Objection Deadline: October 25, 2012 at 4:00 p.m. (prevailing Eastern Time)
Hearing Date (if necessary): November 1, 2012 at 10:00 a.m. (prevailing Eastern Time)

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	
PATRIOT COAL CORPORATION, *et al.*,	**Chapter 11**
	Case No. 12-12900 (SCC)
	(Jointly Administered)
Debtors.[1]	

DEBTORS' MOTION PURSUANT TO SECTION 362 OF THE BANKRUPTCY CODE AND BANKRUPTCY RULE 4001 FOR AN ORDER MODIFYING THE AUTOMATIC STAY TO PERMIT PAYMENTS OF DEFENSE COSTS UNDER CERTAIN INSURANCE POLICIES

Patriot Coal Corporation ("**Patriot**") and its subsidiaries that are debtors and debtors in possession in these proceedings (collectively, the "**Debtors**") respectfully represent:

Relief Requested

1. By this motion (the "**Motion**"), the Debtors respectfully move this Court, pursuant to section 362 of the Bankruptcy Code, Rule 4001 of the Federal Rules of Bankruptcy

[1] The Debtors are the entities listed on Schedule 1 attached hereto. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors' chapter 11 petitions.

Procedure (the "**Bankruptcy Rules**") and Rule 4001-1 of the Local Bankruptcy Rules (the "**Local Rules**") for the Southern District of New York, for entry of an order, substantially in the form attached hereto as Exhibit A (the "**Proposed Order**"), granting relief from the automatic stay, to the extent it applies, to advance and/or pay under certain insurance policies those defense costs being incurred by the insured persons of the Debtors.[2]

Background and Jurisdiction

2. On July 9, 2012 (the "**Petition Date**"), each Debtor commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. These chapter 11 cases are being jointly administered pursuant to Rule 1015(b) of the Bankruptcy Rules and the Court's Joint Administration Order entered on July 10, 2012 [ECF No. 30].

4. Additional information about the Debtors' businesses and the events leading up to the Petition Date can be found in the Declaration of Mark N. Schroeder, Patriot Coal Corporation's Senior Vice President and Chief Financial Officer, filed on July 9, 2012 [ECF No. 4], which is incorporated by reference herein.

5. The Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and may be determined by the Bankruptcy Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

[2] The Debtors make this motion without prejudice to any future motion to extend the automatic stay to apply to securities lawsuits naming the Debtors' officers and directors as Defendants.

Factual Background

6. On September 21, 2012, Ernesto Espinoza filed a putative class action complaint on behalf of himself and all others similarly situated in the United States District Court for the Eastern District of Missouri (the "**Espinoza Complaint**") (attached as Exhibit B). The Espinoza Complaint named Richard M. Whiting and Mark N. Schroeder as defendants (the "**Defendants**"). The Espinoza Complaint asserts claims against the Defendants under Section 10(b) of the Securities and Exchange Act of 1934, 15 U.S.C. § 78a *et seq.* (the "**Exchange Act**"), and SEC Rule 10b-5, codified at 17 C.F.R. 240.10b-5. The Espinoza Complaint also brings claims against Mr. Whiting under Section 20(a) of the Exchange Act.

7. On October 9, 2012, Furman Jerry Rogers III filed a putative class action complaint on behalf of himself and all others similarly situated in the United States District Court for the Eastern District of Missouri (the "**Rogers Complaint**") (together with the Espinoza Complaint, the "**Complaints**") (attached as Exhibit C).[3] The Rogers Complaint asserts the same causes of action against the same Defendants as the Espinoza Complaint.[4]

8. At the time of the events depicted in the Complaints, Richard M. Whiting was the Chief Executive Officer of Patriot, and Mark N. Schroeder was its Chief Financial Officer. On May 28, 2012, Mr. Whiting resigned as Patriot's Chief Executive Officer and on September 21, 2012, Mr. Schroeder took a new position at Patriot as Senior Vice President of Financial Planning.

[3] The Debtors anticipate that other related complaints asserting similar causes of action will be filed against the Defendants, and potentially against other Patriot directors and officers, in the future.

[4] To date, the Defendants have not been served with either of the Complaints.

The Insurance Policies

9. Before the Petition Date, on October 31, 2011, XL Specialty Insurance Company, a member of the XL Americas Company, issued to Patriot Management Liability and Company Reimbursement Insurance Policy No. ELU123382-11 (the "**XL Policy**") for the period October 31, 2011 to October 31, 2012 (attached as Exhibit D). Subject to all of its terms and conditions, the XL Policy potentially affords coverage up to a maximum aggregate limit of liability of $15,000,000, including Defense Expenses.[5]

10. The XL Policy contains three Insuring Agreements. First, under Insuring Agreement A, coverage is provided to Insured Persons for Loss resulting from a Claim if such Loss is not indemnified by Patriot. Insuring Agreement B provides coverage to Patriot to the extent it indemnifies the Insured Persons for covered Loss in connection with Claims made against Insured Persons. Insuring Agreement C provides coverage to Patriot for Company Loss resulting from any Securities Claim made against Patriot.

11. The XL Policy defines Insured Persons to include "any past, present or future director or officer, or member of the Board of Managers, of the Company and those persons serving in a functionally equivalent role for the Parent Company or any Subsidiary," as well as "any past, present or future employee of the Company to the extent any Claim is a Securities Claim."

12. The XL Policy defines "Loss" to mean "damages, judgments, settlements or other amounts," and "Defense Expenses." The XL Policy defines "Defense Expenses" to mean "reasonable legal fees and expenses incurred in the defense of any Claim."

[5] All capitalized terms not defined herein are defined in the pertinent policies.

13. Section IV of the XL Policy, titled, "Limit of Liability, Indemnification and Retentions," at Item D provides that "[i]n the event of financial insolvency, the Retention(s) applicable to Insuring Agreement A shall apply."

14. Section V of the XL Policy, titled, "Defense, Settlement and Allocation of Loss," at Item C provides that upon the written request of an Insured, Insurer will advance Defense Expenses on a current basis in excess of the applicable Retention, if any, before the disposition of the Claim for which the policy provides coverage.

15. Endorsement No. 16 of the XL Policy, titled "Priority of Payments," provides that Loss shall be paid as follows: "(1) first, the Insurer shall pay that Loss, if any, which the Insurer may be liable to pay on behalf of the Insured Persons under Insuring Agreement (A); (2) second, the Insurer shall pay that Loss, if any, which the Insurer may be liable to pay on behalf of [Patriot] under Insuring Agreement (B); and (3) third, the Insurer shall make such other payments which the Insurer may be liable to make under Insuring Agreement (C) or otherwise."

16. Prior to the Petition Date, Ace American Insurance Company ("**Ace**") issued to Patriot CODA Premier Directors and Officers Liability Excess DIC Policy No. DOX G23652936 005 (the "**Excess Policy**," together with the XL Policy the "**Policies**") (attached as Exhibit E) for the period October 31, 2011 to October 31, 2012.[6] Subject to all of its terms and conditions, the

[6] In addition to the Policies described herein, the Debtors maintain several directors & officers liability insurance policies providing excess coverage, including, National Union Fire Insurance Company of Pittsburgh, Pa Excess Edge Policy Number 01-301-28-80, The Hartford Universal Excess Policy Number 00 DA 0246241-11, Axis Excess Policy Number MLN735294/01/2011, Berkley Professional Liability Excess Directors, Officers and Corporate Liability Insurance Policy Number 18004351, Continental Casualty Company Excess Insurance Policy Number 287300168, U.S. Specialty Insurance Company Excess Indemnity Policy Number 14-MGU-11-A25136, Allied World National Assurance Company Excess Directors & Officers Liability Insurance Following Form Policy Number 0305-0514, Zurich Directors and Officers Liability and Reimbursement Excess Policy Number DOC 5940909 03, Chubb Excess Policy Number 8222-9122, RSUI Excess Liability Policy Number HS643735, Endurance American Insurance Company Follow Form Management Liability Insurance Number ADX100003441000, and Ironshore Excess Liability Insurance Policy Number IRH 001192400. The Debtors are moving for relief from the automatic stay, to the extent it applies, only as to the XL Policy and the Ace Excess (…continued)

Excess Policy potentially affords coverage up to a maximum aggregate limit of liability of $10,000,000.

17. The Excess Policy provides that Ace (the Insurer) will cover Defense Costs for covered individuals to the extent the XL Policy does not provide coverage:[7]

> [Ace] shall pay on behalf of the Insureds all Non-Indemnifiable Loss that the Insureds become legally obligated to pay by reason of any Claim first made against the Insureds . . . but only if the insurer(s) of the Underlying Insurance (i) wrongfully refuses to indemnify the Insureds as required under the terms of the Underlying Insurance; or (ii) fails to indemnify the Insureds within 60 days after the Insureds request such indemnification; or (iii) is financially unable to indemnify the Insureds; or (iv) files an action to rescind, or states in writing its intent to rescind, the Underlying Insurance; or (v) as a result of a liquidation or reorganization proceeding commenced by or against the Company pursuant to the U.S. Bankruptcy Code, as amended, is unable or refuses to pay the Insureds solely because the proceeds of the Underlying Insurance are subject to the automatic stay.

Basis for Relief

18. The Debtors seek the entry of an order granting relief from the automatic stay provided for in section 362(a) of the Bankruptcy Code, to the extent it applies, to allow the XL Specialty Insurance Company and Ace American Insurance Company to advance Defense Expenses to the Defendants, and to any future covered individuals who might be named as defendants in related or similar class actions, as permitted under the XL Policy and the Excess Policy.

(continued…)

Policy at this time, but reserve all rights to move before this Court at a later time should the need arise to access proceeds of these excess insurance policies.

[7] Underlying Insurance is defined to include the XL Policy as the primary underlying policy, along with other excess policies held by Patriot.

The Automatic Stay Should Be Modified, to the Extent it Applies, Because the Proceeds of the Policies May Not Be Property of the Estate, and Good Cause Exists to Modify the Stay

19. It is not clear whether the proceeds of the Policies are property of the Debtors' estate. To the extent they are deemed not to be property of the estate, the stay would not apply, as described below.

20. Section 362(a)(3) of the Bankruptcy Code provides for an automatic stay of any action seeking to obtain possession or exercise control over property of the bankruptcy estate. As discussed in a recent decision of the Bankruptcy Court for the Southern District of New York, *In re MF Global Holdings, Ltd., et al.*, the question of whether proceeds of an insurance policy are property of the bankruptcy estate is complex and somewhat unsettled. 469 B.R. 177, 190 (Bankr. S.D.N.Y. 2012). Although it is "well-settled that a debtor's liability insurance is considered property of the estate . . . 'the courts are in disagreement over whether the proceeds of a liability insurance policy are property of the estate.'" *Id.* (quoting *In re Downey Fin. Corp.*, 428 B.R. 595, 603 (Bankr. D. Del. 2010)) (emphasis added). Several courts have held that where a policy provides for payment only to a third party (such as payments to officers or directors), or where the debtor is insured by the policy, but its right of coverage or indemnification is merely speculative, the proceeds of such policy are not the property of the bankruptcy estate, and accordingly not subject to the automatic stay. *See, e.g., In re Adelphia Commc'ns Corp.*, 298 B.R. 49, 53 (S.D.N.Y. 2004) (holding that proceeds of a D&O insurance policy were not the property of the estate because "it has not been suggested that any of the Debtors has made any payments for which it would be entitled to indemnification coverage, or that any such payments are now contemplated," rendering any property interest such debtors might have in the insurance proceeds hypothetical) (internal quotation omitted); *In re L.A. World Exposition, Inc.*, 832 F.2d

1391, 1401 (5th Cir. 1987) (holding that proceeds of a D&O policy belonged only to the officers and directors, and therefore were not property of the estate).

21. In determining whether proceeds are property of the estate, courts examine "the language and scope of the policy at issue." *In re Allied Digital Tech. Corp.*, 306 B.R. 505, 509 (Bankr. D. Del. 2004).

22. Consistent with the purpose of D&O liability insurance policies, the Debtors purchased the XL Policy to provide insurance coverage to their officers and directors. *See In re First Cent. Fin. Corp.*, 238 B.R. 9, 16 (Bankr. E.D.N.Y. 1999) ("In essence and at its core, a D&O policy remains a safeguard of officer and director interests and not a vehicle for corporate protection."). As described above, the XL Policy provides coverage to the Debtors only to the extent that (1) they indemnify the covered individuals, or (2) they suffer a loss as result of a securities lawsuit. "Claiming the debtors now have a property interest in . . . proceeds [of D&O insurance] makes no sense" because Patriot has not made any payments for which it would be entitled to coverage under the XL Policy, nor does it contemplate doing so. *See In re Adelphia* 298 B.R. at 53. Moreover, Patriot has not been named—and in all likelihood, will not be named—as a defendant in any securities litigation because of the automatic stay. Thus, any rights the Debtors may have to the proceeds of the XL Policy are speculative and hypothetical.

23. Furthermore, as discussed above, the XL Policy contains a Priority of Payments provision that expressly subordinates any potential right of the Debtors to proceeds payable under the Policy to the rights of the Individual Insureds. Courts have held that this provision is enforceable, and should be upheld for the benefit of the Individual Insureds as intended. *See* Transcript of Record at 14, *In re Enron Corp.*, Case No. 01-16034 (Bankr. S.D.N.Y. Apr. 11, 2002) [Docket No. 3278] (attached as Exhibit F) ("[T]he parties are bound by the contractual

provisions of the policy. The Debtors' interest in the policy is limited by its contractual provisions including a priority advancement and payment obligations contained in those policies. The Court cannot rewrite the provisions of the contract."). As a result, any putative property interest the Debtors may have in the proceeds of the XL Policy would be subordinate to the interest of the Individual Insureds in the first instance.

24. The Excess Policy expressly entitles only the Insureds to the payment of Defense Costs. The Excess Policy does not provide for the proceeds of the policy to benefit Patriot itself. Thus, the question of whether insurance proceeds are property of the estate is closer with respect to the proceeds of the Excess Policy. *In re L.A. World Exposition, Inc.*, 832 F.2d at 1401; *In re Daisy Sys. Sec. Litig.*, 132 B.R. 752, 755 (N.D. Cal. 1991) (finding that where a D&O insurance policy provides direct coverage only to the directors and officers the proceeds are not property of the estate).

25. Whether or not the insurance proceeds of the Policies are deemed to be the property of the estate, good cause exists for this Court to grant relief from the automatic stay for the purpose of permitting XL Specialty Insurance Company and the Ace American Insurance Company to advance Defense Expenses to the Defendants, and to any future covered individuals who might be named as defendants in related class actions, as permitted under the policy. Under circumstances similar to those presented here, the Court in *MF Global* declined to rule as to whether the proceeds of the insurance policy at issue in that case were property of the estate, but lifted the stay in any event for good cause shown. *In re MF Global Holdings Ltd.*, 469 B.R. at 191; *see also In re Global Crossing Sec. & ERISA Litig.*, 225 F.R.D. 436, 463-64 (S.D.N.Y. 2004).

26. Section 362(d) of the Bankruptcy Code provides that "the court shall grant relief from the stay . . . for cause." 11 U.S.C. § 362(d)(1). "Because neither the Code nor the legislative history provides a specific definition of what constitutes 'cause' under § 362(d), courts must determine whether relief is appropriate on a case by case basis, taking into consideration the interests of the debtor, the claimants and the estate." *See In re MacInnis*, 235 B.R. 255, 259 (S.D.N.Y. 1998).

27. In *Sonnax Industries, Inc.*, the Second Circuit set forth twelve factors to guide a court's determination of whether there is "cause" to grant relief from the automatic stay. *Sonnax Indus., Inc.* v. *Tri Component Prods. Corp. (In re Sonnax Indus., Inc.)*, 907 F.2d 1280, 1286 (2d Cir. 1990).[8] Not all of the factors will be relevant or need be considered in any particular case. Two *Sonnax* factors are relevant here: (1) impact of the stay on the parties and the balance of harms; and (2) the interests of judicial economy and the expeditious and economical resolution of litigation.

28. As detailed above, the Policies provide coverage to Individual Insureds who have a present need for payment of their Defense Costs. This need is routinely held to justify modifying the automatic stay to prevent insured individuals from suffering irreparable harm. *See Adelphia Commc'ns Corp. v. Assoc. Ins. Serv., Ltd. (In re Adelphia Commc'ns Corp.)*, 285 B.R. 580, 598 (Bankr. S.D.N.Y. 2002) (granting relief from stay in order to permit primary insurer to

[8] The *Sonnax* factors include "(1) whether relief would result in a partial or complete resolution of the issues; (2) lack of any connection with or interference with the bankruptcy case; (3) whether the other proceeding involves the debtor as a fiduciary; (4) whether a specialized tribunal with the necessary expertise has been established to hear the cause of action; (5) whether the debtor's insurer has assumed full responsibility for defending it; (6) whether the action primarily involves third parties; (7) whether litigation in another forum would prejudice the interest of other creditors; (8) whether the judgment claim arising from the other action is subject to equitable subordination; (9) whether movant's success in the other proceeding would result in a judicial lien avoidable by the debtor; (10) the interests of judicial economy and the expeditious and economical resolution of litigation; (11) whether the parties are ready for trial in the other proceeding; and (12) the impact of the stay on the parties and the balance of harms." *Sonnax*, 907 F.2d at 1286.

advance defense costs) *vacated and remanded on other grounds*, 298 B.R. 49 (S.D.N.Y. 2003); *see also In re Downey Fin. Corp.*, 428 B.R. 595 (Bankr. D. Del. 2010) (same); *In re CyberMedica, Inc.*, 280 B.R. 18-19 (granting relief from stay because directors and officers would suffer irreparable harm if prevented from accessing defense payments under D&O policy).

29. The Individual Insured's need to access insurance coverage to pay Defense Costs far outweighs any potential harm that could be suffered by the Debtors. "Lifting the automatic stay to permit [an insurance company] to advance defense costs on behalf of Individual Insureds would not severely prejudice Debtors' estates. But failure to do so would significantly injure the Individual Insureds, whose defense costs are covered by the [Policies]." *In re MF Global Holdings Ltd.*, 429 B.R. at 193. Although it is true that to the extent the aggregate coverage limit is reduced by the payment of proceeds to the Defendants there is less coverage available for Patriot itself, Patriot has no current need to access that coverage, and any future need is wholly hypothetical. Similarly, the possibility that the aggregate coverage will be significantly diminished by the defense of the Defendants is entirely speculative at this point. *See Downey*, 428 B.R. at 609 (modifying the stay to permit the payment of insurance proceeds where "there is no chance that lifting the stay would allow the insureds to run up unlimited defense costs and ultimately exhaust the Policy coverage").

30. Furthermore, as evidenced by the fact that the Debtors bring this motion, modifying the automatic stay, to the extent it applies, to permit payment of the Defense Costs out of insurance proceeds will benefit the Debtors as well as the Insured Individuals. The Debtors have an obligation under their by-laws to "indemnify any current or former Director or officer of the Corporation . . . to the fullest extent permitted by the Delaware General Corporation Law." (By-Laws of Patriot Coal Corporation at Article IV (attached as Exhibit G).) If the Insurers are

barred from advancing Defense Costs, the Insured Persons may assert indemnification claims against the Debtors for such amounts. The harm caused by paying such indemnification claims from the estate can be avoided by permitting payment of Defense Costs from the proceeds of the Policies.

31. Equitable considerations further support a modification of the stay in this case, as they did in *MF Global*. 469 B.R. at 176-77 ("[T]he Individual Insureds would suffer significant hardships if the Policies were disabled . . . [B]ankruptcy courts should be wary of impairing the contractual rights of directors and officers even in cases where the policies provide entity coverage.") (internal citations omitted). As is the case with any company, Patriot's directors and officers rely upon the protection of liability insurance while carrying out their duties. Patriot's ability to hire and retain key executives would be hindered if the contract providing for this D&O coverage were impaired. *See Adelphia,* 285 B.R. at 598 ("The Court believes that if directors and officers are to serve, they need to have comfort in knowing that bankruptcy courts will be slow in depriving them of contractual rights under the D&O policies upon which they have relied in agreeing to serve."). This Court should accordingly modify the automatic stay, to the extent it applies, to avoid conflict with the "usual claim submission, determination and payment processes dictated by the Policies." *MF Global Holdings Ltd.,* 469 B.R. at 177.

Notice

32. Consistent with the Order Establishing Certain Notice, Case Management and Administrative Procedures, entered by the Court on October 18, 2012 [ECF No. 1386] (the "**Case Management Order**"), the Debtors will serve notice of this Motion on (a) the Core Parties and (b) the Non-ECF Service Parties (as those terms are defined in the Case Management Order). All parties who have requested electronic notice of filings in these cases through the Court's ECF system will automatically receive notice of this motion through the ECF system no

later than the day after its filing with the Court. A copy of this motion and any order approving it will also be made available on the Debtors' Case Information Website (located at www.PatriotCaseInfo.com). In light of the relief requested, the Debtors submit that no further notice is necessary. Pursuant to paragraph 22 of the Case Management Order, if no objections are timely filed and served in accordance therewith, an order granting the relief requested herein may be entered without a hearing.

No Previous Request

33. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as is just and proper.

Dated: New York, New York
October 18, 2012

By: /s/ Amelia T.R. Starr
Amelia T.R. Starr
Marshall S. Huebner
Christopher Lynch

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Counsel to the Debtors
and Debtors in Possession

SCHEDULE 1

(Debtor Entities)

1. Affinity Mining Company
2. Apogee Coal Company, LLC
3. Appalachia Mine Services, LLC
4. Beaver Dam Coal Company, LLC
5. Big Eagle, LLC
6. Big Eagle Rail, LLC
7. Black Stallion Coal Company, LLC
8. Black Walnut Coal Company
9. Bluegrass Mine Services, LLC
10. Brook Trout Coal, LLC
11. Catenary Coal Company, LLC
12. Central States Coal Reserves of Kentucky, LLC
13. Charles Coal Company, LLC
14. Cleaton Coal Company
15. Coal Clean LLC
16. Coal Properties, LLC
17. Coal Reserve Holding Limited Liability Company No. 2
18. Colony Bay Coal Company
19. Cook Mountain Coal Company, LLC
20. Corydon Resources LLC
21. Coventry Mining Services, LLC
22. Coyote Coal Company LLC
23. Cub Branch Coal Company LLC
24. Dakota LLC
25. Day LLC
26. Dixon Mining Company, LLC
27. Dodge Hill Holding JV, LLC
28. Dodge Hill Mining Company, LLC
29. Dodge Hill of Kentucky, LLC
30. EACC Camps, Inc.
31. Eastern Associated Coal, LLC
32. Eastern Coal Company, LLC
33. Eastern Royalty, LLC
34. Emerald Processing, L.L.C.
35. Gateway Eagle Coal Company, LLC
36. Grand Eagle Mining, LLC
37. Heritage Coal Company LLC
38. Highland Mining Company, LLC
39. Hillside Mining Company
40. Hobet Mining, LLC
41. Indian Hill Company LLC
42. Infinity Coal Sales, LLC
43. Interior Holdings, LLC
44. IO Coal LLC
45. Jarrell's Branch Coal Company
46. Jupiter Holdings LLC
47. Kanawha Eagle Coal, LLC
48. Kanawha River Ventures I, LLC
49. Kanawha River Ventures II, LLC
50. Kanawha River Ventures III, LLC
51. KE Ventures, LLC
52. Little Creek LLC
53. Logan Fork Coal Company
54. Magnum Coal Company LLC
55. Magnum Coal Sales LLC
56. Martinka Coal Company, LLC
57. Midland Trail Energy LLC
58. Midwest Coal Resources II, LLC
59. Mountain View Coal Company, LLC
60. New Trout Coal Holdings II, LLC
61. Newtown Energy, Inc.
62. North Page Coal Corp.
63. Ohio County Coal Company, LLC
64. Panther LLC
65. Patriot Beaver Dam Holdings, LLC
66. Patriot Coal Company, L.P.
67. Patriot Coal Corporation
68. Patriot Coal Sales LLC
69. Patriot Coal Services LLC
70. Patriot Leasing Company LLC
71. Patriot Midwest Holdings, LLC
72. Patriot Reserve Holdings, LLC
73. Patriot Trading LLC
74. PCX Enterprises, Inc.
75. Pine Ridge Coal Company, LLC
76. Pond Creek Land Resources, LLC
77. Pond Fork Processing LLC
78. Remington Holdings LLC
79. Remington II LLC
80. Remington LLC
81. Rivers Edge Mining, Inc.
82. Robin Land Company, LLC
83. Sentry Mining, LLC
84. Snowberry Land Company
85. Speed Mining LLC
86. Sterling Smokeless Coal Company, LLC
87. TC Sales Company, LLC
88. The Presidents Energy Company LLC
89. Thunderhill Coal LLC
90. Trout Coal Holdings, LLC
91. Union County Coal Co., LLC
92. Viper LLC
93. Weatherby Processing LLC
94. Wildcat Energy LLC
95. Wildcat, LLC
96. Will Scarlet Properties LLC
97. Winchester LLC
98. Winifrede Dock Limited Liability Company
99. Yankeetown Dock, LLC

Exhibit A

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	
PATRIOT COAL CORPORATION, *et al.*,	**Chapter 11**
	Case No. 12-12900 (SCC)
	(Jointly Administered)
Debtors.[1]	

ORDER GRANTING LIMITED MODIFICATION OF THE AUTOMATIC STAY IN DISTRICT COURT PROCEEDINGS

Upon the motion (the "**Motion**")[2] of Patriot Coal Corporation ("**Patriot**") and its subsidiaries, that are debtors and debtors in possession (collectively, the "**Debtors**"), pursuant to section 362 of the Bankruptcy Code, Rule 4001 of the Federal Rules of Bankruptcy Procedure and Rule 4001-1 of the Local Bankruptcy Rules for the Southern District of New York, for entry of an order granting limited modification to the automatic stay, to the extent it applies, to permit the payment of proceeds and advancing of defense costs under XL Specialty Insurance Company, Insurance Policy No. ELU123382-11 and Ace American Insurance Company Excess DIC Policy No. DOX G23652936 005 to Richard M. Whiting and Mark N. Schroeder and any other Patriot officers and directors subsequently named defendants in relation to securities class action lawsuits filed against Mr. Whiting and Mr. Schroeder captioned *Ernesto Espinoza v. Richard M. Whiting and Mark N. Schroeder*, 4:12 CV 01711 (E.D. Mo.) and *Furman Jerry Rogers III v. Richard M. Whiting and Mark N.*

[1] The Debtors are the entities listed on Schedule 1 attached to the Motion. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors' chapter 11 petitions.

[2] Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to such term in the Motion.

Schroeder, 4:12 CV 01815 (E.D. Mo.) and any other related securities lawsuits, as described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.) as amended by Standing Order M-431, dated February 1, 2012 (Preska, C.J.); and consideration of the Motion and the requested relief being a core proceeding the Bankruptcy Court can determine pursuant to 28 U.S.C. § 157(b); and due and proper notice of the Motion having been provided in accordance with the Case Management Order, and it appearing that no other or further notice need be provided; and the relief requested in the Motion being in the best interests of the Debtors and their estates and creditors; and the Court having reviewed the Motion [and having held a hearing with appearances of parties in interest noted in the transcript thereof (the "**Hearing**")]; and the Court having determined that the legal and factual bases set forth in the Motion [and at the Hearing] establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that, the relief requested in the Motion is GRANTED as set forth herein; and it is further

ORDERED the automatic stay pursuant to Section 362 of the Bankruptcy Code, is modified, to the extent it applies, solely to the extent necessary to permit the payment of defense costs and advance of legal fees to the Debtors' officers and directors in relation to securities class action lawsuits filed against them, pursuant to the terms of the Policies, and for no other purposes; and it is further

ORDERED that Defendants, current or future, and the insurance providers will report to the Debtors quarterly, with a copy to the official committee of unsecured creditors, regarding the insurance coverage provided, the amounts paid, and the tasks carried out; and it is further

ORDERED that the requirements set forth in Local Rule 9013-1(b) are satisfied; and it is further

ORDERED that the entry of this Order is without prejudice to the rights of the Debtors to oppose any motion by any party seeking stay relief; and it is further

ORDERED that, notwithstanding the possible applicability of any Bankruptcy Rule that might otherwise delay the effectiveness of this order, including, but not limited to, Bankruptcy Rule 4001(a)(3), the Local Rules or the Case Management Order entered in these chapter 11 cases, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that the notice procedures set forth in the Motion are good and sufficient notice and satisfy Bankruptcy Rule 9014 by providing the counterparties with a notice and an opportunity to object and be heard at a hearing; and it is further

ORDERED that this Court retains jurisdiction to hear and determine all matters arising from or related to the implementation and/or interpretation of this Order.

Dated: New York, New York

_____, 2012

THE HONORABLE SHELLEY C. CHAPMAN
UNITED STATES BANKRUPTCY JUDGE

Exhibit B

UNITED STATES DISTRICT COURT

EASTERN DISTRICT OF MISSOURI

EASTERN DIVISION

ERNESTO ESPINOZA, on Behalf of Himself and All Others Similarly Situated, Plaintiff, v. RICHARD M. WHITING and MARK N. SCHROEDER, Defendants.	X : : : : : : : : : : X	Case No. CLASS ACTION COMPLAINT FOR VIOLATION OF FEDERAL SECURITIES LAWS

INTRODUCTION

1. This is a securities class action on behalf of all persons who purchased Patriot Coal Corporation ("Patriot Coal" or the "Company") securities between October 21, 2010 and July 6, 2012, inclusive (the "Class Period"), against certain of Patriot Coal's current and previous officers for violations of the Securities Exchange Act of 1934 (the "Exchange Act").

2. Patriot Coal, based in St. Louis, Missouri, is a major coal supplier in the eastern United States, with fourteen mining operations in the regions of Appalachia and the Illinois Basin. Although coal is essential to meet the world's energy demands, coal mining is known to deteriorate the environment, especially water sources. Patriot Coal's operations are no exception. Patriot Coal's environmental issues have led to lawsuits, which have resulted in court-ordered remediation of the environmental problems caused by Patriot Coal's operations.

3. This matter arises out of false and misleading statements concerning the Company's court-ordered environmental remediation efforts. Defendants (as defined herein) violated Generally Accepted Accounting Principles ("GAAP") and U.S. Securities and Exchange Commission ("SEC") rules because they failed to properly account for the costs associated with the court-ordered remediation obligations related to certain of the Company's selenium[1] water treatment requirements. In particular, Defendants capitalized these costs instead of recording them as expenses, thereby overstating the Company's financial results.

4. The remediation costs arose after Judge Robert Chambers, of the U.S. District Court for the Southern District of West Virginia, ordered in August 2010 that Patriot Coal spend tens of

[1] Selenium is a mineral that can be extremely toxic to people and to wildlife, and is one of a number of pollutants that are discharged from mining operations that could end up contaminating nearby water sources.

millions of dollars to clean up selenium pollution at two of its surface coal mines in West Virginia. Judge Chambers also required the Company to post a $45 million letter of credit to ensure that it installs water treatment equipment at two of its mines. One of Patriot Coal's subsidiaries, Apogee Coal Company, LLC ("Apogee"), was ordered to install a type of treatment called a fluidized bed reactor system to treat selenium discharges. Another subsidiary, Hobet Mining, LLC ("Hobet"), was required to submit a treatment plan for its Hobet No. 22 mine.

5. Sometime in February 2012, the SEC began questioning Patriot Coal's accounting for certain of its court-ordered selenium water treatment obligations. In response to the comments received from the SEC, Defendants were forced to reveal that the Company's previously issued consolidated financial statements for the years ended December 31, 2011 and December 31, 2010 should no longer be relied upon. Further, Defendants admitted that it was necessary to restate the Company's previously issued consolidated financial statements to accrue a liability and recognize a loss for the estimated costs of installing the court-ordered water treatment facilities. This restatement increased Patriot Coal's asset retirement obligation expense and net loss by $23.6 million and $49.7 million for the years ended December 31, 2011 and 2010, respectively. The impact of the restatement adjustments increased the Company's reported net losses for the years ended December 31, 2010 and 2011 by a whopping ***104%*** and ***20%***, respectively.

6. In addition to announcing the restatement on May 8, 2012, the Company also disclosed that management identified a control deficiency in its internal control over financial reporting associated with the accounting treatment for the Apogee and Hobet water treatment facilities. The acknowledgement of this internal control deficiency shows that the Defendants were at least extremely reckless when presenting the Company's business health to the public.

7. When the true state of the Company's business health and internal controls began to emerge, Patriot Coal's shares sank from a closing pricing of $5.53 on May 8, 2012, to a closing price of $5.31 on May 9, 2012. This one-day drop amounted to a decline of approximately 5% on volume of over twelve million shares. At the same time the Company was making a partial disclosure about its overstated financial statements and deficient internal controls, the Defendants were causing the Company to mislead the market about its aggressive forecast for sales in 2013. When the Company recanted its 2013 forecast just a week later, Patriot Coal's stock price fell from a closing pricing of $4.83 on May 14, 2012, to a closing price of $3.94 on May 15, 2012. This one-day drop amounted to a decline of over 18% on volume of over nineteen million shares.

8. During the same time period as the Defendants were misleading investors about the Company's financial statements and internal controls, they were also making false and misleading statements about the Company's business health and continuing prospects. On May 22, 2012, Patriot Coal publicized a letter sent by its Chief Executive Officer ("CEO"), defendant Richard M. Whiting ("Whiting"), to the Company's employees. The May 22, 2012 letter hinted to doubts concerning the Company's business prospects as a going concern but did not fully disclose the truth about the Company's impending bankruptcy. Indeed, defendant Whiting's letter was upbeat and touted that "***operations are performing well***" and that the Company is positioned for "***future growth***." Notwithstanding defendant Whiting's positive assurances, Patriot Coal's shares sank from a closing pricing of $3.36 on May 21, 2012, to a closing price of $2.18 at the end of the day on May 22, 2012, in response to defendant Whiting's letter. This amounted to a one-day decline of over 35% on very high volume of over eighty-six million shares.

9. Then, on July 9, 2012, Patriot Coal shocked the market when it announced that it and substantially all of its wholly owned subsidiaries have filed voluntary petitions for reorganization

under Chapter 11 of the Bankruptcy Code. After this announcement, Patriot Coal's shares once again plummeted, this time from a closing pricing of $2.19 on July 6, 2012, to a closing price of $0.61 at the end of the day on July 9, 2012. This amounted to a one-day decline of an additional 72% on volume of over thirty-eight million shares.

JURISDICTION AND VENUE

10. The claims asserted herein arise under section 10(b) and section 20(a) of the Exchange Act, 15 U.S.C. §78j(b) and §78t(a), and Rule 10b-5 promulgated thereunder by the SEC, 17 C.F.R. §240.10b-5.

11. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §1331 and section 27 of the Exchange Act.

12. This Court has jurisdiction over each defendant named herein because each defendant is an individual who has sufficient minimum contacts with this District so as to render the exercise of jurisdiction by the District Court permissible under traditional notions of fair play and substantial justice.

13. Venue is proper in this Court pursuant to 28 U.S.C. §1391(a) and section 27 of the Exchange Act because: (i) one or more of the defendants resides in this District; (ii) a substantial portion of the transactions and wrongs complained of herein, including the defendants' primary participation in the wrongful acts detailed herein, and aiding and abetting and conspiracy in violation of fiduciary duties owed to Patriot Coal, occurred in this District; and (iii) defendants have received substantial compensation in this District by doing business here and engaging in numerous activities that had an effect on this District.

PARTIES

14. Plaintiff Ernesto Espinoza purchased securities of Patriot Coal during the Class Period as set forth in the accompanying certification, incorporated by reference herein, and was damaged as a result of Defendants' wrongdoing as alleged in this Complaint.

15. Defendant Whiting was Patriot Coal's CEO from October 2007 to May 2012; President from September 2010 to May 2012 and from October 2007 to July 2008; and a director from October 2007 to May 2012. Defendant Whiting also held various positions at Patriot Coal's predecessor companies from 1976 to October 2007. Throughout the Class Period, defendant Whiting made false and misleading statements regarding the Company's environmental remediation efforts, financial health, business prospects as a going concern, and internal controls. Defendant Whiting, because of his positions with Patriot Coal, had a substantial role in the day-to-day operations of the Company and possessed the power and authority to: (i) direct or cause the direction of the management and polices of the Company's employees; and (ii) control the contents of the Company's annual reports, press releases, and presentations to securities analysts, money and portfolio managers, and investors, i.e., the market. Defendant Whiting was provided with copies of the Company's reports and press releases alleged herein to be misleading prior to or shortly after their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of defendant Whiting's positions with the Company, and his access to material, non-public information available to him but not to the public, defendant Whiting knew that the adverse facts specified herein had not been disclosed to and were being concealed from the public, and that the positive representations being made were then materially false and misleading.

16. Defendant Mark N. Schroeder ("Schroeder") is Patriot Coal's Senior Vice President and Chief Financial Officer and has been since October 2007 and Principal Accounting Officer and

has been since June 2012. Throughout the Class Period, defendant Schroeder made false and misleading statements regarding the Company's environmental remediation efforts, financial health, business prospects as a going concern, and internal controls. Defendant Schroeder was provided with copies of the Company's reports and press releases alleged herein to be misleading prior to or shortly after their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of defendant Schroeder's positions with the Company, and his access to material, non-public information available to him but not to the public, defendant Schroeder knew that the adverse facts specified herein had not been disclosed to and were being concealed from the public, and that the positive representations being made were then materially false and misleading.

17. Non-party Patriot Coal is a Delaware corporation and a leading producer of thermal and metallurgical coal in United States. The Company maintains operations and coal reserves in Appalachia and the Illinois Basin coal regions. The principal executive offices of Patriot Coal are located at 12312 Olive Boulevard, Suite 400, St. Louis, Missouri. On July 9, 2012, Patriot Coal announced that it and substantially all of its wholly owned subsidiaries filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of New York.

18. The defendants named in ¶¶15-16 are sometimes collectively referred to herein as the "Defendants."

FRAUDULENT SCHEME AND COURSE OF BUSINESS

19. Defendants are liable for: (i) making material false statements; and (ii) failing to disclose material, adverse facts known to them about Patriot Coal. Defendants' fraudulent scheme and course of business that operated as a fraud or deceit on purchasers of Patriot Coal securities was a success, as it: (i) deceived the investing public as to Patriot Coal's business prospects and

operations; (ii) kept the price of Patriot Coal securities artificially inflated; and (iii) caused plaintiff and other members of the Class (as defined herein) to purchase Patriot Coal securities at inflated prices.

GAAP STANDARDS

20. Financial statements filed with the SEC are required to comply with GAAP. GAAP are those principles recognized by the accounting profession as the conventions, rules, and procedures necessary to define accepted accounting practice at a particular time. SEC Regulation S-X (17 C.F.R. §210.4-01(a)(1)) states that ***financial statements filed with the SEC which are not prepared in compliance with GAAP are presumed to be misleading*** and inaccurate, despite footnote or other disclosure.

21. GAAP, Accounting Standards Codification ("ASC") 410 Asset Retirement and Environmental Obligations applies to legal obligations associated with asset retirements. GAAP requires upon the initial recognition of a liability for an asset retirement obligation, an entity shall capitalize an asset retirement cost by increasing the carrying amount of the related long-lived asset by the same amount of the liability. ASC 410-20-25-5. However, this requirement to capitalize such costs does not apply to costs related to environmental contamination as is the case with the Company's court-ordered remediation obligations concerning its "selenium water treatment requirements." In response to environmental contamination, entities such as Patriot Coal may be required to: (i) repair, better, or replace assets causing contamination; and (ii) restore the environment to its original condition (pre-contamination condition). Pursuant to paragraphs ASC 410-30-25-16 through 25-18, these conditions "***shall be charged to expense.***"

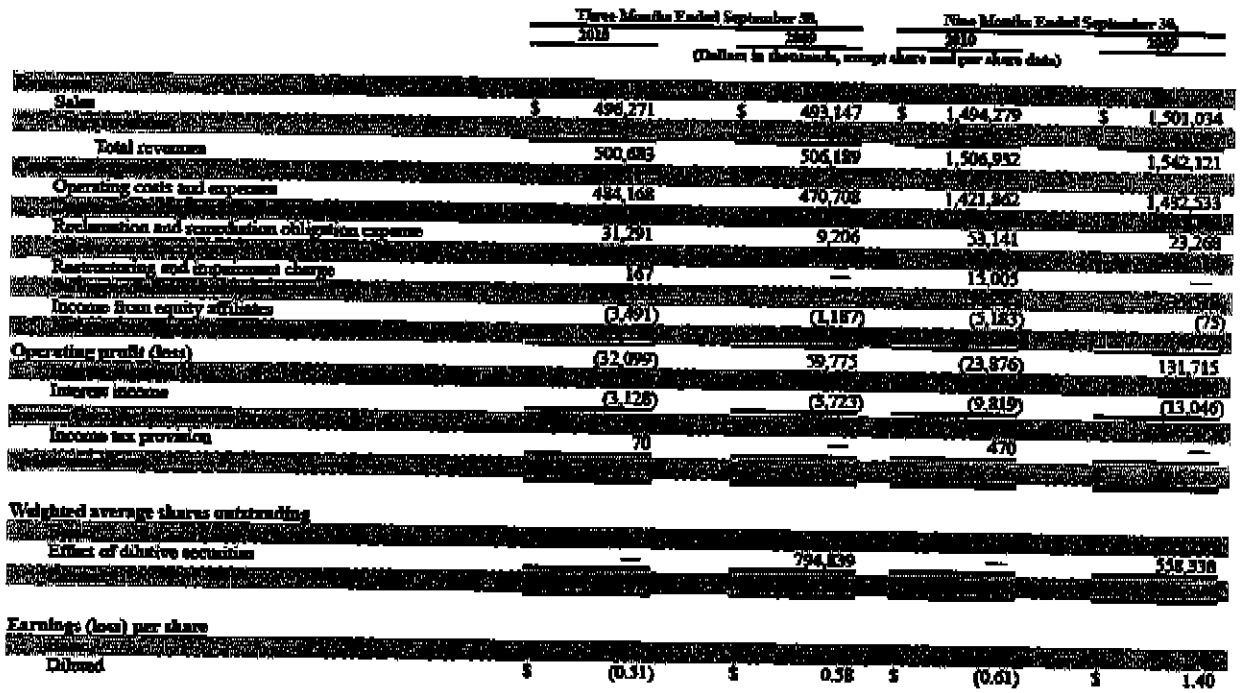
DEFENDANTS' FALSE AND MISLEADING STATEMENTS

22. On October 21, 2010, Patriot Coal issued a press release announcing its court-ordered remediation obligation. The press release stated that the costs relating to the treatment of selenium discharges would be capitalized "over the estimated operating life of the treatment system." This method of accounting for the remediation expenses did not conform with applicable financial reporting requirements, however, nor was this a "fair presentation" of Patriot Coal's operations and financial position. The press release stated in part:

> During the 2010 third quarter, the Federal District Court in Huntington, West Virginia ruled on selenium lawsuits brought by various environmental constituencies against the Company's Apogee and Hobet subsidiaries. ***Pursuant to the court order, Apogee was ordered, among other things, to install a biological-based fluidized bed reactor system to treat selenium discharges at certain affected outfalls. Additionally, Hobet was ordered to submit and implement a treatment plan to come into compliance with applicable selenium discharge limits under its Hobet 22 permit. As a result of this order, the Company recognized a charge of $20.7 million, which is expected to be spent over the estimated operating life of the treatment system. The charge was included in reclamation and remediation obligation expense in the 2010 third quarter. Additionally, the Company estimates the capital investment required as part of the order will be approximately $50.0 million.***

23. On November 5, 2010, Patriot Coal filed a Form 10-Q with the SEC that was signed by defendant Schroeder. This Form 10-Q further explained how the court-ordered remediation costs would be accounted. In addition, the Form 10-Q included consolidated financial statements of the Company's operations for the three months ending September 30, 2010. Both the explanation regarding the capitalization of the remediation costs and the consolidated financial statements were false and misleading because they failed to comply with GAAP. The court-ordered remediation costs should have been recorded as expenses, not as capital expenditures. Thus, the Company's reported expenses were understated, thereby boosting the appearance of the Company's financial performance. Finally, in addition to these false and misleading statements, the Form 10-Q falsely attested to the adequacy of the Company's internal controls. The Form 10-Q stated in part:

PATRIOT COAL CORPORATION
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS



	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
	(Dollars in thousands, except share and per share data)			
Sales	$ 498,271	$ 493,147	$ 1,494,279	$ 1,501,034
Total revenues	500,686	506,189	1,506,932	1,542,121
Operating costs and expenses	484,168	470,708	1,421,862	1,452,533
Reclamation and remediation obligation expense	31,291	9,206	58,141	29,268
Restructuring and impairment charge	167	—	13,005	—
Income from equity affiliates	(3,491)	(1,187)	(3,185)	(75)
Operating profit (loss)	(32,099)	39,775	(23,876)	131,715
Interest income	(3,126)	(3,723)	(9,819)	(13,046)
Income tax provision	70	—	470	—
Weighted average shares outstanding				
Effect of dilutive securities	—	794,839	—	558,398
Earnings (loss) per share				
Diluted	$ (0.31)	$ 0.58	$ (0.61)	$ 1.40

* * *

September 1, 2010 U.S. District Court Ruling

On September 1, 2010, the U.S. District Court found Apogee in contempt for failing to comply with the March 19, 2009 consent decree. Apogee was ordered to install an FBR water treatment facility for three outfalls and to come into compliance with applicable selenium discharge limits by March 1, 2013. Additionally, the court ordered Hobet to submit by October 1, 2010 a proposed schedule to develop a treatment plan for one outfall and to come into compliance with applicable discharge limits under the Hobet Surface Mine No. 22 permit by May 1, 2013. Apogee and Hobet were required to jointly establish an irrevocable $45 million letter of credit in support of the requirements of this ruling. The court also appointed a Special Master who is authorized to monitor, supervise and direct Apogee's and Hobet's compliance with, and hear disputes that arise under, the September 1, 2010 order as well as other orders of the U.S. District Court.

FBR technology had not been used to remove selenium or any other minerals discharged at surface coal mining operations prior to our pilot project that began in February 2010. The FBR water treatment facility, required by the ruling, will be the first of its kind constructed for selenium removal on a commercial scale. We anticipate that the design of the facility will be finalized in mid- to late- 2011 and then construction can begin.

Pursuant to the September 1, 2010 ruling, we will record the costs to install the FBR water treatment facility for the three Apogee outfalls as capital expenditures when incurred. The capital expenditure for the facility is estimated to be approximately $50 million. In addition, the estimated future on-going operating cash flows required to meet our legal obligation for remediation at the three Apogee outfalls have changed from our original estimates based on the September 1, 2010 ruling. As such, we increased the portion of the environmental liability related to Apogee by updating the fair value of the on-going costs related to these three outfalls and recorded the $20.7 million difference between this updated value and our previously recorded liability directly to income, through "Reclamation and remediation obligation expense" in the third quarter of 2010.

* * *

Item 4. Controls and Procedures.

Our disclosure controls and procedures are designed to, among other things, provide reasonable assurance that material information, both financial and non-financial, and other information required to be disclosed under the securities laws is accumulated and communicated to senior management, including the Chief Executive Officer and Chief Financial Officer, on a timely basis. Under the direction of the Chief Executive Officer and Chief Financial Officer, management has evaluated our disclosure controls and procedures as of September 30, 2010, and has concluded that the disclosure controls and procedures were adequate and effective as of such date.

24. On February 1, 2011, Patriot Coal issued a press release in which defendant Schroeder touted higher earnings before interest, taxes, depreciation, and amortization ("EBITDA") and "improved operating costs." Defendant Schroeder's statements were false and misleading because they were based on improperly accounted for financial figures. The press release stated in part:

> Commenting on the fourth quarter, Patriot Senior Vice President and Chief Financial Officer Mark N. Schroeder noted, "***As a result of solid production across nearly all mining complexes, we recognized EBITDA of $42.8 million. The higher EBITDA resulted from higher average selling prices, as well as improved operating costs per ton compared with our 2010 third quarter***...."

25. That same day, on February 1, 2011, Patriot Coal hosted a conference call with investors, media representatives, and analysts discussing the Company's financial results. During this conference call, defendant Whiting touted "significant improvement" in the Company's

"operating results." Moreover, an analyst praised the Company's continued ability "to keep a lid on costs and keep putting up this type of performance." Defendant Schroeder responded to this analyst by confirming the Company's purported decline in absolute costs. Defendant Schroeder failed to disclose the truth about the Company's improper accounting for certain costs that were recorded as capital expenditures as opposed to expenses. This was the real reason behind the Company's apparent low costs. The exchange between the analyst participating on the call and Defendants was as follows:

> **Rick Whiting** - *Patriot Coal Corporation - CEO, President*
>
> ...Regarding thermal sales, since our last call, we have booked around 2 million tons for 2011 delivery, including almost 1 million tons to be shipped to Europe, as I mentioned earlier. Following our recent sales, we have just under 2 million tons of Appalachian thermal coal remaining unpriced and just under 1 million tons of Illinois basin coal remaining unpriced for 2011 delivery. Again, most of this unpriced volume is in the second half of the year. ***So, in summary, our operating results this quarter showed significant improvement. We are continuing to focus on our safety and our productivity initiatives***.
>
> * * *
>
> **Shneur Gershuni** - *UBS - Analyst*
>
> ***My first question, just to kick off, is on the cost side. The fourth quarter is essentially the second quarter in a row where you absolute costs declined in Appalachia. I was wondering if you can give us some color on what you're doing to keep a lid on costs and keep putting up this type of performance.***
>
> **Mark Schroeder** - *Patriot Coal Corporation - CFO*
>
> ***...As you know, and I guess the last piece of that repairs and maintenance, over the last couple of years, we've tried to spend a little more money on the rolling stock and the capital expenditures***. We did that so that we would not have as much down time and repair work . That's paying off a little bit as well. I'm not saying we don't have that, but we have tried to limit the amount of the down time with putting in some of the new equipment, the rolling stock equipment, really over the latter part of 2010. And as we go into 2011, you'll see some of the same.

26. Patriot Coal filed a Form 10-K on February 25, 2011, that was signed by Defendants. This Form 10-K discussed how the court-ordered remediation costs would be accounted. In

addition, the Form 10-K included consolidated financial statements of the Company's operations for the year ending December 31, 2010. Both the explanation regarding the capitalization of the remediation costs and the consolidated financial statements were false and misleading because they failed to comply with GAAP. The court-ordered remediation costs should have been recorded as expenses, not as capital expenditures. Thus, the Company's reported expenses were understated, thereby boosting the appearance of the Company's financial performance. Finally, in addition to these false and misleading statements, the Form 10-K falsely attested to the adequacy of the Company's internal controls. The Form 10-Q stated in part:

> ***Pursuant to the September 1, 2010 ruling, we will record the costs to install the FBR water treatment facility for the three Apogee outfalls as capital expenditures when incurred. The capital expenditure for the facility is estimated to be approximately $50 million. In addition, the estimated future on-going operating cash flows required to meet our legal obligation for remediation at the three Apogee outfalls have changed from our original estimates based on the September 1, 2010 ruling. As such, we increased the portion of the liability related to Apogee by updating the fair value of the on-going costs related to these three outfalls and recorded the $20.7 million difference between this updated value and our previously recorded liability directly to income, through reclamation and remediation obligation expense in the third quarter of 2010.***

* * *

	Year Ended December 31,				
	2011	2010	2009	2008	2007
	(In thousands, except for share and per share data)				
Revenues					
Other revenues	17,647	49,616	23,749	4,046	5,398
Costs and expenses					
Depreciation, depletion and amortization	188,074	205,339	125,356	85,640	86,458
Sales contract accretion	(121,475)	(298,572)	(279,402)	—	—
Selling and administrative expenses	50,248	48,732	38,607	45,137	47,909
Net gain on disposal or exchange of assets	(48,226)	(7,215)	(7,004)	(81,458)	(78,631)
Operating profit (loss)	(2,949)	148,705	149,144	(105,353)	16,029
Interest income	(12,831)	(16,646)	(17,232)	(11,543)	(1,617)
Income tax provision	492	—	—	—	8,350
Net income attributable to noncontrolling interest	—	—	—	4,721	11,169
Effect of noncontrolling interest purchase arrangement	—	—	—	(15,667)	—
Earnings (loss) per share, basic	$ (0.53)	$ 1.50	$ 2.23	$ (2.29)	N/A
Weighted average shares outstanding - basic	90,507,224	64,660,998	64,080,868	38,511,472	N/A
Balance Sheet Data (at period end):					
Total liabilities	2,966,955	2,682,689	2,782,139	1,117,521	1,851,855
Total stockholders' equity (deficit)	843,081	935,494	840,181	82,316	(673,674)

* * *

Item 9A. Controls and Procedures.

As of the end of the period covered by this Annual Report on Form 10-K, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, the CEO and the CFO have each concluded that our disclosure controls and procedures were designed, and were effective, to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, (the "Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms.

* * *

Management's Report on Internal Control Over Financial Reporting

Management is responsible for maintaining and establishing adequate internal control over financial reporting. Our internal control framework and processes were designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

27. Along with signing the Form 10-K for fiscal year 2010, Defendants signed required certifications pursuant to the Sarbanes-Oxley Act of 2002 ("SOX") that falsely attested to the purported accuracy and completeness of its disclosures and effectiveness of the Company's internal controls. The certification stated in pertinent part, as follows:

I, Richard M. Whiting, certify that:

1. I have reviewed this annual report on Form 10-K of Patriot Coal Corporation;

2. ***Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;***

3. ***Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;***

4. ***The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures*** (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) ***and internal control over financial reporting*** (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

* * *

(c) ***Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation***; and

* * *

5. ***The registrant's other certifying officer(s) and I have disclosed***, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) ***All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting*** which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2011

/s/ Richard M. Whiting
Richard M. Whiting
Chief Executive Officer

* * *

I, Mark N. Schroeder, certify that:

1. I have reviewed this annual report on Form 10-K of Patriot Coal Corporation;

2. ***Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;***

3. ***Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;***

4. ***The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures*** (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) ***and internal control over financial reporting*** (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

* * *

(c) ***Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation***; and

* * *

5. ***The registrant's other certifying officer(s) and I have disclosed***, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) ***All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting*** which are reasonably likely to adversely

affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2011

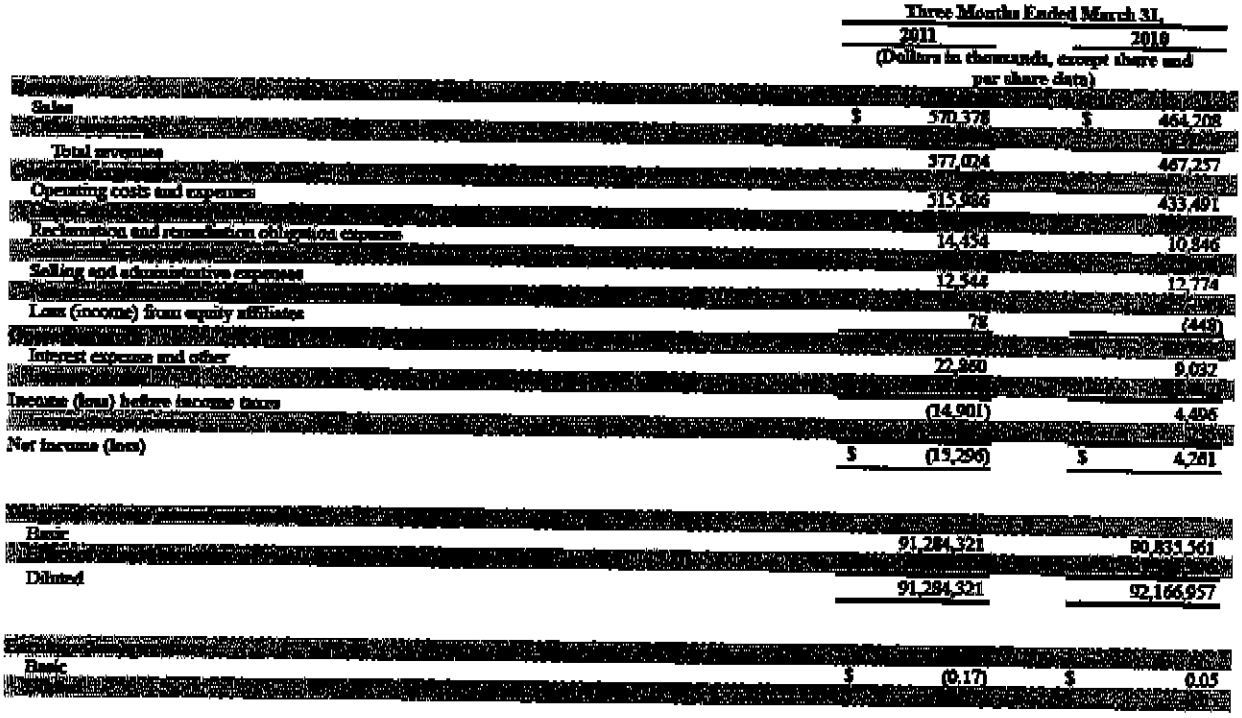
/s/ Mark N. Schroeder
Mark N. Schroeder
Chief Financial Officer

28. On April 21, 2011, Patriot Coal issued a press release in which defendant Whiting touted an "increased EBITDA" and "further performance improvements in 2012." Defendant Whiting also provided investors with aggressive guidance, stating that he expects to "realize increased EBITDA of around $50 million in 2012 and $150 million in 2013." Defendant Whiting's statements were false and misleading because they were based on financial results that were not presented in conformity with GAAP. The press release stated in part:

> "***This quarter marked a very solid start for the year***. We expect 2011 performance to be our best yet as a public company, with record sales of high-margin metallurgical coal," noted Patriot President and Chief Executive Officer Richard M. Whiting. "***Even more important are our strategies for further performance improvements in 2012 and beyond. We are intensely focused on our plans to expand metallurgical coal production to at least 11 million tons by 2013, and we have substantially increased our participation in export thermal markets. Further, as two major legacy coal supply agreements expire, we expect to realize increased EBITDA of around $50 million in 2012 and $150 million in 2013 from higher prices on these volumes. These key factors, coupled with other operating and commercial plans, will significantly enhance Patriot's financial performance.***"

29. On May 3, 2011, Patriot Coal filed a Form 10-Q with the SEC that was signed by defendant Schroeder. This Form 10-Q further explained how the court-ordered remediation costs would be accounted. In addition, the Form 10-Q included consolidated financial statements of the Company's operations for the three months ending March 31, 2011. Both the explanation regarding the capitalization of the remediation costs and the consolidated financial statements were false and misleading because they failed to comply with GAAP. The court-ordered remediation costs should

have been recorded as expenses, not as capital expenditures. Thus, the Company's reported expenses were understated, thereby boosting the appearance of the Company's financial performance. Finally, in addition to these false and misleading statements, the Form 10-Q falsely attested to the adequacy of the Company's internal controls. The Form 10-Q stated in part:



	Three Months Ended March 31,	
	2011	2010
	(Dollars in thousands, except share and per share data)	
Sales	$ 370,378	$ 464,208
Total revenues	377,074	467,257
Operating costs and expenses	315,986	433,491
Reclamation and remediation obligation expense	14,454	10,846
Selling and administrative expenses	12,544	12,774
Loss (income) from equity affiliates	78	(449)
Interest expense and other	22,980	9,032
Income (loss) before income taxes	(14,901)	4,406
Net income (loss)	$ (15,296)	$ 4,281
Basic	91,284,321	90,835,561
Diluted	91,284,321	92,166,957
Basic	$ (0.17)	$ 0.05

* * *

Pursuant to the September 1, 2010 ruling, we will record the costs to install the FBR water treatment facility for the three Apogee outfalls as capital expenditures when incurred. The capital expenditure for the facility is estimated to be approximately $50 million. FBR technology had not been used to remove selenium or any other minerals discharged at surface coal mining operations prior to our pilot project that began in February 2010. The FBR water treatment facility, required by the ruling, will be the first of its kind constructed for selenium removal on a commercial scale. We anticipate that the design of the facility will be finalized in mid- to late- 2011 and then construction will begin.

* * *

The fair value of our total liability to treat selenium discharges is $117.9 million as of March 31, 2011. The current portion of the estimated liability is $18.1 million and is included in "Accounts payable and accrued expenses" and the long-term

portion is recorded in "Reclamation and remediation obligations" on our condensed consolidated balance sheets.

* * *

Item 4. Controls and Procedures.

As of the end of the period covered by this Quarterly Report on Form 10-Q, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer have each concluded that our disclosure controls and procedures were designed, and were effective, to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, (the "Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms.

There have not been any significant changes in our internal control over financial reporting during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

30. On July 26, 2011, Patriot Coal issued a press release in which defendant Whiting discussed "improved performance" and stated that the Company was "nearing a major turning point." In addition, defendant Schroeder touted the Company's generation of more than $20 million in free cash flow. These positive statements were false and misleading because they were based on the improper accounting of the costs relating to "certain of [the Company's] selenium water treatment requirements." The press release stated in part:

"***Our improved performance this quarter highlights the potential of Patriot's existing operations and the results of our detailed planning and execution***," noted Patriot President and Chief Executive Officer Richard M. Whiting. "***We are nearing a major turning point in the life of our company.***"

* * *

"Our cash flow from operating activities topped $80 million this quarter, more than twice the previous quarterly high of $39 million. ***After covering capital expenditures and a litigation settlement, we generated free cash flow of more than $20 million***," added Patriot Senior Vice President and Chief Financial Officer Mark N. Schroeder. ***"This is a clear indication of our future earnings power and cash flow trends, and our ability to continue to grow our business.***"

31. That same day, on July 26, 2011, Patriot Coal hosted a conference call with investors, media representatives, and analysts discussing the Company's financial results. During this conference call, defendant Schroeder responded to an analyst's question about the Company's performance moving to the high end of the provided guidance by crediting "capital related to the selenium Hobet mine...." Defendant Schroeder failed to disclose the truth about the Company's improper accounting for certain costs that were recorded as capital expenditures as opposed to expenses, the real reason behind the Company's purported success. The exchange between the analyst participating on the call and defendant Schroeder was as follows:

> **Brandon Blossman** - *Tudor Pickering & Co. - Analyst*
>
> That's helpful color; I appreciate that. And then kind of going to the other end of the spectrum, detail question for '11 and I think it was asked before. I wasn't sure if I caught the answer. CapEx, ***it looks like you're moving to the high end of the guidance that you had previously provided***. Is that true and is that related to just slight acceleration and the met development or higher costs and kind of related? I think I saw that Peerless is moving up a quarter as far as first call. Is that true or am I misreading prepared comments?
>
> **Mark Schroeder** - *Patriot Coal Corporation - CFO*
>
> ***First, the guidance I gave at the beginning of the year was 150 million to 175 million so now we're tracking more towards the 175 million. I think it is a combination of trying to get these met mines along the way quicker than what we had anticipated initially plus there is some capital related to the selenium Hobet mine that I talked about in the quarter.*** We had a P&L charge. There's also some capital related to that and we'll spend some of that capital this year so I think net, net we're closer to the 175 than the 150 sort of a good problem because we're trying to move up some of the met expansion and also a little bit related to selenium related capital.

32. On August 5, 2011, Patriot Coal filed a Form 10-Q with the SEC that was signed by defendant Schroeder. This Form 10-Q discussed the fact that the Company accounted for the court-ordered remediation as a capital expenditure and recorded the costs accordingly. Moreover, as with previous quarterly statements, this Form 10-Q included consolidated financial statements of the Company's operations for the three months ending June 30, 2011. Both the discussion regarding the capitalization of the remediation costs and the consolidated financial statements were false and

misleading because they failed to comply with GAAP. The court-ordered remediation costs should have been recorded as expenses, not as capital expenditures. Thus, the Company's reported expenses were understated, thereby boosting the appearance of the Company's financial performance. Finally, in addition to these false and misleading statements, the Form 10-Q falsely attested to the adequacy of the Company's internal controls. The Form 10-Q stated in part:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
	(Dollars in thousands, except share and per share data)			
Sales	$ 629,972	$ 533,800	$ 1,194,280	$ 998,008
Total revenues	632,160	538,992	1,209,184	1,006,249
Operating costs and expenses	586,265	504,204	1,076,108	937,695
Asset retirement obligation expense	35,115	11,004	49,569	21,850
Restructuring and impairment charge	137	14,838	284	14,838
Net gain on disposal or exchange of assets	(9,372)	(17,759)	(9,415)	(41,355)
Operating profit (loss)	4,394	(1,865)	12,307	8,273
Interest income	(52)	(5,272)	(28)	(6,691)
Income tax provision	218	162	613	400
Weighted average shares outstanding, basic and diluted	91,284,418	90,863,950	91,284,370	90,849,834

* * *

The order required Hobet to submit by October 1, 2010 a proposed schedule to develop a treatment plan for a Hobet Surface Mine No. 22 outfall and to come into compliance with applicable discharge limits under the permit by May 1, 2013. We submitted the required schedule, which included conducting additional pilot projects related to certain technological alternatives. Based on the results of the pilot projects, a final treatment technology to be utilized at the Hobet Surface Mine No. 22 outfall was submitted to the U.S. District Court in June 2011 in accordance with the submitted schedule. ***We recorded expense of $24.0 million in the second quarter of 2011 for the estimated future ongoing operating costs of a Fluidized Bed Reactor (FBR) water treatment facility at this outfall. The charge was included in "Asset retirement obligation expense" on our condensed consolidated statements of operations. See Note 14 for the background on these proceedings and the additional impact of these orders on Apogee and Hobet.***

* * *

September 1, 2010 U.S. District Court Ruling

On September 1, 2010, the U.S. District Court found Apogee in contempt for failing to comply with the March 19, 2009 consent decree entered in the Federal Apogee Case. Apogee was ordered to install a Fluidized Bed Reactor (FBR) water treatment facility for three outfalls and to come into compliance with applicable selenium discharge limits by March 1, 2013. In September 2010, we increased the portion of the selenium water treatment liability related to Apogee by $20.7 million for the fair value of the estimated future ongoing operating costs related to these three outfalls. ***We record the costs to install the Apogee FBR water treatment facility as capital expenditures when incurred. As of June 30, 2011, we have spent approximately $5 million on the Apogee FBR facility and the total expenditures are estimated to be approximately $55 million. Preparation of the Apogee FBR facility site began at the end of June 2011 and we anticipate finalizing certain engineering specifications for the Apogee FBR facility in the third quarter of 2011.***

Additionally, the U.S. District Court ordered Hobet to submit a proposed schedule to develop a treatment plan for a Hobet Surface Mine No. 22 outfall by October 1, 2010 and to come into compliance with applicable discharge limits under the permit by May 1, 2013. We submitted the required schedule, which included conducting additional pilot projects related to certain technological alternatives. A final treatment technology to be utilized at this Hobet Surface Mine No. 22 outfall was filed with the U.S. District Court in June 2011 in accordance with the submitted schedule. ***In June 2011, we recorded an adjustment of $24.0 million to the selenium water treatment liability primarily related to the estimated future ongoing operating costs of an FBR water treatment facility at this outfall. This charge is reflected in "Asset retirement obligation expense" in the condensed consolidated statement of operations. As with the Apogee FBR facility, we will record the costs to install the Hobet FBR water treatment facility as capital expenditures when incurred. Capital expenditures are currently estimated to be approximately $40 million for the Hobet FBR facility. We anticipate beginning construction on the Hobet facility in the second half of 2011.***

* * *

As of June 30, 2011, we have a $141.9 million liability recorded for the treatment of selenium discharges. The current portion of the estimated liability is $16.5 million and is included in "Accounts payable and accrued expenses" and the long-term portion is recorded in "Asset retirement obligations" on our condensed consolidated balance sheets.

* * *

Item 4. Controls and Procedures.

As of the end of the period covered by this Quarterly Report on Form 10-Q, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, the Chief Executive Officer and

the Chief Financial Officer have each concluded that our disclosure controls and procedures were designed, and were effective, to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, (the "Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms and were also effective to ensure that the information required to be disclosed by us in this Quarterly Report was accumulated and communicated to our management, including our principal executive and principal financial officers to allow timely decisions regarding required disclosure.

There have not been any significant changes in our internal control over financial reporting during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

33. On February 2, 2012, Patriot Coal hosted a conference call with investors, media representatives, and analysts, during which defendant Schroeder faced growing concerns over the Company's capital expenditures. During the conference call, defendant Schroeder misrepresented the Company's capital expenditures, especially as they related to "selenium related" costs. The exchange between the analysts participating on the call and defendant Schroeder was as follows:

* * *

Mark Schroeder - *Patriot Coal Corp - CFO*

...For 2012 we expect capital expenditures in the range of $160 million to $180 million. Influencing our capital expenditures will be some deferral our met expansion, certainly some redeployment of equipment in certain cases, and increased expenditures on is a selenium treatment. Looking to the 2012 quarters, first quarter will include expenses related to today's idling of the Big Mountain complex, and we expect to be at the low end of tons sold in the first quarter. We expect both first and third quarter operations to be impacted by longwall moves at Federal. And at Panther the next longwall move is scheduled for the fourth quarter.

* * *

David Martin - *Deutsche Bank - Analyst*

Yeah, okay. Okay. And then secondly on the CapEx plan for this year, ***could you give us a little more detail or clarity on what the distributions of that spending is between maintenance and what is environmental and what is selenium related, etc?***

Mark Schroeder - *Patriot Coal Corp - CFO*

Sure. I guess I would probably use numbers like 25% to 30% on the what we call government required and that would include the selenium environmental type capital that we would have. So 25% to 30% of that. About the same thing on the met expansion. Somewhere in the 25% range.

And then that leaves about 40% to 50% being more of the maintenance-type capital and the maintenance then covers mainly rolling stock at the thermal and met mines in Appalachia but also some in the Illinois basin as well. So maybe it is a third or less related to projects, 25% to 30% on projects. 25% or 30% or so on selenium related and 50% or are so the maintenance.

* * *

Lucas Pipes - *Green, Murray, Carret - Analyst*

Thank you. That's helpful. And then a quick follow-up on the CapEx side. ***Essentially all of the selenium charges that you mentioned you had in the comprehensive plan in place, so all of those charges are already included in the CapEx number. Is that correct?***

Mark Schroeder - *Patriot Coal Corp - CFO*

Yes, the CapEx guidance that I gave of 160 to 180 does include selenium related items in that number.

34. Patriot Coal filed a Form 10-K on February 23, 2012, that was signed by Defendants. This Form 10-K discussed how the court-ordered remediation costs would be accounted. In addition, the Form 10-K included consolidated financial statements of the Company's operations for the year ending December 31, 2011. Both the explanation regarding the capitalization of the remediation costs and the consolidated financial statements were false and misleading because they failed to comply with GAAP. The court-ordered remediation costs should have been recorded as expenses, not as capital expenditures. Thus, the Company's reported expenses were understated, thereby boosting the appearance of the Company's financial performance. Finally, in addition to these false and misleading statements, the Form 10-K falsely attested to the adequacy of the Company's internal controls. The Form 10-Q stated in part:

Pursuant to the September 1, 2010 ruling, we will record the costs to install the FBR water treatment facility for the three Apogee outfalls as capital expenditures when incurred. The capital expenditure for the facility is estimated to be approximately $50 million. In addition, the estimated future on-going operating cash flows required to meet our legal obligation for remediation at the three Apogee outfalls have changed from our original estimates based on the September 1, 2010 ruling. As such, we increased the portion of the liability related to Apogee by updating the fair value of the on-going costs related to these three outfalls and recorded the $20.7 million difference between this updated value and our previously recorded liability directly to income, through reclamation and remediation obligation expense in the third quarter of 2010.

* * *

September 1, 2010 U.S. District Court Ruling

On September 1, 2010, the U.S. District Court found Apogee in contempt for failing to comply with the March 19, 2009 consent decree entered in the Federal Apogee Case. Apogee was ordered to install a Fluidized Bed Reactor (FBR) water treatment facility for three outfalls and to come into compliance with applicable selenium discharge limits at these three outfalls by March 1, 2013. ***In September 2010, we increased the portion of the selenium water treatment liability related to Apogee by $20.7 million for the fair value of the estimated future ongoing operating costs related to these three outfalls. This charge is reflected in "Asset retirement obligation expense" in the consolidated statement of operations. We record the costs to install the Apogee FBR water treatment facility as capital expenditures when incurred. As of December 31, 2011, we have spent approximately $12.6 million on the Apogee FBR facility and the total expenditures are estimated to be approximately $55 million. We began construction on the Apogee FBR facility in the third quarter of 2011.***

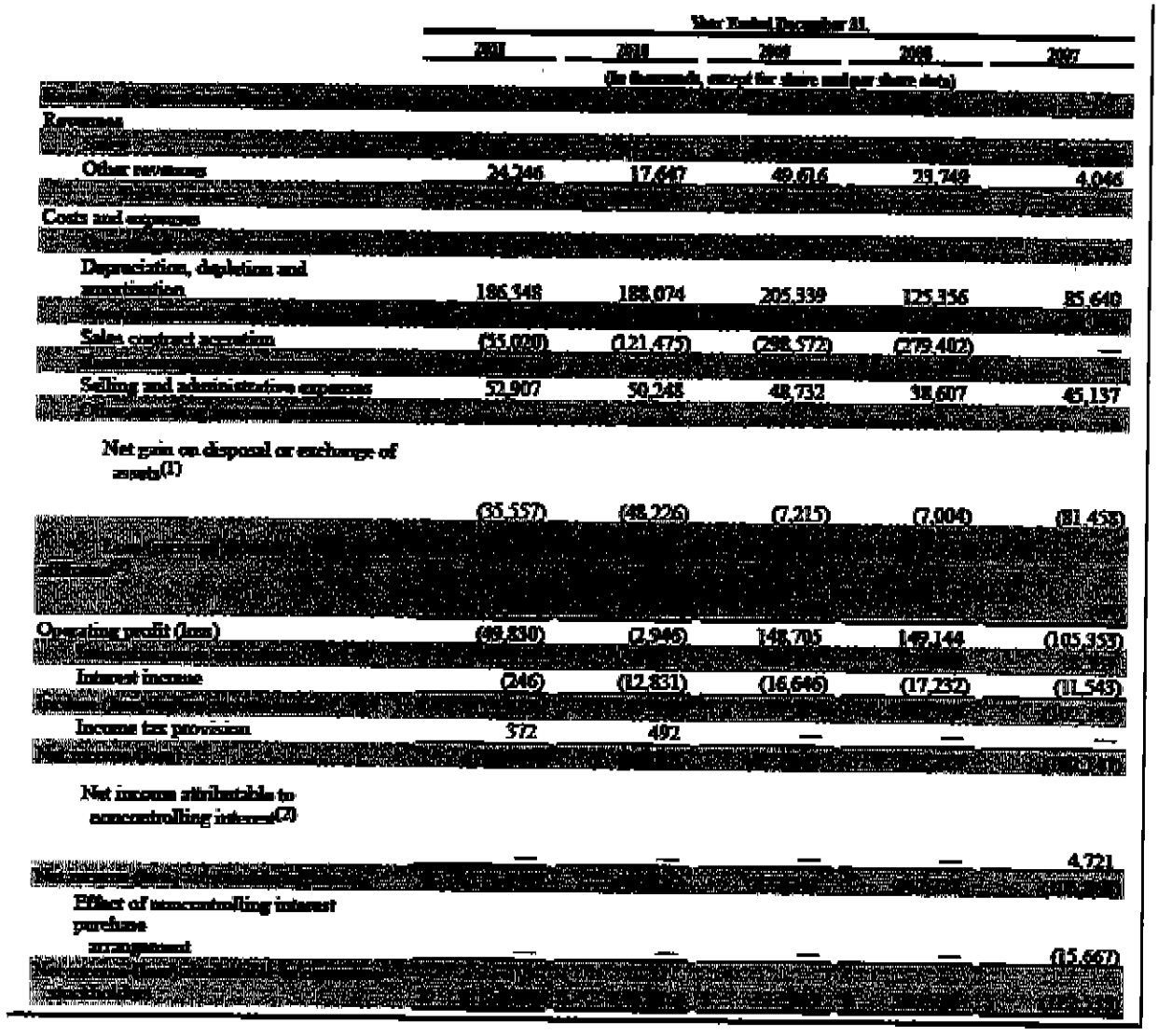
Additionally, the U.S. District Court ordered Hobet to submit a proposed schedule to develop a treatment plan for a Hobet Surface Mine No. 22 outfall by October 1, 2010 and to come into compliance with applicable discharge limits under the permit by May 1, 2013. We submitted the required schedule, which included conducting additional pilot projects related to certain technological alternatives. A treatment technology to be utilized at this Hobet Surface Mine No. 22 outfall was filed with the U.S. District Court in June 2011 in accordance with the submitted schedule. ***In June 2011, we recorded an adjustment of $24.0 million to the selenium water treatment liability primarily related to the estimated future ongoing operating costs of an FBR water treatment facility at this outfall. This charge is reflected in "Asset retirement obligation expense" in the consolidated statement of operations.***

In December 2011, the Special Master appointed by the U.S. District Court to oversee the Hobet Surface Mine No. 22 project approved Hobet's request to substitute ABMet selenium treatment technology for the FBR technology at this outfall. The U.S. District Court subsequently confirmed this substitution. ***As with the***

Apogee FBR facility, we will record the costs to install the Hobet ABMet water treatment facility as capital expenditures when incurred. We continue to design and seek permits for the Hobet ABMet facility and anticipate beginning construction on the facility in the first half of 2012. The estimated total expenditures for completing the ABMet water treatment facility is approximately $25.0 million, which is significantly less than the estimated $40.0 million to build the Hobet FBR facility.

In December 2011, we adjusted the portion of the selenium water treatment liability related to Hobet Surface Mine No. 22 by $10.3 million for the decrease in the fair value of the estimated future ongoing operating costs related to this outfall due to the change in the technology. We also wrote off approximately $3.0 million related to the final engineering specification for the Hobet FBR facility. These charges are reflected in "Asset retirement obligation expense" in our consolidated statement of operations.

* * *



		Year Ended December 31,			
	2011	2010	2009	2008	2007
		(In thousands, except for share and per share data)			
Revenues					
Other revenues	24,746	17,647	49,016	28,749	4,046
Costs and expenses					
Depreciation, depletion and amortization	186,948	188,074	205,339	125,356	85,640
Sales contract accretion	(55,000)	(121,472)	(298,572)	(279,402)	—
Selling and administrative expenses	52,907	50,248	48,732	38,607	45,137
Net gain on disposal or exchange of assets(1)	(35,557)	(48,229)	(7,215)	(7,004)	(81,458)
Operating profit (loss)	(69,830)	(2,946)	148,705	149,144	(105,353)
Interest income	(246)	(12,831)	(16,646)	(17,232)	(11,548)
Income tax provision	572	492	—	—	—
Net income attributable to noncontrolling interest(2)	—	—	—	—	4,721
Effect of noncontrolling interest purchase arrangement	—	—	—	—	(15,667)

* * *

Item 9A. Controls and Procedures.

As of the end of the period covered by this Annual Report on Form 10-K, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, the CEO and the CFO have each concluded that our disclosure controls and procedures were designed, and were effective, to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, (the "Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms.

* * *

Management's Report on Internal Control Over Financial Reporting

Management is responsible for maintaining and establishing adequate internal control over financial reporting. Our internal control framework and processes were designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

35. Along with signing the Form 10-K for fiscal year 2011, as they had done before, Defendants signed required certifications pursuant to SOX that falsely attested to the purported accuracy and completeness of their disclosures and effectiveness of the Company's internal controls. The certification stated in pertinent part, as follows:

I, Richard M. Whiting, certify that:

1. I have reviewed this annual report on Form 10-K of Patriot Coal Corporation;

2. ***Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;***

3. ***Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;***

4. ***The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures*** (as defined in

Exchange Act Rules 13a-15(e) and 15d-15(e)) ***and internal control over financial reporting*** (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

* * *

(c) ***Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation***; and

* * *

5. ***The registrant's other certifying officer(s) and I have disclosed***, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) ***All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting*** which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 22, 2012

/s/ Richard M. Whiting
Richard M. Whiting
Chief Executive Officer

* * *

I, Mark N. Schroeder, certify that:

1. I have reviewed this annual report on Form 10-K of Patriot Coal Corporation;

2. ***Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;***

3. ***Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;***

4. ***The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures*** (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) ***and internal control over financial reporting*** (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

* * *

(c) ***Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation***; and

* * *

5. ***The registrant's other certifying officer(s) and I have disclosed***, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) ***All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting*** which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 22, 2012

/s/ Mark N. Schroeder
Mark N. Schroeder
Chief Financial Officer

REASONS THE STATEMENTS WERE FALSE AND MISLEADING

36. The true facts, which were known by Defendants but concealed from the investing public during the Class Period, were:

(a) the Company's internal controls over financial reporting were materially inadequate;

(b) Defendants improperly accounted for selenium treatment facility liabilities at the Company's mines;

(c) the Company's reported financial results were overstated and were not presented in conformity with GAAP;

(d) the Company's business health was weakening; and

(e) as a result of the forgoing, the Company was headed for bankruptcy and would not survive as a going concern.

THE TRUTH SLOWLY EMERGES

37. On May 8, 2012, Patriot Coal filed a Form 8-K with the SEC disclosing that Defendants improperly capitalized the costs of "certain of its selenium water treatment requirements." As a result of the improper accounting of these remediation costs (capitalizing versus treating as an expense), the Company's purported financial results were overstated. The SEC, however, had uncovered the Defendants' façade and forced them to restate two years' worth of materially false and misleading financial statements. The Form 8-K stated in part:

> ***On May 7, 2012, Patriot's management advised the Audit Committee of Patriot's Board of Directors, and the Audit Committee then recommended to the Board of Directors, that Patriot's previously issued annual consolidated financial statements for the years ended December 31, 2011 and 2010 and the independent registered public accountant's report thereon, and the consolidated financial statements for the third and fourth quarters of the year ended December 31, 2010 and each of the four quarters of the year ended December 31, 2011, in each case filed with the Securities and Exchange Commission (the "SEC"), should no longer be relied upon as a result of an error contained therein***. The Board of Directors resolved to follow this recommendation.
>
> As disclosed in Patriot's Form 10-K for the year ended December 31, 2011, filed on February 23, 2012, ***Patriot received comments from the staff of the SEC regarding its accounting treatment for certain of its selenium water treatment requirements. Specifically, these comments related to Patriot's fluidized bed reactor ("FBR") and ABMet facilities (together, the "Apogee FBR and Hobet ABMet water treatment facilities"). Patriot recorded as capital expenditures when incurred the costs to install the FBR water treatment facility that Apogee Coal Company, LLC ("Apogee") is required to construct for three outfalls and the ABMet water treatment facility that Hobet Mining, LLC ("Hobet") is required to construct for Surface Mine No. 22. As disclosed in Patriot's Form 10-K for the year ended December 31, 2011, the total capital expenditure is estimated to be approximately***

$55.0 million for the Apogee FBR water treatment facility and $25.0 million for the Hobet ABMet water treatment facility.

In response to the comments received from the SEC, Patriot reviewed its accounting treatment for the Apogee FBR and Hobet ABMet water treatment facilities. As a result of that review, Patriot, in consultation with its independent registered public accountants, has determined it is necessary to restate its previously issued consolidated financial statements to accrue a liability and recognize a loss for the estimated costs of installing these two water treatment facilities as their primary use will be to treat selenium exceedances in water discharges resulting from past mining under legacy permit standards. Accordingly, Patriot intends to file on or about May 8, 2012 with the SEC an amended Annual Report on Form 10-K/A for the year ended December 31, 2011 to restate its audited consolidated financial statements for the years ended December 31, 2011 and 2010. ***Such restatement is increasing Patriot's asset retirement obligation expense and net loss by $23.6 million and $49.7 million for the years ended December 31, 2011 and 2010, respectively.***

38. Despite the partial disclosure regarding Defendants' incorrect accounting of the Company's "selenium water treatment requirements," the May 8, 2012 Form 8-K was still false and misleading because it depicted the restatement as having minimal impact to the Company's financial statements. In particular, the Form 8-K indicated that "[s]uch restatement has no impact on Patriot Coal's revenue or Adjusted EBITDA for any such prior period." What Defendants failed to discuss in this disclosure is that these misstatements were grossly material to the Company's bottom line and earnings per share. Defendants' accounting and disclosure violations were material. SEC Staff Accounting Bulletin No. 99 ("SAB 99"), Materiality, states that: "A matter is 'material' if there is a substantial likelihood that a reasonable person would consider it important." SAB 99 also stresses that materiality requires qualitative, as well as quantitative, considerations. Defendants' failure to properly account for the court-ordered remediation obligations was material from both a quantitative and qualitative perspective. Indeed, the impact of the restatement adjustments increased reported net losses for the years ended December 31, 2010 and 2011 by over ***104%*** and ***20%***, respectively. The Form 8-K stated in part:

Such restatement has no impact on Patriot's revenue or Adjusted EBITDA for any such prior period. Patriot's estimated cash spending for the Apogee FBR and Hobet ABMet water treatment facilities has not changed from prior disclosures as a result of this restatement.

39. In addition to announcing the restatement in the May 8, 2012 Form 8-K, the Company also disclosed that "management has determined that a deficiency in internal control over financial reporting associated with the accounting treatment for the Apogee FBR and Hobet ABMet water treatment facilities should have been classified as a material weakness." The Form 8-K stated in part:

In connection with the restatement, management has determined that a deficiency in internal control over financial reporting associated with its accounting treatment for the Apogee FBR and Hobet ABMet water treatment facilities should have been classified as a material weakness with regard to the years ended December 31, 2011 and 2010. Patriot has remediated this material weakness.

40. As a result of Defendants' false statements, Patriot Coal's stock traded at artificially inflated levels during the Class Period. However, when the true state of the Company's business health and internal controls began to emerge, Patriot Coal's shares sank from a closing pricing of $5.53 on May 8, 2012, to a closing price of $5.31 on May 9, 2012. This one-day drop amounted to a decline of approximately 5% on volume of over twelve million shares.

41. The drop in the Company's stock price was diminished because the Defendants were causing the Company to mislead the market about its aggressive forecast for sales in 2013 at the same time as the Company was making a partial disclosure about its overstated financial statements and deficient internal controls. The same Form 8-K that announced the restatement and disclosed the truth about the Company's deficient internal controls also provided the following aggressive guidance:

	[redacted]			
*tons in millions	Tons	Price Per Ton	Tons	Price per Ton
Appalachia - thermal	8.8	$66	3.3	$68

Illinois Basin - thermal	4.8	$50	4	$50
Appalachia - met	4.9	$138	0.4	$120
	18.5		**7.7**	

42. Just one week later, on May 15, 2012, Patriot Coal filed a Form 8-K with the SEC cutting the forecast it made a week ago for sales of steelmaking coal mined in Appalachia because of a potential default by a customer. The revised forecast set sales in the second quarter through the fourth quarter of 3.9 million tons at an average price of $142 a ton. That compares with a May 8, 2012 projection of 4.9 million tons at $138 a ton. Moreover, the Form 8-K revised the Company's 2013 forecast for Appalachian metallurgical coal to 200,000 tons at $122 ton from 400,000 tons at $120 previously. The Form 8-K stated in part:

> ***Patriot Coal Corporation (NYSE: PCX) announced today that it is revising its outlook provided in its press release issued on May 8, 2012***. Based on recent developments involving the potential default by a key customer, Patriot, with respect to its currently priced tons of Appalachia – met coal, revises its anticipated sales volume and average selling prices as set forth below. The current spot market price for this quality of high volatile coal is approximately $25 to $30 per ton lower than the original contracted price with that customer.
>
> ***Average selling prices of currently priced tons for the remainder of 2012 and for 2013 are as follows***:

tons in millions	Tons	Price Per Ton	Tons	Price per Ton
Appalachia - met	3.9	$142	0.2	$122

43. On this news, Patriot Coal's shares sank from a closing pricing of $4.83 on May 14, 2012, to a closing price of $3.94 on May 15, 2012. This one-day drop amounted to a decline of over 18% on volume of over nineteen million shares.

44. On May 22, 2012, Patriot Coal issued a Form 8-K which alluded to a May 22, 2012 letter that defendant Whiting had sent to the Company's employees. Defendant Whiting's letter partially disclosed the struggles relating to the Company's capital position. Defendant Whiting

stated that the Company "engaged The Blackstone Group," a financial services company that is well-known for its role in assisting companies restructure their debt, "to achieve an optimal financing package." Although the May 22, 2012 letter hinted to doubts concerning the Company's business prospects as a going concern, it did not fully disclose the truth about the Company's impending bankruptcy. Indeed, defendant Whiting's letter was upbeat and provided assurances to investors that "operations are performing well" and that the Company is positioned for "future growth." Defendant Whiting's letter stated in part:

> I am writing each of you to provide an update on the proactive initiatives we are taking to help ensure Patriot remains strong during these challenging times in our industry.
>
> ***Across our business, operations are performing well.*** We are achieving outstanding safety results, and we have taken decisive action to scale our production to match market demand. Our operational excellence and the flexibility of our modular met coal production portfolio are a distinct competitive advantage for our company.
>
> Our management team has acted swiftly to ensure that we are well-positioned in the current operating environment. We have reduced thermal coal production by over four million annual tons, delayed expansions under the Met Build-Out program, and worked closely with our customers to address their changing needs. In addition, we have implemented major cost reduction initiatives, including assuming full operation of several mines and facilities that were previously managed by contractors and adjusting our workforce appropriately.
>
> ***We are also addressing a number of challenges that current market conditions have created. Last week, we adjusted our forecast for the year to reflect a possible default by a key customer on a contract for Appalachia met coal.*** We continue to be in discussions with the customer and other potential buyers for this allotment of coal, and we are confident it will ultimately be sold – although not at the original contract price, which was measurably higher than the current spot market. As you know, we and other coal producers have encountered similar business situations in the past and we have successfully achieved satisfactory resolutions.
>
> Earlier this month, we announced that Patriot has entered into a commitment letter for a new revolving credit facility and new term loan facility for a total of $625 million. ***We are continuing to work with our lenders to strengthen our finances, including the refinancing of our debt obligations that become due in March 2013. We have engaged The Blackstone Group and continue to work with Davis Polk & Wardwell, our long-standing counsel, to achieve an optimal financing package. As***

we work through these matters, we continue to have access to our current credit facilities.

We believe the actions we are taking will see us through these challenging times and position us for future growth. Despite the current domestic headwinds we are facing, the global market for both thermal and met coal is creating export opportunities for our company. We are aligning our operating portfolio to take advantage of these opportunities.

Please also keep in mind that our industry is inherently cyclical. For that reason, our leadership team has extensive prior experience in managing through variable and difficult markets. You may recall, for instance, that in 2009 we successfully navigated through one of the greatest market dislocations in history. I am confident we will do so again.

45. On this news, Patriot Coal's shares sank from a closing pricing of $3.36 on May 21, 2012, to a closing price of $2.18 at the end of the day on May 22, 2012. This amounted to a one-day decline of over 35% on very high volume of over eighty-six million shares.

46. On July 9, 2012, less than two months after defendant Whiting assured the market of the Company's ability to sustain itself going forward, Patriot Coal issued a press release disclosing to investors that the Company "and substantially all of its wholly owned subsidiaries have filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court for the Southern District of New York." This press release shined light on the reasons behind the Company's decision to file for bankruptcy, including "***challenging environmental regulations affecting the cost of producing and using coal***" and "***rising expenditures for environmental and other liabilities [that] severely constrained the Company's liquidity and financial flexibility.***" The press release stated:

> ST. LOUIS, July 9, 2012 – Patriot Coal Corporation (NYSE: PCX), a producer and marketer of coal products in the eastern United States, ***announced today that Patriot and substantially all of its wholly owned subsidiaries have filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court for the Southern District of New York.*** Patriot has taken this action in order to undertake a comprehensive financial restructuring. Patriot expects its mining operations and customer shipments to continue in the ordinary course throughout the reorganization process.

Patriot believes that the protection afforded by a court-supervised reorganization process, including the ability to access new financing, will provide the Company with additional time and flexibility to address its financial challenges and position Patriot for long-term viability and success.

In conjunction with its reorganization, Patriot has obtained a commitment for $802 million in debtor-in-possession (DIP) financing from Citigroup Global Markets Inc., Barclays Bank PLC, and Merrill Lynch, Pierce, Fenner & Smith Incorporated as joint lead arrangers. Upon approval by the Bankruptcy Court, the new financing and cash generated from Patriot's ongoing operations will be used to support the business during the reorganization process.

* * *

Patriot's business outlook has been impacted by a number of challenges that are affecting the coal industry, including reductions in U.S. thermal coal demand due to competition from low priced natural gas, challenging environmental regulations affecting the cost of producing and using coal, and weaker international and domestic economies. The Company has reacted to the lower domestic demand by reducing production and increasing sales to the export markets. During recent months, the cancellation of customer contracts, lower thermal coal prices and rising expenditures for environmental and other liabilities have severely constrained the Company's liquidity and financial flexibility.

47. As a result of Defendants' false statements, Patriot Coal's stock traded at artificially inflated levels during the Class Period. However, when the true state of the Company's capital position and business prospects as a going concern became public, Patriot Coal's shares sank from a closing pricing of $2.19 on July 6, 2012, to a closing price of $0.61 at the end of the day on July 9, 2012. This amounted to a one-day decline of over 72% on volume of over thirty-eight million shares.

LOSS CAUSATION

48. During the Class Period, as detailed herein, the Defendants made false and misleading statements and engaged in a scheme to deceive the market. Defendants' course of conduct artificially inflated the price of Patriot Coal securities and operated as a fraud or deceit on Class Period purchasers of Patriot Coal securities by misrepresenting the Company's business health and prospects. Later, when the Defendants' prior misrepresentations and fraudulent conduct became

apparent to the market, the price of Patriot Coal securities fell precipitously, as the prior artificial inflation came out of the price over time. As a result of their purchases of Patriot Coal securities during the Class Period, plaintiff and other members of the Class suffered economic loss, i.e., damages, under the federal securities laws.

FRAUD-ON-THE-MARKET DOCTRINE

49. At all relevant times during the Class Period the market for Patriot Coal securities was an efficient market for the following reasons, among others:

(a) Patriot Coal securities met the requirements for listing, and was listed and actively traded on the New York Stock Exchange, a highly efficient and automated market;

(b) There has been a substantial volume in Patriot Coal securities during the Class Period;

(c) Patriot Coal filed periodic public reports with the SEC; and

(d) Patriot Coal regularly communicated with public investors via established market communication mechanisms, including regular disseminations of press releases on the national circuits of major newswire services and other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services.

50. As a result of the foregoing, the market for Patriot Coal securities promptly digested current information regarding Patriot Coal from all publicly available sources and reflected such information in the prices of the securities. Under these circumstances, all purchasers of Patriot Coal securities during the Class Period suffered similar injury through their purchase of Patriot Coal securities at artificially inflated prices and a presumption of reliance applies.

NO SAFE HARBOR

51. The statutory safe harbor provided under the Private Securities Litigation Reform Act of 1995 for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. The statements alleged to be false and misleading herein all relate to then-existing facts and conditions. In addition, to the extent certain of the statements alleged to be false may be characterized as forward looking, they were not identified as "forward-looking statements" when made and there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. In the alternative, to the extent that the statutory safe harbor is determined to apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements was made, the speaker had actual knowledge that the forward-looking statement was materially false or misleading, and/or the forward-looking statement was authorized or approved by an executive officer of Patriot Coal who knew that the statement was false when made.

CLASS ACTION ALLEGATIONS

52. Plaintiff brings this action as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure on behalf of all persons who purchased or otherwise acquired Patriot Coal securities during the Class Period (the "Class"). Excluded from the Class are Defendants and their families, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors, or assigns, and any entity in which Defendants have or had a controlling interest.

53. The members of the Class are so numerous that joinder of all members is impracticable. The disposition of their claims in a class action will provide substantial benefits to

the parties and the Court. At the time Patriot Coal declared bankruptcy, it had over 92.8 million shares of stock outstanding, owned by thousands of persons.

54. There is a well-defined community of interest in the questions of law and fact involved in this case. Questions of law and fact common to the members of the Class which predominate over questions which may affect individual Class members include:

(a) whether the Exchange Act was violated by Defendants;

(b) whether Defendants omitted and/or misrepresented material facts;

(c) whether Defendants' statements omitted material facts necessary to make the statements, in light of the circumstances under which they were made, not misleading;

(d) whether Defendants knew or deliberately disregarded that their statements were false and misleading;

(e) whether the price of Patriot Coal securities was artificially inflated; and

(f) the extent of damage sustained by Class members and the appropriate measure of damages.

55. Plaintiff's claims are typical of those of the Class because plaintiff and the Class sustained damages from Defendants' wrongful conduct.

56. Plaintiff will adequately protect the interests of the Class and has retained counsel who are experienced in class action securities litigation. Plaintiff has no interests which conflict with those of the Class.

57. A class action is superior to other available methods for the fair and efficient adjudication of this controversy.

COUNT I

Against Defendants for Violation of Section 10(b) of the Exchange Act and SEC Rule 10b-5

58. Plaintiff incorporates by reference and realleges each and every allegation contained above, as though fully set forth herein.

59. During the Class Period, Defendants disseminated or approved the false statements specified above, which they knew or deliberately disregarded were misleading in that they contained misrepresentations and failed to disclose material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

60. Defendants violated section 10(b) of the Exchange Act and SEC Rule 10b-5 in that they:

(a) employed devices, schemes, and artifices to defraud;

(b) made untrue statements of material facts or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or

(c) engaged in acts, practices, and a course of business that operated as a fraud or deceit upon plaintiff and others similarly situated in connection with their purchases of Patriot Coal securities during the Class Period.

61. Plaintiff and the Class have suffered damages in that, in reliance on the integrity of the market, they paid artificially inflated prices for Patriot Coal securities. Plaintiff and the Class would not have purchased Patriot Coal securities at the prices they paid, or at all, if they had been aware that the market prices had been artificially and falsely inflated by Defendants' misleading statements.

COUNT II

Against Defendant Whiting for Violation of Section 20(a) of the Exchange Act

62. Plaintiff incorporates by reference and realleges each and every allegation contained above, as though fully set forth herein.

63. Defendant Whiting acted as a controlling person of defendant Schroeder within the meaning of section 20(a) of the Exchange Act. By reason of his positions with the Company, defendant Whiting had the power and authority to cause defendant Schroeder to engage in the wrongful conduct complained of herein. Defendant Whiting controlled defendant Schroeder and all of the Company's employees. By reason of such conduct, defendant Whiting is liable pursuant to section 20(a) of the Exchange Act.

64. As a direct and proximate result of defendant Whiting's wrongful conduct, plaintiff and members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for judgment as follows:

A. Declaring this action to be a proper class action pursuant to Rule 23 of the Federal Rules of Civil Procedure and certifying plaintiff as a representative of the Class;

B. Awarding plaintiff and the members of the Class damages, including interest;

C. Awarding plaintiff reasonable costs, expert fees, and attorneys' fees; and

D. Awarding such equitable/injunctive or other relief as the Court may deem just and proper.

DATED: September 21, 2012

JOSEPH V. NEILL LAW OFFICE
JOSEPH V. NEILL

JOSEPH V. NEILL #28472MO

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Telephone: (314) 353-1001
Facsimile: (314) 353-0191
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brobbins@robbinsumeda.com
gdelgaizo@robbinsumeda.com
lkandinov@robbinsumeda.com

Attorneys for Plaintiff

767647

CERTIFICATION OF PLAINTIFF
PURSUANT TO FEDERAL SECURITIES LAW

Ernesto Espinoza ("Plaintiff") declares as to the claims asserted, or to be asserted, under the federal securities laws, that:

1. Plaintiff has reviewed the Class Action Complaint and has retained Robbins Umeda LLP as counsel in this action for all purposes.

2. Plaintiff did not acquire the security that is the subject of this action at the direction of Plaintiff's counsel or in order to participate in any private action or any other litigation under the federal securities laws.

3. Plaintiff has made the following transaction(s) during the Class Period in the securities that are subject of this action:

SECURITY	TRANSACTION (Purchase/Sale)	QUANTITY	TRADE DATE	PRICE PER SHARE/SECURITY
PCX	5/16/2011	230	N/A	Paid $22/share

4. Plaintiff is willing to serve as a representative party on behalf of a class, including providing testimony at deposition and trial, if necessary, and Plaintiff is willing to serve as a lead plaintiff, a lead plaintiff being a representative party who acts on behalf of other class members in directing the action.

5. Plaintiff has not sought to serve or served as a representative party for a class in an action filed under the federal securities laws within the past three years, unless otherwise stated in the space below: _____

_____

6. Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery, except such reasonable costs and expenses (including lost wages) directly relating to the representation of the class as ordered or approved by the Court.

7. Plaintiff represents and warrants that he is fully authorized to enter into and execute this certification.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 20 day of September, 2012.

_____
ERNESTO ESPINOZA

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI

Ernesto Espinoza, on behalf of himself and all others similarly situated, Plaintiff,	)	
v.	)	Case No.
Richard M. Whiting, et al., Defendant,	)	

ORIGINAL FILING FORM

THIS FORM MUST BE COMPLETED AND VERIFIED BY THE FILING PARTY WHEN INITIATING A NEW CASE.

☐ THIS SAME CAUSE, OR A SUBSTANTIALLY EQUIVALENT COMPLAINT, WAS PREVIOUSLY FILED IN THIS COURT AS CASE NUMBER _____ AND ASSIGNED TO THE HONORABLE JUDGE _____.

☐ THIS CAUSE IS RELATED, BUT IS NOT SUBSTANTIALLY EQUIVALENT TO ANY PREVIOUSLY FILED COMPLAINT. THE RELATED CASE NUMBER IS _____ AND THAT CASE WAS ASSIGNED TO THE HONORABLE _____. THIS CASE MAY, THEREFORE, BE OPENED AS AN ORIGINAL PROCEEDING.

☒ NEITHER THIS SAME CAUSE, NOR A SUBSTANTIALLY EQUIVALENT COMPLAINT, HAS BEEN PREVIOUSLY FILED IN THIS COURT, AND THEREFORE MAY BE OPENED AS AN ORIGINAL PROCEEDING.

The undersigned affirms that the information provided above is true and correct.

Date: 09/21/2012

/s/ Joseph V. Neill
Signature of Filing Party

JS 44 (Rev. 09/11)

CIVIL COVER SHEET

The JS 44 civil coversheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. *(SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)*

I. (a) PLAINTIFFS
Ernesto Espinoza, on behalf of himself and all others similarly situated.

(b) County of Residence of First Listed Plaintiff Los Angeles Co., CA
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys *(Firm Name, Address, and Telephone Number)*
Joseph V. Neill, 28472MO 5201 Hampton Ave., St. Louis, MO 63109
314-353-1001

DEFENDANTS
Richard M. Whiting and Mark N. Schroeder

County of Residence of First Listed Defendant St. Louis Co., MO
(IN U.S. PLAINTIFF CASES ONLY)
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys *(If Known)*

II. BASIS OF JURISDICTION *(Place an "X" in One Box Only)*

- ☐ 1 U.S. Government Plaintiff
- ☒ 3 Federal Question *(U.S. Government Not a Party)*
- ☐ 2 U.S. Government Defendant
- ☐ 4 Diversity *(Indicate Citizenship of Parties in Item III)*

III. CITIZENSHIP OF PRINCIPAL PARTIES *(Place an "X" in One Box for Plaintiff and One Box for Defendant)*
(For Diversity Cases Only)

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☐ 1	Incorporated or Principal Place of Business In This State	☐ 4	☐ 4
Citizen of Another State	☐ 2	☐ 2	Incorporated and Principal Place of Business In Another State	☐ 5	☐ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. NATURE OF SUIT *(Place an "X" in One Box Only)*

☐ 110 Insurance ☐ 120 Marine ☐ 130 Miller Act ☐ 140 Negotiable Instrument ☐ 150 Recovery of Overpayment & Enforcement of Judgment ☐ 151 Medicare Act ☐ 152 Recovery of Defaulted Student Loans (Excl. Veterans) ☐ 153 Recovery of Overpayment of Veteran's Benefits ☐ 160 Stockholders' Suits ☐ 190 Other Contract ☐ 195 Contract Product Liability ☐ 196 Franchise	**PERSONAL INJURY** ☐ 310 Airplane ☐ 315 Airplane Product Liability ☐ 320 Assault, Libel & Slander ☐ 330 Federal Employers' Liability ☐ 340 Marine ☐ 345 Marine Product Liability ☐ 350 Motor Vehicle ☐ 355 Motor Vehicle Product Liability ☐ 360 Other Personal Injury ☐ 362 Personal Injury - Med. Malpractice	**PERSONAL INJURY** ☐ 365 Personal Injury - Product Liability ☐ 367 Health Care/ Pharmaceutical Personal Injury Product Liability ☐ 368 Asbestos Personal Injury Product Liability **PERSONAL PROPERTY** ☐ 370 Other Fraud ☐ 371 Truth in Lending ☐ 380 Other Personal Property Damage ☐ 385 Property Damage Product Liability	☐ 625 Drug Related Seizure of Property 21 USC 881 ☐ 690 Other ☐ 710 Fair Labor Standards Act ☐ 720 Labor/Mgmt. Relations ☐ 740 Railway Labor Act ☐ 751 Family and Medical Leave Act ☐ 790 Other Labor Litigation ☐ 791 Empl. Ret. Inc. Security Act	☐ 422 Appeal 28 USC 158 ☐ 423 Withdrawal 28 USC 157 ☐ 820 Copyrights ☐ 830 Patent ☐ 840 Trademark ☐ 861 HIA (1395ff) ☐ 862 Black Lung (923) ☐ 863 DIWC/DIWW (405(g)) ☐ 864 SSID Title XVI ☐ 865 RSI (405(g)) ☐ 870 Taxes (U.S. Plaintiff or Defendant) ☐ 871 IRS—Third Party 26 USC 7609	☐ 375 False Claims Act ☐ 400 State Reapportionment ☐ 410 Antitrust ☐ 430 Banks and Banking ☐ 450 Commerce ☐ 460 Deportation ☐ 470 Racketeer Influenced and Corrupt Organizations ☐ 480 Consumer Credit ☐ 490 Cable/Sat TV ☒ 850 Securities/Commodities/ Exchange ☐ 890 Other Statutory Actions ☐ 891 Agricultural Acts ☐ 893 Environmental Matters ☐ 895 Freedom of Information Act ☐ 896 Arbitration ☐ 899 Administrative Procedure Act/Review or Appeal of Agency Decision ☐ 950 Constitutionality of State Statutes
☐ 210 Land Condemnation ☐ 220 Foreclosure ☐ 230 Rent Lease & Ejectment ☐ 240 Torts to Land ☐ 245 Tort Product Liability ☐ 290 All Other Real Property	☐ 440 Other Civil Rights ☐ 441 Voting ☐ 442 Employment ☐ 443 Housing/ Accommodations ☐ 445 Amer. w/Disabilities - Employment ☐ 446 Amer. w/Disabilities - Other ☐ 448 Education	☐ 510 Motions to Vacate Sentence **Habeas Corpus:** ☐ 530 General ☐ 535 Death Penalty ☐ 540 Mandamus & Other ☐ 550 Civil Rights ☐ 555 Prison Condition ☐ 560 Civil Detainee - Conditions of Confinement	☐ 462 Naturalization Application ☐ 463 Habeas Corpus - Alien Detainee (Prisoner Petition) ☐ 465 Other Immigration Actions		

V. ORIGIN *(Place an "X" in One Box Only)*
☐ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from another district *(specify)* ☐ 6 Multidistrict Litigation

VI. CAUSE OF ACTION
Cite the U.S. Civil Statute under which you are filing *(Do not cite jurisdictional statutes unless diversity)*:
15 USC 78l(b)
Brief description of cause:
Violation of the Securities Exchange Act of 1934

VII. REQUESTED IN COMPLAINT:
☒ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23
DEMAND $
CHECK YES only if demanded in complaint:
JURY DEMAND: ☒ Yes ☐ No

VIII. RELATED CASE(S) IF ANY *(See instructions)*:
JUDGE DOCKET NUMBER

DATE
09/21/2012

SIGNATURE OF ATTORNEY OF RECORD
/s/ Joseph V. Neill

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

AO 440 (Rev. 12/09) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of Missouri

Ernesto Espinoza, on behalf of himself and all others similarly situated *Plaintiff* v. Richard M. Whiting, et al. *Defendant*	)	Civil Action No.

SUMMONS IN A CIVIL ACTION

To: *(Defendant's name and address)* Richard M. Whiting, 7 Twin Springs Ln, St. Louis, MO 63124-1139

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Joseph V. Nelli, Attorney at Law, 5201 Hampton Ave., St. Louis, MO 63109. Tel. 314-353-1001; Fax 314-353-0181

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: _____

_____
Signature of Clerk or Deputy Clerk

AO 440 (Rev. 12/09) Summons in a Civil Action (Page 2)

Civil Action No.

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* Richard M. Whiting was received by me on *(date)* _____.

☐ I personally served the summons on the individual at *(place)* _____ on *(date)* _____ ; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____, a person of suitable age and discretion who resides there, on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is designated by law to accept service of process on behalf of *(name of organization)* _____ on *(date)* _____ ; or

☐ I returned the summons unexecuted because _____ ; or

☐ Other *(specify)*:

My fees are $ _____ for travel and $ _____ for services, for a total of $ 0.00 .

I declare under penalty of perjury that this information is true.

Date: _____

_____
Server's signature

_____
Printed name and title

_____
Server's address

Additional information regarding attempted service, etc:

AO 440 (Rev. 12/09) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

Eastern District of Missouri

Ernesto Espinoza, on behalf of himself and all others similarly situated

Plaintiff

v.

Richard M. Whiting, et al.

Defendant

Civil Action No.

SUMMONS IN A CIVIL ACTION

To: *(Defendant's name and address)* Mark N. Schroeder, 1115 Far Oaks Dr., Caseyville, IL 62232-2816

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are: Joseph V. Neill, Attorney at Law, 5201 Hampton Ave., St. Louis, MO 63109. Tel. 314-353-1001; Fax 314-353-0181

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date: _____

_____

Signature of Clerk or Deputy Clerk

AO 440 (Rev. 12/09) Summons in a Civil Action (Page 2)

Civil Action No.

PROOF OF SERVICE

(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))

This summons for *(name of individual and title, if any)* Mark N. Schroeder
was received by me on *(date)* _____.

☐ I personally served the summons on the individual at *(place)* _____
_____ on *(date)* _____ ; or

☐ I left the summons at the individual's residence or usual place of abode with *(name)* _____
_____, a person of suitable age and discretion who resides there,
on *(date)* _____, and mailed a copy to the individual's last known address; or

☐ I served the summons on *(name of individual)* _____, who is
designated by law to accept service of process on behalf of *(name of organization)* _____
_____ on *(date)* _____ ; or

☐ I returned the summons unexecuted because _____ ; or

☐ Other *(specify)*:

My fees are $ _____ for travel and $ _____ for services, for a total of $ 0.00 .

I declare under penalty of perjury that this information is true.

Date: _____

_____
Server's signature

_____
Printed name and title

_____
Server's address

Additional information regarding attempted service, etc:

Exhibit C

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI

FURMAN JERRY ROGERS III, Individually and On Behalf of All Others Similarly Situated, Plaintiff, v. RICHARD M. WHITING and MARK N. SCHROEDER, Defendants.	No. CLASS ACTION **COMPLAINT FOR VIOLATIONS OF FEDERAL SECURITIES LAWS** JURY TRIAL DEMANDED

SUMMARY OF THE ACTION

1. This is a securities class action on behalf of all persons who purchased Patriot Coal Corporation ("Patriot Coal" or the "Company") securities between October 21, 2010 and July 6, 2012, inclusive (the "Class Period"), against certain of Patriot Coal's current and previous officers for violations of the Securities Exchange Act of 1934 (the "Exchange Act").

2. Patriot Coal is a major coal supplier in the eastern United States, with fourteen mining operations in the Appalachia and Illinois Basin regions. Environmental problems caused by Patriot Coal's operations have required the Company to undertake court-ordered remediation. This matter arises out of false and misleading statements concerning the Company's environmental remediation efforts.

3. The Company incurred remediation costs after Judge Robert Chambers of the U.S. District Court for the Southern District of West Virginia ordered in August 2010 that Patriot Coal clean up selenium pollution at two of its surface coal mines in West Virginia.

4. Judge Chambers also required the Company to post a $45 million letter of credit

to ensure that it installs water treatment equipment at two of its mines. One of Patriot Coal's subsidiaries, Apogee Coal Company, LLC ("Apogee"), was ordered to install a fluidized bed reactor system to treat selenium discharges. Another subsidiary, Hobet Mining, LLC ("Hobet"), was required to submit a treatment plan for its Hobet No. 22 mine.

5. As alleged herein, Defendants violated Generally Accepted Accounting Principles ("GAAP") and U.S. Securities and Exchange Commission ("SEC") rules because they failed to properly account for the costs associated with the court-ordered remediation obligations related to certain of the Company's selenium water treatment requirements.[1] Defendants capitalized these costs instead of recording them as expenses, thereby overstating the Company's financial results. In addition, during the Class Period Defendants knew but concealed from investors the following material adverse information: (i) the Company's internal controls over financial reporting were materially inadequate; (ii) Defendants improperly accounted for selenium treatment facility liabilities at the Company's mines; (iii) the Company's reported financial results were overstated and were not presented in conformity with GAAP; (iv) the Company's business health was weakening; and (v) as a result of the forgoing, the Company would not survive as a going concern.

6. In February 2012, the SEC began questioning Patriot Coal's accounting for certain of its court-ordered selenium water treatment obligations. On May 8, 2012, in response to the comments received from the SEC, Defendants were forced to reveal that the Company's

[1] Selenium is a naturally occurring substance, widely distributed in the earth's crust and commonly found in sedimentary rock. Selenium is toxic at high concentrations and exposure in humans is associated with cardiovascular effects, such as tachycardia, gastrointestinal symptoms including nausea, vomiting and diarrhea, and neurological symptoms such as aches, irritability, chills and tremors. In coal mining operations, selenium can be discharged to surface water when mine tailings are exposed to rain and other natural element.

previously issued consolidated financial statements for the years ended December 31, 2011 and December 31, 2010 should no longer be relied upon. Further, Defendants admitted that it was necessary to restate the Company's previously issued consolidated financial statements to accrue a liability and recognize a loss for the estimated costs of installing the court-ordered water treatment facilities. This restatement increased Patriot Coal's asset retirement obligation expense and net loss for the years ended December 31, 2011 and 2010 by $23.6 million and $49.7 million, respectively. The restatement adjustments also increased the Company's reported net losses for the years ended December 31, 2010 and 2011, by 104% and 20%, respectively. Moreover, the Company disclosed that management identified a control deficiency in its internal control over financial reporting associated with the accounting treatment for the Apogee and Hobet water treatment facilities.

7. In addition to overstating its financial results and failing to maintain adequate internal controls, defendants also caused the Company to issue a misleadingly aggressive sales forecast for 2013. When the Company withdrew its 2013 forecast, Patriot Coal stock price declined 18% in a single day, from $4.83 per share on May 14, 2012, to a closing price of $3.94 on May 15, 2012, on volume of more than 19 million shares.

8. Then, on July 9, 2012 Patriot Coal shocked the market when it announced that it and substantially all of its wholly owned subsidiaries have filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code. Following this announcement, Patriot Coal's shares again plummeted, from a closing price of $2.19 on July 6, 2012, to a closing price on July 9, 2012 of $0.61 -- a one-day decline of 72% on volume of more than 38 million shares.

JURISDICTION AND VENUE

9. The claims asserted herein arise under sections 10(b) and section 20(a) of the Exchange Act, 15 U.S.C. §78j(b) and §78t(a), and Rule 10b-5 promulgated thereunder by the SEC, 17 C.F.R. §240,10b-5.

10. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §1331 and Section 27 of the Exchange Act.

11. This Court has jurisdiction over each Defendant named herein because each defendant is an individual who has sufficient minimum contacts with this District so as to render the exercise of jurisdiction by the District Court permissible under traditional notions of fair play and substantial justice.

12. Venue is proper in this Court pursuant to 28 U.S.C. §1391(a) and section 27 of the Exchange Act because: (i) one or more of the Defendants resides in this District; (ii) a substantial portion of the transactions and wrongs complained of herein, including the Defendants' primary participation in the wrongful acts detailed herein, and aiding and abetting and conspiracy in violation of fiduciary duties owed to Patriot Coal, occurred in this District; and (iii) Defendants have received substantial compensation in this District by doing business here and engaging in numerous activities that had an effect on this District.

PARTIES

13. Plaintiff, Furman Jerry Rogers III, purchased securities of Patriot Coal during the Class Period as set forth in the accompanying certification, incorporated by reference herein, and was damaged as a result of Defendants' wrongdoing as alleged in this Complaint.

14. Defendant Richard M. Whiting ("Whiting") was Patriot Coal's CEO from October 2007 to May 2012, President from September 2010 to May 2012 and from October 2007

to July 2008, and a director from October 2007 to May 2012. Defendant Whiting also held various positions at Patriot Coal's predecessor companies from 1976 to October 2007. Throughout the Class Period, defendant Whiting made false and misleading statements regarding the Company's environmental remediation efforts, financial health, business prospects as a going concern, and internal controls. Because of his positions with Patriot Coal, Defendant Whiting had a substantial role in the day-to-day operations of the Company and possessed the power and authority to: (i) direct or cause the direction of the management and polices of the Company's employees; and (ii) control the contents of the Company's annual reports, press releases, and presentations to securities analysts, money and portfolio managers, and investors, *i.e.*, the market. Defendant Whiting was provided with copies of the Company's reports and press releases alleged herein to be misleading prior to or shortly after their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of defendant Whiting's positions with the Company, and his access to material, non-public information available to him but not to the public, defendant Whiting knew that the adverse facts specified herein had not been disclosed to and were being concealed from the public, and that the positive representations being made were then materially false and misleading.

15. Defendant Mark N. Schroeder ("Schroeder") is Patriot Coal's Senior Vice President and Chief Financial Officer and has been since October 2007 and Principal Accounting Officer and has been since June 2012. Throughout the Class Period, defendant Schroeder made false and misleading statements regarding the Company's environmental remediation efforts, financial health, business prospects as a going concern, and internal controls. Defendant Schroeder was provided with copies of the Company's reports and press releases alleged herein to be misleading prior to or shortly after their issuance and had the ability and opportunity to

prevent their issuance or cause them to be corrected. Because of defendant Schroeder's positions with the Company, and his access to material, non-public information available to him but not to the public, defendant Schroeder knew that the adverse facts specified herein had not been disclosed to and were being concealed from the public, and that the positive representations being made were then materially false and misleading.

16. Non-party Patriot Coal is a Delaware corporation and a leading producer of thermal and metallurgical coal in United States. The Company maintains operations and coal reserves in Appalachia and the Illinois Basin coal regions. The principal executive offices of Patriot Coal are located at 12312 Olive Boulevard, Suite 400, St. Louis, Missouri. On July 9, 2012, Patriot Coal announced that it and substantially all of its wholly owned subsidiaries filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of New York.

FRAUDULENT SCHEME AND COURSE OF BUSINESS

17. Defendants are liable for: (i) making material false statements; and (ii) failing to disclose material, adverse facts known to them about Patriot Coal. Defendants' fraudulent scheme and course of business that operated as a fraud or deceit on purchasers of Patriot Coal securities was a success, as it: (i) deceived the investing public as to Patriot Coal's business prospects and operations; (ii) kept the price of Patriot Coal securities artificially inflated; and (iii) caused plaintiff and other members of the Class to purchase Patriot Coal securities at inflated prices.

GAAP STANDARDS

18. Financial statements filed with the SEC are required to comply with GAAP. GAAP are those principles recognized by the accounting profession as the conventions, rules,

and procedures necessary to define accepted accounting practice at a particular time. SEC Regulation SX (17 C.F.R. §210.4-01(a)(l)) states that financial statements filed with the SEC which are not prepared in compliance with GAAP are presumed to be misleading and inaccurate, despite footnote or other disclosure.

19. GAAP, Accounting Standards Codification ("ASC") 410 Asset Retirement and Environmental Obligations applies to legal obligations associated with asset retirements. GAAP requires upon the initial recognition of a liability for an asset retirement obligation, an entity shall capitalize an asset retirement cost by increasing the carrying amount of the related long-lived asset by the same amount of the liability. ASC 410-20-25-5. However, this requirement to capitalize such costs does not apply to costs related to environmental contamination as is the case with the Company's court-ordered remediation obligations concerning its "selenium water treatment requirements." In response to environmental contamination, entities such as Patriot Coal may be required to: (i) repair, better, or replace assets causing contamination; and (ii) restore the environment to its original, pre-contamination condition. Pursuant to paragraphs ASC 410-30-25-16 through 25-18, these conditions "shall be charged to expense."

DEFENDANTS' FALSE AND MISLEADING STATEMENTS DURING THE CLASS PERIOD

20. On October 21, 2010, Patriot Coal issued a press release announcing its court-ordered remediation obligation. The press release stated that the costs relating to the treatment of selenium discharges would be capitalized "over the estimated operating life of the treatment system." This method of accounting for the remediation expenses did not conform with applicable financial reporting requirements, however, nor was this a "fair presentation" of Patriot

Coal's operations and financial position. The press release stated in part:

> During the 2010 third quarter, the Federal District Court in Huntington, West Virginia ruled on selenium lawsuits brought by various environmental constituencies against the Company's Apogee and Hobet subsidiaries. Pursuant to the court order, Apogee was ordered, among other things, to install a biological-based fluidized bed reactor system to treat selenium discharges at certain affected outfalls. Additionally, Hobet was ordered to submit and implement a treatment plan to come into compliance with applicable selenium discharge limits under its Hobet 22 permit. As a result of this order, the Company recognized a charge of $20.7 million, which is expected to be spent over the estimated operating life of the treatment system. The charge was included in reclamation and remediation obligation expense in the 2010 third quarter. Additionally, the Company estimates the capital investment required as part of the order will be approximately $50.0 million.

21. On November 5, 2010, Patriot Coal filed a Form 10-Q with the SEC that was signed by defendant Schroeder. The 10-Q further explained the Company's accounting treatment for court-ordered remediation costs. In addition, the Form 10-Q included consolidated financial statements of the Company's operations for the three months ended September 30, 2010. The consolidated financial statements, and Company's the explanation concerning capitalization of the remediation costs, were both false and misleading because they failed to comply with GAAP. The court-ordered remediation costs should have been recorded as expenses -- not as capital expenditures. Thus, the Company's reported expenses were understated, thereby overstating the Company's financial performance. Finally, in addition to these false and misleading statements, the Form 10-Q falsely attested to the adequacy of the Company's internal controls. The Form 10-Q stated in part:

PATRIOT COAL CORPORATION

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended September 30,		Nine Months Ended September	
	2010	2009	2010	2009
	(Dollars in thousands, except share and per share data)			
Revenues				
Sales	$ 496,271	$ 493,147	$ 1,494,279	$ 1,501,034
Other revenues	4,412	13,042	12,653	41,087
Total revenues	500,683	506,189	1,506,932	1,542,121
Costs and expenses				
Operating costs and expenses	484,168	470,708	1,421,862	1,432,533
Depreciation, depletion and amortization	44,782	50,413	144,744	155,749
Reclamation and remediation obligation expense	31,291	9,206	53,141	23,268
Sales contract accretion	(30,927)	(93,988)	(89,970)	(232,516)
Restructuring and impairment charge	167	—	15,005	—
Selling and administrative expenses	10,323	11,272	36,295	35,518
Income from equity affiliates	(3,491)	(1,187)	(5,183)	(75)
Net gain on disposal or exchange of assets	(3,531)	(10)	(45,086)	(4,071)
Operating profit (loss)	(32,099)	59,775	(23,876)	131,715
Interest expense	16,952	10,656	40,779	28,386
Interest income	(3,128)	(3,723)	(9,819)	(13,046)
Income (loss) before income taxes	(45,923)	52,842	(54,836)	116,375
Income tax provision	70	—	470	—
Net income (loss)	$ (45,993)	$ 52,842	$ (55,306)	$ 116,375
Weighted average shares outstanding				
Basic	90,968,377	90,277,301	90,889,782	82,753,236
Effect of dilutive securities	—	794,839	—	558,338
Diluted	90,968,377	91,072,140	90,889,782	83,311,574
Earnings (loss) per share				
Basic	$ (0.51)	$ 0.59	$ (0.61)	$ 1.41
Diluted	$ (0.51)	$ 0.58	$ (0.61)	$ 1.40

September 1, 2010 U.S. District Court Ruling

On September 1, 2010, the U.S. District Court found Apogee in contempt for failing to comply with the March 19, 2009 consent decree. Apogee was ordered to

install an FBR water treatment facility for three outfalls and to come into compliance with applicable selenium discharge limits by March 1, 2013. Additionally, the court ordered Hobet to submit by October 1, 2010 a proposed schedule to develop a treatment plan for one outfall and to come into compliance with applicable discharge limits under the Hobet Surface Mine No. 22 permit by May 1, 2013. Apogee and Hobet were required to jointly establish an irrevocable $45 million letter of credit in support of the requirements of this ruling. The court also appointed a Special Master who is authorized to monitor, supervise and direct Apogee's and Hobet's compliance with, and hear disputes that arise under, the September 1, 2010 order as well as other orders of the U.S. District Court.

FBR technology had not been used to remove selenium or any other minerals discharged at surface coal mining operations prior to our pilot project that began in February 2010. The FBR water treatment facility, required by the ruling, will be the first of its kind constructed for selenium removal on a commercial scale. We anticipate that the design of the facility will be finalized in mid- to late- 2011 and then construction can begin.

Pursuant to the September 1, 2010 ruling, we will record the costs to install the FBR water treatment facility for the three Apogee outfalls as capital expenditures when incurred. The capital expenditure for the facility is estimated to be approximately $50 million. In addition, the estimated future on-going operating cash flows required to meet our legal obligation for remediation at the three Apogee outfalls have changed from our original estimates based on the September 1, 2010 ruling. As such, we increased the portion of the environmental liability related to Apogee by updating the fair value of the on-going costs related to these three outfalls and recorded the $20.7 million difference between this updated value and our previously recorded liability directly to income, through "Reclamation and remediation obligation expense" in the third quarter of 2010.

* * *

Item 4. Controls and Procedures.

Our disclosure controls and procedures are designed to, among other things, provide reasonable assurance that material information, both financial and non-financial, and other information required to be disclosed under the securities laws is accumulated and communicated to senior management, including the Chief Executive Officer and Chief Financial Officer, on a timely basis. Under the direction of the Chief Executive Officer and Chief Financial Officer, management has evaluated our disclosure controls and procedures as of September 30, 2010, and has concluded that the disclosure controls and procedures were adequate and effective as of such date.

22. On February 1, 2011, Patriot Coal issued a press release in which defendant Schroeder touted "improved operating costs" and higher earnings before interest, taxes,

depreciation, and amortization ("EBITDA"). Defendant Schroeder's statements were false and misleading because they were based on improperly accounted for financial figures. The press release stated in part:

> Commenting on the fourth quarter, Patriot Senior Vice President and Chief Financial Officer Mark N. Schroeder noted, "As a result of solid production across nearly all mining complexes, we recognized EBITDA of $42.8 million. The higher EBITDA resulted from higher average selling prices, as well as improved operating costs per ton compared with our 2010 third quarter. ...."

23. That same day, Patriot Coal hosted a conference call with investors, media representatives, and analysts discussing the Company's financial results. During the conference call, defendant Whiting touted "significant improvement" in the Company's "operating results." Moreover, an analyst praised the Company's continued ability "to keep a lid on costs and keep putting up this type of performance." Defendant Schroeder responded to this analyst by confirming the Company's purported decline in absolute costs. Defendant Schroeder failed to disclose the truth about the Company's improper accounting for certain costs that were recorded as capital expenditures as opposed to expenses. This was the actual reason behind the Company's apparent low costs. The following exchange occurred between the analyst participating on the call and Defendants was as follows:

> **RICK WHITING [CEO and PRESIDENT, PATRIOT COAL]:** ...Regarding thermal sales, since our last call, we have booked around 2 million tons for 2011 delivery, including almost 1 million tons to be shipped to Europe, as I mentioned earlier. Following our recent sales, we have just under 2 million tons of Appalachian thermal coal remaining unpriced and just under 1 million tons of Illinois basin coal remaining unpriced for 2011 delivery. Again, most of this unpriced volume is in the second half of the year. So, in summary, our operating results this quarter showed significant improvement. We are continuing to focus on our safety and our productivity initiatives.
>
> * * *
>
> **SHNEUR GERSHUNI [ANALYST, UBS]:** My first question, just to kick off, is

> on the cost side. The fourth quarter is essentially the second quarter in a row where you absolute costs declined in Appalachia. I was wondering if you can give us some color on what you 're doing to keep a lid on costs and keep putting up this type of performance.
>
> **MARK SCHROEDER [CFO, PATRIOT COAL]:** …As you know, and I guess the last piece of that repairs and maintenance, over the last couple of years, we've tried to spend a little more money on the rolling stock and the capital expenditures. We did that so that we would not have as much down time and repair work. That's paying off a little bit as well. I'm not saying we don't have that, but we have tried to limit the amount of the down time with putting in some of the new equipment, the rolling stock equipment, really over the latter part of 2010. And as we go into 2011, you'll see some of the same.

24. On February 25, 2011 Patriot Coal filed with the SEC a Form 10-K that was signed by Defendants and discussed the accounting treatment pf court-ordered remediation costs. In addition, the Form 10-K included consolidated financial statements of the Company's operations for the year ending December 31, 2010. Both the explanation regarding the capitalization of the remediation costs and the consolidated financial statements were false and misleading because they failed to comply with GAAP. The court-ordered remediation costs should have been recorded as expenses, not as capital expenditures. Thus, the Company's reported expenses were understated, thereby overstating the Company's financial performance. Finally, in addition to these false and misleading statements, the Form 10-K falsely attested to the adequacy of the Company's internal controls, stating in part:

> Pursuant to the September 1, 2010 ruling, we will record the costs to install the FBR water treatment facility for the three Apogee outfalls as capital expenditures when incurred. The capital expenditure for the facility is estimated to be approximately $50 million. In addition, the estimated future on-going operating cash flows required to meet our legal obligation for remediation at the three Apogee outfalls have changed from our original estimates based on the September 1, 2010 ruling. As such, we increased the portion of the liability related to Apogee by updating the fair value of the on-going costs related to these three outfalls and recorded the $20.7 million difference between this updated value and our previously recorded liability directly to income, through reclamation and remediation obligation expense in the third quarter of 2010.

* * *

	Year Ended December 31,				
	2010	2009	2008	2007	2006
	(In thousands, except for share and per share data)				
Results of Operations Data:					
Revenues					
Sales	$ 2,017,464	$ 1,995,667	$ 1,630,873	$ 1,069,316	$1,142,521
Other revenues	17,647	49,616	23,749	4,046	5,398
Total revenues	2,035,111	2,045,283	1,654,622	1,073,362	1,147,919
Costs and expenses					
Operating costs and expenses	1,900,704	1,893,419	1,607,746	1,109,315	1,051,932
Depreciation, depletion and amortization	188,074	205,339	125,356	85,640	86,458
Reclamation and remediation obligation expense	63,034	35,116	19,260	20,144	24,282
Sales contract accretion	(121,475)	(298,572)	(279,402)	—	—
Restructuring and impairment charge	15,174	20,157	—	—	—
Selling and administrative expenses	50,248	48,732	38,607	45,137	47,909
Other operating (income) expense:					
Net gain on disposal or exchange of assets[(1)]	(48,226)	(7,215)	(7,004)	(81,458)	(78,631)
Loss (income) from equity affiliates[(2)]	(9,476)	(398)	915	(63)	(60)
Operating profit (loss)	(2,946)	148,705	149,144	(105,353)	16,029
Interest expense	57,419	38,108	23,648	8,337	11,419
Interest income	(12,831)	(16,646)	(17,232)	(11,543)	(1,417)
Income (loss) before income taxes	(47,534)	127,243	142,728	(102,147)	6,027

Income tax provision	492	—	—	—	8,350
Net income (loss)	(48,026)	127,243	142,728	(102,147)	(2,323)
Net income attributable to noncontrolling interest[2]	—	—	—	4,721	11,169
Net income (loss) attributable to Patriot	(48,026)	127,243	142,728	(106,868)	(13,492)
Effect of noncontrolling interest purchase arrangement	—	—	—	(15,667)	—
Net income (loss) attributable to common stockholders	$ (48,026)	$ 127,243	$ 142,728	$ (122,535)	$ (13,492)
Earnings (loss) per share, basic	$ (0.53)	$ 1.50	$ 2.23	$ (2.29)	N/A
Earnings (loss) per share, diluted	$ (0.53)	$ 1.49	$ 2.21	$ (2.29)	N/A
Weighted average shares outstanding - basic	90,907,264	84,660,998	64,080,998	53,511,478	N/A
Weighted average shares outstanding - diluted	90,907,264	85,424,502	64,625,911	53,546,116	N/A
Balance Sheet Data (at period end):					
Total assets	$ 3,810,036	$ 3,618,163	$ 3,622,320	$ 1,199,837	$1,178,181
Total liabilities[3]	2,966,955	2,682,669	2,782,139	1,117,521	1,851,855
Total long-term debt, less current maturities	451,529	197,951	176,123	11,438	20,722
Total stockholders' equity (deficit)	843,081	935,494	840,181	82,316	(673,674)

Item 9A. Controls and Procedures.

As of the end of the period covered by this Annual Report on Form 10-K, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, the CEO and the CFO have each concluded that our disclosure controls and procedures were designed, and were effective, to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, (the "Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms.

* * *

Management's Report on Internal Control Over Financial Reporting

Management is responsible for maintaining and establishing adequate internal control over financial reporting. Our internal control framework and processes were designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

* * *

25. Along with signing the Form 10-K for fiscal year 2010, Defendants signed certifications pursuant to the Sarbanes-Oxley Act of 2002 ("SOX") that falsely attested to the purported accuracy and completeness of its disclosures and the effectiveness of the Company's internal controls. The certification stated in pertinent part, as follows:

I, Richard M. Whiting, certify that:

1. I have reviewed this annual report on Form 10-K of Patriot Coal Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

* * *

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this

report based on such evaluation; and

* * *

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: February 25, 2011
/s/ Richard M. Whiting
Richard M. Whiting
Chief Executive Officer

* * *

I, Mark N. Schroeder, certify that:

1. I have reviewed this annual report on Form 10-K of Patriot Coal Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

* * *

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

* * *

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: February 25, 2011
/s/ Mark N. Schroeder
Mark N. Schroeder
Chief Financial Officer

26. On April 21, 2011, Patriot Coal issued a press release in which defendant Whiting touted an "increased EBITDA" and "further performance improvements in 2012." Defendant Whiting also provided investors with aggressive guidance, stating that he expects to "realize increased EBITDA of around $50 million in 2012 and $150 million in 2013." These statements were false and misleading because they were based on financial results that were not presented in conformity with GAAP. The press release stated in part:

"This quarter marked a very solid start for the year. We expect 2011 performance to be our best yet as a public company, with record sales of high-margin metallurgical coal," noted Patriot President and Chief Executive Officer Richard M. Whiting. "Even more important are our strategies for further performance improvements in 2012 and beyond. We are intensely focused on our plans to expand metallurgical coal production to at least 11 million tons by 2013, and we

have substantially increased our participation in export thermal markets. Further, as two major legacy coal supply agreements expire, we expect to realize increased EBITDA of around $50 million in 2012 and $150 million in 2013 from higher prices on these volumes. These key factors, coupled with other operating and commercial plans, will significantly enhance Patriot's financial performance."

27. On May 3, 2011, Patriot Coal filed a Form 10-Q with the SEC that was signed by defendant Schroeder. The 10-Q further explained the accounting treatment of the court-ordered remediation costs. In addition, the Form 10-Q included the Company's consolidated financial statements of operations for the three months ended March 31, 2011. The consolidated financial statements and the explanation regarding capitalization of the remediation costs were false and misleading because they failed to comply with GAAP. The court-ordered remediation costs should have been recorded as expenses, not as capital expenditures. Thus, the Company's reported expenses were understated and, in turn, the Company's financial performance was overstated. Finally, in addition to these false and misleading statements, the Form 10-Q falsely attested to the adequacy of the Company's internal controls, stating in part:

	Three Months Ended March 31,	
	2011	2010
	(Dollars in thousands, except share and per share data)	
Revenues		
Sales	$ 570,378	$ 464,208
Other revenues	6,646	3,049
Total revenues	577,024	467,257
Costs and expenses		
Operating costs and expenses	515,986	433,491
Depreciation, depletion and amortization	44,702	49,612
Reclamation and remediation obligation expense	14,454	10,846
Sales contract accretion	(18,610)	(25,308)
Selling and administrative expenses	12,544	12,774
Net gain on disposal or exchange of assets	(43)	(23,796)
Loss (income) from equity affiliates	78	(448)
Operating profit	7,913	10,086
Interest expense and other	22,860	9,032
Interest income	(46)	(3,442)

Income (loss) before income taxes	(14,901)	4,496
Income tax provision	395	235
Net income (loss)	$ (15,296)	$ 4,261
Weighted average shares outstanding:		
Basic	91,284,321	90,835,561
Effect of dilutive securities	-	1,331,396
Diluted	91,284,321	92,166,957
Earnings (loss) per share:		
Basic	$ (0.17)	$ 0.05
Diluted	$ (0.17)	$ 0.05

Pursuant to the September 1, 2010 ruling, we will record the costs to install the FBR water treatment facility for the three Apogee outfalls as capital expenditures when incurred. The capital expenditure for the facility is estimated to be approximately $50 million. FBR technology had not been used to remove selenium or any other minerals discharged at surface coal mining operations prior to our pilot project that began in February 2010. The FBR water treatment facility, required by the ruling, will be the first of its kind constructed for selenium removal on a commercial scale. We anticipate that the design of the facility will be finalized in mid- to late-2011 and then construction will begin.

* * *

The fair value of our total liability to treat selenium discharges is $117.9 million as of March 31, 2011. The current portion of the estimated liability is $18.1 million and is included in “Accounts payable and accrued expenses” and the long-term portion is recorded in “Reclamation and remediation obligations” on our condensed consolidated balance sheets.

* * *

Item 4. Controls and Procedures.

As of the end of the period covered by this Quarterly Report on Form 10-Q, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer have each concluded that our disclosure controls and procedures were designed, and were effective, to ensure

> that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, (the "Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms.
>
> There have not been any significant changes in our internal control over financial reporting during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

28. On July 26, 2011, Patriot Coal issued a press release in which defendant Whiting discussed "improved performance" and stated that the Company was "nearing a major turning point." In addition, defendant Schroeder touted the Company's generation of more than $20 million in free cash flow. These positive statements were false and misleading because they were based on the improper accounting of the costs relating to "certain of [the Company's] selenium water treatment requirements." The press release stated in part:

> "Our improved performance this quarter highlights the potential of Patriot's existing operations and the results of our detailed planning and execution," noted Patriot President and Chief Executive Officer Richard M. Whiting. "We are nearing a major turning point in the life of our company."
>
> * * *
>
> "Our cash flow from operating activities topped $80 million this quarter, more than twice the previous quarterly high of $39 million. After covering capital expenditures and a litigation settlement, we generated free cash flow of more than $20 million," added Patriot Senior Vice President and Chief Financial Officer Mark N. Schroeder. "This is a clear indication of our future earnings power and cash flow trends, and our ability to continue to grow our business."

29. That same day, July 26, 2011, Patriot Coal hosted a conference call with investors, media representatives and analysts to discuss Company's financial results. During the conference call, defendant Schroeder responded to an analyst's question about the Company's performance moving to the high end of the provided guidance by crediting "capital related to the selenium Hobet mine. ..." Defendant Schroeder failed to disclose the truth about the Company's

improper accounting for certain costs that were recorded as capital expenditures rather than as expenses, the actual reason behind the Company's purported success. The following exchange occurred between the analyst and defendant Schroeder:

> **BRANDON BLOSSMAN [ANALYST, TUDOR PICKERING & CO.]:** That's helpful color; I appreciate that. And then kind of going to the other end of the spectrum, detail question for '11 and I think it was asked before. I wasn't sure if I caught the answer. CapEx, it looks like you're moving to the high end of the guidance that you had previously provided. Is that true and is that related to just slight acceleration and the met development or higher costs and kind of related? I think I saw that Peerless is moving up a quarter as far as first call. Is that true or am I misreading prepared comments?
>
> **MARK SCHROEDER [CFO, PATRIOT COAL]:** First, the guidance I gave at the beginning of the year was 150 million to 175 million so now we're tracking more towards the 175 million. I think it is a combination of trying to get these met mines along the way quicker than what we had anticipated initially plus there is some capital related to the selenium Hobet mine that I talked about in the quarter. We had a P&L charge. There's also some capital related to that and we'll spend some of that capital this year so I think net, net we're closer to the 175 than the 150 sort of a good problem because we're trying to move up some of the met expansion and also a little bit related to selenium related capital. .

30. On August 5, 2011, Patriot Coal filed a Form 10-Q with the SEC that was signed by defendant Schroeder. The10-Q discussed the fact that the Company accounted for the court ordered remediation as a capital expenditure and recorded the costs accordingly. The Form 10-Q also included consolidated financial statements of the Company's operations for the three months ended June 30, 2011. Both the consolidated financial statements and the discussion regarding the capitalization of the remediation costs were false and misleading because they failed to comply with GAAP: the court-ordered remediation costs should have been recorded as expenses, not as capital expenditures, Thus, the Company's reported expenses were understated and, in turn, the Company's financial performance was overstated. Finally, in addition to these false and misleading statements, the Form 10-Q falsely attested to the adequacy of the Company's internal controls, stating in part:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
	(Dollars in thousands, except share and per share data)			
Revenues				
Sales	$ 623,902	$ 533,800	$ 1,194,280	$ 998,008
Other revenues	8,258	5,192	14,904	8,241
Total revenues	632,160	538,992	1,209,184	1,006,249
Costs and expenses				
Operating costs and expenses	560,269	504,204	1,076,108	937,695
Depreciation, depletion and amortization	46,370	50,350	91,072	99,962
Asset retirement obligation expense	35,115	11,004	49,569	21,850
Sales contract accretion	(15,815)	(33,735)	(34,425)	(59,043)
Restructuring and impairment charge	137	14,838	284	14,838
Selling and administrative expenses	14,060	13,198	26,604	25,972
Net gain on disposal or exchange of assets	(9,372)	(17,759)	(9,415)	(41,555)
Income from equity affiliates	(2,998)	(1,245)	(2,920)	(1,693)
Operating profit (loss)	4,394	(1,863)	12,307	8,223
Interest expense and other	16,583	14,795	39,443	23,827
Interest income	(52)	(3,249)	(98)	(6,691)
Loss before income taxes	(12,137)	(13,409)	(27,038)	(8,913)
Income tax provision	218	165	613	400
Net loss	$ (12,355)	$ (13,574)	$ (27,651)	$ (9,313)
Weighted average shares outstanding, basic and diluted	91,284,418	90,863,950	91,284,370	90,849,834

Loss per share, basic and diluted	$	(0.14)	$	(0.15)	$	(0.30)	$	(0.10)

* * *

The order required Hobet to submit by October 1, 2010 a proposed schedule to develop a treatment plan for a Hobet Surface Mine No. 22 outfall and to come into compliance with applicable discharge limits under the permit by May 1, 2013. We submitted the required schedule, which included conducting additional pilot projects related to certain technological alternatives. Based on the results of the pilot projects, a final treatment technology to be utilized at the Hobet Surface Mine No. 22 outfall was submitted to the U.S. District Court in June 2011 in accordance with the submitted schedule. We recorded expense of $24.0 million in the second quarter of 2011 for the estimated future ongoing operating costs of a Fluidized Bed Reactor (FBR) water treatment facility at this outfall. The charge was included in "Asset retirement obligation expense" on our condensed consolidated statements of operations. See Note 14 for the background on these proceedings and the additional impact of these orders on Apogee and Hobet.

* * *

September 1, 2010 U.S. District Court Ruling

On September 1, 2010, the U.S. District Court found Apogee in contempt for failing to comply with the March 19, 2009 consent decree entered in the Federal Apogee Case. Apogee was ordered to install a Fluidized Bed Reactor (FBR) water treatment facility for three outfalls and to come into compliance with applicable selenium discharge limits by March 1, 2013. In September 2010, we increased the portion of the selenium water treatment liability related to Apogee by $20.7 million for the fair value of the estimated future ongoing operating costs related to these three outfalls. We record the costs to install the Apogee FBR water treatment facility as capital expenditures when incurred. As of June 30, 2011, we have spent approximately $5 million on the Apogee FBR facility and the total expenditures are estimated to be approximately $55 million. Preparation of the Apogee FBR facility site began at the end of June 2011 and we anticipate finalizing certain engineering specifications for the Apogee FBR facility in the third quarter of 2011.

Additionally, the U.S. District Court ordered Hobet to submit a proposed schedule to develop a treatment plan for a Hobet Surface Mine No. 22 outfall by October 1, 2010 and to come into compliance with applicable discharge limits under the permit by May 1, 2013. We submitted the required schedule, which included conducting additional pilot projects related to certain technological alternatives. A final treatment technology to be utilized at this Hobet Surface Mine No. 22 outfall was filed with the U.S. District Court in June 2011 in accordance with the submitted schedule. In June 2011, we recorded an adjustment of $24.0 million to the selenium water treatment liability primarily related to the estimated future

ongoing operating costs of an FBR water treatment facility at this outfall. This charge is reflected in "Asset retirement obligation expense" in the condensed consolidated statement of operations. As with the Apogee FBR facility, we will record the costs to install the Hobet FBR water treatment facility as capital expenditures when incurred. Capital expenditures are currently estimated to be approximately $40 million for the Hobet FBR facility. We anticipate beginning construction on the Hobet facility in the second half of 2011.

* * *

As of June 30, 2011, we have a $141.9 million liability recorded for the treatment of selenium discharges. The current portion of the estimated liability is $16.5 million and is included in "Accounts payable and accrued expenses" and the long-term portion is recorded in "Asset retirement obligations" on our condensed consolidated balance sheets.

* * *

Item 4. Controls and Procedures.

As of the end of the period covered by this Quarterly Report on Form 10-Q, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer have each concluded that our disclosure controls and procedures were designed, and were effective, to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended, (the "Exchange Act") is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms and were also effective to ensure that the information required to be disclosed by us in this Quarterly Report was accumulated and communicated to our management, including our principal executive and principal financial officers to allow timely decisions regarding required disclosure.

There have not been any significant changes in our internal control over financial reporting during the fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

31. On February 2, 2012, Patriot Coal hosted a conference call with investors, media representatives and analysts, during which defendant Schroeder responded to growing concerns over the Company's capital expenditures but misrepresented the Company's capital expenditures, especially as they related to "selenium related" costs. The following exchange

occurred between the analysts participating on the call and defendant Schroeder:

* * *

MARK SCHROEDER [CFO, PATRIOT COAL]: ... For 2012 we expect capital expenditures in the range of $160 million to $180 million. Influencing our capital expenditures will be some deferral our met expansion, certainly some redeployment of equipment in certain cases, and increased expenditures on is II selenium treatment. Looking to the 2012 quarters, first quarter will include expenses related to today's idling of the Big Mountain complex, and we expect to be at the low end of tons sold in the first quarter. We expect both first and third quarter operations to be impacted by 10ngwall moves at Federal. And at Panther the next longwall move is scheduled for the fourth quarter.

* * *

DAVID MARTIN [ANALYST, DEUTSCHE BANK]: Yeah, okay. Okay. And then secondly on the CapEx plan for this year, could you give us a little more detail or clarity on what the distributions of that spending is between maintenance and what is environmental and what Is selenium related, etc?

SCHROEDER: Sure. I guess I would probably use numbers like 25% to 30% on the what we call government required and that would include the selenium environmental type capital that we would have. So 25% to 30% of that. About the same thing on the met expansion. Somewhere in the 25% range.

And then that leaves about 40% to 50% being more 01 the maintenance-type capital and the maintenance then covers mainly rolling stock at the thermal and met mines in Appalachia but also some in the Illinois basin as well So maybe it is a third or less related to projects, 25% to 30% on projects. 25% or 30% or so on selenium related and 50% or are so the maintenance.

* * *

LUCAS PIPES [ANALYST, GREEN, MURRAY, CARRET]: Thank you. That's helpful. And then a quick follow-up on the CapEx side. Essentially all 01 the selenium charges that you mentioned you had in the comprehensive plan in place, so all 01 those charges are already included in the CapEx number. Is that correct?

SCHROEDER: Yes, the CapEx guidance that I gave 01160 to 180 does include selenium related items in that number.

32. On February 23, 2012 Patriot Coal filed with the SEC a Form 10-K that was

signed by Defendants and discussed the accounting treatment of court-ordered remediation costs. In addition, the Form 10-K included consolidated financial statements of the Company's operations for the year ended December 31, 2011. The consolidated financial statements and the explanation regarding the capitalization of the remediation costs were false and misleading because they failed to comply with GAAP. The court-ordered remediation costs should have been recorded as expenses, not as capital expenditures. Thus, the Company's reported expenses were understated, thereby ooverstating the Company's financial performance. Finally, in addition to these false and misleading statements, the Form 10-K falsely attested to the adequacy of the Company's internal controls, stating in part:

> Pursuant to the September 1, 2010 ruling, we will record the costs to install the FBR water treatment facility for the three Apogee outfalls as capital expenditures when incurred. The capital expenditure for the facility is estimated to be approximately $55.0 million. In addition, the estimated future on-going operating cash flows required to meet our legal obligation for selenium water treatment at the three Apogee outfalls have changed from our original estimates based on the September 1, 2010 ruling. As such, we increased the portion of the liability related to Apogee by updating the fair value of the on-going costs related to these three outfalls and recorded the $20.7 million difference between this updated value and our previously recorded liability directly to income, through asset retirement obligation expense in the third quarter of 2010.
>
> * * *
>
> *September 1, 2010 U.S. District Court Ruling*
>
> On September 1, 2010, the U.S. District Court found Apogee in contempt for failing to comply with the March 19, 2009 consent decree entered in the Federal Apogee Case. Apogee was ordered to install a Fluidized Bed Reactor (FBR) water treatment facility for three outfalls and to come into compliance with applicable selenium discharge limits at these three outfalls by March 1, 2013. In September 2010, we increased the portion of the selenium water treatment liability related to Apogee by $20.7 million for the fair value of the estimated future ongoing operating costs related to these three outfalls. This charge is reflected in "Asset retirement obligation expense" in the consolidated statement of operations. We record the costs to install the Apogee FBR water treatment facility as capital expenditures when incurred. As of December 31, 2011, we have spent

approximately $12.6 million on the Apogee FBR facility and the total expenditures are estimated to be approximately $55 million. We began construction on the Apogee FBR facility in the third quarter of 2011.

Additionally, the U.S. District Court ordered Hobet to submit a proposed schedule to develop a treatment plan for a Hobet Surface Mine No. 22 outfall by October 1, 2010 and to come into compliance with applicable discharge limits under the permit by May 1, 2013. We submitted the required schedule, which included conducting additional pilot projects related to certain technological alternatives. A treatment technology to be utilized at this Hobet Surface Mine No. 22 outfall was filed with the U.S. District Court in June 2011 in accordance with the submitted schedule. In June 2011, we recorded an adjustment of $24.0 million to the selenium water treatment liability primarily related to the estimated future ongoing operating costs of an FBR water treatment facility at this outfall. This charge is reflected in "Asset retirement obligation expense" in the consolidated statement of operations.

In December 2011, the Special Master appointed by the U.S. District Court to oversee the Hobet Surface Mine No. 22 project approved Hobet's request to substitute ABMet selenium treatment technology for the FBR technology at this outfall. The U.S. District Court subsequently confirmed this substitution. As with the Apogee FBR facility, we will record the costs to install the Hobet ABMet water treatment facility as capital expenditures when incurred. We continue to design and seek permits for the Hobet ABMet facility and anticipate beginning construction on the facility in the first half of 2012. The estimated total expenditures for completing the ABMet water treatment facility is approximately $25 million, which is significantly less than the estimated $40 million to build the Hobet FBR facility.

In December 2011, we adjusted the portion of the selenium water treatment liability related to Hobet Surface Mine No. 22 by $10.3 million for the decrease in the fair value of the estimated future ongoing operating costs related to this outfall due to the change in the technology. We also wrote off approximately $3.0 million related to final engineering specifications for the Hobet FBR facility. These charges are reflected in "Asset retirement obligation expense" in our consolidated statement of operations.

* * *

	Year Ended December 31,				
	2011	2010	2009	2008	2007
	(In thousands, except for share and per share data)				
Results of Operations Data:					
Revenues					
Sales	$ 2,378,260	$ 2,017,464	$ 1,995,667	$ 1,630,873	$ 1,069,316
Other revenues	24,246	17,647	49,616	23,749	4,046
Total revenues	2,402,506	2,035,111	2,045,283	1,654,622	1,073,362
Costs and expenses					
Operating costs and expenses	2,213,124	1,900,704	1,893,419	1,607,746	1,109,315
Depreciation, depletion and amortization	186,348	188,074	205,339	125,356	85,640
Asset retirement obligation expense	81,586	63,034	35,116	19,260	20,144
Sales contract accretion	(55,020)	(121,475)	(298,572)	(279,402)	—
Restructuring and impairment charge	13,657	15,174	20,157	—	—
Selling and administrative expenses	52,907	50,248	48,732	38,607	45,137
Other operating (income) expense:					
Net gain on disposal or exchange of assets[1]	(35,557)	(48,226)	(7,215)	(7,004)	(81,458)
Loss (income) from equity affiliates[2]	(4,709)	(9,476)	(398)	915	(63)
Operating profit (loss)	(49,830)	(2,946)	148,705	149,144	(105,353)
Interest expense and other	65,533	57,419	38,108	23,648	8,337
Interest income	(246)	(12,831)	(16,646)	(17,232)	(11,543)
Income (loss) before income taxes	(115,117)	(47,534)	127,243	142,728	(102,147)
Income tax provision	372	492	—	—	—
Net income (loss)	(115,489)	(48,026)	127,243	142,728	(102,147)
Net income attributable to noncontrolling interest[2]	—	—	—	—	4,721
Net income (loss) attributable to Patriot	(115,489)	(48,026)	127,243	142,728	(106,868)
Effect of noncontrolling interest purchase arrangement	—	—	—	—	(15,667)

* * *

Item 9A. Controls and Procedures,

As of the end of the period covered by this Annual Report on Form 10-K, we

carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer have each concluded that our disclosure controls and procedures were designed, and were effective, to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. …

* * *

Management's Report on Internal Control Over Financial Reporting

Management is responsible for maintaining and establishing adequate internal control over financial reporting. Our internal control framework and processes were designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our consolidated financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

33. Included with the Form 10-K for fiscal year 2011, Defendants signed required certifications pursuant to SOX, substantially similar to the certifications described in ¶25, *supra*, and falsely attested to the purported accuracy and completeness of their disclosures and effectiveness of the Company's internal controls.

34. Defendants knew but concealed from investors during the Class Period the following material adverse information:

(a) the Company's internal controls over financial reporting were materially inadequate;

(b) Defendants improperly accounted for selenium treatment facility liabilities at the Company's mines;

(c) the Company's reported financial results were overstated and were not presented in conformity with GAAP;

(d) the Company's business health was weakening; and

(e) as a result of the forgoing, the Company would not survive as a going concern.

DISCLOSURES AT THE END OF THE CLASS PERIOD

35. On May 8, 2012, Patriot Coal filed a Form 8-K with the SEC disclosing that Defendants improperly capitalized the costs of "certain of its selenium water treatment requirements." As a result of the improper accounting of these remediation costs the Company's purported financial results were overstated. The SEC, however, had uncovered the Defendants' facade and forced them to restate two years' worth of materially false and misleading financial statements. The Form 8-K stated in part:

> **Item 4.02. Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review.**
>
> On May 7, 2012, Patriot's management advised the Audit Committee of Patriot's Board of Directors, and the Audit Committee then recommended to the Board of Directors, that Patriot's previously issued annual consolidated financial statements for the years ended December 31, 2011 and 2010 and the independent registered public accountant's report thereon, and the consolidated financial statements for the third and fourth quarters of the year ended December 31, 2010 and each of the four quarters of the year ended December 31, 2011, in each case filed with the Securities and Exchange Commission (the "SEC"), should no longer be relied upon as a result of an error contained therein. The Board of Directors resolved to follow this recommendation.
>
> As disclosed in Patriot's Form 10-K for the year ended December 31, 2011, filed on February 23, 2012, Patriot received comments from the staff of the SEC regarding its accounting treatment for certain of its selenium water treatment requirements. Specifically, these comments related to Patriot's fluidized bed reactor ("FBR") and ABMet facilities (together, the "Apogee FBR and Hobet ABMet water treatment facilities"). Patriot recorded as capital expenditures when incurred the costs to install the FBR water treatment facility that Apogee Coal Company, LLC ("Apogee") is required to construct for three outfalls and the ABMet water treatment facility that Hobet Mining, LLC ("Hobet") is required to construct for Surface Mine No. 22. As disclosed in Patriot's Form 10-K for the year ended December 31, 2011, the total capital expenditure is estimated to be

> approximately $55.0 million for the Apogee FBR water treatment facility and $25.0 million for the Hobet ABMet water treatment facility.
>
> In response to the comments received from the SEC, Patriot reviewed its accounting treatment for the Apogee FBR and Hobet ABMet water treatment facilities. As a result of that review, Patriot, in consultation with its independent registered public accountants, has determined it is necessary to restate its previously issued consolidated financial statements to accrue a liability and recognize a loss for the estimated costs of installing these two water treatment facilities as their primary use will be to treat selenium exceedances in water discharges resulting from past mining under legacy permit standards. Accordingly, Patriot intends to file on or about May 8, 2012 with the SEC an amended Annual Report on Form 10-K/A for the year ended December 31, 2011 to restate its audited consolidated financial statements for the years ended December 31, 2011 and 2010. Such restatement is increasing Patriot's asset retirement obligation expense and net loss by $23.6 million and $49.7 million for the years ended December 31, 2011 and 2010, respectively. …

* * *

36. Despite the partial disclosure of Defendants' incorrect accounting of the Company's "selenium water treatment requirements," the May 8, 2012 Form 8-K was nevertheless misleading because it depicted the restatement as having minimal impact to the Company's financial statements, stating: "Such restatement has no impact on Patriot Coal's revenue or Adjusted EBITDA for any such prior period." However, Defendants failed to indicate that these misstatements were material to the Company's bottom line and earnings per share. SEC Staff Accounting Bulletin No. 99 ("SAB 99"), Materiality, states that: "A matter is 'material' if there is a substantial likelihood that a reasonable person would consider it important." SAB 99 also stresses that materiality requires qualitative, as well as quantitative, considerations. Defendants' failure to properly account for the court-ordered remediation obligations was both quantitatively and qualitatively material, as the reported net losses for the years ended December 31, 2010 and 2011 were increased by over 104% and 20%, respectively, as a result of the restatment. The Form 8-K stated in part:

> Such restatement has no impact on Patriot's revenue or Adjusted EBITDA for any such prior period. Patriot's estimated cash spending for the Apogee FBR and Hobet ABMet water treatment facilities has not changed from prior disclosures as a result of this restatement.

37. In addition to announcing the restatement in the May 8, 2012 Form 8-K, the Company also disclosed that "management has determined that a deficiency in internal control over financial reporting associated with the accounting treatment for the Apogee FBR and Hobet ABMet water treatment facilities should have been classified as a material weakness." The Form 8-K stated in part:

> In connection with the restatement, management has determined that a deficiency in internal control over financial reporting associated with its accounting treatment for the Apogee FBR and Hobet ABMet water treatment facilities should have been classified as a material weakness with regard to the years ended December 31, 2011 and 2010. Patriot has remediated this material weakness..

38. As a result of Defendants' false statements, Patriot Coal's stock traded at artificially inflated levels during the Class Period. However, when the true state of the Company's financial health and internal controls began to emerge, Patriot Coal's shares dropped from a closing price of $5.53 on May 8, 2012, to a c1osing price on May 9, 2012 of $5.31 -- a decline of approximately 5% on volume of more than 12 million shares.

39. The drop in the Company's stock price was diminished, however, because the Defendants were causing the Company to mislead the market about its aggressive sales forecast for 2013 at the same time the Company was issuing a partial disclosure about its overstated financial statements and deficient internal controls. The same Form 8-K that announced the restatement and disclosed that the Company's internal controls were deficient also provided the following aggressive guidance:

(Tons in millions)	Q2 – Q4 2012 Tons	Q2 – Q4 2012 Price per ton	2013 Tons	2013 Price per ton
Appalachia—thermal	8.8	$ 66	3.3	$ 68
Illinois Basin—thermal	4.8	$ 50	4.0	$ 50
Appalachia—met	4.9	$ 138	0.4	$ 120
Total	18.5		7.7	

40. One week later, on May 15, 2012, Patriot Coal filed a Form 8-K with the SEC cutting its previous forecast for sales of steel-making coal mined in Appalachia, resulting from a potential customer default. The revision forecast sales of 3.9 million tons at an average price of $142 per ton in the second quarter through the fourth quarters, compared with the previous May 8, 2012 projection of 4.9 million tons at $138 per ton. Moreover, the Form 8-K revised downward the Company's 2013 forecast for Appalachian metallurgical coal, from 400,000 tons at $120 per ton previously to 200,000 tons at $122 per ton. The Form 8-K stated in part:

> ST. LOUIS, May 14 – Patriot Coal Corporation (NYSE: PCX) announced today that it is revising its outlook provided in its press release issued on May 8, 2012. Based on recent developments involving the potential default by a key customer, Patriot, with respect to its currently priced tons of Appalachia – met coal, revises its anticipated sales volume and average selling prices as set forth below. The current spot market price for this quality of high volatile coal is approximately $25 to $30 per ton lower than the original contracted price with that customer.
>
> Average selling prices of currently priced tons for the remainder of 2012 and for 2013 are as follows:

(Tons in millions)	Q2 – Q4 2012 Tons	Q2 – Q4 2012 Price per ton	2013 Tons	2013 Price per ton
Appalachia - met	3.9	$142	0.2	$ 122

41. Following this news, Patriot Coal's shares dropped from a closing price of $4.83 on May 14, 2012, to a closing price of $3.94 on May 15, 2012. This one-day drop amounted to a

decline of over 18% on volume of more than 19 million shares.

42. On May 22, 2012, Patriot Coal issued a Form 8-K which alluded to a May 22, 2012 letter from defendant Whiting to the Company's employees. The letter only partially disclosed the Company's precarious capital position, stating that that the Company engaged a financial services company, The Blackstone Group, "to achieve an optimal financing package." However, the May 22, 2012 letter failed to fully disclose the truth about the Company's impending bankruptcy. Instead, Whiting's letter assured investors that "operations are performing well" and that the Company is positioned for "future growth," stating in part:

> I am writing each of you to provide an update on the proactive initiatives we are taking to help ensure Patriot remains strong during these challenging times in our industry.
>
> Across our business, operations are performing well. We are achieving outstanding safety results, and we have taken decisive action to scale our production to match market demand. Our operational excellence and the flexibility of our modular met coal production portfolio are a distinct competitive advantage for our company.
>
> Our management team has acted swiftly to ensure that we are well-positioned in the current operating environment. We have reduced thermal coal production by over four million annual tons, delayed expansions under the Met Build-Out program, and worked closely with our customers to address their changing needs. In addition, we have implemented major cost reduction initiatives, including assuming full operation of several mines and facilities that were previously managed by contractors and adjusting our workforce appropriately.
>
> We are also addressing a number of challenges that current market conditions have created. Last week, we adjusted our forecast for the year to reflect a possible default by a key customer on a contract for Appalachia met coal. We continue to be in discussions with the customer and other potential buyers for this allotment of coal, and we are confident it will ultimately be sold – although not at the original contract price, which was measurably higher than the current spot market. As you know, we and other coal producers have encountered similar business situations in the past and we have successfully achieved satisfactory resolutions.

> Earlier this month, we announced that Patriot has entered into a commitment letter for a new revolving credit facility and new term loan facility for a total of $625 million. We are continuing to work with our lenders to strengthen our finances, including the refinancing of our debt obligations that become due in March 2013. We have engaged The Blackstone Group and continue to work with Davis Polk & Wardwell, our long-standing counsel, to achieve an optimal financing package. As we work through these matters, we continue to have access to our current credit facilities.
>
> We believe the actions we are taking will see us through these challenging times and position us for future growth. Despite the current domestic headwinds we are facing, the global market for both thermal and met coal is creating export opportunities for our company. We are aligning our operating portfolio to take advantage of these opportunities.
>
> Please also keep in mind that our industry is inherently cyclical. For that reason, our leadership team has extensive prior experience in managing through variable and difficult markets. You may recall, for instance, that in 2009 we successfully navigated through one of the greatest market dislocations in history. I am confident we will do so again. …

43. Following this news, Patriot Coal's shares declined from a closing price of $3.36 on May 21, 2012, to a closing price on May 22, 2012 of $2.18 -- a one-day decline of over 35% on very high volume of more than 86 million shares traded.

44. Less than two months after defendant Whiting assured the market of the Company's ability to sustain itself going forward, on July 9, 2012 Patriot Coal issued a press release disclosing that the Company "and substantially all of its wholly owned subsidiaries have filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court for the Southern District of New York." According to the press release, the Company's decision to file bankruptcy resulted from "challenging environmental regulations affecting the cost of producing and using coal" and "rising expenditures for environmental and other liabilities that severely constrained the Company's liquidity and financial flexibility," among other things. The press release stated, in relevant part:

> ST. LOUIS, July 9, 2012 /PRNewswire/ -- Patriot Coal Corporation (NYSE: PCX), a producer and marketer of coal products in the eastern United States, announced today that Patriot and substantially all of its wholly owned subsidiaries have filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court for the Southern District of New York. Patriot has taken this action in order to undertake a comprehensive financial restructuring. Patriot expects its mining operations and customer shipments to continue in the ordinary course throughout the reorganization process.
>
> Patriot believes that the protection afforded by a court-supervised reorganization process, including the ability to access new financing, will provide the Company with additional time and flexibility to address its financial challenges and position Patriot for long-term viability and success.
>
> In conjunction with its reorganization, Patriot has obtained a commitment for $802 million in debtor-in-possession (DIP) financing from Citigroup Global Markets Inc., Barclays Bank PLC, and Merrill Lynch, Pierce, Fenner & Smith Incorporated as joint lead arrangers. Upon approval by the Bankruptcy Court, the new financing and cash generated from Patriot's ongoing operations will be used to support the business during the reorganization process.
>
> * * *
>
> Patriot's business outlook has been impacted by a number of challenges that are affecting the coal industry, including reductions in U.S. thermal coal demand due to competition from low priced natural gas, challenging environmental regulations affecting the cost of producing and using coal, and weaker international and domestic economies. The Company has reacted to the lower domestic demand by reducing production and increasing sales to the export markets. During recent months, the cancellation of customer contracts, lower thermal coal prices and rising expenditures for environmental and other liabilities have severely constrained the Company's liquidity and financial flexibility.

45. As a result of Defendants' false statements, Patriot Coal's stock traded at artificially inflated levels during the Class Period. However, when the true state of the Company's capital position and business prospects as a going concern became public, Patriot Coal's shares declined from a closing price of $2.19 on July 6, 2012, to a closing price on July 9, 2012 of $0.61 – a one-day decline of over 72% on volume of over 38 million shares.

CLASS ACTION ALLEGATIONS

46. Plaintiff brings this action as a class action pursuant to Rule 23 of the Federal

Rules of Civil Procedure on behalf of all persons who purchased or otherwise acquired Patriot Coal securities during the Class Period (the "Class"). Excluded from the Class are Defendants and their families, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors, or assigns, and any entity in which Defendants have or had a controlling interest.

47. The members of the Class are so numerous that joinder of all members is impracticable. The disposition of their claims in a class action will provide substantial benefits to the parties and the Court. At the time Patriot Coal declared bankruptcy, the Company had more than 92.8 million shares of stock outstanding, owned by thousands of persons.

48. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

49. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

50. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by Defendants' acts as alleged herein;

(b) whether statements made by Defendants to the investing public during the Class Period omitted and/or misrepresented material facts about the business, operations, and financial prospects of Patriot Coal; and

(c) the extent of Class members' damages and the proper measure of

damages.

51. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation makes it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

UNDISCLOSED ADVERSE FACTS

52. The market for Patriot Coal securities was open, well-developed and efficient at all relevant times. As a result of these materially false and/or misleading statements, and/or failures to disclose, Patriot Coal securities traded at artificially inflated prices during the Class Period. Plaintiff and other members of the Class purchased or otherwise acquired Patriot Coal securities relying upon the integrity of the market price of the Company's securities and market information relating to Patriot Coal, and have been damaged thereby.

53. During the Class Period, Defendants materially misled the investing public, thereby inflating the price of Patriot Coal securities, by publicly issuing false and/or misleading statements and/or omitting to disclose material facts necessary to make Defendants' statements, as set forth herein, not false and/or misleading. Said statements and omissions were materially false and/or misleading in that they failed to disclose material adverse information and/or misrepresented the truth about Patriot Coal's financial well-being and prospects as alleged herein.

54. At all relevant times, the material misrepresentations and omissions particularized in this Complaint directly or proximately caused or were a substantial contributing cause of the

damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period Defendants made or caused to be made a series of materially false and/or misleading statements about Patriot Coal's financial well-being and prospects. These material misstatements and/or omissions had the cause and effect of creating in the market an unrealistically positive assessment of the Company and its financial well-being and prospects, thus causing the Company's securities to be overvalued and artificially inflated at all relevant times. Defendants' materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at artificially inflated prices, thus causing the damages complained of herein.

LOSS CAUSATION

55. Defendants' wrongful conduct, as alleged herein, directly and proximately caused the economic loss suffered by Plaintiff and the Class.

56. During the Class Period, Plaintiff and the Class purchased Patriot Coal securities at artificially inflated prices and were damaged thereby. The price of the Company's securities significantly declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, were revealed, causing investors' losses.

SCIENTER ALLEGATIONS

57. As alleged herein, Defendants acted with scienter in that Defendants knew that the public documents and statements issued or disseminated in the name of the Company were materially false and/or misleading; knew that such statements or documents would be issued or disseminated to the investing public; and knowingly and substantially participated or acquiesced

in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth elsewhere herein in detail, Defendants, by virtue of their receipt of information reflecting the true facts regarding Patriot Coal, his/her control over, and/or receipt and/or modification of Patriot Coal's allegedly materially misleading misstatements and/or their associations with the Company which made them privy to confidential proprietary information concerning Patriot Coal, participated in the fraudulent scheme alleged herein.

APPLICABILITY OF PRESUMPTION OF RELIANCE (FRAUD-ON-THE-MARKET DOCTRINE)

58. The market for Patriot Coal securities was open, well-developed and efficient at all relevant times. As a result of the materially false and/or misleading statements and/or failures to disclose, Patriot Coal securities traded at artificially inflated prices during the Class Period. On February 1, 2011, the Company's stock closed at a Class-Period high of $28.44 per share. Plaintiff and other members of the Class purchased or otherwise acquired the Company's securities relying upon the integrity of the market price of Patriot Coal securities and market information relating to Patriot Coal, and have been damaged thereby.

59. During the Class Period, the artificial inflation of Patriot Coal securities was caused by the material misrepresentations and/or omissions particularized in this Complaint causing the damages sustained by Plaintiff and other members of the Class. As described herein, during the Class Period, Defendants made or caused to be made a series of materially false and/or misleading statements about Patriot Coal financial well-being and prospects. These material misstatements and/or omissions created an unrealistically positive assessment of Patriot Coal and its prospects, thus causing the price of the Company's securities to be artificially inflated at all relevant times, and when disclosed, negatively affected the value of the Company

securities. Defendants' materially false and/or misleading statements during the Class Period resulted in Plaintiff and other members of the Class purchasing the Company's securities at such artificially inflated prices, and each of them has been damaged as a result.

60. At all relevant times, the market for Patriot Coal securities was an efficient market for the following reasons, among others:

(a) Patriot Coal securities met the requirements for listing, and were listed and actively traded on the New York Stock Exchange (NYSE), a highly efficient and automated market;

(b) as a regulated issuer, Patriot Coal filed periodic public reports with the SEC and/or the NYSE;

(c) Patriot Coal regularly communicated with public investors via established market communication mechanisms, including through regular dissemination of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and/or

(d) Patriot Coal was followed by securities analysts employed by brokerage firms who wrote reports about the Company, and these reports were distributed to the sales force and certain customers of their respective brokerage firms. Each of these reports was publicly available and entered the public marketplace.

(e) As a result of the foregoing, the market for Patriot Coal securities promptly digested current information regarding Patriot Coal from all publicly available sources and reflected such information in Patriot Coal's stock price. Under these circumstances, all purchasers of Patriot Coal securities during the Class Period suffered similar injury through their

purchase of Patriot Coal securities at artificially inflated prices and a presumption of reliance applies.

NO SAFE HARBOR

61. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. The statements alleged to be false and misleading herein all relate to then-existing facts and conditions. In addition, to the extent certain of the statements alleged to be false may be characterized as forward looking, they were not identified as "forward-looking statements" when made and there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. In the alternative, to the extent that the statutory safe harbor is determined to apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because at the time each of those forward-looking statements was made, the speaker had actual knowledge that the forward-looking statement was materially false or misleading, and/or the forward-looking statement was authorized or approved by an executive officer of Patriot Coal who knew that the statement was false when made.

FIRST CLAIM
Violation of Section 10(b) of The Exchange Act
and Rule 10b-5 Promulgated Thereunder
Against All Defendants

62. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

63. During the Class Period, Defendants carried out a plan, scheme and course of conduct which was intended to and, throughout the Class Period, did: (i) deceive the investing

public, including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff and other members of the Class to purchase Patriot Coal securities at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, defendants, and each of them, took the actions set forth herein.

64. Defendants (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (iii) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company's securities in an effort to maintain artificially high market prices for Patriot Coal securities in violation of Section 10(b) of the Exchange Act and Rule 10b-5. All Defendants are sued either as primary participants in the wrongful and illegal conduct charged herein or as controlling persons as alleged below.

65. Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal adverse material information about Patriot Coal's financial well-being and prospects, as specified herein.

66. These defendants employed devices, schemes and artifices to defraud, while in possession of material adverse non-public information and engaged in acts, practices, and a course of conduct as alleged herein in an effort to assure investors of Patriot Coal's value and performance and continued substantial growth, which included the making of, or the participation in the making of, untrue statements of material facts and/or omitting to state material facts necessary in order to make the statements made about Patriot Coal and its business operations and future prospects in light of the circumstances under which they were made, not misleading, as set forth more particularly herein, and engaged in transactions, practices and a

course of business which operated as a fraud and deceit upon the purchasers of the Company's securities during the Class Period.

67. The defendants had actual knowledge of the misrepresentations and/or omissions of material facts set forth herein, or acted with reckless disregard for the truth in that they failed to ascertain and to disclose such facts, even though such facts were available to them. Such defendants' material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose and effect of concealing Patriot Coal financial well-being and prospects from the investing public and supporting the artificially inflated price of its securities. Defendants, if they did not have actual knowledge of the misrepresentations and/or omissions alleged, were reckless in failing to obtain such knowledge by deliberately refraining from taking those steps necessary to discover whether those statements were false or misleading.

68. As a result of the dissemination of the materially false and/or misleading information and/or failure to disclose material facts, as set forth above, the market price of Patriot Coal securities was artificially inflated during the Class Period. In ignorance of the fact that market prices of the Company's securities were artificially inflated, and relying directly or indirectly on the false and misleading statements made by Defendants, or upon the integrity of the market in which the securities trades, and/or in the absence of material adverse information that was known to or recklessly disregarded by Defendants, but not disclosed in public statements by Defendants during the Class Period, Plaintiff and the other members of the Class acquired Patriot Coal securities during the Class Period at artificially high prices and were damaged thereby.

69. At the time of said misrepresentations and/or omissions, Plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff

and the other members of the Class and the marketplace known the truth regarding the problems that Patriot Coal was experiencing, which were not disclosed by Defendants, Plaintiff and other members of the Class would not have purchased or otherwise acquired their Patriot Coal securities, or, if they had acquired such securities during the Class Period, they would not have done so at the artificially inflated prices which they paid.

70. By virtue of the foregoing, Defendants have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

71. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period.

SECOND CLAIM
Violation of Section 20(a) of The Exchange Act
Against Defendant Whiting

72. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

73. Defendant Whiting acted as a controlling person of defendant Schroeder within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of his positions, with the Company, defendant Whiting had the power and authority to cause defendant Schroeder to engage in the wrongful conduct complained of herein. Defendant Whiting controlled defendant Schroeder and all of the Company's employees. By reason of such conduct, defendant Whiting is liable pursuant to Section 20(a) of the Exchange Act.

74. In particular, each of these Defendants had direct and supervisory involvement in the day-to-day operations of the Company and, therefore, is presumed to have had the power to

control or influence the particular transactions giving rise to the securities violations as alleged herein, and exercised the same.

75. As a direct and proximate result of Defendant Whiting's wrongful conduct, plaintiff and other members of the Class suffered damages in connection with their purchases of the Company's securities during the Class Period.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

(a) Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;

(b) Awarding compensatory damages in favor of Plaintiff and the other Class members against all defendants, jointly and severally, for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

(c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including counsel fees and expert fees; and

(d) Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Plaintiff hereby demands a trial by jury.

DATED: October 5, 2012

WEHRLE LAW LLC

/s/ J. Christopher Wehrle
By:_____
J. Christopher Wehrle, 45592MO
Clayton Plaza West
7750 Clayton Road, Suite 102
St. Louis, Missouri 63117
Telephone: (314) 334.0119
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chris@wehrlelawllc.com

GLANCY BINKOW & GOLDBERG LLP
Lionel Z. Glancy
Michael Goldberg
1925 Century Park East, Suite 2100
Los Angeles, California 90067
Telephone: (310) 201-9150
Facsimile: (310) 201-9160
info@glancylaw.com

Attorneys for Plaintiff

GLANCY BINKOW & GOLDBERG LLP

SWORN CERTIFICATION OF PLAINTIFF
PATRIOT COAL CORPORATION SECURITIES LITIGATION

I, FURMAN JERRY ROGERS III, certify that:
[Please Print Your Name]

1. I have reviewed the Complaint and authorized its filing.

2. I did not purchase Patriot Coal Corp., the security that is the subject of this action, at the direction of plaintiff's counsel or in order to participate in any private action arising under this title.

3. I am willing to serve as a representative party on behalf of a class and will testify at deposition and trial, if necessary.

4. My transactions in Patriot Coal Corp. during the Class Period set forth in the Complaint are as follows:

I bought 300 shares on 5/18/12 at $ 3.30 per share
I bought _____ shares on ___/___/___ at $ _____ per share
I bought _____ shares on ___/___/___ at $ _____ per share
I bought _____ shares on ___/___/___ at $ _____ per share
I sold_____ shares on ___/___/___ at $ _____ per share
I sold_____ shares on ___/___/___ at $ _____ per share

(List Additional Transactions On Separate Page If Necessary)

5. I have not served as a representative party on behalf of a class under this title during the last three years, except for the following:_____

6. I will not accept any payment for serving as a representative party, except to receive my pro rata share of any recovery or as ordered or approved by the court, including the award to a representative plaintiff of reasonable costs and expenses (including lost wages) directly relating to the representation of the class.

I declare under penalty of perjury that the foregoing are true and correct statements.

Dated: 02 OCT 12

[Please Sign Your Name Above]

JS 44 (Rev. 09/11)

CIVIL COVER SHEET

The JS 44 civil coversheet and the information contained herein neither replace nor supplement the filing and service of pleadngs or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States inSeptember 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. *(SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)*

I. (a) PLAINTIFFS
Furman Jerry Rogers III

(b) County of Residence of First Listed Plaintiff Chesterfield, VA
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys *(Firm Name, Address, and Telephone Number)*
J. Christopher Wehrle, Wehrle Law LLC, 7750 Clayton Rd., Suite 102
St. Louis, Missouri 63117

DEFENDANTS
Richard M. Whiting and Mark N. Schroeder

County of Residence of First Listed Defendant
(IN U.S. PLAINTIFF CASES ONLY)
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys *(If Known)*

II. BASIS OF JURISDICTION *(Place an "X" in One Box Only)*

- ☐ 1 U.S. Government Plaintiff
- ☒ 3 Federal Question *(U.S. Government Not a Party)*
- ☐ 2 U.S. Government Defendant
- ☐ 4 Diversity *(Indicate Citizenship of Parties in Item III)*

III. CITIZENSHIP OF PRINCIPAL PARTIES *(Place an "X" in One Box for Plaintiff) and One Box for Defendant)*
(For Diversity Cases Only)

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☐ 1	Incorporated *or* Principal Place of Business In This State	☐ 4	☐ 4
Citizen of Another State	☐ 2	☐ 2	Incorporated *and* Principal Place of Business In Another State	☐ 5	☐ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. NATURE OF SUIT *(Place an "X" in One Box Only)*

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loans (Excl. Veterans)
- ☐ 153 Recovery of Overpayment of Veteran's Benefits
- ☐ 160 Stockholders' Suits
- ☐ 190 Other Contract
- ☐ 195 Contract Product Liability
- ☐ 196 Franchise

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Federal Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury
- ☐ 362 Personal Injury - Med. Malpractice

PERSONAL INJURY
- ☐ 365 Personal Injury - Product Liability
- ☐ 367 Health Care/ Pharmaceutical Personal Injury Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

FORFEITURE/PENALTY
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 690 Other

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 840 Trademark

OTHER STATUTES
- ☐ 375 False Claims Act
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced and Corrupt Organizations
- ☐ 480 Consumer Credit
- ☐ 490 Cable/Sat TV
- ☒ 850 Securities/Commodities/ Exchange
- ☐ 890 Other Statutory Actions
- ☐ 891 Agricultural Acts
- ☐ 893 Environmental Matters
- ☐ 895 Freedom of Information Act
- ☐ 896 Arbitration
- ☐ 899 Administrative Procedure Act/Review or Appeal of Agency Decision
- ☐ 950 Constitutionality of State Statutes

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

CIVIL RIGHTS
- ☐ 440 Other Civil Rights
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accommodations
- ☐ 445 Amer. w/Disabilities - Employment
- ☐ 446 Amer. w/Disabilities - Other
- ☐ 448 Education

PRISONER PETITIONS
- ☐ 510 Motions to Vacate Sentence

Habeas Corpus:
- ☐ 530 General
- ☐ 535 Death Penalty
- ☐ 540 Mandamus & Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition
- ☐ 560 Civil Detainee - Conditions of Confinement

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Mgmt. Relations
- ☐ 740 Railway Labor Act
- ☐ 751 Family and Medical Leave Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Empl. Ret. Inc. Security Act

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405(g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405(g))

IMMIGRATION
- ☐ 462 Naturalization Application
- ☐ 463 Habeas Corpus - Alien Detainee (Prisoner Petition)
- ☐ 465 Other Immigration Actions

FEDERAL TAX SUITS
- ☐ 870 Taxes (U.S. Plaintiff or Defendant)
- ☐ 871 IRS—Third Party 26 USC 7609

V. ORIGIN *(Place an "X" in One Box Only)*
☒ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from another district *(specify)* ☐ 6 Multidistrict Litigation

VI. CAUSE OF ACTION
Cite the U.S. Civil Statute under which you are filing *(Do not cite jurisdictional statutes unless diversity)*:
15 U.S.C. 78j(b) and 78t(a)
Brief description of cause:
Class action alleging violations of Sections 10(a) and 20(b) of the Securities Exchange Act of 1934

VII. REQUESTED IN COMPLAINT:
☑ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23
DEMAND $
CHECK YES only if demanded in complaint:
JURY DEMAND: ☒ Yes ☐ No

VIII. RELATED CASE(S) IF ANY *(See instructions)*: JUDGE _____ DOCKET NUMBER _____

DATE
10/09/2012

SIGNATURE OF ATTORNEY OF RECORD
/s/ J. Christopher Wehrle, 45592MO

FOR OFFICE USE ONLY

RECEIPT # _____ AMOUNT _____ APPLYING IFP _____ JUDGE _____ MAG. JUDGE _____

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI

Furman Jerry Rogers III,	)	
Plaintiff,	)	
v.	)	Case No. 4:12-cv-01815
Richard M. Whiting and Mark N. Schroeder,	)	
Defendant,	)	

ORIGINAL FILING FORM

THIS FORM MUST BE COMPLETED AND VERIFIED BY THE FILING PARTY WHEN INITIATING A NEW CASE.

☐ THIS SAME CAUSE, OR A SUBSTANTIALLY EQUIVALENT COMPLAINT, WAS PREVIOUSLY FILED IN THIS COURT AS CASE NUMBER _____ AND ASSIGNED TO THE HONORABLE JUDGE _____.

☐ THIS CAUSE IS RELATED, BUT IS NOT SUBSTANTIALLY EQUIVALENT TO ANY PREVIOUSLY FILED COMPLAINT. THE RELATED CASE NUMBER IS _____ AND THAT CASE WAS ASSIGNED TO THE HONORABLE _____. THIS CASE MAY, THEREFORE, BE OPENED AS AN ORIGINAL PROCEEDING.

☒ NEITHER THIS SAME CAUSE, NOR A SUBSTANTIALLY EQUIVALENT COMPLAINT, HAS BEEN PREVIOUSLY FILED IN THIS COURT, AND THEREFORE MAY BE OPENED AS AN ORIGINAL PROCEEDING.

The undersigned affirms that the information provided above is true and correct.

Date: 10/09/2012

/s/ J. Christopher Wehrle
Signature of Filing Party

AO 399 (01/09) Waiver of the Service of Summons

UNITED STATES DISTRICT COURT

for the

Eastern District of Missouri

Furman Jerry Rogers III
Plaintiff

v.

Richard M. Whiting and Mark N. Schroeder
Defendant

Civil Action No. 4:12-cv-01815

WAIVER OF THE SERVICE OF SUMMONS

To: Richard M. Whiting
(Name of the plaintiff's attorney or unrepresented plaintiff)

I have received your request to waive service of a summons in this action along with a copy of the complaint, two copies of this waiver form, and a prepaid means of returning one signed copy of the form to you.

I, or the entity I represent, agree to save the expense of serving a summons and complaint in this case.

I understand that I, or the entity I represent, will keep all defenses or objections to the lawsuit, the court's jurisdiction, and the venue of the action, but that I waive any objections to the absence of a summons or of service.

I also understand that I, or the entity I represent, must file and serve an answer or a motion under Rule 12 within 60 days from 10/09/2012, the date when this request was sent (or 90 days if it was sent outside the United States). If I fail to do so, a default judgment will be entered against me or the entity I represent.

Date: _____

_____
Signature of the attorney or unrepresented party

_____
Printed name of party waiving service of summons

_____
Printed name

_____
Address

_____
E-mail address

_____
Telephone number

Duty to Avoid Unnecessary Expenses of Serving a Summons

Rule 4 of the Federal Rules of Civil Procedure requires certain defendants to cooperate in saving unnecessary expenses of serving a summons and complaint. A defendant who is located in the United States and who fails to return a signed waiver of service requested by a plaintiff located in the United States will be required to pay the expenses of service, unless the defendant shows good cause for the failure.

"Good cause" does *not* include a belief that the lawsuit is groundless, or that it has been brought in an improper venue, or that the court has no jurisdiction over this matter or over the defendant or the defendant's property.

If the waiver is signed and returned, you can still make these and all other defenses and objections, but you cannot object to the absence of a summons or of service.

If you waive service, then you must, within the time specified on the waiver form, serve an answer or a motion under Rule 12 on the plaintiff and file a copy with the court. By signing and returning the waiver form, you are allowed more time to respond than if a summons had been served.

UNITED STATES DISTRICT COURT

for the

Eastern District of Missouri

Furman Jerry Rogers III *Plaintiff* v. Richard M. Whiting and Mark N. Schroeder *Defendant*	)	Civil Action No. 4:12-cv-01815

WAIVER OF THE SERVICE OF SUMMONS

To: Mark N. Schroeder
(Name of the plaintiff's attorney or unrepresented plaintiff)

I have received your request to waive service of a summons in this action along with a copy of the complaint, two copies of this waiver form, and a prepaid means of returning one signed copy of the form to you.

I, or the entity I represent, agree to save the expense of serving a summons and complaint in this case.

I understand that I, or the entity I represent, will keep all defenses or objections to the lawsuit, the court's jurisdiction, and the venue of the action, but that I waive any objections to the absence of a summons or of service.

I also understand that I, or the entity I represent, must file and serve an answer or a motion under Rule 12 within 60 days from 10/09/2012, the date when this request was sent (or 90 days if it was sent outside the United States). If I fail to do so, a default judgment will be entered against me or the entity I represent.

Date: _____

_____
Signature of the attorney or unrepresented party

_____
Printed name of party waiving service of summons

_____
Printed name

_____
Address

_____
E-mail address

_____
Telephone number

Duty to Avoid Unnecessary Expenses of Serving a Summons

Rule 4 of the Federal Rules of Civil Procedure requires certain defendants to cooperate in saving unnecessary expenses of serving a summons and complaint. A defendant who is located in the United States and who fails to return a signed waiver of service requested by a plaintiff located in the United States will be required to pay the expenses of service, unless the defendant shows good cause for the failure.

"Good cause" does *not* include a belief that the lawsuit is groundless, or that it has been brought in an improper venue, or that the court has no jurisdiction over this matter or over the defendant or the defendant's property.

If the waiver is signed and returned, you can still make these and all other defenses and objections, but you cannot object to the absence of a summons or of service.

If you waive service, then you must, within the time specified on the waiver form, serve an answer or a motion under Rule 12 on the plaintiff and file a copy with the court. By signing and returning the waiver form, you are allowed more time to respond than if a summons had been served.

Exhibit D

Policy Number: **ELU123382-11**
Renewal of Number ELU119327-10

☐ **Greenwich Insurance Company**
☒ **XL Specialty Insurance Company**
Members of the XL America Companies

Executive Offices
70 Seaview Avenue
Stamford, CT 06902-6040
Telephone 877-953-2636

MANAGEMENT LIABILITY AND COMPANY REIMBURSEMENT INSURANCE POLICY DECLARATIONS

THIS IS A CLAIMS MADE POLICY. EXCEPT AS OTHERWISE PROVIDED HEREIN, THIS POLICY ONLY APPLIES TO CLAIMS FIRST MADE DURING THE POLICY PERIOD OR, IF APPLICABLE, THE OPTIONAL EXTENSION PERIOD. THE LIMIT OF LIABILITY AVAILABLE TO PAY DAMAGES OR SETTLEMENTS SHALL BE REDUCED AND MAY BE EXHAUSTED BY THE PAYMENT OF DEFENSE EXPENSES. THIS POLICY DOES NOT PROVIDE FOR ANY DUTY BY THE INSURER TO DEFEND ANY INSURED. PLEASE READ AND REVIEW THE POLICY CAREFULLY.

Item 1. **Name and Mailing Address of Parent Company:**

Patriot Coal Corporation
12312 Olive Boulevard
Suite 400
St. Louis, MO 63141

Item 2. **Policy Period:** **From:** October 31, 2011 **To:** October 31, 2012

At 12:01 A.M. Standard Time at your Mailing Address Shown Above

Item 3. **Limit of Liability:**

$15,000,000 Aggregate each **Policy Period** (including Defense **Expenses**)

Item 4. **Retentions:**

N/A	each **Insured Person** under INSURING AGREEMENT I (A)
$1,000,000	each **Claim** under INSURING AGREEMENT I (B)
$1,000,000	each **Claim** under INSURING AGREEMENT I (C)

Item 5. **Optional Extension Period:**

Length of Optional Extension Period:

(Either one year or two years after the end of the **Policy Period**, at the election of the **Parent Company**)

Premium for Optional Extension Period:	One Year:	$390,000.00
	Two Years:	N/A
	Three Years:	N/A

Item 6. **Pending and Prior Litigation Date:** October 31, 2007

Item 7. **Notices required to be given to the Insurer must be addressed to:**

XL Professional Insurance
100 Constitution Plaza, 17th Floor
Hartford, CT 06103
Toll Free Telephone: 877-953-2636

MANAGEMENT LIABILITY AND COMPANY REIMBURSEMENT POLICY DECLARATIONS

Item 8. Premium:

Taxes, Surcharges or Fees:	$0.00
Total Policy Premium:	$260,000.00

Item 9. Policy Forms and Endorsements Attached at Issuance:

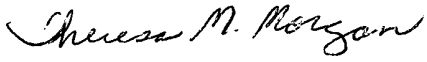
DO 71 00 09 99 XL 82 01 07 07 XL 80 24 03 03 DO 72 30 04 02 DO 72 13 04 00 DO 72 12 01 01 XL 72 02 09 01 DO 80 142 10 01 DO 80 478 05 08 DO 80 17 05 00 XL 80 34 10 04 DO 80 342 10 05 DO 80 02 03 00 DO 83 59 09 02 DO 80 143 10 01 DO 80 357 05 06 DO 80 16 05 00 DO 80 93 11 01 DO 80 69 10 04 Manuscript 8882 10 08 XL 80 22 05 02 DO 80 284 08 04 DO 83 186 08 10 DO 80 286 08 04 DO 80 213 02 03 XL 80 02 03 00 DO 80 241 11 03 DO 80 218 04 03 Manuscript 1609 04 05 DO 80 535 07 09 DO 80 436 08 07 Manuscript 8879 10 08 DO 83 148 12 07 Manuscript 8880 10 08 Manuscript 9867 09 09 DO 80 453 11 07 DO 80 468 03 08 Manuscript 11073 08 10 Manuscript 12416 08 11 DO 80 482 06 08 DO 80 214 03 03 DO 80 459 02 08 DO 80 184 08 02 DO 83 177 11 09 DO 80 137 10 01 DO 80 82 11 00 DO 83 172 07 09 DO 80 61 08 00 Manuscript 10823 06 10 DO 80 562 06 10 Manuscript 11866 03 11 Manuscript 11865 03 11 Manuscript 11867 03 11 DO 80 296 11 04 Manuscript 11225 10 10 DO 80 254 01 04 DO 80 39 07 00 DO 80 329 02 06 DO 83 197 05 11 DO 80 520 04 09 Manuscript 12649 09 11 DO 80 597 07 11

Countersigned: _____ By: _____
Date Authorized Representative

THESE **DECLARATIONS** AND THE POLICY, WITH THE ENDORSEMENTS, ATTACHMENTS, AND THE **APPLICATION** SHALL CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE INSURER AND THE **INSURED** RELATING TO THIS INSURANCE.

In Witness Whereof, the Insurer has caused this Policy to be executed by its authorized officers, but this Policy will not be valid unless countersigned on the Declarations page, if required by law, by a duly authorized representative of the Insurer.

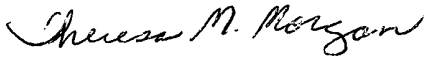
Nicholas M. Brown, Jr.
President



Theresa M. Morgan
Secretary

Greenwich Insurance Company

Nicholas M. Brown, Jr.
President



Theresa M. Morgan
Secretary

XL Specialty Insurance Company

POLICYHOLDER DISCLOSURE

NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is already included in your current policy. You are hereby notified that under the Terrorism Risk Insurance Program Reauthorization Extension Act of 2007, the definition of "act of terrorism" has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury in concurrence with the Secretary of the State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your existing coverage, any losses caused by certified acts of terrorism may be partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. However, your policy may contain other exclusions that may affect your coverage. The Terrorism Risk Insurance Program Reauthorization Extension Act contains a $100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds $100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed $100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is: $ waived. Any premium waiver is only valid for the current Policy Period.

I ACKNOWLEDGE THAT I HAVE BEEN NOTIFIED THAT UNDER THE TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION EXTENSION ACT OF 2007, ANY LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM UNDER MY POLICY COVERAGE WILL BE PARTIALLY REIMBURSED BY THE UNITED STATES AND I HAVE BEEN NOTIFIED OF THE AMOUNT OF MY PREMIUM ATTRIBUTABLE TO SUCH COVERAGE.

Name of Insurer: **XL Specialty Insurance Company**

Policy Number: **ELU123382-11**

_____
Signature of Insured

_____
Print Name and Title

_____
Date

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC")

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Policyholder Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC and possibly the U.S. Department of State. **Please read this Policyholder Notice carefully.**

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous

- Foreign agents
- Front organizations
- Terrorists
- Terrorist organizations
- Narcotics traffickers

as *Specially Designated Nationals and Blocked Persons*. This list can be found on the U.S. Department of the Treasury's web site - http//www.treas.gov/ofac.

The Secretary of the Treasury also has identified a number of entities in the insurance, petroleum, and petrochemicals industries determined to be owned or controlled by the Iranian government. Business transactions with any of these entities are expressly prohibited. These entities have been added to OFAC's list of *Financial Institutions Determined To Be Owned or Controlled by the Government of Iran.* This list can be found on the U.S. Department of the Treasury's web site - http://www.treas.gov/offices/enforcement/lists/

In accordance with OFAC regulations, or any applicable regulation promulgated by the U.S. Department of State, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance will be immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, neither payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

PRIVACY POLICY

The XL America, Inc. insurance group ("We" or "Our Group"), respects the privacy of all personal information. Thus, the information We collect from our customers, or potential customers, is treated with the highest degree of privacy.

We have developed a Privacy Policy for Our Group that:

1) ensures the security of your information; and
2) complies with state and federal privacy laws.

The term "personal information" includes all information we obtain about a customer and maintain in our files. All persons with access to personal information are required to follow this policy.

Our Privacy Promise

Your privacy rights are important to us. Analysis of your private information allows us to provide to you excellent service and products. Your trust in us depends upon the security and integrity of our records. Thus, We promise to:

1) Follow strict security standards. This will protect any information you share with us, or that we receive about you.
2) Verify and exchange data regarding your credit and financial status only for the purposes of: underwriting; policy administration; or risk management. We will obtain only reputable references and services.
3) Collect and use the least amount of information necessary to:
   a. advise you and deliver excellent service and products; and
   b. conduct our business.
4) Train our employees to securely handle private information. We will only permit authorized employees to have access to such information.
5) Not disclose data about you or your business to any organization outside Our Group or to third party providers unless:
   a. we disclose to you our intent to do so; or
   b. we are required to do so by law.
6) Not disclose medical information unless:
   a. you give us written consent to do so; or
   b. We disclose for any exception provided in the law.
7) Attempt to keep our records complete and exact.
8) Advise you how and where to access your account (unless prohibited by law).
9) Advise you how to correct errors or make changes to your account.
10) Inspect our procedures to ensure your privacy.

Collection and Sources of Information

We collect only the personal information needed to:

1) determine suitability for a product or service;
2) manage the product or service; and
3) advise customers about our products and services.

The information we collect comes from the following sources:

- **Submission** – In the application, you provide: your name; address; phone number; e-mail address; and other types of private information.
- **Quotes** – We collect information to determine:
  1) your eligibility for an insurance product; and
  2) your coverage cost.

The data we collect will vary with the type of insurance you seek.

- **Transactions** – We maintain records of all transactions with Our Group and our third party providers. Our records include:

1) your coverage choices;
2) premiums; billing; and payment records,
3) claims history; and
4) other data related to your account.

- **Claims** – We maintain records on any claims that are made under your policies. The investigation of a claim involves collection of a broad range of information. It also involves many issues, some of which do not directly involve you. We will share with you facts that we collect about your claim; unless prohibited by law. The process of claim investigation also involves advice; opinions; and comments from many people. These may include attorneys and experts. This will help us determine how best to handle your claim. To protect the legal and privileged aspects of opinions and advice, we will not disclose this information to you.
- **Credit and Financial Reports** – We may receive your credit history. This is to support information you provided during the submission and quote processes. This history will help to underwrite your coverage.

Retention and Correction of Personal Information

We retain personal information only as long as required by law; or as required by our business methods. If we become aware that any information may be incorrect, we will make reasonable effort to correct it.

Storage of Personal Information

Safeguards are in place to protect data and paper files containing personal information.

Sharing/Disclosing of Personal Information

We do not share personal information with a third party outside of Our Group for marketing purposes. This is true unless such sharing is permitted by law. Information may be shared with a third party for necessary servicing of the product. It may also be disclosed for other business reasons as permitted by law.

We do not share personal data outside of Our Group for servicing or joint marketing reasons. We will only disclose such data when a contract containing non-disclosure language has been signed by us and the third party.

Unless a consumer consents, we do not disclose “consumer credit report” type information outside of Our Group. “Consumer credit report type information” means such things as: net worth; credit worthiness; hobbies (piloting, boating, etc.); solvency, etc.

We also do not disclose outside of Our Group personal information for use in marketing. We may share information within Our Group regarding our experience and dealings with the customer.

We may disclose private information about a customer as allowed or otherwise required by law. The law allows us to share a customer’s financial data within Our Group for marketing purposes. The law does not allow customers to limit or prevent such disclosures.

We may also disclose personal information about you or your business to:

- your independent agent or broker;
- an independent claim adjuster; investigator; attorney; or expert;
- persons or groups that conduct scientific studies. This includes actuaries and accountants;
- a medical care facility or professional to verify coverage for a covered person;
- an insurance support group;
- another insurer if to prevent fraud;
- another insurer to properly underwrite a risk;
- insurance regulators;
- governmental authorities pursuant to law;
- an authority in response to a valid administrative or judicial order. This includes a warrant or subpoena;
- a party for the following purposes regarding a book of business: sale; transfer; merger; or consolidation. This applies whether the transaction is proposed or complete;

- a professional peer review group. This includes reviewing the service or conduct of medical care facilities or personnel;
- a covered person for providing the status of a transaction; or
- any of the following: a lienholder; mortgagee; assignee; lessor; or other person of record having a legal interest in the policy.

Policy for Personal Information Relating to Nonpublic Personal Health Information

We do not disclose nonpublic personal health information about a customer; unless consent is obtained from that customer. However, such consent shall not be prohibited, limited or sought for certain insurance functions. This includes, but is not limited to:

a. claims administration;
b. fraud prevention;
c. underwriting; policy placement or issuance; loss control or auditing.

Access to Your Information

The following persons will have access to personal information we collect:
employees of Our Group and third party service providers. Information will only be collected as is needed in transactions with you.

Violation of the Privacy Policy

Any person violating this Policy will be subject to discipline. This may include termination.

For questions regarding this privacy statement, please contact your broker.

IN WITNESS

XL SPECIALTY INSURANCE COMPANY

REGULATORY OFFICE
505 EAGLEVIEW BOULEVARD, SUITE 100
DEPARTMENT: REGULATORY
EXTON, PA 19341-0636
PHONE: 800-688-1840

It is hereby agreed and understood that the following In Witness Clause supercedes any and all other In Witness clauses in this policy.

All other provisions remain unchanged.

IN WITNESS WHEREOF, the Insurer has caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by a duly authorized representative of the Insurer.

Bernard R. Horovitz
President

Toni Ann Perkins
Secretary

LAD 400 XLS 0710

NOTICE TO POLICYHOLDERS

FRAUD NOTICE

Arkansas	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
Colorado	It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claiming with regard to a settlement or award payable for insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.
District of Columbia	**WARNING:** It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.
Florida	Any person who knowingly and with intent to injure, defraud, or deceive any insurance company files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.
Hawaii	For your protection, Hawaii law requires you to be informed that presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.
Kentucky	Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.
Louisiana	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
Maine	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or denial of insurance benefits.
Maryland	Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

New Jersey	Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.
New Mexico	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.
New York	**All Commercial Insurance Forms, Except As Provided for Automobile Insurance:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation. **Automobile Insurance Forms:** Any person who knowingly makes or knowingly assists, abets, solicits or conspires with another to make a false report of the theft, destruction, damage or conversion of any motor vehicle to a law enforcement agency, the department of motor vehicles or an insurance company, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the value of the subject motor vehicle or stated claim for each violation. **Fire Insurance:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime. The proposed insured affirms that the foregoing information is true and agrees that these applications shall constitute a part of any policy issued whether attached or not and that any willful concealment or misrepresentation of a material fact or circumstances shall be grounds to rescind the insurance policy.
Ohio	Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.
Oklahoma	**WARNING:** Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.
Pennsylvania	Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties. **Automobile Insurance Forms:** Any person who knowingly and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and the payment of a fine of up to $15,000.

Puerto Rico	Any person who knowingly and with the intention to defraud includes false information in an application for insurance or file, assist or abet in the filing of a fraudulent claim to obtain payment of a loss or other benefit, or files more than one claim for the same loss or damage, commits a felony and if found guilty shall be punished for each violation with a fine of no less than five thousands dollars ($5,000), not to exceed ten thousands dollars ($10,000); or imprisoned for a fixed term of three (3) years, or both. If aggravating circumstances exist, the fixed jail term may be increased to a maximum of five (5) years; and if mitigating circumstances are present, the jail term may be reduced to a minimum of two (2) years.
Rhode Island	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefitor knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
Tennessee	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits. **Workers Compensation:** It is a crime to knowingly provide false, incomplete or misleading information to any party to a workers compensation transaction for the purpose of committing fraud. Penalties include imprisonment, fines and denial of insurance benefits.
Utah	**Workers Compensation:** Any person who knowingly presents false or fraudulent underwriting information, files or causes to be filed a false or fraudulent claim for disability compensation or medical benefits, or submits a false or fraudulent report or billing for health care fees or other professional services is guilty of a crime and may be subject to fines and confinement in state prison.
Virginia	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.
Washington	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.
West Virginia	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
All Other States	Any person who knowingly and willfully presents false information in an application for insurance may be guilty of insurance fraud and subject to fines and confinement in prison.

NOTICE TO POLICYHOLDERS

MISSOURI

For information or to make a complaint call:

1-800-622-7311

XL Insurance
SEAVIEW HOUSE
70 SEAVIEW AVENUE
STAMFORD, CT 06902-6040

Endorsement No.: 1
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

CHANGE OF PREAMBLE ENDORSEMENT

The preamble to this Policy is amended to read in its entirety as follows:

In consideration of the payment of the premium, and in reliance on all statements made and information furnished to the Insurer identified in the Declarations (hereinafter the Insurer) including the Application and subject to all of the terms, conditions and limitations of all of the provisions of this Policy, the Insurer, the Insured Persons and the Company agree as follows:

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 2
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

TERRORISM PREMIUM ENDORSEMENT

Please note: The portion of your annual premium set forth in Item 8. of the Declarations that is attributable to coverage for acts of terrorism is: $ waived.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 3
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

MISSOURI ADDENDUM TO DECLARATIONS

The Declarations for the Management Liability and Company Reimbursement Insurance Policy is amended by the addition of the following:

1. ANY DEFENSE EXPENSES PAID UNDER THIS POLICY WILL REDUCE THE LIMIT OF LIABILITY AND MAY EXHAUST IT COMPLETELY. DEFENSE EXPENSES MEANS REASONABLE LEGAL FEES AND EXPENSES INCURRED IN THE DEFENSE OF ANY CLAIM INCLUDING THE PREMUIM FOR AN APPEAL BOND, ATTACHMENT BOND OR SIMILAR BOND BUT WILL NOT INCLUDE APPLYING FOR OR FURNISHING SUCH BOND. DEFENSE EXPENSES WILL NOT INCLUDE THE COMPANY'S OVERHEAD EXPENSES OR ANY SALARIES, WAGES, FEES, OR BENEFITS OF ITS DIRECTORS, OFFICERS OR EMPLOYEES.

2. ITEM 10. Retroactive Date: October 31, 2007

Endorsement No.: 4
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

MISSOURI AMENDATORY ENDORSEMENT

1. Section VI. GENERAL CONDITIONS (E) CANCELLATION AND RENEWAL OF COVERAGE (3) is amended by the addition of the following:

   The notice shall state the reason for non-renewal.

2. Item 8 of the Policy's Declarations is amended by deleting the following words and symbol: Taxes, Surcharges or Fees $.

Endorsement No.: 5
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

MISSOURI ADDENDUM TO APPLICATION

The Application For Management Liability Insurance Including Company Reimbursement Policy or the Renewal Application For Management Liability Insurance Including Company Reimbursement Policy, if any, is amended by the addition of the following:

I UNDERSTAND AND ACKNOWLEDGE THAT THE ATTACHED POLICY CONTAINS A DEFENSE WITHIN LIMITS PROVISION WHICH MEANS THAT DEFENSE EXPENSES WILL REDUCE THE LIMITS OF INSURANCE AND MAY EXHAUST IT COMPLETELY. SHOULD THAT OCCUR, THE INSUREDS SHALL BE LIABLE FOR ANY FURTHER DEFENSE EXPENSES AND LOSS.

Endorsement No.: 6 **Effective: October 31, 2011**
Named Insured: Patriot Coal Corporation **12:01 A.M. Standard Time**
Policy No.: ELU123382-11 **Insurer: XL Specialty Insurance Company**

MISSOURI CHANGES -- GUARANTY ASSOCIATION

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Management Liability and Company Reimbursement

Missouri Property and Casualty Insurance Guaranty Association Coverage Limitations

A. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if the Insurer is a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if the Insurer becomes insolvent.

B. The Act contains various exclusions, conditions and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply subject to all other provisions of the Act:

1. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than $25 million on the date the insurer becomes insolvent.

If the insured prepares an annual report to shareholders, or an annual report to management reflecting net worth, then such report for the fiscal year immediately preceding the date of insolvency of the insurer will be used to determine net worth.

2. Payments made by the Association for covered claims will include only that amount of each claim which is:

a. In excess of $100; and

b. Less than $300,000.

However, the Association will not:

1) Pay an amount in excess of the applicable limit of insurance of the policy from which a claim arises; or

2) Return to an insured any unearned premium in excess of $10,000.

These limitations have no effect on the coverage the Insurer will provide under this policy.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 7
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND SECTION IV ENDORSEMENT

In consideration of the premium charged, Section IV Limit of Liability, Indemnification and Retentions (F) of the Policy is deleted in its entirety.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 8
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF LOSS ENDORSEMENT

In consideration of the premium charged, Section II Definition (M) of the Policy is amended to read in its entirety as follows:

"(M) 'Loss' means damages, judgments, settlements, pre-judgment and post-judgment interest or other amounts (including punitive, exemplary or multiple damages, where insurable by law) and Defense Expenses in excess of the Retention that the Insured is legally obligated to pay. Loss will not include:

(1) fines, penalties or taxes imposed by law, or

(2) matters which are uninsurable under the law pursuant to which this Policy is construed.

NOTE: With respect to judgments in which punitive, exemplary or multiplied damages are awarded, the law of the jurisdiction most favorable to the insurability of punitive, exemplary or multiplied damages shall control, provided such jurisdiction:

(i) is where such punitive, exemplary or multiplied damages where awarded;

(ii) is where the Parent Company or any Subsidiary is incorporated or otherwise organized or has a place of business, or

(iii) is where the Insurer is incorporated or has its principal place of business."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 9 **Effective: October 31, 2011**
Named Insured: Patriot Coal Corporation **12:01 A.M. Standard Time**
Policy No.: ELU123382-11 **Insurer: XL Specialty Insurance Company**

ADD COVERAGE FOR COSTS INCURRED IN INVESTIGATING AND EVALUATING SHAREHOLDER DERIVATIVE DEMANDS

(1) In addition to the coverage otherwise provided under this Policy, but still subject to the Insurer's maximum aggregate Limit of Liability as set forth in ITEM 3 of the Declarations, the Insurer shall pay on behalf of the Company all Investigation Costs resulting solely from any Shareholder Derivative Demand first made during the Policy Period or, if applicable, the Optional Extension Period, for a Wrongful Act committed or attempted, or allegedly committed or attempted, by any Insured Person.

(2) "Investigation Costs" mean reasonable fees and expenses of attorneys and experts retained by the Company, or by its board of directors or any committee thereof, that are incurred by the Company in the Company's investigation or evaluation of a Shareholder Derivative Demand. Investigation Costs will not include the Company's overhead expenses or any salaries, wages, fees or benefits of its directors, officers or employees.

(3) "Shareholder Derivative Demand" means a written demand, made by one or more of the shareholders of the Company upon the Company's board of directors, for the Company to bring a civil proceeding in a court of law against an Insured Person.

(4) The Insurer's maximum aggregate limit of liability under this Policy for Investigation Costs shall be $250,000, which amount shall be part of, and not in addition to, the Insurer's maximum aggregate Limit of Liability under this Policy as set forth in ITEM 3 of the Declarations. Payment by the Insurer of Investigation Costs shall reduce the Limit of Liability.

(5) The coverage provided under paragraph (1) above will be subject to the exclusions set forth in Section III of this Policy and to any exclusions that may be set forth in other endorsements to this Policy, and any references in those exclusions to Loss and Claims shall be deemed to refer instead to Investigative Costs and Shareholder Derivative Demands, respectively.

(6) No retention will apply to Investigation Costs payable under paragraph (1) above.

(7) It shall be the duty of the Company to investigate and evaluate any Shareholder Derivative Demand.

(8) For purposes of the coverage provided under paragraph (1) above, all references in Sections V.C and VI to Loss and Defense Expenses shall be deemed to refer instead to Investigative Costs, and all references in Sections V.C and VI to Claims shall be deemed to refer instead to Shareholder Derivative Demands.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 10
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

RESCISSION ENDORSEMENT

In consideration of the premium charged, the Insurer shall not be entitled under any circumstances to rescind this Policy, other than for non-payment of premium.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 11
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF APPLICATION ENDORSEMENT

In consideration of the premium charged, the term “Application” shall include all reports, statements, prospectuses and other materials filed by the Company with the Securities and Exchange Commission on or after that date which is one (1) year before the date of the Application but before the Inception Date set forth in ITEM 2 of the Declarations, and Section II DEFINITIONS (A) of the Policy will be deemed to have been amended accordingly.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 12
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF INSURED PERSON

In consideration of the premium charged, the term “Insured Person” shall include those individuals holding the following positions for the Company:

Positions
Director of Insurance
Director of Investor Relations
Director of Public Relations
General Counsel

All other terms, conditions and limitations of this policy shall remain unchanged.

Endorsement No.: 13
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

PRIOR ACTS EXCLUSION

In consideration of the premium charged, no coverage will be available under this Policy for claims based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any act, error, omission, misstatement, misleading statement, neglect, breach of duty, Wrongful Act, Company Wrongful Act or Employment Wrongful Act committed or allegedly committed prior to October 31, 2007.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 14
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

SEVERABILITY ENDORSEMENT

In consideration of the premium charged, the last sentence of Section III Exclusions of the Policy is amended to read in its entirety as follows:

> "No conduct of any Insured Person will be imputed to any other Insured Person to determine the application of any of the above EXCLUSIONS. Only the conduct of the following individuals will be imputed to the Company to determine the application of any of the above EXCLUSIONS:
>
> Chief Executive Officer and Chief Financial Officer of the Parent Company

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 15
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

EMPLOYED LAWYERS ENDORSEMENT (WITH SUBLIMIT)

In consideration of the premium charged:

(1) The coverage afforded under this Policy will, subject to all of its terms, conditions, limitations and exclusions, be extended to apply to Loss resulting from a Claim made against any Employed Lawyer of the Company (an "Employed Lawyer Claim").

(2) The term "Employed Lawyer" means any employee of the Company if and to the extent such employee is or, during the course of such person's employment was,"

(a) admitted to the practice of law; and

(b) employed within the Company's office of general counsel or its functional equivalent for the purpose of providing legal services to or for the benefit of the Company.

(3) The term "Insured Person" also includes any Employed Lawyer.

(4) The term "Wrongful Act" also includes any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty by an Employed Lawyer, but only in connection with an Employed Lawyer's performance of, or actual or alleged failure to perform, legal services to or for the benefit of the Company within the scope of his or her employment.

(5) No coverage will be available under this endorsement for Loss, including Defense Expenses, from any Claim against an Employed Lawyer based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving:

(a) the service by any such person in any capacity, whether or not with the Company, other than those explicitly set forth in this endorsement; or

(b) an Employed Lawyer's performance of, or actual or alleged failure to perform, any legal services other than legal services to or for the benefit of the Company within the scope of the Employed Lawyer's employment.

(6) The Insurer's maximum aggregate limit of liability for all Loss from all Employed Lawyer Claims shall be $5,000,000, which amount shall be part of, and not in addition to, the maximum aggregate Limit of Liability for this Policy as set forth in Item 3 of the Declarations, which is applicable to all Loss from all Claims for which this Policy provides coverage.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 16
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

PRIORITY OF PAYMENTS

In consideration of the premium charged, it is understood and agreed that if Loss, including Defense Expenses, shall be payable under more than one of the INSURING AGREEMENTS, then the Insurer shall, to the maximum extent practicable and subject at all times to the Insurer's maximum aggregate Limit of Liability as set forth in ITEM 3 of the Declarations, pay such Loss as follows:

(1) first, the Insurer shall pay that Loss, if any, which the Insurer may be liable to pay on behalf of the Insured Persons under INSURING AGREEMENT (A);

(2) second, the Insurer shall pay that Loss, if any, which the Insurer may be liable to pay on behalf of the Company under INSURING AGREEMENT (B); and

(3) third, the Insurer shall make such other payments which the Insurer may be liable to make under INSURING AGREEMENT (C) or otherwise.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 17
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND ERISA EXCLUSION

In consideration of the premium charged, Section III Exclusions (C) of the Policy is amended to read in its entirety as follows:

(C) for any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (ERISA) as amended or any regulations promulgated thereunder or any similar law, federal, state or local law or regulation; provided that this EXCLUSION (C) will not apply to a Securities Claim brought by a security holder of the Company other than an Insured Person;

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 18
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF CLAIM TO INCLUDE INFORMAL INVESTIGATIONS

In consideration of the premium charged, the definition of “Claim” set forth in Section II Definitions of the Policy is amended to include any informal regulatory or administrative investigation of an Insured Person for a Wrongful Act.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 19
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND REPRESENTATION CLAUSE

In consideration of the premium charged, Section VI. GENERAL CONDITIONS (I) of the Policy is amended to read in its entirety as follows:

"(I) REPRESENTATION CLAUSE

The Insureds represent that the statements and particulars contained in the Application as well as in any prior application submitted to the Insurer are true, accurate and complete, and agree that this Policy is issued in reliance on the truth of that representation and that such particulars and statements, which are deemed to be incorporated into and to constitute a part of this Policy, form the basis of this Policy. No knowledge or information possessed by any Insured Person will be imputed to any other Insured Person. With respect to the Company only, no knowledge or information possessed by any Insured other than Chief Executive Officer and Chief Financial Officer of the Parent Company will be imputed to the Company. In the event that any of the particulars or statements in the Application shall be untrue, this Policy will be void with respect to any Insured who knew that such particulars and statements were not truthfully disclosed in the Application."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 20
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

DEBTOR IN POSSESSION ENDORSEMENT

In consideration of the premium charged, the term "Insured" shall include the Company as a debtor in possession, as such term is used in Chapter 11 of the United States Bankruptcy Code.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 21
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND GENERAL CONDITIONS (C)(1) ENDORSEMENT

In consideration of the premium charged, Section VI General Conditions (C)(1) of the Policy is amended to read in its entirety as follows:

"(1) All Loss payable under this Policy will be specifically excess of and will not contribute with any other valid and collectible insurance, including but not limited to any insurance under which there is a duty to defend, unless such other insurance is specifically excess of this Policy. This Policy will not be subject to the terms of any other insurance policy."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 22
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND EXCLUSIONS (F) ENDORSEMENT

In consideration of the premium charged, Section III Exclusions (F) of the Policy is amended to read in its entirety as follows:

"(F) brought about or contributed to in fact by any:

(1) deliberately fraudulent or criminal act or omission or any willful violation of any statute, rule or law; or

(2) profit or remuneration gained by any Insured to which such Insured is not legally entitled;

as determined by a final, non-appealable adjudication in the underlying action;"

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 23
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

DOMESTIC PARTNER ENDORSEMENT

In consideration of the premium charged, Section II Definition (J)(5) of the Policy shall include the domestic partner of any person set forth in Section II Definition (J)(1) – (J)(4), but only to the extent the domestic partner is a party to any Claim solely in their capacity as a domestic partner to such persons and only for the purposes of any Claim seeking damages recoverable from community property, property jointly held by any such person and domestic partner, or property transferred from any such person to the domestic partner.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 24
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF SECURITIES CLAIM ENDORSEMENT

In consideration of the premium charged, Section II Definitions (Q) of the Policy is amended to read in its entirety as follows:

(Q) 'Securities Claim' means a Claim, other than an administrative or regulatory proceeding against or investigation of a Company, made against any Insured for:

(1) a violation of any federal, state, local regulation, statute or rule (whether statutory or common law) regulating securities, including but not limited to the purchase or sale of, or offer to purchase or sell, securities which is:

(a) brought by any person or entity based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving the purchase or sale of, or offer to purchase or sell, securities of the Company; or

(b) brought by a security holder of a Company with respect to such security holder's interest in securities of such Company; or

(2) brought derivatively on behalf of the Company by a security holder of such Company.

Notwithstanding the foregoing, the term 'Securities Claim' shall include an administrative or regulatory proceeding against a Company, but only if and only during the time that such proceeding is also commenced and continuously maintained against an Insured Person."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 25
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11
Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

WORLDWIDE ENDORSEMENT

In consideration of the premium charged:

(1) Notwithstanding differences in the substantive and procedural laws of any foreign jurisdiction as compared to the United States federal and state laws, the Insurer agrees to provide coverage in foreign jurisdictions worldwide and agrees that it shall interpret the coverage provided by this Policy at least as broadly, and with the same intent of coverage, as if Loss had been sustained in the United States.

(2) In the event that a jurisdiction in which any Insured(s) is doing business requires by law or regulation that the Insurer uses approved, filed or otherwise accepted local policy forms, the Insurer shall take such steps as are necessary to ensure that the coverage provided under this Policy is effective in such jurisdiction on the same or better terms and for the same term as hereunder.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 26
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF INSURED PERSON

In consideration of the premium charged:

(1) Solely for the purposes of this endorsement, the following terms shall have the meanings set forth below:

(a) "Co-Defendant Insured Person" means any natural person employee of the Company, but solely in connection with services performed for the Company; and

(b) "Original Insured Person" means any Insured Person, other than a Co-Defendant Insured Person.

(2) The term "Insured Person," as defined in Section II Definitions (J) of the Policy, is amended to include any Co-Defendant Insured Person, but only with respect to, to the extent that, and during such time that a Claim:

(a) made against a Co-Defendant Insured Person is also made and continuously maintained against an Original Insured Person; and

(b) is for any actual or alleged act, error, omission, misstatement, misleading statement, neglect or breach of duty by such Co-Defendant Insured Person committed or allegedly committed in connection with services performed for the Company.

(3) No coverage will be available under this Policy for any Claim made: (a) solely against a Co-Defendant Insured Person, or (b) against a Co-Defendant Insured Person and person or entity, other than an Original Insured Person.

(4) No coverage will be available under this Policy for any Claim made against a Co-Defendant Insured Person based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving a Co-Defendant Insured Person in connection with any services performed for any entity other than the Company, or acting in their capacity as a consultant to any entity other than the Company.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 27
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF CHANGE IN CONTROL ENDORSEMENT

In consideration of the premium charged, Section II Definitions (B)(3) of the Policy is deleted in its entirety.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 28
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

STATE AMENDATORY - MOST FAVORABLE ENDORSEMENT

In consideration of the premium charged, in the event that there is an inconsistency between a state amendatory endorsement or supplement attached to this Policy and any term or condition of this Policy, then it is understood and agreed that, where permitted by law, the Insurer shall apply those terms and conditions of either the amendatory endorsement or supplement or the Policy which are more favorable to the Insured.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 29
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND INSURER'S RIGHTS OF SUBROGATION

In consideration of the premium charged, it is understood and agreed that, in the event of payment under the Policy, the Insurer will not be subrogated to any Insured's potential or actual rights of recovery in connection therewith against any Insured Person unless it shall have been determined that such Insured Person committed any act or omission or gained any profit or remuneration so that Section III. EXCLUSION (F) of this Policy, as amended, would be applicable to such Insured Person, and Section VI. GENERAL CONDITIONS (G)(2) of this Policy will be deemed to have been amended accordingly.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 30
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND NOTICE OF CLAIM ENDORSEMENT

In consideration of the premium charged, Section VI General Conditions (A)(1) of the Policy is amended to read in its entirety as follows:

"(1) As a condition precedent to any right to payment under this Policy with respect to any Claim, the Insured shall give written notice to the Insurer of any Claim as soon as practicable after it is first made and the Risk Manager of the Parent Company first becomes aware of such Claim, but in no event later than sixty (60) days after the expiration of the Policy Period."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 31 **Effective: October 31, 2011**
Named Insured: Patriot Coal Corporation **12:01 A.M. Standard Time**
Policy No.: ELU123382-11 **Insurer: XL Specialty Insurance Company**

AMEND DEFINITION OF "SUBSIDIARY"

In consideration of the premium charged:

(1) "Corporate General partner" means any entity over which the Parent Company has Management Control that was, now is or becomes a duly elected, appointed or designated general partner of an Insured Partnership.

(2) "General Partner" means:

(a) any natural person who was, now is or becomes a duly elected, appointed or designated general partner of an Insured Partnership,

(b) any Corporate General Partner,

(c) any natural person who was, now is or becomes duly elected or appointed to a management position with an Insured Partnership in accordance with the partnership agreement thereof, and

(d) any natural person who was, now is or becomes a duly elected or appointed director, officer, trustee (other than a bankruptcy trustee) or equivalent executive of a Corporate General Partner, but only with respect to such person's actions on behalf of such Corporate General Partner in a fiduciary capacity as a general partner to an Insured Partnership.

(3) "Insured Partnership" means any limited partnership:

(a) which first becomes affiliated with or sponsored by the Parent Company or any Subsidiary during the Policy Period by reason of an Insured becoming the sole general partner of such limited partnership, and

(b) whose partnership interests have not been sold in a public offering.

(4) "Management Control" means:

(a) the ownership of interests representing fifty percent (50%) or more of the voting, appointment or designation power for the selection of a majority of an entity's board of directors (if such entity is a corporation), management committee members (if such entity is a joint venture) or members of the management board (if such entity is a limited liability company), or

(b) the right, pursuant to a written contract or the by-laws, charter, operating agreement or similar documents of an entity, to elect, appoint or designate a majority of such entity's board of directors (if such entity is a corporation), management committee members (if such entity is a joint venture) or members of the management board (if such entity is a limited liability company.

(5) Section II. DEFINITIONS (R) of the Policy is amended to read in its entirety as follows:

"(R) 'Subsidiary' means any entity, other than a partnership which is not an Insured Partnership, during any time during or before the Policy Period in which the Parent Company, directly or indirectly through one or more other Subsidiaries:

(1) owns or owned interests representing fifty percent (50%) or more of the voting, appointment or designation power for the selection of a majority of such entity's board of directors (if such entity is a corporation), management committee members (if such entity is a joint venture) or members of the management board (if such entity is a limited liability company), or

(2) has or had the right, pursuant to a written contract or the by-laws, charter, operating agreement or similar documents of an entity, to elect, appoint or designate a majority of such entity's board of directors (if such entity is a corporation), management committee members (if such entity is a joint venture) or members of the management board (if such entity is a limited liability company."

(6) It is understood and agreed that the Insurer's liability under this Policy for Loss, including Defense Expenses, incurred by Subsidiaries which are Insured Partnerships or by any Insured Persons thereof will not exceed that percentage of such Loss which is equal to the percentage of the Parent Company's ownership interest in such Insured Partnership; provided however, that this paragraph (6) will not apply to Loss which the Insurer is obligated to pay under Section I. INSURING AGREEMENT (A).

(7) There will be no coverage available under this Policy for Claims made against any Insured Partnership or any Insured Person thereof for any Wrongful Act, Company Wrongful Act or Employment Practices Wrongful Act that occurred or allegedly occurred prior to the time an Insured first became the sole general partner of such Insured Partnership, or that occurs or allegedly occurs after:

(a) such Insured Partnership or any Corporate General Partner thereof consolidates with or merges into, or sells all or substantially all of its assets to any other person, entity or group of persons or entities acting in concert,

(b) any other person, entity or group of persons or entities acting in concert acquires Management Control of such Insured Partnership or any Corporate General Partner thereof,

(c) such Insured Partnership engages in a liquidation, "roll-up" or "roll-over," or

(d) there is a change of general partner with respect to such Insured Partnership; provided, that this subparagraph (7)(d) will not apply if the sole general partner of such Insured Partnership is and remains at all times the Parent Company or a Subsidiary.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 32
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND POLLUTION EXCLUSION

In consideration of the premium charged, Section III Exclusion (B) of the Policy is amended to read in its entirety as follows:

> "(B) for any actual, alleged or threatened discharge, dispersal, release, escape, seepage, transportation, emission, treatment, removal or disposal of pollutants, contaminants, or waste of any kind including but not limited to nuclear material or nuclear waste or any actual or alleged direction, request or voluntary decision to test for, abate, monitor, clean up, recycle, remove, recondition, reclaim, contain, treat, detoxify or neutralize pollutants, contaminants or waste of any kind including but not limited to nuclear material or nuclear waste; provided however, that this exclusion shall not apply to any Claim made under Insuring Agreement (A) of the Policy;"

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 33 **Effective: October 31, 2011**
Named Insured: Patriot Coal Corporation **12:01 A.M. Standard Time**
Policy No.: ELU123382-11 **Insurer: XL Specialty Insurance Company**

ADD POLITICAL ACTION COMMITTEE COVERAGE

In consideration of the premium charged:

(1) "Political Action Committee" means a committee formed, created or sponsored solely by the Parent Company and/or one or more of its Subsidiaries, pursuant to applicable state or federal law, to raise money and make contributions to the campaigns of candidates for political office.

(2) The term "Company," as defined in Section II. DEFINITIONS (D) of this Policy, will be deemed to have been amended to include any Political Action Committee.

(3) The term "Insured Person," as defined in Section II. DEFINITIONS (J) of this Policy, will be deemed to have been amended to include any natural person during any time in which such person serves or served at the direction of the Parent Company and/or one or more of its Subsidiaries on a Political Action Committee; provided, however, that no coverage will be available under this endorsement in respect of any person included within the term "Insured Person" by reason of this paragraph (3) for any act, error, omission, misstatement, misleading statement, neglect or breach of duty actually or allegedly committed or attempted by any such person in any capacity other than as expressly set forth above.

(4) The Insurer will not be liable under this endorsement for any payment of Loss, including Defense Expenses, in connection with any Claim based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged violation of the Federal Election Campaign Act of 1972, as amended, any rule or regulation applicable thereto, any foreign or state equivalent thereof, or any other law, statute, rule or regulation relating to political; contributions; provided, however, that this paragraph (4) will not apply unless and until there shall have been a final adjudication against any Insured as to such violation.

(5) The Company and all Political Action Committees agree to indemnify the Insured Persons thereof to the fullest extent permitted by law, taking all steps necessary or advisable in furtherance thereof, including the making in good faith of any application for court approval. The Company and all Political Action Committees further agree to advance Defense Expenses actually and reasonably incurred by any Insured person thereof in defending any threatened, contemplated or pending action, suit or proceeding prior to a final disposition of such action, suit or proceeding and, where permitted by law, will not require any determination or adjudication, interim or final, of the entitlement of such Insured persons to indemnification, The financial ability of any Insured person to make repayment will not be a prerequisite to the making of any such advance, and the right herein to receive advancements of Defense Expenses is a contractual right. The agreements contained in this paragraph (5) are binding upon the Company and all Political Action Committees and are enforceable by the Insurer and the Insured Persons.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 34
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

EXTRADITION COSTS ENDORSEMENT

In consideration of the premium charged:

(1) For the purposes of this endorsement the follow terms shall have the meanings set forth below:

(a) "Extradition Proceeding" means an extradition proceeding commenced against any Insured Person pursuant to the United Kingdom Extradition Act 2003 or the equivalent in any jurisdiction ("Extradition Act") which shall be deemed first commenced upon receipt by an Insured Person of a formal notice of an intention to bring such proceeding.

(b) "Extradition Costs" means only such Defense Expenses constituting:

(i) costs incurred in appealing an order for extradition pursuant to an Extradition Act whether in connection with such proceeding or a separate proceeding; and

(ii) the reasonable premium for any appeal, bail, attachment or similar bond or financial instrument incurred by or on behalf of such Insured Person by reason of an Extradition Proceeding; provided that the Insurer shall have no obligation to apply for or provide any collateral for any such bond or financial instrument.

(2) The term "Claim," as defined in Section II Definitions of the Policy, will include any Extradition Proceeding; provided that no coverage shall be available under this Policy for any Loss other than Extradition Costs incurred in connection with any Extradition Proceeding.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 35
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION ENDORSEMENT

In consideration of the premium charged, the term “Claim,” as defined in Section II Definitions of the Policy, will include any demand for injunctive relief.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 36
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF CLAIM

In consideration of the premium charged, the term “Claim” will include an arbitration or mediation proceeding commenced by the receipt of a demand for arbitration or mediation or similar document, and Section II. DEFINITIONS (C) of the Policy will be deemed to have been amended accordingly.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 37
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF CLAIM ENDORSEMENT

In consideration of the premium charged, the term “Claim,” as defined in Section II Definitions (C) of the Policy, is amended to include a written request or agreement that an Insured Person or the Company toll or waive any applicable statute of limitations.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 38
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

RETENTION ENDORSEMENT

In consideration of the premium charged, it is understood and agreed that in the event the Insured is obligated under the Policy to pay any Retention amount, the Insured may satisfy such Retention obligation from any source. As a precondition to such recognition of the erosion of the Retention amount from any source other than by payment by the Insured, the Insured shall provide the Insurer with written proof, to the Insurer's satisfaction, that payment of such Retention has been made.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 39
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF CLAIM ENDORSEMENT

In consideration of the premium charged, the term "Claim," as defined in Section II Definitions (C)(4) of the Policy, is amended to read in its entirety as follows:

"(4) a formal civil, criminal, administrative regulatory proceeding or formal investigation of an Insured Person or the Company (but with respect to the Company only for a Company Wrongful Act) which is commenced by the filing or issuance of a notice of charges, formal investigative order or similar document identifying in writing such Insured Person or the Company as a person or entity against whom a proceeding as described in (C)(2) or (3) above may be commenced, including any:

(a) "Wells" or other notice from the Securities and Exchange Commission or a similar state or foreign governmental authority that describes actual or alleged violations of securities or other laws by such Insured Person; or

(b) proceeding before the Equal Employment Opportunity Commission or any similar federal, state or local governmental body having jurisdiction over any Employment Practices Wrongful Act."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 40
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF CLAIM ENDORSEMENT

In consideration of the premium charged, the term "Claim," as defined in Section II Definitions (C)(3) of the Policy, is amended to read in its entirety as follows:

"(3) any criminal proceeding which is commenced by the return of an indictment, information or similar document; and"

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 41
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND LOSS ENDORSEMENT

In consideration of the premium charged, notwithstanding Section II Definition (M)(2), the term “Loss,” as defined in Section II Definition (M) of the Policy, will include civil penalties assessed against an Insured pursuant to Section 2(g)(2) of the Foreign Corrupt Practices Act of 1977 (15 U.S.C. 78dd-2(g)(2)) and Section 308 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7246 (a)).

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 42
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF EMPLOYMENT PRACTICES WRONGFUL ACT ENDORSEMENT

In consideration of the premium charged, the term "Employment Practices Wrongful Act," as defined in Section II Definitions (G)(4) of the Policy, is amended to include negligent hiring and negligent supervision.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 43
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND EXCLUSION (A) ENDORSEMENT

In consideration of the premium charged, Section III Exclusions (A) of the Policy is amended to read in its entirety as follows:

"(A) for any actual or alleged bodily injury, sickness, mental anguish, emotional distress, libel, slander, oral or written publication of defamatory or disparaging material, disease or death of any person, or damage or destruction of any tangible property including loss of use thereof; however, this EXCLUSION (A) will not apply to any:

(i) allegations of libel, slander, defamation, mental anguish or emotional distress if and only to the extent that such allegations are made as part of an Employment Practices Claim for an Employment Practices Wrongful Act; or

(ii) Claim made under Insuring Agreement (A) of the Policy;"

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 44
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND CONDITION (J)(1)(b) ENDORSEMENT

In consideration of the premium charged, Section VI General Conditions (J)(1)(b) of the Policy is deleted in its entirety.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 45
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF INTERRELATED WRONGFUL ACTS

In consideration of the premium charged, Section II Definitions (K) is deleted in its entirety and replaced by the following:

(K) "Interrelated Wrongful Acts" means any Wrongful Act, Company Wrongful Act, or Employment Practices Wrongful Act which are logically or causally connected in time, place and sequence by reason of any common fact, circumstance, situation, transaction or event.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 46
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND EXCLUSION (H) ENDORSEMENT

In consideration of the premium charged, Section III. EXCLUSIONS (H) of the Policy is amended to read as follows:

"(H) by or on behalf of, or at the direction of, any Non-Profit Entity or Joint Venture against an Insured Person for a Wrongful Act or Employment Practices Wrongful Act while acting in his or her capacity as a director, officer, trustee, regent or governor of such, or as a person occupying an elected or appointed position having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an Insured Person of the Company, regardless of the name or title by which such position is designated, except and to the extent such Claim:

(1) is brought derivatively by a security holder of such Non-Profit Entity or Joint Venture who, when such Claim is made and maintained, is acting independently of, and without the active solicitation, assistance, participation or intervention of an Insured or such Non-Profit Entity or Joint Venture; or

(2) is brought by the Bankruptcy Trustee or Examiner of such Non-Profit Entity or Joint Venture or any assignee of such Trustee or Examiner, or by any Receiver, Conservator, Rehabilitator, Liquidator, creditors committee or comparable authority of the Non-Profit Entity or Joint Venture;

(3) is in the form of a crossclaim, third party claim or other claim for contribution or indemnity by an Insured Person serving in such capacity which is part of or results directly from a Claim which is not otherwise excluded by the terms of this Policy;

(4) is an Employment Practices Claim;

(5) is brought derivatively by a security holder of the Non-Profit Entity or Joint Venture who, when such Claim is made and maintained is acting independently of, and without the active solicitation, assistance, participation or intervention of an Insured Person or a person occupying an elected or appointed position having fiduciary, supervisory or managerial duties and responsibilities for the Non-Profit Entity or Joint Venture comparable to those of an Insured Person of the Company (other than any solicitation, assistance or participation for which Section 806 of the Sarbanes-Oxley Act of 2002, or any similar "whistleblower" protection provision of an applicable federal, state, local or foreign securities law, affords protection to such Insured or person occupying a position comparable to an Insured Person); or

(6) is brought and maintained by (i) an Insured Person or (ii) a director, officer, trustee, regent or governor of the Non-Profit Entity or Joint Venture or a person occupying an elected or appointed position having fiduciary, supervisory or managerial duties and responsibilities for the Non-Profit Entity or Joint Venture comparable to those of an Insured Person of the Company, regardless of the name or title by which such position is designated:

(a) who has not served in such capacity for at least three years prior to the date such Claim is first made; and

(b) who is acting independently of, and without the solicitation, assistance, participation or intervention of an Insured or the Non-Profit Entity or Joint Venture."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 47
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND ALLOCATION ENDORSEMENT

In consideration of the premium charged, Section V (D), Defense, Settlement and Allocation of Loss is deleted in its entirety and replaced by the following:

(D) If both Loss covered by this Policy and Loss not covered by this Policy are incurred, either because a Claim made against the Insured contains both covered and uncovered matters, or because a Claim is made against both the Insured and others (including the Company for Claims other than Securities Claims) not insured under this Policy, the Insured and the Insurer will use their best efforts to determine a fair and appropriate allocation of Loss between that portion of Loss that is covered under this Policy and that portion of Loss that is not covered under this Policy.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 48 **Effective: October 31, 2011**
Named Insured: Patriot Coal Corporation **12:01 A.M. Standard Time**
Policy No.: ELU123382-11 **Insurer: XL Specialty Insurance Company**

AMEND MERGERS AND ACQUISITIONS ENDORSEMENT

In consideration of the premium charged, Section VI General Conditions (D) Mergers and Acquisitions (Changes in Exposure or Control) is deleted in its entirety and replaced with the following:

"(D) MERGERS AND ACQUISITIONS (CHANGES IN EXPOSURE OR CONTROL)

(1) If during the Policy Period, the Company acquires any assets, acquires a Subsidiary, or acquires any entity by merger, consolidation or otherwise of another entity, coverage shall be provided for any Loss involving a Claim for a Wrongful Act, Company Wrongful Act or Employment Practices Wrongful Act occurring after the consummation of the transaction.

(2) If, however, by reason of the transaction (or series of transactions) described in (D)(1) above, the entity, assets, Subsidiary so acquired or so assumed, exceed thirty five percent (35%) of the total assets of the Company, as represented in the Company's most recent audited consolidated financial statements, coverage under this Policy shall be provided for a period of ninety (90) days for any Loss involving a Claim for a Wrongful Act, Company Wrongful Act, or Employment Practices Wrongful Act that occurred after the transaction has been consummated. Coverage beyond the ninety (90) day period will be provided only if:

(a) the Insurer receives written notice containing full details of the transaction(s); and

(b) the Insurer at its sole discretion, agrees to provide such additional coverage upon such terms, conditions, limitations, and additional premium that it deems appropriate.

(3) With respect to the acquisition, assumption, merger, consolidation or otherwise of any entity, asset, Subsidiary as described in (D)(1) and (2) above, there will be no coverage available under this Policy for Claims made against the acquired, assumed, merged, or consolidated entity, asset, Subsidiary, liability, or Insured Person for a Wrongful Act, Company Wrongful Act or Employment Practices Wrongful Act committed any time during which such entity, asset, liability or Subsidiary is not an Insured.

(4) If during the Policy Period any entity ceases to be a Subsidiary, the coverage provided under this Policy shall continue to apply to the Insured Persons who, because of their service with such Subsidiary, were covered under this Policy but only with respect to a Claim for a Wrongful Act, Company Wrongful Act or Employment Practices Wrongful Act that occurred or allegedly occurred prior to the time such Subsidiary ceased to be a Subsidiary of the Company. Coverage under this Policy shall apply to any Subsidiary (and its Insured Persons) that ceases to be a Subsidiary, prior to or during the Policy Period, with respect to a Wrongful Act, Company Wrongful Act or Employment Practices Wrongful Act that occurred prior to the date such Subsidiary ceased being a Subsidiary.

(5) If, during the Policy Period, there is a Change In Control, the coverage provided under this Policy shall continue to apply but only with respect to a Claim against an Insured for a Wrongful Act, Company Wrongful Act or Employment Practices Wrongful Act committed or allegedly committed up to the time of the Change In Control; and

(a) coverage will cease with respect to any Claim for a Wrongful Act, Company Wrongful Act or Employment Practices Wrongful Act committed subsequent to the Change In Control; and

(b) the entire premium for the Policy will be deemed to be fully earned immediately upon the consummation of a Change In Control."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 49
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

SECTION 11, 12 & 15 ENDORSEMENT

In consideration of the premium charged:

(1) Notwithstanding Endorsement No. 8 to this Policy, Section II Definition (M)(3) of the Policy is amended to read in its entirety as follows:

"(3) matters which are uninsurable under the law pursuant to which this Policy is construed; provided that the Insurer will not assert that the portion of any settlement in a Claim arising from an initial or subsequent public offering of the Company's securities constitutes uninsurable loss due to the alleged violations of Section 11 and/or 12 of the Securities Act of 1933 as amended (including alleged violations of Section 11 and/or 12 of the Securities Act of 1933 by a Controlling Person pursuant to Section 15 of the Securities Act of 1933)."

(2) Section III Exclusion (F)(2) of the Policy will not apply to allegations in a Claim asserted against an Insured under Section 11 and/or 12 of the Securities Act of 1933 as amended arising out of an initial or subsequent public offering of the Company's securities (including alleged violations of Section 11 and/or 12 of the Securities Act of 1933 by a Controlling Person pursuant to Section 15 of the Securities Act of 1933).

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 50
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11
Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND COVERAGE FOR SERVICE WITH RESPECT TO OTHER ENTITIES

In consideration of the premium charged:

(1) "Outside Entity" means:

(a) any not-for-profit entity or not-for-profit organization, or

(b) any corporation or organization other than the Company none of the securities of which are or are required to be registered with the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, or any rule or regulation promulgated thereunder.

(2) The term "Non-Profit Entity" is deleted wherever it appears in the Policy and the term "Outside Entity" is substituted in lieu thereof.

(3) Section II. DEFINITIONS (J)(3) of the Policy is amended to read in its entirety as follows:

"(3) any individual identified in (J)(1) above and any other person specifically identified as such by endorsement to this Policy who, at the request of, or with the knowledge and consent of the Company, is serving as a director, officer, governor, trustee (other than a bankruptcy trustee), manager, member of the management board or in a similar executive capacity with respect to an Outside Entity."

(4) Section II. DEFINITIONS (S)(2) of the Policy is amended to read in its entirety as follows:

"(2) Insured Person who, at the request of, or with the knowledge and consent of the Company, is serving as a director, officer, governor, trustee (other than a bankruptcy trustee), manager, member of the management board or in a similar executive capacity with respect to an Outside Entity; or"

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 51 **Effective: October 31, 2011**
Named Insured: Patriot Coal Corporation **12:01 A.M. Standard Time**
Policy No.: ELU123382-11 **Insurer: XL Specialty Insurance Company**

AMEND DEFINITION OF WRONGFUL ACT

In consideration of the premium charged, the term "Wrongful Act," as defined in Section II Definitions (S) of the Policy is amended to read in its entirety as follows:

"(S) 'Wrongful Act' means any actual or alleged act, error, omission, misstatement, misleading statement, neglect, or breach of duty by any Insured Person while acting in his or her capacity as an:

(1) Insured Person of the Company or a person serving in a functionally equivalent role for the Parent Company or any Subsidiary;

(2) Insured Person of the Company who, at the request of, or with the knowledge and consent of the Company serves as a director, officer, trustee, regent or governor of a Non-Profit Entity;

(3) Insured Person of the Company who, at the request of, or with the knowledge and consent of the Company serves as an elected or appointed position having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an Insured Person of the Company, regardless of the name or title by which such position is designated, of a Joint Venture;

(4) Insured Person of the Company in their capacity as a Controlling Person or as a Selling Shareholder; or

(5) Insured Person and any other matter claimed against an Insured Person by virtue of their status as such."

For the purposes of this endorsement, a "Controlling Person" means an Insured Person incurring liability pursuant to the Securities Act of 1933, Section 15. Liability of Controlling Persons, and pursuant to the Securities Exchange Act of 1934, Section 20. Liabilities of Controlling Persons, and/or any similar federal, state or local (whether statutory or common law), rule or regulation.

For the purposes of this endorsement, a "Selling Shareholder" means an Insured Person incurring liability pursuant to the Securities Act of 1933, Section 12(2), Civil Liabilities arising in connection with Prospectuses and Communications, and/or any similar federal, state or local (whether statutory or common law), rule or regulation.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 52
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF INSURED PERSON

In consideration of the premium charged, Section II Definitions (J)(4) is deleted in its entirety and replaced by the following:

"(4) any individual identified in (J)(1) above who, at the request of, or with the knowledge and consent of the Company is serving in an elected or appointed position having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an Insured Person of the Company, regardless of the name or title by which such position is designated, of a Joint Venture; or"

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 53
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND RETENTION ENDORSEMENT

In consideration of the premium charged, Item 4 of the Declarations is amended to read in its entirety as follows:

Item 4 Retentions:

N/A	each Insured Person under INSURING AGREEMENT I (A)
$500,000	each Claim, other than a Securities Claim, under INSURING AGREEMENT I (B)
$1,000,000	each Securities Claim under INSURING AGREEMENT I (B) or (C)

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 54 **Effective: October 31, 2011**
Named Insured: Patriot Coal Corporation **12:01 A.M. Standard Time**
Policy No.: ELU123382-11 **Insurer: XL Specialty Insurance Company**

AMEND CLAIM DEFINITION ENDORSEMENT

In consideration of the premium charged,

(1) The term "Claim," as defined in Section II Definitions (C) of the Policy, shall include any Inquiry received by an Insured Person during the Policy Period or, if applicable, the Optional Extension Period provided that an Inquiry shall only be deemed a Claim after such Inquiry is first noticed to the Insurer pursuant to General Conditions VI (A)(1).

(2) For that portion of any Claim that is an Inquiry, Insuring Agreements I. (A) and I. (B) are deleted and replaced with the following respectively:

(A) The Insurer shall pay on behalf of the Insured Persons Inquiry Costs resulting from an Inquiry received by such Insured Person during the Policy Period or, if applicable, the Optional Extension Period except for Inquiry Costs which the Company is permitted or required to pay on behalf of the Insured Persons as indemnification.

(B) The Insurer shall pay on behalf of the Company Inquiry Costs which the Company is required or permitted to pay as indemnification to an Insured Person resulting from an Inquiry received by such Insured Person during the Policy Period or, if applicable, the Optional Extension Period.

(3) Solely for the purposes of this endorsement, the following terms shall have the meanings set forth below:

(a) "Inquiry" means:

(i) a subpoena or similar document compelling witness testimony or document production by an Insured Person with respect to such Insured Person's capacity in the Company or the Company's business activities;

(ii) a written request by an Investigating Authority for an Insured Person to appear for an interview or meeting with respect to such Insured Person's capacity in the Company or a Company's business activities; or

(iii) a request by a Company for an Insured Person to appear for an interview or meeting in connection with an investigation by an Investigating Authority or a security holder derivative demand, with respect to such Insured Person's capacity in the Company or a Company's business activities,

provided that, Inquiry shall not mean any routine or regularly scheduled oversight, compliance, audit, examination or inspection conducted by an Investigating Authority.

(b) "Inquiry Costs" means reasonable and necessary fees, costs and expenses incurred solely by an Insured Person in connection with the preparation for or response to an Inquiry, but shall not include salaries, wages, overhead or benefit expenses associated with Insured Persons or employees of the Company or costs of complying with any formal or informal discovery request or production request seeking documents, records or electronic information that are in the possession of the Company or any third-party.

(c) "Investigative Authority" means any federal, state, local or foreign law enforcement or governmental investigative authority (including, but not limited to, the U.S. Department of Justice, the U.S. Securities and Exchange Commission and any attorney general) or the enforcement unit of any securities or commodities exchange or other self-regulatory body.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 55
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

BANKRUPTCY ENDORSEMENT

In consideration of the premium charged, if a liquidation or reorganization proceeding is commenced by the Parent Company and/or any other Company (whether voluntarily or involuntarily) under Title 11 of the United States Code, as amended, or any similar state, local or foreign law ("Bankruptcy Law"), then with respect to a covered Claim, the Insureds hereby:

(a) waive and release any automatic stay or injunction to the extent it may apply in such proceeding to the proceeds of this Policy under such Bankruptcy Law; and

(b) agree not to oppose or object to any efforts by the Insurer or any Insured to obtain relief from any stay or injunction applicable to the proceeds of this Policy as a result of the commencement of such liquidation or reorganization proceeding.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 56
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION OF INSURED PERSON

In consideration of the premium charged, with respect solely to Employment Practices Claims, the term “Insured Person” shall include employees of the Company.

All other terms, conditions and limitations of this policy shall remain unchanged.

Endorsement No.: 57
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

OTHER INSURANCE ENDORSEMENT

In consideration of the premium charged:

(1) Section VI. GENERAL CONDITIONS (C)(1) of the Policy will not apply with respect to any coverage afforded to Claims against Insured Persons under any personal "umbrella" excess liability insurance purchased by an Insured Person and any other policy or policies excess thereof. In the event that a Claim against an Insured Person gives rise to coverage both under this Policy and such other insurance, the coverage under this Policy will operate as primary coverage with respect to such Insured Person for such Claim. In no event, however, will this Policy be subject to the terms of any other insurance.

(2) Nothing in this endorsement is intended, nor shall it be construed, to vary, alter or amend those provisions of this Policy making it excess of any other insurance except as specifically set forth in paragraph (1) above.

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 58
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND EXCLUSION PREAMBLE ENDORSEMENT

In consideration of the premium charged, the preamble to Section III Exclusions of the Policy is amended to read in its entirety as follows:

“The Insurer shall not be liable to make any payment for Loss in connection with that portion of any Claim made against an Insured Person, or with respect to INSURING AGREEMENT (C), the Company:”

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 59
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

ADVANCEMENT OF DEFENSE EXPENSES ENDORSEMENT

In consideration of the premium charged, Section V Defense, Settlement and Allocation of Loss Condition (C) of the Policy is amended to read in its entirety as follows:

"(C) Upon the written request of an Insured, the Insurer will advance Defense Expenses on a current basis, but in not event later than ninety (90) days of receipt of an invoice any covered Defense Expenses in excess of the applicable Retention, if any, before the disposition of the Claim for which this policy provides coverage. As a condition of the advancement of Defense Expenses, the Insurer may require a written undertaking, in a form satisfactory to the Insurer, which will guarantee the repayment of any Loss including Defense Expenses paid to or on behalf of the Insured if it is finally determined that the Loss incurred is not covered under this Policy."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 60 **Effective: October 31, 2011**
Named Insured: Patriot Coal Corporation **12:01 A.M. Standard Time**
Policy No.: ELU123382-11 **Insurer: XL Specialty Insurance Company**

COMPANY VERSUS INSURED ENDORSEMENT

In consideration of the premium charged, Section III Exclusions (G) of the Policy is amended to read in its entirety as follows:

"(G) by, on behalf of, or at the direction of,, the Company, except and to the extent such Claim:

(1) is brought derivatively by a security holder of the Company who, when such Claim is made and maintained is acting independently of, and without the active solicitation, assistance, participation or intervention of the Company or an Insured Person of the Company other than individuals who are Insured Persons solely due Section II Definitions (J)(2) of the Policy;

(2) is an Employment Practices Claim;

(3) is brought and maintained in a non-common law jurisdiction outside the United States of America, including its territories and possessions;

(4) is brought by the Bankruptcy Trustee or Examiner of the Company or any assignee of such Trustee or Examiner, or any Receiver, Conservator, Rehabilitator, or Liquidator or comparable authority of the Company;

(5) arises out of, is based upon, or is attributable to any whistleblower activity, including but not limited to any activity protected under the Sarbanes Oxley Act of 2002, the False Claims Act or any similar federal, state, local or foreign law;

(6) is brought by a creditors committee of the Company in the event such Company files for relief under Title 11 of the United States Code;

(7) is brought by the Company as a Debtor In Possession against an Insured Person who is no longer a director, officer, trustee, governor, management committee member, member of the management board, general counsel, risk manager, employee or consultant of the Company, but only if (i) such Claim is commenced after the chief executive officer, chief financial officer, or president ('Former Executives'), of the Parent Company, have left the Company and (ii) such Claim is not brought, controlled or materially assisted by any Former Executive.

Whistleblower Conduct by an Insured Person as set forth in 18 U.S.C. 1514A, shall not be considered active solicitation, assistance, participation or intervention. For the purpose of this exclusion, Whistleblower Conduct is any of the activity set forth in Sec. 1514A(a), engaged in by a whistleblower with a Federal regulatory or law enforcement agency, Member of Congress or any committee of Congress, or person with supervisory authority over the employee, or an enforcement action by the whistleblower set forth in Sec. 1514A (b) or any similar 'whistleblower' protection provision of any applicable federal, state, local or foreign securities law."

All other terms, conditions and limitations of this Policy shall remain unchanged.

Endorsement No.: 61
Named Insured: Patriot Coal Corporation
Policy No.: ELU123382-11

Effective: October 31, 2011
12:01 A.M. Standard Time
Insurer: XL Specialty Insurance Company

AMEND DEFINITION (F) ENDORSEMENT

In consideration of the premium charged:

(1) The term “Defense Expenses,” as defined in Section II Definition (F) of the Policy, is amended to include:

(a) reasonable legal fees and costs resulting from an Insured’s arrest and detainment or incarceration;

(b) reasonable legal fees and costs incurred to facilitate an Insured’s payment of amounts required to be paid pursuant to section 304 of the Sarbanes-Oxley Act of 2002 or section 954 of Dodd-Frank Wall Street Reform and Consumer Protection Act (but not the amounts repaid by the Insured pursuant to those sections); and

(c) reasonable legal fees and costs incurred in the defense of Corporate Manslaughter Charges.

(2) For the purposes of this endorsement, the term “Corporate Manslaughter Charges” means a formal criminal proceeding commenced in the United Kingdom against an Insured Person of a Company domiciled or incorporated in the United Kingdom for involuntary manslaughter (including constructive manslaughter or gross negligence manslaughter) in his or her capacity as a director or officer of such Company and directly related to the business of such Company.

(3) The term “Claim,” as defined in Section II Definitions (C) of the Policy, is amended to include Corporate Manslaughter Charges; provided however, that no coverage shall be available under this Policy for any Loss, other than Defense Expenses, incurred in connection with any Corporate Manslaughter Charges.

(4) Section III Exclusions (A) of the Policy shall not apply to any Defense Expenses incurred in connection with any Corporate Manslaughter Charges.

MANAGEMENT LIABILITY AND COMPANY REIMBURSEMENT INSURANCE COVERAGE FORM

THIS IS A CLAIMS MADE POLICY WITH DEFENSE EXPENSES INCLUDED IN THE LIMIT OF LIABILITY. PLEASE READ AND REVIEW THE POLICY CAREFULLY.

In consideration of the payment of the premium, and in reliance on all statements made and information furnished to Executive Liability Underwriters, the Underwriting Manager for the Insurer identified in the Declarations (hereinafter the Insurer) including the Application and subject to all of the terms, conditions and limitations of all of the provisions of this Policy, the Insurer, the Insured Persons and the Company agree as follows:

I. INSURING AGREEMENTS

(A) The Insurer shall pay on behalf of the **Insured Persons Loss** resulting from a **Claim** first made against the **Insured Persons** during the **Policy Period** or, if applicable, the Optional Extension Period, for a **Wrongful Act** or **Employment Practices Wrongful Act,** except for **Loss** which the **Company** is permitted or required to pay on behalf of the **Insured Persons** as indemnification.

(B) The Insurer shall pay on behalf of the **Company Loss** which the **Company** is required or permitted to pay as indemnification to any of the **Insured Persons** resulting from a **Claim** first made against the **Insured Persons** during the **Policy Period** or, if applicable, the Optional Extension Period, for a **Wrongful Act** or **Employment Practices Wrongful Act.**

(C) The Insurer shall pay on behalf of the **Company Loss** resulting solely from any **Securities Claim** first made against the **Company** during the **Policy Period** or, if applicable, the Optional Extension Period, for a **Company Wrongful Act.**

II. DEFINITIONS

(A) "**Application**" means:

(1) the application attached to and forming part of this Policy; and

(2) any materials submitted therewith, which shall be retained on file by the Insurer and shall be deemed to be physically attached to this Policy.

(B) "**Change In Control**" means:

(1) the merger or acquisition of the **Parent Company**, or of all or substantially all of its assets by another entity such that the **Parent Company** is not the surviving entity;

(2) the acquisition by any person, entity or affiliated group of persons or entities of the right to vote, select or appoint more than fifty percent (50%) of the directors of the **Parent Company**; or

(3) the appointment of a Receiver, Conservator, Liquidator, Trustee, Rehabilitator, or any comparable authority, with respect to the **Parent Company**.

(C) "**Claim**" means:

(1) a written demand for monetary or non-monetary relief;

(2) any civil proceeding in a court of law or equity, or arbitration;

(3) any criminal proceeding which is commenced by the return of an indictment; and

(4) a formal civil, criminal, administrative regulatory proceeding or formal investigation of an **Insured Person** or the **Company** (but with respect to the **Company** only for a **Company Wrongful Act**) which is commenced by the filing or issuance of a notice of charges, formal investigative order or similar document identifying in writing such **Insured Person** or the **Company** as a person or entity against whom a proceeding as described in (C)(2) or (3) above may be commenced, including any

proceeding before the Equal Employment Opportunity Commission or any similar federal, state or local governmental body having jurisdiction over any **Employment Practices Wrongful Act**.

(D) "**Company**" means the **Parent Company** and any **Subsidiary** created or acquired on or before the Inception Date set forth in ITEM 2 of the Declarations or during the Policy Period, subject to GENERAL CONDITIONS VI (D).

(E) "**Company Wrongful Act**" means any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty by the Company in connection with a **Securities Claim**.

(F) "**Defense Expenses**" means reasonable legal fees and expenses incurred in the defense of any **Claim** including the premium for an appeal bond, attachment bond or similar bond but will not include applying for or furnishing such bond. **Defense Expenses** will not include the **Company's** overhead expenses or any salaries, wages, fees, or benefits of its directors, officers or employees.

(G) "**Employment Practices Wrongful Act**" means any actual or alleged:

(1) wrongful termination of employment whether actual or constructive;

(2) employment discrimination of any kind including violation of any federal, state or local law involving employment or discrimination in employment which would deprive or potentially deprive any person of employment opportunities or otherwise adversely affect his or her status as an employee, because of such person's race, color, religion, age, sex, national origin, disability, pregnancy, or other protected status;

(3) sexual or other harassment in the workplace; or

(4) wrongful deprivation of career opportunity, employment related misrepresentations, retaliatory treatment against an employee of the **Company**, failure to promote, demotion, wrongful discipline or evaluation, or refusal to hire.

(H) "**Employment Practices Claim**" means a **Claim** alleging an **Employment Practices Wrongful Act**.

(I) "**Insured**" means the **Insured Persons** and the **Company**.

(J) "**Insured Person**" means:

(1) any past, present or future director or officer, or member of the Board of Managers, of the **Company** and those persons serving in a functionally equivalent role for the **Parent Company** or any **Subsidiary** operating or incorporated outside the United States;

(2) any past, present or future employee of the **Company** to the extent any **Claim** is a **Securities Claim**;

(3) an individual identified in (J)(1) above who, at the specific written request of the **Company**, is serving as a director, officer, trustee, regent or governor of a **Non-Profit Entity**;

(4) any individual identified in (J)(1) above who, at the specific written request of the **Company** is serving in an elected or appointed position having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an **Insured Person** of the **Company**, regardless of the name or title by which such position is designated, of a **Joint Venture**; or

(5) the lawful spouse of any person set forth in the above provisions of this definition, but only to the extent the spouse is a party to any Claim solely in their capacity as a spouse of such persons and only for the purposes of any Claim seeking damages recoverable from marital community property, property jointly held by any such person and spouse, or property transferred from any such person to the spouse.

In the event of the death, incapacity or bankruptcy of an individual identified in (J)(1), (2), (3), (4) or (5) above, any **Claim** against the estate, heirs, legal representatives or assigns of such individual for a **Wrongful Act** or **Employment Practices Wrongful Act** of such individual will be deemed to be a **Claim** against such individual.

(K) "**Interrelated Wrongful Acts**" means any **Wrongful Act**, **Company Wrongful Act**, or **Employment Practices Wrongful Act** based on, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any of the same or related facts, series of related facts, circumstances, situations, transactions or events.

(L) "**Joint Venture**" means any corporation, partnership, joint venture, association or other entity, other than a **Subsidiary**, during any time in which the Parent Company, either directly or through one or more **Subsidiary(s**);

(1) owns or controls at least thirty three percent (33%), but not more than fifty percent (50%), in the aggregate of the outstanding securities or other interests representing the right to vote for the election or appointment of those persons of such an entity occupying elected or appointed positions having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an **Insured Person** of the **Company**, regardless of the name or title by which such position is designated, of a **Joint Venture**; or

(2) has the right, by contract, ownership of securities or otherwise, to elect, appoint or designate at least thirty three (33%) of those persons described in (L)(1) above.

(M) "**Loss**" means damages, judgments, settlements or other amounts (including punitive or exemplary damages, where insurable by law) and **Defense Expenses** in excess of the Retention that the **Insured** is legally obligated to pay. **Loss** will not include:

(1) the multiplied portion of any damage award;

(2) fines, penalties or taxes imposed by law; or

(3) matters which are uninsurable under the law pursuant to which this Policy is construed.

NOTE: With respect to judgments in which punitive damages are awarded, the coverage provided by this Policy shall apply to the broadest extent permitted by law. If, based on the written opinion of counsel for the **Insured**, punitive damages are insurable under applicable law the Insurer will not dispute the written opinion of counsel for the Insured.

(N) "**Non-Profit Entity**" means a corporation or organization other than the **Company**, which is exempt from taxation under Section 501 (c)(3), (4) and (10) of the Internal Revenue Code as amended or any rule or regulation promulgated thereunder.

(O) "**Parent Company**" means the entity named in ITEM 1 of the Declarations.

(P) "**Policy Period"** means the period from the Inception Date to the Expiration Date set forth in ITEM 2 of the Declarations or to any earlier cancellation date.

(Q) "**Securities Claim**" means a **Claim** made against an Insured for:

(1) any actual or alleged violation of the Securities Act of 1933 as amended, the Securities Exchange Act of 1934 as amended, any similar federal or state statute or any rules or regulations promulgated thereunder; or

(2) any actual or alleged act, error, omission, misstatement, misleading statement or breach of duty arising from or in connection with the purchase or sale of, or offer to purchase or sell any securities issued by the Company, whether such purchase, sale or offer involves a transaction with the **Company** or occurs in the open market.

(R) "**Subsidiary**" means any entity during any time in which the **Parent Company** owns, directly or through one or more **Subsidiary(s)**, more than fifty percent (50%) of the outstanding securities representing the right to vote for the election of such entity's directors.

(S) "**Wrongful Act**" means any actual or alleged act, error, omission, misstatement, misleading statement, neglect, or breach of duty by any **Insured Person** while acting in his or her capacity as an:

(1) **Insured Person** of the **Company** or a person serving in a functionally equivalent role for the **Parent Company** or any **Subsidiary**;

(2) **Insured Person** of the **Company** who at the specific written request of the **Company** is serving as a director, officer, trustee, regent or governor of a **Non-Profit Entity**; or

(3) **Insured Person** of the **Company**, who at the specific written request of the **Company** is serving in an elected or appointed position having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an **Insured Person** of the **Company**, regardless of the name or title by which such position is designated, of a **Joint Venture**.

III. EXCLUSIONS

The Insurer shall not be liable to make any payment for **Loss** in connection with any **Claim** made against an **Insured Person**, or with respect to INSURING AGREEMENT (C), the **Company**:

(A) for any actual or alleged bodily injury, sickness, mental anguish, emotional distress, libel, slander, oral or written publication of defamatory or disparaging material, disease or death of any person, or damage or destruction of any tangible property including loss of use thereof; however, this EXCLUSION (A) will not apply to any allegations of libel, slander, defamation, mental anguish or emotional distress if and only to the extent that such allegations are made as part of an **Employment Practices Claim** for an **Employment Practices Wrongful Act**;

(B) for any actual, alleged or threatened discharge, dispersal, release, escape, seepage, transportation, emission, treatment, removal or disposal of pollutants, contaminants, or waste of any kind including but not limited to nuclear material or nuclear waste or any actual or alleged direction, request or voluntary decision to test for, abate, monitor, clean up, recycle, remove, recondition, reclaim, contain, treat, detoxify or neutralize pollutants, contaminants or waste of any kind including but not limited to nuclear material or nuclear waste. With respect to a Claim made under INSURING AGREEMENT (A) only, this EXCLUSION (B) will not apply to a **Claim** unless a court of competent jurisdiction specifically determines the **Company** is not permitted to indemnify the **Insured Person**;

NOTE: EXCLUSIONS (A) and (B) above will not apply with respect to a **Securities Claim** brought by a security holder of the **Company**, or a derivative action brought by or on behalf of, or in the name or right of, the **Company,** and brought and maintained independently of, and without the solicitation, assistance, participation or intervention of, an **Insured**.

(C) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (ERISA) as amended or any regulations promulgated thereunder or any similar law, federal, state or local law or regulation;

(D) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any fact, circumstance, situation, transaction, event or **Wrongful Act**, **Company Wrongful Act** or **Employment Practices Wrongful Act** underlying or alleged in any prior and/or pending litigation or administrative or regulatory proceeding or arbitration which was brought prior to the Pending and Prior Litigation Date set forth in ITEM 6 of the Declarations;

(E) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving any fact, circumstance, situation, transaction, event or **Wrongful Act, Company Wrongful Act** or **Employment Practices Wrongful Act** which, before the Inception Date of this Policy, was the subject of any notice given under any other Management Liability policy, Directors and Officers liability policy or similar policy;

(F) brought about or contributed to in fact by any:

(1) intentionally dishonest, fraudulent or criminal act or omission or any willful violation of any statute, rule or law; or

(2) profit or remuneration gained by any Insured to which such Insured is not legally entitled;

as determined by a final adjudication in the underlying action or in a separate action or proceeding;

(G) by, on behalf of, or at the direction of the **Company**, except and to the extent such **Claim**:

(1) is brought derivatively by a security holder of the **Company** who, when such **Claim** is made and maintained, is acting independently of, and without the solicitation, assistance, participation or

intervention of an **Insured Person** or the **Company**; or

(2) is brought by the Bankruptcy Trustee or Examiner of the **Company** or any assignee of such Trustee or Examiner, or any Receiver, Conservator, Rehabilitator, or Liquidator or comparable authority of the **Company**;

(H) by, on behalf of, at the direction of or in the name or right of any Non-Profit Entity or Joint Venture against an Insured Person for a Wrongful Act or Employment Practices Wrongful Act while acting in his or her capacity as a director, officer, trustee, regent or governor of such, or persons occupying elected or appointed positions having fiduciary, supervisory or managerial duties and responsibilities comparable to those of an Insured Person of the Company, regardless of the name or title by which such position is designated; or

(I) based upon, arising out of, directly or indirectly resulting from, in consequence of, or in any way involving an **Insured Person** acting in their capacity as a **Insured Person** of any entity other than the **Company**, **Non-Profit Entity** or **Joint Ventur**e.

No conduct of any **Insured Person** will be imputed to any other Insured to determine the application of any of the above EXCLUSIONS.

IV. LIMIT OF LIABILITY, INDEMNIFICATION AND RETENTIONS

(A) The Insurer shall pay the amount of **Loss** in excess of the applicable Retention(s) set forth in ITEM 4 of the Declarations up to the Limit of Liability set forth in ITEM 3 of the Declarations.

(B) The amount set forth in ITEM 3 of the Declarations shall be the maximum aggregate Limit of Liability of the Insurer under this Policy. Payment of **Loss**, including **Defense Expenses**, by the Insurer shall reduce the Limit of Liability.

(C) With respect to the Company's indemnification of its **Insured Persons**, the certificate of incorporation, charter, by-laws, articles of association, or other organizational documents of the **Parent Company**, each **Subsidiary** and each **Non-Profit Entity** or **Joint Venture**, will be deemed to provide indemnification to the **Insured Persons** to the fullest extent permitted by law.

(D) The Retention applicable to INSURING AGREEMENT (B) shall apply to any **Loss** as to which indemnification by the **Company**, **Non-Profit Entity** or **Joint Venture** is legally permissible, whether or not actual indemnification is made unless such indemnification is not made by the **Company**, **Non-Profit Entity** or **Joint Venture** solely by reason of its financial insolvency. In the event of financial insolvency, the Retention(s) applicable to INSURING AGREEMENT (A) shall apply.

(E) If different retentions are applicable to different parts of any **Loss**, the applicable Retention(s) will be applied separately to each part of such Loss, and the sum of such Retention(s) will not exceed the largest applicable Retention set forth in ITEM 4 of the Declarations.

(F) Notwithstanding the foregoing, solely with respect to a **Securities Claim**, no **Retention** shall apply to such **Claim** and the **Insurer** will reimburse those **Defense Expenses** incurred by the **Insured** if:

(1) the **Securities Claim** is dismissed, or there is a stipulation to dismiss the **Securities Claim**, with or without prejudice and without the payment of any monetary consideration by the **Insured**;

(2) there is a final judgment of no liability obtained prior to or during trial, in favor of the **Insured**, by reason of a motion to dismiss or a motion for summary judgment, after the exhaustion of all appeals; or

(3) there is a final judgment of no liability obtained after trial, in favor of the Insured, after the exhaustion of all appeals.

Any reimbursement in the case of (F)(1), (2), or (3) above will only occur if ninety (90) days after the date of dismissal, stipulation, final judgment of no liability is obtained and only if:

(a) the same **Securities Claim** (or a **Securities Claim** containing **Interrelated Wrongful Acts**) is not brought again within that time; and

(b) the **Insured** provides the Insurer with an Undertaking in a form acceptable to the Insurer that

such reimbursement of the applicable Retention(s) will be paid back to the Insurer in the event the **Securities Claim** (or a **Securities Claim** containing **Interrelated Wrongful Acts**) is brought after the ninety (90) day period.

V. DEFENSE, SETTLEMENT AND ALLOCATION OF LOSS

(A) It shall be the duty of the **Insured** and not the duty of the Insurer to defend any **Claim** under this Policy.

(B) No **Insured** may incur any **Defense Expenses** or admit liability for, make any settlement offer with respect to, or settle any **Claim** without the Insurer's consent, such consent not to be unreasonably withheld.

(C) Upon the written request of an **Insured**, the Insurer will advance **Defense Expenses** on a current basis in excess of the applicable Retention, if any, before the disposition of the **Claim** for which this policy provides coverage. As a condition of the advancement of **Defense Expenses**, the Insurer may require a written undertaking, in a form satisfactory to the Insurer, which will guarantee the repayment of any **Loss** including **Defense Expenses** paid to or on behalf of the Insured if it is finally determined that the **Loss** incurred is not covered under this Policy.

(D) If both **Loss** covered by this Policy and Loss not covered by this Policy are incurred, either because a **Claim** made against the Insured contains both covered and uncovered matters, or because a **Claim** is made against both the Insured and others (including the **Company** for **Claims** other than **Securities Claims**) not insured under this Policy, the **Insured** and the Insurer will use their best efforts to determine a fair and appropriate allocation of **Loss** between that portion of Loss that is covered under this Policy and that portion of Loss that is not covered under this Policy. Additionally, the **Insured** and the Insurer agree that in determining a fair and appropriate allocation of **Loss**, the parties will take into account the relative legal and financial exposures of, and relative benefits obtained in connection with the defense and/or settlement of the **Claim** by, the Insured and others.

(E) In the event that an agreement cannot be reached between the Insurer and the **Insured** as to an allocation of **Loss**, as described in (D) above, then the Insurer shall advance that portion of **Loss** which the **Insured** and the Insurer agree is not in dispute until a final amount is agreed upon or determined pursuant to the provisions of this Policy and applicable law.

VI. GENERAL CONDITIONS

(A) **NOTICE**

(1) As a condition precedent to any right to payment under this Policy with respect to any **Claim**, the **Insured** shall give written notice to the Insurer of any Claim as soon as practicable after it is first made.

(2) If, during the **Policy Period**, the **Insured** first becomes aware of a specific **Wrongful Act**, **Company Wrongful Act** or **Employment Practices Wrongful Act** and if, during the **Policy Period**, the Insured:

(a) provides the Insurer with written notice of the specific **Wrongful Act, Company Wrongful Act** or **Employment Practices Wrongful Act**, the consequences which have resulted or may result therefrom (including but not limited to actual or potential damages), the identities of the potential claimants, the circumstances by which the Insured first became aware of such **Wrongful Act**, **Company Wrongful Act** or **Employment Practices Wrongful Act**; and

(b) requests coverage under this Policy for any subsequently resulting **Claim** for such **Wrongful Act**, **Company Wrongful Act** or **Employment Practices Wrongful Act**;

then any **Claim** subsequently made arising out of such **Wrongful Act**, **Company Wrongful Act** or **Employment Practices Wrongful Act** will be treated as if it had been first made during the **Policy Period.**

(3) All notices under GENERAL CONDITIONS (A)(1) and (2) must be sent by certified mail or the equivalent to the address set forth in ITEM 7 of the Declarations; Attention: Claim Department.

(B) INTERRELATED CLAIMS

All **Claims** arising from the same **Interrelated Wrongful Acts** shall be deemed to constitute a single **Claim** and shall be deemed to have been made at the earliest of the time at which the earliest such **Claim** is made or deemed to have been made pursuant to GENERAL CONDITIONS (A)(1) above or GENERAL CONDITIONS (A)(2), if applicable.

(**C) OTHER INSURANCE AND SERVICE IN CONNECTION WITH NON-PROFIT ENTITIES AND JOINT VENTURES**

(1) All **Loss** payable under this Policy will be specifically excess of and will not contribute with any other insurance, including but not limited to any insurance under which there is a duty to defend, unless such other insurance is specifically excess of this Policy. This Policy will not be subject to the terms of any other insurance policy.

(2) All coverage under this Policy for **Loss** from **Claims** made against the **Insured Persons** while acting in their capacity as a director, officer, trustee, regent or governor of a **Non-Profit Entity** or persons occupying elected or appointed positions having fiduciary, supervisory or managerial duties and responsibilities comparable to those of the **Insured Persons** of the **Company**, regardless of the name or title by which such position is designated, of a J**oint Venture** will be specifically excess of and will not contribute with, any other insurance or indemnification available to such **Insured Person** from such **Non-Profit Entity** or J**oint Venture** by reason of their service as such.

(D) MERGERS AND ACQUISITIONS (CHANGES IN EXPOSURE OR CONTROL)

(1) If during the **Policy Period**, the **Company** acquires any assets, acquires a **Subsidiary**, or acquires any entity by merger, consolidation or otherwise, or assumes any liability of another entity, coverage shall be provided for any **Loss** involving a **Claim** for a **Wrongful Act**, **Company Wrongful Act** or **Employment Practices Wrongful Act** occurring after the consummation of the transaction.

(2) If, however, by reason of the transaction (or series of transactions) described in (D)(1) above, the entity, assets, **Subsidiary** or liabilities so acquired or so assumed, exceed thirty five percent (35%) of the total assets or liabilities of the **Company**, as represented in the **Company's** most recent audited consolidated financial statements, coverage under this Policy shall be provided for a period of ninety (90) days for any **Loss** involving a **Claim** for a **Wrongful Act**, **Company Wrongful Act**, or **Employment Practices Wrongful Act** that occurred after the transaction has been consummated. Coverage beyond the ninety (90) day period will be provided only if:

(a) the Insurer receives written notice containing full details of the transaction(s); and

(b) the Insurer at its sole discretion, agrees to provide such additional coverage upon such terms, conditions, limitations, and additional premium that it deems appropriate.

(3) With respect to the acquisition, assumption, merger, consolidation or otherwise of any entity, asset, **Subsidiary** or liability as described in (D)(1) and (2) above, there will be no coverage available under this Policy for **Claims** made against the acquired, assumed, merged, or consolidated entity, asset, **Subsidiary**, liability, or **Insured Person** for a **Wrongful Act**, **Company Wrongful Act** or **Employment Practices Wrongful Act** committed any time during which such entity, asset, liability or **Subsidiary** is not an **Insured**.

(4) If during the **Policy Period** any entity ceases to be a **Subsidiary**, the coverage provided under this Policy shall continue to apply to the **Insured Persons** who, because of their service with such **Subsidiary**, were covered under this Policy but only with respect to a **Claim** for a **Wrongful Act, Company Wrongful Act** or **Employment Practices Wrongful Act** that occurred or allegedly occurred prior to the time such **Subsidiary** ceased to be a **Subsidiary** of the **Company**.

(5) If, during the **Policy Period**, there is a **Change In Control**, the coverage provided under this Policy shall continue to apply but only with respect to a **Claim** against an **Insured** for a **Wrongful Act**, **Company Wrongful Act** or **Employment Practices Wrongful Act** committed or allegedly committed up to the time of the **Change In Control**; and

(a) coverage will cease with respect to any **Claim** for a **Wrongful Act, Company Wrongful Act** or **Employment Practices Wrongful Act** committed subsequent to the **Change In Control**; and

(b) the entire premium for the Policy will be deemed to be fully earned immediately upon the consummation of a **Change In Control.**

(E) CANCELLATION AND RENEWAL OF COVERAGE

(1) Except for the nonpayment of premium, as set forth in (E)(2) below, the Parent Company has the exclusive right to cancel this Policy. Cancellation may be effected by mailing to the Insurer written notice when such cancellation shall be effective, provided the date of cancellation is not later than the Expiration Date set forth in ITEM 2 of the Declarations. In such event, the Insurer shall retain the customary short rate portion of the earned premium. Return or tender of the unearned premium is not a condition of cancellation.

(2) The Insurer may only cancel this Policy for nonpayment of premium. The Insurer will provide not less than twenty (20) days written notice stating the reason for cancellation and when the Policy will be canceled. Notice of cancellation will be sent to the **Parent Company** and the agent of record for the **Insured,** if applicable.

(3) The Insurer is under no obligation to renew this Policy upon its expiration. Once the Insurer chooses to non-renew this Policy, the Insurer will deliver or mail to the **Parent Company** written notice stating such at least sixty (60) days before the Expiration Date set forth in ITEM 2 of the Declarations.

(F) OPTIONAL EXTENSION PERIOD

(1) If either the **Parent Company** or the Insurer does not renew this Policy, the **Parent Company** shall have the right, upon payment of an additional premium set forth in ITEM 5 of the Declarations, to an extension of the coverage provided by this Policy with respect only to any **Claim** first made during the period of time set forth in ITEM 5 of the Declarations after the Policy Expiration Date, but only with respect to a **Wrongful Ac**t, **Company Wrongful Act**, or E**mployment Practices Wrongful Act**, occurring prior to the Policy Expiration Date.

(2) As a condition precedent to the right to purchase the Optional Extension Period the total premium for this Policy must have been paid in full. The right of the **Parent Company** to purchase the Optional Extension Period will be immediately terminated if the Insurer does not receive written notice by the **Parent Company** advising it wishes to purchase the Optional Extension Period together with full payment of the premium for the Optional Extension Period within thirty (30) days after the Policy Expiration Date.

(3) If the **Parent Company** elects to purchase the Optional Extension Period as set forth in (F)(1) and (2) above, the entire premium for the Optional Extension Period will be deemed to be fully earned at the Inception Date for the Optional Extension Period.

(4) The purchase of the Optional Extension Period will not in any way increase the Limit Of Liability set forth in ITEM 3 of the Declarations, and the Limit of Liability with respect to **Claims** made during the Optional Extension Period shall be part of and not in addition to the Limit of Liability for all **Claims** made during the **Policy Period.**

(G) ASSISTANCE, COOPERATION AND SUBROGATION

(1) The **Insured** agrees to provide the Insurer with all information, assistance and cooperation that the Insurer may reasonably request, and further agree that they will do nothing which in any way increases the Insurer's exposure under this Policy or in any way prejudices the Insurer's potential or actual rights of recovery.

(2) In the event of any payment under this Policy, the Insurer shall be subrogated to all of the potential or actual rights of recovery of the **Insured**. The I**nsured** shall execute all papers required and will do everything necessary to secure such rights including but not limited to the execution of such documents as are necessary to enable the Insurer to effectively bring suit in their name, and will provide all other assistance and cooperation which the Insurer may reasonably require.

(H) EXHAUSTION

If the Insurer's Limit of Liability as set forth in ITEM 3 of the Declarations is exhausted by the payment of **Loss,** the premium as set forth in ITEM 8 of the Declarations will be fully earned, all obligations of the Insurer under this Policy will be completely fulfilled and exhausted, and the Insurer will have no further obligations of any kind

whatsoever under this Policy.

(I) REPRESENTATION CLAUSE

The **Insured** represents that the statements and particulars contained in the **Application** as well as any prior application submitted to the Insurer are true, accurate and complete, and agree that this Policy is issued in reliance on the truth of that representation, and that such particulars and statements, which are deemed to be incorporated into and constitute a part of this Policy, are material to the risk assumed and form the basis of this Policy. No knowledge or information possessed by any Insured will be imputed to any other Insured except for material facts or information known to the person(s) who signed the Application. In the event that any of the particulars or statements in the **Application** are untrue, this Policy will be void with respect to any **Insured** who knew of such untruth or to whom such knowledge is imputed.

(J) ACTION AGAINST THE INSURER, ASSIGNMENT, AND CHANGES TO THE POLICY

(1) No action may be taken against the Insurer unless, as a condition precedent thereto:

(a) there has been full compliance with all of the terms and conditions of this Policy; and

(b) the amount of the obligation of the **Insured** has been finally determined either by judgment against the Insured after actual trial, or by written agreement of the **Insured**, the claimant and the Insurer.

(2) Nothing contained herein shall give any person or entity any right to join the Insurer as a party to any **Claim** against the Insurer to determine their liability, nor may the **Insured** implead the Insurer in any **Claim**.

(3) Assignment of interest under this Policy shall not bind the Insurer unless its consent is endorsed hereon.

(4) Notice to any agent or knowledge possessed by any agent or other person acting on behalf of the Insurer will not cause a waiver or change in any part of this Policy or prevent the Insurer from asserting any right under the terms, conditions and limitations of this Policy. The terms, conditions and limitations may only be waived or changed by written endorsement.

(K) AUTHORIZATION AND NOTICES

It is understood and agreed that the **Parent Company** will act on behalf of the **Company** and the **Insured Persons** with respect to:

(1) the payment of the premiums;

(2) the receiving of any return premiums that may become due under this Policy;

(3) the giving of all notices to the Insurer as provided herein; and

(4) the receiving of all notices from the Insurer.

(L) ENTIRE AGREEMENT

The **Insured** agrees that the Declarations, Policy, including the endorsements, attachments and the **Application** shall constitute the entire agreement between the Insurer or any of its agents and the **Insured** relating to this insurance.

Exhibit E

ACE American Insurance Company

CODA Premier®
Directors and Officers Liability
Excess DIC Policy
Declarations

This Policy is issued by the stock insurance company listed above.

THIS POLICY IS A CLAIMS MADE POLICY. EXCEPT AS OTHERWISE PROVIDED HEREIN, THIS POLICY COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSUREDS DURING THE POLICY PERIOD. PLEASE READ THIS POLICY CAREFULLY.

THE LIMITS OF LIABILITY AVAILABLE TO PAY INSURED LOSS SHALL BE REDUCED BY AMOUNTS INCURRED FOR DEFENSE COSTS.

TERMS THAT APPEAR IN CAPITAL LETTERS HAVE SPECIAL MEANING. PLEASE REFER TO CLAUSE 2, DEFINITIONS.

Policy No.	DOX G23652936 005	
Item I.	COMPANY:	Patriot Coal Corporation
	Principal Address:	12312 Olive Boulevard, Suite 400 St. Louis, MO 63141
Item II.	POLICY PERIOD: From 12:01 a.m. 10/31/2011 To 12:01 a.m. 10/31/2012 (Local time at the address shown in Item I)	
Item III.	LIMIT OF LIABILITY:	$10,000,000 Aggregate LIMIT OF LIABILITY for all LOSS paid on behalf of all INSUREDS arising from all CLAIMS first made during each POLICY PERIOD.
Item IV.	POLICY PREMIUM:	$64,039
	DISCOVERY PERIOD PREMIUM:	150 % of POLICY PREMIUM

Item V. NOTICE TO COMPANY:

Any notice to the COMPANY or, except in accordance with Clause 16 (Authority) of this POLICY, to the INSUREDS, shall be given or made to the individual listed above, if any, or otherwise to the individual designated in the APPLICATION, if any, or otherwise to the signer of the APPLICATION, and shall be given or made in accordance with Clause 15 (Notice) of this POLICY.

Item VI. NOTICE TO INSURER:

Any notice to be given or payment to be made to the INSURER under this POLICY shall be given or made in accordance with Clause 15 (Notice) of this POLICY to:

A. Notice of CLAIM or WRONGFUL ACT:

ACE USA
P.O. Box 5105
Scranton, PA 18505-0518
Fax: 877-746-4641
Email address for submitting Management Liability Claims,
ManagementLiabilityFirstNotice@acegroup.com
Email address for all other correspondence,
ApolloProRskACEIncoming@acegroup.com

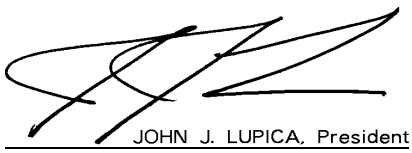
B. All payments or other notices:

Chief Underwriting Officer
ACE USA - Professional Risk
140 Broadway, 41st Floor
New York, New York 10005

Item VII. SCHEDULE OF UNDERLYING DIRECTORS' AND OFFICERS' INSURANCE:

Carrier	Policy No.	Policy Period	Limits	Attachment
Primary:				
XL Specialty Insurance Company	ELU123382-11	10/31/11 – 10/31/12	$15,000,000	
Excess:				
National Union Fire Insurance Company of Pittsburgh, Pa.	01-301-28-80	10/31/11 –10/31/12	$15,000,000	$15,000,000
Twin City Fire Insurance Company	00 DA 0246241 11	10/31/11 – 10/31/12	$10,000,000	$30,000,000
AXIS Insurance Company	MLN735294/01/2011	10/31/11 – 10/31/12	$10,000,000	$40,000,000
Berkley Insurance Company	18004351	10/31/11 – 10/31/12	$10,000,000	$50,000,000
Continental Casualty Company	287300168	10/31/11 – 10/31/12	$10,000,000	$60,000,000
U.S. Specialty Insurance Company	14-MGU-11-A25136	10/31/11 – 10/31/12	$10,000,000	$70,000,000

IN WITNESS WHEREOF, the INSURER has caused this POLICY to be countersigned by a duly authorized representative of the INSURER.



DATE: 11/17/2011

JOHN J. LUPICA, President
Authorized Representative

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The COMPANY, the INSUREDS, and the INSURER agree as follows:

1. INSURING CLAUSE

(a) The INSURER shall pay on behalf of the INSUREDS all NON-INDEMNIFIABLE LOSS that the INSUREDS become legally obligated to pay by reason of any CLAIM first made against the INSUREDS during the POLICY PERIOD or, if elected, the DISCOVERY PERIOD, for any WRONGFUL ACTS that are actually or allegedly caused, committed, or attempted prior to the end of the POLICY PERIOD by the INSUREDS, but only if:

1. the insurer(s) of the UNDERLYING INSURANCE:

   i. wrongfully refuses to indemnify the INSUREDS as required under the terms of the UNDERLYING INSURANCE; or

   ii. fails to indemnify the INSUREDS within 60 days after the INSUREDS request such indemnification; or

   iii. is financially unable to indemnify the INSUREDS; or

   iv. files an action to rescind, or states in writing its intent to rescind, the UNDERLYING INSURANCE; or

   v. as a result of a liquidation or reorganization proceeding commenced by or against the COMPANY pursuant to the U.S. Bankruptcy Code, as amended, is unable or refuses to pay the INSUREDS solely because the proceeds of such UNDERLYING INSURANCE are subject to the automatic stay; or

2. according to the terms and conditions of the UNDERLYING INSURANCE, the insurer(s) of the UNDERLYING INSURANCE is not liable for such portion of the LOSS; or

3. the limit(s) of liability of the UNDERLYING INSURANCE has been exhausted by reason of LOSS paid thereunder.

(b) With respect to (a)(1) and (2) above, any coverage shall be subject to all terms, definitions, conditions, exclusions and limitations of this POLICY.

(c) With respect to (a)(3) above, and notwithstanding anything in this POLICY to the contrary, except Clause 4 (Limits Of Liability), Clause 6 (Assistance, Cooperation And Consent), Clause 13 (LOSS Provisions), Clause 15 (Notice), Clause 16 (Authority), and any endorsement to this POLICY, this POLICY is amended to follow and be subject to the terms and conditions of the Primary Policy set forth in Item VII of the Declarations.

2. DEFINITIONS

(a) "APPLICATION" shall mean:

1. the signed, written application for this POLICY, and for any policy issued by the

INSURER of which this POLICY is a direct or indirect renewal or replacement, including the schedules thereto; and

2. all publicly available documents filed by the COMPANY with the Securities and Exchange Commission during the 12 months preceding inception of this POLICY.

All such applications and materials are deemed attached to and incorporated into this POLICY.

(b) "CLAIM" shall mean:

1. any written demand, or any civil, criminal, arbitration, administrative, or regulatory proceeding, for monetary damages or non-monetary or injunctive relief, or any investigation, including a Wells Notice, against any INSURED for a WRONGFUL ACT, including any appeal therefrom;

2. an EXTRADITION PROCEEDING;

3. written notice to the INSURER by the INSUREDS and/or the COMPANY during the POLICY PERIOD describing circumstances that may reasonably be expected to give rise to a CLAIM described in subpart (b)(1) or (b)(2) above being made against the INSUREDS; or

4. any request or demand by a regulatory, administrative, governmental or similar authority to interview or depose an INSURED.

(c) "COMPANY" shall mean:

1. the company shown in Item I of the Declarations;

2. any company that, prior to the starting date of the POLICY PERIOD, merged into or consolidated with the company shown in Item I of the Declarations and was not the surviving entity;

3. any SUBSIDIARY of either such company;

4. if covered in accordance with subpart (a) of Clause 20 (Acquisition, Creation Or Disposition Of A Subsidiary) below, any other SUBSIDIARY;

5. any foundation, charitable trust or political action committee controlled or exclusively sponsored by one or more organizations described in (1) through (4) above; and

6. any organization described in (1) through (5) above as a debtor-in-possession under United States bankruptcy law or an equivalent status under the law of any other country.

(d) "DEFENSE COSTS" shall mean that portion of LOSS consisting of reasonable and necessary costs, charges, fees (including but not limited to attorneys' fees and experts' fees) and expenses incurred in the defense or investigation of a CLAIM, whether such CLAIM is ultimately settled or adjudicated, including but not limited to: (i) the cost of defending an EXTRADITION PROCEEDING; (ii) reasonable fees and expenses incurred by the INSUREDS at the INSURER'S request to assist the INSURER in investigating the CLAIM; (iii) costs assessed against the INSUREDS; and, (iv) the premium for appeal, attachment or similar bonds, but shall not include wages, salaries, fees, benefits or office expenses of INSUREDS or employees of the COMPANY.

(e) "DISCOVERY PERIOD" shall mean, if elected pursuant to Clause 21, the continuation of the reporting period of this POLICY in respect of any CLAIMS first made against an INSURED during the one-year period after the end of the POLICY PERIOD, but only if CLAIMS are based on WRONGFUL ACTS alleged to have been committed prior to the end of the POLICY PERIOD.

(f) "DOMESTIC PARTNER" shall mean any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by the COMPANY.

(g) "EXTRADITION PROCEEDING" shall mean any formal process by which an INSURED located in any country is surrendered to any other country for trial or otherwise to answer any criminal accusation.

(h) "INDEPENDENT DIRECTORS" shall mean one or more past, present or future directors or MANAGERS of the COMPANY who are not and have never been an officer or employee of any COMPANY.

(i) "INSUREDS" shall mean one or more of the following:

1. all natural persons who were, now are, or shall be duly elected or appointed directors, trustees, governors, officers, management committee members, MANAGERS, in-house general counsel, comptrollers or risk managers of the COMPANY, or with respect to any COMPANY chartered outside the United States, the functional equivalent of any such executive;

2. all other persons not described in (1) above who were, now are, or shall be full-time or part-time, seasonal or temporary employees of the COMPANY, provided coverage for such other persons shall apply only:

   i. if such other persons are insureds under the UNDERLYING INSURANCE with respect to the CLAIM against such other persons; and,

   ii. the CLAIM:

      (A) is by securities holders of the COMPANY in their capacity as such, including without limitation any shareholder derivative or securities class action lawsuit; or

      (B) is made and continuously maintained against a person described in (1) above;

3. all persons who were, now are, or shall be serving as directors, officers, trustees, governors, or the equivalent thereof for any OUTSIDE ENTITY if:

   i. such activity is part of their duties regularly assigned by the COMPANY; or

   ii. such activity is at the written direction or request of the COMPANY; or

   iii. they are a member of a class of persons so directed to serve by the COMPANY; and

4. the estates, heirs, legal representatives or assigns of deceased INSUREDS and the legal representatives or assigns of INSUREDS in the event of their incompetency, insolvency or bankruptcy.

(j) "INSURER" shall mean the insurance company indicated in the Declarations.

(k) "LOSS" shall mean any and all amounts that the INSUREDS are legally obligated to pay by reason of a CLAIM made against the INSUREDS for any WRONGFUL ACT, and shall include but not be limited to compensatory, exemplary, punitive and multiple damages, judgments, settlements, pre-judgment and post-judgment interest, and DEFENSE COSTS; provided, however, LOSS shall not include taxes, fines or penalties imposed by law, or matters that may be deemed uninsurable under the law pursuant to which this POLICY shall be construed. The INSURER shall not assert that any LOSS incurred by an INSURED is uninsurable due to the INSURED's actual or alleged violation of Section 11 or 12 of the Securities Act of 1933, as amended. ("Fines or penalties" do not include punitive, exemplary, or multiple damages or civil penalties assessed against an INSURED pursuant to Section 2(g)(2)(B) of the Foreign Corrupt Practices Act, 15 U.S.C. Sec. 78dd-2(g)(2)(B)). The insurability of punitive, exemplary and multiple damages shall be governed by the law of the applicable jurisdiction that most favors coverage for such punitive, exemplary and multiple damages. If the INSUREDS present to the INSURER a written opinion from legal counsel that such punitive, exemplary or multiple damages are insurable under such applicable law, the INSURER shall not challenge that determination.

LOSS also means, where permissible by law: (i) DEFENSE COSTS incurred by an INSURED in connection with the defense or appeal of an EXTRADITION PROCEEDING; and, (ii) the premium for a bail bond, if bail is available for an EXTRADITION PROCEEDING in the country at issue, but the INSURER shall be under no obligation to provide such bail bond.

(l) "MANAGERS" shall mean any one or more natural persons who were, now are or shall be a manager, member of the board of managers or equivalent executive of a COMPANY that is a limited liability company.

(m) "NON-INDEMNIFIABLE LOSS" means LOSS for which the COMPANY or, with respect to INSUREDS described in Clause 2(i)(3) above, the OUTSIDE ENTITY, is not required or permitted to pay on behalf of or to indemnify the INSUREDS pursuant to law, or the charter or other similar formative document or by-laws or written agreements of the COMPANY or the OUTSIDE ENTITY duly effective under applicable law, that determines and defines such rights of indemnity; provided, however, a COMPANY or OUTSIDE ENTITY shall not be considered to be required or permitted to pay on behalf of or to indemnify an INSURED if:

1. the COMPANY and/or the OUTSIDE ENTITY refuses to indemnify or advance DEFENSE COSTS or other LOSS as required or permitted, or is financially unable to indemnify, or fails to indemnify within 60 days after the INSUREDS request such indemnification; and the INSUREDS comply with Clause 19 (Subrogation) below; or

2. any receiver, conservator, liquidator, trustee, rehabilitator or similar official is appointed by any state or federal official, agency or court to take control of, supervise, manage or liquidate the COMPANY, or the COMPANY becomes a debtor-in-possession.

(n) "OUTSIDE ENTITY" shall mean: (i) any organization chartered and operated as a not-for-profit organization; and, (ii) any other not-for-profit or for-profit organization, provided that coverage under this POLICY for any person serving any such other organization shall apply only if such person is a current or former director, chief executive officer, president, chief operating officer, chief financial officer or executive vice president of the COMPANY.

(o) "POLICY" shall mean this insurance policy, including the APPLICATION, the Declarations, and any endorsements hereto issued by the INSURER.

(p) "POLICY PERIOD" shall mean the period of time stated in Item II of the Declarations. If this POLICY is cancelled in accordance with subpart (b) of Clause 7 (Material Changes In

Conditions And Cancellation) below, the POLICY PERIOD shall end upon the effective date of such cancellation.

(q) "SUBSIDIARY" shall mean any entity, other than a partnership, in which the COMPANY named in Item I of the Declarations:

1. owns interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of the board of directors if such entity is a corporation, the management committee members if such entity is a joint venture, or the members of the management board if such entity is a limited liability company; or

2. has the right, pursuant to written contract or the by-laws, charter, operating agreement or similar documents of a COMPANY, to elect, appoint or designate a majority of the board of directors if such entity is a corporation, the management committee members if such entity is a joint venture, or the members of the management board if such entity is a limited liability company,

on or before the inception date of the POLICY, either directly or indirectly, in any combination, by one or more other SUBSIDIARIES.

(r) "UNDERLYING INSURANCE" shall mean the directors and officers liability insurance policies scheduled in Item VII of the Declarations.

(s) "WRONGFUL ACT" shall mean any actual or alleged error, misstatement, misleading statement or act, omission, neglect, or breach of duty by the INSUREDS while acting, individually or collectively, in their capacities as INSUREDS, or any other matter claimed against them by reason of their serving in such capacities.

All such errors, misstatements, misleading statements or acts, omissions, neglects or breaches of duty actually or allegedly caused, committed, or attempted by or claimed against one or more of the INSUREDS arising out of or relating to the same or series of related facts, circumstances, situations, transactions or events shall be deemed to be a single WRONGFUL ACT.

3. CONDUCT EXCLUSION

The INSURER shall not be liable to make any payment for LOSS in connection with that portion of any CLAIM based upon or attributable to the INSUREDS having gained any personal profit or remuneration to which they were not legally entitled, or having committed any deliberate fraud or deliberate criminal act, if a final adjudication in an underlying proceeding adverse to such INSUREDS establishes that such INSUREDS gained any such personal profit or remuneration, or committed such deliberate fraud or deliberate criminal act; however, this limitation shall not apply to DEFENSE COSTS or to INDEPENDENT DIRECTORS.

Any fact pertaining to any INSURED shall not be imputed to any other INSURED for the purpose of determining the application of this exclusion.

4. LIMITS OF LIABILITY

The Limit of Liability in Item III of the Declarations is the maximum aggregate liability of the INSURER under this POLICY for all covered LOSS arising from all CLAIMS first made during the POLICY PERIOD, regardless of the time of payment of LOSS by the INSURER or the number of CLAIMS.

Solely with respect to Clause 1, Insuring Clause, section (a)(3) above, liability for any covered LOSS shall attach to the INSURER only after the insurer(s) of the UNDERLYING INSURANCE shall have paid the full amount of the UNDERLYING INSURANCE, and only excess of any required retention and co-insurance amounts under such UNDERLYING INSURANCE.

DEFENSE COSTS shall be part of and not in addition to the Limits of Liability as stated in Item III of the Declarations, and payment by the INSURER of DEFENSE COSTS shall reduce the applicable Limit of Liability.

Multiple demands, suits or proceedings arising out of the same WRONGFUL ACT shall be deemed to be a single CLAIM, which shall be treated as a CLAIM first made during the POLICY PERIOD in which the first of such multiple demands, suits or proceedings is made against any INSURED or in which notice of circumstances relating thereto is first given in accordance with subpart (b) of Clause 13 (Loss Provisions) below, whichever occurs first.

5. ALTERNATE DISPUTE RESOLUTION

Only if requested by the INSUREDS, the INSURER shall submit any dispute, controversy or claim arising out of or relating to this POLICY or the breach, termination or invalidity thereof to non-binding mediation and/or to non-binding arbitration pursuant to such rules and procedures as the parties may agree. If the parties cannot agree on the arbitration rules and procedures, the arbitration shall be administered by the American Arbitration Association in accordance with its then prevailing commercial arbitration rules. The arbitration panel shall consist of one arbitrator selected by the INSUREDS, one arbitrator selected by the INSURER, and a third independent arbitrator selected by the first two arbitrators. In any such arbitration, each party will bear its own legal fees and expenses.

6. ASSISTANCE, COOPERATION AND CONSENT

The INSUREDS shall provide to the INSURER all information, assistance and cooperation which the INSURER may reasonably request, and the INSUREDS shall use diligence and prudence in the investigation, defense, negotiation of settlement and settlement of any CLAIM. The INSUREDS shall do nothing that could prejudice the INSURER'S position or its potential or actual rights of recovery with respect to any CLAIM.

The INSURER has no duty to defend any CLAIM and shall not be called upon to assume charge of the investigation, settlement or defense of any CLAIM. However, the INSURER shall have the right, but not the duty, and shall be given the opportunity to fully and effectively associate with the INSUREDS, and shall be consulted in advance, regarding the control, investigation, defense, negotiation of settlement and settlement of any CLAIM that is or may be covered in whole or in part by, or that may cause liability to attach under, this POLICY.

The INSUREDS shall not offer to settle or settle, assume any obligation, admit any liability or stipulate to any judgment with respect to any CLAIM that is or may be covered in whole or in part by, or that may cause liability to attach under, this POLICY without the INSURER'S prior written consent, which shall not be unreasonably withheld. The INSURER shall not be liable for or as a result of any offer to settle, settlement, assumed obligation, admission of liability or stipulated judgment to which it has not given its prior written consent.

The failure of any INSURED to comply with his or her obligations under this Clause, shall not impair the rights of any other INSURED under this POLICY.

7. MATERIAL CHANGES IN CONDITIONS AND CANCELLATION

(a) In the event during the POLICY PERIOD:

1. the company named in Item I of the Declarations shall merge into or consolidate with another organization in which the company named in Item I of the Declarations is not the surviving entity; or

2. any person or entity or group of persons and/or entities acting in concert shall acquire securities or voting rights which results in ownership or voting control by such person or entity or group of persons or entities of more than 50% of the outstanding securities representing the present right to vote for election or appointment of the board of directors of the company named in Item I of the Declarations if the company is a corporation, the management committee members if the company is a joint venture, or the management board if the company is a limited liability company;

this POLICY shall remain in force until the termination of the POLICY PERIOD, but only with respect to CLAIMS for WRONGFUL ACTS actually or allegedly taking place before the effective date of said merger, consolidation or acquisition. All premiums paid or due at the time of said merger, consolidation or acquisition shall be fully earned and in no respect refundable.

(b) This POLICY may only be cancelled by the INSURER for nonpayment of premium by sending notice, in accordance with Clause 15 (Notice) below, to the COMPANY stating when, not less than 15 days thereafter, the cancellation shall be effective. The effective date of cancellation stated in the notice shall become the end of the POLICY PERIOD. All premiums paid or due for this POLICY shall be fully earned at the time of said end of the POLICY PERIOD.

If this POLICY is cancelled by the COMPANY, the INSURER shall refund the unearned premium computed at the customary short rate. If this POLICY is cancelled by the INSURER, the INSURER shall refund the unearned premium computed pro rata. Payment or tender of any unearned premium by the INSURER shall not be a condition precedent to the effectiveness of such cancellation, but such payment shall be made as soon as practicable.

8. CHANGES AND ASSIGNMENTS

The terms and conditions of this POLICY shall not be waived or changed, nor shall an assignment of interest under this POLICY be binding, except by an endorsement to this POLICY issued by the INSURER.

9. ADVANCEMENT OF DEFENSE COSTS

Except in those instances when the INSURER has denied liability for the CLAIM because of the application of one or more coverage issues, if the COMPANY refuses or is financially unable to advance DEFENSE COSTS, and if the insurer(s) of the UNDERLYING INSURANCE fails or refuses to advance such costs as provided in Clause 1(a) above, the INSURER shall, upon request and if proper documentation accompanies the request, advance on behalf of the INSUREDS, or any of them, such DEFENSE COSTS on a current basis. In the event that the INSURER so advances DEFENSE COSTS and it is finally established that the INSURER has no liability hereunder, such INSUREDS on whose behalf advances have been made and the COMPANY, to the full extent legally permitted, agree to repay to the INSURER, upon demand, all monies advanced.

10. CURRENCY

All premium, limits, retentions, LOSS and other amounts under this POLICY are expressed and payable in the currency of the United States of America.

11. HEADINGS

The descriptions in the headings and sub-headings of this POLICY are inserted solely for convenience and do not constitute any part of the terms or conditions hereof.

12. INSUREDS' REPORTING DUTIES

The INSUREDS and/or the COMPANY shall give written notice to the INSURER of any of the following as soon as practicable after the in-house general counsel or risk manager of the COMPANY first learns thereof:

(a) any CLAIM described in Clause 2 (Definitions) above;

(b) any notice of circumstances described in subpart (b) of Clause 13 (Loss Provisions), which notice shall include the nature of the WRONGFUL ACT, the alleged injury, the names of the claimants, and the manner in which the INSUREDS or COMPANY first became aware of the CLAIM; or

(c) any event described in subpart (a) of Clause 7 (Material Changes And Cancellation) above.

If the INSUREDS and/or the COMPANY fail to provide notice of a CLAIM to the INSURER as specified above, the INSURER shall not be entitled to deny coverage for the CLAIM based solely upon late notice unless the INSURER can demonstrate its interests were materially prejudiced by reason of such late notice.

The INSUREDS and the COMPANY shall cooperate with the INSURER and give such additional information as the INSURER may reasonably require.

The INSUREDS and/or the COMPANY shall give written notice to the INSURER within 30 days after the in-house general counsel or risk manager of the COMPANY first receives or has notice of any:

(a) material change in the terms or conditions of the UNDERLYING INSURANCE; or

(b) nonrenewal or cancellation of the UNDERLYING INSURANCE,

occurring during the POLICY PERIOD or the DISCOVERY PERIOD (if elected pursuant to Clause 21 below) and any additional premium reasonably required by the INSURER as a result of such change, nonrenewal or cancellation shall be paid within 30 days of the request thereof by the INSURER.

13. LOSS PROVISIONS

(a) The time when a CLAIM shall be made for purposes of determining the application of Clause 1 (Insuring Clause) above shall be the date on which the CLAIM is first made against the INSURED.

(b) If during the POLICY PERIOD or the DISCOVERY PERIOD (if elected pursuant to Clause 21 below), the INSUREDS or the COMPANY shall become aware of any circumstances that may reasonably be expected to give rise to a CLAIM being made against the INSUREDS and shall give written notice to the INSURER of the circumstances and the reasons for anticipating a CLAIM, with particulars as to dates and persons involved, then any CLAIM that is subsequently made against the INSUREDS arising out of such circumstances shall be treated as a CLAIM made during the POLICY PERIOD in which the INSUREDS or the COMPANY gave such notice.

(c) The COMPANY and the INSUREDS shall give the INSURER such information and cooperation as it may reasonably require and as shall be in the COMPANY's and the INSUREDS' power.

14. OTHER INSURANCE

If other valid and collectible insurance with any other insurer, whether such insurance is issued before, concurrent with, or after inception of this POLICY, is available to the INSUREDS covering a CLAIM also covered by this POLICY, other than the UNDERLYING INSURANCE and insurance that is issued specifically as insurance in excess of the insurance afforded by this POLICY, this POLICY shall be in excess of and shall not contribute with such other insurance. Without limiting the foregoing, this POLICY is specifically excess of and shall not contribute with any insurance which is maintained by an OUTSIDE ENTITY and available to an INSURED.

15. NOTICE

All written notices of cancellation and nonrenewal from the INSURER to the COMPANY shall be mailed by certified mail to the COMPANY, and by first-class mail to the agent or broker of record, at the last mailing addresses known to the INSURER. Notice of cancellation and nonrenewal shall state the reason(s) for such, where required by law.

All other notices under any provision of this POLICY shall be in writing and given by prepaid express courier or electronic service properly addressed to the appropriate party at the respective addresses as shown in Items V and VI of the Declarations. Notice so given shall be deemed to be received and effective upon actual receipt thereof by the party or one day following the date such notice is sent, whichever is earlier. Notice to the INSURER of any CLAIM or WRONGFUL ACT, or any other notice, shall be directed to the attention of the INSURER's Professional Risk Unit.

Proof of mailing shall be sufficient proof of notice.

16. AUTHORITY

By acceptance of this POLICY, the company named in Item I of the Declarations agrees to represent the INSUREDS with respect to all matters under this POLICY, including, but not limited to, the giving and receiving of notice of CLAIM or cancellation or desire not to extend the POLICY or election of the DISCOVERY PERIOD, the payment of premiums, the receiving of LOSS payments and any return premiums that may become due under this POLICY, the requesting, receiving, and acceptance of any endorsement to this POLICY, and the submission of a dispute to arbitration.

The INSUREDS agree that said company shall represent them but, for purposes of the investigation, defense, settlement, or appeal of any CLAIM, all similarly situated INSUREDS who are named as defendants in the CLAIM may, upon notice to the INSURER, replace said COMPANY with another agent to represent them with respect to the CLAIM, including giving and receiving of notice of CLAIM and other correspondence, the receiving of LOSS payments, and the submission of a dispute to arbitration or mediation.

17. NON-RESCISSION

This POLICY shall not be rescinded by the INSURER in whole or in part for any reason.

18. SPOUSAL LIABILITY

If a CLAIM against an INSURED includes a claim against the INSURED's lawful spouse or DOMESTIC PARTNER solely by reason of: (i) such spouse's or DOMESTIC PARTNER's status as a spouse or DOMESTIC PARTNER of the INSURED; or, (ii) such spouse's or DOMESTIC PARTNER's ownership interest in property which the claimant seeks as recovery for alleged WRONGFUL ACTS of the INSURED, all loss which such spouse or DOMESTIC PARTNER becomes legally obligated to pay by reason of such CLAIM shall be treated for purposes of this POLICY as LOSS which the INSURED becomes legally obligated to pay by reason of the CLAIM made against the INSURED. Such spousal or DOMESTIC PARTNER loss shall be covered under the POLICY only if and to the extent such loss would be covered if incurred by the INSURED.

The coverage extension afforded by this Clause 18 does not apply to the extent such CLAIM alleges a wrongful act or omission by the INSURED's spouse or DOMESTIC PARTNER.

19. SUBROGATION

(a) Inasmuch as this POLICY is excess insurance, the INSUREDS' right of recovery against any person or organization cannot be exclusively subrogated to the INSURER. It is, therefore, understood and agreed that in case of any payment hereunder, the INSURER will act in concert with all other interests concerned (including the INSUREDS'), in the exercise of such rights of recovery. The apportioning of any amounts that may be so recovered shall follow the principle that any interest (including the INSUREDS') that has paid an amount over and above any payment hereunder, shall first be reimbursed up to the amount paid by it; the INSURER is then to be reimbursed out of any balance then remaining up to the amount paid hereunder; lastly, the interests (including the INSUREDS') of which this coverage is in excess are entitled to claim the residue, if any. Expenses necessary to the recovery of any such amounts shall be apportioned between the interests concerned (including the INSUREDS'), in the proportion of their respective recoveries as finally settled. If there should be no recovery in proceedings instituted solely on the initiative of the INSURER, the expenses thereof shall be borne by the INSURER.

(b) The INSUREDS shall execute all papers reasonably required and shall take all reasonable actions that may be necessary to secure the rights of the INSURER, including the execution of such documents necessary to enable the INSURER effectively to bring suit in the name of the INSUREDS, including but not limited to an action against the COMPANY or the insurer(s) of the UNDERLYING INSURANCE for nonpayment of indemnity due and owing to the INSUREDS by the COMPANY or the insurer(s), respectively.

(c) In no event shall the INSURER exercise its right of subrogation against an INSURED unless and to the extent Clause 3, Conduct Exclusion, applies to such INSURED.

(d) With respect to Insuring Clause (a)(1)(v) above, any payment made by the INSURER under this POLICY ("BANKRUPTCY PAYMENT") is not intended to be a payment in satisfaction of the obligations under the UNDERLYING INSURANCE, but, rather, an advance of funds subject to repayment as provided in this Clause 19, and that, subject to reinstatement pursuant to section (d)(2) below, all BANKRUPTCY PAYMENTS shall reduce and/or exhaust the limits of liability of this POLICY to the same extent as any payment of LOSS by the INSURER to the INSUREDS hereunder.

In the event of any BANKRUPTCY PAYMENT:

1. the INSUREDS hereby assign to the INSURER all their rights under the UNDERLYING INSURANCE to obtain payment of the amounts of the BANKRUPTCY PAYMENTS, which assignment shall be the INSUREDS' sole obligation as respects their repayment of the BANKRUPTCY PAYMENTS; and

2. notwithstanding any subrogation provisions or other provisions of the POLICY, any recoveries by the INSURER pursuant to (1) above shall be the sole property of the INSURER, but an amount equal to the amount of such recoveries, minus all costs incurred by the INSURER to obtain such recoveries, shall reinstate, in such amount, as of the date each recovery is received by the INSURER, the limits of liability of this POLICY that were eroded or exhausted by BANKRUPTCY PAYMENTS.

20. ACQUISITION, CREATION OR DISPOSITION OF A SUBSIDIARY

(a) If, during the POLICY PERIOD, the COMPANY acquires voting securities in another organization or creates another organization which as a result of such acquisition or creation becomes a SUBSIDIARY, or acquires any organization by merger into or consolidation with the COMPANY, then, subject to the terms and conditions of this POLICY including the following paragraphs of this section (a), such organization's INSUREDS shall be covered under this POLICY but only with respect to CLAIMS for WRONGFUL ACTS taking place after such acquisition or creation, unless the INSURER agrees to provide coverage by endorsement for WRONGFUL ACTS taking place prior to such acquisition or creation.

If the total assets of such acquired or created organization, as reflected in the then most recent consolidated financial statements of the organization, exceed 15% of the total assets of the company named in Item I of the Declarations, and the SUBSIDIARIES as reflected in the then most recent consolidated financial statements of the company named in Item 1 of the Declarations, coverage shall be provided for any persons of such acquired or created organization who would otherwise fall within the definition of INSURED for a period of 30 days after the effective date of such acquisition or creation, or until the end of the POLICY PERIOD, whichever is earlier, so long as the company named in Item 1 of the Declarations gives written notice of such acquisition or creation to the INSURER prior to the end of the POLICY PERIOD. Coverage otherwise afforded under this paragraph for such persons of such acquired or created organization who would otherwise fall within the definition of INSURED shall terminate 30 days after the effective date of such acquisition or creation, or at the end of the POLICY PERIOD, whichever is earlier, unless the company named in Item 1 of the Declarations agrees to and pays any additional premium required by the INSURER, and agrees to any additional terms and conditions of this POLICY as required by the INSURER.

(b) Coverage shall not apply to directors, MANAGERS, officers and employees of any subsidiary, including a SUBSIDIARY as defined in Clause 2 (Definitions) above, for CLAIMS for WRONGFUL ACTS actually or allegedly taking place subsequent to the date that the SUBSIDIARY ceases to be a SUBSIDIARY.

21. DISCOVERY PERIOD

(a) If the INSURER or the COMPANY elects not to renew this POLICY, then the INSUREDS shall have the right, upon payment of an additional premium set forth in Item IV of the Declarations, to a continuation of the reporting period of this POLICY in respect of any CLAIMS first made against an INSURED during the one-year period after the end of the POLICY PERIOD, but only if the CLAIMS are based on WRONGFUL ACTS alleged to have been committed prior to the end of the POLICY PERIOD. Such CLAIMS shall be deemed to have been made during the POLICY PERIOD, provided that notification of each CLAIM is in accordance with Clause 12 above. The right to elect the DISCOVERY PERIOD shall terminate, however, unless written notice of such election together with the additional premium is received by the INSURER within 30 days after the end of the POLICY PERIOD. Any premium paid for the DISCOVERY PERIOD is not refundable.

(b) The offer by the INSURER of renewal at a premium different from the premiums for the expiring POLICY PERIOD shall not constitute an election by the INSURER not to renew this POLICY.

(c) The Limit of Liability provided during the DISCOVERY PERIOD is part of and not in addition to the Limit of Liability provided during the POLICY PERIOD, and there shall be no separate or additional Limit of Liability for the DISCOVERY PERIOD.

22. BANKRUPTCY

Bankruptcy or insolvency of the COMPANY or any INSURED shall not relieve the INSURER of its obligations nor deprive the INSURER of its rights or defenses under this POLICY.

In the event a liquidation or reorganization proceeding is commenced by or against a COMPANY pursuant to the United States Bankruptcy Code, as amended, or any similar state, local, or foreign law, the COMPANY and the INSUREDS hereby: (i) waive and release any automatic stay or injunction which may apply in such proceeding to this POLICY or its proceeds under such Bankruptcy Code or law; and, (ii) agree not to oppose or object to any efforts by the INSURER, the COMPANY or any INSURED to obtain relief from any such stay or injunction.

In the event the COMPANY becomes a debtor-in-possession or equivalent status under the United States Bankruptcy Code or the law of any other country and the aggregate LOSS due under this POLICY exceeds the remaining available Limit of Liability, the INSURER shall:

1. first pay such LOSS allocable to WRONGFUL ACTS that are actually or allegedly caused, committed, or attempted prior to the COMPANY becoming a debtor-in–possession or such equivalent status, then

2. with respect to whatever remaining amount of the Limit of Liability is available after payment under (1) above, pay such LOSS allocable to WRONGFUL ACTS that are actually or alleged caused, committed, or attempted after the COMPANY became a debtor-in-possession.

23. APPEALS

In the event the INSUREDS or the insurer(s) of the UNDERLYING INSURANCE elect not to appeal a judgment, the INSURER may elect to make such appeal at its own expense, and shall be liable for any increased award, taxable costs and disbursements and any additional interest incidental to such appeal, to the extent such payments are not covered by other valid and collectible insurance.

24. TERRITORY

This POLICY shall apply to any CLAIM made against any INSURED anywhere in the world.

SIGNATURES

Named Insured **Patriot Coal Corporation**			Endorsement Number **1**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

THE ONLY SIGNATURES APPLICABLE TO THIS POLICY ARE THOSE REPRESENTING THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

By signing and delivering the policy to you, we state that it is a valid contract.

INDEMNITY INSURANCE COMPANY OF NORTH AMERICA (A stock company)
BANKERS STANDARD FIRE AND MARINE COMPANY (A stock company)
BANKERS STANDARD INSURANCE COMPANY (A stock company)
ACE AMERICAN INSURANCE COMPANY (A stock company)
ACE PROPERTY AND CASUALTY INSURANCE COMPANY (A stock company)
INSURANCE COMPANY OF NORTH AMERICA (A stock company)
PACIFIC EMPLOYERS INSURANCE COMPANY (A stock company)
ACE FIRE UNDERWRITERS INSURANCE COMPANY (A stock company)
WESTCHESTER FIRE INSURANCE COMPANY (A stock company)

436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106-3703

CARMINE A. GIGANTI, Secretary

JOHN J. LUPICA, President

JOHN J. LUPICA, President
Authorized Agent

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured **Patriot Coal Corporation**			Endorsement Number **2**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

AMENDATORY ENDORSEMENT – MISSOURI

IF THERE IS ANY CONFLICT BETWEEN THE POLICY, OTHER ENDORSEMENTS TO THE POLICY AND THIS ENDORSEMENT, THE TERMS PROVIDING THE BROADEST COVERAGE INSURABLE UNDER APPLICABLE LAW SHALL PREVAIL.

It is agreed that:

1. Clause 2 (Definitions), subpart (k), the definition of LOSS, is amended by adding the following:

   Notwithstanding anything to the contrary in this definition, punitive and exemplary damages awarded in Missouri shall not be insurable.

2. Clause 5 (Alternate Dispute Resolution) is amended as follows:

   The following is added:

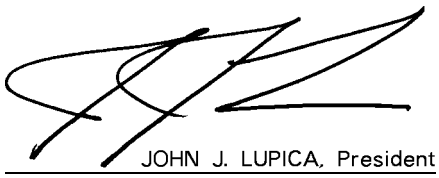
   The alternate dispute resolution process shall be conducted in the county in which the COMPANY resides or has a principal place of business.

3. The following clause is added to the POLICY:

   - **NONRENEWAL**

     If the INSURER decides not to renew this POLICY, the INSURER will mail to the COMPANY written notice of nonrenewal, which will include the reason(s) for nonrenewal, at least 60 days before the end of the POLICY PERIOD. The notice of nonrenewal will be mailed or delivered to the COMPANY'S last mailing address known to the INSURER. Proof of mailing will be sufficient proof of notice.

All other terms and conditions of this policy remain unchanged.



Authorized Representative

Defense Within Limits Disclosure - Missouri

ace usa

PLEASE NOTE: ANY DEFENSE COSTS PAID UNDER THIS POLICY WILL REDUCE THE AVAILABLE LIMITS OF LIABILITY AND MAY EXHAUST THEM COMPLETELY. PLEASE REFER TO THE DEFINITIONS SECTION OF THE POLICY FOR THE DEFINITION OF DEFENSE COSTS.

ace usa

Notice to Policyholders

QUESTIONS ABOUT YOUR INSURANCE?

Answers to questions about your insurance, coverage information, or assistance in resolving complaints can be obtained by contacting:

ACE USA
Customer Support Service Department
436 Walnut Street
PO Box 1000
Philadelphia, PA 19106-3703
1-800-352-4462

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

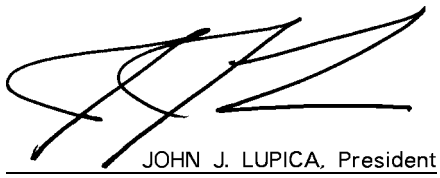
Named Insured **Patriot Coal Corporation**			Endorsement Number **3**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

STATE AMENDATORY INCONSISTENCY ENDORSEMENT

It is agreed that the POLICY is amended to add the following:

> If there is an inconsistency between a state amendatory endorsement attached to this POLICY and any other term or condition of this POLICY, the INSURER shall apply, where permitted by law, those terms and conditions either of such state amendatory endorsement or the POLICY form which are more favorable to the INSURED's coverage.

All other terms and conditions of this POLICY remain unchanged.



Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured **Patriot Coal Corporation**			Endorsement Number **4**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

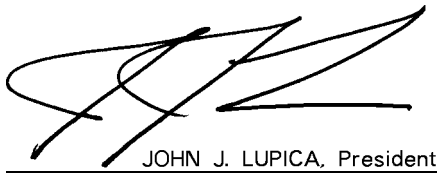
PRIOR OR PENDING LITIGATION EXCLUSION

Solely with respect to Clause 1, Insuring Clause, section (a)(3), it is agreed that Clause 3, Exclusions, is amended to add the following:

- alleging, based upon, arising out of, or attributable to: (i) any prior or pending litigation, administrative, or regulatory proceeding filed on or before 10/31/2007, or the same or substantially the same WRONGFUL ACT, fact, circumstance or situation underlying or alleged therein; or (ii) any other WRONGFUL ACT whenever occurring which, together with a WRONGFUL ACT underlying or alleged in such prior or pending proceeding, would constitute INTERRELATED WRONGFUL ACTS.

  Solely with respect to this exclusion, INTERRELATED WRONGFUL ACT means all WRONGFUL ACTS that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of related facts, circumstances, situations, events, transactions or causes.

All other terms and conditions of this policy remain unchanged.



Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

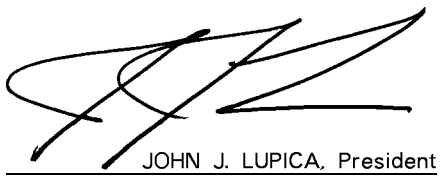
Named Insured **Patriot Coal Corporation**			Endorsement Number **5**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

AMEND ACQUISITION THRESHOLD

It is agreed that the first sentence of the second paragraph of Clause 20, Acquisition, Creation Or Disposition Of A Subsidiary, is deleted in its entirety and the following is inserted:

> If the total assets of such acquired or created organization, as reflected in the then most recent consolidated financial statements of the organization, exceed 35% of the total assets of the company named in Item I of the Declarations, and the SUBSIDIARIES as reflected in the then most recent consolidated financial statements of the company named in Item 1 of the Declarations, coverage shall be provided for any persons of such acquired or created organization who would otherwise fall within the definition of INSURED for a period of 90 days after the effective date of such acquisition or creation, or until the end of the POLICY PERIOD, whichever is earlier, so long as the company named in Item 1 of the Declarations gives written notice of such acquisition or creation to the INSURER prior to the end of the POLICY PERIOD.

All other terms and conditions of this policy remain unchanged.



JOHN J. LUPICA, President
Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured **Patriot Coal Corporation**			Endorsement Number **6**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

UNDERLYING INSURER OR INSUREDS OR 3RD PARTY LIABLE TO PAY ENDORSEMENT

It is agreed that this POLICY is amended as follows:

A. The second paragraph of Clause 4, Limit of Liability, is deleted in its entirety and the following is inserted:

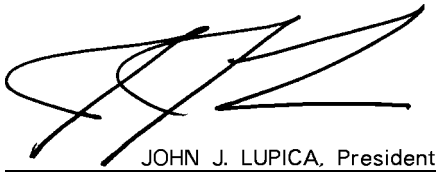
Solely with respect to Clause 1, Insuring Clause, section (a)(3) above, liability for any covered LOSS shall attach to the INSURER only after:

1. the insurer(s) of the UNDERLYING INSURANCE;
2. the INSUREDS; or
3. any other party or person;

shall have paid the full amount of the UNDERLYING INSURANCE, and only excess of any required retention and co-insurance amounts under such UNDERLYING INSURANCE. Nothing in this Clause shall preclude the INSURER of this POLICY from considering any of the other terms, conditions, limitations and exclusions of this POLICY, the Primary Policy set forth in Item VII of the Declarations, or any UNDERLYING INSURANCE, in determining whether any LOSS is covered under this POLICY. Any payments by anyone shall be subject to the same terms and conditions for any such payments by the insurer(s) of the UNDERLYING INSURANCE. Any such payments by anyone in any CLAIM shall not be recognized as reducing or exhausting the limits of liability of the UNDERLYING INSURANCE for any other CLAIM.

The INSURER of this POLICY shall recognize payment by the INSUREDS pursuant to an agreement between the INSUREDS and the insurer(s) of the UNDERLYING INSURANCE only if such agreement is limited to issues of coverage under such UNDERLYING INSURANCE, and no other coverage issues, premium amounts, terms or conditions of any other policy.

All other terms and conditions of this POLICY remain unchanged.



Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured **Patriot Coal Corporation**			Endorsement Number **7**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

SEVERABILITY

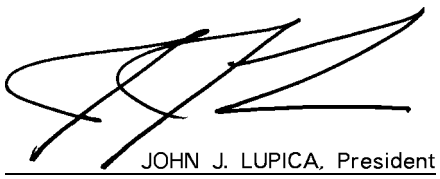
It is agreed that the following Clause is added to the POLICY:

- SEVERABILITY

  The APPLICATION for coverage shall be construed as a separate APPLICATION for coverage by each INSURED. With respect to the declarations and statements contained in such APPLICATION for coverage, no statement in the APPLICATION or knowledge possessed by any one INSURED shall be imputed to any other INSURED for the purpose of determining the availability of coverage with respect to CLAIMS made against any other INSURED.

  The acts, omissions, knowledge, or warranties of any INSURED shall not be imputed to any other INSURED with respect to the coverages applicable under this POLICY.

All other terms and conditions of this policy remain unchanged.



Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured **Patriot Coal Corporation**			Endorsement Number **8**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

MISCELLANEOUS ENHANCEMENTS

It is agreed that the POLICY is amended as follows:

1. Clause 1, Insuring Clause, Section (a), paragraph 1.v., is deleted in its entirety and the following is inserted:

   v. as a result of a liquidation or reorganization proceeding commenced by or against the COMPANY pursuant to the U.S. Bankruptcy Code, as amended, or any similar federal, state, foreign or common law ("CODE"), is unable or refuses to pay the INSUREDS solely because the proceeds of such UNDERLYING INSURANCE are subject to the automatic stay or similar payment prohibition under the CODE; or

2. Clause 1, Insuring Clause, Section (a), paragraph 3, is deleted in its entirety and the following is inserted:

   3. the limit(s) of liability or any applicable sublimit(s) of liability of the UNDERLYING INSURANCE has been exhausted by reason of losses paid thereunder.

3. Clause I, Insuring Clause, Section (c), is deleted in its entirety and the following is inserted:

   (c) With respect to (a)(3) above, in the event any UNDERLYING INSURANCE affords broader coverage for an INSURED than is afforded under this POLICY, then notwithstanding anything in this POLICY to the contrary, except Clause 4 (Limits Of Liability), Clause 6 (Assistance, Cooperation And Consent), Clause 13 (LOSS Provisions), Clause 15 (Notice), Clause 16 (Authority), and any endorsement to this POLICY, this POLICY is amended to follow and be subject to the terms and conditions of such UNDERLYING INSURANCE only in respect of and to the extent of such broader coverage for the INSURED.

4. Clause I, Insuring Clause, is amended to add the following:

   In the event any UNDERLYING INSURANCE affords broader coverage for an INSURED than is afforded under this POLICY, then, notwithstanding anything in this POLICY to the contrary except Clause 4 (LIMITS OF LIABILITY), Clause 6 (Assistance, Cooperation and Consent), Clause 13 (LOSS Provisions), Clause 15 (Notice), Clause 16 (Authority), and any endorsement to this POLICY, this POLICY is amended to follow and be subject to the terms and conditions of such UNDERLYING INSURANCE only in respect of and to the extent of such broader coverage for the INSURED, provided the INSURER shall not cover the COMPANY with respect to any claims made against the COMPANY or for any amounts the COMPANY pays to indemnify, or pays on behalf of, the INSUREDS.

5. Clause 2, Definitions, Section (a), APPLICATION, paragraph 1, is deleted in its entirety and the following is inserted:

   1. the signed, written application, including all underwriting data, submitted by the COMPANY or the INSUREDS to the INSURER during the 12 months preceding inception of this POLICY; and

6. Clause 2, Definitions, Section (b), CLAIM, paragraph 3, is deleted in its entirety and the following is inserted:

3. if reported at the option of the INSUREDS, written notice to the INSURER by the INSUREDS and/or the COMPANY during the POLICY PERIOD describing circumstances that may reasonably be expected to give rise to a CLAIM described in subpart (b)(1) or (b)(2) above being made against the INSUREDS; or

7. Clause 2, Definitions, Section (b), CLAIM, paragraph 4, is deleted in its entirety and the following is inserted:

4. any request, demand or a subpoena by a regulatory, administrative, governmental or similar authority to interview or depose an INSURED, or for the production of documents by an INSURED, in his or her capacity as such; or

5. any written demand that the INSURED toll or waive a statute of limitations with respect to a potential or threatened claim against the INSURED for a WRONGFUL ACT.

8. Clause 2, Definitions, Section (g), EXTRADITION PROCEEDING, is deleted in its entirety and the following is inserted:

(g) "EXTRADITION PROCEEDING" shall mean any formal process by which an INSURED located in any country is or is sought to be surrendered to any other country for trial or otherwise to answer any criminal accusation.

9. Clause 2, Definitions, Section (i), INSUREDS, paragraph 1, is deleted in its entirety and the following is inserted:

1. all natural persons who were, now are, or shall be (i) duly elected or appointed directors, trustees, governors, officers, management committee members, MANAGERS, in-house general counsel, or comptrollers of the COMPANY, (ii) a director of investor relations, director of human resources, risk manager or another manager serving in a functionally equivalent or comparable position with the COMPANY, or (iii) with respect to any COMPANY chartered outside the United States, a natural person serving in a position with such COMPANY which is functionally equivalent or comparable to any position described in (i) or (ii) above;

10. Clause 2, Definitions, Section (k), LOSS, is deleted in its entirety and the following is inserted:

(k) "LOSS" shall mean any and all amounts that the INSUREDS are legally obligated to pay by reason of a CLAIM made against the INSUREDS for any WRONGFUL ACT, and shall include but not be limited to compensatory, exemplary, punitive and multiple damages, judgments, settlements, pre-judgment and post-judgment interest, and DEFENSE COSTS; provided, however, LOSS shall not include:

1. taxes, other than (i) taxes imposed upon a COMPANY for which the INSUREDS are legally liable solely by reason of the COMPANY's insolvency, or (ii) taxes imposed upon an INSURED solely by reason of the INSURER's payment of LOSS incurred by such INSURED;

2. fines or penalties imposed by law, other than (i) punitive, exemplary, or multiple damages or (ii) civil penalties assessed against an INSURED for a violation of any federal, state, local or foreign law (including without limitation Section 2(g)(2)(B) of the Foreign Corrupt Practices Act, 15 U.S.C. Sec. 78dd-2(g)(2)(B)), if such violation is neither intentional nor willful). The insurability of punitive, exemplary and multiple damages shall be governed by the law of the applicable jurisdiction that most favors coverage for such punitive, exemplary and multiple damages. If the INSUREDS present to the INSURER a written opinion from legal counsel that such punitive, exemplary or multiple damages are insurable under such applicable law, the INSURER shall not challenge that determination; or

3. matters that may be deemed uninsurable under the law pursuant to which this POLICY shall be construed. The INSURER shall not assert that any LOSS incurred by an INSURED is uninsurable due to the INSURED's actual or alleged violation of Section 11, 12 or 15 of the Securities Act of 1933, as amended.

Section (k) 1, 2 and 3 above do not apply to DEFENSE COSTS.

LOSS also means;

1. where permissible by law: (i) DEFENSE COSTS incurred by an INSURED in connection with the defense or appeal of an EXTRADITION PROCEEDING; and, (ii) the premium for a bail bond, if bail is available for an EXTRADITION PROCEEDING in the country at issue, but the INSURER shall be under no obligation to provide such bail bond; and,
2. the reasonable and necessary costs, charges, fees and expenses (including the premium or origination fee for a loan or bond) incurred by:
    a. the chief executive officer or chief financial officer of the company named in Item 1 of the Declarations solely to facilitate the return of amounts required to be repaid by such persons pursuant to Section 304(a) of the Sarbanes-Oxley Act of 2002; or,
    b. an INSURED of the COMPANY solely to facilitate the return of amounts required to be repaid by such person pursuant to Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

Such amounts do not include payment, return, reimbursement, disgorgement or restitution of any such amounts requested or required to be repaid by such persons pursuant to Section 304(a) or Section 954.

11. Clause 2, Definitions, Section (l), MANAGERS, is deleted in its entirety and the following is inserted:

(l) "MANAGERS" shall mean any one or more natural persons who were, now are or shall be:

1. a manager, member of the board of managers or functionally equivalent or comparable executive of a COMPANY that is a limited liability company; or
2. a general partner, managing partner or functionally equivalent or comparable executive of a COMPANY that is a partnership;

including without limitation any such natural person serving in a management position in such limited liability company or partnership in accordance with such organization's operating agreement or partnership agreement.

12. Clause 2, Definitions, Section (n), OUTSIDE ENTITY, is deleted in its entirety and the following is inserted:

(n) "OUTSIDE ENTITY" shall mean any not-for-profit or for-profit organization.

13. Clause 2, Definitions, Section (q), SUBSIDIARY, is deleted in its entirety and the following is inserted:

(q) "SUBSIDIARY" shall mean any entity which the COMPANY named in Item I of the Declarations:

1. owns interests representing more than 50% of the voting, appointment or designation power for the selection of a majority of the board of directors if such entity is a corporation, the management committee members or members of the management board if such entity is a joint venture, limited liability company, or partnership, or functionally equivalent or comparable executives of such entity; or
2. has the right, pursuant to written contract or the by-laws, charter, operating agreement, partnership agreement or similar documents of a COMPANY, to elect, appoint or designate a majority of the board of directors if such entity is a corporation, the management committee members or the members of the management board if such entity is a joint venture, limited liability company, or partnership, or functionally equivalent or comparable executives of such entity;

on or before the inception date of the POLICY, either directly or indirectly, in any combination, by one or more other SUBSIDIARIES. Provided, however a partnership shall be a SUBSIDIARY only if such

partnership is specifically included as a SUBSIDIARY by an endorsement to this POLICY and such partnership agrees to indemnify its INSUREDS to the fullest extent permitted by law.

14. The first paragraph of Clause 2, Definitions, Section (s), WRONGFUL ACT, is deleted in its entirety and the following is inserted:

(s) "WRONGFUL ACT" shall mean (i) any actual or alleged error, misstatement, misleading statement or act, omission, neglect, or breach of duty by the INSUREDS while acting, individually or collectively, in their capacities as INSUREDS, or (ii) any other matter claimed against them by reason of their serving in such capacities, provided this subparagraph (ii) shall not apply with respect to any INSUREDS of a COMPANY that is a partnership.

15. Clause 3, Conduct Exclusion, is deleted in its entirety and the following is inserted:

3. CONDUCT EXCLUSION

The INSURER shall not be liable to make any payment for LOSS in connection with that portion of any CLAIM based upon or attributable to: (i) the INSUREDS having gained any personal profit or remuneration to which they were not legally entitled; or (ii) having committed any deliberate fraud or deliberate criminal act, if a final and non-appealable adjudication in an underlying proceeding adverse to such INSUREDS establishes that such INSUREDS gained any such personal profit or remuneration, or committed such deliberate fraud or deliberate criminal act; however, this limitation shall not apply to (i) DEFENSE COSTS, (ii) INDEPENDENT DIRECTORS, or (iii) any employment-related CLAIM.

Subsection (i) above shall not apply in a SECURITIES CLAIM alleging violations of Section 11, 12 or 15 of the Securities Act of 1933, as amended, to the portion of any LOSS attributable to such violations.

Any fact pertaining to or any knowledge or intent of any INSURED shall not be imputed to any other INSURED for the purpose of determining the application of this exclusion.

Solely for purposes of this exclusion, SECURITIES CLAIM means any CLAIM which, in whole or in part, is:

1. brought by one or more securities holders of the COMPANY in their capacity as such, including derivative actions brought by one or more shareholders to enforce a right of the COMPANY; or
2. alleging a violation of any federal, state, local or foreign regulation, rule or statute regulating securities, including but not limited to the purchase or sale of, or offer to purchase or sell, or solicitation of any offer to purchase or sell, any securities issued by the COMPANY, whether such purchase, sale, offer or solicitation involves a transaction with the COMPANY or occurs in the open market, including any such CLAIM brought by the Securities and Exchange Commission or any other claimant.

16. Clause 5, Alternate Dispute Resolution, is amended to add the following:

In the event that the INSUREDS prevail in an arbitration proceeding, then the INSURER shall pay to such INSUREDS the attorneys' fees, expert fees and other necessary out of pocket costs and expenses reasonably incurred by the such INSUREDS in the arbitration proceeding and shall pay the fees and expenses of the arbitration panel, such payment to be in addition to and not part of any applicable Limit Of Liability under this POLICY. In the event the INSURER prevails in an arbitration proceeding, then such fees and expenses of the INSURER and the arbitration panel shall be paid as may be ordered by the arbitration panel within its sole discretion.

17. Clause 6, Assistance, Cooperation And Consent, is deleted in its entirety and the following is inserted:

6. ASSISTANCE, COOPERATION AND CONSENT

The INSUREDS shall provide to the INSURER all information, assistance and cooperation which the INSURER may reasonably request, and the INSUREDS shall use diligence and prudence in the investigation, defense, negotiation of settlement and settlement of any CLAIM. In the event of a CLAIM, the INSUREDS shall do nothing that could prejudice the INSURER'S position or its potential or actual rights of recovery with respect to such CLAIM.

The INSURER has no duty to defend any CLAIM and shall not be called upon to assume charge of the investigation, settlement or defense of any CLAIM. However, the INSURER shall have the right, but not the duty, and shall be given the opportunity to fully and effectively associate with the INSUREDS, and shall be consulted in advance, regarding the control, investigation, defense, negotiation of settlement and settlement of any CLAIM that is reasonably likely to be covered in whole or in part by, or that is reasonably likely to cause liability to attach under, this POLICY.

The INSUREDS shall not offer to settle or settle, assume any obligation, admit any liability or stipulate to any judgment with respect to any CLAIM that is or may be covered in whole or in part by, or that may cause liability to attach under, this POLICY without the INSURER'S prior written consent, which shall not be unreasonably withheld or delayed. The INSURER shall not be liable for or as a result of any offer to settle, settlement, assumed obligation, admission of liability or stipulated judgment to which it has not given its prior written consent.

The failure of any INSURED to comply with his or her obligations under this Clause, shall not impair the rights of any other INSURED under this POLICY.

The INSURER shall fulfill its obligations in accordance with the terms and conditions of this POLICY notwithstanding the issuance of any UNDERLYING INSURANCE by another member of the Ace Group.

18. Section (b) of Clause 7, Material Changes In Conditions And Cancellation, is amended to add the following:

However, if the POLICY is terminated by the company named in Item I of the Declarations because of a downgrade of the financial strength rating of the INSURER of this POLICY, as established by A.M. Best, below A-, and such termination is within 30 days of such downgrade, the INSURER shall:

1. refund the unearned premium computed *pro rata*, if the INSUREDS have not, prior to such termination, provided to the INSURER notice of a CLAIM or notice of facts or circumstances which may reasonably give rise to a future CLAIM covered under this POLICY; or
2. refund the unearned premium computed at the customary short rate, if the INSUREDS have, prior to such termination, provided to the INSURER notice of a CLAIM or notice of facts or circumstances which may reasonably give rise to a future CLAIM covered under this POLICY.

19. Clause 9, Advancement Of Defense Costs, is deleted in its entirety and the following is inserted:

9. ADVANCEMENT OF DEFENSE COSTS

Except in those instances when the INSURER has denied liability for the CLAIM because of the application of one or more coverage issues, if the COMPANY refuses or is financially unable to advance DEFENSE COSTS, and if the insurer(s) of the UNDERLYING INSURANCE fails or refuses to advance such costs as provided in Clause 1(a) above, the INSURER shall, upon request and if properly itemized and detailed invoices accompany the request, advance on behalf of the INSUREDS, or any of them, such DEFENSE COSTS on a current basis, but no later than ninety (90) days after the receipt by the INSURER of such properly itemized and detailed DEFENSE COSTS invoices. In the event that the INSURER so advances DEFENSE COSTS and it is finally established that the INSURER has no liability hereunder for such DEFENSE COSTS, the INSUREDS on whose behalf such advances have been made and the COMPANY, to the full extent legally permitted, agree to repay to the INSURER, severally according to their respective interests, all such advanced DEFENSE COSTS.

20. Clause 12, Insureds' Reporting Duties, is deleted in its entirety and the following is inserted:

The INSUREDS and/or the COMPANY shall give written notice to the INSURER of any of the following as soon as practicable after the in-house general counsel or risk manager of the company named in Item 1 of the Declarations first learns thereof:

(a) any CLAIM described in Clause 2, Definitions, Section (b), CLAIM, subsections 1, 2, 4 and 5 above; or

(b) any event described in subpart (a) of Clause 7 (Material Changes And Cancellation) above.

If the INSUREDS and/or the COMPANY fail to provide notice of a CLAIM to the INSURER as specified above, the INSURER shall not be entitled to deny coverage for the CLAIM based solely upon late notice unless the INSURER can demonstrate its interests were materially prejudiced by reason of such late notice.

If, during the POLICY PERIOD or, if elected, the DISCOVERY PERIOD, the INSUREDS first become aware of a CLAIM described in Clause 2, Definitions, Section (b), CLAIM, subsection 3 above, and if the INSUREDS give written notice to the INSURER as soon as practicable after the in-house general counsel or risk manager of the company named in Item 1 of the Declarations first learns of such CLAIM, but in no event later than 60 days after the termination of the POLICY PERIOD or, if elected, the DISCOVERY PERIOD, of the circumstances by which the INSUREDS first became aware of such CLAIM; and particulars as to dates and persons involved, then the DEFENSE COSTS incurred by an INSURED solely in connection with his or her preparation for and response to such CLAIM shall be covered, subject to the other terms, conditions and limitations of this POLICY. Any other CLAIM which arises out of such CLAIM shall be deemed to have been first made at the time such written notice was received by the INSURER. However, if the INSUREDS elect not to report such CLAIM, then any subsequent CLAIM which arises out of the CLAIM shall be subject to the reporting requirements set forth in the first paragraph of this Clause 12, and coverage for such subsequent CLAIM will not be denied because of the INSUREDS' failure to report the CLAIM pursuant to this paragraph.

The INSUREDS and the COMPANY shall cooperate with the INSURER and give such additional information as the INSURER may reasonably require.

The INSUREDS and/or the COMPANY shall give written notice to the INSURER within 30 days after the in-house general counsel or risk manager of the COMPANY first receives or has notice of any:

(a) material change in the terms or conditions of the UNDERLYING INSURANCE; or

(b) nonrenewal or cancellation of the UNDERLYING INSURANCE,

occurring during the POLICY PERIOD or the DISCOVERY PERIOD (if elected pursuant to Clause 21 below) and any additional premium reasonably required by the INSURER as a result of such change, nonrenewal or cancellation shall be paid as soon as practicable after the request by the INSURER.

21. Clause 13, Loss Provisions, section (b), is deleted in its entirety and the following is inserted:

(b) If during the POLICY PERIOD or the DISCOVERY PERIOD (if elected pursuant to Clause 21 below), the INSUREDS or the COMPANY shall become aware of any circumstances that may reasonably be expected to give rise to a CLAIM being made against the INSUREDS and shall give written notice to the INSURER of the circumstances and the reasons for anticipating a CLAIM, with particulars as to dates and persons involved, including the nature of the WRONGFUL ACT, the alleged injury, the names of the claimants, and the manner in which the INSUREDS or COMPANY first became aware of the facts or circumstances, then any CLAIM that is subsequently made against the INSUREDS arising out of such circumstances shall be treated as a CLAIM made during the POLICY PERIOD in which the INSUREDS or the COMPANY gave such notice. No coverage is provided for fees, expenses and other costs incurred prior to the time such written notice is provided.

22. Clause 17, Non-Rescission, is deleted in its entirety and the following is inserted:

    This POLICY shall not be rescinded or voided by the INSURER in whole or in part for any reason.

23. Clause 21, Discovery Period, Section (a), is deleted in its entirety and the following is inserted:

    (a) If the INSURER or the COMPANY elects not to renew this POLICY, or the company named in Item 1 of the Declarations cancels this POLICY pursuant to Clause 7(b) above, then the INSUREDS shall have the right, upon payment of an additional premium set forth in Item IV of the Declarations, to a continuation of the reporting period of this POLICY in respect of any CLAIMS first made against an INSURED during the one-year period after the end of the POLICY PERIOD, but only if the CLAIMS are based on WRONGFUL ACTS alleged to have been committed prior to the end of the POLICY PERIOD. Such CLAIMS shall be deemed to have been made during the POLICY PERIOD, provided that notification of each CLAIM is in accordance with Clause 12 above. The right to elect the DISCOVERY PERIOD shall terminate, however, unless written notice of such election together with the additional premium is received by the INSURER within 60 days after the end of the POLICY PERIOD. Any premium paid for the DISCOVERY PERIOD is not refundable.

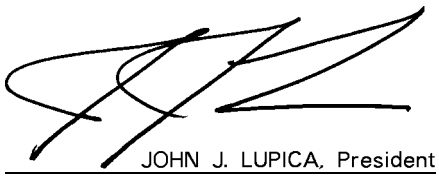
24. The second paragraph of Clause 22, Bankruptcy, is deleted in its entirety and the following is inserted:

    In the event a liquidation or reorganization proceeding is commenced by or against a COMPANY pursuant to the United States Bankruptcy Code, as amended, or any similar state, local, or foreign law, the COMPANY and the INSUREDS hereby: (i) waive and release any automatic stay or similar payment prohibition which may apply in such proceeding to this POLICY or its proceeds under such Bankruptcy Code or law; and, (ii) agree not to oppose or object to any efforts by the INSURER, the COMPANY or any INSURED to obtain relief from any such stay or payment prohibition.

25. Clause 24, Territory, is deleted in its entirety and the following is inserted:

    This POLICY shall apply to any WRONGFUL ACT taking place, LOSS incurred or CLAIM made against any INSURED anywhere in the world, to the fullest extent legally permitted.

All other terms and conditions of the POLICY remain unchanged.



Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured **Patriot Coal Corporation**			Endorsement Number **9**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

SELLING SHAREHOLDER COVERAGE

It is agreed that the POLICY is amended as follows:

1. Clause 2, Definitions, is amended to add the following:

   - SELLING SHAREHOLDER means any duly elected or appointed director or officer of a COMPANY serving in such capacity on or prior to the inception date of the POLICY, who at the time of such service offers or sells a security of the COMPANY within the meaning of Section 12(2) of the Securities Act of 1933 (as amended).

   - SELLING SHAREHOLDER CLAIM means a SECURITIES CLAIM made against a SELLING SHAREHOLDER for a SELLING SHAREHOLDER WRONGFUL ACT.

   - SELLING SHAREHOLDER WRONGFUL ACT means a WRONGFUL ACT by a SELLING SHAREHOLDER in his or her capacity as such or any matter claimed against him or her by reason of his or her status as a SELLING SHAREHOLDER.

   - SECURITIES CLAIM means any CLAIM, other than a civil, criminal, administrative or regulatory investigation of a COMPANY, which, in whole or in part, is:

     3. brought by one or more securities holders of the COMPANY, in their capacity as such, including derivative actions brought by one or more shareholders to enforce a right of the COMPANY; or

     4. alleging a violation of any federal, state, local or foreign regulation, rule or statute regulating securities, including but not limited to the purchase or sale of, or offer to purchase or sell, or solicitation of any offer to purchase or sell, any securities issued by the COMPANY, whether such purchase, sale, offer or solicitation involves a transaction with the COMPANY or occurs in the open market, including any such CLAIM brought by the Securities and Exchange Commission or any other claimant.

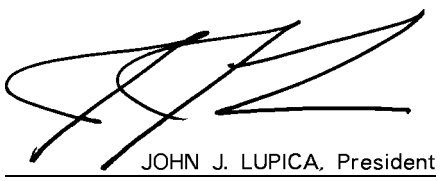
2. Clause 2, Definitions, section (i), INSUREDS, is amended to add the following:

   INSURED also means a SELLING SHAREHOLDER, but only with respect to a SELLING SHAREHOLDER CLAIM, and only so long as such SELLING SHAREHOLDER CLAIM is part of a SECURITIES CLAIM that is, and only so long as such SECURITIES CLAIM is, brought and maintained concurrently against an INSURED as defined in paragraphs 1 or 2 immediately above (other than such SELLING SHAREHOLDER or any other SELLING SHAREHOLDER), in such capacity.

3. Section II, Definitions, subsection U, WRONGFUL ACT, is amended to add the following:

   WRONGFUL ACT also means a SELLING SHAREHOLDER WRONGFUL ACT.

All other terms and conditions of this POLICY remain unchanged.



Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured **Patriot Coal Corporation**			Endorsement Number **10**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

CONTROLLING SHAREHOLDER COVERAGE

It is agreed that the POLICY is amended as follows:

1. Section II, Definitions, is amended to add the following:

   - CONTROLLING SHAREHOLDER means any duly elected or appointed director or officer of a COMPANY serving in such capacity on or prior to the inception date of the POLICY, who at the time of such service is deemed to "control" such COMPANY within the meaning of Section 15 of the Securities Act of 1933 (as amended).

   - CONTROLLING SHAREHOLDER CLAIM means a SECURITIES CLAIM made against a CONTROLLING SHAREHOLDER for a CONTROLLING SHAREHOLDER WRONGFUL ACT.

   - CONTROLLING SHAREHOLDER WRONGFUL ACT means a WRONGFUL ACT by a CONTROLLING SHAREHOLDER in his or her capacity as such or any matter claimed against him or her by reason of his or her status as a CONTROLLING SHAREHOLDER.

   - SECURITIES CLAIM means any CLAIM, other than a civil, criminal, administrative or regulatory investigation of a COMPANY, which, in whole or in part, is:

     5. brought by one or more securities holders of the COMPANY, in their capacity as such, including derivative actions brought by one or more shareholders to enforce a right of the COMPANY; or

     6. alleging a violation of any federal, state, local or foreign regulation, rule or statute regulating securities, including but not limited to the purchase or sale of, or offer to purchase or sell, or solicitation of any offer to purchase or sell, any securities issued by the COMPANY, whether such purchase, sale, offer or solicitation involves a transaction with the COMPANY or occurs in the open market, including any such CLAIM brought by the Securities and Exchange Commission or any other claimant.

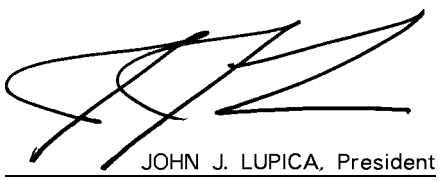
2. Section II, Definitions, subsection (i), INSURED, is amended to add the following:

   INSURED also means a CONTROLLING SHAREHOLDER, but only with respect to a CONTROLLING SHAREHOLDER CLAIM, and only so long as such CONTROLLING SHAREHOLDER CLAIM is part of a SECURITIES CLAIM that is, and only so long as such SECURITIES CLAIM is, brought and maintained concurrently against an INSURED as defined in paragraphs 1 or 2 immediately above (other than such CONTROLLING SHAREHOLDER or any other CONTROLLING SHAREHOLDER), in such capacity.

3. Section II, Definitions, subsection (s), WRONGFUL ACT, is amended to add the following:

   WRONGFUL ACT also means a CONTROLLING SHAREHOLDER WRONGFUL ACT.

All other terms and conditions of this POLICY remain unchanged.



Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured			Endorsement Number
Patriot Coal Corporation			**11**
Policy Symbol	Policy Number	Policy Period	Effective Date of Endorsement
DOX	**G23652936 005**	**10/31/2011 to 10/31/2012**	**10/31/2011**
Issued By (Name of Insurance Company)			
ACE American Insurance Company			

MISSOURI - DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in this endorsement or in the policy Declarations.

Disclosure Of Federal Participation In Payment Of Terrorism Losses

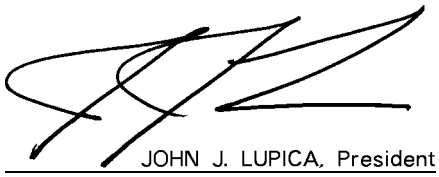
The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds $100 billion.

Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed $100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

We are providing you with the terrorism coverage required by the Act. We have not established a separate price for this coverage; however the portion of your annual premium that is reasonably attributable to such coverage is: $**0.**

NOTE: The premium above is for certain losses resulting from certified acts of terrorism as covered pursuant to coverage provisions, limitations and exclusions in this policy. You should read the definition in your policy carefully, but generally speaking, "certified" acts of terrorism are acts that exceed $5 million in aggregate losses to the insurance industry and which are subsequently declared by the U.S. Secretary of the Treasury as a certified terrorist act under the Terrorism Risk Insurance Act. Some losses resulting from certified acts of terrorism are not covered. Read your policy and endorsements carefully.



JOHN J. LUPICA, President
Authorized Representative

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured **Patriot Coal Corporation**			Endorsement Number **12**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

It is agreed that the POLICY is amended by adding the following Clause:

- **TERRORISM**

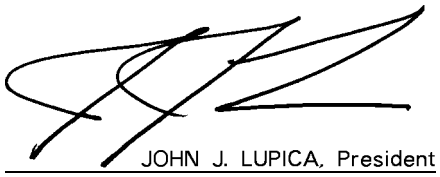
  Notwithstanding anything in this POLICY to the contrary, if aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed $100 billion in a Program Year (January 1 through December 31) and the INSURER has met its deductible under the Terrorism Risk Insurance Act, the INSURER shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

  "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

  1. The act resulted in insured losses in excess of $5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

  2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

All other terms and conditions of this POLICY remain unchanged.



JOHN J. LUPICA, President
Authorized Representative

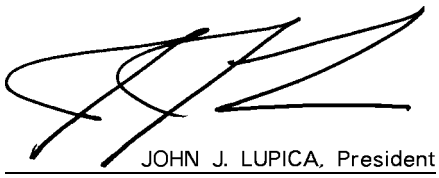
THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured **Patriot Coal Corporation**			Endorsement Number **13**
Policy Symbol **DOX**	Policy Number **G23652936 005**	Policy Period **10/31/2011 to 10/31/2012**	Effective Date of Endorsement **10/31/2011**
Issued By (Name of Insurance Company) **ACE American Insurance Company**			

TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims.

All other terms and conditions of the policy remain unchanged.



Authorized Representative

ace usa

U.S. Treasury Department's Office Of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders

This Policyholder Notice shall not be construed as part of your policy and no coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – http//www.treas.gov/ofac.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

ACE Producer Compensation
Practices & Policies

ACE believes that policyholders should have access to information about ACE's practices and policies related to the payment of compensation to brokers and independent agents. You can obtain that information by accessing our website at http://www.aceproducercompensation.com or by calling the following toll-free telephone number: 1-866-512-2862.

Exhibit F

ECF # 3278

ORIGINAL

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
----------x
In the Matter of:

ENRON CORP., ET AL.,

Case No.
01-16034

Debtor.
----------x

April 11, 2002
2:00 p.m.
United States Custom House
One Bowling Green
New York, New York

B E F O R E:
HON. ARTHUR J. GONZALEZ, U.S. BANKRUPTCY JUDGE

Ruling in reference to: One, the schedules; two, exclusivity; and three, the D&O insurance issue

Reported by:
Linda D. Noto, RPR, CSR

ENRON CORP., ET AL.,

A p p e a r a n c e s:

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GENERAL FOR LITIGATION
- and -
HAL F. MORRIS, ASSISTANT ATTORNEY
GENERAL - SENIOR ATTORNEY
BANKRUPTCY & COLLECTIONS DIVISION

ENRON CORP., ET AL.,

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ENRON CORP., ET AL.,

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THE COURT: Please be seated.

All right. My recollection, if I left something out I'll have to go back in and get some more papers, but my recollection is that there are three decisions I have to read into the record: One, the schedules; two, exclusivity; and three, the D&O insurance issue.

Was there anything else that I reserved on this morning?

All right. I'll deal first with exclusivity and then I'll read a decision with respect to the D&O. And when I deal with exclusivity, I'll deal as well with the schedules.

Cause exists to extend the Debtors exclusive periods as to all the Debtors.

With respect to ENA, the Court will do the following: One, extend ENA's exclusive period to August 31st, 2002; two, sua sponte expand the ENA Examiner's role to that of the facilitator of a plan in the ENA case and direct him to file a report regarding the status of those efforts including a recommendation as to any further extension of ENA's exclusivity; three, such report shall be filed on or before July 26,

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2002.

With respect to the other Enron Debtors, the exclusive period is extended as requested by the Debtor and the Committee for the six-month period sought.

With respect to the schedules, the Court grants the Debtors' request for the additional 60 days and the related relief sought. And the Debtor is to serve an order with respect to both of those issues, and obviously settle it upon the ENA Examiner with respect to the exclusivity issue.

Regarding the AEGIS motion and the outside directors. Concerning the motions filed by AEGIS and the outside directors to lift the automatic stay to allow AEGIS to pay amounts under the AEGIS D&O Policy and the AEGIS Fiduciary and Employee Benefit Liability Policy, first, as set forth by the Movants, their motion to lift the stay is the procedurally correct method to have this matter presented to the Court.

Therefore, currently at issue is the payment of the defense costs incurred by the officers and directors.

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The D&O Policy provides for coverage of the directors and officers, indemnification coverage for the Debtor, and entity coverage for the Debtor.

Pursuant to the terms of the D&O Policy, the directors have a right to advancement of defense costs under a priority of payments endorsement.

The Debtors' entity coverage and its indemnification coverage are expressly subordinated to the rights of the directors and officers under the AEGIS D&O policy.

As the Debtors' property rights are defined by state law, it is that law that governs the contractual obligation; thus, any directors and officers currently due defense costs covered by the policy must be paid from the proceeds of the policy first. The Debtors are then entitled to have their own claims for defense costs paid.

The Debtors note the importance of providing the officers and directors with this type of coverage. The Debtors assert that the Debtor, itself, is entitled to currently-due defense costs and will seek payment once the

directors and officers receive payments for the amounts currently due them.

With respect to the payment of officers and directors' defense costs, to the extent that any such payments would negatively impact the Debtors' interest in the proceeds of the D&O policy, that result is dictated by the negotiated terms of the policy.

As certain officers and directors may have present rights to payment of defense costs, the fact that certain parties may in the future assert claims and potentially become entitled to payment from the insurance policies does not preclude those who are currently entitled to payment from receiving it.

In any case, the parties are bound by the contractual provisions of the policy. The Debtors' interest in the policy is limited by its contractual provisions including a priority advancement and payment obligations contained in those policies. The Court cannot rewrite the provisions of the contract.

The Objectants acknowledge the terms of the contract. Some of the Objectants

argue that because AEGIS and the outside directors are seeking to invoke this Court's jurisdiction concerning the lifting of the stay, that gives this Court leeway to set conditions upon which the stay would be lifted. However, in this case, any such action would result in changing the terms of the contract.

The Court finds that, while exercising jurisdiction concerning the issue of lifting the stay, it should not exercise jurisdiction over the terms of the contract and will not interfere with those terms.

Under the AEGIS Fiduciary Policy, the coverage afforded the relevant Debtors is co-extensive with the coverage afforded the individual insureds. However, that policy provides a special $10 million fund earmarked for defense costs.

Payment from that fund will protect the coverage that is available for payment of settlements and judgements. Moreover, payment from the special funds requires written approval from the Debtor. These two aspects protect the Debtors' interest.

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In addition, the Debtors have referenced the estates' interest in having individual defendants vigorously defend themselves in light of the potential for vicarious liability.

The Debtors also have asserted that the payment of the individual claimants' defense cost from the special $10 million fund should not limit the availability of proceeds that may be required by the Debtor.

Based upon the pleadings filed and the record of this hearing, the Court finds that because of the entity coverage, the stay is implicated. However, the Debtors' interest appear minimal.

Moreover, the Debtors' interest should not be expanded by this Court. They should receive no greater protection than their contract rights afford them.

The Court finds cause to lift the stay and grant the motion to permit the parties to exercise their contractual rights under the D&O Policy.

In addition, the Court grants the motion to lift the automatic stay to the extent

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that the individual insureds and the Debtors may exercise their contractual rights against the $10 million special fund portion of the Fiduciary Policy.

The Movants shall settle an order upon the appropriate parties.

We will begin again, I think, at 2:30. Thank you.

(Time noted: 2:05 p.m.)

oOo

C E R T I F I C A T E

STATE OF NEW YORK)

)SS.:

COUNTY OF NEW YORK)

I, LINDA D. NOTO, a Certified Shorthand Reporter, Registered Professional Reporter and Notary Public within and for the State of New York, do hereby certify:

I reported the proceedings in the within entitled matter, and that the within transcript is a true record of such proceedings.

I further certify that I am not related, by blood or marriage, to any of the parties in this matter and that I am in no way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of April, 2002.

Linda D. Noto

LINDA D. NOTO, C.S.R., R.P.R.

License Number XI 01887 - N.J.

License Number 001002 - N.Y.

Exhibit G

FORM OF
AMENDED AND RESTATED
BY-LAWS
OF
PATRIOT COAL CORPORATION

ARTICLE I

MEETING OF STOCKHOLDERS

Section 1.1. Place of Meeting. Meetings of the stockholders of the Corporation shall be held at such place either within or without the State of Delaware as the Board of Directors may determine.

Section 1.2. Annual Meetings. (A) Annual meetings of stockholders shall be held, at a date, time and place fixed by the Board of Directors and stated in the notice of meeting, to elect a Board of Directors and to transact such other business as may properly come before the meeting.

(B) Nominations of persons for election to the Board of Directors of the Corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders (1) pursuant to the Corporation's notice of meeting delivered pursuant to Article 1, Section 4 of these By-Laws, (2) by or at the direction of the Chairman of the Board or (3) by any stockholder of the Corporation who is entitled to vote at the meeting, who complied with the notice procedures set forth in subparagraphs (B) and (C) of this Section 2 and who was a stockholder of record at the time such notice is delivered to the Secretary of the Corporation.

(C) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (3) of paragraph (B) of these By-Laws, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation, and, in the case of business other than nominations, such other business must be a proper matter for stockholder action. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not less than ninety (90) days nor more than one hundred and twenty (120) days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than twenty (20) days, or delayed by more than seventy (70) days, from such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than one hundred and twenty (120) days prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made. Such stockholder's notice shall set forth (1) as to each person whom the stockholder proposes to nominate for election or re-election as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (2) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any

material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (3) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (a) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner and (b) the class and number of shares of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner.

(D) Notwithstanding anything in the second sentence of paragraph (C) of these By-Laws to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Corporation at least eighty days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this By-Law shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

Section 1.3. Special Meetings. (A) Except as otherwise required by law, special meetings of the stockholders may be called pursuant to the provisions of the Amended and Restated Certificate of Incorporation of the Corporation, filed with the Delaware Secretary of State on October 22, 2007 (as amended from time to time, the "Charter").

(B) Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting pursuant to Article I, Section 4 of these By-Laws. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (1) by or at the direction of the Board of Directors or (2) by any stockholder of the Corporation who is entitled to vote at the meeting, who complies with the notice procedures set forth in these By-Laws and who is a stockholder of record at the time such notice is delivered to the Secretary of the Corporation. Nominations by stockholders of persons for election to the Board of Directors may be made at such a special meeting of stockholders if the stockholder's notice as required by paragraph (C) of Section 2 shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the ninetieth (90th) day prior to such special meeting and not later than the close of business on the later of the seventieth (70th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting.

Section 1.4. Notice. Except as otherwise provided by law, at least ten (10) and not more than sixty (60) days before each meeting of stockholders, written notice of the time, date and place of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each stockholder.

Section 1.5. Quorum. At any meeting of stockholders, the holders of record, present in person or by proxy, of a majority of the Corporation's issued and outstanding capital stock shall constitute a quorum for the transaction of business, except as otherwise provided by law. In the

absence of a quorum, any officer entitled to preside at or to act as secretary of the meeting shall have power to adjourn the meeting from time to time until a quorum is present.

Section 1.6. Voting. Except as otherwise provided by law or by the Charter, (a) all matters submitted to a meeting of stockholders, other than the election of directors, shall be decided by vote of the holders of record of a majority of the shares of the Corporation's issued and outstanding capital stock present in person or represented by proxy at the meeting and entitled to vote on the matter, and (b) directors shall be elected by a plurality of the votes of the shares of the Corporation's issued and outstanding capital stock present in person or represented by proxy at the meeting and entitled to vote on the election of directors.

Section 1.7. General. (A) Only persons who are nominated in accordance with the procedures set forth in these By-Laws shall be eligible to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in these By-Laws. Except as otherwise provided by law, the Charter or these By-Laws, the Chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the procedures set forth in this By-Law and, if any proposed nomination or business is not in compliance with these By-Laws, to declare that such defective nomination shall be disregarded or that such proposed business shall not be transacted.

(B) For purposes of these By-Laws, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or disclosure in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(C) For purposes of this By-Law, no adjournment nor notice of adjournment of any meeting shall be deemed to constitute a new notice of such meeting for purposes of this Article, and in order for any notification required to be delivered by a stockholder pursuant to this Article to be timely, such notification must be delivered within the periods set forth above with respect to the originally scheduled meeting. Subject to applicable law, the Board of Directors may elect to postpone any previously scheduled meeting of stockholders.

(D) Notwithstanding the foregoing provisions of this Article, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in these By-Laws. Nothing in these By-Laws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

ARTICLE II

DIRECTORS

Section 2.1. Number, Election and Removal of Directors. The number of Directors that shall constitute the Board of Directors shall be not less than three nor more than 15. Within the limits specified in the Charter, the number of Directors shall be determined by the Board of

Directors or by the stockholders. The Directors shall be elected by the stockholders at their annual meeting in the manner set forth in the Charter. Vacancies and newly created directorships resulting from any increase in the number of Directors may be filled pursuant to the terms of the Charter. Directors may be removed only for cause, and only by the affirmative vote of at least 75 percent in voting power of all shares of the Corporation entitled to vote generally in the election of directors, voting as a single class.

Section 2.2. Meetings. Regular meetings of the Board of Directors shall be held at such times and places as may from time to time be fixed by the Board of Directors or as may be specified in a notice of meeting. Special meetings of the Board of Directors may be held at any time upon the call of the Chairman or President and shall be called by the President or Secretary if directed by a majority of the Directors. Telegraphic or written notice of each special meeting of the Board of Directors shall be sent to each Director not less than two days before such meeting. A meeting of the Board of Directors may be held without notice immediately after the annual meeting of the stockholders. Notice need not be given of regular meetings of the Board of Directors.

Section 2.3. Quorum. One-third of the entire Board of Directors shall constitute a quorum for the transaction of business. If a quorum is not present at any meeting of the Board of Directors, the Directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until such a quorum is present. Except as otherwise provided by law, the Charter, these By-Laws or any contract or agreement to which the Corporation is a party, the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors.

Section 2.4. Committees of Directors. The Board of Directors may, by resolution adopted by a majority of the entire Board, designate one or more committees, including without limitation an Executive Committee, to have and exercise such power and authority as the Board of Directors shall specify. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another Director to act at the meeting in place of any such absent or disqualified member.

Section 2.5. Actions without a Meetings. Any action required or permitted to be taken at any meeting of the Board of Directors or a committee thereof may be taken without a meeting if all the members of the board or of such committee, as the case may be, consent thereto in writing or by electronic transmission, and such writing or writings or electronic transmission or transmissions are filed with the records of the meetings of the board or of such committee. Such consent shall be treated for all purposes as the act of the board or of such committee, as the case may be.

Section 2.6. Participation in Meetings by Conference Telephone. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of such board or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other or by any other means permitted by law. Such participation shall constitute presence in person at such meeting.

Section 2.7. Compensation. In the discretion of the Board of Directors, each director may be paid such fees for his or her services as director (including as a member of one or more committees of the Board of Directors) and be reimbursed for his or her reasonable expenses incurred in the performance of his or her duties as director as the board of directors from time to time may determine. Nothing contained in this section shall be construed to preclude any director from serving the Corporation in any other capacity and receiving reasonable compensation therefor.

Section 2.8. Reliance Upon Books and Records. A member of the Board of Directors, or a member of any committee designated by the Board of Directors shall, in the performance of his or her duties, be fully protected in relying in good faith upon the records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of the Corporation's officers, employees, agents, committees, or by any other person as to matters the member reasonably believes are within such other person's or persons' professional or expert competence, and who has been selected with reasonable care by or on behalf of the Corporation.

ARTICLE III

CHAIRMAN OF THE BOARD AND OFFICERS

Section 3.1. Chairman of the Board. The Board of Directors shall elect from time to time one of its own members as the Chairman of the Board of Directors (the "Chairman"). The Chairman may also be the Chief Executive Officer or other officer of the Corporation. The Chairman shall preside at the meetings of the Board and may call meetings of the Board and any committee thereof, whenever he deems necessary, and he shall call to order and preside at all meetings of the stockholders of the Corporation. In addition, he shall have such other powers and duties as the Board shall designate from time to time.

Section 3.2. Principal Officers. The principal officers of the Corporation shall consist of a Chief Executive Officer, a President, one or more Vice Presidents, a Secretary, a Treasurer and such other additional officers with such titles (including, without limitation, a Chief Operating Officer and a Chief Financial Officer) as the Board of Directors shall from time to time determine, all of whom shall be elected by and shall serve at the pleasure of the Board of Directors. Subject to applicable law, an officer may hold more than one office, if so elected by the Board of Directors. Such officers shall have the usual powers and shall perform all the usual duties incident to their respective offices. Such officers shall also have such powers and duties as from time to time may be conferred by the Board of Directors. All officers shall be subject to the supervision and direction of the Board of Directors. The Board of Directors may from time to time elect, or the Chief Executive Officer or President may appoint, such other officers (including one or more Assistant Vice Presidents, Assistant Secretaries, Assistant Treasurers, and Assistant Controllers) and such agents, as may be necessary or desirable for the conduct of the business of the Corporation. Such other officers and agents shall have such duties and shall hold their offices for such terms as may be prescribed by the Board of Directors or by the Chief Executive Officer or President, as the case may be. The officers of the Corporation need not be stockholders of the Corporation nor need such officers be directors of the Corporation.

Section 3.3. Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors at the regular meeting of the Board of Directors held after the annual meeting of stockholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign, but any officer may be removed from office at any time as provided in Section 3.4.

Section 3.4. Removal. Any officer elected, or agent appointed, by the Board of Directors may be removed by the affirmative vote of a majority of the entire Board of Directors whenever, in their judgment, the best interests of the Corporation would be served thereby. Any officer or agent appointed by the Chief Executive Officer or the President may be removed by the Chief Executive Officer or the President, as the case may be, whenever, in such officer's judgment, the best interests of the Corporation would be served thereby. Such removal shall be without prejudice to the contractual rights, if any, of the person so removed; provided that no elected officer shall have any contractual rights against the Corporation for compensation beyond the date of the election of his successor, his death, his resignation or his removal, whichever event shall first occur, except as otherwise provided in an employment contract or under an employee deferred compensation plan.

Section 3.5. Vacancies. A newly created elected office and a vacancy in any elected office because of death, resignation, or removal may be filled by the Board of Directors for the unexpired portion of the term at any meeting of the Board of Directors. Any vacancy in an office appointed by the Chief Executive Officer or the President because of death, resignation, or removal may be filled by the Chief Executive Officer or the President.

ARTICLE IV

INDEMNIFICATION

To the fullest extent permitted by the Delaware General Corporation Law, the Corporation shall indemnify any current or former Director or officer of the Corporation and may, at the discretion of the Board of Directors, indemnify any current or former employee or agent of the Corporation against all expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with any threatened, pending or completed action, suit or proceeding brought by or in the right of the Corporation or otherwise, to which he was or is a party or is threatened to be made a party by reason of his current or former position with the Corporation or by reason of the fact that he is or was serving, at the request of the Corporation, as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise.

ARTICLE V

GENERAL PROVISIONS

Section 5.1. Notices. Whenever any statute, the Charter or these By-Laws require notice to be given to any Director or stockholder, such notice may be given in writing by mail,

addressed to such Director or stockholder at his address as it appears on the records of the Corporation, with postage thereon prepaid. Such notice shall be deemed to have been given when it is deposited in the United States mail. Notice to Directors may also be given by telefax or e-mail.

Section 5.2. Fiscal Year. The fiscal year of the Corporation shall be fixed by the Board of Directors.

Section 5.3. Amendment. Except as otherwise provided in the Charter, these By-Laws may be adopted, amended or repealed by resolution of the Board of Directors or by vote of a majority of the voting power of the stock outstanding and entitled to vote.