

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

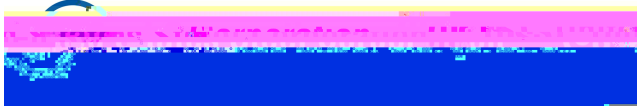
QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2016

Or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_



(Exact name of registrant as specified in its charter)

Delaware  
(State or other  
jurisdiction of  
incorporation)

1-16811  
(Commission  
File Number) %;

25-1897152  
(IRS Employer  
Identification No.)

1000 1st Street, Pittsburgh, PA  
(Address of principal executive offices)

15219-2800  
(Zip Code)

aA ¾¾

(412) 433-1121  
(Registrant's telephone number, including area code) No. H o

Indicate by check mark whether the registrant (1) is a large accelerated filer  (2) is an accelerated filer  (3) is a non-accelerated filer  (4) is a smaller reporting company  (5) is a shell company

Indicate by check mark whether the registrant (1) is a public company  (2) is a private company

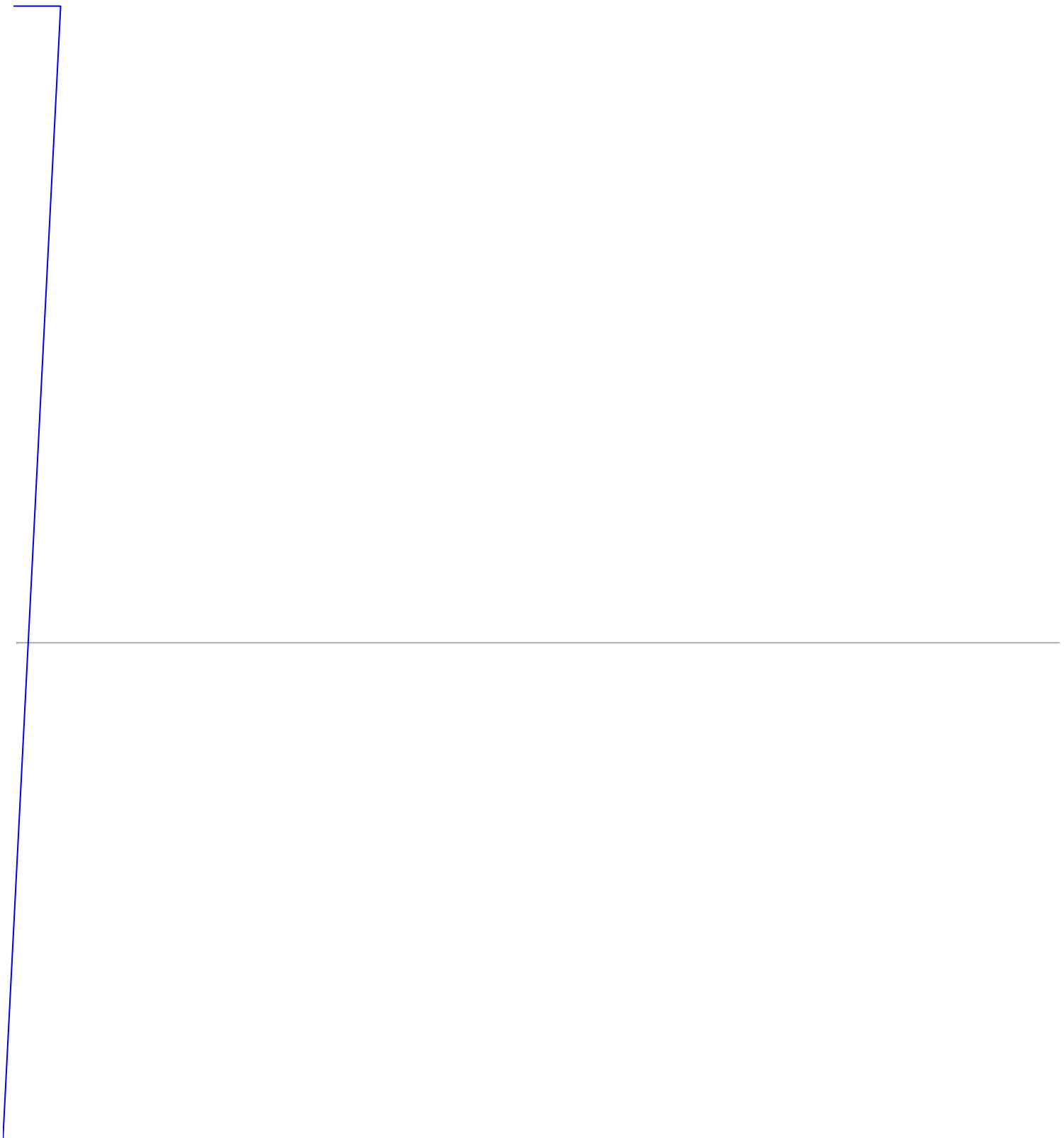
INDEX

PART I – FINANCIAL INFORMATION

Page

Item 1.	Financial Statements:	
	<a href="#">Consolidated Statement of Operations (Unaudited)</a>	1
	<a href="#">Consolidated Statement of Comprehensive Income (Loss)e</a>	

1



UNITED STATES STEEL CORPORATION  
CONSOLIDATED STATEMENT OF OPERATIONS  
(Unaudited)

Three Mrv

		<u>Three Mrv</u>	

**UNITED STATES STEEL CORPORATION**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)**  
(Unaudited)

(Dollars in millions)	Three Months Ended March 31,	
	2016	2015
Net loss	\$ (340)	\$ (75)
Other comprehensive (loss) income, net of tax:		
Changes in foreign currency translation adjustments	61	(103)
Changes in pension and other employee benefit accounts	(224)	43
Other	11	—
Total other comprehensive loss, net of tax	(152)	(60)
Comprehensive loss including noncontrolling noncontrolling		





## Notes to Consolidated Financial Statements (Unaudited)

### 1. Basis of Presentation and Significant Accounting Policies

United States Steel Corporation produces and sells steel products, including flat-rolled and tubular products, in North America and Central Europe. Operations in North America also include iron ore and coke production facilities, railroad services and real estate operations. Operations in Europe also include coke production facilities.

The year-end Consolidated Balance Sheet data was derived from audited statements but dW

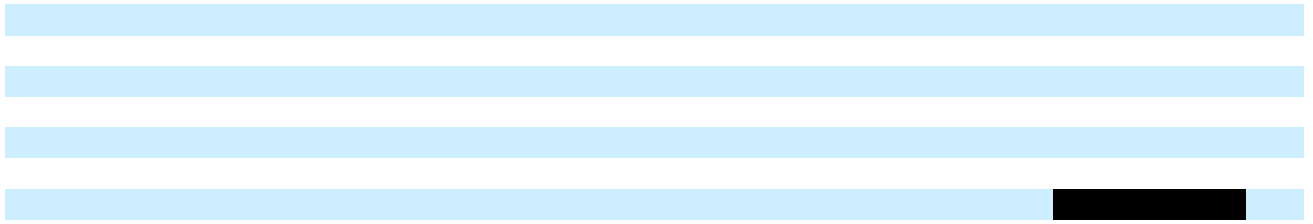
---











**Pension Funding**

In November 2015, pension stabilization legislation further extended a revised interest rate formula to be used to measure defined benefit pension obligations for calculating minimum annual contributions. The new interest rate formula results in higher interest rates for minimum funding calculations as compared to prior law over the next few years, which will improve the funded status of our main defined benefit pension plan and reduce minimum required contributions. U. S. Steel will monitor the status of the plan to determine when voluntary contributions may be prudent in order to mitigate potentially larger mandatory contributions in later years. The Company estimates there will be no minimum required contribution to the main pension plan in 2016.

**6. Net Interest and Other Financial Costs**

Net interest and other financial costs includes interest expense (net of capitalized interest), interest income, financing costs, derivatives gains and losses and foreign currency remeasurement gains and losses. Foreign currency gains and losses are primarily a result of foreign currency denominated assets and liabilities that require remeasurement and the impacts of euro-U.S. dollar derivatives activity. During the three months ended March 31, 2016 and 2015, net foreign currency losses of \$8 million and gains of less than \$1 million respectively, were recorded in other financial costs.

See Note 11 for additional information on U. S. Steel's use of derivatives to mitigate its foreign currency exchange rate exposure.

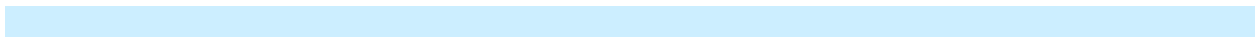
**7. Stock-Based Compensation Plans**

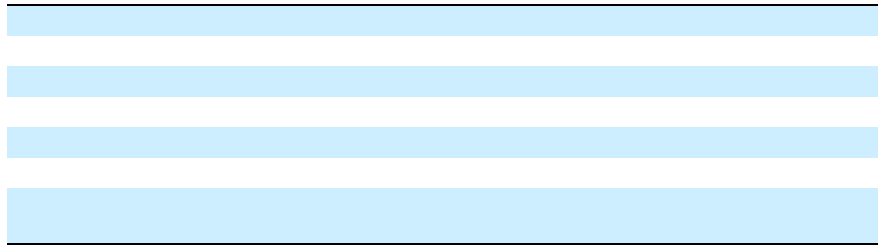
U. S. Steel has outstanding stock-based compensation awards that were granted by the Compensation & Organization Committee of the Board of Directors (the Committee) under the 2005 Stock Incentive Plan (the Plan), which is more fully described in Note 14 of the United States Steel Corporation Annual Report on Form 10-K for the fiscal year ended December 31, 2015. An aggregate of 21,250,000 shares of U. S. Steel common stock may be issued under the Plan. As of March 31, 2016, there were 1,861,972 shares available for future grants. On April 26, 2016, the Company's stockholders approved the 2016 Omnibus Incentive Compensation Plan (the Omnibus Plan). Under the Omnibus Plan, the Company is authorized to issue up to 7,200,000 shares of common stock. While the awards that were previously granted under the Plan remain outstanding, all future awards will be granted under the Omnibus Plan.

Recent grants of stock-based compensation consisted of the following:

---

---

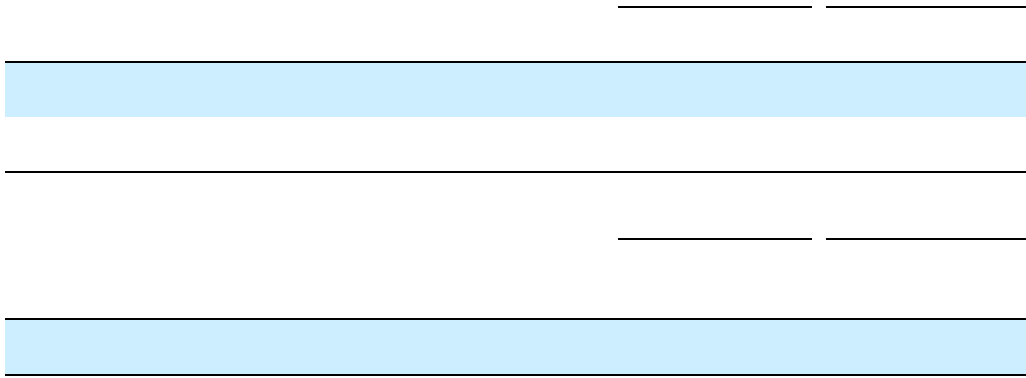




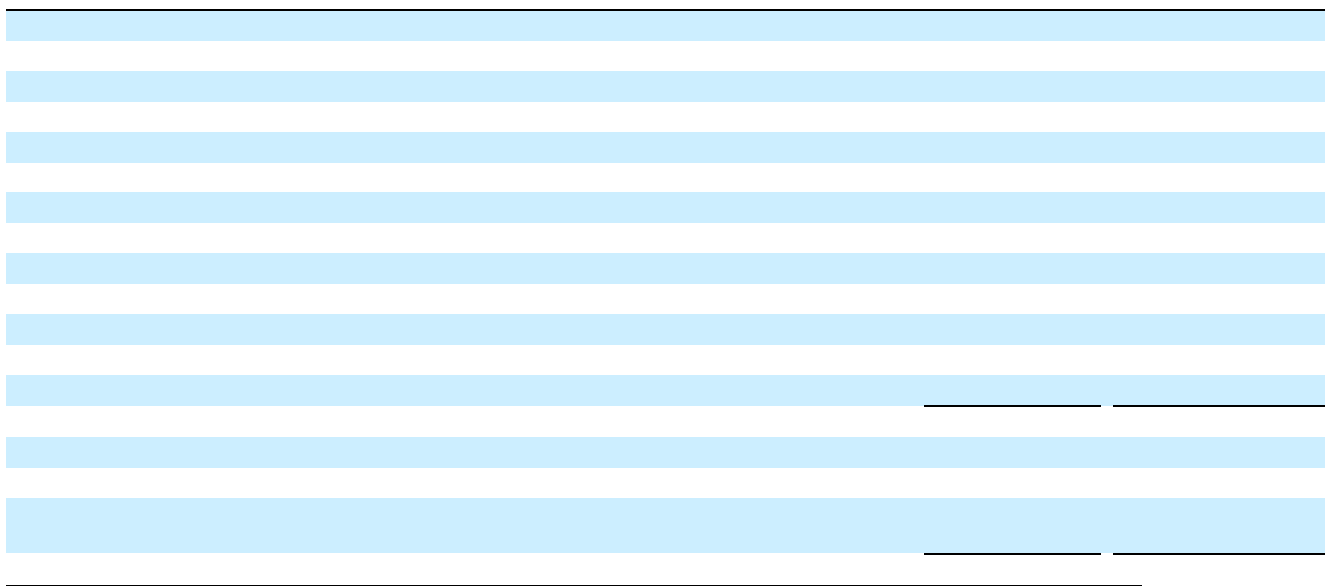


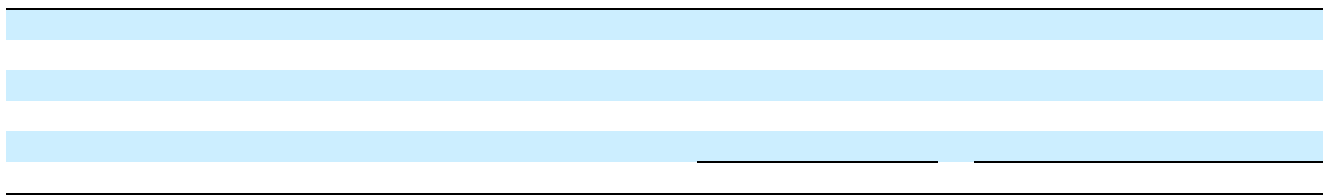


U.





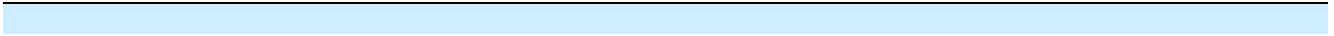




Th

---

---



---

---

















**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

**RESULTS OF OPERATIONS**

During the first quarter of 2016, the Company continued adjusting its operating configuration by temporarily idling production at certain of its tubular facilities. Certain other organizational realignments were also undertaken to further streamline our operational processes and reduce costs.

U. S. Steel continuously evaluates potential strategic and organizational opportunities, which may include the acquisition, divestiture or consolidation of assets. Given our current conditions and the continued challenges faced by the Company, we are aggressively focused on maintaining cash and are considering various possibilities, including exiting or including profitable

---


---





---











**LIQUIDITY AND CAPITAL RESOURCES**

The following table summarizes U. S. Steel's liquidity as of March 31, 2016:

(Dollars in millions)

---


---



provisions, by increasing fees for waste disposed of in landfills, including privately owned landfills. This legislation will not have a material impact on USSK.

The EU's Industry Emission Directive will require implementation of EU determined best available techniques (BAT) to reduce environmental impacts as well as compliance with BAT associated emission levels. This directive includes op9op a a

---



## OUTLOOK

We are encouraged that our efforts to improve U.S. trade laws and their enforcement have started to be reflected in preliminary trade rulings. This is a positive step toward establishing a fair market environment in the U.S., but we remain a long way from truly resolving the trade practices that are harming the domestic steel industry. These rulings have been one of the catalysts for improving conditions domestically, and the recent increases in prices for flat-rolled products will begin to be reflected in our results in the second quarter. While we will benefit from the improving market conditions, the global steel industry continues to face many challenges. We continue to move forward aggressively with our Carnegie Way transformation efforts and will continue to use every trade remedy available to us to confront unfair trade practices in our market.

If market conditions, which include spot prices, customer demand, import volumes, supply chain inventories, rig counts and energy prices, remain at their current levels, we would expect 2016 adjusted EBITDA to be near \$400 million.

If market conditions remain at their current levels, we would expect EBITDA for our Flat-Rolled segment to be higher than our 2015 results, we would expect EBITDA for our European segment to be comparable to 2015 results, and we would expect our Tubular segment EBITDA to be lower than our 2015 results.

We expect market conditions to change, and as changes occur during the balance of 2016, we would expect our adjusted EBITDA to change consistent with the pace and magnitude of changes in market conditions.

We expect improved results for Other Businesses, primarily from real estate, and we expect post retirement benefit income of approximately \$60 million.

In the first quarter we generated cash benefits of nearly \$300 million from working capital improvements. Based on current market conditions, we expect approximately \$500 million of cash benefits from working capital improvements in 2016, primarily related to better inventory management, and would expect to be cash positive for the year.

## INTERNATIONAL TRADE

In an effort to stem the increased flow of unfairly traded corrosion-resistant (CORE), cold-rolled, and hot-rolled products into the U.S. market, U. S. Steel, along with other steel producers, filed a series of three petitions with the U.S. Department of Commerce (DOC) and the U.S. International Trade Commission (USITC).

On June 3, 2015, U. S. Steel launched the first case against China, India, Italy, South Korea, and Taiwan. On July 16, 2015, the USITC determined that there is a reasonable indication that the U.S. industry is threatened with material injury by reason of imports of CORE steel products from the subject countries. All six USITC Commissioners voted in the affirmative. During the preliminary phase of the investigation, China, India, Italy and South Korea received a preliminary subsidy rate ranging from approximately 1 to 236 percent. China, India, Italy and South Korea also received antidumping (AD) duties ranging from approximately 3 to 256 percent. The DOC made a negative preliminary determination in the AD and CVD investigations of imports of CORE products from Taiwan. The investigations are on-going and expected to be finalized in the summer of 2016.

On July 28, 2015, U. S. Steel filed a second case. The petitions charged that unfairly traded imports of cold-rolled steel products from Brazil, China, India, Japan, South Korea, the Netherlands, Russia, and the United Kingdom are causing material injury to the U.S. steel industry. The petitions further allege that producers in each of the eight countries are dumping cold-rolled steel in the U.S. market and that the foreign producers in Brazil, China, India, South Korea, and Russia benefit from numerous countervailable subsidies. On September 10, 2015, the USITC determined that there was a reasonable indication that the U.S. industry is materially injured or threatened with material injury by reason of imports of cold-rolled steel products from the subject countries. The USITC further determined that imports of cold-rolled steel products from the Netherlands were negligible. On December 16, 2015, the DOC made affirmative preliminary determinations in the countervailing investigations from Brazil, China, India, and Russia. Preliminary countervailing duties up to 227 percent were imposed by the DOC. In the CVD investigation, cold-rolled steel products from South Korea were found to be de minimis. On March 1, 2016, the DOC announced its affirmative preliminary determinations in the antidumping duty investigations concerning imports of cold-rolled steel from Brazil, China, India, Japan, Korea, Russia, and the United Kingdom. The DOC imposed preliminary antidumping duties ranging from approximately 2 to 266 percent. The DOC is scheduled to announce its final AD and countervailing duty determinations for China and Japan in May 2016, unless the statutory deadline is extended. The rulings for Brazil, India, Korea, Russia and the UK will be announced in July 2016.

Finally, on August 11, 2015, U. S. Steel and five other domestic steel producers filed petitions for the imposition of duties on hot-rolled coil from Australia, Brazil, Japan, South Korea, the Netherlands, Turkey, and the United Kingdom. On September 24, 2015, the USITC determined that there is a reasonable indication that the U.S. industry is materially injured by reason of imports of hot-rolled steel products from Australia, Brazil, Japan, South Korea, the Netherlands, Turkey, and the United Kingdom. On January 11, 2016, the DOC announced its affirmative preliminary determinations in the countervailing duty investigation of imports of hot-rolled steel from Brazil, imposing duties of approximately 7 percent. The DOC further determined the preliminary subsidy rate for South Korea and Turkey to be de minimis in the CVD investigations. In the antidumping investigations, the DOC imposed preliminary AD duties against Australia, Brazil, Japan, Korea, Netherlands, Turkey, and the United Kingdom. The DOC's preliminary antidumping duties range from approximately 4 to 49 percent. The final CVD and AD determinations are expected to be released in May 2016, unless the statutory deadline is extended.

In addition to the recent case filings, U. S. Steel is actively defending appeals. In the 2013 AD and CVD case against oil country tubular goods (OCTG) producers from India, South Korea, Taiwan, Turkey, Ukraine, and Vietnam, the DOC issued AD orders against said countries and CVD orders against India and Turkey. The respondents filed appeals with the Court of International Trade (CIT). At present, U. S. Steel is involved in several appeals filed at the CIT from the OCTG determinations. In addition to defending on-going appeals, U. S. Steel, and other domestic producers, filed joint requests for administrative reviews in several OCTG investigations. Administrative reviews allow interested parties to request that the DOC review the status of and compliance with the previously instituted countervailable subsidies and dumping margins to ensure that foreign producers are fully complying with said orders. Finally, AD and CVD orders are generally subject to "sunset" reviews every five years and U. S. Steel actively participates in such review proceedings. U. S. Steel continues to be actively engaged in relevant, pending sunset reviews before the USITC and the DOC.

While U. S. Steel initiates trade actions in the U.S. market, our subsidiaries in other markets are not exempt from review. The Turkish Ministry of Economy launched an AD probe on imports of Hot-Rolled Coil (HRC) from China, Japan, France, Russia, Ukraine, Romania, and Slovakia, on January 28, 2015, which implicated exports from U. S. Steel Košice (USSK) to Turkey. The Turkish Ministry of Economy imposed transitional measures on imports of HRC from Slovakia, which expired without a final decision at the end of March 2016. In April 2016, the Turkish Ministry of Economy withdrew the complaint and returned all cash deposits on USSK steel.

In the EU, USSK is also participating in and cooperating with the European Commission's (EC) dumping action concerning hot-rolled steel flat products from China, which was filed on December 23, 2015. The investigation is in its initial phases. USSK is also actively participating in the EC's investigation concerning cold-rolled steel flat products from China and Russia. USSK submit

---

Across five platforms, U. S. Steel is leveraging its unique experience, knowledge, and reputation to forge alliances and partnerships to advance innovative structural changes to commercial and legal regimes to better position and support the U.S. steel industry in the 21st century and beyond.

**NEW ACCOUNTING STANDARDS**

See Note 2 to the Consolidated Financial Statements in Part I Item 1 of this Form 10-Q.



**Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

There were no material changes in U. S. Steel's exposure to market risk from December 31, 2015.

**Item 4. CONTROLS AND PROCEDURES**

**EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES**

U. S. Steel has evaluated the effectiveness of the design and operation of its disclosure controls and procedures as of March 31, 2016. These disclosure controls and procedures are the controls and other procedures that were designed to ensure that information required to be disclosed in reports that are filed with or submitted to the U.S. Securities and Exchange Commission are: (1) accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures and (2) recorded, processed, summarized and reported within the time periods specified in applicable law and regulations. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2016, U. S. Steel's disclosure controls and procedures were effective.

**CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING**

There have not been any changes in U. S. Steel's internal control over financial reporting that occurred during the fiscal quarter covered by this quarterly report, which have materially affected, or are reasonably likely to materially affect, U. S. Steel's internal control over financial reporting.

[REDACTED]

## **PART II. OTHER INFORMATION**

### **Item 1. LEGAL PROCEEDINGS**

#### **GENERAL LITIGATION**

On September 16, 2014, U. S. Steel Canada Inc. commenced court-supervised restructuring proceedings under Canada's Companies' Creditors Arrangement Act (CCAA) before the Ontario Superior Court of Justice. As part of the CCAA proceedings, U. S. Steel submitted both secured and unsecured claims of approximately C\$2.2 billion, which were verified by the court-appointed Monitor. U. S. Steel's claims were challenged by a number of interested parties and on February 29, 2016, the Court denied those challenges and verified U. S. Steel's secured claims in the amount of approximately \$119 million and unsecured claims of approximately C\$1.8 billion and \$120 million. The interested parties have appealed the determinations of the Ontario Superior Court of Justice.

#### **ENVIRONMENTAL PROCEEDINGS**

The following is a summary of the proceedings of U. S. Steel that were pending or contemplated as of March 31, 2016, under federal and state environmental laws. Information about specific sites where U. S. Steel is or has been engaged in significant clean up or remediation activities is also summarized below. Except as described herein, it is not possible to accurately predict the ultimate outcome of these matters.

##### ***CERCLA Remediation Sites***

Claims under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) have been raised with respect to the cleanup of various waste disposal and other sites. Under CERCLA, potentially responsible parties (PRPs) for a site include current owners and operators, past owners and operators at the time of disposal, persons who arranged for disposal of a hazardous substance at a site, and persons who transported a hazardous substance to a site. CERCLA imposes strict and joint and several liabilities. Because of various factors, including the ambiguity of the regulations, the difficulty of identifying the responsible parties for any particular site, the complexity of determining the relative liability among them, the uncertainty as to the most desirable remediation techniques, and the amount of damages and cleanup costs and the time period during which such costs may be incurred, we are unable to reasonably estimate U. S. Steel's ultimate liabilities under CERCLA.

At March 31, 2016, U. S. Steel has received information requests or been identified as a PRP at a total of nine CERCLA sites, three of which liability has not been resolved. Based on currently available information, which is in many cases preliminary and incomplete, management believes that U. S. Steel's liability for CERCLA cleanup and remediation costs at the other six sites will be between \$100,000 and \$1 million for five of the sites, and over \$5 million for one site as described below.

##### **Duluth Works**

The former U. S. Steel Duluth Works site was placed on the National Priorities List under CERCLA in 1983 and on the State of Minnesota's Superfund list in 1984. Liability for environmental remediation at the site is governed by a Response Order by Consent executed with the Minnesota Pollution Control Agency (MPCA) in 1985 and a Record of Decision signed by MPCA in 1989. U. S. Steel has submitted a feasibility study that includes remedial measures to address contaminated sediments in the St. Louis River Estuary and several other Operable Units that could impact the Estuary if not addressed.

There has been no material change in the status of the project during the first quarter of 2016. Additional study, investigation and oversight costs, and implementation of U. S. Steel's preferred remedial alternatives on the upland property and Estuary are currently estimated as of March 31, 2016 at approximately \$48 million.











management believes that the ultimate resolution of these matters will not have a material adverse effect on U. S. Steel's financial condition, although the resolution of such matters could significantly impact results of operations for a particular quarter.

**Item 4. MINE SAFETY DISCLOSURES**

The information concerning mine safety violations and other regulatory matters required by Section 150 of the Dodd-Frank Wall Street Reform Act and Item 104 of Regulation S-K is included in Exhibit 95 to this Form 10-Q.

**Item 6. EXHIBITS**

- 10.1 United States Steel Corporation 2016 Omnibus Incentive Compensation Plan.
  - 31.1 Certification of Chief Executive Officer required by Rules 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as promulgated by the Securities and Exchange Commission pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
  - 31.2 Certification of Chief Financial Officer required by Rules 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as promulgated by the Securities and Exchange Commission pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
  - 32.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
  - 32.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
  - 95 ~~ES&S~~ ~~ES&S~~ Disclosure required under Section 1503 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.
-











(ff) "Shares" means shares of Common Stock.

(gg) "Subsidiary" means any corporation in an unbroken chain of corporations beginning with the Corporation, if each of the corporations other than the last corporation in the chain owns stock possessing at least 50% of the total combined voting power of all classes of stock in one of the other corporations in the chain.

(hh) "Termination of Employment" shall have the meaning provided in Section 9.02 hereof.

2.02 **Construction.** For purposes of the Plan, the following rules of construction shall apply:

(a) The word "or" is disjunctive but not necessarily exclusive.

(b) Words in the singular include the plural; words in the plural include the singular; words in the neuter gender include the masculine and feminine genders, and words in the masculine or feminine gender include the other and neuter genders.

### **Section 3. Plan Administration**

3.01 **Board Committee Administration.** The Plan shall be administered by the Committee. The Committee shall have full and final authority to take the following actions, in each case subject to and consistent with the provisions of the Plan:

(a) to designate Participants;

(b) to determine the type or types of Awards to be granted to each Participant;

(c) ~~to determine the~~ number of Awards to be granted, the number of Shares or amount of cash or other property to which an Award will relate, the terms and conditions of any Award (including, but not limited to, any exercise price, grant price or purchase price, any limitation or restriction, any schedule for lapse of limitations, forfeiture restrictions or restrictions on

---



"Available Shares"). Each Option or Appreciation Right shall reduce the number of Available Shares by one Share for each Share represented by such Option or Appreciation Right, except to the extent the Award is settled in cash. All

other Shares to which an Award other than an Option or Appreciation Right relates shall be referred to as "Full-Value Shares" and, unless such Award is settled in cash, shall reduce the number of Available Shares by 1.73 Shares.

For purposes of this Section 4.01, the number of Shares to which an Award relates shall be counted against the number of Available Shares under the Plan at the time of grant of the Award, unless such number of Shares cannot be determined at that time, in which case the number of Shares actually distributed pursuant to the Award shall be counted against the number of Available Shares under the Plan at the time of distribution; provided, however, that Awards related to or retroactively added to, or granted in tandem with, substituted for or converted into, other Awards shall be counted or not counted against the number of Shares reserved and available under the Plan in accordance with procedures adopted by the Committee so as to ensure appropriate counting but avoid double counting.

If and to the extent any Award granted under this Plan or any award granted under the 2005 Stock Incentive Plan ("2005 Plan") and outstanding on the Effective Date (a "2005 Plan Award") is forfeited or otherwise terminates without payment being made to the Participant in the form of Shares or if payment is made to the Participant in the form of cash, cash equivalents or other property other than Shares, any Shares that are not issued with respect to such Award or 2005 Plan Award shall, to the extent of any such forfeiture or termination or alternative payment, again be available for Awards under the Plan. Subject to the provisions of Section 8.01, such Shares shall be added to the number of Available Shares at the rate for which the award was originally subtracted from the number of Available Shares under this Plan or from the number of Shares that were available under the 2005 Plan, as applicable. If the exercise price of an Award is paid by delivering to the Corporation Shares previously owned by the Participant or by withholding Shares issuable upon exercise or if Shares are delivered or withheld for purposes of satisfying a tax withholding obligation or if Shares are repurchased by the Company with Option proceeds, the number of Shares covered by the Award equal to the number of Shares so delivered, withheld or repurchased shall be counted, however, against the number of Shares granted and shall not again be available for Awards under the Plan. In addition, all Shares covered by an Appreciation Right, to the extent that it is exercised and settled in Shares, shall be counted against the number of Shares granted and shall not again be available for Awards under the Plan. Any Shares distributed pursuant to an Award may consist, in whole or part, of authorized and unissued Shares or of treasury Shares, including Shares repurchased by the Corporation for purposes of the Plan.

#### **Section 5. Eligibility, Vesting Requirements and Prohibition On Repricing and Reload Options**

5.01 **Eligibility.** Awards may be granted only to individuals who are employees, other service providers and/or non-employee directors of the Corporation or any Subsidiary or affiliate.

5.02 **Vesting of Awards.** All Awards shall provide for vesting based on employment or service which is at least twelve (12) months from the date on which such Award is granted, and there shall be no acceleration of vesting of an Award to be more rapid than vesting after twelve (12) months, except in connection with death, disability, retirement, involuntary termination of employment or service without Cause or a Change in Control. Notwithstanding any contrary provision of the Plan, up to five percent (5%) of the aggregate number of Shares authorized for issuance under the Plan may be issued pursuant to Awards without regard to the limitations of this Section 5.02.

5.03 **Repricing and Reload Options Prohibited.** Except as provided in Section 8 (Adjustment Provisions), the Corporation may not, without obtaining stockholder approval: (a) amend or modify the terms of any outstanding Option or Appreciation Right to reduce the exercise price of such outstanding Option or Appreciation Right; (b) cancel, exchange or permit or accept the surrender of any outstanding Option or Appreciation Right in exchange for an Option or Appreciation Right with an exercise price that is less than the exercise price of the original Option or Appreciation Right; or (c) cancel, exchange or permit or accept the surrender of any outstanding Option or Appreciation Right in exchange for any other Award, cash or other securities for purposes of repricing such Option or Appreciation Right. No Option may be granted to any individual on account of the use of Shares by such individual to exercise a prior Option.

#### **Section 6. Specific Terms of Awards**

6.01 **General.** Subject to the terms of the Plan and any applicable Award Agreement, Awards may be granted as set forth in this Section 6. In addition, the Committee may impose on any Award or the exercise thereof, at the date of grant or thereafter (subject to the terms of Section 10.01), such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall determine, including separate escrow provisions and terms requiring forfeiture of Awards in the event of termination of employment or service by the Participant. Except as required by applicable laws, awards may be granted for no consideration other than prior and/or future services. Dividends and dividend equivalents shall not be paid on Options, Appreciation Rights and unvested Full-Value Shares other than issued and outstanding Restricted Stock awards. Dividends and dividend equivalents may not be paid with respect to Performance Awards based on stock price. -V





---



Corporation in escrow and shall be subject to the same restrictions as are applicable to the Restricted Stock in respect of which such stock, securities, cash or other property was distributed or exchanged.

No adjustment or substitution provided for in this Section 8.01 shall require the Corporation to issue or sell a fraction of a Share or other security. Accordingly, all fractional Shares or other securities which result from any such adjustment or substitution shall be eliminated and not carried forward to any subsequent adjustment or substitution. Owners of Restricted Stock held in escrow shall be treated in the same manner as owners of Common Stock not held in escrow with respect to fractional Shares created by an adjustment or substitution of Shares, except that, unless otherwise determined by the Committee in its discretion, any cash or other property paid in lieu of a fractional Share shall be subject to restrictions similar to those applicable to the Restricted Stock exchanged therefore. In the event of any other change in or conversion of the Common Stock, the Committee may in its discretion adjust the outstanding Awards and other amounts provided in the Plan in order to prevent the dilution or enlargement of rights of Participants.

#### **Section 9. Change in Control Provisions**

9.01 **Acceleration of Exercisability and Lapse of Restrictions.** Unless otherwise determined by the Committee at the time of grant of an Award or unless otherwise provided in the applicable Award Agreement, if (i) a Change in Control shall occur, and (ii) a Termination of Employment occurs, then, in addition to any other rights of post-termination exercise which the Participant (or other holder of the Award) may have under the Plan or the applicable Award Agreement: (i) all outstanding Awards pursuant to which the

Participant may have exercise rights, which are restricted or limited, shall become fully exercisable and shall remain exercisable until the expiration date of the award; and (ii) all restrictions or limitations, including risks of forfeiture, on outstanding Awards subject to restrictions or limitations under the Plan shall lapse.

In addition, upon the occurrence of a Change in Control, all performance criteria and other conditions to payment of Awards under which payments of Shares or other property are subject to conditions shall be determined using the abbreviated performance period ending upon the date of the Change in Control. Notwithstanding the foregoing, unless otherwise determined by the Committee at the time of grant of an Award or unless otherwise provided in the applicable Award Agreement, if a Change in Control shall occur, (i) scheduled vesting dates for performance-based Awards will not be affected by a Change in Control and (ii) all Awards shall remain payable on the dates provided in the underlying Award Agreements and the Plan.

9.02 **Termination of Employment or Service in connection with a Change in Control.** If within the two-year period beginning on the date of a Change in Control the employment or service of a Participant shall be terminated (i) involuntarily for any reason other than for Cause or (ii) in the case of Participants who have been determined by the Committee to be executive management prior to the time of the Change in Control, voluntarily for Good Reason, such termination shall be a "Termination of Employment" for purposes of this Plan.

~~The Participant's continued employment pursuant to this Section shall not be affected by the Participant's incapacity due to physical or mental illness or eligibility for retirement. The Participant's continued employment shall not constitute consent to, or a waiver of, any of the terms and conditions of the Plan.~~

---

otherwise specifically provided in any Award Agreement with respect to a Participant subject to tax withholding in any foreign jurisdiction in which there is no minimum statutory withholding rates.

11.03 **No Right to Employment or Continuation of Service.** Nothing contained in the Plan or any Award Agreement shall confer, and no grant of an Award shall be construed as conferring, upon any Participant the right to employment, continuation of employment, or any other benefit, including but not limited to the right to be elected to the Board of Directors, or to create his or her employment or service at any time or increase or decrease his compensation, fees, or other payments from the rate in existence at the time of granting of an Award, except as provided in any Award Agreement.







CHIEF EXECUTIVE OFFICER  
CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350

I, Mario Longhi, President and Chief Executive Officer of United States Steel Corporation, certify that:

- (1) The Quarterly Report on Form 10-Q of United States Steel Corporation for the period ending March 31, 2016, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the foregoing report fairly presents, in all material respects, the financial condition and results of operations of United States Steel Corporation.

/s/ Mario Longhi

Mario Longhi  
President and Chief Executive Officer

April 29, 2016

5

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 is being furnished to the SEC.

CHIEF FINANCIAL OFFICER  
CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350

I, David B. Burritt, Executive Vice President and Chief Financial Officer of United States Steel Corporation, certify that:

- (1) The Quarterly Report on Form 10-Q of United States Steel Corporation for the period ending March 31, 2016, fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the foregoing report fairly presents, in all material respects, the financial condition and results of operations of United States Steel Corporation.

/s/ David B. Burritt

---

David B. Burritt  
Executive Vice President  
and Chief Financial Officer

April 27, 2016

A signed original of this written statement required by Section 906 na t<sup>th</sup> ¾

