

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

In re:)	
)	
	)	Chapter 11
PATRIOT COAL CORPORATION, <i>et al.</i>,	)	Case No. 12-51502-659
	)	(Jointly Administered)
)	
Debtors.	)	Objection Deadline:
	)	April 12, 2013 at 4 p.m. CST
)	
	)	Hearing Date:
	)	April 29 to May 3, 2013 at 10 a.m.
	)	CST each day
)	
	)	Hearing Location:
	)	Courtroom 7 North

**OBJECTION AND JOINDER OF THE UNITED MINE WORKERS OF AMERICA 2012
RETIREE BONUS ACCOUNT TRUST TO OBJECTION OF THE UMWA 1974 AND
1993 PLANS TO DEBTORS' MOTION TO REJECT COLLECTIVE BARGAINING
AGREEMENTS AND TO MODIFY RETIREE BENEFITS
PURSUANT TO 11 U.S.C. §§ 1113, 1114 OF THE BANKRUPTCY CODE**

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The United Mine Workers of America 2012 Retiree Bonus Account Trust (“Account Plan” or “Plan”), by and through its undersigned counsel, hereby joins the Objection of the United Mine Workers of America 1974 Pension Trust (“1974 Plan”) and United Mine Workers of America 1993 Benefit Plan (“1993 Plan”) (collectively, the “UMWA Plans” or “Plans”, and such objection, the “UMWA Plans’ Objection”) to Patriot Coal Corporation’s (“Patriot”) and its subsidiaries’ (collectively, the “Debtors”) *Motion to Reject Collective Bargaining Agreements and to Modify Retiree Benefits Pursuant to 11 U.S.C. §§ 1113, 1114 of the Bankruptcy Code* (“1113/1114 Motion”) [ECF No. 3214] and Memorandum of Law (“Brief”) in support thereof [ECF No. 3219]. In support of its Objection and Joinder, the Account Plan respectfully states as follows:

PRELIMINARY STATEMENT

1. The Debtors have failed to meet their burden under Section 1113 of the Bankruptcy Code. The Debtors have failed to show that withdrawal from the Account Plan is necessary to an enterprise-wide plan of reorganization through which the Debtors will successfully emerge and continue as going concerns. Nor have the Debtors shown how the modest reduction afforded by the withdrawal from the Account Plan is fair and equitable, particularly in light of proposed bonus payments to management that constitute more than the Debtors’ annual payment to the Account Plan.

2. The proposed modifications will jeopardize modest and necessary payments to approximately 50,000 to 65,000 eligible beneficiaries, including the Debtors’ own retirees. The Debtors have neither provided information to nor allowed the Account Plan to participate in negotiations regarding the 1113/1114 proposals, yet they seek to place a disproportionate burden

of their reorganization – one that will cause a significant funding deficit – upon the Account Plan and its eligible retirees, who inevitably will see a severe reduction in their payments.

3. As the Debtors have not met their burden, this Court should deny the 1113/1114 Motion, and in particular, reject the Debtors' request to withdraw from the Account Plan.

BACKGROUND

A. The Account Plan

4. The Account Plan is a benefit plan established by an agreement between the United Mine Workers of America (“UMWA”) and the Bituminous Coal Operators' Association, Inc. (“BCOA”) entitled the National Bituminous Coal Wage Agreement (“NBCWA”) of 2011. See Declaration of Dale Stover ¶ 5 (attached hereto as Exhibit A).

5. Prior to the 2011 NBCWA, certain annual one-time single sum payments were made from the 1974 Plan to eligible beneficiaries. *Id.* ¶ 7. These payments were in addition to the pension benefits that 1974 Plan beneficiaries received on a monthly basis. *Id.* Under the 2007 NBCWA, the annual one-time single sum payments from the 1974 Plan ranged from \$455 to \$580 in 2010 and 2011. *Id.*

6. In the 2011 NBCWA negotiations, the UMWA and the BCOA determined that the financial condition of the 1974 Plan required elimination of the annual single sum payments from the 1974 Plan. *Id.* ¶ 8. In the 2011 negotiations, the UMWA and BCOA agreed to create a new plan, the Account Plan, which signatory employers would fund separately. *Id.* To assist in funding the account plan, no single sum payments were made to beneficiaries in 2012, nor will beneficiaries receive them in 2013. *Id.*

7. The Account Plan will make one-time single sum annual payments on November 1, 2014, November 1, 2015 and November 1, 2016 to approximately 90,000 of the estimated

eligible beneficiaries of the 1974 Plan. *Id.* ¶ 9. Payments are made to certain eligible 1974 Plan beneficiaries who are in pay status on October 31 of the payment year and who meet the Account Plan's eligibility criteria. *Id.* The projected amounts of the single sum annual payments from the Account Plan are \$455 or \$580 per year, depending on the financial condition of the Account Plan and the particular projected payment level for which a beneficiary qualifies. *Id.* For example, approximately sixty-two percent (62%) of current 1974 Plan beneficiaries receive monthly pension benefits of \$500 or less. *Id.*

8. Signatory employers are currently required to contribute \$1.56 per hour to the Account Plan for each hour worked by their employees and \$.30 per ton of bituminous coal procured or acquired by the employer after January 1, 2012. *Id.* ¶ 10. If all contributing Employers contribute to the Account Plan as expected, they would have contributed approximately \$150,000,000 to the Account Plan over the term of the 2011 NBCWA. *Id.* If the assets of the Account Plan are insufficient to make the projected payments, all of the beneficiaries of the Account Plan whose last signatory employer is no longer operating (“orphans”) will receive reduced payments. *Id.* ¶ 13.

9. Four (4) debtor-in-possession entities, all of which are wholly owned subsidiaries of Patriot Coal Corporation, are currently obligated pursuant to collective bargaining agreements to contribute to the Account Plan: Heritage Coal Co.; Eastern Associated Coal, LLC; Apogee Coal Co., LLC; and Hobet Mining, LLC (collectively, the “Account Plan Debtors”). *Id.* ¶ 11.

10. The Account Plan Debtors' current annual contribution to the Account Plan is approximately \$4.4 million, and the Debtors are projected to contribute another estimated \$15.3 million through 2016. *Id.* ¶ 12. This projection is based upon an assumption that hours worked by industry employers will decline at the rate of 5% per year over the course of the 2011

NBCWA. *Id.* Industry sources, including the UMWA and BCOA as well as Funds staff, have recommended that the Funds' actuaries adopt the assumption of this rate of decline, and the actuaries have adopted it. *Id.*

11. There are approximately 51,000 Account Plan eligible 1974 Plan beneficiaries who are considered orphans. *Id.* ¶ 13. In addition, if the assets of the Account Plan are insufficient to make the projected payments, contributing employers, including the Account Plan Debtors, will have an obligation to make up the difference by making individual employer differential payments to their own eligible beneficiaries whose last signatory classified employment was with the employer or related entities in the same controlled group of companies that includes the employer. *Id.*

12. During the first two years of the NBCWA, the Account Plan Debtors contributed approximately 15% of all of the contributions received by the Bonus Plan from all employers. *Id.* ¶ 14. Only one controlled group of employer companies contributed more than the Account Plan Debtors contributed. *Id.*

13. If the Debtors terminate all contributions to the Account Plan, a significant loss of funding will result, which will increase the likelihood that approximately 51,000 eligible "orphan" beneficiaries of the Account Plan will not receive the full amount of their projected payments. *Id.* ¶ 15. In addition, if the Account Plan Debtors terminate their contributions to the Account Plan, it has not been resolved by the settlors of the Account Plan whether Debtors' beneficiaries will be eligible to receive benefits from the Account Plan. *Id.* There is no alternate source of funding for these payments. *Id.*

JOINDER

14. Like the 1974 Plan and the 1993 Plan, the Account Plan will be seriously harmed by the Debtors' proposals. The Debtors' proposals will cause the Account Plan to suffer a severe loss in funding, further reducing pension payments of approximately 7,000 eligible beneficiaries under the 1974 Plan, and placing the Account Plan in a precarious financial position.

15. Accordingly, for the reasons set forth herein and in the UMWA Plans' Objection, the Account Plan hereby joins the UMWA Plans' Objection.

CONCLUSION

16. Section 1113 of the Bankruptcy Code is intended to facilitate consensual modifications to collective bargaining agreements. That purpose is clearly not met where, as here, the party seeking rejection has failed to meet its burden as to two critical elements of the statute. Accordingly, for the reasons set forth herein and in the UMWA Plans' Objection, the Account Plan respectfully requests that this Court deny the Debtors' 1113/1114 Motion.

Dated: April 12, 2013

Respectfully submitted,

DOWD BENNETT LLP

By: /s/ Edward L Dowd., Jr.
Edward L. Dowd, Jr. #28785MO
James E. Crowe, III #50031MO
7733 Forsyth Boulevard, Suite 1900
St. Louis, MO 63105
Telephone: (314) 889-7300
Facsimile: (314) 863-2111

MORGAN, LEWIS & BOCKIUS LLP

John C. Goodchild, III (*pro hac vice*)
Rebecca J. Hillyer (*pro hac vice*)
1701 Market Street
Philadelphia, Pennsylvania 19103
Telephone: (215) 963-5000
Facsimile: (215) 963-5001

**MOONEY, GREEN, SAINDON, MURPHY
& WELCH, P.C.**

John R. Mooney (*pro hac vice*)
Paul A. Green (*pro hac vice*)
1920 L Street, N.W., Suite 400
Washington, DC 20036
Telephone: (202) 783-0010
Facsimile: (202) 783-6088

*Counsel for the United Mine Workers of America
2012 Retiree Bonus Account Trust*

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing document was filed on April 12, 2013 using the Court's CM/ECF system and that service will be accomplished by operation of that system upon all counsel of record, which includes counsel for all core parties.

/s/ Edward L. Dowd, Jr.

EXHIBIT A

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION**

In re:)	
	)	Case No. 51502
)	
Patriot Coal Corporation <i>et al.</i>,	)	Chapter 11
)	
Debtors.	)	Jointly Administered

**DECLARATION OF DALE STOVER IN SUPPORT OF
THE OBJECTION AND JOINDER OF THE UNITED MINE WORKERS OF AMERICA
2012 RETIREE BONUS ACCOUNT TRUST TO THE DEBTORS' MOTION TO
REJECT COLLECTIVE BARGAINING AGREEMENTS AND TO
MODIFY RETIREE BENEFITS PURSUANT TO SECTION 11 U.S.C. §§ 1113, 1114**

I, Dale Stover, hereby declare:

1. I am over eighteen years of age. I have been employed since January 2, 1980 by the United Mine Workers of America Health & Retirement Funds (the "UMWA Funds").
2. I submit this declaration in support of the Objection of the United Mine Workers of America 2012 Retiree Bonus Account Trust (the "Account Plan") to the Motion of Patriot Coal Corporation and its affiliated debtors to Reject Collective Bargaining Agreements and to Modify Retiree Benefits Pursuant to 11 U.S.C. §§ 1113 and 1114 of the Bankruptcy Code (the "1113/1114 Motion").
3. Since November 3, 2003, I have held the position of Director of Finance and General Services (previously Comptroller) of the UMWA Funds. As Director of Finance and General Services, and formerly as Comptroller, my responsibilities include monitoring the payments made by the contributing employers to the UMWA Funds – including the Account Plan – and taking steps to ensure

contributing employers' compliance with their contractual contribution obligations.

4. Except as otherwise indicated herein, all facts set forth in this declaration are based upon my personal knowledge, my review of relevant documents, my opinion based upon experience, knowledge and information concerning the Plans, and information provided to me by employees working under my supervision. If called upon to do so, I would testify competently to the facts set forth in this declaration.
5. The Account Plan is a benefit plan established by an agreement between the United Mine Workers of America ("UMWA") and the Bituminous Coal Operators' Association, Inc. ("BCOA"), entitled the National Bituminous Coal Wage Agreement ("NBCWA") of 2011. The Account Plan was established to make three, annual, single sum payments to certain eligible beneficiaries of the 1974 Pension Plan who are pensioners, disabled pensioners, widows, and surviving spouses who satisfy the Account Plan's eligibility criteria.
6. The Account Plan is funded by employers who are signatory to the 2011 NBCWA or any other collective bargaining agreement entered into between the UMWA and an industry employer that provides for the required contributions to and benefits from the Account Plan. The Account Plan is funded solely by nineteen (19) contributing employers.
7. Prior to the 2011 NBCWA, certain annual one-time single sum payments were made from the United Mine Workers of America 1974 Pension Plan ("1974 Plan") to eligible beneficiaries. See 2007 NBCWA at art. XX §§ (1)(a)-(c)

(“Pensions for Miners Retired Under the 1950 Pension Plan”); (2)(c)-(d) (“Pensions For Miners Who Retired Under The 1974 Pension Plan Prior To The Effective Date”); & (3) (“Pensions for Miners Who Retire On Or After The Effective Date”), relevant portions of which are attached hereto as Exhibit 1. These payments were in addition to the pension benefits that 1974 Pension Plan beneficiaries received on a monthly basis. Under the 2007 NBCWA, the annual one-time single sum payments from the 1974 Pension Plan ranged from \$455 to \$580 in 2010 and 2011. *Id.* at art. XX §§ (1) (a)-(b); (2)(c)-(d); (3).

8. In the 2011 NBCWA negotiations, the UMWA and the BCOA determined that the financial condition of the 1974 Plan required elimination of the annual single sum payments from the 1974 Pension Plan. In the 2011 NBCWA negotiations, the UMWA and BCOA agreed to create a new plan, the Account Plan, which signatory employers would fund separately. *See* 2011 NBCWA at art. XX § (c)(4), relevant portions of which are attached hereto as Exhibit 2. To assist in funding the Account Plan, no single sum payments were made to beneficiaries in 2012, nor will beneficiaries receive them in 2013. *Id.*
9. The Account Plan will make one-time single sum annual payments on November 1, 2014, November 1, 2015 and November 1, 2016 to approximately 90,000 of the estimated eligible beneficiaries of the 1974 Plan. Payments are made to certain 1974 Plan beneficiaries who are in pay status under the 1974 Pension Plan on October 31 of the payment year and who meet the Account Plan’s eligibility criteria. *Id.* The projected amounts of the single sum annual payments from the Account Plan are \$455 or \$580 per year, depending on the financial

condition of the Account Plan and the particular projected payment level (i.e., \$455 or \$580) for which a beneficiary qualifies. Approximately sixty-two percent (62%) of current 1974 Plan beneficiaries receive monthly pension benefits of \$500 or less.

10. Signatory employers currently are required to contribute \$1.56 per hour to the Account Plan for each hour worked by their active employees and \$.30 per ton of bituminous coal procured or acquired by the employer after January 1, 2012. *Id.* at art. XX §§ (d)(1)(iii)-(iv)(c). If all contributing Employers contribute to the Account Plan as expected, they would have contributed approximately \$150,000,000 to the Account Plan over the term of the 2011 NBCWA.
11. Four (4) debtor-in-possession entities, all of which are wholly owned subsidiaries of Patriot Coal Corporation, are currently obligated pursuant to collective bargaining agreements to contribute \$1.56 per hour worked by their active employees to the Account Plan: Heritage Coal Co.; Eastern Associated Coal, LLC; Apogee Coal Co., LLC; and Hobet Mining, LLC (collectively, the “Account Plan Debtors”).
12. The Account Plan Debtors’ current annual contribution to the Account Plan is approximately \$4.4 million, and the Account Plan Debtors are projected to contribute another estimated \$15.3 million to the Account Plan through 2016. This projection is based upon an assumption that hours worked by industry employers will decline at the rate of 5% per year over the course of the 2011 NBCWA. Industry sources, including the UMWA and BCOA as well as UMWA Funds’ staff, have recommended that the UMWA Funds’ actuaries adopt

the assumption of this rate of decline, and the actuaries have adopted it. This projection assumes that the Patriot subsidiaries who are obligated to contribute to the Account Plan will continue to do so during the term of the 2011 NBCWA.

13. As noted above, the single sum annual payments from the Account Plan are projected to be in the amount of \$455 or \$580 for each eligible 1974 Plan beneficiary, with the variance depending on the circumstances of the applicable beneficiary's retirement. If the assets of the Account Plan are insufficient to make the projected payments, all of the beneficiaries of the Account Plan whose last signatory employer is no longer operating ("orphans") will receive reduced payments. There are approximately 51,000 Account Plan eligible 1974 Plan beneficiaries whose last signatory employer is no longer operating. In addition, if the assets of the Account Plan are insufficient to make the projected payments, contributing employers, including the Account Plan Debtors, will have an obligation to make up the difference by making individual employer differential payments to their own eligible beneficiaries whose last signatory classified employment was with the employer or related entities in the same controlled group of companies that includes the employer.
14. During the first two years of the NBCWA, the Account Plan Debtors contributed approximately 15% of all of the contributions received by the Account Plan from all employers. Only one controlled group of employer companies contributed more than the Account Plan Debtors contributed.
15. If the Account Plan Debtors terminate all contributions to the Account Plan, a significant loss of funding will result, which will increase the likelihood that

approximately 51,000 eligible “orphan” beneficiaries of the Account Plan will not receive the full amount of their projected payments. In addition, if the Debtors terminate their contributions to the Account Plan, it has not been resolved by the settlors of the Account Plan whether Debtors’ beneficiaries will be eligible to receive benefits from the Account Plan. There is no alternate source of funding for these payments.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Executed: April 12, 2013



Dale Stover

EXHIBIT 1

National Bituminous Coal Wage Agreement of 2007

**NATIONAL BITUMINOUS COAL
WAGE AGREEMENT OF 2007**

NATIONAL BITUMINOUS COAL WAGE AGREEMENT OF 2007

Article I—ENABLING CLAUSE

THIS AGREEMENT, made this 1st day of January, 2007 between the coal operators and associations signatory hereto, as parties of the first part (each coal operator which is a signatory hereto being called “Employer”) and the International Union, United Mine Workers of America (hereinafter called “Union”), on behalf of each member thereof, as party of the second part, covers all of the bituminous coal mines described in Article IA, Section (f), owned or operated by said first parties. This Agreement carries forward and preserves the terms and conditions of all the various District agreements executed between the United Mine Workers of America and the various operators and coal associations subject to the terms and conditions of this Agreement and as amended, modified and supplemented by this Agreement as herein set out.

This Agreement shall be binding upon all signatories hereto, including those Employers which are members of signatory associations, and their successors and assigns. In consideration of the Union’s execution of this Agreement, each Employer promises that its operations covered by this Agreement shall not be sold, conveyed, or otherwise transferred or assigned to any successor without first securing the

Art. I

agreement of the successor to assume the Employer's obligations under this Agreement. Immediately upon the conclusion of such sale, conveyance, assignment or transfer of its operations, the Employer shall notify the Union of the transaction. Such notification shall be by certified mail to the Secretary-Treasurer of the International Union and shall be accompanied by documentation that the successor obligation has been satisfied. Provided that the Employer shall not be a guarantor or be held liable for any breach by the successor or assignee of its obligations, and the UMW will look exclusively to the successor or assignee for compliance with the terms of this Agreement.

WITNESSETH: It is agreed that this contract is for the exclusive joint use and benefit of the contracting parties, as defined and set forth in this Agreement. It is agreed that at operations covered by this Agreement the United Mine Workers of America is recognized herein as the exclusive bargaining agency representing the Employees of the parties of the first part. It is further agreed that as a condition of employment all Employees at operations covered by this Agreement shall be, or become, members of the United Mine Workers of America, to the extent and in the manner permitted by law, except in those exempted classifications of employment as hereinafter provided in this Agreement. This provision does not change the rules or practices of the industry pertaining to management. The Mine Workers intend no intrusion upon the rights

Art. IA

of management as heretofore practiced and understood. It is the intent and purpose of the parties hereto that this Agreement will promote and improve industrial and economic relationships in the bituminous coal industry and to set forth herein the basic agreements covering rates of pay, hours of work and conditions of employment to be observed between the parties, and shall cover the employment of persons employed in the bituminous coal mines covered by this Agreement. Management will not abridge the rights of the Employees as set forth in this Agreement.

Article IA—SCOPE AND COVERAGE

Section (a) Work Jurisdiction

The production of coal, including removal of overburden and coal waste, preparation, processing and cleaning of coal and transportation of coal (except by waterway or rail not owned by Employer), repair and maintenance work normally performed at the mine site or at a central shop of the Employer and maintenance of gob piles and mine roads, and work of the type customarily related to all of the above shall be performed by classified Employees of the Employer covered by and in accordance with the terms of this Agreement. Contracting, subcontracting, leasing and subleasing, and construction work, as defined herein, will be conducted in accordance with the provisions of this Article.

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shall not be construed to apply to Employees whose regular job duties include the relief of other Employees for short periods of time which do not exceed thirty (30) minutes for each occurrence during the basic workday. For such relief periods, however, the Employee providing relief shall be paid the higher rate.

Article XX—HEALTH AND RETIREMENT BENEFITS

Section (a) General Purpose

This Article makes provision for pension, health and other benefits for Employees covered by this Agreement, and for former Employees who were covered under the United Mine Workers of America Welfare and Retirement Fund of 1950 (“1950 Fund”), and for the spouses and dependents of such Employees. The benefits to be provided are as set forth under separate plans and trusts referred to in Sections (b) and (c) of this Article.

A general description of the benefits to be provided appears immediately following this Article. The specific provisions of the plans will govern in the event of any inconsistencies between the general description and the plans.

Pursuant to the Coal Industry Retiree Health Benefit Act of 1992 (the “Coal Act”), the health benefits (and in some cases the death benefits) provided to retirees who were age and service eligible as of February 1, 1993,

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and who actually retired by September 30, 1994, are guaranteed by an Act of Congress. The Coal Act, which was enacted with the active support of the United Mine Workers of America and the BCOA, requires responsible employers to provide and pay for these benefits for life. Although, under certain circumstances, employers are permitted to adopt cost containment and managed care programs, the levels of benefits provided to retirees and dependents covered by the Coal Act are fixed by law, and may not be changed by any employer.

Benefits under the Coal Act are provided either by the employer who was providing those benefits on February 1, 1993, or by two newly-created Funds: the United Mine Workers of America Combined Benefit Fund and the United Mine Workers of America 1992 Benefit Plan. Those benefits are not governed by this Agreement.

For purposes of this Article, the 1950 Pension Plan and Trust and the 1974 Pension Plan and Trust shall be a continuation of the benefit program established under the UMWA Welfare and Retirement Fund of 1950 (hereinafter the 1950 Fund).

Each participant and beneficiary shall be entitled only to the pension benefits provided in and paid from either the 1950 Pension Plan and Trust or the 1974 Pension Plan and Trust and each participant, beneficiary and dependent shall be entitled only to the benefits provided in and paid from the 1993 Benefit Trust, or the individual benefit plans referred to in Section

Art. XX

(c). An individual that is entitled to health benefits from a plan maintained pursuant to the Coal Act will receive benefits from such plan, and not from a plan maintained pursuant to this Article. In addition, an individual that is entitled to death benefit coverage from the United Mine Workers of America Combined Benefit Fund shall not be entitled to death benefit coverage from any plan maintained pursuant to this Article.

The general purpose of the plans referred to in this Article shall be to provide health care for working and retired miners and their dependents; pensions for miners upon their retirement; health care and financial support for eligible disabled miners; and financial support for surviving spouses and surviving dependents provided by each of the Trusts and Plans referred to in this Article.

Except as otherwise specifically set forth in this Article, it is agreed that the Trusts referred to in this Article are irrevocable Trusts created pursuant to, and within the scope of, Section 302(c) of the Labor-Management Relations Act, 1947, and shall endure as long as the purposes for their creation shall exist.

Section (b) 1950 Pension Plan and Trust

(1) The United Mine Workers of America 1950 Pension Trust (“1950 Pension Trust”) is incorporated by reference and made a part of this Agreement. The United Mine Workers of America 1950 Pension Plan (the “1950 Pension Plan”) is incorporated by refer-

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ence and made a part of this Agreement. The pensions to be paid from the 1950 Pension Trust are as set forth in the 1950 Pension Plan.

(2) Pursuant to the requirements of the Coal Act, the United Mine Workers of America 1950 Benefit Plan and Trust (“1950 Benefit Trust”) and the United Mine Workers of America 1974 Benefit Plan and Trust (the “1974 Benefit Trust”) were merged into the United Mine Workers of America Combined Benefit Fund (the “Combined Fund”). The Combined Fund is governed by the terms of the Coal Act, and is not maintained pursuant to this Article. Health benefits for individuals who would be eligible for benefits under the 1950 Benefit Plan but for the passage of the Coal Act and who are not entitled to benefits under the Coal Act will be provided by the 1993 Benefit Fund during the term of this Agreement.

(3) Upon the discharge of all its obligations, any remaining assets in the 1950 Pension Trust shall, upon termination of such Trust, be transferred to the 1974 Pension Trust.

***Section (c) 1974 Pension Plan and Trust, 1993
Benefit Plan and Trust, and Employer
Benefit Plans***

(1) The United Mine Workers of America 1974 Pension Trust (“1974 Pension Trust”) is incorporated by reference and made a part of this Agreement. The pensions to be paid from the 1974 Pension Trust are

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as set forth in the United Mine Workers of America 1974 Pension Plan (“1974 Pension Plan”), which is incorporated by reference and made a part of this Agreement. This Plan is a continuation of the pension program of the 1950 Fund and was effective December 6, 1974.

(2) The United Mine Workers of America 1993 Benefit Trust (“1993 Benefit Trust”) is incorporated by reference and made a part of this Agreement. The 1993 Benefit Trust provides certain health benefits, not including pension benefits, and the terms and conditions under which those benefits will be provided are as set forth in the plan under the 1993 Benefit Trust and under the terms of this Article.

(3)(i) Each signatory Employer shall establish and maintain an Employee benefit plan to provide, implemented through an insurance carrier(s), health and other non-pension benefits for its Employees covered by this Agreement as well as pensioners under the 1974 Pension Plan and Trust whose last signatory classified employment was with such Employer and who are not eligible to receive benefits from a plan maintained pursuant to the Coal Act. The benefits provided by the Employer to its eligible Participants pursuant to such plan shall be guaranteed during the term of this Agreement by that Employer at levels set forth in such plan. The plans established pursuant to this subsection are incorporated by reference and made a part of this Agreement, and the terms and

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conditions under which the health and other non-pension benefits will be provided under such plans are as to be set forth in such plans.

(ii) The 1993 Benefit Plan and Trust provides health and other non-pension benefits during the term of this Agreement, to any retired miner (or the eligible dependent of such retired or deceased miner) who meets the conditions of one of the following:

(a) The retired miner is described in Section (b)(2).

(b) The retired miner separated from classified employment prior to December 16, 1993, would be eligible to receive benefits from the 1974 Benefit Plan but for the passage of the Coal Act, is not entitled to benefits under the Coal Act, and whose last signatory employer was no longer deriving revenue from the production of coal on December 16, 1993.

(c) The miner is retired under the 1974 Pension Plan or any successor plan(s) thereto, last worked in signatory classified employment for an Employer who was obligated to contribute and contributed to the 1993 Benefit Trust at the rates specified in Section (d) and would otherwise cease to receive the health and other non-pension benefits provided herein because such last signatory Employer (including successors and assigns) is no longer in business. An Employer's obligation to contribute at the rates specified in Section (d) must be in effect on the date the Employer is first considered to be "no longer in business." For purposes of determining eligibility

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under the 1993 Benefit Plan and Trust, the Employer is considered to be “no longer in business” only if the Employer meets the conditions of (I) and (II) below. The parties expressly intend that each of the requirements of (I) and (II) be met.

(I) The Employer has ceased all mining operations and has ceased employing persons under this Wage Agreement, with no reasonable expectation that such operations will start up again; and

(II) The Employer is financially unable (through either the business entity that has ceased operations as described in subparagraph (a) above, including such company’s successors or assigns, if any, or any other related division, subsidiary, or parent corporation, regardless of whether covered by this Wage Agreement or not) to provide health and other non-pension benefits to its retired miners and surviving spouses.

In the case of an otherwise qualifying last signatory Employer that first became obligated to contribute to the 1993 Trust after December 31, 2001, within the meaning of Section (d) (1)(iii) of this Article, and that did not contribute to the 1993 Benefit Trust substantially all amounts owed and at the rates specified in Section (d), eligible retired miners and dependents shall receive only limited coverage under a separate program of benefits designed by the Plan’s Trustees. The Trustees shall design the program taking into account the need for the Plan to remain sol-

Art. XX

vent throughout the term of this Agreement, while providing more complete benefits for individuals whose last signatory Employer met the “substantially all” contribution requirement of this Article.

Each Employer is required to maintain, and make available to the Trustees, those business and financial records that may be necessary to determine whether the eligibility requirements of the 1993 Benefit Trust have been satisfied. If a miner’s last signatory Employer ceases to provide health benefits as required under Section (c)(3)(i) of this Article, and the Trustees are investigating whether the Employer is “no longer in business” within the meaning of Section (c)(3)(ii)(c) of this Article, the Employer shall make available to the Trustees those business and financial records that may be necessary to the “no longer in business” determination, including but not limited to financial statements, tax returns, bank statements, coal production and sales data, and information on equipment and other property and assets of the signatory Employer. The Trustees shall make their initial determination of whether an Employer is “no longer in business” no later than 90 days following receipt of such business and financial records, as practicable.

(d) The retired miner worked under the terms of the 1974 NBCWA (but not under the terms of the 1978 NBCWA), has been or would have been denied a benefit by the UMWA 1974 Benefit Plan solely because the miner did not work under the terms of a

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1978 or subsequent NBCWA; and is not eligible to receive benefits under the Coal Act.

The Union and Trustees shall assist and fully cooperate with the Employers in obtaining all necessary opinion letters, exemptions, or rulings from the Department of Labor, the Internal Revenue Service or other applicable federal agencies, in order to implement the provisions of this subsection so as to ensure compliance with all applicable federal laws and regulations and ensure the deductibility for income tax purposes of any and all contributions made by signatory Employers to the 1993 Benefit Trust and the individual health plans referred to in this Section.

Section (d) Contributions by Employers

(1) During the life of this Agreement, for the periods of time indicated below, each signatory Employer (including those engaged in the production of coal and those not engaged in the production of coal) shall contribute to the Trusts referred to in this Article the amounts specified below based on cents per hours worked by each of the Employer's Employees who perform classified work under this Agreement.

(i) Into the 1950 Pension Trust: for the period beginning on the Effective Date and ending when this Agreement is terminated, 0.0¢ per hour on each such hour worked;

(ii) Into the 1974 Pension Trust: for the period beginning on the Effective Date and ending December

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31, 2007, \$2.00 per hour on each such hour worked; for the period beginning on January 1, 2008 and ending on December 31, 2008, \$3.50 per hour on each such hour worked; for the period beginning on January 1, 2009 and ending on December 31, 2009, \$4.25 per hour on each such hour worked; for the period beginning on January 1, 2010 and ending on December 31, 2010, \$5.00 per hour on each such hour worked; and for the period beginning on January 1, 2011 and ending when this Agreement is terminated, \$5.50 per hour on each such hour worked.

(iii) Into the 1993 Benefit Trust: for the period beginning on the Effective Date and ending when this Agreement is terminated, 50¢ per hour on each such hour worked for any Employer, including related persons to such Employer within the meaning of Section 9701(c)(2) of the Internal Revenue Code, that initially entered into an agreement prior to January 1, 2002 to make contributions to the 1993 Benefit Trust meeting the required standard of such Trust; and 75¢ per hour on each such hour worked for any Employer that became obligated to contribute for the first time on or after January 1, 2002; in addition, for the period from the Effective Date to December 31, 2010, each signatory Employer shall be required to contribute to the 1993 Benefit Trust any amount required under section 402(h)(5)(B)(ii) of the Surface Mining Control and Reclamation Act of 1977, as amended, as calculated by the Trustees of the 1993 Benefit Plan

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and assessed pro rata based on the employers' hours worked for which contributions are required. A signatory Employer shall not be obligated to contribute to the 1993 Benefit Trust unless its obligation meets the requirements of this paragraph.

(iv) In addition to the contributions indicated above, during the life of the Agreement, each signatory Employer shall, for the periods of time indicated below, contribute to the Trusts established in this Article in the amounts shown below based on cents per ton on each ton of two thousand (2,000) pounds of bituminous coal after production by another operator, procured or acquired by such Employer for use or for sale on which contributions to the appropriate Trusts as provided for in this Article have not been made (amounts shown below include cents per hours worked contributions converted to tonnage equivalents).

(a) Into the 1950 Pension Trust: for the period beginning on the Effective Date and ending when this Agreement is terminated, 0.0¢ per ton on each such ton;

(b) Into the 1974 Pension Trust: for the period beginning on the Effective Date and ending on December 31, 2007, 38.5¢ per ton on each such ton; for the period beginning January 1, 2008 and ending on December 31, 2008, 67.0¢ per ton on each such ton; for the period beginning January 1, 2009 and ending on December 31, 2009, 82.0¢ per ton on each such ton; for the period beginning January 1, 2010 and ending

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on December 31, 2010, 96.0¢ per ton on each such ton; and for the period beginning January 1, 2011 and ending when this Agreement is terminated, \$1.06 per ton on each such ton; and

(c) Into the 1993 Benefit Trust: for the period beginning on January 1, 2007 and ending on December 31, 2007, 10¢ per ton on each such ton for any Employer, including related persons to such Employer within the meaning of Section 9701(c)(2) of the Internal Revenue Code, that initially entered into an agreement prior to January 1, 2002 to make contributions to the 1993 Benefit Trust meeting the required standard of such Trust; and 14.5¢ per ton on each such ton for any Employer that became obligated to contribute for the first time on or after January 1, 2002.

The parties hereto mutually agree that, if at any time during the term of this Agreement a court or tribunal of competent jurisdiction determines by a final decision that is not appealable that the provision appearing in paragraph (iv) just preceding is invalid or in violation of the National Labor Relations Act, 1947, as amended, or other Federal or state law, the parties shall, at the option of and upon demand by the Union, without affecting the integrity of any other provision of this Section or any other provision of the National Bituminous Coal Wage Agreement, meet and engage in good faith negotiations to agree upon a clause to be inserted into this Agreement in replacement of the provision found invalid or unlawful.

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(v) In the event the BCOA ceases to exist, or in the event that more than 50% of the tonnage membership of BCOA on the Effective Date has withdrawn prior to the time when the BCOA is required or permitted to take action under this Article, then such action may be taken by a majority vote, based on tonnage, of Employers who were BCOA members on the Effective Date.

(vi) At any time during the term of this Wage Agreement, the Bituminous Coal Operators' Association may reallocate the contributions to be paid under the respective subdivisions (i) and (ii) in this Section, which reallocation will increase the cents per hour to be contributed into the 1950 Pension Trust and correspondingly will decrease the cents per hour to be contributed by the Employers into the 1974 Pension Trust, or which will decrease the cents per hour to be contributed into the 1950 Pension Trust and correspondingly will increase the cents per hour to be contributed by the Employers into the 1974 Pension Trust, provided that notice shall be given to the Union, and to the Trustees (who shall in turn notify all contributing Employers) of the cents per hour to be allocated to each such Trust at least 30 days prior to the date the contributions become due and owing to the respective Trusts. No reallocation of the contributions to be paid to the two Trusts shall be made which will increase the total combined contributions required by this Article to be made by the Employers to those two Trusts;

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(vii) Hours of work for purposes of Employer contributions to the plans and trusts described in this Article shall include all hours worked, or fractions thereof, by Employees in a classified job covered by this Agreement. Hours actually worked for which a premium pay of any type is provided shall be treated for purposes of Employer contributions to the Trusts as though worked on a straight-time basis. Reporting pay for hours not actually worked shall not be included for the purpose of making Employer contributions to the Trust.

(2) The sole obligation under this Section of any Employer signatory hereto shall be to contribute the amounts specified in this Section.

(3) The obligation to make payments to the Trusts specified in this Article shall become effective on the dates specified in the respective Subdivisions (i) through (iv) of this Section, and the first payments are to be made on the 10th day of each month after such specified dates, and thereafter continuously on the 10th day of each succeeding calendar month.

(4) It shall be the duty of each of the Employers signatory hereto to keep current said payments due to the Trusts, and to furnish to the International Union, United Mine Workers of America and to the Trustees of those Trusts a monthly statement showing on a mine-by-mine basis the full amounts due hereunder and the tons of coal produced, procured or acquired for use or for sale and the hours worked with respect to which the

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amounts are payable. Payments to those Trusts shall be made by check payable, as appropriate, to:

“Trustees of the United Mine Workers of America 1950 Pension Trust”

“Trustees of the United Mine Workers of America 1974 Pension Trust”

“Trustees of the United Mine Workers of America 1993 Benefit Trust”

The Trustees are hereby authorized to require each signatory Employer to make payment of all contributions to the 1993 Benefit Trust, the 1950 Pension Trust and the 1974 Pension Trust by a single check made payable in such manner as may be specified by the Trustees.

(5) Payments shall be delivered or mailed to such location as designated by the Trustees of those Trusts.

(6) Failure of any Employer signatory hereto to make full and prompt payments to the Trusts specified in this Article in the manner and on the dates herein provided shall be deemed a violation of this Agreement. This obligation of each Employer signatory hereto, which is several and not joint, to so pay such sums shall be a direct and continuing obligation of said Employer during the life of this Agreement and it shall be deemed a violation of this Agreement, if any mine, preparation plant or other facility to which this Agreement is applicable shall be sold, leased, subleased, assigned, or otherwise disposed of

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for the purpose of avoiding any of the obligations hereunder.

(7) Each Employer agrees to give proper notice to the President of the appropriate local union by the 18th day of each month that the Employer has made the required payment to the Trusts for the previous month, as required by this Article, or is delinquent in such payment, such notice to set forth the amount paid to the Trusts, or the amount of the delinquency, the tonnage procured or acquired for use or for sale and the hours worked with respect to the mine or mines under the jurisdiction of such local union. Each Employer agrees to give notice to the appropriate President of the Local Union by the 18th day of each month that the Employer has made the appropriate payment to the insurance carrier for the Employer benefit plan established under (c)(3) above, or is delinquent in such payment.

(8) Title to all the monies paid into and/or due and owing to the Trusts specified in this Article shall be vested in and remain exclusively in the Trustees of those Trusts. It is the intention of the parties hereto that those Trusts shall constitute irrevocable trusts and that no benefits or money payable from those Trusts shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and that any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void.

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(9) It is understood that the individual Employees of Employers agree, through their representative, the United Mine Workers of America, to surrender any personal or individual right to or interest in monies paid or required to be paid to the Trusts pursuant to this Agreement.

(10) Any judgment obtained by the Trustees of the Trusts established pursuant to this Agreement for a default giving rise to damages accruing to more than one of the Trusts established hereunder shall be allocated by the Trustees among such Trusts in proportion to the amounts owing to each which gave rise to such judgment.

Section (e) **Responsibilities and Duties of Trustees**

(1) The 1950 Pension Trust, the 1974 Pension Trust, and the 1993 Benefit Trust shall each be administered by a Board of four Trustees, two of whom shall be appointed by the Employers and two of whom shall be appointed by the Union. Either party may, but shall not be required to, appoint an individual to serve as a Trustee on more than one Trust. One of the Trustees appointed by the Union shall be the Chairman. Each Board of Trustees shall perform its duties in accordance with the requirements, terms and conditions of each such Trust.

(2) It is the intent and purpose of the contracting parties that full cooperation shall be given by each of them to one another, to the Trustees provided for

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under this Article, and to all affected mine workers, to the eventual coordination and development of policies and working agreements necessary or advisable for the effective operation of the Trusts and Plans.

(3) Action which may be required by the Employers in connection with any matter hereunder, including but not limited to the removal or appointment of a Trustee, may be taken by BCOA.

(4) All covenants, rights and obligations accruing to the Trusts, and the Benefit Plan, and the Trustees of the Pension and Benefit Trusts and Plans, and all breaches, violations and/or defaults of any provision of this Article pertaining to the Trusts and Plans, the Trust Agreements, or Pension Plans, shall be enforced by the Trustees, at their discretion, through any and all available legal means, without first exhausting the grievance and arbitration procedures set forth in this Agreement.

(5) Disputes arising under this Agreement with regard to the Employer benefit plan established in (c)(3) above shall be referred to the Trustees. The Trustees shall develop procedures for the resolution of such disputes. In the event the Trustees decide such dispute, such decision of the Trustees shall be final and binding on the parties. If the Trustees are unable to resolve the dispute, such dispute shall be referred to a permanent three-member arbitration panel selected by mutual agreement of the UMWA and the BCOA and maintained by the Trustees. A

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dispute referred in this manner shall be decided by one member of the arbitration panel, determined on a rotating basis, whose decision shall be final and binding on the parties. Precedent under the resolution of disputes mechanism previously in place shall remain in effect, and the panel shall be required to cooperate to assure the consistent interpretation of provisions under the Employer Plans under this Article. Such disputes shall not be processed under the provisions of Article XXIII (Settlement of Disputes).

Section (f) Audits, Reports and Notices

(1) It is agreed by the contracting parties that annual independent audits of the Trusts shall be made by independent certified public accountants to be designated by the Trustees of the Trusts. A statement of the results of such audits shall be sent to the contracting parties and shall be made available upon written request to any working or retired miner or to any beneficiary either by mail or at the principal office of the Trusts, or at such other place as may be designated by the Trustees.

(2) If the Trustees determine that there is reasonable cause to question the accuracy of the sums paid under Section (d) of this Article, or of any verification thereof made by an Employer for a given monthly or annual period, the Employer shall, upon written request by the Trustees, make available for inspection and/or copying at reasonable times and places to a

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representative of the Trustees, those records which are necessary to verify the accuracy of the sums paid.

(3) A complete accounting, on a mine-by-mine basis, of contributions received by the Trusts under this Article shall be furnished by the Trustees, at least on a quarterly basis, to the International Union. Such an accounting will also be supplied to the District and Local offices of the Union with respect to the mine or mines under their jurisdiction. Such accounting shall include tonnages of coal procured or acquired for use or for sale, and hours worked with respect to which contributions were paid, together with an identification of any period or periods in which contributions were delinquent, showing the amounts of such delinquencies. The Trustees shall take such action as they deem appropriate to collect any such delinquencies, and shall advise the International Union and the appropriate Districts and Locals of the Union, on at least a monthly basis, of such delinquencies, as long as such delinquencies continue.

(4) Upon the written request of any International, District or Local officer of the Union, the Trustees shall make available within seven (7) days of receipt of such request an up-to-date accounting of contributions made and delinquencies outstanding, in respect to any mine or related facility with respect to which such officer has union jurisdiction.

(5) The Trustees shall furnish the Employers and the Union with such other documentation and information as provided for in each of the Trusts described herein.

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Section (g) **Administration of Trusts**

(1) Each Employer shall make available to the Trustees within a reasonable time such information as the Trustees may determine to be reasonably required for the purpose of administering the Trusts and Plans.

(2) The Trustees shall respond to all written requests for information, applications, and other communications from beneficiaries within 15 working days from their receipt at the office of the Trusts. A response from the Trustees may be either a telephonic communication or a letter acknowledging receipt of such communication from the beneficiary. A pension application must be initially approved or denied within 12 weeks of the receipt of the application. The foregoing shall not apply in the event of delays caused by conditions beyond the control of the Trustees.

(3) The Trustees shall police and monitor the rolls of those entitled to benefits from the Trusts. On at least a quarterly basis, the Trustees shall have available a complete listing of current beneficiaries, identified by UMWA district and local union jurisdiction, if applicable. The Trustees shall promptly investigate and determine the eligibility or ineligibility of any beneficiary whose right to receive benefits from the Trusts has been challenged by an Officer of the International, District or Local Union or by any Employer.

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In the event that a beneficiary or beneficiaries shall be determined to be ineligible for health care or other benefits, the Trustees shall take prompt action to correct the situation.

(4) The Trustees are authorized, upon prior written approval by the Employers and the Union, to make such changes in the Plans and Trusts hereunder as they may deem to be necessary or appropriate.

They are also authorized and directed, after adequate notice and consultation with the Employers and Union, to make such changes in the Plans and Trusts hereunder, including any retroactive modifications or amendments, which shall be necessary:

(a) to obtain all necessary determination letters or rulings from the Internal Revenue Service or other applicable federal agencies so as to ensure compliance with all applicable federal laws and regulations and ensure the continued qualification of the 1950 and 1974 Pension Plans and Trusts and the deductibility for income tax purposes of any and all contributions made by signatory Employers to such Trusts as paid or incurred;

(b) to conform the terms of each Plan and Trust to the requirements of ERISA, or any other applicable federal law, and the regulations issued thereunder;

(c) to obtain determination letters from the Internal Revenue Service that the two Pension Plans will each meet the requirements of Section 401 of the Internal Revenue Code and the Trusts thereun-

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der will be exempt under Section 501(a) of such Code and that the 1993 Benefit Trust will be exempt under Section 501(c)(9) of such Code;

(d) to establish the deductibility for income tax purposes of any and all contributions made by the signatory operators to the Pension Trusts and Benefit Trust as paid or incurred; or

(e) to comply with all applicable court or government decisions or rulings.

In addition to the foregoing, the 1993 Benefit Plan Trustees shall have the authority to make any amendments to the plan of benefits of the 1993 Benefit Plan and Trust that they deem necessary and appropriate.

Section (h) Guarantee of 1950 and 1974 Plans and Trusts

Notwithstanding any other provisions in this Agreement the Employers hereby agree to fully guarantee the pension benefits provided by the 1950 Pension Fund and the 1974 Pension Fund, during the term of this Agreement.

In order to fully fund these guaranteed benefits, the BCOA may increase, not decrease (except as provided in Section (d)(1)), the rate of contributions to be made to the 1950 Pension Fund and the 1974 Pension Fund during the term of this Agreement. These contributions, which may be adjusted from time to time, shall be made by all Employers signatory hereto during the term of this Agreement.

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In addition, each signatory Employer hereby agrees to fully guarantee the health benefits provided under its own Employer Plan described in Section (c)(3)(i) of this Article XX during the term of this Agreement.

GENERAL DESCRIPTION OF THE HEALTH AND RETIREMENT BENEFITS

The following is a general description of certain information contained in the UMWA 1950 Pension Plan and Trust, the UMWA 1974 Pension Plan and Trust, and the individual Employer's benefit plan. This description is intended merely to highlight certain information; it is not a complete statement of all of the provisions of the Plans and Trusts, nor is it intended to be a Summary Plan Description as defined in the Employee Retirement Income Security Act of 1974, and is qualified in its entirety by, and subject to the more detailed information contained in the Plans and Trusts, copies of which are on file and available for inspection at the offices of the UMWA Health & Retirement Funds, 2121 K Street, NW, Washington, D.C. 20037. The specific provisions of the plans will govern in the event of any inconsistencies between the general description and the plans.

The benefits provided by the 1993 Benefit Trust may be amended from time to time, as determined by the 1993 Benefit Plan Trustees, subject to the following restrictions, and to the terms of the Trust:

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(a) Benefits under the 1993 Benefit Trust shall only be those that can be provided from the assets of the Trust, but there shall be no benefit improvements during the term of this Agreement, and the total package of benefits under the Plan shall not exceed the value of the benefits provided under the individual Employer Plan pursuant to the terms of the 2002 Wage Agreement.

(b) No beneficiary shall be eligible for any benefit that is more generous than the retiree medical benefit contractually required to be provided under the individual employer benefit plan maintained by the last signatory Employer.

(c) For those beneficiaries who are not actually enrolled in the 1993 Benefit Plan as of December 31, 2006, within the meaning of section 402(h)(2)(C) and (D) of the Surface Mining Control and Reclamation Act of 1977, as amended, the Trustees must monitor the assets of the 1993 Benefit Trust in order to provide benefits, and shall address the Plan's overall financial status, including the stream of benefit obligations as well as the projected income from all available resources, and take prudent and appropriate actions consistent with their duties and obligations under the Trust and Plan documents, including, if necessary reducing benefits. If the Trustees do not act to reduce Plan benefits when and as required, then the Executive Director of the UMWA Health & Retirement Funds (or if such position is vacant, the highest ranking staff member working exclusively on health

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benefit plan matters) shall adopt such benefit reductions effective immediately.

The parties expressly agree that the language references to “for life” and “until death” that are retained in this General Description are intended to mean that each Employer will provide, for life, only the benefits of its own eligible retirees who retire during the term of this Agreement. A retiree shall be considered to be a retiree of an Employer if his last signatory classified employment was with such Employer. The benefits and benefit levels provided by an Employer under its Employer Plan are established for the term of this Agreement only, and may be jointly amended or modified in any manner at any time after the expiration or termination of this Agreement.

However, under no circumstances will an Employer be responsible to provide benefits or to contribute toward the provision of benefits, through the 1993 Benefit Trust or any other plan, trust or mechanism, to former employees and retirees (or their spouses, surviving spouses or dependents) of any other Employer beyond the term of this Agreement.

The following general description does not apply to plans maintained pursuant to the Coal Act.

**(1) PENSIONS FOR MINERS RETIRED
UNDER THE 1950 PENSION PLAN:**

Beginning on the Effective Date, pension benefits are according to the following schedules:

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(a) For pensioners with at least 20 years of credited service who retired on other than a disability pension, the pension is \$420 per month, increasing to \$425 per month effective January 1, 2009. Any such pensioner whose pension is in pay status as of October 31, 2007 shall be issued by November 1, 2007, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$565. Any such pensioner whose pension is in pay status as of October 31, 2008 shall be issued by November 1, 2008, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$565. Any such pensioner whose pension is in pay status as of October 31, 2009 shall be issued by November 1, 2009, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$565. Any such pensioner whose pension is in pay status as of October 31, 2010 shall be issued by November 1, 2010, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$580. Any such pensioner whose pension is in pay status as of October 31, 2011 shall be issued by November 1, 2011, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$580.

(b) For pensioners who retired on a disability pension, the pension is \$262.50 per month, increasing to \$267.50 per month effective January 1, 2009. Any such disability pensioner whose pension is in pay status as of October 31, 2007 shall be issued by November 1, 2007, by separate check from the 1950 Pension

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Plan, a one-time single sum payment of \$440. Any such disability pensioner whose pension is in pay status as of October 31, 2008 shall be issued by November 1, 2008, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$440. Any such disability pensioner whose pension is in pay status as of October 31, 2009 shall be issued by November 1, 2009, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$440. Any such disability pensioner whose pension is in pay status as of October 31, 2010 shall be issued by November 1, 2010, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$455. Any such disability pensioner whose pension is in pay status as of October 31, 2011 shall be issued by November 1, 2011, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$455. Such pensioner will be entitled to retain his Health Services Card for life. Upon his death, his widow will retain a Health Services card until her death or remarriage.

Any pensioner who is receiving a disability pension or a pension with at least twenty years of credited service under this Plan is entitled to receive health benefits until death. A widow is entitled to receive health benefits until her death or remarriage.

(c) For all other pensioners and future pensioners, the benefit is increased by \$15 per month, and by an additional \$5 per month effective January 1, 2009.

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Any such pensioner whose pension is in pay status as of October 31, 2007 shall be issued by November 1, 2007, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$440. Any such pensioner whose pension is in pay status as of October 31, 2008 shall be issued by November 1, 2008, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$440. Any such pensioner whose pension is in pay status as of October 31, 2009 shall be issued by November 1, 2009, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$440. Any such pensioner whose pension is in pay status as of October 31, 2010 shall be issued by November 1, 2010, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$455. Any such pensioner whose pension is in pay status as of October 31, 2011 shall be issued by November 1, 2011, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$455.

(1A) 1950 WIDOWS' PENSION:

A Widow's Pension is provided through the 1950 Pension Plan to widows of miners who were receiving a 1950 pension at the time of their death. The benefit is \$170 per month, increasing to \$175 per month effective January 1, 2009. Existing as well as future widows of 1950 Pensioners will receive this benefit.

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Any widow whose 1950 pension is in pay status as of October 31, 2007 shall be issued by November 1, 2007, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$440. Any widow whose 1950 pension is in pay status as of October 31, 2008 shall be issued by November 1, 2008, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$440. Any widow whose 1950 pension is in pay status as of October 31, 2009 shall be issued by November 1, 2009, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$440. Any widow whose 1950 pension is in pay status as of October 31, 2010 shall be issued by November 1, 2010, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$455. Any widow whose 1950 pension is in pay status as of October 31, 2011 shall be issued by November 1, 2011, by separate check from the 1950 Pension Plan, a one-time single sum payment of \$455.

**(2) PENSIONS FOR MINERS WHO RETIRED
UNDER THE 1974 PENSION PLAN PRIOR TO
THE EFFECTIVE DATE:**

Pension benefits for pensioners who retired prior to the Effective Date are according to the following schedules:

(a) For pensioners who retired on other than a minimum disability pension, the pension is increased by \$15 per month, and by an additional \$5 per month ef-

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fective January 1, 2009. Such pensioner will be entitled to retain his Health Services card for life. Upon his death, his widow will retain a Health Services card until her death or remarriage.

(b) For pensioners who retired on a minimum disability pension, the pension is \$245 per month, increasing to \$250 per month effective January 1, 2009. Such pensioner will be entitled to retain his Health Services card for life. Upon his death, his widow will retain a Health Services card until her death or remarriage.

(c) Any pensioner who retired on other than a disability pension and whose pension is in pay status as of the Effective Date shall receive an increase in his pension of \$15 per month, and by an additional \$5 per month effective January 1, 2009. Any pensioner who retired on other than a disability pension and whose pension is in pay status as of October 31, 2007 shall be issued by November 1, 2007, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$565. Any pensioner who retired on other than a disability pension and whose pension is in pay status as of October 31, 2008 shall be issued by November 1, 2008, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$565. Any pensioner who retired on other than a disability pension and whose pension is in pay status as of October 31, 2009 shall be issued by November 1, 2009, by separate check from the 1974 Pension Plan,

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a one-time single sum payment of \$565. Any pensioner who retired on other than a disability pension and whose pension is in pay status as of October 31, 2010 shall be issued by November 1, 2010, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$580. Any pensioner who retired on other than a disability pension and whose pension is in pay status as of October 31, 2011 shall be issued by November 1, 2011, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$580.

Any pensioner whose disability pension is in pay status as of the Effective Date shall receive an increase in his disability pension of \$15 per month, and by an additional \$5 per month effective January 1, 2009. Any pensioner whose disability pension is in pay status as of October 31, 2007 shall be issued by November 1, 2007, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$440. Any pensioner whose disability pension is in pay status as of October 31, 2008 shall be issued by November 1, 2008, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$440. Any pensioner whose disability pension is in pay status as of October 31, 2009 shall be issued by November 1, 2009, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$440. Any pensioner whose disability pension is in pay status as of October 31, 2010 shall be issued by

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November 1, 2010, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$455. Any pensioner whose disability pension is in pay status as of October 31, 2011 shall be issued by November 1, 2011, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$455.

(d) For surviving spouses of 1974 pensioners, the benefit is increased by \$15 per month, and by an additional \$5 per month effective January 1, 2009. A surviving spouse whose survivor pension is in pay status as of October 31, 2007 shall be issued by November 1, 2007, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$440. A surviving spouse whose survivor pension is in pay status as of October 31, 2008 shall be issued by November 1, 2008, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$440. A surviving spouse whose survivor pension is in pay status as of October 31, 2009 shall be issued by November 1, 2009, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$440. A surviving spouse whose survivor pension is in pay status as of October 31, 2010 shall be issued by November 1, 2010, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$455. A surviving spouse whose survivor pension is in pay status as of October 31, 2011 shall be issued by November 1, 2011, by separate

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check from the 1974 Pension Plan, a one-time single sum payment of \$455. Such surviving spouse will retain a Health Services card until her death or remarriage.

**(3) PENSIONS FOR MINERS WHO RETIRE
ON OR AFTER THE EFFECTIVE DATE:**

A working miner who retires on or after the Effective Date and who is eligible for a pension under the terms of this Agreement will receive pension benefits based upon the 1974 Pension Plan. Subject to (4) below, full credit is provided for years worked as a classified Employee in mines of signatory Employers.

The earliest retirement age is 55. A miner may retire at 55 with 10 or more years of signatory service.

Pension benefits are increased as a miner accumulates years of signatory service. Benefits are also increased based upon a miner's age at the time of retirement with maximum benefits payable to miners who retire at the age of 62 or more.

In order to calculate the amount of a retirement benefit, it is necessary to add:

(1) the benefit amount for signatory service earned prior to February 1, 1989 ("Pre-1989 signatory service");

(2) the amount for signatory service earned between February 1, 1989, and January 31, 1990 ("1989 signatory service");

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(3) the amount for signatory service earned on or after February 1, 1990 and before December 16, 1993 (“Post-1989 signatory service”); and

(4) the amount for signatory service earned on or after December 16, 1993 (“Post-1993 signatory service”).

The retirement benefit for signatory service earned prior to February 1, 1989, is the following:

\$48.50 per month multiplied by the years of Pre-1989 signatory service for the first 10 such years, plus

\$49.00 per month multiplied by the years of Pre-1989 signatory service for the second 10 such years, plus

\$49.50 per month multiplied by the years of Pre-1989 signatory service for the third 10 such years, plus

\$50.00 per month multiplied by the years of Pre-1989 signatory service for each such year over 30.

The retirement benefit for signatory service earned from February 1, 1989, to January 31, 1990, is \$56.00 for a year of 1989 signatory service.

The retirement benefit for signatory service earned from February 1, 1990, to December 16, 1993, is \$60.50 per year of Post-1989 signatory service.

The retirement benefit for signatory service earned on or after December 16, 1993 is \$63.50 per year of Post-1993 signatory service.

For a working miner who retires on or after Janu-

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ary 1, 2009, and who is eligible for a pension under the terms of this Agreement, each dollar amount specified above is increased by \$4.00. For a working miner who retires on or after January 1, 2011, and who is eligible for a pension under the terms of this Agreement, each dollar amount specified above is increased by an additional \$2.00.

To estimate your pension, use the table on pages 303-309.

Any pensioner whose pension (other than a disability pension) is in pay status as of the Effective Date shall receive an increase in his pension of \$15 per month, and an additional increase of \$5 per month effective January 1, 2009. Any pensioner whose pension (other than a disability pension) is in pay status as of October 31, 2007 shall be issued by November 1, 2007, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$565. Any pensioner whose pension (other than a disability pension) is in pay status as of October 31, 2008 shall be issued by November 1, 2008, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$565. Any pensioner whose pension (other than a disability pension) is in pay status as of October 31, 2009 shall be issued by November 1, 2009, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$565. Any pensioner whose pension (other than a disability pension) is in pay status as of October 31, 2010 shall be

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issued by November 1, 2010, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$580. Any pensioner whose pension (other than a disability pension) is in pay status as of October 31, 2011 shall be issued by November 1, 2011, by separate check from the 1974 Pension Plan, a one-time single sum payment of \$580.

(4) SIGNATORY SERVICE:

Effective as of the calendar year 1978, each miner who works at least 1,000 hours in a calendar year as a classified Employee with a signatory Employer will receive credit for a full year of signatory service for the purpose of determining the amount of the pension. Time spent performing contractual obligations (such as safety inspections, mine committee work, etc.) shall be considered as hours worked in the schedule below. Time spent performing work for the UMWA, its districts and local unions in lieu of regular scheduled classified work for the Employer shall be considered as hours worked in the schedule below. A person who is eligible to receive sickness and accident benefits will receive credit as hours worked in the schedule below, for the period of eligibility. Each miner who works less than 1,000 hours in a calendar year as a classified Employee with a signatory Employer will receive credit for the above purpose for a percentage of a year calculated in accordance with the following schedule:

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<u>Hours Worked</u>	<u>Percentage of a Year of Signatory Service</u>
less than 250	0
250-499	25%
500-749	50%
750-999	75%
1,000 or more	100%

For the purpose of calculating benefits and/or determining vesting, employment with the United Mine Workers of America, following classified employment with an Employer, shall be treated as signatory service, provided that the employee does not receive a pension from the United Mine Workers of America Pension Plan based on such service.

Notwithstanding the foregoing, a classified Employee working on the weekend/holiday crew as provided in Appendix C shall receive credit for a percentage of a year calculated in accordance with the following schedule:

<u>Hours Worked</u>	<u>Percentage of a Year of Signatory Service</u>
less than 200	0
200-399	25%
400-599	50%
600-799	75%
800 or more	100%

Special Rule for 1993—For the calendar year 1993, a classified Employee who participated in an

EXHIBIT 2

**NATIONAL BITUMINOUS COAL WAGE
AGREEMENT OF 2011**

Article I—ENABLING CLAUSE

THIS AGREEMENT, made this 1st day of July, 2011 between the coal operators and associations signatory hereto, as parties of the first part (each coal operator which is a signatory hereto being called “Employer”) and the International Union, United Mine Workers of America (hereinafter called “Union”), on behalf of each member thereof, as party of the second part, covers all of the bituminous coal mines described in Article IA, Section (f), owned or operated by said first parties. This Agreement carries forward and preserves the terms and conditions of all the various District agreements executed between the United Mine Workers of America and the various operators and coal associations subject to the terms and conditions of this Agreement and as amended, modified and supplemented by this Agreement as herein set out. Furthermore, the terms of the National Bituminous Coal Wage Agreement of 2007 are unchanged and carried forward only for the period from the Effective Date through December 31, 2011, except as provided in this Agreement.

This Agreement shall be binding upon all signatories hereto, including those Employers which are members of signatory associations, and their successors and assigns. In consideration of the Union’s execution of this Agreement, each Employer promises that its operations

covered by this Agreement shall not be sold, conveyed, or otherwise transferred or assigned to any successor without first securing the agreement of the successor to assume the Employer's obligations under this Agreement. Immediately upon the conclusion of such sale, conveyance, assignment or transfer of its operations, the Employer shall notify the Union of the transaction. Such notification shall be by certified mail to the Secretary-Treasurer of the International Union and shall be accompanied by documentation that the successor obligation has been satisfied. Provided that the Employer shall not be a guarantor or be held liable for any breach by the successor or assignee of its obligations, and the UMWA will look exclusively to the successor or assignee for compliance with the terms of this Agreement.

WITNESSETH: It is agreed that this contract is for the exclusive joint use and benefit of the contracting parties, as defined and set forth in this Agreement. It is agreed that at operations covered by this Agreement the United Mine Workers of America is recognized herein as the exclusive bargaining agency representing the Employees of the parties of the first part. It is further agreed that as a condition of employment all Employees at operations covered by this Agreement shall be, or become, members of the United Mine Workers of America, to the extent and in the manner permitted by law, except in those exempted classifications of employment as hereinafter provided in this Agreement. This provision does not change the rules or practices of the industry pertain-

ing to management. The Mine Workers intend no intrusion upon the rights of management as heretofore practiced and understood. It is the intent and purpose of the parties hereto that this Agreement will promote and improve industrial and economic relationships in the bituminous coal industry and to set forth herein the basic agreements covering rates of pay, hours of work and conditions of employment to be observed between the parties, and shall cover the employment of persons employed in the bituminous coal mines covered by this Agreement. Management will not abridge the rights of the Employees as set forth in this Agreement.

Article IA—SCOPE AND COVERAGE

Section (a) Work Jurisdiction

The production of coal, including removal of overburden and coal waste, preparation, processing and cleaning of coal and transportation of coal (except by waterway or rail not owned by Employer), repair and maintenance work normally performed at the mine site or at a central shop of the Employer and maintenance of gob piles and mine roads, and work of the type customarily related to all of the above shall be performed by classified Employees of the Employer covered by and in accordance with the terms of this Agreement. Contracting, subcontracting, leasing and subleasing, and construction work, as defined herein, will be conducted in accordance with the provisions of this Article.

given a preference in filling temporary assignments in regard to that job.

Section (d) **Protection Against Discrimination**

In no case may the Employer make a temporary assignment for the purpose of disciplining or discriminating against an Employee.

Section (e) **Compensation for Temporary Assignments**

When an Employee works on another job on a temporary basis, he shall be compensated for the entire shift at the higher of his regular rate or the rate of the job to which he is temporarily assigned. This section shall not be construed to apply to Employees whose regular job duties include the relief of other Employees for short periods of time which do not exceed thirty (30) minutes for each occurrence during the basic workday. For such relief periods, however, the Employee providing relief shall be paid the higher rate.

**Article XX—HEALTH, RETIREMENT
AND OTHER BENEFITS**

Section (a) **General Purpose**

This Article makes provision for pension, health and other benefits for Employees covered by this Agreement, and for former Employees who were covered under the United Mine Workers of America Welfare

and Retirement Fund of 1950 (“1950 Fund”), and for the spouses and dependents of such Employees. The benefits to be provided are as set forth under separate plans and trusts referred to in Sections (b) and (c) of this Article.

A general description of the benefits to be provided appears immediately following this Article. The specific provisions of the plans will govern in the event of any inconsistencies between the general description and the plans.

Pursuant to the Coal Industry Retiree Health Benefit Act of 1992 (the “Coal Act”), the health benefits (and in some cases the death benefits) provided to retirees who were age and service eligible as of February 1, 1993, and who actually retired by September 30, 1994, are guaranteed by an Act of Congress. The Coal Act, which was enacted with the active support of the United Mine Workers of America and the BCOA, requires responsible employers to provide and pay for these benefits for life. Although, under certain circumstances, employers are permitted to adopt cost containment and managed care programs, the levels of benefits provided to retirees and dependents covered by the Coal Act are fixed by law, and may not be changed by any employer. Employers signatory to this Agreement agree to and will amend their Individual Employer Plan established pursuant to the Coal Act to eliminate any earnings limit that currently applies to eligibility for a Health Card.

Benefits under the Coal Act are provided either by the employer who was providing those benefits on February 1, 1993, or by two newly-created Funds: the United Mine Workers of America Combined Benefit Fund and the United Mine Workers of America 1992 Benefit Plan. Those benefits are not governed by this Agreement.

For purposes of this Article, the 1974 Pension Plan and Trust shall be a continuation of the benefit program established under the UMWA Welfare and Retirement Fund of 1950 (hereinafter the 1950 Fund), and is the surviving plan following the merger of the 1974 Pension Plan and Trust and the United Mine Workers of America 1950 Plan and Trust.

Each participant and beneficiary shall be entitled only to the pension benefits provided in and paid from the 1974 Pension Plan and Trust and each participant, beneficiary and dependent shall be entitled only to the benefits provided in and paid from the 1993 Benefit Trust, or the individual benefit plans referred to in Section (c). An individual that is entitled to health benefits from a plan maintained pursuant to the Coal Act will receive benefits from such plan, and not from a plan maintained pursuant to this Article. In addition, an individual that is entitled to death benefit coverage from the United Mine Workers of America Combined Benefit Fund shall not be entitled to death benefit coverage from any plan maintained pursuant to this Article.

The general purpose of the plans referred to in this Article shall be to provide health care for working and

retired miners and their dependents; pensions for miners upon their retirement; health care and financial support for eligible disabled miners; and financial support for surviving spouses and surviving dependents provided by each of the Trusts and Plans referred to in this Article.

Except as otherwise specifically set forth in this Article, it is agreed that the Trusts referred to in this Article are irrevocable Trusts created pursuant to, and within the scope of, Section 302(c) of the Labor-Management Relations Act, 1947, and shall endure as long as the purposes for their creation shall exist.

Section (b) **The Former 1950 Pension Plan and Trust**

(1) Pursuant to action by the UMWA and BCOA, the former United Mine Workers of America 1950 Pension Trust (“1950 Pension Trust”) was merged into the United Mine Workers of America 1974 Pension Plan and Trust in 2007. Benefits provided by the former 1950 Pension Plan and Trust are now provided by the 1974 Pension Plan and Trust.

(2) Pursuant to the requirements of the Coal Act, the United Mine Workers of America 1950 Benefit Plan and Trust (“1950 Benefit Trust”) and the United Mine Workers of America 1974 Benefit Plan and Trust (the “1974 Benefit Trust”) were merged into the United Mine Workers of America Combined Benefit Fund (the “Combined Fund”). The Combined Fund is governed

by the terms of the Coal Act, and is not maintained pursuant to this Article. Health benefits for individuals who would be eligible for benefits under the 1950 Benefit Plan but for the passage of the Coal Act and who are not entitled to benefits under the Coal Act will be provided by the 1993 Benefit Fund during the term of this Agreement.

Section (c) **1974 Pension Plan and Trust,
1993 Benefit Plan and Trust,
Employer Benefit Plans, and the
2012 Retiree Bonus Account Plan**

(1) The United Mine Workers of America 1974 Pension Trust (“1974 Pension Trust”) is incorporated by reference and made a part of this Agreement. The pensions to be paid from the 1974 Pension Trust are as set forth in the United Mine Workers of America 1974 Pension Plan (“1974 Pension Plan”), which is incorporated by reference and made a part of this Agreement. This Plan is a continuation of the pension program of the 1950 Fund and was effective December 6, 1974.

(2) The United Mine Workers of America 1993 Benefit Trust (“1993 Benefit Trust”) is incorporated by reference and made a part of this Agreement. The primary purpose of the 1993 Benefit Trust is to provide certain health benefits, not including pension benefits, only to those retirees who satisfy the Plan’s age and service requirements. The terms and conditions under which those benefits will be provided are as set forth in the

plan under the 1993 Benefit Trust and under the terms of this Article.

(3)(i) Each signatory Employer shall establish and maintain an Employee benefit plan to provide, implemented through an insurance carrier(s), health and other non-pension benefits for its Employees covered by this Agreement as well as pensioners under the 1974 Pension Plan and Trust whose last signatory classified employment was with such Employer and who are not eligible to receive benefits from a plan maintained pursuant to the Coal Act. Any assets of the Employer that are wrongfully transferred to any related individual or related corporate entity prior to the satisfaction of the Employer's obligation to provide health benefits shall be treated as assets held in trust for the benefit of eligible retirees and other eligible beneficiaries. Such obligation of the Employer may be enforced by the UMWA and the retirees and other beneficiaries. The Employer and/or other defendant(s) in such an action shall be liable for the costs of litigation, including attorney's fees. The benefits provided by the Employer to its eligible Participants pursuant to such plan shall be guaranteed during the term of this Agreement by that Employer at levels set forth in such plan. The plans established pursuant to this subsection are incorporated by reference and made a part of this Agreement, and the terms and conditions under which the health and other non-pension benefits will be provided under such plans are as to be set forth in such plans.

(ii) The 1993 Benefit Plan and Trust provides health and other non-pension benefits during the term of this Agreement, to any eligible retired miner (or the eligible dependent of such retired or deceased miner) who meets the conditions of one of the following:

(a) The retired miner is described in Section (b)(2).

(b) The retired miner separated from classified employment prior to December 16, 1993, would be eligible to receive benefits from the 1974 Benefit Plan but for the passage of the Coal Act, is not entitled to benefits under the Coal Act, and whose last signatory employer was no longer deriving revenue from the production of coal on December 16, 1993.

(c) The miner is retired under the 1974 Pension Plan or any successor plan(s) thereto, last worked in signatory classified employment for an Employer who was obligated to contribute and contributed to the 1993 Benefit Trust at the rates specified in Section (d) and would otherwise cease to receive the health and other non-pension benefits provided herein because such last signatory Employer is no longer in business. An Employer's obligation to contribute at the rates specified in Section (d) must be in effect on the date the Employer is first considered to be "no longer in business." For purposes of determining eligibility under the 1993 Benefit Plan and Trust, the Employer is considered to be "no longer in business" only if the Employer meets the conditions of (I) and (II) below. The parties expressly intend that each of the requirements of (I) and (II) be met.

(I) The Employer has ceased all mining operations and has ceased employing persons under this Wage Agreement, with no reasonable expectation that such operations will start up again; and

(II) The Employer is financially unable (through either the business entity that has ceased operations as described in subparagraph (a) above, including such company's successors or assigns, if any, or any other related division, subsidiary, or parent corporation, regardless of whether covered by this Wage Agreement or not) to provide health and other non-pension benefits to its retired miners and surviving spouses.

In the case of an otherwise qualifying last signatory Employer that first became obligated to contribute to the 1993 Trust after December 31, 2001, within the meaning of Section (d)(1)(iii) of this Article, and that did not contribute to the 1993 Benefit Trust substantially all amounts owed and at the rates specified in Section (d), eligible retired miners and dependents shall receive only limited coverage under a separate program of benefits designed by the Plan's Trustees. The Trustees shall design the program taking into account the need for the Plan to remain solvent throughout the term of this Agreement, while providing more complete benefits for individuals whose last signatory Employer met the "substantially all" contribution requirement of this Article.

Each Employer is required to maintain, and make available to the Trustees, those business and financial records that may be necessary to determine whether

the eligibility requirements of the 1993 Benefit Trust have been satisfied. If a miner's last signatory Employer ceases to provide health benefits as required under Section (c)(3)(i) of this Article, and the Trustees are investigating whether the Employer is "no longer in business" within the meaning of Section (c)(3)(ii)(c) of this Article, the Employer shall make available to the Trustees those business and financial records that may be necessary to the "no longer in business" determination, including but not limited to financial statements, tax returns, bank statements, coal production and sales data, and information on equipment and other property and assets of the signatory Employer. An Employer that fails to cooperate or make available such records shall be subject to suit by the Trustees and shall be liable for the Trustees' expenses both in reviewing such records and in enforcing the Employer's obligation, including audit fees, court costs and attorney's fees. The Trustees shall make their initial determination of whether an Employer is "no longer in business" no later than 90 days following receipt of such business and financial records, as practicable.

(d) The retired miner worked under the terms of the 1974 NBCWA (but not under the terms of the 1978 NBCWA), has been or would have been denied a benefit by the UMWA 1974 Benefit Plan solely because the miner did not work under the terms of a 1978 or subsequent NBCWA; and is not eligible to receive benefits under the Coal Act.

The Union and Trustees shall assist and fully cooperate with the Employers in obtaining all necessary opinion letters, exemptions, or rulings from the Department of Labor, the Internal Revenue Service or other applicable federal agencies, in order to implement the provisions of this subsection so as to ensure compliance with all applicable federal laws and regulations and ensure the deductibility for income tax purposes of any and all contributions made by signatory Employers to the 1993 Benefit Trust and the individual health plans referred to in this Section.

Notwithstanding any other provision in this Agreement, any new inexperienced miner as defined in Article XXB(d)4 of the Agreement shall not be eligible to receive benefits from the 1993 Benefit Trust, except for a new inexperienced miner described in Article XX(5)(d) and XX(10)(l), (m) and (n).

(4) The United Mine Workers of America 2012 Retiree Bonus Account Plan (“2012 Retiree Bonus Account Plan”) and The United Mine Workers of America 2012 Retiree Bonus Account Trust (“2012 Retiree Bonus Account Trust”) are incorporated by reference and made a part of this Agreement. Retirees and beneficiaries who are eligible to receive a retiree bonus payment from both the 2012 Retiree Bonus Account Trust (such payments referred to herein as the “Retiree Bonus”) and their last signatory Employer (such payments referred to herein as “individual Employer Retiree Bonus Differential Payment”) shall be eligible to

receive a combined single sum bonus payment in the amount of \$580 or \$455 as set forth in the General Description of this Article XX. The one-time single sum Retiree Bonus payment amounts to be paid by the Trustees of the 2012 Retiree Bonus Account Plan are projected amounts. When required, the individual Employer Retiree Bonus Differential Payment described herein is to be made and will supplement the Retiree Bonus in order to provide the projected amounts.

This Agreement provides for the establishment of the 2012 Retiree Bonus Account Trust and the 2012 Retiree Bonus Account Plan, which shall provide a one-time single sum bonus payment to eligible retirees on November 1, 2014, November 1, 2015, and November 1, 2016. The Plan will be maintained as an irrevocable trust created pursuant to Section 302(c) of the Labor Management Relations Act of 1947.

The 2012 Retiree Bonus Account Trust shall be jointly administered by four Trustees, two of whom shall be appointed by the UMWA and two of whom shall be appointed by the BCOA. The Trustees shall be responsible for all actions necessary for the proper and efficient operation of the 2012 Retiree Bonus Account Plan, including but not limited to determining eligibility for benefits in accordance with the provisions of this Agreement and the 2012 Retiree Bonus Account Plan, collecting all contributions owed to the 2012 Retiree Bonus Account Trust, ensuring that Employer contributions to the 2012 Retiree Bonus Ac-

count Trust are tax deductible, and preserving the assets of the 2012 Retiree Bonus Account Trust for payment to eligible beneficiaries on the dates due. The Trustees shall have the same powers, duties, and responsibilities with respect to the Plan as are set forth in this Article XX of this Agreement, and the powers, duties, and responsibilities set forth in the 2012 Retiree Bonus Account Trust document and this Agreement.

Each signatory Employer shall contribute to the 2012 Retiree Bonus Account Trust as provided in Section (d) of this Article XX for each hour worked by the Employer's Employees who perform classified work as defined by this Agreement, for the period commencing January 1, 2012 and through the term of this Agreement. Signatory Employers shall not be required to increase their rate of contribution to the 2012 Retiree Bonus Account Trust under any circumstances, regardless of the financial condition of the 2012 Retiree Bonus Account Plan.

The Retiree Bonus shall be available to (a) all beneficiaries of the UMWA 1974 Pension Plan who are designated in the General Description of Article XX of this Agreement as eligible to receive the Retiree Bonus, provided that they are in pay status under the 1974 Pension Plan as of July 1, 2011, and further provided that they remain in the 1974 Pension Plan and are in pay status under the 1974 Pension Plan as of October 31, 2014 (for the November 1, 2014 bonus), October 31, 2015 (for the November 1, 2015 bonus) and

October 31, 2016 (for the November 1, 2016 bonus), and (b) all 1974 Pension Plan participants who enter pay status under the 1974 Pension Plan between July 1, 2011 and October 31, 2014 (for the November 1, 2014 bonus), or October 31, 2015 (for the November 1, 2015 bonus), or October 31, 2016 (for the November 1, 2016 bonus), subject to the same conditions described above.

The payments to be made from the Retiree Bonus Account Trust (without regard to any additional amounts payable as individual Employer Retiree Bonus Differential Payments) are projected amounts subject to adjustment by the Trustees of the Plan based on the financial condition of the Plan at the time of the scheduled payments and the projected financial ability of the Plan to make bonus payments at a comparable level during any subsequent payment due date. The Trustees of the Plan shall have discretion to determine the amount of the bonus to be paid from the Retiree Bonus Account Trust (without regard to any additional amounts payable as individual Employer Retiree Bonus Differential Payments) in November 2014 and November 2015, provided (i) the amount paid does not exceed the projected amount, (ii) the amount shall be distributed evenly to each eligible pensioner in proportion to the projected amounts, and (iii) the amount paid is reasonably calculated to leave sufficient funds in the Plan to enable the Plan to pay at least a comparable bonus to retirees in the following covered year(s). The

amount of the bonus to be paid from the Retiree Bonus Account Trust (without regard to any additional amounts payable as individual Employer Retiree Bonus Differential Payments) in November 2016 shall be distributed evenly to each eligible pensioner in proportion to the projected amounts and, after payment of all administrative and other expenses, reduce the assets of the Plan to zero.

If the Trustees of the 2012 Retiree Bonus Account Trust determine that there are not sufficient assets in the Trust to pay the projected amount of the Retiree Bonus from the 2012 Retiree Bonus Account Plan to eligible pensioners on November 1, 2014, November 1, 2015 or November 1, 2016, each Employer signatory hereto shall be obligated to make a one-time single sum individual Employer Retiree Bonus Differential Payment, if applicable, on or about the date of the payment from the 2012 Retiree Bonus Account Plan from the Employer only to its own eligible pensioners in the 2012 Retiree Bonus Account Plan whose last signatory classified employment was with the Employer or related entities in the same controlled group of companies that includes the Employer. The amount of the individual Employer Retiree Bonus Differential Payment to the Employer's own eligible pensioners shall be the difference between the projected amount of the Retiree Bonus from the 2012 Retiree Bonus Account Plan and the actual amount of the Retiree Bonus paid by the 2012 Retiree Bonus Account Plan, and shall be paid out of the Em-

employer's general assets. Notwithstanding the above and any other provision in this Agreement, under no circumstances shall an Employer be obligated to make an individual Employer Retiree Bonus Differential Payment to any beneficiary or any pensioner whose last signatory classified employment was not with the Employer or related entities in the same controlled group of companies that includes the Employer, regardless of whether the beneficiary or pensioner has received, or is receiving, a Bonus Payment from the UMWA 1974 Pension Trust or the 2012 Retiree Bonus Account Plan. The UMWA Health and Retirement Funds shall serve as the payroll agent and administer the individual Employer Retiree Bonus Differential Payments on behalf of the affected Employer, and shall be reimbursed by the Employer for reasonable administrative expenses.

Section (d) **Contributions by Employers**

(1) During the life of this Agreement, for the periods of time indicated below, each signatory Employer (including those engaged in the production of coal and those not engaged in the production of coal) shall contribute to the Trusts referred to in this Article the amounts specified below based on cents per hours worked by each of the Employer's Employees who perform classified work under this Agreement, including those hours worked by New Inexperienced Miners hired on or after January 1, 2012, who are not participants in the 1974 Pension Trust.

(i) Into the 1974 Pension Trust: for the period beginning on the Effective Date and ending when this Agreement is terminated, \$5.50 per hour on each such hour worked.

(ii) Into the 1993 Benefit Trust: for the period beginning on the Effective Date and through December 31, 2011, 50¢ per hour on each such hour worked for any Employer, including related persons to such Employer within the meaning of Section 9701(c)(2) of the Internal Revenue Code, that initially entered into an agreement prior to January 1, 2002 to make contributions to the 1993 Benefit Trust meeting the required standard of such Trust; and 75¢ per hour on each such hour worked for any Employer that became obligated to contribute for the first time on or after January 1, 2002.

For the period beginning on January 1, 2012 and ending when this Agreement is terminated, \$1.10 per hour on each such hour worked for any Employer, including related persons to such Employer within the meaning of Section 9701(c)(2) of the Internal Revenue Code, that initially entered into an agreement prior to January 1, 2002 to make contributions to the 1993 Benefit Trust meeting the required standard of such Trust; and \$1.35 per hour on each such hour worked for any Employer that became obligated to contribute for the first time on or after January 1, 2002.

(iii) Into the 2012 Retiree Bonus Account Trust: for the period beginning on January 1, 2012 and ending when this Agreement is terminated, \$1.50 per hour on

each such hour worked, provided however that signatory Employers shall not be required to increase their rate of contribution to the Trust under any circumstances, regardless of the financial condition of the Plan.

(iv) In addition to the contributions indicated above, during the life of the Agreement, each signatory Employer shall, for the periods of time indicated below, contribute to the Trusts established in this Article in the amounts shown below based on cents per ton on each ton of two thousand (2,000) pounds of bituminous coal after production by another operator, procured or acquired by such Employer for use or for sale on which contributions to the appropriate Trusts as provided for in this Article have not been made (amounts shown below include cents per hours worked contributions converted to tonnage equivalents).

(a) Into the 1974 Pension Trust: for the period beginning on the Effective Date and ending when this Agreement is terminated \$1.10 per ton on each such ton; and

(b) Into the 1993 Benefit Trust: from the Effective Date through December 31, 2011, 10¢ per ton on each such ton for any Employer, including related persons to such Employer within the meaning of Section 9701(c)(2) of the Internal Revenue Code, that initially entered into an agreement prior to January 1, 2002 to make contributions to the 1993 Benefit Trust meeting the required standard of such Trust; and 14.5¢ per ton

on each such ton for any Employer that became obligated to contribute for the first time on or after January 1, 2002.

For the period beginning January 1, 2012, and ending on December 31, 2016, 22¢ per ton on each such ton for any Employer, including related persons to such Employer within the meaning of Section 9701(c)(2) of the Internal Revenue Code, that initially entered into an agreement prior to January 1, 2002 to make contributions to the 1993 Benefit Trust meeting the required standard of such Trust; and 27¢ per ton on each such ton for any Employer that became obligated to contribute for the first time on or after January 1, 2002.

(c) Into the 2012 Retiree Bonus Account Trust for the period beginning on January 1, 2012 and ending when this Agreement is terminated, 30¢ per ton on each such ton, provided however that signatory Employers shall not be required to increase their rate of contribution to the Trust under any circumstances, regardless of the financial condition of the Plan.

The parties hereto mutually agree that, if at any time during the term of this Agreement a court or tribunal of competent jurisdiction determines by a final decision that is not appealable that the provision appearing in paragraph (iv) just preceding is invalid or in violation of the National Labor Relations Act, 1947, as amended, or other Federal or state law, the parties shall, at the option of and upon demand by the Union, without affecting the integrity of any other provision of

this Section or any other provision of the National Bituminous Coal Wage Agreement, meet and engage in good faith negotiations to agree upon a clause to be inserted into this Agreement in replacement of the provision found invalid or unlawful.

(v) In the event the BCOA ceases to exist, or in the event that more than 50% of the tonnage membership of BCOA on the Effective Date has withdrawn prior to the time when the BCOA is required or permitted to take action under this Article, then such action may be taken by a majority vote, based on tonnage, of Employers who were BCOA members on the Effective Date.

(vi) Hours of work for purposes of Employer contributions to the plans and trusts described in this Article shall include all hours worked, or fractions thereof, by Employees in a classified job covered by this Agreement. Hours actually worked for which a premium pay of any type is provided shall be treated for purposes of Employer contributions to the Trusts as though worked on a straight-time basis. Reporting pay for hours not actually worked shall not be included for the purpose of making Employer contributions to the Trust.

(2) The sole obligation under this Section of any Employer signatory hereto shall be to contribute the amounts specified in this Section.

(3) The obligation to make payments to the Trusts specified in this Article shall become effective on the dates specified in the respective Subdivisions (i) through (iv) of this Section, and the first payments are

to be made on the 10th day of each month after such specified dates, and thereafter continuously on the 10th day of each succeeding calendar month.

(4) It shall be the duty of each of the Employers signatory hereto to keep current said payments due to the Trusts, and to furnish to the International Union, United Mine Workers of America and to the Trustees of those Trusts a monthly statement showing on a mine-by-mine basis the full amounts due hereunder and the tons of coal produced, procured or acquired for use or for sale and the hours worked with respect to which the amounts are payable. Payments to those Trusts shall be made by check payable, as appropriate, to:

“Trustees of the United Mine Workers of America 1974 Pension Trust”

“Trustees of the United Mine Workers of America 1993 Benefit Trust”

“Trustees of the United Mine Workers of America 2012 Retiree Bonus Account Trust”

The Trustees are hereby authorized to require each signatory Employer to make payment of all contributions to the 1993 Benefit Trust, the 1974 Pension Trust, and the 2012 Retiree Bonus Account Trust by a single check made payable in such manner as may be specified by the Trustees.

(5) Payments shall be delivered or mailed to such location as designated by the Trustees of those Trusts.

(6) Failure of any Employer signatory hereto to make full and prompt payments to the Trusts specified

in this Article in the manner and on the dates herein provided shall be deemed a violation of this Agreement. This obligation of each Employer signatory hereto, which is several and not joint, to so pay such sums shall be a direct and continuing obligation of said Employer during the life of this Agreement and it shall be deemed a violation of this Agreement, if any mine, preparation plant or other facility to which this Agreement is applicable shall be sold, leased, subleased, assigned, or otherwise disposed of for the purpose of avoiding any of the obligations hereunder.

(7) Each Employer agrees to give proper notice to the President of the appropriate local union by the 18th day of each month that the Employer has made the required payment to the Trusts for the previous month, as required by this Article, or is delinquent in such payment, such notice to set forth the amount paid to the Trusts, or the amount of the delinquency, the tonnage procured or acquired for use or for sale and the hours worked with respect to the mine or mines under the jurisdiction of such local union. Each Employer agrees to give notice to the appropriate President of the Local Union by the 18th day of each month that the Employer has made the appropriate payment to the insurance carrier for the Employer benefit plan established under (c)(3) above, or is delinquent in such payment.

(8) Title to all the monies paid into and/or due and owing to the Trusts specified in this Article shall be vested in and remain exclusively in the Trustees of

those Trusts. It is the intention of the parties hereto that those Trusts shall constitute irrevocable trusts and that no benefits or money payable from those Trusts shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and that any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void.

(9) It is understood that the individual Employees of Employers agree, through their representative, the United Mine Workers of America, to surrender any personal or individual right to or interest in monies paid or required to be paid to the Trusts pursuant to this Agreement.

(10) Any judgment obtained by the Trustees of the Trusts established pursuant to this Agreement for a default giving rise to damages accruing to more than one of the Trusts established hereunder shall be allocated by the Trustees among such Trusts in proportion to the amounts owing to each which gave rise to such judgment.

Section (e) Responsibilities and Duties of Trustees

(1) The 1974 Pension Trust, the 1993 Benefit Trust, and the 2012 Retiree Bonus Account Trust shall each be administered by a Board of four Trustees, two of whom shall be appointed by the Employers and two of whom shall be appointed by the Union. Either party may, but shall not be required to, appoint an individual

to serve as a Trustee on more than one Trust. One of the Trustees appointed by the Union shall be the Chairman. Each Board of Trustees shall perform its duties in accordance with the requirements, terms and conditions of each such Trust.

(2) It is the intent and purpose of the contracting parties that full cooperation shall be given by each of them to one another, to the Trustees provided for under this Article, and to all affected mine workers, to the eventual coordination and development of policies and working agreements necessary or advisable for the effective operation of the Trusts and Plans. The Trustees of the 1974 Pension Trust shall fully cooperate with the Trustees of the 2012 Retiree Bonus Account Trust and provide whatever information is necessary for the administration of the 2012 Retiree Bonus Account Plan.

(3) Action which may be required by the Employers in connection with any matter hereunder, including but not limited to the removal or appointment of a Trustee, may be taken by BCOA.

(4) All covenants, rights and obligations accruing to the Trusts, and the Benefit Plan, and the Trustees of the Pension and Benefit Trusts and Plans, and all breaches, violations and/or defaults of any provision of this Article pertaining to the Trusts and Plans, the Trust Agreements, or Pension Plans, shall be enforced by the Trustees, at their discretion, through any and all available legal means, without first exhausting the grievance and arbitration procedures set forth in this Agreement.

(5) Disputes arising under this Agreement with regard to the Employer benefit plan established in (c)(3) above shall be referred to the Trustees. The Trustees shall develop procedures for the resolution of such disputes. In the event the Trustees decide such dispute, such decision of the Trustees shall be final and binding on the parties. If the Trustees are unable to resolve the dispute, such dispute shall be referred to a permanent three-member arbitration panel selected by mutual agreement of the UMWA and the BCOA and maintained by the Trustees. A dispute referred in this manner shall be decided by one member of the arbitration panel, determined on a rotating basis, whose decision shall be final and binding on the parties. Precedent under the resolution of disputes mechanism previously in place shall remain in effect, and the panel shall be required to cooperate to assure the consistent interpretation of provisions under the Employer Plans under this Article. Such disputes shall not be processed under the provisions of Article XXIII (Settlement of Disputes).

Section (f) **Audits, Reports and Notices**

(1) It is agreed by the contracting parties that annual independent audits of the Trusts shall be made by independent certified public accountants to be designated by the Trustees of the Trusts. A statement of the results of such audits shall be sent to the contracting parties and shall be made available upon written request to any

working or retired miner or to any beneficiary either by mail or at the principal office of the Trusts, or at such other place as may be designated by the Trustees.

(2) If the Trustees determine that there is reasonable cause to question the accuracy of the sums paid under Section (d) of this Article, or of any verification thereof made by an Employer for a given monthly or annual period, the Employer shall, upon written request by the Trustees, make available for inspection and/or copying at reasonable times and places to a representative of the Trustees, those records which are necessary to verify the accuracy of the sums paid.

(3) A complete accounting, on a mine-by-mine basis, of contributions received by the Trusts under this Article shall be furnished by the Trustees, at least on a quarterly basis, to the International Union. Such an accounting will also be supplied to the District and Local offices of the Union with respect to the mine or mines under their jurisdiction. Such accounting shall include tonnages of coal procured or acquired for use or for sale, and hours worked with respect to which contributions were paid, together with an identification of any period or periods in which contributions were delinquent, showing the amounts of such delinquencies. The Trustees shall take such action as they deem appropriate to collect any such delinquencies, and shall advise the International Union and the appropriate Districts and Locals of the Union, on at least a monthly basis, of such delinquencies, as long as such delinquencies continue.

(4) Upon the written request of any International, District or Local officer of the Union, the Trustees shall make available within seven (7) days of receipt of such request an up-to-date accounting of contributions made and delinquencies outstanding, in respect to any mine or related facility with respect to which such officer has union jurisdiction.

(5) The Trustees shall furnish the Employers and the Union with such other documentation and information as provided for in each of the Trusts described herein.

Section (g) Administration of Trusts

(1) Each Employer shall make available to the Trustees within a reasonable time such information as the Trustees may determine to be reasonably required for the purpose of administering the Trusts and Plans.

(2) The Trustees shall respond to all written requests for information, applications, and other communications from beneficiaries within 15 working days from their receipt at the office of the Trusts. A response from the Trustees may be either a telephonic communication or a letter acknowledging receipt of such communication from the beneficiary. A pension application must be initially approved or denied within 12 weeks of the receipt of the application. The foregoing shall not apply in the event of delays caused by conditions beyond the control of the Trustees.

(3) The Trustees shall police and monitor the rolls of those entitled to benefits from the Trusts. On at least a

quarterly basis, the Trustees shall have available a complete listing of current beneficiaries, identified by UMWA district and local union jurisdiction, if applicable. The Trustees shall promptly investigate and determine the eligibility or ineligibility of any beneficiary whose right to receive benefits from the Trusts has been challenged by an Officer of the International, District or Local Union or by any Employer. In the event that a beneficiary or beneficiaries shall be determined to be ineligible for health care or other benefits, the Trustees shall take prompt action to correct the situation.

(4) The Trustees are authorized, upon prior written approval by the Employers and the Union, to make such changes in the Plans and Trusts hereunder as they may deem to be necessary or appropriate.

They are also authorized and directed, after adequate notice and consultation with the Employers and Union, to make such changes in the Plans and Trusts hereunder, including any retroactive modifications or amendments, which shall be necessary:

(a) to obtain all necessary determination letters or rulings from the Internal Revenue Service or other applicable federal agencies so as to ensure compliance with all applicable federal laws and regulations and ensure the continued qualification of the 1974 Pension Plan and Trust and the deductibility for income tax purposes of any and all contributions made by signatory Employers to such Trusts as paid or incurred;

(b) to conform the terms of each Plan and Trust to the requirements of ERISA, or any other applicable federal law, and the regulations issued thereunder;

(c) to obtain determination letters from the Internal Revenue Service that the 1974 Pension Plan will each meet the requirements of Section 401 of the Internal Revenue Code and the Trusts thereunder will be exempt under Section 501(a) of such Code and that the 1993 Benefit Trust will be exempt under Section 501(c)(9) of such Code;

(d) to establish the deductibility for income tax purposes of any and all contributions made by the signatory operators to the 1974 Pension Trust and 1993 Benefit Trust as paid or incurred; or

(e) to comply with all applicable court or government decisions or rulings.

In addition to the foregoing, the 1993 Benefit Plan Trustees shall have the authority to make any amendments to the plan of benefits of the 1993 Benefit Plan and Trust that they deem necessary and appropriate.

Section (h) Guarantee of the 1974 Plan and Trust

Notwithstanding any other provisions in this Agreement the Employers hereby agree to fully guarantee the pension benefits provided by the 1974 Pension Fund, during the term of this Agreement.

In order to fully fund these guaranteed benefits, the BCOA may increase, not decrease, the rate of contributions to be made to the 1974 Pension Trust during the

term of this Agreement. These contributions, which may be adjusted from time to time, shall be made by all Employers signatory hereto during the term of this Agreement.

In addition, each signatory Employer hereby agrees to fully guarantee the health benefits provided under its own Employer Plan described in Section (c)(3)(i) of this Article XX during the term of this Agreement.

GENERAL DESCRIPTION OF THE HEALTH AND RETIREMENT BENEFITS

The following is a general description of certain information contained in the UMWA 1974 Pension Plan and Trust, and the individual Employer's benefit plan. This description is intended merely to highlight certain information; it is not a complete statement of all of the provisions of the Plans and Trusts, nor is it intended to be a Summary Plan Description as defined in the Employee Retirement Income Security Act of 1974, and is qualified in its entirety by, and subject to the more detailed information contained in the Plans and Trusts, copies of which are on file and available for inspection at the offices of the UMWA Health & Retirement Funds, 2121 K Street, N. W., Washington, D.C. 20037. The specific provisions of the plans will govern in the event of any inconsistencies between the general description and the plans.

The benefits provided by the 1993 Benefit Trust may be amended from time to time, as determined by the

1993 Benefit Plan Trustees, subject to the following restrictions, and to the terms of the Trust:

(a) Benefits under the 1993 Benefit Trust shall only be those that can be provided from the assets of the Trust, but there shall be no benefit improvements during the term of this Agreement, and the total package of benefits under the Plan shall not exceed the value of the benefits provided under the individual Employer Plan pursuant to the terms of the 2002 Wage Agreement.

(b) No beneficiary shall be eligible for any benefit that is more generous than the retiree medical benefit contractually required to be provided under the individual employer benefit plan maintained by the signatory Employer.

(c) For those beneficiaries who are not actually enrolled in the 1993 Benefit Plan as of December 31, 2006 within the meaning of section 402(h)(2)(C) and (D) of the Surface Mining Control and Reclamation Act of 1977, as amended, the Trustees must monitor the assets of the 1993 Benefit Trust in order to provide benefits and shall address the Plan's overall financial status, including the stream of benefit obligations as well as the projected income from all available resources, and take prudent and appropriate actions consistent with their duties and obligations under the Trust and Plan documents, including, if necessary reducing benefits. If the Trustees do not act to reduce Plan benefits when and as required, then the Executive Director

of the UMWA Health & Retirement Funds (or if such position is vacant, the highest ranking staff member working exclusively on health benefit plan matters) shall adopt such benefit reductions effective immediately.

The parties expressly agree that the language references to “for life” and “until death” that are retained in this General Description are intended to mean that each Employer will provide, for life, only the benefits of its own eligible retirees who retire during the term of this Agreement. A retiree shall be considered to be a retiree of an Employer if his last signatory classified employment was with such Employer. The benefits and benefit levels provided by an Employer under its Employer Plan are established for the term of this Agreement only, and may be jointly amended or modified in any manner at any time after the expiration or termination of this Agreement.

However, under no circumstances will an Employer be responsible to provide benefits or to contribute toward the provision of benefits, through the 1993 Benefit Trust or any other plan, trust or mechanism, to former employees and retirees (or their spouses, surviving spouses or dependents) of any other Employer beyond the term of this Agreement.

Furthermore, the provisions in the NBCWA of 2007 regarding pension bonus payments for eligible beneficiaries of the 1974 Pension Plan payable on November 1, 2011 are unchanged in this Agreement.

The following general description does not apply to plans maintained pursuant to the Coal Act.

(1) PENSIONS FOR MINERS RETIRED UNDER THE FORMER 1950 PENSION PLAN:

Beginning on the Effective Date, pension benefits are according to the following schedules:

(a) For pensioners with at least 20 years of credited service who retired on other than a disability pension, the pension is \$425 per month. Any such pensioner whose pension is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580. Any such pensioner whose pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580. Any such pensioner whose pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580.

(b) For pensioners who retired on a disability pension, the pension is \$267.50 per month. Any such disability pensioner whose pension is in pay status as of

October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. Any such disability pensioner whose pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. Any such disability pensioner whose pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016 by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. Such pensioner will be entitled to retain his Health Services card for life. Upon his death, his widow will retain a Health Services card until her death or remarriage.

Any pensioner who is receiving a disability pension or a pension with at least twenty years of credited service under this Plan is entitled to receive health benefits until death. A widow is entitled to receive health benefits until her death or remarriage.

(c) For all other pensioners, any such pensioner whose pension is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account

Plan, a one-time single sum payment projected at \$455. Any such pensioner whose pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. Any such pensioner whose pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455.

(1A) FORMER 1950 WIDOWS' PENSION:

A Widow's Pension is provided through the 1974 Pension Plan to widows of 1950 Pensioners (as defined in the 1974 Pension Plan). The benefit is \$175 per month. Existing as well as future widows of such 1950 Pensioners will receive this benefit.

Any such widow whose pension is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. Any such widow whose pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single

sum payment projected at \$455. Any such widow whose pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455.

(2) PENSIONS FOR MINERS WHO RETIRED UNDER THE 1974 PENSION PLAN PRIOR TO THE EFFECTIVE DATE:

Pension benefits for pensioners who retired prior to the Effective Date are continued at current pension benefit levels.

(a) For pensioners who retired on other than a minimum disability pension, such pensioner will be entitled to retain his Health Services card for life. Upon his death, his widow will retain a Health Services card until her death or remarriage.

(b) For pensioners who retired on a minimum disability pension, the pension is \$250 per month. Such pensioner will be entitled to retain his Health Services card for life. Upon his death, his widow will retain a Health Services card until her death or remarriage.

(c) Any pensioner who retired on other than a disability pension and whose pension is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus

Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580. Any pensioner who retired on other than a disability pension and whose pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580. Any pensioner who retired on other than a disability pension and whose pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580.

Any pensioner whose disability pension is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. Any such disability pensioner whose pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. Any such disability pensioner whose pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016 by separate check from

the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455.

(d) Any surviving spouse whose survivor pension is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. A surviving spouse whose survivor pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. A surviving spouse whose survivor pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. Such surviving spouse will retain a Health Services card until her death or remarriage.

(3) PENSIONS FOR MINERS WHO RETIRE ON OR AFTER THE EFFECTIVE DATE:

An eligible working miner who retires on or after the Effective Date and who is eligible for a pension under the terms of this Agreement will receive pension

benefits based upon the 1974 Pension Plan. Subject to (4) below, full credit is provided for years worked as a classified Employee in mines of signatory Employers.

The earliest retirement age is 55. A miner may retire at 55 with 10 or more years of signatory service.

Except as otherwise provided herein, pension benefits are increased as a miner accumulates years of signatory service. Benefits are also increased based upon a miner's age at the time of retirement with maximum benefits payable to miners who retire at the age of 62 or more.

In order to calculate the amount of a retirement benefit, it is necessary to add:

(1) the benefit amount for signatory service earned prior to February 1, 1989 ("Pre-1989 signatory service");

(2) the amount for signatory service earned between February 1, 1989, and January 31, 1990 ("1989 signatory service");

(3) the amount for signatory service earned on or after February 1, 1990 and before December 16, 1993 ("Post-1989 signatory service"); and

(4) the amount for signatory service earned on or after December 16, 1993 ("Post-1993 signatory service").

The retirement benefit for signatory service earned prior to February 1, 1989, is the following:

\$54.50 per month multiplied by the years of Pre-1989 signatory service for the first 10 such years, plus

\$55.00 per month multiplied by the years of Pre-1989 signatory service for the second 10 such years, plus

\$55.50 per month multiplied by the years of Pre-1989 signatory service for the third 10 such years, plus

\$56.00 per month multiplied by the years of Pre-1989 signatory service for each such year over 30.

The retirement benefit for signatory service earned from February 1, 1989, to January 31, 1990, is \$62.00 for a year of 1989 signatory service.

The retirement benefit for signatory service earned from February 1, 1990, to December 16, 1993, is \$66.50 per year of Post-1989 signatory service.

The retirement benefit for signatory service earned on or after December 16, 1993 is \$69.50 per year of Post-1993 signatory service.

To estimate your pension, use the table on page 326.

Any pensioner whose pension (other than a disability pension) is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580. Any pensioner who retired on (other than a disability pension) and whose pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580. Any pensioner who retired on (other

than a disability pension) and whose pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580.

(3A) NEW INEXPERIENCED MINERS HIRED AFTER JANUARY 1, 2012:

A New Inexperienced Miner hired on or after January 1, 2012 will not earn vesting service, signatory service or credited service from the 1974 Pension Plan. Such a New Inexperienced Miner shall receive monthly Enhanced Premium Contributions and Supplemental Pension Contributions from his Employer to the United Mine Workers of America Cash Deferred Savings Plan of 1988, as described in Article XXB(d)4 and Article XXB(d)5 of this Agreement.

(4) SIGNATORY SERVICE:

Effective as of the calendar year 1978, each miner who works at least 1,000 hours in a calendar year as a classified Employee with a signatory Employer will receive credit for a full year of signatory service for the purpose of determining the amount of the pension. Time spent performing contractual obligations (such as safety inspections, mine committee work, etc.) shall be

considered as hours worked in the schedule below. Time spent performing work for the UMWA, its districts and local unions in lieu of regular scheduled classified work for the Employer shall be considered as hours worked in the schedule below. A person who is eligible to receive sickness and accident benefits will receive credit as hours worked in the schedule below, for the period of eligibility. Each miner who works less than 1,000 hours in a calendar year as a classified Employee with a signatory Employer will receive credit for the above purpose for a percentage of a year calculated in accordance with the following schedule:

<u>Hours Worked</u>	<u>Percentage of a Year of Signatory Service</u>
less than 250	0
250-499	25%
500-749	50%
750-999	75%
1,000 or more	100%

For the purpose of calculating benefits and/or determining vesting, employment with the United Mine Workers of America, following classified employment with an Employer, shall be treated as signatory service, provided that the employee does not receive a pension from the United Mine Workers of America Pension Plan based on such service.

Notwithstanding the foregoing, a classified Employee working on the weekend/holiday crew as pro-

vided in Appendix C shall receive credit for a percentage of a year calculated in accordance with the following schedule:

<u>Hours Worked</u>	<u>Percentage of a Year of Signatory Service</u>
less than 200	0
200-399	25%
400-599	50%
600-799	75%
800 or more	100%

Special Rule for 1993 – For the calendar year 1993, a classified Employee who participated in an authorized strike following expiration of the 1988 Wage Agreement, or who was laid off as a direct result of such an authorized strike, and who worked at least 500 hours will receive credit for a full year of signatory service.

Notwithstanding anything to the contrary contained in this Agreement, any New Inexperienced Miner hired on or after January 1, 2012 will not earn any vesting, credited or signatory service from the 1974 Pension Plan.

(5) PENSIONS FOR DISABLED MINERS:

A miner who becomes permanently and totally disabled as a result of a mine accident occurring after the Effective Date will become eligible for pension benefits in accordance with the following schedule:

(a) If a miner has less than ten years of signatory service at the time of retirement, the miner will receive \$250 per month. Such pensioner will be entitled to retain a Health Services card for life. Upon his death, his widow will retain a Health Services card until her death or remarriage.

(b) If a miner has ten years or more of signatory service at the time of retirement, the miner will receive the greater of the minimum pension payable to a miner with less than ten years of signatory service or a pension based upon the years of signatory service which the miner has accumulated at the time of retirement calculated in accordance with the benefit schedule in (3) above. Such pensioner will be entitled to retain a Health Services card for life. Upon his death, his widow will retain a Health Services card until her death or remarriage

(c) Any pensioner whose disability pension under this section is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. Any pensioner whose disability pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. Any pensioner whose disability pen-

sion is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455.

(d) A New Inexperienced Miner who becomes permanently and totally disabled as a result of a mine accident occurring on or after January 1, 2012, as well as a miner who makes the election described in Article XXB(d)7 (an "Electing Miner") who becomes permanently and totally disabled as a result of a mine accident occurring on or after the date of his election, shall become eligible for a pension benefit equivalent to that provided in paragraph (a) or (b) above. Such New Inexperienced Miner or Electing Miner will be eligible for a Health Services card for life and, upon his death, his Surviving Spouse will retain a Health Services card until her death or remarriage. A New Inexperienced Miner or Electing Miner described in this paragraph and eligible dependents will be eligible to receive benefits from the 1993 Benefit Trust if his Employer meets the requirements of the 1993 Benefit Plan and Trust and this Agreement.

(6) PENSIONS FOR SURVIVING SPOUSES:

The 1974 Pension Plan provides for Surviving Spouse pensions. Benefits for an eligible surviving spouse will be payable in accordance with the following:

(a) If, on or after the Effective Date, a working miner dies (regardless of cause) and would have been eligible for an immediate pension had the miner retired on the date of death, the surviving spouse will be eligible for a pension equal to 75% of the pension the miner would have received, and will receive this pension until death. Such surviving spouse will be entitled to retain a Health Services card until death or remarriage.

(b) Upon the death of a pensioner, other than a deferred vested pensioner with less than 20 years of service, the surviving spouse of such pensioner will receive a pension equal to 75% of the pensioner's pension until death. Such surviving spouse will be entitled to retain a Health Services card until death or remarriage.

(c) If a miner working on or after the Effective Date becomes eligible for a pension, other than a deferred vested pension with less than 20 years of service, at any time thereafter, upon his death after age 55, the surviving spouse will be entitled to receive a Surviving Spouse pension equal to 75% of the miner's pension until death. Such surviving spouse will be entitled to retain a Health Services card until death or remarriage.

(d) If a miner had completed 10 years of credited service, died as a result of a mine accident during the term of the 1978 or 1981 Wage Agreement, and was not covered by a Surviving Spouse pension (or by any other monthly benefit payable to a surviving spouse under a Wage Agreement), the surviving spouse, if she

has never remarried and is surviving on the first day of the month following the Effective Date, will be entitled to receive a lump sum in the amount of \$10,000, plus \$100 for each month beginning with the first month following the Effective Date and continuing until her remarriage or death.

(e) Any surviving spouse whose survivor pension is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. A surviving spouse whose survivor pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. A surviving spouse whose survivor pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455.

(6A) PRE-RETIREMENT SURVIVOR'S PENSION:

The Plan also provides a 75% survivor's pension for the spouse of a working miner with 10 years of vested

pension rights who dies before retirement age. The pension benefit will be payable to the surviving spouse at the time the miner would have attained age 55.

Any surviving spouse whose survivor pension is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. A surviving spouse whose survivor pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. A surviving spouse whose survivor pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455.

(7) DEFERRED VESTED OR SPECIAL PENSIONS:

(a) If after the Effective Date an eligible working miner ceases working for any reason, except as provided in (b) below, after completing at least 10 years of signatory employment, and before age 55, the miner will be eligible to receive a pension at age 62, or an ac-

tuarily reduced pension at any time after 55. This pension will be calculated in accordance with (3) above.

(b) If after the Effective Date an eligible working miner ceases working and meets the following criteria:

(i) had 20 years of signatory service on date last worked;

(ii) had attained the age of 50 on the date last worked; and either

(iii) had been laid off and had not refused a recall to the mine from which he was laid off; or

(iv) had been terminated under Article III, Section (j) of the Wage Agreement (or if the miner had not been terminated, there had been a deterioration in physical condition which prevented the miner from performing his regular work as determined by a panel of three physicians, if the degree of such physical deterioration is disputed by the Trustees) and was not employed in the coal industry thereafter; then the miner will be eligible to receive a pension at age 62, or a pension at any time after age 55, reduced by one-quarter of one percent for each full month between the date on which pension benefits begin and the date the miner attains age 62.

(c) Any miner who ceased work prior to July 1, 2011, is eligible to receive a deferred vested pension under the 1974 Pension Plan and satisfies the criteria in (b) above shall have his pension recomputed using the one-quarter of one percent reduction based on the formula in effect

at his retirement. Such pensioner shall have his pension increased by any increases applicable to Age 55 Retirement which occurred after the date of his retirement and application for pension. Any increase under this paragraph shall be applied prospectively only.

(d) If on or after July 1, 2011, an eligible working miner ceases performing classified work and meets the following criteria:

(i) he had 20 years of signatory service on his date last worked;

(ii) he had been laid off and had not refused a recall to the mine from which he was laid off; or

(iii) he had been terminated under Article III, Section (j) of the Wage Agreement (or if the miner had not been terminated, there had been a deterioration in physical condition which prevented the miner from performing his regular work as determined by a panel of three physicians, if the degree of physical deterioration is disputed by the Trustees) and was not employed in the coal industry thereafter; and

(iv) his pension is not in pay status on or before August 16, 1996;

then the miner will be eligible to receive a pension at age 62, or a pension at any time after age 55, reduced by one-quarter of one percent for each full month between the date on which pension benefits begin and the date the miner attains age 62.

(e) Special Permanent Layoff Pension-If on or after July 1, 2011, an eligible working miner ceases per-

forming classified work and meets the following criteria:

(i) he had 20 years of signatory service on his date last worked and was less than age 55; and

(ii) (A) he has been permanently laid off under circumstances in which his Employer has permanently closed the mine, or

(B) he has been permanently laid off;

then the miner will be eligible to receive a pension computed under the provisions of (3) above, calculated as if he were then age 55. In the case of a layoff described in (ii)(A) above, the pension will be effective on the first day of the first month following both the layoff and the filing of a pension application. In the case of a layoff described in (ii)(B) above, the pension will be effective on the first day of the first month following both a period of 180 days after the layoff and the filing of a pension application. A miner will be considered to have been “permanently laid off” under (ii)(B) if he has been on layoff status for at least 180 days, and has not refused a recall to the mine from which he was laid off. A miner who receives this special permanent layoff pension benefit, or any other pension benefit under this Article, forfeits all seniority, panel, and recall rights.

(f) Special 30-and-Out Layoff Pension—If an eligible working miner meets the following criteria:

(i) his last day of credited service under the 1974 Pension Plan is on or after January 1, 2002; and

(ii) he had at least 30 years of signatory service on such last day of credited service; and

(iii) he has been laid off and has not refused a recall to the mine from which he was laid off; and

(iv) if, because of a layoff, he was not actively at work as of December 31, 2001:

(I) he earned at least 250 hours of credited signatory service following his return to work, or

(II) he returned to active employment as the result of a recall determined by the Trustees to have been to fill a bona fide job opening, and not for the purpose of entitling the Participant to this Special 30-and-Out layoff pension benefit;

then the miner will be eligible to receive a pension computed under the provisions of (3) above, but with no actuarial reduction on account of age.

(g) 30-and-Out Pension—If a working miner meets the following criteria:

(i) his last day of credited service under the 1974 Pension Plan is on or after July 1, 2011; and

(ii) he had at least 30 years of signatory service on such last day of credited service; and

(iii) if, because of a layoff, he was not actively at work as of December 31, 2001:

(I) he earned at least 250 hours of credited signatory service following his return to work, or

(II) he returned to active employment as the result of a recall determined by the Trustees to have been to fill a bona fide job opening, and not for the purpose of en-

titling the Participant to this 30-and-Out pension benefit;

then the miner will be eligible to receive a pension computed under the provisions of (3) above, but with no actuarial reduction on account of age.

(h) The Surviving Spouse pension described in paragraph (6) does not apply to the surviving spouse of a miner receiving a deferred vested pension with less than 20 years of service.

(i) Any pensioner whose pension is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580. Any pensioner who retired on and whose pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580. Any pensioner who retired on and whose pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$580.

(j) Any surviving spouse whose survivor pension is in pay status as of October 31, 2014 shall be issued by November 1, 2014, by separate check from the 2012

Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. A surviving spouse whose survivor pension is in pay status as of October 31, 2015 shall be issued by November 1, 2015, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455. A surviving spouse whose survivor pension is in pay status as of October 31, 2016 shall be issued by November 1, 2016, by separate check from the 2012 Retiree Bonus Account Plan, subject to the terms of the 2012 Retiree Bonus Account Plan, a one-time single sum payment projected at \$455.

(7A) RETIREE BONUSES:

(a) The one-time single sum payments set forth in this Article are not intended as an ongoing feature of the 2012 Retiree Bonus Account Plan, and the Plan shall have no obligation to provide payments of this type other than those expressly provided for in this Article and in the Plan.

(b) Non-Duplication - No individual shall be entitled to receive a single sum bonus payment on any given date under more than one provision of this Article. Additionally, no individual shall be entitled to receive single sum bonus payments in excess of \$580 or \$455, as applicable, during any calendar year in combined

amounts and derived from any source, including the 2012 Retiree Bonus Account Plan, the individual Employer Retiree Bonus Differential Payment, and the UMWA 1974 Pension Trust. Notwithstanding the foregoing, and subject to this non-duplication restriction, in calendar year 2016, payments made solely from the 2012 Retiree Bonus Account Plan may exceed the projected amounts if the assets in the 2012 Retiree Bonus Account Trust are sufficient.

(8) LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT BENEFITS:

Life and Accidental Death and Dismemberment Insurance benefits are provided by the Employer for working miners in accordance with the following schedule:

(a) Upon the death of a working miner due to other than violent, external and accidental means on or after the Effective Date, life insurance benefits, in the amount of \$80,000 from the Effective Date through December 31, 2011 and \$90,000 from January 1, 2012 through the term of the Agreement, will be paid to the miner's named beneficiary. Spouses who are not eligible for surviving spouse pension benefits, will continue eligibility for a Health Services card (also covers dependents) until remarriage or for 60 months, whichever occurs first.

(b) Upon the death of a working miner due solely to violent, external and accidental means on or after the Ef-

fective Date, life insurance benefits, in the amount of \$160,000 from the Effective date through December 31, 2011 and \$180,000 from January 1, 2012 through the term of the Agreement, will be paid to the miner's named beneficiary. Spouses who are not eligible for surviving spouse pension benefits, will continue eligibility for a Health Services card (also covers dependents) until remarriage or for 60 months, whichever occurs first.

(c) If a working miner should lose 2 or more members due to violent, external and accidental means on or after the Effective Date, the miner shall receive a \$100,000 dismemberment benefit from the Effective Date through December 31, 2011 and a \$120,000 dismemberment benefit from January 1, 2012 through the term of the Agreement. If a working miner shall lose one member due solely to violent, external and accidental means on or after the Effective Date, the miner shall receive a \$50,000 dismemberment benefit from the Effective Date through December 31, 2011 and \$60,000 from January 1, 2012 through the term of the Agreement. A member for the purpose of the above is (i) a hand at or above the wrist, (ii) a foot at or above the ankle or (iii) total loss of vision in one eye.

(d) Accidental death or dismemberment benefits are not payable if caused in whole or in part by disease, bodily or mental infirmity, ptomaine or bacterial infection, hernia, suicide, intentional self-inflicted injury, insurrection or acts of war or is caused by or results from committing or attempting to commit a felony.

(9) PENSIONER'S DEATH BENEFITS:

(a) Upon the death on or after the Effective Date and through June 30, 2013 of a 1950 Pensioner (as defined in the 1974 Pension Plan), and who is not a participant in the Combined Benefit Fund, a \$8,500 death benefit will be paid by the 1974 Pension Plan to his widow, or, in the absence of a widow to his dependents, if any; otherwise a \$7,000 death benefit will be paid by the 1974 Pension Plan to his nearest survivor.

Upon the death on or after July 1, 2013 of a 1950 Pensioner (as defined in the 1974 Pension Plan), and who is not a participant in the Combined Benefit Fund, a \$10,000 death benefit will be paid by the 1974 Pension Plan to his widow, or, in the absence of a widow to his dependents, if any; otherwise a \$8,500 death benefit will be paid by the 1974 Pension Plan to his nearest survivor.

(b) Upon the death on or after the Effective Date and through June 30, 2013 of a pensioner under this Agreement who retired under the 1974 Pension Plan, with other than a deferred vested pension based on less than 20 years of credited service, a \$8,500 death benefit will be paid by the 1974 Pension Plan to the named beneficiary of the deceased retiree if such named beneficiary is a surviving spouse or dependent relative; otherwise, a death benefit of \$7,000 will be paid by the 1974 Pension Plan to the named beneficiary of such deceased retiree.

Upon the death on or after July 1, 2013 of a pensioner under this Agreement who retired under the

1974 Pension Plan, with other than a deferred vested pension based on less than 20 years of credited service, a \$10,000 death benefit will be paid by the 1974 Pension Plan to the named beneficiary of the deceased retiree if such named beneficiary is a surviving spouse or dependent relative; otherwise, a death benefit of \$8,500 will be paid by the 1974 Pension Plan to the named beneficiary of such deceased retiree.

For purposes of this paragraph, “a pensioner under this Agreement” means a pensioner who is not entitled to benefits from the Combined Fund, is not entitled to death benefit coverage from a plan maintained by his employer, and who meets one of the following conditions:

- i) the pensioner is a participant in the 1992 Benefit Plan;
- ii) the pensioner is a participant in the 1993 Benefit Trust;
- iii) the pensioner is a participant in an individual employer plan maintained pursuant to the Coal Act and whose last signatory employer ceased producing and/or processing coal prior to December 16, 1993;
- iv) the pensioner was entitled to death benefit coverage from the 1974 Pension Plan on February 1, 1993 (or would have been had he been retired or eligible to retire on that date); or
- v) the pensioner’s last signatory employer (the employer for whom such pensioner last worked in signatory classified employment) is a

current 1974 Pension Plan contributor signatory to the 2011 NBCWA or to an agreement (including prior agreements, where applicable) requiring a contribution obligation with respect to the 1974 Pension Plan that is identical to the contribution obligation set forth in the 2011 NBCWA (or prior NBCWAs, where applicable).

(c) Age 55 and above—Upon the death at or after age 55 of an Electing Miner defined in Article XXB(d)7 who dies after making his election or of a New Inexperienced Miner hired on or after January 1, 2012, and where each is no longer in active employment in the bituminous coal industry and, either such Miner’s last hour worked (including, for this purpose only, Sickness and Accident benefits) for an Employer was on or after age 55, or such Miner’s last hour worked (including, for this purpose only, Sickness and Accident benefits) for an Employer was prior to age 55 and who obtains 20 or more years of service (determined as if the miner had not been an Electing Miner or New Inexperienced Miner as set forth in paragraph (e)), a death benefit will be paid from the 1974 Pension Plan to the named beneficiary of such Electing Miner or New Inexperienced Miner in the amount specified in paragraph (b).

(d) Under Age 55—Upon the death before reaching age 55 of an Electing Miner defined in Article XXB(d)7 who dies after making his election or of a New Inexperienced Miner hired on or after January 1,

2012, each of whom is no longer in active employment in the bituminous coal industry and, who obtains either (i) 30 or more years of service or (ii) 20 or more years of service (in each case determined as if the miner had not been an Electing Miner or New Inexperienced Miner as set forth in paragraph (e)) and was permanently laid off from his last signatory Employer, a death benefit will be paid from the 1974 Pension Plan to the named beneficiary of such Electing Miner or such New Inexperienced Miner in the amount specified in paragraph (b).

(e) For purposes of determining whether a New Inexperienced Miner and an Electing Miner has the necessary years of service under Sections (9)(c), 9(d) and (10)(l) of the General Description of Health and Retirement Benefits in Article XX, the phrase “determined as if the miner had not been an Electing Miner or New Inexperienced Miner” means (i) for a New Inexperienced Miner hired on or after January 1, 2012, the number of years he has received Supplemental Pension Contributions, and (ii) for an Electing Miner, the number of combined years he has received 1974 Pension Plan credit hours and Supplemental Pension Contribution hours.

(10) HEALTH CARE:

Health care benefits provided under the Employer Benefit Plan are guaranteed during the term of this Agreement subject to the terms of this Agreement at

the level of benefits provided in the Employer Benefit Plan.

(a) Notwithstanding any other provisions of Article IV of this Agreement, the parties agree that an Employer may establish a 2007 New Inexperienced Miners' Optional Work Schedule as set forth in Appendix D of this Agreement.

(b)(i) Working miners will be provided health benefits through their individual Employer's benefit plan maintained pursuant to this Article.

(ii) Notwithstanding the foregoing, a New Inexperienced Miner entering the bituminous coal mining industry for the first time on or after January 1, 2007 who does not have a State Miner's Certificate dated prior to January 1, 2007 shall receive monthly Enhanced Premium Contributions (\$1.00 per hour worked from the Effective Date through December 31, 2013 and \$1.50 per hour worked during Calendar Years 2014, 2015 and 2016) from the Employer to the Savings Plan. So long as permitted under the IRC without adverse tax consequences, an Employee shall be entitled to make a one-time, irrevocable election to have Enhanced Premium Contributions made to the CDSP as provided herein. An Employee subject to Enhanced Premium Contributions shall not be entitled to health care following his retirement date, based on service with the Employer, except as a Disabled Employee or a Pensioner receiving a Disability Retirement Pension (including a Minimum Disability Retirement Pension).

(c) Pensioners, other than deferred vested pensioners with less than 20 years of service, pensioners receiving a Special Permanent Layoff Pension, pensioners receiving a Special 30-and-Out Layoff Pension, and pensioners receiving a 30-and-Out Pension retired under the 1974 Pension Plan will be provided health benefits through the Employer from which they retired. Pensioners entitled to benefits from a plan maintained pursuant to the Coal Act will receive benefits from such plan.

(d) Pensioners receiving a Special Permanent Layoff Pension, or a Special 30-and-Out Layoff Pension, will be provided health benefits from their Employers in accordance with the layoff benefits otherwise provided under this Wage Agreement; subsequently, upon reaching age 55, such pensioners shall receive health benefits from their Employers. Pensioners receiving a 30-and-Out Pension will, upon reaching age 55, receive health benefits from their Employers.

(e) Pensioners, both regular and disabled, their surviving spouses and dependents, who are described in Section (c)(3)(ii) will have benefits provided under the 1993 Benefit Plan and Trust.

(f) Pregnancy benefits will be provided in the same manner as for any other disability.

(g) Only benefits for prescription drugs (only those drugs requiring a prescription for dispensing) are provided.

(h) Spouses of working miners who died, who are not eligible for Surviving Spouse pension benefits, will

continue eligibility for health care until remarriage, or for 60 months, whichever occurs first.

(i) Deferred vested pensioners with less than 20 years of service under the 1974 Pension Plan and miners who will receive a pension with less than 20 years of service under the former 1950 Pension Plan are ineligible for health care. Disability pensioners under both the former 1950 Pension Plan and the 1974 Pension Plan will continue to receive their Health Services card.

(j) Disabled or retarded children of Health Services cardholders will be covered for life, so long as a surviving parent holds the card.

(k) Spouses of disabled employees who had more than 20 years of service, and died prior to receiving a pension and after receiving all Sickness and Accident Benefits, and who are not eligible for Surviving Spouse pension benefits, will continue eligibility for health care until remarriage, or for 36 months, whichever occurs first.

(l) If a New Inexperienced Miner or a miner who has made the election described in XXB(d)7 (“Electing Miner”) becomes a Disabled Employee and such New Inexperienced Miner or Electing Miner obtains more than 20 years of service (determined as if the miner had not been a New Inexperienced Miner or Electing Miner), he will receive a Health Services card for life. If such Disabled New Inexperienced Miner or such an Electing Miner, obtains more than 20 years of service

(determined as if the miner had not been a New Inexperienced Miner or Electing Miner), and dies prior to reaching age 55, his surviving spouse will receive a Health Services card until remarriage, or for 36 months, whichever occurs first. If such Disabled New Inexperienced Miner or such an Electing Miner, obtains more than 20 years of service (determined as if the miner had not been a New Inexperienced Miner or Electing Miner), and dies upon or after reaching age 55, his surviving spouse will receive a Health Services card for life or until remarriage. A New Inexperienced Miner or Electing Miner described in this paragraph and eligible dependents will be eligible to receive benefits from the 1993 Benefit Trust if his Employer meets the requirements of the 1993 Benefit Plan and Trust and this Agreement.

(m) If an Employee who has made the election described in Article XXB(d)7 (“Electing Miner”) dies, and the spouse would have been eligible for a Surviving Spouse Benefit had such miner not been such an Electing Miner, such eligible spouse of the Electing Miner will receive a Health Services card for life or until remarriage. The eligible dependents of a deceased Electing Miner who was not eligible for the monthly Enhanced Premium Contributions described in Article XXB(d)4 will be eligible to receive benefits from the 1993 Benefit Trust if the deceased Electing Miner’s Employer meets the requirements of the 1993 Benefit Plan and Trust and this Agreement.

(n) If an Employee who is a New Inexperienced Miner, or who is an Electing Miner who has made the election described in Article XXB(d)7, dies as the result of a mine accident, the spouse will receive a Health Services card for life or until remarriage. The eligible dependents of a New Inexperienced Miner who dies as the result of a mine accident will be eligible to receive benefits from the 1993 Benefit Trust if the New Inexperienced Miner's Employer meets the eligibility requirements of the 1993 Benefit Plan and Trust and this Agreement.

Explanatory Note on Employer Provided Health Plans

Active miners and their surviving spouses and dependents, and pensioners, their dependents, and surviving spouses receiving pensions from the 1974 Pension Plan, will receive health care provided by their Employer through insurance carriers. A Health Services card identifying the Participant's eligibility for benefits under the health plan shall be provided by the Employer.

The Trustees of the UMWA Health and Retirement Funds shall resolve any disputes, as provided in Section (e)(5), including excessive fee disputes, to assure consistent application of the health plan provisions in the Employer Benefit Plans and of the managed care programs authorized by this Agreement.

Enhanced Cost Containment Program

In an effort to address the problems generated by the ever-increasing cost of health care, while maintaining a high level of benefits, the parties have mutually agreed to adopt managed care and cost containment programs.

a. Coordination of Benefits

If an individual is covered as a dependent under both the Employer Benefit Plan and under a plan maintained by a different employer, the benefits of the two plans will be coordinated so that no more than the total charges for covered medical goods and services will be paid. In no event will the Employer Benefit Plan be required to pay more than it otherwise would have paid without regard to this provision. The health plan shall coordinate benefits in accordance with the “birthday rule” adopted by the National Association of Insurance Commissioners.

b. Generic Drug Substitution

If a Beneficiary uses a brand name drug when a generic equivalent is available, the Beneficiary is responsible for the difference in cost between the generic drug and the brand name drug, in addition to the normal copayment. A generic drug will not be considered “available” unless it has been approved by the federal Food and Drug Administration. In addition, if the prescribing physician determines that use of a brand name drug is medically necessary, the generic drug will not be considered “available,” and there will be no addi-

tional payment by the Beneficiary for the use of the brand name drug.

c. Health Care Participating Provider Lists (PPL)

The Employer may implement Participating Provider Lists (PPLs) of physicians, hospitals, pharmacies and other providers, subject to the following requirements.

1. Initial Certification and Recertification--All Participating Provider Lists (PPLs) must be certified prior to their implementation to ensure that they meet the required standards, and recertified at least once during the term of this Agreement, in accordance with a procedure to be agreed-to between the UMWA and the BCOA. The costs of certification and recertification will be borne by the Employer.
2. Ongoing Review—Continued compliance of each PPL with the required standards will be subject to ongoing review.
3. Criteria—A PPL established by an Employer must meet the necessary criteria. The following is a general statement of the required elements:
4. Choice—Each covered individual will have the freedom to select any provider within the PPL, regardless of whether that provider is a generalist or specialist.
5. Reduction of Paperwork and Prohibition on

Prepayment—Eligible individuals utilizing PPL providers shall, to the extent possible, not be required to fill out or submit claims forms. In addition, such individuals shall not be required to pay a PPL provider any amount other than the copayment permitted under this Agreement.

6. Quality Certification—All providers must meet quality standards.
7. Accessibility
 - a. Providers will be available within a reasonable distance. Where possible, this means that a covered individual will not have to travel more than 20 to 30 minutes to receive general medical care.
 - b. There will be adequate numbers of providers in the different specialties to ensure that each member will have a sufficient choice.
 - c. Providers must be available to see covered individuals within a reasonable period, depending upon the nature of the problem.
8. Breadth of Scope—The PPL shall include adequate diversification of specialties and facilities.
9. Additional Specialties—The program must have provision for going outside the PPL for necessary specialties and/or facilities that are

not contained within the PPL, at no additional cost to the covered individual.

10. Other Outside Referrals—The program must have provision for referral outside the PPL where particular medical services can be better provided elsewhere in the opinion of the referring PPL provider, at no additional cost to the covered individual.
11. Emergencies—Emergency treatment is covered in full (subject to applicable copayments) whether or not provided within the PPL.
12. Beneficiaries Outside PPL Area—A Beneficiary who lives outside an area served by the PPL shall be permitted to utilize non-PPL providers without incurring additional copayments. For purposes of determining the Beneficiary’s copayments, utilization of such non-PPL providers shall be considered to be within the PPL.
13. Transition—Out of PPL—If a Beneficiary has begun to undergo a course of treatment with a non-PPL provider prior to the establishment of the PPL (or with a PPL provider that leaves the PPL), completion of that course of treatment will not be considered “out of PPL” as follows:
 - a. for an acute condition (including pregnancy, treatment for cancer, etc.), for the

duration of the specific course of treatment.

- b. for a chronic condition, for up to six months.
14. Viability—A PPL must be viable, both financially and otherwise, in order to ensure that it will continue to be able to appropriately serve the participant population.
 15. Internal Review—Each PPL must have internal mechanisms (including physician peer review) to resolve member complaints and to ensure that the highest quality standards are maintained.
 16. Precertification—Precertification for services (including hospitalization) performed by PPL providers are the responsibility of the provider, and not the covered individual. In addition, precertification in the event a covered individual is referred to a provider outside the PPL is the responsibility of the PPL provider making the referral.

Failure to precertify a non-emergency hospital admission to a non-PPL hospital (other than by referral from a PPL provider) or certain other specified inpatient and out-patient procedures performed by a non-PPL provider, will subject the Beneficiary to a \$300 deductible.

17. Out of PPL Costs

- a. Hospitalization—Benefits for inpatient treatment by a non-PPL hospital are paid at 90% of the in-PPL rates. The Beneficiary is responsible for the remainder of the charges.
- b. Doctor Visits—Each office visit to a non-PPL physician is subject to a \$20 copayment.
- c. The maximum total out-of-pocket expense under a and b above is \$1,600 per family per year in addition to the precertification penalties.

18. Prescription Drugs—Prescription drugs will be provided through the PPL at a reduced copayment of \$5.00. Prescriptions bought Out of PPL are subject to a \$10.00 copayment. Mail order prescription drugs, where available, will be provided at no copayment. (See chart below.)

d. Each Employer agrees to provide the Union with information sufficient to evaluate the effectiveness of the cost containment programs adopted pursuant to this Article. Such information will be provided no less than annually, and shall include a detailed statement of utilization and costs associated with the Employer Benefit Plans.

The following co-payments are required under the Employer Benefit Plan:

	<u>In PPL</u>	<u>Out-of-PPL</u>
Prescription Drugs	\$5.00 per prescription	\$10.00 per prescription
Prescription Drugs—Mail Order (where available)	\$0 per prescription	Not Applicable
Prescription Drugs—Brand Name where Generic is Available	\$5.00 Plus Additional Cost of Brand Name Drug	\$10.00 Plus Additional Cost of Brand Name Drug
Physician Charges	\$12.00 per office visit	\$20.00 per office visit
Hospital—and Related Charges	\$0	Balance over 90% of PPL Charges

In addition:

- a. No family will have to pay more than \$240 for In-PPL Physician office visits in any year.
- b. No family will have to pay more than \$1,600 in combined Out of PPL Hospital and Related Charges and Out of PPL Physician office visits.

For Out of PPL services, and for services provided prior to the establishment of PPLs, claim forms will be available at most hospitals, clinics, and physician of-

fices. Generally, nothing more is required than signing the forms authorizing the hospital, clinic, or physician to bill the insurance carrier for the services rendered. The insurance carrier will keep individual records for each Participant and dependent and will notify the Participant of the co-payments credited to his account. The hospital, clinic, or physician will bill the Participant for the co-payment amount until the maximum is reached. In some instances, when the Employee pays for services or drugs, the bills should be obtained and submitted with the claim form according to the instructions on the form. If the annual co-payment maximum has been reached, the carrier will remit to the Participant the full payment for covered benefits.

Where possible, for In-PPL services, no claim forms will be required. The PPL provider will generally be responsible for the submission of claims and other paperwork to the insurance carrier. Although a PPL provider may require payment by the Beneficiary of permitted co-payments, such a provider may not require payment by a Beneficiary of amounts that exceed the permitted copayments.

Covered drug prescriptions may be filled at drug-stores, clinics and hospital prescription offices.

In an effort to address the problems generated by the ever-increasing cost of prescription drugs, while recognizing the importance of prescription drugs and their value in managing employee health care, and while maintaining a high level of benefits, the parties have

mutually agreed to adopt managed care and cost containment programs such as the program below.

e. The UMWA and BCOA will mutually agree to the appointment and retention of a third party Pharmacy Expert. The individual appointed must have actively practiced as a pharmacist and currently be a registered pharmacist. The Pharmacy Expert cannot be an employee of any Pharmacy Benefit Manager or Pharmaceutical Manufacturer. The Pharmacy Expert will participate on a Pharmacy Review Board composed of one member appointed by the UMWA, one member appointed by the Employer, and the Pharmacy Expert.

1. The Pharmacy Review Board will certify the formulary, which is a list of preferred drug products (PDP). All PDP's that are currently being used must be certified. The initial certification process must be completed within 120 days after the appointment of a Pharmacy Expert. An Employer may continue to use the current PDP of its Plan during the selection of a Pharmacy Expert and during the 120-day certification process. Certification of the PDP will be based on the following criteria:

a. The PDP was recommended by the P&T Committee at the Employer's Pharmacy Benefits Manager (PBM).

b. The Pharmacy Expert, as a member of the Pharmacy Review Board, should evaluate the PDP based on the following standards of quality:

Safety, Efficacy, Comparison Studies, Approved Indications, Adverse Effects, Contraindications/Warnings/

Precautions, Pharmacokinetics, Patient Administration/Compliance Considerations, Medical Outcome and Pharmacoeconomic Studies.

2. Election, Removal or Change of the Pharmacy Expert.

a. The Pharmacy Expert must be selected within 120 days after the Effective Date of this Agreement.

b. The Pharmacy Expert can be removed and/or replaced at any time subject to the mutual agreement of the UMWA and BCOA. The current Pharmacy Expert will remain in his or her position until a replacement is selected. The replacement process cannot exceed 120 days.

3. Ongoing Review

a. The PDP will be reviewed annually.

b. Interim review will be performed as necessary, if mutually agreed upon by the UMWA and the Employer.

c. Changes in the PDP may only be adopted as part of an annual or interim review.

4. The Employer will communicate changes in the PDP to plan participants and network physicians. Any change to the PDP will be communicated 90 days prior to taking effect. If a participant fills a prescription for a non-PDP drug, a communication will be sent to both the physician and the individual outlining the appeal process and the surcharge for additional purchases. If no appeal is received within 30 days, the next refill of the drug will be subject to a \$7.50 surcharge, and each following refill

of that drug will be subject to a \$15 surcharge. If an appeal is filed, surcharges are suspended for 60 days, or until the date of the resolution of the appeal, if later.

5. Funding

BCOA has the authority to reallocate up to \$0.02 per hour worked from future contributions to the Training & Education Fund to the ROD Trust to cover the expenses of the Formulary Review Program.

6. Appeal Process

The decision of the Pharmacy Review Board shall be binding. There will be an appeal process for beneficiaries that are requesting to use a non-PDP drug and not pay a surcharge.

Each Participant will receive a “Summary Plan Description” booklet. Each year a financial report of the Plan will be provided to each Participant.

(11) VISION CARE:

Vision care is provided for Employees, disabled Employees, Pensioners, surviving spouses, and their dependents, covered with a Health Services card through the Employer Benefit Plan. Coverage under the plan is identical to that provided in the 2007 Agreement, increased by 10% effective January 1, 2012, and by 10% effective January 1, 2014.

(12) HEALTH CARE COST CONTAINMENT:

The Union and the Employers recognize that rapidly escalating health care costs, including the costs of

medically unnecessary services and inappropriate treatment, have a detrimental impact on the health benefit program. The Union and the Employers agree that a solution to this mutual problem requires the cooperation of both parties, at all levels, to control costs and to work with the health care community to provide quality health care at reasonable costs. The Union and the Employers are, therefore, committed to fully support appropriate programs designed to accomplish this objective. This statement of purpose in no way implies a reduction of benefits or additional costs for covered services provided miners, pensioners and their families.

In any case in which a provider attempts to collect excessive charges or charges for services not medically necessary, as defined in the Plan, from a Beneficiary, the Plan Administrator or its agent shall, with the written consent of the Beneficiary, attempt to resolve the matter, either by negotiating a resolution or defending any legal action commenced by the provider. Whether the Plan Administrator or its agent negotiates a resolution of a matter or defends a legal action on a Beneficiary's behalf, the Beneficiary shall not be responsible for any legal fees, settlements, judgments or other expenses in connection with the case, but may be liable for any services of the provider which are not provided under the Plan. The Plan Administrator or its agent shall have sole control over the conduct of the defense, including the determination of whether the claim

should be settled or an adverse determination should be appealed. The protections of this paragraph shall not apply in the case of any service or supply obtained from a non-PPL source, until the out-of-pocket maximum is reached.

(13) NATIONAL HEALTH CARE:

Notwithstanding any other provision of this Article, in the event the United States Government enacts a system of comprehensive national health care that provides an alternative means of providing benefits required under this Article, then either the UMWA or the BCOA may, without affecting the integrity of any other provision of this Agreement, reopen this Agreement for the purpose of negotiating modifications to the Employer Plan, the 1993 Benefit Plan and Trust, or both. Additionally, the 1993 Benefit Trust may be renegotiated at the termination of this Agreement.

Article XXA—DENTAL PLAN

INTRODUCTION

The Plan provides dental benefits for Employees and their eligible Dependents at a cost to each Employee of \$2 per month payable on a payroll deduction basis, or if applicable as a reduction in the Employee's Sickness and Accident Benefits if such Employee is disabled and receiving such Benefits during the particular month.

AGREEMENT

The parties to this Agreement are APOGEE COAL COMPANY LLC ("Employer") and the International Union, United Mine Workers of America ("UMWA"), on behalf of its members. The parties hereto agree to and adopt each and every term of the 2011 NBCWA, including Appendix A, B, C, and D and all Side Letters and Memorandum of Understanding (as listed on Attachment A), as well as the negotiated Individual Employer Plan. These provisions are hereby incorporated by reference and constitute the Agreement between the parties.

The wage increase set forth in Article X of the 2011 NBCWA shall be retroactive and shall cover all hours worked on and after July 1, 2011. The Employer shall include all retroactive payments with the first paycheck payable after execution of this Agreement. In the event that any miner eligible for such retroactive payments is not in active status on the date of the first paycheck after execution, the Employer shall mail to the miner the applicable retroactive amount due for all hours worked on or after July 1, 2011 on the date that the first paycheck after execution is distributed to active miners.

IN WITNESS WHEREOF, both parties signatory hereto have caused this Agreement to be signed on the date specified herein, to be effective July 1, 2011.

Dale F. Lucha
(Authorized Signer for Employer)

DALE LUCHA
(Title and Printed Name)

Employer Identification Number:

APOGEE COAL COMPANY LLC
202 Laidley Tower
Charleston, WV 25324

Daniel J. Kane
(Authorized Signer for UMWA
International)

Daniel J. Kane, Secretary-Treasurer
(Title and Printed Name)

DL
(Type or Print Name)

Date: 9/27/11

011,013

AGREEMENT

The parties to this Agreement are Eastern Associated Coal LLC ("Employer") and the International Union, United Mine Workers of America ("UMWA"), on behalf of its members. The parties hereto agree to and adopt each and every term of the 2011 NBCWA, including Appendix A, B, C, and D and all Side Letters and Memorandum of Understanding (as listed on Attachment A), as well as the negotiated Individual Employer Plan. These provisions are hereby incorporated by reference and constitute the Agreement between the parties.

The wage increase set forth in Article X of the 2011 NBCWA shall be retroactive and shall cover all hours worked on and after July 1, 2011. The Employer shall include all retroactive payments with the first paycheck payable after execution of this Agreement. In the event that any miner eligible for such retroactive payments is not in active status on the date of the first paycheck after execution, the Employer shall mail to the miner the applicable retroactive amount due for all hours worked on or after July 1, 2011 on the date that the first paycheck after execution is distributed to active miners.

IN WITNESS WHEREOF, both parties signatory hereto have caused this Agreement to be signed on the date specified herein, to be effective July 1, 2011.

Dale F. Lucha
(Authorized Signer for Employer)

Dale Lucha
(Title and Printed Name)

Employer Identification Number:

**EASTERN ASSOCIATED COAL LLC
202 Laidley Tower
Charleston, WV 25324**

Daniel J. Kane
(Authorized Signer for UMWA
International)

Daniel J. Kane, Secretary-Treasurer
(Title and Printed Name)

(Type or Print Name)

Date: 9/27/11

011,014

AGREEMENT

DFL *BS*

The parties to this Agreement are Heritage Coal Mining Company, LLC ("Employer") and the International Union, United Mine Workers of America ("UMWA"), on behalf of its members. The parties hereto agree to and adopt each and every term of the 2011 NBCWA, including Appendix A, B, C, and D and all Side Letters and Memorandum of Understanding (as listed on Attachment A), as well as the negotiated Individual Employer Plan. These provisions are hereby incorporated by reference and constitute the Agreement between the parties.

The wage increase set forth in Article X of the 2011 NBCWA shall be retroactive and shall cover all hours worked on and after July 1, 2011. The Employer shall include all retroactive payments with the first paycheck payable after execution of this Agreement. In the event that any miner eligible for such retroactive payments is not in active status on the date of the first paycheck after execution, the Employer shall mail to the miner the applicable retroactive amount due for all hours worked on or after July 1, 2011 on the date that the first paycheck after execution is distributed to active miners.

IN WITNESS WHEREOF, both parties signatory hereto have caused this Agreement to be signed on the date specified herein, to be effective July 1, 2011.

Dale F. Lucha
(Authorized Signer for Employer)

(Title)

Dale Lucha
(Type or Print Name)

(Employer Identification Number)

Samuel J. Kane
(Authorized Signer for UMWA International)

(Title)

(Type or Print Name)

Date: *9-27-11*

AGREEMENT

The parties to this Agreement are Highland Mining Company, LLC ("Employer") and the International Union, United Mine Workers of America ("UMWA"), on behalf of its members. The parties hereto agree to extend their 2007 Coal Wage Agreement through December 31, 2014, subject to the changes stated herein.

Wages shall be increased as follows:

Effective July 1, 2011, \$.50/hour. The amounts due and owing to all miners who worked on or after July 1, 2011 shall be paid retroactively with the first paychecks payable after execution of this Extension Agreement. For any miners eligible for retroactive pay who are not in active status, the Employer shall promptly mail to the miner the retroactive amounts due;

- Effective July 1, 2012, \$.75/hour;
- Effective July 1, 2013, \$ 1.25/hour;
- Effective July 1, 2014, \$ 1.25/hour.

Pension Bonus: On November 1, 2014, the Employer shall pay a retiree pension bonus in the amount of \$580 for regular retirees, and in the amount of \$455 for disabled miners and surviving spouses, *provided however*, that if the 2012 Retiree Bonus Account Plan makes a retiree pension payment to the Employer's regular retirees, disabled miners and surviving spouses, then the Employer shall not be required to pay its own pension bonus, the intent being that all those eligible for the Pension Bonus receive one such payment on November 1, 2014.

The side letters and MOUs of the 2011 NBCWA, as referenced in the Attached Appendix A, shall be incorporated into this Agreement. Further, in the event the BCOA reallocates funds from the LMPCP or the T&E Funds as is provided in the 2011 NBCWA, to pay for costs of the UMWA-BCOA ROD Trust, the Employer shall make the same reallocations.

IN WITNESS WHEREOF, both parties signatory hereto have caused this Agreement to be signed on the date specified herein, to be effective July 1, 2011.

Dale F. Lucha
(Authorized Signer for Employer)

(Title)

Dale Lucha
(Type or Print Name)

(Employer Identification Number)

Ronald J. Kane
(Authorized Signer for UMWA International)

(Title)

(Type or Print Name)

Date: 9-27-11

0117015

AGREEMENT

The parties to this Agreement are HOBET MINING LLC ("Employer") and the International Union, United Mine Workers of America ("UMWA"), on behalf of its members. The parties hereto agree to and adopt each and every term of the 2011 NBCWA, including Appendix A, B, C, and D and all Side Letters and Memorandum of Understanding (as listed on Attachment A), as well as the negotiated Individual Employer Plan. These provisions are hereby incorporated by reference and constitute the Agreement between the parties.

The wage increase set forth in Article X of the 2011 NBCWA shall be retroactive and shall cover all hours worked on and after July 1, 2011. The Employer shall include all retroactive payments with the first paycheck payable after execution of this Agreement. In the event that any miner eligible for such retroactive payments is not in active status on the date of the first paycheck after execution, the Employer shall mail to the miner the applicable retroactive amount due for all hours worked on or after July 1, 2011 on the date that the first paycheck after execution is distributed to active miners.

IN WITNESS WHEREOF, both parties signatory hereto have caused this Agreement to be signed on the date specified herein, to be effective July 1, 2011.

Dale F. Lucha
(Authorized Signer for Employer)

Dale Lucha
(Title and Printed Name)

Employer Identification Number:

HOBET MINING LLC
202 Laidley Tower
Charleston, WV 25324

Daniel J. Kane
(Authorized Signer for UMWA International)

Daniel J. Kane, Secretary-Treasurer
(Title and Printed Name)

(Type or Print Name)

Date: 9/27/11

011,016

AGREEMENT

The parties to this Agreement are MOUNTAIN VIEW COAL CO. LLC. ("Employer") and the International Union, United Mine Workers of America ("UMWA"), on behalf of its members. The parties hereto agree to and adopt each and every term of the 2011 NBCWA, including Appendix A, B, C, and D and all Side Letters and Memorandum of Understanding (as listed on Attachment A), as well as the negotiated Individual Employer Plan. These provisions are hereby incorporated by reference and constitute the Agreement between the parties.

The wage increase set forth in Article X of the 2011 NBCWA shall be retroactive and shall cover all hours worked on and after July 1, 2011. The Employer shall include all retroactive payments with the first paycheck payable after execution of this Agreement. In the event that any miner eligible for such retroactive payments is not in active status on the date of the first paycheck after execution, the Employer shall mail to the miner the applicable retroactive amount due for all hours worked on or after July 1, 2011 on the date that the first paycheck after execution is distributed to active miners.

IN WITNESS WHEREOF, both parties signatory hereto have caused this Agreement to be signed on the date specified herein, to be effective July 1, 2011.

Dale F. Lucha
(Authorized Signer for Employer)

Dale Lucha
(Title and Printed Name)

Employer Identification Number:

MOUNTAIN VIEW COAL CO. LLC
202 Laidley Tower
Charleston, WV 25324

Daniel J. Kane
(Authorized Signer for UMWA International)

Daniel J. Kane, Secretary-Treasurer
(Title and Printed Name)

(Type or Print Name)

Date: 9/27/11

011017

AGREEMENT

The parties to this Agreement are PINE RIDGE COAL COMPANY LLC ("Employer") and the International Union, United Mine Workers of America ("UMWA"), on behalf of its members. The parties hereto agree to and adopt each and every term of the 2011 NBCWA, including Appendix A, B, C, and D and all Side Letters and Memorandum of Understanding (as listed on Attachment A), as well as the negotiated Individual Employer Plan. These provisions are hereby incorporated by reference and constitute the Agreement between the parties.

The wage increase set forth in Article X of the 2011 NBCWA shall be retroactive and shall cover all hours worked on and after July 1, 2011. The Employer shall include all retroactive payments with the first paycheck payable after execution of this Agreement. In the event that any miner eligible for such retroactive payments is not in active status on the date of the first paycheck after execution, the Employer shall mail to the miner the applicable retroactive amount due for all hours worked on or after July 1, 2011 on the date that the first paycheck after execution is distributed to active miners.

IN WITNESS WHEREOF, both parties signatory hereto have caused this Agreement to be signed on the date specified herein, to be effective July 1, 2011.

Dale F. Lucha
(Authorized Signer for Employer)

Dale Lucha
(Title and Printed Name)

Employer Identification Number:

PINE RIDGE COAL COMPANY LLC
202 Laidley Tower
Charleston, WV 25324

Daniel J. Kane
(Authorized Signer for UMWA International)

Daniel J. Kane, Secretary-Treasurer
(Title and Printed Name)

(Type or Print Name)

Date: 9/27/11

0115018

AGREEMENT

The parties to this Agreement are RIVERS EDGE MINING INC. ("Employer") and the International Union, United Mine Workers of America ("UMWA"), on behalf of its members. The parties hereto agree to and adopt each and every term of the 2011 NBCWA, including Appendix A, B, C, and D and all Side Letters and Memorandum of Understanding (as listed on Attachment A), as well as the negotiated Individual Employer Plan. These provisions are hereby incorporated by reference and constitute the Agreement between the parties.

The wage increase set forth in Article X of the 2011 NBCWA shall be retroactive and shall cover all hours worked on and after July 1, 2011. The Employer shall include all retroactive payments with the first paycheck payable after execution of this Agreement. In the event that any miner eligible for such retroactive payments is not in active status on the date of the first paycheck after execution, the Employer shall mail to the miner the applicable retroactive amount due for all hours worked on or after July 1, 2011 on the date that the first paycheck after execution is distributed to active miners.

IN WITNESS WHEREOF, both parties signatory hereto have caused this Agreement to be signed on the date specified herein, to be effective July 1, 2011.

Dale F. Lucha
(Authorized Signer for Employer)

Dale Lucha
(Title and Printed Name)

Employer Identification Number:

RIVERS EDGE MINING INC
202 Laidley Tower
Charleston, WV 25324

Daniel J. Kane
(Authorized Signer for UMWA
International)

Daniel J. Kane, Secretary-Treasurer
(Title and Printed Name)

(Type or Print Name)

Date: 9/27/11