

Armco Employees Independent Federation, Inc.

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FROM YOUR EXECUTIVE BOARD

July 5, 2006

Bargaining Update

We have completed our counterproposal and will be presenting it to the Company tomorrow at 9:00 a.m.

Mike Neal

Many of you were surprised today to receive a letter from AEIF Trustee Mike Neal (dated July 3) expressing his support for the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO (apparently, the letter was sent from their Central Avenue offices). We were as surprised as you when Mike Neal informed your Executive Committee of his switch on Monday. Mike did not tell us that he was sending a letter to each of you that same day, and we remained focused on the most important task at hand – preparing our counterproposal for the Company.

Now, however, we are compelled to respond to certain aspects of Mike's letter.

First and foremost, we have not and will not attempt to remove Mike from the Executive Committee for endorsing the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO. In fact, there has been no attempt, and there will be no attempt, to "forcibly remove" him. We do not know why Mike chose to make this claim. *It is not true.*

Second, the Executive Committee has never "pushed through a motion that any Executive Committee member who opposes the IAM will be thrown out." We do not know why Mike chose to make this claim. *It is not true.*

Third, the Executive Committee has not engaged in this or other "intimidation tactics" against Mike. Again, we do not know why Mike chose to make this claim. *It is not true.*

We understand that recall petitions are being circulated by members among the membership. This is in accordance with our Constitution and By-laws, and we will follow the Constitution and By-laws.

We will continue at the task at hand – reaching a competitive *and* equitable labor agreement with the Company. We will not be distracted by falsehoods – regardless of their source. **And please understand - all other Executive Committee members continue to endorse the IAM.**

- Your Executive Committee