

EXHIBIT B

Executive Liability Value Proposition

Why Choose Chartis for your Executive Liability Coverage needs?

UNDERWRITING EXPERTISE & MARKET DEDICATION

- Named the #1 provider of Directors & Officers insurance and Employment Practices Liability insurance ¹
- More than four decades of experience and commitment to the market, offering stable, high-limit capacity with a diverse appetite for risk
- Broad and innovative product offering, including unrivaled international capabilities via our Passport platform
- Ongoing pursuit of outstanding client service through continuous dialogue and client feedback response
- Over 350 dedicated underwriting professionals with an average of 10 years of industry experience
- A dedicated legal staff skilled in developing manuscript solutions tailored to client coverage needs
- Regional offices provide local underwriting presence and authority, delivering expertise and solutions across all lines of business
- Specialized underwriting and claims units focused on key segments, including Errors and Omissions, Financial Institutions, Fidelity and Private and Non-Profit
- Large geographic footprint that benefits companies doing business in multiple international jurisdictions
- Nearly 20,000 unique policyholders²

SUPERIOR CLAIMS MANAGEMENT

- We have a claims staff of 300 who manage 30,000 new claims per year, averaging 2,250 new claims per month
- Our claims management team has an average of 15 years of industry experience for management
- Total payments made by Executive Liability on behalf of its insureds in 2009 totaled more than \$1.9 billion
- Resolved claims exceeding \$9 million in value have increased over 850 percent since 1996 ³
- The top 25 claims paid by Executive Liability in 2009 totaled over \$300 million

CHARTIS FINANCIAL SNAP-SHOT

- Chartis U.S. Policyholder Surplus is \$28 billion⁴ (increased 58% from 12/31/05 to 12/31/09)
- In 2009, Chartis companies wrote in excess of \$40 billion gross written premiums worldwide
- Chartis has ample resources to pay policyholder claims, paying \$71 million in claims worldwide every business day in 2009
- Objective sources confirm our company's strong financial standing. From rating agencies to broker assessments, metrics in the insurance industry indicate that Chartis remains one of the most financially secure insurance organizations
- Our financial strength combined with our experience, global reach and broad range of product and service offerings, solve the insurance needs of 40 million clients worldwide

STAYING POWER

Our consistent market leadership and commitment has lasted for more than four decades, while other carriers shift their focus and support from year-to-year. Our global underwriting capacity, philosophy and expertise-coupled with our local presence-enables Executive Liability to assess the most complex risks and respond rapidly when unforeseen events occur.

¹ The Risk and Insurance Management Society 2009 Benchmark Survey <http://www.rims.org/resources/BenchmarkSurvey/Pages/default.aspx>.

² Does not include Programs or Small Business accounts.

³ NERA Economic Consulting.

⁴ Year ended December 31, 2009.

INNOVATIVE SOLUTIONS

Management Liability

Executive EdgeSM: Primary public company D&O coverage with market leading features, including advancement of covered loss for directors and officers when the company fails or refuses to indemnify for any reason, worldwide investigation and inquiry coverage and a simplified "entity vs. insured" exclusion in place of the "insured vs. insured" exclusion.

Executive Shield: Follow form excess Side-A Directors & Officers Liability Insurance with Difference In Conditions coverage that is distinct from other Side-A DIC policies. The policy provides individual directors and officers with the coverage they need to protect themselves and their assets when facing a claim.

PrivateEdge Plus: A flexible modular package that offers market-leading management and professional liability coverage for private companies of any size. Choose one or combine multiple coverage options to customize a comprehensive program that meets specific business needs.

Not-for-Profit-Risk-Protector[®]: A flexible modular package policy designed to help non-profit organization clients manage their management liability and other liability risks. Choose one or combine multiple coverage options to customize a comprehensive program that meets specific business needs. The policy is available to all non-profit organizations regardless of revenue, asset size or employee count.

Public Entity Plan and Trustee Protector: A policy that protects individuals who manage governmental entity employee benefit plans from fiduciary liability exposures.

Financial Institutions Risk Protector[®]: A modular package of management and professional liability coverages for private and public financial institutions. Coverages can be bundled into one policy to provide flexible protection tailored for a financial institution's full spectrum of management and professional liability risks.

Excess EdgeSM: Follow form excess management and professional liability coverage that reduces the administrative burden facing brokers and their clients when placing excess insurance for directors and officers liability, employment practices liability, fiduciary liability, errors and omissions liability, and other executive liability exposures.

Professional Liability

Specialty Risk Protector[®]: A modular package of professional liability and data network security coverages for all types of businesses. Businesses can bundle multiple lines of coverage into one policy.

Corporate Counsel Premier[®]: Provides general counsel and other in-house attorneys employed by public and private companies with coverage for claims alleging professional malpractice.

Lawyers Professional Liability Program: This admitted program provides broad coverage for attorneys and includes crisis management coverage to help mitigate damage to a law firm's reputation.

Personal Identity Coverage: Enables organizations to extend expert assistance and financial relief to employees, customers or members who are victims of identity theft. This innovative program combines extensive recovery support as well as reimbursement of costs related to a theft incident.

Value Added Services

Passport: State-of-the-market approach for multinationals to secure locally-admitted insurance that is in sync with local requirements and customs, and written in local language worldwide.

EPL Pak[®] Premier: The Employment Practices Liability Loss Prevention Pack offered through Jackson Lewis, LLP, helps insureds proactively mitigate employment practices exposures. The program includes both training programs that help instill proper employment practices within an organization and resources to keep employers informed of changing statutes, regulations and court decisions shaping the employment landscape.

CrisisFund[®]: Built-in crisis management enhancement provides policyholders with professional support, including a 24-hour hotline with access to claims specialists, and immediate funds in the event of a serious crisis. Up to \$250,000 of additional policy limits available to cover immediate expenses and an additional \$50,000 limit to retain the services of a public relations or crisis management firm.

Fidelity Research and Investigative Settle Clause (FRISC): A unique provision in Fidelity policies that allows the insured to select an investigative specialist or forensic accountant to determine the facts of the case and quantify the loss. This sets the stage for an efficient, cooperative loss investigation and settlement process that can save the insured time and money. Even if the loss is ultimately determined to not be covered under the policy, the insurer still pays half of the investigation expenses.

eDiscovery Solutions: A litigation-management tool devised to create a strategy to handle the collection of electronically stored information throughout litigation.

Panel Counsel: Comprised of some of the nation's premier litigators who specialize in defending securities, employment practices, fiduciary liability and technology litigation. Participating law firms have a proven record of achieving litigation success while maximizing litigation efficiency. Consistent superior performance is required to maintain a position on the panel.

For more information about Executive Liability, please contact us at executiveliability@chartisinsurance.com or visit www.chartisinsurance.com.



Chartis is a world leading property-casualty and general insurance organization serving more than 40 million clients in over 160 countries and jurisdictions. With a 90-year history, one of the industry's most extensive ranges of products and services, deep claims expertise and excellent financial strength, Chartis enables its commercial and personal insurance clients alike to manage virtually any risk with confidence.

Chartis is the marketing name for the worldwide property-casualty and general insurance operations of Chartis Inc. For additional information, please visit our website at www.chartisinsurance.com. All products are written by insurance company subsidiaries or affiliates of Chartis Inc. Coverage may not be available in all jurisdictions and is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain coverage may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds.

POLICYHOLDER NOTICE

Thank you for purchasing insurance from the Chartis companies. Chartis insurance companies generally pay compensation to brokers and independent agents, and may have paid compensation in connection with your policy. You can review and obtain information about the nature and range of compensation paid by Chartis insurance companies to brokers and independent agents in the United States by visiting our website at www.chartisinsurance.com/producercompensation or by calling 1-800-706-3102.

The New Standard in EPL Value-Added Services

Controlling employment practices liability exposures while keeping pace with employment litigation trends and regulatory changes is a major challenge for all employers. Chartis gives its employment practices liability (EPL) policyholders a unique advantage with EPL Pak® Premier, industry-leading loss prevention offerings. The suite is a combination of training, loss control and risk management tools designed to help our clients manage employment practices risks. EPL Pak Premier's resources are exclusive to Chartis, and provide our EPL policyholders with access to expertise and materials from two of the nation's foremost employment and labor law firms, Littler Mendelson, P.C. and Jackson Lewis LLP.

Putting Experts by Your Side

EPL Pak Premier now includes instant access to www.eplriskmanager.com, which provides first-in-class risk management tools and resources from Littler Mendelson, a leading employment and labor law firm. Materials available include essentials to manage your workforce and reduce exposure to employment related liability including:

- **Handbooks and Policies:** Sample employee handbook and policies to help implement best employment practices, including supplemental information for all 50 states
- **Forms Library:** A library of commonly used human resource forms, which can be customized, to ease your administrative burden
- **Workforce Guides:** A hiring and firing guide to help employers mitigate the risks of these critical phases of the employment relationship and step-by-step guides to prevent harassment, including information to help address and resolve incidents and lessen potential liability
- **Legal Reference Materials:** Over 3,000 pages of employment law reference manuals providing insights on timely topics ranging from layoffs, downsizing, and furloughs, to workplace violence, discrimination, and employment class actions. Includes a state-by-state assessment of employment laws and regulations

EPL Pak Premier gives you access to expertise and resources from two of the nation's foremost employment and labor law firms, Littler Mendelson, P.C. and Jackson Lewis LLP.

These state-of-the-art enhancements complement EPL Pak Premier's original package of risk management solutions from Jackson Lewis, LLP, which include:

- **Education and Training:** Management education on topics ranging from harassment avoidance to discrimination, conveniently delivered through a combination of interactive webinars and local seminars
- **Legal Consultation:** A one-hour legal consultation on human resources and employment law issues, such as how specific laws impact personnel decisions and potential exposure to liability
- **Liability Updates:** Access to the Jackson Lewis e-Newsletter and e-updates spotlighting important workplace law news and trends. Alerts on significant legislative actions, judicial decisions and other changes with potential impact on our insured's business
- **Checklists:** Self-audit and pre-termination checklists to help insureds identify vulnerabilities and safely navigate risky terrain
- **Special California State Training:** CA AB 1825 training, enabling companies with 50 or more employees in California to fulfill their mandate of providing sexual harassment training for supervisors every two years

EPL Pak Premier also includes Alternative Employment Dispute Resolution Programs from EDR Systems at preferred rates. EDR Systems will assist to resolve employee disputes internally and prevent time and money in litigation. The professionals at EDR System have more than 50 years of combined experience in human resource management, strategic planning, change management, and employee relations. They support a wide variety of businesses of all sizes, from national, multi-unit retail operations, to single-facility manufacturers, to professional firms.

To learn more about EPL Pak Premier services, please visit www.chartisinsurance.com, email executiveliability@chartisinsurance.com or contact Wendy Melk at Jackson Lewis at mellkw@jacksonlewis.com or Brian McMillan at Littler Mendelson at bmcmillan@littler.com.

Chartis
175 Water Street
New York, NY 10038
www.chartisinsurance.com



Chartis is a world leading property-casualty and general insurance organization serving more than 45 million clients in over 160 countries and jurisdictions. With a 90-year history, one of the industry's most extensive ranges of products and services, deep claims expertise and excellent financial strength, Chartis enables its commercial and personal insurance clients alike to manage virtually any risk with confidence.

Chartis is the marketing name for the worldwide property casualty and general insurance operations of Chartis Inc. For additional information, please visit our website at www.chartisinsurance.com. All products are written by insurance company subsidiaries or affiliates of Chartis Inc. Coverage may not be available in all jurisdictions and is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain coverage may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds.



National Union Fire Insurance Company of Pittsburgh, Pa.®

A capital stock company

EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY

NOTICE: EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THE COVERAGE OF THIS POLICY IS GENERALLY LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. PLEASE READ THE POLICY CAREFULLY AND DISCUSS THE COVERAGE THEREUNDER WITH YOUR INSURANCE AGENT OR BROKER.

NOTICE: THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE RETENTION AMOUNT.

NOTICE: THE INSURER DOES NOT ASSUME ANY DUTY TO DEFEND. HOWEVER THE INSURED MAY UNDER CERTAIN CONDITIONS TENDER THE DEFENSE OF A CLAIM. IN ALL EVENTS, THE INSURER MUST ADVANCE DEFENSE COSTS PAYMENTS PURSUANT TO THE TERMS HEREIN PRIOR TO THE FINAL DISPOSITION OF A CLAIM.

POLICY NUMBER: *01-308-55-92*

REPLACEMENT OF POLICY NUMBER: *01-639-41-99*

DECLARATIONS

ITEM 1. NAMED ENTITY: *PATRIOT COAL CORPORATION*

MAILING ADDRESS: *12312 OLIVE BLVD STE 400
SAINT LOUIS, MO 63141-6448*

STATE OF INCORPORATION OR STATE OF FORMATION OF THE NAMED ENTITY:
Missouri

ITEM 2. SUBSIDIARY COVERAGE: any past, present or future Subsidiary of the Named Entity

ITEM 3. POLICY PERIOD: From: *October 31, 2011* To: *October 31, 2012*
(12:01 A.M. standard time at the address stated in Item 1.)

ITEM 4. LIMIT OF LIABILITY: *\$10,000,000* aggregate for all Loss combined (including Defense Costs)

ITEM 5. RETENTION:

Judgments, Settlements and
Defense Costs (non-Indemnifiable Loss) None

1248109

Judgements, Settlements and Defense Costs
(Company and Indemnifiable Loss)

\$250,000

for Loss arising from Claims alleging the same
Employment Practices Violation or related
Employment Practices Violation (waivable under
Clause 6 in certain circumstances)

ITEM 6. CONTINUITY DATES:

- A. All coverages (other than Outside Entity Coverage): March 19, 2009
B. Outside Entity Coverage: Per Outside Entity: March 19, 2009

ITEM 7. PREMIUM: \$80,031

Premium for Certified Acts of Terrorism Coverage under Terrorism Risk Insurance Act 2002: \$801 included in policy premium. Any coverage provided for losses caused by an act of terrorism as defined by TRIA (TRIA Losses) may be partially reimbursed by the United States under a formula established by TRIA as follows: 85% of TRIA Losses in excess of the insurer deductible mandated by TRIA, the deductible to be based on a percentage of the insurer's direct earned premiums for the year preceding the act of terrorism.

A copy of the TRIA disclosure sent with the original quote is attached hereto.

ITEM 8. NAME AND ADDRESS OF INSURER (hereinafter "Insurer"):
(This policy is issued only by the insurance company indicated below.)

National Union Fire Insurance Company of Pittsburgh, Pa.

175 Water Street

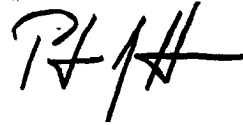
New York, NY 10038-4969

1248109

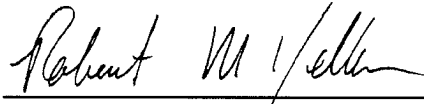
IN WITNESS WHEREOF, the Insurer has caused this policy to be signed on the Declarations Page by its President, a Secretary and a duly authorized representative of the Insurer.



SECRETARY



PRESIDENT



AUTHORIZED REPRESENTATIVE

COUNTERSIGNATURE

DATE

COUNTERSIGNED AT

AON RISK INSURANCE SERVICES WEST INC
707 WILSHIRE BLVD, STE 2600
LOS ANGELES, CA 90017

1248109

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE
(APPLICABLE TO CERTIFIED AND NON-CERTIFIED ACTS)**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury-in concurrence with the Secretary of State, and the Attorney General of the United States- to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS THAT MAY BE COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

COPY OF DISCLOSURE SENT WITH ORIGINAL QUOTE

Insured Name: *PATRIOT COAL CORPORATION*

Policy Number: *01-308-55-92*

Policy Period Effective Date From: *October 31, 2011* To: *October 31, 2012*



National Union Fire Insurance Company of Pittsburgh, Pa.®

A capital stock company

EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY

In consideration of the payment of the premium, and in reliance upon the statements made to the Insurer by application forming a part hereof and its attachments and the material incorporated therein, the "Insurer", agrees as follows:

1. INSURING AGREEMENTS

This policy shall pay the Loss of each and every Insured arising from a Claim first made against such Insured during the Policy Period or the Discovery Period (if applicable) and reported to the Insurer pursuant to the terms of this policy for any actual or alleged Employment Practices Violation.

DEFENSE PROVISIONS

The Insurer does not assume any duty to defend, provided, however, the Named Entity may at its sole option tender the defense of a Claim for which coverage is provided by this policy to the Insurer in accordance with Clause 8 of the policy. Regardless of whether the defense is so tendered, the Insurer shall advance Defense Costs of such Claim prior to its final disposition. Selection of counsel to defend a "Designated Employment Practices Claim" shall be made in accordance with Clause 9 of the policy.

2. DEFINITIONS

- (a) "Affiliate" means: (i) any person or entity that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is in common control with, the Company; or (ii) any person or entity that directly, or indirectly through one or more intermediaries, is a successor in interest to the Company.
- (b) "Claim" means:
 - (1) a written demand for monetary or non-monetary relief (including any request to toll or waive any statute of limitations); or
 - (2) a civil, criminal, administrative or arbitration proceeding for monetary or non-monetary relief which is commenced by:
 - (i) service of a complaint or similar pleading; or
 - (ii) return of an indictment (in the case of a criminal proceeding); or
 - (iii) receipt or filing of a notice of charges.

The term "Claim" shall include an Equal Employment Opportunity Commission ("EEOC") (or similar state, local or foreign agency) proceeding or investigation commenced by the filing of a notice of charges, service of a complaint or similar document of which notice has been given to the Insured.

However, in no event, shall the term "Claim" include any labor or grievance proceeding which is subject to a collective bargaining agreement.

- (c) "Company" means the Named Entity designated in Item 1 of the Declarations and any Subsidiary thereof, and any entity General Partner.
- (d) "Continuity Date" means the date set forth in:
 - (1) Item 6A of the Declarations with respect to all coverages (other than Outside Entity Coverage);

- (2) Item 6B of the Declarations with respect to a Claim made against an Individual Insured(s) of the Company arising out of such Insured's service as a director, officer, trustee or governor of an Outside Entity.
- (e) "Defense Cost" means reasonable and necessary fees, costs and expenses consented to by the Insurer (including premiums for any appeal bond, attachment bond or similar bond, but without any obligation to apply for or furnish any such bond) resulting solely from the investigation, adjustment, defense and appeal of a Claim against the Insureds, but excluding salaries of officers or Employees of the Company.
- (f) "Educational Services" means the providing of services by any organization which is authorized by the United States of America or any state or territory thereof or any foreign jurisdiction to confer any academic degree. "Educational Services" shall also include services provided by any organization to any organized group of pre-school age children, or services provided by any organization which confers professional licenses or credentials.
- (g) "Employee(s)" means any past, present or future employee whether such employee is in a supervisory, co-worker or subordinate position or otherwise, including any part-time, seasonal and temporary Employee in his or her capacity as such. An individual who is leased to the Company shall also be an Employee, but only if the Company provides indemnification to such leased individual in the same manner as is provided to the Company's employees. Any other individual who is contracted to perform work for the Company, or who is an independent contractor for the Company shall also be an Employee, but only if the Company provides indemnification to such individual in the same manner as that provided to the Company's employees, and such individual is scheduled by written endorsement attached hereto and the Company pays any additional premium required by the Insurer relating to such individual.
- (h) "Employment Practices Violation(s)" means any actual or alleged:
- (1) wrongful dismissal, discharge or termination (either actual or constructive) of employment, including breach of an implied contract;
 - (2) harassment (including sexual harassment whether "quid pro quo", hostile work environment, or otherwise);
 - (3) discrimination, (including but not limited to discrimination based upon age, gender, race, color, national origin, religion, sexual orientation preference, pregnancy, or disability);
 - (4) Retaliation (including lockouts);
 - (5) employment-related misrepresentation(s) to an Employee or applicant for employment with the Company or an Outside Entity;
 - (6) employment-related libel, slander, humiliation, defamation or invasion of privacy;
 - (7) wrongful failure to employ or promote;
 - (8) wrongful deprivation of career opportunity, wrongful demotion or negligent Employee evaluation, including the giving of negative or defamatory statements in connection with an employee reference;
 - (9) wrongful discipline;
 - (10) failure to grant tenure;

(11) failure to provide or enforce adequate or consistent corporate policies and procedure relating to any Employment Practices Violation;

(12) violation of an individual's civil rights relating to any of the above,

but only if the Employment Practices Violation relates to an Employee(s), or applicants for employment, with the Company or an Outside Entity, whether direct, indirect, intentional or unintentional.

With respect to any customer(s), client(s) or any other individual or group of individuals, other than an Employee or applicant for employment with the Company or an Outside Entity, Employment Practices Violation shall mean only any actual or alleged discrimination, sexual harassment or violation of an individual's civil rights relating to such discrimination or sexual harassment, whether direct, indirect, intentional or unintentional.

- (i) "General Partner(s)" means: (i) the Named Entity; (ii) a Subsidiary; (iii) a director, officer, Employee, management committee member or member of the Board of Managers of the Named Entity or a Subsidiary; or (iv) any other person or entity scheduled by written endorsement hereto, acting in their capacity as a general partner of the Company.
- (j) "Individual Insured(s)" means:
- (1) any past, present or future duly elected or appointed directors, officers, management committee members, members of the Board of Managers or individual General Partners of the Company, but only in their capacities as such. Coverage will automatically apply to all new directors, officers, management committee members, members of the Board of Managers or individual General Partners of the Company after the inception date of this policy;
 - (2) any past, present or future duly elected or appointed directors, officers, Employees, management committee members or members of the Board of Managers of the Company serving in the capacity as director, officer, trustee or governor of an Outside Entity, but only if such service is at the specific written request or direction of the Company;
 - (3) in the event the Company operates outside the United States, then the terms director, officer, management committee member, member of the Board of Managers or individual General Partner shall also mean those titles, positions or capacities in such foreign Company which are equivalent to such positions in an organization incorporated or formed within the United States; and
 - (4) any Employee(s) of the Company.
- (k) "Insured(s)" means:
- (1) Individual Insureds;
 - (2) the Company.
- (l) "Loss" means damages (including back pay and front pay), judgments, settlements, pre- and post-judgment interest and Defense Costs; however, Loss shall not include: (1) civil or criminal fines or penalties imposed by law; (2) punitive or exemplary damages; (3) the multiplied portion of multiplied damages; (4) taxes; (5) any amount for which the Insureds are not financially liable or which are without legal recourse to the Insureds; (6) employment-related benefits, stock options, perquisites, deferred compensation or any other type of compensation other than salary, wages or bonus compensation; (7) any liability or costs incurred by any Insured to modify any building or

property in order to make said building or property more accessible or accommodating to any disabled person; or any liability or costs incurred in connection with any educational, sensitivity or other corporate program, policy or seminar relating to a Claim alleging discrimination or other Employment Practices Violation; or (8) matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed.

- (m) "Medical Services" means the providing of healthcare, medical care or treatment to any individual, including but not limited to any of the following: medical, surgical, psychiatric, mental health, chiropractic, osteopathic, nursing, or other professional healthcare, including the furnishing or dispensing of medications, drugs, blood, blood products or medical, surgical, dental or psychiatric supplies or equipment or the administration or management of healthcare or any healthcare plan.
- (n) "No Liability" means: (1) a final judgment of no liability obtained prior to trial, in favor of all Insureds, by reason of a motion to dismiss or a motion for summary judgment, after the exhaustion of all appeals; or (2) a final judgment of no liability obtained after trial in favor of all insureds, after the exhaustion of all appeals. In no event shall the term "No Liability" apply to a Claim made against an Insured for which a settlement has occurred.
- (o) "Outside Entity" means:
 - (1) a not-for profit organization under section 501(c)(3) of the Internal Revenue Code of 1986 (as amended) other than an organization engaged in Medical Services or Educational Services; or
 - (2) any other corporation, partnership, joint venture or other organization listed by endorsement to this policy.
- (p) "Policy Period" means the period of time from the inception date shown in Item 3 of the Declarations to the earlier of the expiration date shown in Item 3 of the Declarations or the effective date of cancellation of this policy.
- (q) "Retaliation" means a wrongful act of an Insured relating to or alleged to be in response to any of the following activities: (1) the disclosure or threat of disclosure by an Employee of the Company or an Outside Entity to a superior or to any governmental agency of any act by an Insured which act is alleged to be a violation of any federal, state, local or foreign law common or statutory, or any rule or regulation promulgated thereunder; (2) the actual or attempted exercise by an Employee of the Company or an Outside Entity of any right that such Employee has under law, including rights under worker's compensation laws, the Family and Medical Leave Act, the Americans with Disability Act or any other law relating to employee rights; (3) the filing of any claim under the Federal False Claims Act or any other federal, state, local or foreign "whistle-blower" law; or (4) strikes of an Employee the Company or an Outside Entity.
- (r) "Subsidiary" means:
 - (1) any for-profit organization which, on or before the inception of the Policy Period, is more than 50% owned by the Named Entity, either directly, or indirectly through one or more of its Subsidiaries;
 - (2) automatically any for-profit organization whose assets total less than 10% of the total consolidated assets of the Company as of the inception date of this policy and which becomes a Subsidiary during the Policy Period. The Named Entity shall provide the Insurer with full particulars of the new Subsidiary before the end of the Policy Period; or

- (3) an organization which becomes a Subsidiary during the Policy Period (other than a for-profit organization described in paragraph (2) above) but only upon the condition that within 90 days of its becoming a Subsidiary, the Named Entity shall have provided the Insurer with full particulars of the new Subsidiary and agreed to any additional premium or amendment of the provisions of this policy required by the Insurer, relating to such new Subsidiary. Further, coverage as shall be afforded to the new Subsidiary is conditioned upon the Named Entity paying when due any additional premium required by the Insurer relating to such new Subsidiary.

An organization becomes a Subsidiary when the Named Entity owns more than 50% ownership interest in such Subsidiary, either directly, or indirectly through one or more of its Subsidiaries. An organization ceases to be Subsidiary when the Named Entity ceases to own more than a 50% ownership in such Subsidiary, either directly, or indirectly through one or more of its Subsidiaries.

In all events, coverage as is afforded under this policy with respect to a Claim made against Individual Insureds of any Subsidiary, or a Claim made against any Subsidiary, shall only apply to Employment Practices Violations committed or allegedly committed after the effective time that such Subsidiary became a Subsidiary and prior to the time that such Subsidiary ceased to be a Subsidiary.

3. EXTENSIONS

Subject otherwise to the terms hereof, this policy shall cover Loss arising from any Claims made against the estates, heirs, or legal representative of deceased Individual Insured, and the legal representatives of Individual Insureds in the event of incompetency, insolvency or bankruptcy, who were Individual Insureds at the time the Employment Practices Violations upon which such Claims are based were committed.

Subject otherwise to the terms hereof, this policy shall cover Loss arising from all Claims made against the lawful spouse (whether such status is derived by reason of statutory law, common law or otherwise of any applicable jurisdiction in the world) of an Individual Insured for all Claims arising solely out of his or her status as the spouse of an Individual Insured, including a Claim that seeks damages recoverable from marital community property, property jointly held by the Individual Insured and the spouse, or property transferred from the Individual Insured to the spouse; provided, however, that this extension shall not afford coverage for any Claim for any actual or alleged Employment Practices Violation of the spouse, but shall apply only to Claims arising out of any actual or alleged Employment Practices Violation of an Individual Insured, subject to the policy's terms, conditions and exclusions.

4. EXCLUSIONS

The Insurer shall not be liable to make any payment for Loss in connection with a Claim made against an Insured:

- (a) arising out of, based upon or attributable to the gaining in fact of any profit or advantage to which an Insured was not legally entitled;
- (b) arising out of, based upon or attributable to the committing in fact of any criminal or deliberate fraudulent act;

[The Employment Practices Violation of an Insured shall not be imputed to any other Insured for the purpose of determining the applicability of the foregoing exclusions 4(a) and 4(b)]

- (c) alleging, arising out of, based upon or attributable to the facts alleged, or to the same or related Employment Practices Violations alleged or contained in any claim which has been reported, or in any circumstances of which notice has been given, under any policy of which this policy is a renewal or replacement or which it may succeed in time;
- (d) alleging, arising out of, based upon or attributable to any pending or prior: (1) litigation; or (2) EEOC (or similar state, local or foreign agency) proceeding or investigation of which an Insured had notice, as of the Continuity Date, or alleging or derived from the same or essentially the same facts as alleged in such pending or prior litigation or EEOC (or similar state, local or foreign agency) proceeding or investigation;
- (e) with respect to serving in a capacity as a director, officer, trustee or governor of an Outside Entity, for any Employment Practices Violation occurring prior to the Continuity Date if the Insured knew or could have reasonably foreseen that such Employment Practices Violation could lead to a Claim under this policy;
- (f) alleging, arising out of, based upon or attributable to any actual or alleged act or omission of an Individual Insured serving in any capacity, other than as a director, officer, management committee member, member of the Board of Managers or Employee of the Company, or as a director, officer, trustee or governor of an Outside Entity;
- (g) for any Employment Practices Violation arising out of the Insured serving in a capacity as a director, officer, trustee or governor of an Outside Entity if such Claim is brought by the Outside Entity or a director, officer, trustee or governor thereof;
- (h) for bodily injury (other than emotional distress or mental anguish), sickness, disease, or death of any person, or damage to or destruction of any tangible property, including the loss of use thereof;
- (i) which is brought by any Insured; provided, however, this exclusion shall not apply to a Claim brought by an Employee of the Company other than an Employee who is or was a director, member of the Board of Managers or management committee member or General Partner of the Named Entity;
- (j) for violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act, (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the forgoing promulgated thereunder, and amendments thereto or any similar provisions of any federal, state, local or foreign statutory law or common law; provided, however, this exclusion shall not apply to a Claim for Retaliation.
- (k) alleging, arising out of, based upon or attributable to any obligation pursuant to any worker's compensation, disability benefits, unemployment compensation, unemployment insurance, retirement benefits, social security benefits or similar law; provided, however, this exclusion shall not apply to a Claim for Retaliation.
- (l) alleging, arising out of, based upon or attributable to any actual or alleged contractual liability of an Insured under any express employment contract or agreement; provided, however, that this exclusion shall not apply to the extent any liability does not arise under such express contract or agreement;

(m) alleging, arising out of, based upon or attributable to any Claim brought by a securities holder of the Company or Outside Entity or an Affiliate in their capacity as such whether derivatively on behalf of the Company or Outside Entity, or an Affiliate, or by direct or class action.

5. LIMIT OF LIABILITY (FOR ALL LOSS - INCLUDING DEFENSE COSTS)

The Limit of Liability stated in Item 4 of the Declarations is the limit of the Insurer's liability for all Loss arising out of all Claims first made against the Insureds during the Policy Period or the Discovery Period (if applicable); however, the Limit of Liability for the Discovery Period shall be part of, and not in addition to, the Limit of Liability for the Policy Period. Further, any Claim which is made subsequent to the Policy Period or Discovery Period (if applicable) which, pursuant to Clause 7(b) or 7(c), is considered made during the Policy Period or Discovery Period shall also be subject to the one aggregate Limit of Liability stated in Item 4 of the Declarations.

Defense Costs are not payable by the Insurer in addition to the limit of liability. Defense Costs are part of Loss and as such are subject to the Limit of Liability for Loss.

6. RETENTION CLAUSE

The Insurer shall only be liable for the amount of Loss arising from a Claim which is in excess of the Retention amount stated in Item 5 of the Declarations, such Retention amount to be borne by the Company or the Insureds and shall remain uninsured, with regard to all Loss: (1) for which the Company has indemnified or is permitted or required to indemnify the Individual Insured(s) ("Indemnifiable Loss") or (2) of the Company. A single Retention amount shall apply to Loss arising from all Claims alleging the same Employment Practices Violation or related Employment Practices Violation.

The retention amount shall be reduced in the event that an Insured consents to the first "Settlement Opportunity", as defined in Clause 8, by the percentage described in Clause 8 subject to the conditions described in Clause 8.

No Retention shall apply to a Claim in the form of a civil action for monetary relief and the Insurer shall thereupon reimburse the Defense Costs paid by the Insured, in the event of:

- (1) a determination of No Liability of all Insureds; or
- (2) a dismissal or a stipulation to dismiss the civil litigation Claim without prejudice and without the payment of any consideration by any Insured;

provided however, that in the case of (2) above, such reimbursement shall occur ninety (90) days after the date of dismissal or stipulation as long as the Claim is not re-brought (or any other Claim which is subject to the same single retention by virtue of Clause 6 is not brought) within that time, and further subject to an undertaking by the Company in a form acceptable to the Insurer that such reimbursement shall be paid back by the Company to the Insurer in the event the Claim (or any other Claim which is subject to the same single retention by virtue of Clause 6) is brought after such 90 day period and before the expiration of the statute of limitations for such Claim.

7. NOTICE/CLAIM REPORTING PROVISIONS

Notice hereunder shall be given in writing to the Insurer named in Item 8 of the Declarations at the address indicated in Item 8 of the Declarations. If mailed, the date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice. A Claim shall be considered to have been first made against an Insured when written notice of such Claim is received by any Insured, by the Company on the behalf of any Insured or by the Insurer, whichever comes first.

- (a) The Company or the Insureds shall, as a condition precedent to the obligations of the Insurer under this policy, give written notice to the Insurer of any Claim made against an Insured as soon as practicable and either:
 - (1) anytime during the Policy Period or during the Discovery Period (if applicable); or
 - (2) within 30 days after the end of the Policy Period or the Discovery Period (if applicable), as long as such Claim is reported no later than 30 days after the date such Claim was first made against an Insured.
- (b) If written notice of a Claim has been given to the Insurer pursuant to Clause 7(a) above, then any Claim which is subsequently made against the Insureds and reported to the Insurer alleging, arising out of, based upon or attributable to the facts alleged in the Claim for which such notice has been given, or alleging any Employment Practices Violation which is the same as or related to any Employment Practices Violation alleged in the Claim of which such notice has been given, shall be considered made at the time such notice was given.
- (c) If during the Policy Period or during the Discovery Period (if applicable) the Company or the Insureds shall become aware of any circumstances which may reasonably be expected to give rise to a Claim being made against the Insureds and shall give written notice to the Insurer of the circumstances and the reasons for anticipating such a Claim, with full particulars as to dates, persons and entities involved, then any Claim, which is subsequently made against the Insureds and reported to the the Insurer alleging, arising out of, based upon or attributable to such circumstances or alleging any Employment Practices Violation which is the same as or related to any Employment Practices Violation alleged or contained in such circumstances, shall be considered made at the time such notice of such circumstances was given.

8. DEFENSE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING THE ADVANCEMENT OF DEFENSE COSTS)

The Insurer does not assume any duty to defend. The Insureds shall defend and contest any Claim made against them.

Notwithstanding the foregoing, the Insureds shall have the right to tender the defense of the Claim to the Insurer, which right shall be exercised in writing by the Named Entity on behalf of all Insureds to the Insurer pursuant to the notice provisions of Clause 7 of this policy. This right shall terminate if not exercised within 30 days of the date the Claim is first made against the Insured, pursuant to Clause 7 of the policy. Further, from the date the Claim is first made against the Insureds to the date when the Insurer accepts the tender of the defense of such Claim, the Insureds shall take no action, or fail to take any required action, that prejudices the rights of the Insureds or the Insurer with respect to such Claim. Provided that the Insureds have complied with the forgoing, the Insurer shall be obligated to assume the defense of the Claim, even if such Claim is groundless, false or fraudulent. The assumption of the defense of the Claim shall be effective upon written confirmation thereof sent by the Insurer to the Named Entity. Once the defense has been so tendered, the Insured shall have the right to effectively associate with the Insurer in the defense of such Claim, including, but not limited to, negotiating a settlement, subject to the provisions of this Clause 8. However, the Insurer shall not be obligated to defend such Claim after the Limit of Liability has been exhausted, or after an Insured's rejection of a Settlement Opportunity as defined in this Clause 8.

When the Insurer has not assumed the defense of a Claim pursuant to Clause 8, the Insurer shall advance nevertheless, at the written request of the Insured, Defense Costs prior to the final disposition of a Claim. Such advanced payments by the Insurer shall be repaid to the Insurer by the Insureds or the Company, severally according to their respective interests, in the event and to the extent that the Insureds or the Company shall not be entitled under the terms and conditions of this policy to payment of such Loss.

The Insureds shall not admit or assume any liability, enter into any settlement agreement, stipulate to any judgment, or incur any Defense Costs without the prior written consent of the Insurer. Only those settlements, stipulated judgments and Defense Costs which have been consented to by the Insurer shall be recoverable as Loss under the terms of this policy. The Insurer's consent shall not be unreasonably withheld, provided that the Insurer, when it has not assumed the defense of a Claim pursuant to this Clause 8, shall be entitled to effectively associate in the defense and the negotiation of any settlement of any Claim, and provided further that in all events the Insurer may withhold consent to any settlement, stipulated judgment or Defense Costs, or any portion thereof, to the extent such Loss is not covered under the terms of this policy.

The Insurer shall have the right to effectively associate with the Company in the defense of any Claim that appears reasonably likely to involve the Insurer, including but not limited to negotiating a settlement. The Company and the Insureds shall give the Insurer full cooperation and such information as it may reasonably require.

If the Insurer recommends a settlement within the policy's applicable Limit of Liability which is acceptable to the claimant (a "Settlement Opportunity"), and the Insureds consent to such settlement, then the Insured's applicable retention amount shall be retroactively reduced by ten percent (10%) for such Loss. It shall be a condition to such reduction that the Insureds must consent to the first such Settlement Opportunity within thirty (30) days of the date the Insureds are first made aware of the Settlement Opportunity, or in the case of a Settlement Opportunity which arises from a settlement offer by the claimant, then within the time permitted by the claimant to accept such settlement offer, but in all events no later than thirty (30) days after the settlement offer was made.

However, if a Settlement Opportunity arises and the Insureds do not consent to the settlement within the time frame prescribed above, the retention amount shall remain the applicable amount set forth in Item 5 of the Declarations even if consent is given to a subsequent settlement.

Furthermore, in the event the Insureds do not consent to the first Settlement Opportunity within the time frame prescribed above, then the Insurer's liability for all Loss on account of such Claim shall not exceed: (1) the amount for which the Insurer could have settled such Claim plus Defense Costs incurred as of the date such settlement was proposed in writing by the Insurer, ("Settlement Amount"), plus (2) 50% of covered Loss in excess of such Settlement Amount, it being a condition of this insurance that the remaining 50% of such Loss excess of the Settlement Amount shall be carried by the Company and the Insureds at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply unless the Settlement Amount exceeds the Retention amount stated in Item 5 of the Declarations.

9. PRE-AUTHORIZED DEFENSE ATTORNEYS FOR DESIGNATED EMPLOYMENT PRACTICES CLAIMS

This clause applies only to a Claim: (a) alleging discrimination; (b) alleging Retaliation; or (c) brought in the form of a class action, (each of the foregoing hereinafter referred to as a "Designated Employment Practices Claim").

Affixed as Appendix A hereto and made a part of this policy is a list of Panel Counsel law firms ("Panel Counsel Firms") from which a selection of legal counsel shall be made to conduct the defense of any Designated Employment Practices Claim against an Insured pursuant to the terms set forth below.

In the event the Insurer has assumed the defense pursuant to Clause 8 of this policy, then the Insurer shall select a Panel Counsel Firm to defend the Insureds. Upon the written request of the Named Entity, the Insurer may consent to a law firm selected by the Named Entity, whether or not a Panel Counsel Firm, to defend the Insureds, which consent shall not be unreasonably withheld. If, however, at any time thereafter a dispute arises between the Insurer and the Insureds involving the defense of the Claim, the Insurer and the Insured shall select a replacement defense counsel from the Panel Counsel list. In the event the Insureds are defending a Designated Employment Practices Claim, then the Insureds shall select a Panel Counsel Firm to defend the Insureds.

The selection of the Panel Counsel Firm, whether done by the Insurer or the Insureds, shall be from the jurisdiction in which the Designated Employment Practices Claim is brought. In the event a Designated Employment Practices Claim is brought in a jurisdiction not included on the list, the selection shall be made from a listed jurisdiction which is the nearest geographic jurisdiction to either where the Designated Employment Practices Claim is maintained or where the corporate headquarters or state of formation of the Named Entity is located. In such instance, however, the Insurer shall, at the written request of the Named Entity, assign a non-Panel Counsel Firm of the Insurer's choice in the jurisdiction in which the Designated Employment Practices Claim is brought to function as "local counsel" on the Designated Employment Practices Claim to assist the Panel Counsel Firm which will function as "lead counsel" in conducting the defense of the Designated Employment Practices Claim.

With the express prior written consent of the Insurer, an Insured may select (in the case of the Insured defending the Claim), or cause the Insurer to select (in the case of the Insurer defending the Claim), a Panel Counsel Firm different from that selected by other Insured defendants if such selection is required due to an actual conflict of interest or is otherwise reasonably justifiable.

The list of Panel Counsel Firms may be amended from time to time by the Insurer. However, no change shall be made to the specific list attached to this policy during the Policy Period without the consent of the Named Entity.

10. DISCOVERY CLAUSE

Except as indicated below, if the Named Entity shall cancel or the Named Entity or the Insurer shall refuse to renew this policy, the Named Entity shall have the right to a period of either one, two or three years following the effective date of such cancellation or nonrenewal upon payment of the respective "Additional Premium Amount" described below (herein referred to as the "Discovery Period") in which to give to the Insurer written notice of Claims first made against the Insureds during such applicable Discovery Period for any Employment Practices Violation occurring prior to the end of the Policy Period and otherwise covered by this policy. The rights contained in this paragraph shall terminate, however, unless written notice of such election together with the additional premium due is received by the insurer

within 30 days of the effective date of cancellation or nonrenewal. The Additional Premium for the Discovery Period shall be fully earned at the inception of the Discovery Period. The Discovery Period is not cancelable. This clause and the rights contained herein shall not apply to any cancellation resulting from non-payment of premium.

The Additional Premium Amount for: (1) one year shall be 75% of the "full annual premium"; (2) two years shall be 150% of the "full annual premium"; (3) three years shall be a reasonable premium amount to be mutually agreed upon by the Insured and the Insurer. As used herein, "full annual premium" means the premium level in effect immediately prior to the end to the Policy Period.

In the event of a Transaction, as defined in Clause 12, the Named Entity shall have the right, within 30 days before the end of the Policy Period, to request an offer from the Insurer of a Discovery Period (with respect to Employment Practices Violations occurring prior to the effective time of the Transaction) for a period of no less than three years or for such longer or shorter period as the Named Entity may request. The Insurer shall offer such Discovery Period pursuant to such terms, conditions and premium as the Insurer may reasonably decide. In the event of a Transaction, the right to a Discovery Period shall not otherwise exist except as indicated in this paragraph.

11. CANCELLATION CLAUSE

This policy may be canceled by the Named Entity at any time only by mailing written prior notice to the Insurer or by surrender of this policy to the Insurer or its authorized agent.

This policy may be canceled by or on the behalf of the Insurer only in the event of nonpayment of premium by the Named Entity. In the event of non-payment of premium by the Named Entity, the Insurer may cancel this policy by delivering to the Named Entity or by mailing to the Named Entity, by registered, certified, or other first class mail, at the Named entity's address as shown in Item 1 of the Declarations, written notice stating when, not less than 30 days thereafter, the cancellation shall be effective. The mailing of such notice as aforesaid shall be sufficient proof of notice. The Policy Period terminates at the date and hour specified in such notice, or at the date and time of surrender. The Insurer shall have the right to the premium amount for the portion of the Policy Period during which the policy was in effect.

If this policy shall be canceled by the Named Entity, the Insurer shall retain the customary short rate proportion of the premium herein.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

12. CHANGE IN CONTROL OF NAMED ENTITY

If during the Policy Period:

- a. the Named Entity shall consolidate with or merge into, or sell all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert;
- b. any person or entity or group of persons or entities acting in concert shall acquire an amount of the outstanding securities representing more than 50% of the voting power for the election of directors or General Partners of the Named Entity, or acquires the voting rights of such an amount of such securities; or

- c. a General Partner of the Named Entity (in the event the Named Entity is a partnership) withdraws, resigns or is terminated;

(any of the above events herein referred to as the "Transaction"),

then this policy shall continue in full force and effect as to Employment Practices Violations occurring prior to the effective time of the Transaction, but there shall be no coverage afforded by any provision of this policy for any actual or alleged Employment Practices Violation occurring after the effective time of the Transaction. This policy may not be canceled after the effective time of the Transaction and the entire premium for this policy shall be deemed earned as of such time. The Named Entity shall also have the right to an offer by the Insurer of a Discovery Period described in Clause 10 of the policy.

The Named Entity shall give the Insurer written notice of the Transaction as soon as practicable, but not later than 30 days after the effective date of the Transaction.

13. SUBROGATION

In the event of any payment under this policy, the Insurer shall be subrogated to the extent of such payment to all the Company's and the Insureds' rights of recovery thereof, and the Company and the Insureds shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Insurer to effectively bring suit in the name of the Company or the Insureds. In no event, however, shall the Insurer exercise its rights of subrogation against an Insured under this policy unless such insured has been convicted of a criminal act, or been determined to have committed a deliberate fraudulent act, or obtained any profit or advantage to which such Insured was not legally entitled.

14. OTHER INSURANCE AND INDEMNIFICATION

Unless expressly written to be excess over other applicable insurance, it is intended that the insurance provided by this policy shall be primary.

In the event of a Claim against an Individual Insured arising out of his or her service as a director, officer, trustee or governor of an Outside Entity or a Claim against a leased Employee as described in definition (g) of Clause 2, coverage as is afforded by this policy shall be specifically excess of indemnification provided by such Outside Entity or such leasing company and any insurance provided to such Outside Entity or such leasing company.

Further, in the event other insurance is provided: to an Outside Entity or a leasing company; or for a Claim brought by a customer, client or other individual or group of individuals, (other than an Employee or applicant for employment with the Company or an Outside Entity); or under any pension trust or employee benefit plan fiduciary liability insurance policy, and such other insurance is provided by the Insurer or Chartis Inc. (Chartis) (or would be provided but for the application of the retention amount, exhaustion of the limit of liability or failure to submit a notice of a Claim) then the Insurer's maximum aggregate Limit of Liability for all Losses combined in connection with a Claim covered, in part or in whole, by this policy and such other insurance policy issued by Chartis shall not exceed the greater of the Limit of Liability of this policy or the limit of liability of such other Chartis insurance policy.

15. NOTICE AND AUTHORITY

It is agreed that the Named Entity shall act on behalf of the Subsidiaries and all Insureds with respect to the giving of notice of a Claim, the giving and receiving of notice of cancellation, the payment of premiums and the receiving of any return premiums that may become due under this policy, the receipt and acceptance of any endorsement issued to form a part of this policy, the exercising or declining of the right to tender the defense of a Claim to the Insurer and the exercising or declining of any right to a Discovery Period.

16. ASSIGNMENT

This policy and any and all rights hereunder are not assignable without the written consent of the Insurer.

17. DISPUTE RESOLUTION PROCESS

All disputes or differences which may arise under or in connection with this policy, whether arising before or after termination of this policy, including any determination of the amount of Loss, shall be subject to the alternative dispute resolution process ("ADR") set forth in this clause.

Either the Insurer or the Insureds may elect the type of ADR discussed below; provided, however, that the Insureds shall have the right to reject the Insurer's choice of ADR at any time prior to its commencement, in which case the Insureds' choice of ADR shall control.

The Insurer and Insureds agree that there shall be two choices of ADR: (1) non-binding mediation administered by the American Arbitration Association, in which the Insurer and Insureds shall try in good faith to settle the dispute by mediation under or in accordance with its then prevailing Commercial Mediation Rules; or (2) arbitration submitted to the American Arbitration Association under or in accordance with its then-prevailing commercial arbitration rules, in which the arbitration panel shall be composed of three disinterested individuals. In either mediation or arbitration, the mediator(s) or arbitrators shall have knowledge of the legal, corporate management, or insurance issues relevant to the matters in dispute. The mediator(s) or arbitrators shall also give due consideration to the general principles of the law of the state where the Named Entity is incorporated or formed in the construction or interpretation of the provisions of this policy; provided, however, that the terms, conditions, provisions and exclusions of this policy are to be construed in an even-handed fashion in the manner most consistent with the relevant terms conditions, provisions or exclusions of the policy. In the event of arbitration, the decision of the arbitrators' shall be final and binding and provided to both parties, and the arbitrators' award shall not include attorneys fees or other costs. In the event of mediation, either party shall have the right to commence a judicial proceeding; provided, however that no such judicial proceeding shall be commenced until the mediation shall have been terminated and at least 120 days shall have elapsed from the date of the termination of the mediation. In all events, each party shall share equally the expenses of the ADR.

Either choice of ADR may be commenced in New York, New York; Atlanta, Georgia; Chicago, Illinois; Denver, Colorado; or in the state indicated in Item 1 of the Declarations page as the mailing address for the Named Entity. The Named Entity shall act on behalf on all Insureds in deciding to proceed with ADR under this clause.

18. ACTION AGAINST INSURER

Except as provided in Clause 17 of the policy, no action shall lie against the insurer unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this policy, nor until the amount of the Insureds' obligation to pay shall have been finally determined either by judgment against the Insureds after actual trial or by written agreement of the Insureds, the claimant and the Insurer.

Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the Insurer as a party to any action against the Insureds or the Company to determine the Insureds' liability, nor shall the Insurer be impleaded by the Insureds or the Company or their legal representatives. Bankruptcy or insolvency of the Company or the Insureds or of their estates shall not relieve the Insurer of any of its obligations hereunder.

19. HEADINGS

The description in the headings of this policy are solely for convenience, and form no part of the terms and condition of coverage .

APPENDIX A
EMPLOYMENT PRACTICES CLAIM PANEL COUNSEL

In consideration of the premium charged, it is understood and agreed as follows: The information in our Panel Counsel lists/appendices is accessible through our online Panel Counsel Directory at <http://www.chartisinsurance.com/panelcounseldirectory>. To access the applicable online Panel Counsel Directory, please go to the website, click on the "Public and Private Companies (Employment Practices Liability)" link and then select the applicable Panel Counsel Directory, either the "4-97 Monoline/Public Companies" link or the "Private Edge" link.

References in this policy to list of Panel Counsel law firms or related appendices are deemed amended to refer to the applicable Panel Counsel Directories at the website referenced above.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.

ENDORSEMENT# 1

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

**MISSOURI AMENDATORY ENDORSEMENT
GUARANTY ASSOCIATION NOTICE**

Missouri Property and Casualty Insurance Guaranty Association Coverage Limitations:

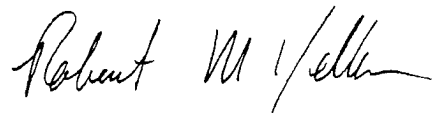
- A. Subject to the provisions of the Missouri Property and Casualty Insurance Guaranty Association Act (to be referred to as the Act), if we are a member of the Missouri Property and Casualty Insurance Guaranty Association (to be referred to as the Association), the Association will pay claims covered under the Act if we become insolvent.
- B. The Act contains various exclusions, conditions, and limitations that govern a claimant's eligibility to collect payment from the Association and affect the amount of any payment. The following limitations apply subject to all other provisions of the Act:
1. Claims covered by the Association do not include a claim by or against an insured of an insolvent insurer, if the insured has a net worth of more than \$25 million on the later of the end of the insured's most recent fiscal year or the December thirty-first of the year next preceding the date the insurer becomes insolvent; provided that an insured's net worth on such date shall be deemed to include the aggregate net worth of the insured and all of its affiliates as calculated on a consolidated basis.
 2. Payments made by the Association for covered claims will include only that amount of each claim which is less than \$300,000.

However, the Association will not:

- (1) Pay an amount in excess of the applicable limit of insurance of the policy from which a claim arises; or
- (2) Return to an insured any unearned premium in excess of \$25,000.

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

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© All rights reserved.

END 001

ENDORSEMENT# 2

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

MISSOURI AMENDATORY ENDORSEMENT

Wherever used in this endorsement: 1) "we", "us", "our", and "Insurer" mean the insurance company which issued this policy; and 2) "you", "your", "named Insured", "First Named Insured", and "Insured" mean the Named Corporation, Named Organization, Named Sponsor, Named Insured, or Insured stated in the declarations page; and 3) "Other Insured(s)" means all other persons or entities afforded coverage under the policy.

CANCELLATION/NONRENEWAL

It is hereby agreed and understood that the cancellation provision of this policy is amended to read as follows:

A. CANCELLATION

1. The First Named Insured may cancel this policy by mailing or delivering to the Insurer advance written notice of cancellation.
2. The Insurer may cancel this policy for any of the following reason(s):
 - (a) Nonpayment of premium;
 - (b) Fraud or material misrepresentation affecting the policy or in the presentation of a claim thereunder or a violation of any of the terms or conditions of a policy;
 - (c) Changes in conditions after the effective date of the policy which have materially increased the hazards originally insured;
 - (d) Insolvency of the Insurer; or
 - (e) The Insurer involuntarily loses reinsurance for the policy.
3. The Insurer will mail or deliver to the First Named Insured, written notice of cancellation at least ten (10) days before the effective date of cancellation due to nonpayment of premium and at least sixty (60) days before the effective date of cancellation for any other reason. The notice will contain the reason for the cancellation.

© Chartis Inc. All rights reserved.

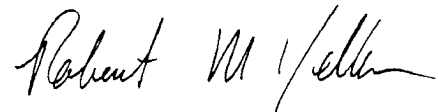
END 002

ENDORSEMENT# 2 (continued)

B. NONRENEWAL

1. The Insurer will mail or deliver to the First Named Insured written notice of nonrenewal at least sixty (60) days before the effective date of the nonrenewal.
2. The notice will contain the reason for the nonrenewal.

All other terms, conditions and exclusions remain the same.



AUTHORIZED REPRESENTATIVE

© Chartis Inc. All rights reserved.

END 002

ENDORSEMENT# 3

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

**NOTICE OF CLAIM
(REPORTING BY E-MAIL)**

In consideration of the premium charged, it is hereby understood and agreed as follows:

1. *Email Reporting of Claims:* In addition to the postal address set forth for any Notice of Claim Reporting under this policy, such notice may also be given in writing pursuant to the policy's other terms and conditions to the Insurer by email at the following email address:

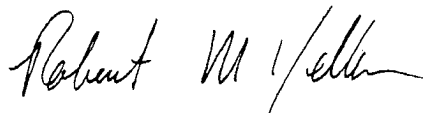
c-claim@chartisinsurance.com

Your email must reference the policy number for this policy. The date of the Insurer's receipt of the emailed notice shall constitute the date of notice.

In addition to Notice of Claim Reporting via email, notice may also be given to the Insurer by mailing such notice to: Chartis, Financial Lines Claims, P.O. Box 25947, Shawnee Mission, KS 66225 or faxing such notice to (866) 227-1750.

2. *Definitions:* For this endorsement only, the following definitions shall apply:
 - (a) "Insurer" means the "Insurer," "Underwriter" or "Company" or other name specifically ascribed in this policy as the insurance company or underwriter for this policy.
 - (b) "Notice of Claim Reporting" means "notice of claim/circumstance," "notice of loss" or other reference in the policy designated for reporting of claims, loss or occurrences or situations that may give rise or result in loss under this policy.
 - (c) "Policy" means the policy, bond or other insurance product to which this endorsement is attached.
3. This endorsement does not apply to any Kidnap & Ransom/Extortion Coverage Section, if any, provided by this policy.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© All rights reserved.

END 003

ENDORSEMENT# 4

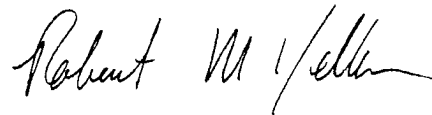
This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COVERAGE TERRITORY ENDORSEMENT

Payment of loss under this policy shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").



AUTHORIZED REPRESENTATIVE

© All rights reserved.

END 004

ENDORSEMENT# 5

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

EXCLUSION (j) AMENDED ENDORSEMENT

In consideration of the premium charged, it is hereby understood and agreed that notwithstanding any other provision of this policy (including any endorsement attached hereto whether such endorsement precedes or follows this endorsement in time or sequence), Clause 4. EXCLUSIONS, is hereby amended by deleting Exclusion (j) in its entirety and replacing it with the following:

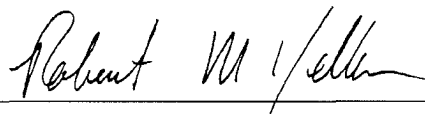
- (j) for violation(s) of any of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act (except the Equal Pay Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar federal, state, local or foreign statutory law or common law.

It is acknowledged that Claims for violation(s) of any of the responsibilities, obligations or duties imposed by "similar federal, state, local or foreign statutory law or common law," as such quoted language is used in the immediately-preceding paragraph, include, without limitation, any and all Claims which in whole or in part allege, arise out of, are based upon, are attributable to, or are in any way related to any of the circumstances described in any of the following:

- (1) the refusal, failure or inability of any Insured(s) to pay wages or overtime pay (or amounts representing such wages or overtime pay) for services rendered or time spent in connection with work related activities (as opposed to tort-based back pay or front pay damages for torts other than conversion);
- (2) improper deductions from pay taken by any Insured(s) from any Employee(s) or purported Employee(s); or
- (3) failure to provide or enforce legally required meal or rest break periods;

Notwithstanding the foregoing, this exclusion (j) shall not apply to the extent that a Claim is for Retaliation.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© All rights reserved.

END 005

ENDORSEMENT# 6

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

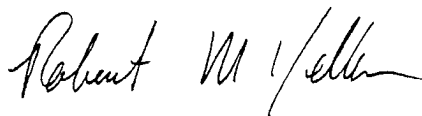
by *National Union Fire Insurance Company of Pittsburgh, Pa.*

STATE AMENDATORY INCONSISTENT

In consideration of the premium charged, it is hereby understood and agreed as follows:

1. In the event that there is an inconsistency between any: (a) state amendatory attached to this policy, or any other wording attached to this policy to comply with applicable law; and (b) any other term, condition or limitation of this policy; then, to the extent permitted by law, subject to the limitations below, the Insurer will resolve the inconsistency by applying the terms, conditions or limitations that are more favorable to the policyholder.
2. This endorsement shall not apply to the extent that: (a) any state amendatory or other wording expressly limits coverage in order to comply with applicable law, or (b) any such amendatory or other compliance wording amends language applicable to premium. In such events, the state amendatory or other compliance wording will govern over any other term, condition or limitation of the policy.
3. "Policyholder" means the first Named Entity, Named Organization, Named Corporation, Named Sponsor, Named Insured or other policyholder designated in Item 1 of the Declarations of this policy.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© All rights reserved.

END 006

ENDORSEMENT# 7

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

CRISIS FUND FOR EMPLOYMENT RELATED EVENTS
(Employment Crisis Management Insurance)

In consideration of the premium charged, it is hereby understood and agreed that the policy is amended to provide Employment Crisis Management Coverage as follows:

1. The Declarations are amended by adding the following Item CF- 1 to its end:

ITEM CF- 1. Employment Crisis Management Fund *\$250,000*

2. Item 6, CONTINUITY DATES, of the Declarations is amended as follows:

Item 6A does not apply to Employment Crisis Management Coverage.

Item 6EC, the "Employment Crisis Continuity Date," is: *March 19, 2009*

3. The following new "INSURING AGREEMENT" is added to the policy:

EMPLOYMENT CRISIS MANAGEMENT INSURANCE COVERAGE

This policy shall pay the Employment Crisis Management Loss of the Company arising from an Employment Crisis first commencing during the Policy Period, up to the amount of the Employment Crisis Management Fund.

4. The Clause entitled "EXCLUSIONS" is not applicable to Employment Crisis Management Loss.

5. The Clause entitled "LIMIT OF LIABILITY" is amended by the addition of the following:

The limit of the Insurer's liability for Employment Crisis Management Loss arising from all Employment Crises occurring during the Policy Period, in the aggregate, shall be the amount set forth herein as the Employment Crisis Management Fund. This limit shall be the maximum limit of the Insurer's liability under this endorsement regardless of the number of Employment Crises occurring during the Policy Period. Provided, however, that this single Employment Crisis limit shall be part of and not in addition to the Limit of Liability stated in Item 4 of the Declarations, which shall in all events be the maximum liability of the Insurer for all Loss under this policy.

6. No Retention amount applies to covered Employment Crisis Management Loss, and the Insurer shall pay such Loss from first dollar, subject to applicable terms, conditions and limitations.

7. An actual or anticipated Employment Crisis must be reported to the Insurer as soon as practicable, but in no event later than thirty (30) days after any Company first incurs Employment Crisis Management Loss for which coverage will be requested.

8. The Clause entitled, "DEFENSE COSTS, SETTLEMENTS, JUDGMENTS (INCLUDING THE ADVANCEMENT OF DEFENSE COSTS)" does not apply to an Employment Crisis. The Company need not obtain prior written approval of the Insurer before incurring any Employment Crisis Management Loss; provided, however, that the Employment

© All rights reserved.

END 007

ENDORSEMENT# 7 (continued)

Crisis Management Firm selected by the Company to perform the Employment Crisis Management Services was approved by the Insurer.

9. For the Employment Crisis Management Coverage only, the following Definitions apply:

- (a) "Allegation" means any complaint, whether written or verbal, communicated to the Company's human resources department by:
 - (i) an individual who believes that he or she was a victim of the alleged Employment Practices Violation; or
 - (ii) such individual's direct or indirect supervisor, if: such supervisor is an Employee and that supervisor's conduct is not the subject matter of the alleged Employment Practices Violation.
- (b) "Discovery" means either:
 - (i) an observation by any Senior Executive or any human resources manager; or
 - (ii) an internal investigation conducted by the Company, at the Company's own expense, which concludes that there is a reasonable basis to believe that an Employment Practices Violation has occurred.
- (c) "Employment Crisis" means: an Allegation, Discovery or Media Report of an Employment Practices Violation (specifically including, but not limited to, a hostile work environment), which, in the good faith opinion of the Company's General Counsel (or equivalent position), resulted or is reasonably likely to result, in any:
 - (i) civil action or compliance audit by the EEOC or any similar state agency or commission;
 - (ii) civil or criminal action alleging sexual harassment or conduct by an executive officer;
 - (iii) civil class action;
 - (iv) civil action involving multiple plaintiffs; or
 - (v) civil action by a person alleging Retaliatory conduct by an Insured in response to such person's actions or threatened actions as a "whistleblower".

Provided, however, that the term Employment Crisis shall not include any:

- (1) revising or rewriting of personnel policies or procedures;
- (2) sensitivity or awareness training;
- (3) accommodations made by the Company pursuant to the Americans With Disabilities Act;
- (4) claim which has been reported, or any circumstances of which notice has been given, under any policy of which this policy is a renewal or replacement or which it may succeed in time;
- (5) pending or prior litigation, or EEOC (other similar foreign, state or local) litigation or proceeding, as of the Employment Crisis Continuity Date.
- (6) actual, alleged or threatened discharge, dispersal, release or escape of

© All rights reserved.

END 007

ENDORSEMENT# 7 (continued)

pollutants, lead mold, spores or other hazardous materials; or any direction or request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants, lead mold, spores or other hazardous materials; or

- (7) hazardous properties of nuclear materials; provided, however, the foregoing shall not apply to any Employment Crisis arising from the ownership of, operation of, construction of, management of, planning of, maintenance of or investment in any nuclear facility.

An Employment Crisis shall first commence when the Company's General Counsel first has knowledge of the Allegation, Discovery or Media Report giving rise to the Employment Crisis, and shall conclude at the earliest of: (1) the time when the Employment Crisis Management Firm advises the Company that the Employment Crisis no longer exists; or (2) when the Employment Crisis Management Fund has been exhausted.

- (d) "Employment Crisis Management Firm" means any firm listed in the Insurer's online directory, at <http://www.chartisinsurance.com/panelcounseldirectory>, as a pre-approved Crisis Management Firm. To access the applicable online Crisis Management Firm Directory, please go to the website and click on the "CrisisFund®" link. In the event the Company chooses to retain the services of an entity not listed in the Insurer's online directory, the Company must obtain the written consent of the Insurer, which shall not be unreasonably withheld.
- (e) "Employment Crisis Management Fund" means the amount set forth as such in the Declarations as amended by this endorsement.
- (f) "Employment Crisis Management Loss" means any of the following amounts incurred during the pendency of the Employment Crisis, regardless of whether a Claim is ever made against an Insured arising from the Employment Crisis, and in the case where a Claim is made, regardless of whether the amount is incurred prior to or subsequent to the making of the Claim:
- (1) amounts for which the Company is legally liable for the reasonable and necessary fees and expenses incurred by an Employment Crisis Management Firm in the performance of Employment Crisis Management Services for the Company arising from an Employment Crisis; and
 - (2) amounts for which the Company is legally liable for the reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, employees or agents of the Company or the Employment Crisis Management Firm, solely in connection with the Employment Crisis.
- (g) "Employment Crisis Management Services" means those services performed by an Employment Crisis Management Firm in advising the Company on minimizing potential harm to the Company arising from the Employment Crisis; including, but not limited to, maintaining and restoring public and employee confidence in the Company.
- (h) "Media Report" means any of the following publications or reports received in the geographic area of the Company: (i) a daily newspaper of general circulation; (ii) a weekly, monthly or quarterly newsletter or magazine of

© All rights reserved.

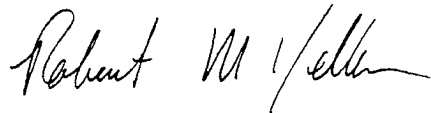
END 007

ENDORSEMENT# 7 (continued)

general circulation; (iii) a newsletter or trade publication applicable to the Company's industry; or (iv) a radio or television newscast.

- (i) "Senior Executive" means a director or duly appointed or elected corporate officer of the Company.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© All rights reserved.

END 007

ENDORSEMENT# 8

This endorsement, effective *12:01 AM* *October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

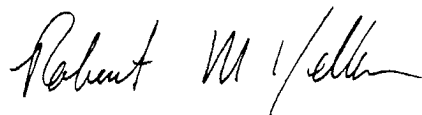
by *National Union Fire Insurance Company of Pittsburgh, Pa.*

**CANCELLATION PROVISION AMENDATORY
PRO RATA PREMIUM**

In consideration of the premium charged, it is hereby understood and agreed that **CLAUSE 11** of the policy entitled **CANCELLATION CLAUSE** (and any endorsement amending such cancellation clause, including but not limited to any state cancellation/non-renewal amendatory attached to this policy) is hereby amended by deleting the third paragraph therein and replacing it with the following:

If this policy shall be canceled by the Named Entity, the Insurer shall retain the right to the premium amount for the portion of the Policy Period during which the policy was in effect.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© All rights reserved.

END 008

ENDORSEMENT# 9

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

**PATRIOT COAL AON AMENDATORY - NATIONAL ACCOUNTS
EMPLOYMENT PRACTICES ENDORSEMENT**

In consideration of the premium charged, it is hereby understood and agreed that policy 67547(4/97) is amended as follows:

1. The Item on the Declarations page entitled RETENTION is hereby deleted in its entirety and replaced with the following:

ITEM 5. RETENTION:

ALL CLAIMS

Judgments, Settlements and
Defense Costs

\$250,000

For Loss arising from all Claims
alleging the same Employment
Practices Violation or related
Employment Practices Violation

2. Clause 2 **DEFINITIONS** (g), (h), (j), (l), (n), (q) and (r) are hereby amended as follows:

Definitions (g) "Employee" is hereby deleted in its entirety and replaced by the following:

"Employee(s)" mean any past, present or future employee, whether such employee is in a supervisory, co-worker or subordinate position or otherwise, including any part-time, seasonal, volunteer, interns and temporary Employee in his or her capacity as such. An individual who is leased to the Company shall also be an Employee. Any other individual who is contracted to perform work for the Company, or who is an independent contractor for the Company shall also be an Employee.

Definition (h) "Employment Practices Violation(s)" subparagraph (8) is hereby deleted in its entirety and replaced by the following:

- (8) wrongful deprivation of career opportunity, wrongful demotion or negligent Employee evaluation, including the giving of negative or defamatory statements in connection with an Employee reference,

Definition (h) "Employment Practices Violation(s)" is further amended by adding the following subparagraph to the end thereof:

- (13) negligent Employee hiring, supervision or retention resulting from subparagraphs (1) through (8) above, subject to all terms conditions and exclusions of the policy;

ENDORSEMENT# 9 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

Definition (j) "Individual Insured(s)" subparagraph (2) is hereby deleted in its entirety and replaced by the following:

- (2) any past, present or future duly elected or appointed directors, officers, Employees, management committee members or members of the Board of Managers of the Company serving in the capacity of director, officer, trustee or governor of an Outside Entity, but only if such service is at the request or direction or with the knowledge and consent of the Company;

In the event of a disagreement between the Company and an Individual Insured as defined in this subparagraph (2) as to whether such Individual Insured was acting "at the request or direction or with the knowledge and consent of the Company," this policy shall abide by the determination of the Company on this issue and such determination shall be made by written notice to the Insurer within ninety (90) days after the Claim against such Individual Insured is made. In the event no notice of any such determination is given to the Insurer within such period, this policy shall apply as if the Company determined that such Individual Insured was not acting at the Company's request or direction or with the knowledge and consent of the Company.

Definition (j) "Individual Insured(s)" subparagraph (4) is hereby deleted in its entirety and replaced by the following:

- (4) any Insured Employee of the Company.

The following definition of "Insured Employee" is hereby added to the policy:

"Insured Employee" means any past, present or future employee, whether such employee is in a supervisory, co-worker or subordinate position or otherwise, including any part-time, seasonal, volunteer, intern and temporary Employee in his or her capacity as such. An individual who is leased to the Company shall also be an Insured Employee, but only if the Company provides indemnification to such leased individual in the same manner as is provided to the Company's Employees. Any other individual who is contracted to perform work for the Company, or who is an independent contractor for the Company shall also be an Insured Employee, but only if the Company provides indemnification to such individual in the same manner as that provided to the Company's employees.

Definition (n) "No Liability" is deleted in its entirety.

ENDORSEMENT# 9 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

Definition (q) "Retaliation" is deleted in its entirety and replaced by the following:

- (q) "Retaliation" means a wrongful act of an Insured relating to or alleged to be in response to any of the following activities: (1) the disclosure or threat of disclosure by an Individual Insured to a superior or to any governmental agency of any act by an Insured which act is alleged to be a violation of any federal, state, local or foreign law, common or statutory, or any rule or regulation promulgated thereunder; (2) the actual or attempted exercise by an Individual Insured of any right that such Individual Insured has under law, including rights under worker's compensation laws, the Family and Medical Leave Act, the Americans with Disabilities Act, the Uniformed Services Employment and Reemployment Rights Act or any other law relating to employee rights; (3) the filing of any claim under the Federal False Claims Act or any other federal, state, local or foreign "whistle-blower" law; or (4) strikes of an Individual Insured.

Definition (r) "Subsidiary" subparagraph (2) is deleted in its entirety and replaced with the following:

- (2) automatically any for-profit organization which becomes a Subsidiary during the Policy Period but only if:
- (i) its assets total less than 10% of the total consolidated assets of the Company as of the inception date of this policy; or
 - (ii) its Employees total less than seven hundred and fifty (750); or
 - (iii) such for-profit organization becomes a Subsidiary during the last thirty (30) days of the Policy Period; or

3. Clause 3 is amended as follows:

- (1) Coverage extended by Clause 3., "EXTENSIONS" to the lawful spouse of an Individual Insured under this policy extends as well to any Domestic Partner of an Individual Insured, whether or not such person would be deemed a "spouse" under the applicable law.
- (2) "Domestic Partner" means any individual person qualifying as a domestic or civil union partner under: (1) the provisions of any applicable federal, state, or local law; or (2) the provisions of any formal program established by the Named Entity or any Subsidiary.

ENDORSEMENT# 9 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

3. Clause 4 **EXCLUSIONS** is hereby amended as follows:

Exclusion (a) is hereby deleted in its entirety.

Exclusion (b) is hereby deleted in its entirety and replaced by the following:

- (b) arising out of, based upon or attributable to the committing of any deliberate criminal or deliberate fraudulent act if a final, non-appealable adjudication in an action or proceeding other than an action or proceeding initiated by the Insurer to determine coverage under the policy establishes such deliberate criminal or deliberate fraudulent act was committed;

Exclusion (i) is hereby deleted in its entirety.

Exclusions (k), (l) and (m) are hereby deleted in their entirety and replaced by the following:

- (k) for any obligation pursuant to any worker's compensation, disability benefits, unemployment compensation, unemployment insurance, retirement benefits, social security benefits or similar law; provided, however, this exclusion shall not apply to a Claim for Retaliation;
- (l) alleging, arising out of, based upon or attributable to any actual or alleged contractual liability of an Insured under any express employment contract or agreement; provided, however, that this exclusion shall not apply to:
 - (i) the portion of a Claim for Loss constituting Defense Costs; provided that such Claim for Loss alleges an Employment Practices Violation as defined in subparagraphs (2) or (3) of the Definition of Employment Practices Violation(s);
 - (ii) Loss arising out of mental anguish or emotional distress; or
 - (iii) Loss to the extent any liability does not arise under such written or express employment contract or agreement.
- (m) alleging, arising out of, based upon or attributable to any Claim brought by a securities holder of the Company, an Outside Entity or an Affiliate in their capacity as such, whether directly, by class action or derivatively on behalf of the Company, an Outside Entity or an Affiliate.

ENDORSEMENT# 9 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

5. Clause 6 RETENTION is deleted in its entirety and replaced with the following:

The Insurer shall only be liable for the amount of Loss arising from a Claim which is in excess of the Retention amount stated in Item 5 of the Declarations, such Retention amount to be borne by the Company or the Insureds and shall remain uninsured, with regard to all Loss. A single Retention amount shall apply to Loss arising from all Claims alleging the same Employment Practices Violation or related Employment Practices Violation.

It is further understood and agreed that in the event a Company refuses to pay an applicable Retention due to Financial Insolvency, then the Insurer shall commence advancing Loss within the Retention, subject to the other terms, conditions and exclusions of this policy, provided that the Insurer shall be entitled to recover the amount of Loss advanced within the Retention from the Company pursuant to Clause 13. **SUBROGATION AND RIGHT OF DIRECT RECOVERY AGAINST INSUREDS**, as amended herein.

"Financial Insolvency" means the: (i) appointment by any state or federal official, agency or court of a receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate a Company; or (ii) the Company becoming a debtor-in-possession pursuant to the United States bankruptcy law, and as to both (i) or (ii), the equivalent status outside the United States of America.

6. The first paragraph of Clause 7 and Clause 7(a) is hereby deleted in its entirety and replaced by the following:

Notice hereunder shall be given in writing to the Insurer named in Item 8 of the Declarations at the address indicated in Item 8 of the Declarations. If mailed, the date of mailing shall constitute the date that such notice was given and proof of mailing shall be sufficient proof of notice. A Claim shall be considered to have been first made against an Insured when written notice of such Claim is received by the Risk Manager or General Counsel of the Named Entity, whichever comes first.

- (a)(1) The Company or the Insureds shall, as a condition precedent to the obligations of the Insurer under this policy, give written notice to the Insurer of a Claim, as soon as practical, after written notice of such Claim is received by the Risk Manager or General Counsel of the Named Entity and the earliest occurrence of the following:

ENDORSEMENT# 9 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

- (i) The Claim is or is sought to be certified as a class action; or
 - (ii) The Claim alleges sexual harassment or discrimination by or against a Senior Executive of the Company; or
 - (iii) Total Loss (including Defense Costs) of the Claim is reasonably estimated by the Risk Manager or General Counsel of the Named Entity to exceed 50% of the applicable retention; or
 - (iv) Any civil litigation brought by the Equal Employment Opportunity Commission.
- (2) It is further understood and agreed that, at the Insured's option, the Named Entity may provide to the Insurer, an annual bordereau of Claims, other than Claims described in Clause (a)(1)(i), (a)(1)(ii), (a)(1)(iii), and (a)(1)(iv) above, first made against the Insureds during the Policy Period. Such Claims shall be subject to all of the terms and conditions of this policy, including but not limited to this Clause 7.

The bordereau shall include:

- 1. The date of the Claim;
- 2. The name of the parties and the district of the Claim;
- 3. The name of the counsel selected to defend the Claim;
- 4. A brief description of the allegations contained in the Claim; and
- 5. The current status.

With respect to Claims described in Clause 7(a)(1) above, notice of all Claims must be reported to the Insurer no later than:

- (A) anytime during the Policy Period or during the Discovery Period (if applicable); or
- (B) within 90 days after the end of the Policy Period or the Discovery Period (if applicable), as long as such Claim is reported no later than 90 days after the date such Claim was first made against an Insured.

With respect to Claims described in Clause 7(a)(2) above, notice of all Claims must be reported to the Insurer no later than:

- a. anytime during the Policy Period or during the Discovery Period (if applicable); or
- b. within 90 days after the end of the Policy Period or the Discovery Period (if applicable), as long as such Claim was first made against an Insured during the Policy Period.

ENDORSEMENT# 9 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

For purposes of this section of this endorsement the term "Senior Executive" means any past, present, or future Chairman of the Board, President, Chief Executive Officer, Chief Financial Officer of the Company or General Counsel.

NON-WAIVER AND RESERVATION OF RIGHTS

It is further understood and agreed that in regard to the bordereau of Claims described in Clause 7(a)(2) above the following shall apply:

The Insurer's receipt of notice of any Claim in accordance with the terms and conditions of Clause 7(a)(2) above shall constitute notice of a Claim under this policy, provided that it is understood and agreed by the Insureds, the Insurer and all parties involved that, in regard to such Claims:

- (i) The Insurer and Insured are mutually deemed to have reserved any and all of their respective rights and defenses with respect to such Claims;
- (ii) The Insurer and/or its representatives shall defer the issuance of any determination of coverage as respects such Claims (including, but not limited to, a reservation of rights letter describing the scope of coverage), and any investigation into a Claim or evaluation of any defenses in connection with such Claims; and
- (iii) The deferral of an investigation into a Claim or an evaluation by the Insurer or its representatives of any defenses in connection with such Claim, shall not constitute a waiver or estoppel of, or otherwise affect any, rights, claims or defenses (except for the defense of improper notice as a result of the Insured providing notice pursuant to the notice procedures set forth in Clause 7(a)(2) above), the Insurer may have, or any right to information or investigation the Insurer may have, under this policy or any other policies issued by the Insurer or any of its affiliates, which are either replacements or renewals of this policy or for which this policy is a renewal or replacement.

The Insureds shall not introduce or refer to the Insurer's deferral of the issuance of any determination of coverage as respects any Claims contained on the Claims bordereau (including, but not limited to, a reservation of rights letter describing the scope of coverage) or the deferral of any investigation into a Claim or the evaluation of any defenses upon the receipt of a Claims bordereau provided pursuant to Clause 7(a)(2) above in any subsequent litigation, arbitration, mediation or other dispute resolution proceeding which may arise with the Insurer or its affiliates in connection with any such Claim reported or Loss submitted under this policy or any renewal of this policy.

ENDORSEMENT# 9 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

7. Clause 8 is hereby amended as follows:

(1) The fourth sentence of the second paragraph of Clause 8 which reads,

"Provided that the Insureds have complied with the foregoing, the Insurer shall be obligated to assume the defense of the Claim, even if such Claim is groundless, false or fraudulent."

is hereby deleted in its entirety and replaced by the following:

"Provided that the Insureds have complied with the foregoing, the Insurer shall assume the duty to defend such Claim, even if such Claim is groundless, false or fraudulent.

(2) The sixth and seventh paragraphs of Clause 8 are deleted in their entirety and replaced with the following paragraph:

For purposes of this Clause 8, "Settlement Opportunity" means an Insurer recommended settlement that is within the policy's applicable Limit of Liability and that is acceptable to the claimant, provided that the Insureds consent to such settlement within thirty (30) days of the date the Insureds are first made aware of the Settlement Opportunity, or in the case of a Settlement Opportunity which arises from a settlement offer by the claimant, then within the time permitted by the claimant to accept such settlement offer, but in all events no later than thirty (30) days after the settlement offer was made.

(3) The eighth paragraph of Clause 8 is deleted in its entirety and replaced with the following paragraph:

Furthermore, in the event the Insureds do not consent to a Settlement Opportunity within the time frame prescribed above, then the Insurer's liability for all Loss on account of such Claim shall not exceed: (1) the amount for which the Insurer could have settled such Claim plus Defense Costs incurred as of the date such settlement was proposed in writing by the Insurer, ("Settlement Opportunity Amount") plus (2) ninety percent (90%) of covered Loss in excess of such Settlement Opportunity Amount, it being a condition of this insurance that the remaining ten percent (10%) of such Loss excess of the Settlement Opportunity Amount shall be carried by the Company and the Insureds at their own risk and be uninsured. Notwithstanding the foregoing, this paragraph shall not apply until the Settlement Opportunity Amount exceeds the Retention amount stated in Item 5 of the Declarations.

ENDORSEMENT# 9 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

- (4) The following additional paragraphs shall be added to the end thereof:

Notwithstanding any of the foregoing paragraphs of this Clause 8 and solely in regard to covered Defense Costs incurred in connection with a Claim which is not a "Designated Employment Practices Claim" (as that term is defined in Clause 9) the Insured shall have the right to incur such Defense Costs, so long as Defense Costs do not exceed \$250,000, without the prior written consent of the Insurer (subject to all other terms, and conditions of the policy). Defense Costs which exceed such \$250,000 threshold incurred in connection with such Claim are subject to all of the terms and conditions of this policy, including but not limited to the definition of Defense Costs, the provisions of this Clause 8 and the obligation of the Company and/or the Insured under this policy to obtain the prior written consent of the Insurer to incur Defense Costs.

Further, solely with respect to covered Defense Costs incurred in connection with a Designated Employment Practices Claim, the Insured shall have the right to incur such Defense Costs, so long as such Defense Costs do not exceed \$250,000, without the prior written consent of the Insurer (subject to all other terms, and conditions of the policy). Defense Costs which exceed the \$250,000 threshold incurred in connection with such Claim are subject to all of the terms and conditions of this policy, including but not limited to the definition of Defense Costs, the provisions of this Clause 8 and the obligation of the Company and/or the Insured under this policy to obtain the prior written consent of the Insurer to incur Defense Costs.

Further, notwithstanding any of the foregoing paragraphs in this Clause 8, if all Insured defendants are able to dispose of all Claims which are subject to one retention amount for an amount not exceeding such retention amount (inclusive of Defense Costs), then the Insurer's consent shall not be required for such disposition.

8. Clause 12(c) is hereby deleted in its entirety.
9. Clause 13 is deleted in its entirety and replaced with the following:

13. SUBROGATION AND RIGHT OF DIRECT RECOVERY AGAINST INSUREDS

- (a) In the event of any payment under this policy, the Insurer shall be subrogated to the extent of such payment to all the Company's and the Insureds' rights of recovery thereof, and the Company and the

ENDORSEMENT# 9 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

Insureds shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Insurer to effectively bring suit in the name of the Company or the Insureds. In no event, however, shall the Insurer exercise its rights of subrogation against an Individual Insured under this policy unless Exclusion (b) of Clause 4. EXCLUSIONS applies with regard to such Individual Insured.

- (b) In the event that the Insurer shall for any reason pay Loss on behalf of an Individual Insured because of the Company's Financial Insolvency, the Insurer:
 - (i) shall be subrogated to the Individual Insured's right of recovery from the Company and the debtor-in-possession (or equivalent status outside the United States), of the amount of such Loss equal to the amount of the Retention not satisfied by the Company (hereinafter "Retention Loss"); and
 - (ii) shall have a direct contractual right under the policy to recover from the Company and the debtor-in-possession (or equivalent status outside the United States), the Retention Loss. Such direct contractual right of recovery against the Company and the debtor-in-possession shall be in addition to and independent of the Insurer's subrogation rights pursuant to subparagraph (i) above.

10. The following Clauses 20 and 21 are hereby added to the policy:

20. REPRESENTATIONS AND SEVERABILITY

In granting coverage under this policy, it is agreed that the Insurer has relied upon the statements, warranties and representations contained in the Application as being accurate and complete. All such statements, warranties and representations are the basis for this policy and are to be considered as incorporated into this policy. The Application shall be construed as a separate application for coverage by each Individual Insured. With respect to the Application, no knowledge possessed by any Individual Insured shall be imputed to any other Individual Insured.

The Insureds agree that in the event that the particulars and statements contained in the Application are not accurate and complete and materially affect either the acceptance of the risk or the hazard assumed by the Insurer under the policy, then the coverage provided by this policy shall be deemed void *ab initio* solely with respect to any of the following Insureds:

ENDORSEMENT# 9 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

- (1) any Individual Insureds who knew, as of the inception date of the Policy Period, the facts that were not accurately and completely disclosed in the Application,
- (2) the Company, if any past or present Chief Executive Officer, General Counsel, Risk Manager or Human Resource Director (or any equivalent position) of the Named Entity knew, as of the inception date of the Policy Period, the facts that were not accurately and completely disclosed in the Application,

whether or not such Individual Insured knew that such facts were not accurately and completely disclosed in the Application.

For purposes of this Clause 20, "Application" means as of the inception of the Policy Period:

- (a) each and every signed application, any attachments to such applications, other materials submitted therewith or incorporated therein and any other documents submitted in connection with the underwriting of this policy or the underwriting of any other employment practices (or equivalent) liability policy issued by the Insurer, or any of its affiliates, of which this policy is a renewal, replacement or which it succeeds in time (other than public documents filed by a Company with any federal, state, local or foreign regulatory agency); and
- (b) each and every public documents filed by a Company with any federal, state, local or foreign regulatory agency (including but not limited to the Securities and Exchange Commission), provided that such public filing was filed during the period of time:
 - (i) beginning at the start of the twelve (12) month period immediately preceding the first submission to the Insurer in connection with the underwriting of this policy; and
 - (ii) ending at the inception of the Policy Period.

21. WORLDWIDE TERRITORY

This policy shall apply anywhere in the world.



AUTHORIZED REPRESENTATIVE

ENDORSEMENT# 10

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

**DEFINITION OF SUBSIDIARY AMENDED
TO INCLUDE ADDITIONAL ENTITY(IES)**

In consideration of the premium charged it is hereby understood and agreed that the definition of Subsidiary is amended to include the following entity(ies):

ENTITIES

CONTINUITY DATE

<i>Magnum Coal Company</i>	<i>03/19/2006</i>
----------------------------	-------------------


For the purpose of the applicability of the coverage provided by this endorsement, the entities listed above and the Company will be conclusively deemed to have indemnified the Individual Insureds of each respective entity to the extent that such entity or the Company is permitted or required to indemnify such Individual Insureds pursuant to law or contract or the charter, bylaws, operating agreement or similar documents of a Company. The entity and the Company hereby agree to indemnify the Individual Insureds to the fullest extent permitted by law, including the making in good faith of any required application for court approval.

Furthermore, for the purpose of the applicability of the coverage provided by this endorsement, the Insurer shall not be liable for any Loss in connection with any Claim, made against any Subsidiary listed above or any Individual Insured thereof:

- (a) alleging, arising out of, based upon or attributable to, as of the Continuity Date, any pending or prior: (1) litigation; or (2) administrative or regulatory proceeding or investigation of which an Insured had notice, or alleging or derived from the same or essentially the same facts as alleged in such pending or prior litigation or administrative or regulatory proceeding or investigation; or
- (b) alleging any Employment Practices Violation occurring prior to the Continuity Date if an Insured, as of the Continuity Date, knew or could have reasonably foreseen that such Employment Practices Violation could lead to a Claim under this policy.

In all events, coverage as is afforded under this endorsement with respect to a Claim made against each respective entity listed above or any Insureds thereof shall only apply for Wrongful Acts committed or allegedly committed after the respective entity's Continuity Date and prior to the time that the Named Entity ceases to own more than a 50% ownership interest in such entity.

ALL OTHER TERMS, CONDITIONS AND EXCLUSION REMAIN UNCHANGED



AUTHORIZED REPRESENTATIVE

ENDORSEMENT# 11

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

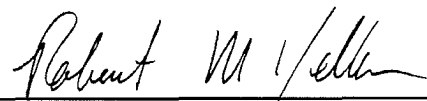
by *National Union Fire Insurance Company of Pittsburgh, Pa.*

EXCLUSION (c) AMENDATORY ENDORSEMENT

In consideration of the premium charged, it is hereby understood and agreed that in Clause 4. **EXCLUSIONS**, paragraph (c) is deleted in its entirety and replaced with the following:

- (c) alleging, arising out of, based upon or attributable to the facts alleged, or to the same or related Employment Practices Violations alleged or contained in any claim which has been reported prior to the inception of this policy, or in any circumstances of which notice has been given prior to the inception of this policy, under any policy providing coverage in whole or in part for Employment Practices Violations;

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© Chartis Inc. All rights reserved.

END 11

MNSCPT

ENDORSEMENT# 12

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

ADVANCEMENT OF LOSS AND RIGHT OF DIRECT RECOVERY ENDORSEMENT

In consideration of the premium charged, it is hereby understood and agreed that the policy is amended as follows:

1. Clause 6. **RETENTION CLAUSE** is amended to include the following paragraph at the end of such Clause:

It is further understood and agreed that in the event a Company refuses to pay an applicable Retention due to Financial Insolvency, then the Insurer shall commence advancing Loss within the Retention, subject to the other terms, conditions and exclusions of this policy, provided that the Insurer shall be entitled to recover the amount of Loss advanced within the Retention from the Company pursuant to Clause 13. **SUBROGATION AND RIGHT OF DIRECT RECOVERY AGAINST INSUREDS**, as amended herein.

"Financial Insolvency" means the: (i) appointment by any state or federal official, agency or court of a receiver, conservator, liquidator, trustee, rehabilitator or similar official to take control of, supervise, manage or liquidate a Company; or (ii) the Company becoming a debtor-in-possession pursuant to the United States bankruptcy law, and as to both (i) or (ii), the equivalent status outside the United States of America.

2. Clause 13. **SUBROGATION** shall be deleted in its entirety and replaced with the following:

13. SUBROGATION AND RIGHT OF DIRECT RECOVERY AGAINST INSUREDS

- (a) In the event of any payment under this policy, the Insurer shall be subrogated to the extent of such payment to all the Company's and the Insureds' rights of recovery thereof, and the Company and the Insureds shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Insurer to effectively bring suit in the name of the Company or the Insureds. In no event, however, shall the Insurer exercise its rights of subrogation against an Insured under this policy unless Exclusion (b) applies or the Insurer is seeking recovery from the Company pursuant to subparagraph (b)(i) of this Clause.

END 12

ENDORSEMENT# 12 (Continued)

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

- (b) In the event that the Insurer shall for any reason pay Indemnifiable Loss on behalf of an Individual Insured, the Insurer:
 - (i) shall be subrogated to the Individual Insured's right of recovery from the Company, or in the event of a bankruptcy of the Company, from the debtor-in-possession (or equivalent status outside the United States), of the amount of such Loss equal to the amount of the Retention not satisfied by the Company (hereinafter "Retention Loss"); and
 - (ii) shall have a direct contractual right under the policy to recover from the Company, or in the event of a bankruptcy of the Company from the debtor-in-possession (or equivalent status outside the United States), the Retention Loss. Such direct contractual right of recovery against the Company shall be in addition to and independent of the Insurer's subrogation rights pursuant to subparagraph (i) above.
- (c) The Insurer shall have a direct contractual right under the policy to recover Loss paid under the policy from each and every Insured, severally and according to their respective interests, in the event and to the extent that such Insureds shall not be entitled under this policy to payment of such Loss.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

ENDORSEMENT# 13

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

OUTSIDE ENTITY ENDORSEMENT

In consideration of the premium charged, it is hereby understood and agreed that the following entities shall be deemed an "Outside Entity" with respect to its corresponding Continuity Date below:

<u>OUTSIDE ENTITY</u>	<u>CONTINUITY DATE</u>
Magnum Coal Company and its Subsidiaries	3/19/2009
any not-for-profit organization, other than an organization engaged in Medical Services or Educational Services	3/19/2009

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

ENDORSEMENT# 14

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

PANEL COUNSEL AMENDED

In consideration of the premium charged, it is hereby understood and agreed that the first paragraph of Clause 9. PRE-AUTHORIZED DEFENSE ATTORNEYS FOR DESIGNATED EMPLOYMENT PRACTICES CLAIMS is deleted in its entirety and replaced with the following:

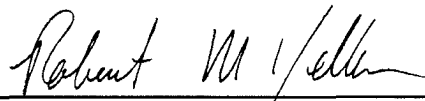
This clause applies only to a Claim: (a) alleging discrimination or (c) brought in the form of a class action (each of the foregoing hereinafter referred to as a "Designated Employment Practices Claim"); provided, however, this clause shall not apply to any Designated Employment Practices Claim that is an administrative proceeding.

With respect to the defense of any non-Designated Employment Practices Claims by any law firm, it is agreed that to the extent that services are billed at rates that exceed the Maximum Rates, the excess over such Maximum Rates shall not be covered under this policy as Defense Costs or otherwise as Loss. Such Maximum Rates shall only apply excess the applicable Retention. After the applicable Retention amount has been exhausted, the Insured shall bear at its own expense that portion of any fees charged by the law firms that exceeds the applicable Maximum Rate.

"Maximum Rate" means, for partners, \$250.00 per hour; for associates, \$200.00 per hour; and for paralegals, \$100.00 per hour.

The Insureds agree to require the law firms to follow the Insurer's Litigation Guidelines ("Litigation Guidelines"). Copies of the Litigation Guidelines will be provided to any Insured or their law firms upon request.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

ENDORSEMENT# 15

This endorsement, effective *12:01 AM* *October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

PUNITIVE, EXEMPLARY AND MULTIPLE DAMAGES COVERAGE

In consideration of the premium charged, it is hereby understood and agreed that Definition (l), "Loss" is amended as follows:

- (1) "(2) punitive or exemplary damages; (3) the multiplied portion of multiplied damages;" are deleted in their entirety;
- (2) the following paragraph is added to the end thereof:

Notwithstanding the foregoing, Loss shall specifically include (subject to the policy's other terms, conditions and exclusions, including, but not limited to, exclusions relating to personal profit or advantage, illegal remuneration, deliberate fraud or deliberate criminal acts) punitive, exemplary and multiple damages (including the multiple or liquidated damages awards under the Age Discrimination in Employment Act and the Equal Pay Act).
- (3) Loss shall also include any reasonable prevailing plaintiff's attorney fees awarded pursuant to a covered judgment against an Insured or a covered settlement, consented to by the Insurer, by an Insured.
- (4) Subsection (8) is hereby deleted in its entirety and replaced by the following:
 - (8) matters which may be deemed uninsurable under the law pursuant to which this policy shall be construed. It is further understood and agreed that a determination as to whether or not matters are "deemed uninsurable" for the purposes of this subsection (8) shall be governed by such applicable law which most favors the Insured.

It is further understood and agreed that the enforceability of this endorsement shall be governed by such applicable law which most favors coverage for punitive, exemplary and multiple damages. For purposes of the foregoing sentence, "applicable law" shall include, but not be limited to, the following jurisdictions: (1) where the Employment Practices Violation giving rise to such punitive, exemplary or multiple damages actually or allegedly occurred; (2) where such punitive, exemplary or multiple damages were awarded; (3) where the Insured resides, is incorporated or has its principal place of business; (4) where the Insurer is incorporated or has its principal place of business; and (5) where the policy was issued.

ALL OTHER TERMS, CONDITIONS AND EXCLUSION REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© Chartis Inc. All rights reserved.

END 15

MNSCPT

ENDORSEMENT# 16

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

**OTHER INSURANCE AND INDEMNIFICATION CLAUSE AMENDED
(Valid and Collectible EPL Insurance)**

In consideration of the premium charged, it is hereby understood and agreed that Clause 14. OTHER INSURANCE AND INDEMNIFICATION CLAUSE is amended by deleting the first paragraph thereof and replacing it with the following:

Unless expressly written to be excess over other valid and collectible employment practices liability insurance, it is intended that the insurance provided by this policy shall be primary to any other valid and collectible employment practices liability insurance.

In the event of a Claim against an Individual Insured arising out of his or her service as a director, officer, trustee or governor of an Outside Entity or a Claim against a leased Employee as described in definition (g) of Clause 2, coverage as is afforded by this policy shall be specifically excess of indemnification provided by such Outside Entity or such leasing company and any insurance provided to such Outside Entity or such leasing company.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© Chartis Inc. All rights reserved.

END 16

MNSCPT

ENDORSEMENT# 17

This endorsement, effective *12:01 AM* *October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

CLAIM DEFINITION AMENDED

In consideration of the premium charged, it is hereby understood and agreed that Clause 2. DEFINITIONS, paragraph (b), subparagraph (2) of the definition of "Claim" is deleted in its entirety and replaced with the following:

- (2) a civil, criminal, administrative, regulatory, arbitration or mediation proceeding for monetary or non-monetary relief which is commenced by:
 - (i) service of a complaint or similar pleading; or
 - (ii) return of an indictment (in the case of a criminal proceeding); or
 - (iii) receipt or filing of a notice of charges; or
 - (iv) written demand for mediation or arbitration.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

ENDORSEMENT# 18

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

DEFINITION OF COMPANY AMENDED

In consideration of the premium charged, it is hereby understood and agreed that the Definition of Company is deleted in its entirety and replaced with the following:

- (c) "Company" means:
- (1) the Named Entity designated in Item 1 of the Declarations;
 - (2) any Subsidiary thereof;
 - (3) any entity General Partner; and
 - (4) in the event a bankruptcy proceeding shall be instituted by or against any of the foregoing entities, the resulting debtor-in-possession (or equivalent status outside the United States of America), if any.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© Chartis Inc. All rights reserved.

END 18

MNSCPT

ENDORSEMENT# 19

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

INDIVIDUAL INSURED AMENDED

In consideration of the premium charged, it is hereby understood and agreed that Clause 2. DEFINITIONS, paragraph (j), subparagraph (2) of the definition of "Individual Insured(s)" is deleted in its entirety and replaced with the following:

- (2) any past, present or future duly elected or appointed directors, officers, Employees, management committee members or members of the Board of Managers of the Company serving in the capacity as director, officer, trustee or governor of an Outside Entity, but only if such service is at the request or direction or with the knowledge and consent of the Company;

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© Chartis Inc. All rights reserved.

END 19

MNSCPT

ENDORSEMENT# 20

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

FORMER SUBSIDIARIES

In consideration of the premium charged, it is hereby understood and agreed that in the event a Subsidiary is no longer more than 50% owned by the Named Entity during or prior to the Policy Period, coverage with respect to such Subsidiary and its Individual Insureds shall continue until termination of this policy but only with respect to Claims for Wrongful Acts that occurred or are alleged to have occurred during the time that the Named Entity had more than a 50% ownership of such entity either directly or indirectly through one or more of its Subsidiaries.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

ENDORSEMENT# 21

This endorsement, effective *12:01 AM* *October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

SEVERABILITY OF THE EXCLUSIONS AMENDED

In consideration of the premium charged, it is hereby understood and agreed that Clause 4. EXCLUSIONS is amended by deleting in its entirety the parenthetical immediately following paragraph (b) and stating as follows:

The Employment Practices Violation of an Insured shall not be imputed to any other Insured for the purpose of determining the applicability of the foregoing exclusions 4(a) and 4(b).

and by adding the following parenthetical at the end of Clause 4:

For the purpose of determining the applicability of the foregoing exclusions, the Employment Practices Violations of an Individual Insured shall not be imputed to any other Individual Insured; and the Employment Practices Violations of any chief executive officer or chief financial officer of a Company shall be imputed to such Company.

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

© Chartis Inc. All rights reserved.

END 21

MNSCPT

ENDORSEMENT# 22

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

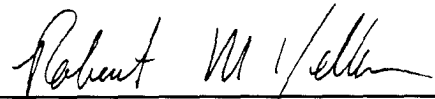
by *National Union Fire Insurance Company of Pittsburgh, Pa.*

CLAUSE 12(a) AMENDED

In consideration of the premium charged, it is hereby understood and agreed that Clause 12. ORGANIZATIONAL CHANGES, paragraph (a) is deleted in its entirety and replaced with the following:

- a. the Named Entity shall consolidate with or merge into another entity such that the Named Entity is not the surviving entity, or sell all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert;

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

ENDORSEMENT# 23

This endorsement, effective *12:01 AM October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

by *National Union Fire Insurance Company of Pittsburgh, Pa.*

FORMS INDEX ENDORSEMENT

The contents of the Policy is comprised of the following forms:

FORM NUMBER	EDITION DATE	FORM TITLE
67547	04/97	EPLI DEC PAGE - ALL COMPANIES
81285	01/03	TRIA DEC DISCLOSURE FORM
67548	04/97	EPLI POLICY WORDING - ALL COMPANIES
	06/08	EMPLOYMENT PRACTICES CLAIM PANEL COUNSEL
57943	04/05	MISSOURI AMENDATORY - GUARANTY ASSOCIATION NOTICE
52151	12/10	MISSOURI AMENDATORY - CANCELLATION/NONRENEWAL
99758	08/08	NOTICE OF CLAIM (REPORTING BY E-MAIL)
89644	07/05	COVERAGE TERRITORY ENDORSEMENT (OFAC)
91286	03/08	EXCLUSION (J) AMENDED (FLSA)
94039	05/07	STATE AMENDATORY INCONSISTENT
90768	05/06	CRISIS FUND FOR EMPLOYMENT RELATED EVENTS
100989	02/09	CANCELLATION PROVISION AMENDATORY (PRO RATA PREMIUM)
MNSCPT		PATRIOT COAL AON AMENDATORY - NATIONAL ACCOUNTS
		DEFINITION OF SUBSIDIARY AMENDED
MNSCPT		EXCLUSION (c) AMENDATORY ENDORSEMENT
		ADVANCEMENT OF LOSS AND RIGHT OF DIRECT RECOVERY ENDORSEMENT
		OUTSIDE ENTITY ENDORSEMENT
MNSCPT		PANEL COUNSEL AMENDED
MNSCPT		PUNITIVE, EXEMPLARY AND MULTIPLE DAMAGES COVERAGE
MNSCPT		OTHER INSURANCE AND INDEMNIFICATION CLAUSE AMENDED
MNSCPT		CLAIM DEFINITION AMENDED
MNSCPT		DEFINITION OF COMPANY AMENDED
MNSCPT		INDIVIDUAL INSURED AMENDED

END 023

ENDORSEMENT# 23

This endorsement, effective *12:01 AM* *October 31, 2011* forms a part of
policy number *01-308-55-92*
issued to *PATRIOT COAL CORPORATION*

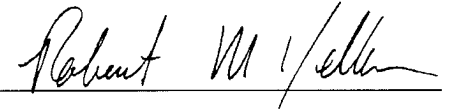
by *National Union Fire Insurance Company of Pittsburgh, Pa.*

FORMS INDEX ENDORSEMENT

The contents of the Policy is comprised of the following forms:

FORM NUMBER	EDITION DATE	FORM TITLE
MNSCPT		FORMER SUBSIDIARIES
MNSCPT		SEVERABILITY OF THE EXCLUSIONS AMENDED
MNSCPT		CLAUSE 12(a) AMENDED
78859	10/01	FORMS INDEX ENDORSEMENT
87962	12/05	MISSOURI ADDENDUM TO THE DECLARATIONS

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



AUTHORIZED REPRESENTATIVE

END 023

MISSOURI ADDENDUM TO THE DECLARATIONS

NOTICE: ANY "DEFENSE COSTS" PAID UNDER THIS POLICY WILL REDUCE THE AVAILABLE LIMITS OF INSURANCE AND MAY EXHAUST THEM COMPLETELY. "DEFENSE COSTS" MEANS REASONABLE AND NECESSARY FEES, COSTS AND EXPENSES CONSENTED TO BY THE INSURER RESULTING SOLELY FROM THE INVESTIGATION, DEFENSE AND APPEAL OF A CLAIM AGAINST AN INSURED, BUT EXCLUDING ANY COMPENSATION OF OFFICERS AND EMPLOYEES OF THE COMPANY.

This addendum amends the definition of "Defense Costs" within this policy form to conform with the foregoing.

If you have questions about your insurance policy, or questions about claims relating to your insurance policy, please contact your insurer at the following:

Chartis Inc.
175 Water Street
New York, NY 10038
(212) 458-5000

To expedite service, in communications concerning this policy, please provide the name of the issuing insurer and your policy number.

© All rights reserved.

CLAIM REPORTING FORM

Issuing Company: *National Union Fire Insurance Company of Pittsburgh, Pa.*

Reported under Policy/Bond Number: 01-308-55-92 Date: _____

Type of Coverage: D&O _____ E&O _____ Fidelity _____ (complete the Fidelity Supplemental on the next page)

Insured's Name, as given on Policy Declarations (Face Page):

PATRIOT COAL CORPORATION

Contact Person: _____

Title: _____

Phone: (_____) _____ - _____ Ext _____

eMail: _____ @ _____

Case or Claimant Name: _____

If the party involved is different from "Insured" Name (as given on Policy Declarations) state relationship:

Insurance Broker/Agent: AON RISK INSURANCE SERVICES WEST INC

Address: 707 WILSHIRE BLVD, STE 2600, LOS ANGELES, CA 90017

Address: _____

Contact: Michele Cowen Phone: _____

eMail: Michele.Cowen@ars.aon.com

Send Notice of Claims to: Chartis
Financial Lines Claims
P.O. Box 25947
Shawnee Mission, KS 66225
Phone: (888) 602- 5246
Fax: (866) 227- 1750
Email: c-Claim@chartisinsurance.com

**CLAIM REPORTING FORM
FIDELITY SUPPLEMENTAL**

(Only complete this supplemental if the Claim is being reported under Fidelity Coverage)

Issuing Company: *National Union Fire Insurance Company of Pittsburgh, Pa.*

Reported under Policy/Bond Number: 01-308-55-92

Date of Discovery: _____ Estimated Amount of loss: _____

Cause of Loss:	Employee Dishonesty	_____	Computer Fraud	_____
	Funds Transfer	_____	Robbery/Burglary	_____
	ID Theft	_____	Forgery	_____
	Client Property	_____	In Transit	_____
	ERISA	_____	Credit Card Forgery	_____
	Other	_____	if Other, describe:	_____

Send Notice Of Claims To: Chartis
Financial Lines Claims
P.O. Box 25947
Shawnee Mission, KS 66225

Phone: (888) 602- 5246
Fax: (866) 227- 1750
Email: [c- Claim@chartisinsurance.com](mailto:c-Claim@chartisinsurance.com)