74.4	92.4	87.6
12	83.2	73.8	92.8	88.2
13	82.8	73.2	93.2	88.8
14	82.4	72.6	93.6	89.4
15	82.0	72.0	94.0	90.0
16	81.6	71.4	94.4	90.8
17	81.2	70.8	94.8	91.2
18	80.8	70.2	95.2	91.8
19	80.4	69.6	95.6	92.4
20 and over	80.0	69.0	96.0	93.0

Your age and your spouse's age are rounded to the nearest whole year (for example, age 51 years and six months becomes age 52). The age difference is the net difference between your rounded age and your spouse's rounded age.

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