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We are one. We are strong.

Asarco Copper Price Bonus Update

Third Quarter 2013 Bonus \$1,890 Per Employee

The average daily settlement price of copper on the London Metals Exchange during the third calendar quarter of 2013 was \$3.208 per pound. Under the Labor Agreement between Asarco and its Unions, the copper price bonus payment for the quarter will be \$1,890 per employee.

Save Your Bonus in the Event of a Labor Dispute

The collective-bargaining agreement between Asarco and its Unions expired on June 30, 2013; the parties agreed to an extension that requires 15 days' notice before the contract can be terminated. **Therefore, we are still working under the terms and conditions set by our contract, even while we continue bargaining.** While the parties have made some progress, we are still far away from reaching a fair contract.

Since Grupo Mexico regained control of Asarco in December 2009, Asarco has had operating profits of approximately \$1.8 billion. Asarco has proposed major changes in contract language and has put the unions on notice that it intends to propose givebacks in the economics and benefits.

No one can predict the ultimate outcome of these negotiations, but it is important that we be prepared to defend our jobs and contract. **The Union leadership urges Asarco employees receiving the third quarter copper price bonus to set the bonus payment aside in savings, to help weather a strike or lockout.**

Stay informed by attending the meetings of your local union. If you have questions or concerns, be sure to contact your local union and bargaining committee representatives.

Decision on New Hire Bonus Eligibility Expected Soon

Asarco announced in October 2011, four months after the Company and Unions reached agreement on a two year contract extension, that it would refuse to pay the Copper Price Bonus to any employee hire on or after July 1, 2011.

The Unions objected to the Company's actions and appealed the dispute to arbitration. Arbitrator Michael D. Rappaport held an arbitration hearing over six days between February and May 2013. Both sides have now filed post-hearing briefs. A decision is expected from the Arbitrator within the next several months.



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