## SETTLEMENT AGREEMENT

The parties, FIRSTENERGY GENERATION LLC ("the Company") and UTILITY WORKERS UNION OF AMERICA LOCAL 304 ("Union"), hereby enter into this Settlement Agreement ("Settlement"), this 27th day of May, 2016, intending to be legally bound hereto, as follows:

WHEREAS, the Union has filed several grievances over an issue known as "Window Pay", including but not limited to Grievance #s 2016-304-0002, 2016-304-0007, and 2016-304-0010 (the "grievances"); and

WHEREAS, the Union filed an Unfair Labor Practice charge (the "charge") over Window Pay in Case No. 06-CA-163961, that case being scheduled to be heard before an Administrative Law Judge (ALJ) of the NLRB on June 7, 2016; and

WHEREAS, the Company denies the allegations raised in the above-referenced charge and grievances; and

WHEREAS, the Union and the Company are interested in resolving the charge and grievances in order to avoid the time, costs, and uncertainties associated with litigation and arbitration; and

WHEREAS, in the event the ALJ or Arbitrator finds in favor of the Union, the total amount of back pay that would be awarded is difficult or impossible to compute with certainty, the best good faith estimates of both parties believing the amount to be between \$6,000 and \$9,000.

NOW THEREFORE, the Company and the Union agree as follows:

- 1. The Company will pay eligible employees a total of Five Thousand Four Hundred Twenty Nine Dollars and no Cents (\$5,429.00), within sixty (60) days of the effective date of this Settlement Agreement.
- 2. The Union will determine the equitable allocation of the Settlement Payment among the employees eligible to receive back pay under the above charge and grievances (the "eligible employees"). As soon as practicable after the effective date of this Settlement Agreement, the Union will provide the Company with a list of all eligible employees and the individual amounts payable to each eligible employee. This eligibility list will be deemed to be final and binding with respect to those employees who will be eligible to receive a settlement amount.
- The Company will disburse the settlement payments to eligible employees in accordance with the eligibility list. All settlement payments will be subject to statutory and employee-authorized payroll deductions, and the Company will be responsible for employer payroll taxes.
- 4. The Company agrees to pay Window Pay beginning from the effective date of this Settlement Agreement in the same manner it was paid previously, for a period to last no longer than August 31, 2016 11:59 PM. From that point forward the Company will cease to pay and have no obligation to pay Window Pay.

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- The Union will withdraw the above-captioned charge with prejudice, and will request the Regional Director of NLRB Region 6 to do likewise.
  - The Union will withdraw the above-captioned grievances with prejudice. 6.
- It is understood that this Settlement is specific to these circumstances and shall not constitute a precedent with regard to the interpretation or application of the parties' legal obligations, past practice, or terms of the Collective Bargaining Agreement. No action undertaken as part of this Settlement shall be construed as a response to the allegations of any party; as an admission of liability or wrongdoing by any party; and shall not be shared or referred to by the Company or the Union in any disciplinary proceeding, grievance, arbitration, hearing, trial or any other proceeding, except a proceeding to enforce this Settlement.
- The parties agree that the foregoing terms constitute full and final satisfaction of the issues giving rise to the above-captioned charge and grievances. Window Pay and any other event giving rise to this Settlement Agreement will not be raised or alleged in any other forum or legal proceeding by either party.
- This Settlement Agreement shall be deemed effective on the date that the Regional Director approves the withdrawal of the charge, and the Union had withdrawn the grievances, with prejudice. In the event the Regional Director does not approve this Settlement Agreement with prejudice, the parties will return to and retain their respective positions, and all communications or efforts made as part of the settlement process will be deemed confidential, null, and void.

WHEREFORE the Union and the Company, by their duly authorized representatives, hereby enter into this Settlement Agreement.

FIRSTENERGY GENERATION LLC 5-31-2016 David Farkas Agreed:

By: President

UWUA LOCAL UNION NO. 304

Agreed: