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JAN 22 2013

U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF MISSOURI

To The Honorable Kathy A. SULLATT

IN REGARD TO THE FILING OF CHAPTER 11  
BANKRUPTCY BY PATRIOT COAL COMPANY.  
I RECEIVED A LETTER FROM PATRIOT  
THAT IF THE COURT RULING WENT  
THEIR WAY THAT THEY WERE GOING  
TO DISCONTINUE ALL MY HEALTH CARE  
BENEFITS.

I RETIRED FROM PEABODY THE PARENT  
COMPANY FOR PATRIOT AS A SALARIED  
EMPLOYEE IN MARCH 2006. MY HEALTH CARE  
IS AN INSURANCE PREMIUM REIMBURSEMENT  
ACCOUNT SET UP BY PEABODY <sup>IN MY NAME</sup> TO REIMBURSE  
WHAT I PAY FOR INSURANCE PREMIUMS  
WHILE I AM RETIRED. I HAVE BEEN USING  
THIS REIMBURSEMENT FOR ABOUT 6 1/2 YEARS.  
I WORKED 36 YEARS IN UNDERGROUND MINES  
33 FOR PEABODY 3 YEARS FOR PATRIOT. I HAVE  
NEVER FILED A BLACK LUNG OR HEALING LOSS  
OR ANY OTHER CASE AGAINST PEABODY  
BECAUSE I DIDN'T ~~THINK~~ THINK IT WAS  
THE RIGHT THING TO DO AND I ALWAYS  
THOUGHT PEABODY WOULD DO THE RIGHT  
THING FOR US.

FOR THE REASONS STATED ABOVE - I  
DON'T THINK PATRIOT SHOULD BE ABLE TO  
DISCONTINUE BENEFITS SET UP FOR ME  
BY PEABODY. IF IT WERE PEABODY  
FILING FOR BANKRUPTCY - I COULD UNDERSTAND  
IT MORE.

THANK YOU

Eldon W. Stenly

PEABODY EMPLOYEE NO. 16137

THESE ARE THE DOCUMENTS I RECEIVED  
FROM PEABODY IN REGARD TO MY  
INSURANCE REIMBURSEMENT

## **Peabody**

Date: 4/20/2006

Name: Eldon W. Stanley

Termination Date: 3/31/2006

Years of Service: 35, 1 month

Medical Premium Reimbursement Allowance: \$46,000.00

Because you are at least 55 years of age and have 10 or more years of service at the time of your termination, you are eligible to receive a benefit under the Peabody Holding Company, Inc. and selected subsidiaries and affiliates Peabody Medical Premium Reimbursement Program (MPR).

The amount of credit you receive is calculated based upon your years of service as defined by the Peabody Group Health & Life Plan for Salaried Employees. Your credit will be calculated as follows: You will receive \$1,000 times years of service prior to age 50, plus \$3,000 times years of service from age 50-54, plus \$5,000 times years of service after age 55 up to a maximum credit of \$65,000.

You can use the allowance at any time in the future to request reimbursement for any premiums you pay for medical, dental, or vision insurance for you and your eligible dependents (as defined by the plan). This insurance coverage can be through another employer's group health plan, an individual policy, COBRA, Peabody's Catastrophic Medical Plan or Medicare. If you die before the entire reimbursement allowance is used, your eligible spouse may continue to be reimbursed for such premiums until the allowance is exhausted. You will not be eligible to receive a lump-sum cash payment through the MPR program. If there are no dependents eligible for benefits, the balance of your allowance remaining at the time of your death will be forfeited.

The MPR program will be administered by Tri-Star Systems, Inc. (Tri-Star). For reimbursement of premiums for coverage, you will need to send proof of your paid medical premiums to Tri-Star. Reimbursement will be made once a month for the current month or past month premium payments. Payments will not be made for future dates of coverage. A claim form is enclosed.

If you should have any questions concerning the MPR program, please contact the Peabody Benefits Call Center at 1-800-633-9005.

Computed By:

Sandy Helander

Approved By:

Susan S. Crowder



November 2006

## News You Need Retiree Medical Benefit Increased

We are pleased to announce enhancements to the retiree medical program that will more than double your existing retiree medical benefit. The completely revamped program is designed to meet the needs of retirees age 60 with 25 years of service. This new retiree medical program now:

- Provides a tax-free allowance for you and your spouse equal to 80% of the cost of medical premiums for Peabody Investments Corp.'s Catastrophic Medical Plan over your and your spouse's expected lifetimes.
- Adjusts annually to keep pace with inflation, not to exceed 5%.
- Eliminates the \$65,000 cap.

You become eligible for retiree medical coverage if you retire at age 55 or older and have at least 10 years of service. Upon retirement, you receive a one-time credit you can apply toward the purchase of your own health care policy—whether it is another employer's group health plan, an individual policy, Peabody Investments Corp.'s Catastrophic Medical Plan or Medicare.

As shown in the table below, the retiree medical benefit - based on your age and years of service with Peabody - has been more than doubled in order to provide a greater benefit to you and your spouse.

For Service	Previous Retiree Medical Benefit	Enhanced Retiree Medical Benefit
Prior to age 50	\$1,000 x years of service, plus	\$2,700 x years of service, plus
From age 50-54	\$3,000 x years of service, plus	\$8,100 x years of service, plus
At age 55 and beyond	\$5,000 x years of service	\$13,500 x years of service

Another improved feature of the new retiree medical plan is that the allowance multiplier will be adjusted for inflation each January while you are an active employee – building your benefit to help protect you against a rise in the cost of medical coverage. The adjustment will be based on the medical component of the Consumer Price Index (CPI), not to exceed 5%.

Also, the maximum benefit previously available to any retiree was \$65,000 regardless of age or length of service. Under the new program, this limit or "cap" has been removed.

Here is an example of the value of the new program: under the previous retiree medical plan, an employee who retires at age 60 with 25 years of service would be entitled to \$55,000. Under the new retiree medical plan, that same employee is now entitled to \$148,500. As you can see, your retiree medical benefit is now much more valuable than ever.

See the table on the other side to find the amount of allowance you can expect at various retirement ages and years of service.

It is our goal to help you afford medical coverage during retirement, and the new retiree medical benefit should prove to be a significant step in that direction. If you have questions, please call the Peabody Benefits Call Center at 1-800-633-9005.

References to Peabody refer to Peabody Investments Corp. and its affiliates

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CLERK, US BANKRUPTCY COURT  
EASTERN DISTRICT  
ST. LOUIS, MISSOURI

The Honorable Kathy A. Surratt - States  
Re: Case No. 12-51502  
Thomas F. Engleton U.S. Courthouse  
1 S. 10th St., 4th Floor  
St. Louis, Mo. 63102

EVANSVILLE IN 476  
15 JAN 2013 PM 11

