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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ☒
Filed by a Party miled F

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33rd Floor
U. S. Steel Tower
600 Grant Street
Pittsburgh, PA 15219

Please vote promptly either by:

- telephone,
- the Internet, or
- marking, signing and returning your proxy or voting instruction card.

United States Steel Corporation
600 Grant Street
Pittsburgh, PA Tt

Chairman of the

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Notice of Annual Meeting of Stockholders
on April 28, 2009

We will hold our 2009 annual meeting of stockholders on the 33rd floor of the U. S. Steel Tower, 600 Grant Street, Pittsburgh, Pennsylvania 15219 on Tuesday, April 28, 2009, at 10:00 a.m. Eastern Time, in order to:

- vote on the four nominees for Class II directors recommended by the Board of Directors and identified in the Corporation's proxy statement,
- vote on the appointment of PricewaterhouseCoopers LLP as the Corporation's independent registered public accounting firm for 2009, and
- transact any other business that properly comes before the meeting.

You are entitled to vote at the meeting if you were an owner of record of United States Steel Corporation common stock at the close of business on February 27, 2009. If your ownership is through a broker or other intermediary, you will need to have proof of your stockholdings in order to be admitted to the meeting. A recent account statement, letter or proxy from your broker or other intermediary will suffice.

By order of the Board of Directors,

Craig D. Mallick
Secretary

Dated: March 13, 2009

United States Steel Corporation
600 Grant Street

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Proxy Statement

We have sent you this proxy statement because the Board of Directors is asking you to give your proxy (that is, the authority to vote your shares) to our proxy committee so they may vote your shares on your behalf at our annual meeting of stockholders. The members of the proxy committee are John P. Surma and Seth E. Schofield. They will vote your shares as you instruct. The proxy statement contains information about the matters being voted on and other information that may be helpful to you.

We will hold the meeting on April 28, 2009 on the 33rd floor of the U. S. Steel Tower, 600 Grant Street, Pittsburgh, Pennsylvania. If you need directions to the annual meeting, you may write to U. S. Steel Shareholder Services, 15th Floor, 600 Grant Street, Pittsburgh, PA 15219-2800.

We began the mailing of the proxy statement, the proxy card and the 2008 annual report on or about March 13, 2009.

Questions and Answers

Who may vote?

You may vote if you were a holder of United States Steel Corporation ("U. S. Steel" or the "Corporation") common stock at the close of business on February 27, 2009.

What may I vote on?

You may vote on:

- the election of the four nominees for Class II directors recommended by the Board of Directors and identified in the Corporation's proxy statement, and
- the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2009.

How does the Board recommend I vote?

The Board recommends that you vote:

- **FOR** each of the nominees for director, and
- **FOR** the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2009.

How do I vote?

You may vote by telephone or over the Internet by following the instructions on

of business or other proposal for consideration at the 2010 annual meeting?

Our by-laws describe the procedures that must be followed in order for a stockholder of record to present an item of business at an annual meeting of stockholders. Shareholder proposals or other items of business for the 2010 annual meeting that are not intended to be included in the proxy statement must be received from stockholders of record on or after December 29, 2[illegible]

The Board of Directors and its Committees

Under our by-laws and the laws of Delaware, U. S. Steel's state of ute o

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Audit Committee

Pursuant to its Charter, the Audit Committee’s duties and responsibilities include:

- reviewing and discussing with management and the independent registered public accounting firm matters related to the annual audited financial statements, quarterly financial statements, earnings press releases and the accounting principles and policies applied;
- reviewing and discussing with management and the independent registered public accounting firm matters related to the Corporation’s internal control over financial reporting;
- reviewing the responsibilities, budget, staffing and performance of the Corporation’s internal audit function;
- reviewing issues that arise with respect to the Corporation’s compliance with legal or regulatory requirements and corporate policies dealing with business conduct;
- being directly responsible for the appointment (subject to shareholder vote), compensation, retention, and oversight of the work of the Corporation’s independent registered public accounting firm (including resolution of disagreements between management and such firm regarding financial reporting), while possessing the sole authority to approve all audit engagement fees and terms as well as all non-audit engagements with such firm; and
- discussing policies with respect to risk assessment and risk management.

The charter requires the Committee to perform an annual self-evaluation and to review its charter during its first meeting of each calendar year.

The charter requires that the Committee be comprised of at least three directors, each of whom is independent and financially literate, and at least one of whom must have accounting or related financial management expertise. The charter also requires that no director who serves on the audit committees of more than two other public companies may serve on the Committee unless the Board determines that such simultaneous service will not impair the ability of such director to effectively serve on the Committee. The Committee has at least one [illegible]

- approving the retention and termination of any independent consulting firm to assist in the evaluation of CEO or executive compensation, and approving the consulting firm's fees and other retention terms, and evaluating the consulting firm's performance and independence.

The charter requires the Committee to perform an annual self-evaluation and to review its charter during its first meeting of each calendar year.

The charter requires that the Committee be comprised of at least three directors, each of whom is independent.

The Committee's processes for determining the amounts of compensation to pay its executives are provided below. Additional detail on the Committee's processes can be found in the "*Compensation Discussion & Analysis*" section.

- The Committee meets at least five times a year (8 times in 2008). Committee agendas are established in consultation among management, the Committee chair and the Committee's independent consultant. The Committee typically meets in executive session for at least a portion of each regular meeting. Generally, the CEO and the Vice President—Human Resources attend Committee meetings but are not present for the executive sessions.
- The Committee has retained Towers Perrin as its independent consultant to assist the Committee in evaluating executive compensation programs and in setting executive officers' compensation. The use of an independent consultant provides additional assurance that the Corporation's executive compensation programs are reasonable and consistent with the Corporation's objectives. The consultant reports directly to the Committee and does not perform services for management without the express approval of the Committee. The consultant regularly participates in Committee meetings, including executive sessions, and advises the Committee with respect to compensation trends and best practices, plan design, and the reasonableness of individual compensation awards.
- With respect to the CEO's compensation, the Committee makes its determinations based upon its evaluation of the CEO's performance and with input from its consultant. Each year, the Committee reviews the CEO's goals and objectives, and the evaluation of the CEO's performance with respect to the prior year's approved CEO goals and objectives, with the Board of Directors. The CEO does not participate in the presentations to, or discussions with, the Committee in connection with the setting of his compensation.
- With the oversight of the CEO and the Vice President—Human Resources, the Corporation's compensation group formulates recommendations on matters of compensation philosophy, plan design, and the specific compensation recommendations for other executive officers. The CEO gives the Committee a performance assessment and compensation recommendation for each of the other executives. These recommendations are then considered by the Committee with the assistance of its compensation consultant.

Corporate Governance & Public Policy Committee

The Corporate Governance & Public Policy Committee serves as the Corporation's nominating committee. Pursuant to its Charter, the duties and responsibilities of this Committee include:

- identifying and evaluating nominees for director and selecting, or recommending that the Board select, the director nominees for the next annual meeting of shareholders;
- making recommendations to the Board concerning the appropriate size and composition of the Board and its committees;
- making recommendations to the Board concerning the compensation of non-employee directors;

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Compensation of Directors

Our by-laws provide that each non-employee director shall be paid allowances and attendance fees as the Board may from time to time determine. Directors who are employees of U. S. Steel receive no compensation for their service on the Board.

The objective of U. S. Steel's director compensation programs is to enable the Corporation to attract and retain as directors individuals of substantial accomplishment with demonstrated leadership capabilities. In order to align the interests of directors with the interests of the shareholders, our non-employee directors also participate in the Deferred Compensation Program for Non-Employee Directors and the Non-Employee Director Stock Program, each of which is described below.

Non-employee directors are paid an annual retainer of $180,000, and the Presiding Director and Committee Chairs receive an additional annual fee of $5,000. No meeting fees or committee membership fees are paid.

Under our Deferred Compensation Program for Non-Employee Directors, each non-employee director is required to defer at least 50 percent of his or her retainer in the form of Common Stock Units and may elect to defer up to 100 percent. A Common Stock Unit is what is sometimes referred to as "phantom stock" because ultimately no stock is actually issu[illegible]

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Proposals of the Board

The Board will present the following proposals at the meeting:

Proposal No. 1

Election of Directors

U. S. Steel's Certificate of Incorporation divides the directors into three classes: Class I, Class II and Class III. Each class must consist, as nearly as possible, of one-third of the directors. Once elected, directors serve for a term of three years and until their successors are duly elected and qualified. At each annual meeting, directors who are elected to succeed directors whose terms have expired are identified as being of the same class as those they succeed. A director elected to fill a vacancy is elected to the same class as the director he or she succeeds, and a director elected to fill a newly created directorship holds office until the next election of the class to which he or she is elected.

The current four Class II directors are nominees for election this year. The Board is recommending all four nominees for a three-year term that will expire at the 2012 annual meeting. A brief statement about the background of each nominee and each continuing director is givĎuq

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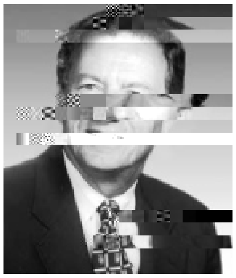
Nominees for Class II Directors
Terms Expire 2012



Frank J. Lucchino **Director since 2003** **Age 69**

Judge, Orphans' Court Division, Court of Common Pleas, Allegheny County, Pennsylvania

Judge Lucchino earned a Buer2

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Continuing Class III Directors

Terms Expire 2010

Robert J. Darnall **Director since 2001** **Age**

Retired Chairman and Chief Executive Officer, Inland Steel Industries (steel producer)

Mr. Darnall graduated from DePauw University with a BA degree in mathematics, from Columbia University with a BS degree in civil engineering and from the University of Chicago with an MBA. He began his career with Inland Steel Industries in 1962. He was elected Executive Vice President in 1982 and at that time joined Inland's Board of Directors. In 1986 Mr. Darnall became President and Chief Operating Officer. In 1992, he became Chairman, President and Chief Executive Officer. He retired as Chairman and Chief Executive Officer in 1998 and immediately joined Ispat International N.V., which acquired Inland Steel Company in 1998, as head of their North American operations. Mr. Darnall left Ispat in 2000 and soon thereafter became Chairman and Interim Chief Executive Officer of Prime Advantage Corporation, a procurement services startup. He left Prime Advantage in January 2002. Mr. Darnall is a director of Cummins, Inc., Pactiv Corporation [illegible]

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Audit Committee Report

Our committee has reviewed and discussed U. S. Steel's audited financial statements for the year ended December 31, 2008 with U. S. Steel's management. We have discussed with the independent registered public accounting firm, PricewaterhouseCoopers LLP (PwC), the matters required to be discussed by Statements on Auditing Standards No. 61, as amended (AICPA, Professional Standards, Vol. 1. AU section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T. We also discussed with U. S. Steel's management management's assessment of the effectiveness of U. S. Steel's internal control over financial reporting as of December 31, 2008 and PwC's opinion on the effectiveness of U. S. Steel's internal control over financial reporting as of December 31, 2008. We have received the written disclosures and the letter from PwC required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the audit committee concerning independence, and we have discussed with PwC its independence. Based on the review and discussions referred to above, we recommended to the Board that the audited financial statements for U. S. Steel be included in U. S. Steel's Annual Report on Form 10-K for the year ended December 31, 2008 for filing with the Securities and Exchange Commission.

Jeffrey M. Lipton, Chairman
John G. Drosdick
Richard A. Gephardt

Charles R. Lee
Glenda G. McNeal
Graham B. Spanier

Security Ownership of Certain

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Security Ownership of Directors and Executive Officers

[illegible] requirements are described under the caption *Stock Ownership and Retention Policy* on page 38 of this proxy statement. Each executive officer is in compliance with the applicable stock ownership and retention requirements.

Non-employee directors are required to hold equity interests in the Corporation in the form of stock-based deferred compensation. This requirement is a part of our Corporate Governance Principles. Each non-employee director is required to defer at least 50 percent of his or her annual retainer as stock-based compensation under the Deferred Compensation Progra [illegible]

(2) Includes shares which may be acquired upon exercise of outstanding options which are or will become exercisable within 60 days of January 31, 2009 in the following amounts: Mr. Surma: 394,099; Mr. Garraux: 4,999; Mr. Goodish: 54,866; Mrs. Haggerty: 84,499; Mr. Lohr: 5,767; and all directors and executive officers as a group: 598,628. Also includes shares which may be acquired upon exercise of outstanding options which would become exercisable on March 31, 2009 in the event that the executive officer elected to retire on such date in the following amounts: Mr. Goodish: 12,328; and all directors and executive officers as a group: 22,900.

(3) Includes shares which would be awarded pursuant to restricted stock unit grants in the event that the executive officer elected to retire on March 31, 2009 in the following amounts: Mr. Goodish: 1,355; and all directors and executive officers as a group: 2,577.

(4) The total number of shares beneficially owned by each director and executive officer in each case constitutes less than one percent of the outstanding shares of common stock of U. S. Steel. The total number of shares beneficially owned by all directors and executive officers as a group constitutes approximately 1.05 percent of the outstanding shares of common stock of U. S. Steel.

Compensation & Organization Committee Report

The Compensation & Organization Committee of the Board of Directors of the Corporation has reviewed and discussed the Compensation Discussion & Analysis required by Item 402(b) of Regulation S-K with management, and based on such review and discussion, the Compensation & Organization Committee recommended to the Board that the Compensation Discussion & Analysis be included in this proxy statement.

Robert J. Darnall, Chairman
John G. Drosdick
Charles R. Lee
Seth E. Schofield
David S. Sutherland
Patricia A. Tracey

Benchmarking

Determinations of levels for salary, short-term incentives and long-term incentives begin with a benchmarking process for each executive position against a group of approximately thirty peer comp

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Compensation Mix

The distribution of compensation among the various compensation elements is driven by the Committee’s belief that, in order to link pay to performance, most of an executive’s compensation should be paid in the form of performance-based variable compensation with an increasingly greater emphasis on variable components for the more senior executives who have greater responsibility for the performance of the business. The following table shows the allocation of variable and fixed compensation, as well as the mix of salary, short-term and long-term incentives, for our named executive officers:

Ratios of 2008 Compensation to Total 2008 Compensation (1)

Executive	Salary to Total	Short-Term Incentive to Total	Cash to Total	Equity to Total	Fixed(2) to Total	Variable(3) to Total
J. P. Surma	13%	19%	32%	68%	37%	63%
J. H. Goodish	17%	19%	36%	64%	40%	60%
G. R. HaN9 0%						

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in connection with salary awards and long-term incentive grants for the current year. The 2008 individual performance measures are listed in the following table:

Performance Category	**Individual Performance Measures**
Strategic Planning	Specific Strategic Objectives
Results and Operations	Safety Results vs. Business Plan Management of Operations Reporting Process and Internal Controls
Leadership	Human Resource Planning Vision and Values Diversity
Communications	Shareholder Relations External Relations [illegible]

these measures). The m

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Long-Term Incentive Awards and Stock Ownership

The objectives of the Corporation's long-term incentive program are:

- to align a portion of an executive's compensation to growth in shareholder value,
- to provide each executive a means of accumulating shares, thereby fostering the ownership culture the Corporation desires, and
- to serve as a retention device for our executives.

The long-term incentive component represents the largest portion of the overall value of the compensation program for our executive officers (see "*Setting Executive Compensation—Compensation Mix*"). Our equity incentives are "at risk," meaning they are designed to increase or decrease in value based on the movement of our stock price.

Under the executive long-term incentive program, the Committee decided that the value of each executive's market-based long-term incentive opportunity should be distributed evenly among three equity incentive vehicles (service-vesting stock options, service-vesting restricted stock units, and performance awards) in order to provide a balanced program. The Committee believes these three long-term incentive vehicles best accomplish its objectives, as indicated in the following table:

Plan Objectives	Stock Options	Restricted Stock Units	Performance Awards
Performance-based	X		X
Promote a long-term perspective to complement the short-term perspective of the short-term incentive program,	X	X	X
Promote an ownership culture by facilitating the accumulation and retention of shares,	X	X	X
Serve as an executive retention device for the Corporation,		X	X
Consider the historically cyclical nature of our industry and provide some stability to our overall compensation program,		X	X
Cash efficient for the Corporation by emphasizing the use of stock, and	X	X	X
Tax efficient for the Corporation.			

stock price on the date of grant in determining an accounting-based unit value for each award and (ii) the division of the relevant award unit value into each award value to determine the number of units (shares) awarded to each grantee on the date of grant.

The Committee believes the use of long-term incentive awards as a substantial portion of an executive's overall compensation fits the Committee's objective of linking an element of pay to long-term corporate performance because it puts a significant portion of the executive's compensation at risk and subjects that portion to changes in the Corporation's stock price. With the longer vesting terms in place for the current long-term incentive awards (prior to 2006, options vested one year from the date of grant and restricted stock could vest one year from the date of grant, depending upon performance), their retention value has been increased. Additionally, the use of long-term incentive awards as a substantial portion of an executive's compensation facilitates the Committee's executive stock ownership objectives (see *"Stock Ownership and Retention Policy"* below).

The Corporation does not time the release of material non-public information around the granting of equity incentive awards, nor does it time the granting of equity incentive awards around the release of material non-public information. Equity grants are usually made at the Committee's May meeting under the Long-Term Incentive Compensation Program, a program under the United States Steel Corporation 2005 Stock Incentive Plan, which was approved by the Corporation's shareholders on April 26, 2005. The date of grant is the date that the Committee approves the grant (see *"Grants of Plan-Based Awards—Discussion of the Grants of Plan-Based Awards Table—Grant Date"*), unless the Committee meets on a day the market is not open, in which case the date of grant is the next day the market is open.

Stock Options

Stock options are performance-based awards that reward executives for an increase in the Corporation's stock price over the term of the option. The value to executives is limited to any appreciation of our stock price above the option's exercise price after the option becomes exercisable and before it expires.

Stock options granted under this program have a term of ten years and vest ratably, subject to continued employment, over three years with one-third of the granted options vesting on each of the first, second and third anniversaries of the grant date (see *"Potential Payments Upon Termination or Change in Control —Discussion of Compensation Elements—Stock Options"*). The exercise price is the average of the high and low stock prices on the date of grant in accordance with the terms of the shareholder-approved United States Steel Corporation 2005 Stock Incentive Plan.

During the second half of 2008, the Corporation's stock price decreased precipitously resulting in significant losses in value to both shareholders and executives. While the stock options awarded to executives over the last four years had no value at a recent stock price and, therefore had little retention value at that time, these options have several years remaining of their original term and offer executives incentive to increase the Corporation's stock price in order to realize value from the awards.

Restricted Stock Units

Restricted stock units are awards that deliver full-value shares and accumulated dividends upon vesting. Restricted stock units vest ratably, subject to the executive's continued employment, over three years, with one-third vesting on each of the first, second and third anniversaries of the grant date (see *"Potential Payments Upon Termination or Change in Control—Discussion of Compensation Elements—Restricted Stock (Awards and Units*)"). Beginning with the May 2008 long-term incentive grant, the Committee decided to award restricted stock units instead of restricted stock awards. The main differences between the types of awards are in the treatment of dividends and in the timing of the issuance of shares. While the restricted stock awards pay dividends on all outstanding shares, the Committee believes it is more appropriate to pay dividends only on the shares that ultimately vest. Accordingly, the dividends for restricted stock units are accumulated on a notional basis and are paid only on the shares that vest, at the time the shares vest. The shares underlying restricted stock unit awards are issued upon vesting instead of upon grant.

At the time the Committee designed the current executive compensation program, it wanted to provide at least a portion of the long-term incentives in the form of an award that would deliver full-value shares. Full-value awards provide some downside to the executives and encourage the executives not to take risks for which the usi

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Letter Agreements

Generally, we employ letter agreements only under special circumstances, for example, as an inducement to work for U. S. Steel or to accept a special assignment, or as compensation for delaying a retirement or foregoing something of value. Of our current named executive officers, only Mr. Surma and Mr. Goodish have letter agreements (for a detailed description of Mr. Surma's letter agreement, see the discussion under *"Pension Benefits—Letter Agreement"*). The Agreement with Mr. Surma was entered into as an inducement for him to join an affiliate of U. S. Steel in 1997 and was assumed by U. S. Steel in connection with its 2001 separation from Marathon Oil Corporation and Mr. Surma's agreement to transfer to U. S. Steel.

On February 23, 2009, U. S. Steel entered into an agreement with Mr. Goodish providing to him benefits similar to those provided to other executives electing to retire under the current voluntary early retirement program in exchange for his agreement to continue in his current position at least through March 2011.

The Committee believes that it may need to enter into agreements similar to those described above from time to time in order to attract experienced professionals into high-level positions, adequately staff certain positions, or retain key employees.

Other Compensation

Severance Agreements

[illegible] an important role in allowing our executives to evaluate corporate opportunities that may be favorable for the shareholders without the accompanying concerns about the potential impact on their job security. The Committee believes these agreements [illegible] to secure the co[illegible]nued [illegible]ployment and dedication of our executives under such circumstances.

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Summary Compensation Table

The following table sets forth certain compensation information for U. S. Steel's Chief Executive Officer (CEO), Chief Financial Officer (CFO) and the three other most highly compensated executive officers who were serving as executive officers at the end of 2008 for services rendered to U. S. Steel and its subsidiaries during 2008 and, except for [illegible]

Executive & Principal Position	Year	Salary ($)	Stock [illegible]	[illegible]	[illegible]	[illegible]

Discussion of the Grants of Plan-Based Awards Table

Grant Date

Our equity-based awards are considered for grant by the Compensation & Organization Committee ("the Committee") and, if approved, customarily are granted at the Committee's Maum

Shareholder Return as an annual return rate of approximately 13 percent. The Committee believes a comparison of annual rates of return facilitates the ability to keep the rates of return in perspective.

Award payouts are determined based on the rank of our TSR compared to the TSRs of the companies in our designated peer group. No payouts are made if our TSR ranks below the 25th percentile; the payout is 50 percent of target (the threshold award) if our TSR rank is at the 25th percentile; the payout is 100 percent of target (the target award) if our TSR rank is at the 50th percentile; and the payout is 200 percent of target (the maximum award) if our TSR rank is at or above the 75th percentile. Interpolation is used to determine actual awards for performance between the threshold and target and target and maximum award levels.

For the 2008 performance award grants, our peer companies are:

AK Steel Holding Corporation	Lear Corporation
ALCOA Inc.	Masco Corporation
Burlington Northern Santa Fe Corporation	MeadWestvaco Corporation
Caterpillar Inc.	Nucor Corporation
Cummins, Inc.	PACCAR Inc.
Deere & Company	Parker Hannifin Corporation
E. I. du Pont de Nemours and Company	PPG Industries, Inc.
Eastman Chemical Company	Sunoco, Inc.
Eaton Corporation	Textron Inc.
Hess Corporation	The Goodyear Tire & Rubber Company
Honeywell International, Inc.	Union Pacific Corporation
Ingersoll-Rand Company Limited	Visteon Corporation
International Paper Company	Weyerhaeuser Company
Johnson Controls, Inc.	Whirlpool Corporation

Pursuant to the administrative regulations for the long-term incentive program, the performance award grants require the annual selection and approval by the Committee of a peer group for TSR comparison purposes. In February 2008, the Committee approved the 2008 performance award peer group with the following changes from the 2007 performance award peer group:

- Removal of the following four companies who were acquired, deemed inappropriate due to low revenues, or delisted by the exchanges on which they formerly traded:

  Alcan, Inc.,
  Terex Corporation,
  The Timken Company, and
  Navistar International Corporation

- And the addition of the following two companies:

  Burlington Northern Santa Fe Corporation, and
  Cummins, Inc.

The Committee may not increase performance awards but retains discretion to reduce any and all award amounts to an amount below the amount that would be payable as a result of performances measured against the target performances.

Stock Awards: Number of Shares of Stock

Restricted stock unit grants were made on May 27, 2008 to all named executive officers. They are time-based awards and vest over a three-year period with one-third of the granted shares vesting on May 27, 2009; an additional third of the shares vesting on May 27, 2010; and the remaining third of the shares vesting on May 27, 2011, subject in each case to continued employment on the vesting dates (a prorated portion of the shares that would vest on the next vesting date will vest immediately if an executive retires during the vesting period—see *"Potential Payments Upon Termination or Change in Control—Discussion of Compensation Elements—Restricted Stock"*).

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All Other Option Awards: Number of Securities

Option grants were made on May 27, 2008 to all named executive officers. They are time-based, with a ten-year term, and vest over a three-year period with one-third of the granted shares vesting on May 27, 2009; an additional third of the shares vesting on May 27, 2010; and the remaining third of the shares vesting on May 27, 2011, subject in each case to continued employment on the vesting dates (a prorated portion of the shares that would vest on the next vesting date will vest on the next vesting date if an executive retires during the vesting period —see *"Potential Payments Upon Termination or Change in Control—Discussion of Compensation Elements—Stock Options"*).

Exercise Price of Option Awards

The exercise price of option grants is the fair market value (average of the high and low stock prices) on the date of grant, in accordance with the 2005 Stock Incentive Plan. For the May 27, 2008 grant, the $169.23 exercise price was higher than the closing market price of $169.05.

Grant Date Fair Value of Stock and Option Awards

The restricted stock unit, performance award and option values included in the Grant Date Fair Value column of this table are computed in accordance with FAS 123(R) as described in the Form 10-K for the year ended December 31, 2008, Financial Statement Footnote 13. The restricted stock units accrue dividends at a non-preferential rate (currently $0.30 a share) that are paid when the underlying restricted stock units vest. The value of these dividends is reflected in the fair market value of the restricted stock unit grant. Restricted stock units carry no voting privileges.

Outstanding Equity Awards At Fiscal Year-End

		Option Awards		Stock Awards
Executive	**Grant Date**	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options le**	

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(2) The 2008 restricted stock grant vests over a 3-year period (1/3 on May 27, 2009, 1/3 on May 27, 2010 and 1/3 on May 27, 2011), the 2007 restricted stock grant vests over a 3-year period (1/3 vested on May 29, 2008, 1/3 will vest on May 29, 2009 and 1/3 on May 29, 2010), and the 2006 restricted stock grant vests over a 3-year period (1/3 vested on May 30, 2007, 1/3 vested on May 30, 2008 and 1/3 will vest on May 30, 2009). The 2008, 2007 and 2006 restricted stock grants are subject to pro rata vesting during the vesting period.

(3) Performance awards vest after a 3-year performance period based upon total shareholder return during the performance period and continued employment. Using stock prices and dividends reported since the beginning of the respective performance periods, we estimate that the Corporation has performed at the 18th percentile for the 2008 award, 31 st percentile for the 2007 award and at the 46 th percentile for the 2006 award through December 31, 2008. The table above shows estimated performance and the number of shares corresponding to the next highest performance level (threshold, target or maximum) for each performance award grant.

Option Exercises and Stock Vested

During 2008, as a result of stock option exercises and the vesting of restricted stock awards, the following shares were acquired and value realized from grants made in years prior to 2008:

	Option Awards		Stock Awards	
Executive	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise (1) ($)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)**
J. P. Surma	25,000	$ 3,283,643	21,733	$ [illegible]

(2) T

December 31, 2008, Mrs. Haggerty’s annual Career Earnings Benefit would have been reduced by 50.1 percent, and Mr. Lohr’s annual Career Earnings Benefit would have been reduced by 43.7 percent. Messrs. Surma and Garraux are both eligible for deferred vested Career Earnings Benefits that are subject to reduction based on their ages as of the commencement of pension payments. If Mr. Surma had retired on December 31, 2008, his annual Career Earnings Benefit would have been reduced by 59.2 percent. If Mr. Garraux had retired on December 31, 2008, his annual Career Earnings Benefit would have been equal to 1.0 percent (versus 1.3 percent) of his total career earnings, reduced by 39.6 percent.

Benefits accrued for each executive for the purpose of calculating both the Final Earnings and Career Earnings Benefits are limited to base salary as reflected in the Salary column of the Summary Compensation Table and any foreign service premium where applicable. The “Present Value of the Accumulated Benefit” under the Steel Pension Plan for each executive is reflected in the

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regarding the calculations are identified in footnote 2 to the table located under *"Pension Benefits."* In addition, Mr. Surma has a letter agreement with the Corporation that supplements his pension benefits under this Plan.

Supplemental Pension Program

General Description of the Program

The purpose of the United States Steel Corporation Executive Management Supplemental Pension Program is to provide a pension benefit for executives and certain non-executives who participate in our Steel Pension Plan (see *"Compensation Discussion & Analysis—Elements of Executive Compensation—Retirement Benefits— QualifiedE sisé n*

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Potential Payments Upon Termination or Change in Control

The compensation and benefits payable to our executives upon termination vary depending upon the event triggering the termination and the executive's relevant employment facts at the time of termination. For purposes of the tables and discussions below, we have assumed the following termination scenarios (the column references are to the columns in the tables that follow):

Termination Scenarios

Voluntary Termination (with Consent) or Retirement—(Column A)

This termination scenario assumes retirement pursuant to a retirement plan. Benefits under the Non Tax-Qualified Pension Plan and the Supplemental Pension Program are not payable to an executive who voluntarily terminates employment prior to age 60, unless the Corporation consents to such termination. We have assumed the Corporation's consent to retire prior to age 60 under this scenario; however, the Corporation usually reserves its consent for an executive who has served the Corporation well, is not leaving for an opportunity at another company, and is not leaving prior to the development of his or her successor.

Respecting long-term incentives, the Committee has discretion to terminate unvested awards upon termination and certain vested options and awards if the executive retires before the age of 65. While the Committee always reserves its right to decide these matters on a case-by-case basis, its practice has been to prorate the vesting of the shares scheduled to vest during the current vesting period for time served during the current vesting period (for example, in the case of stock options and restricted stock units, seven months worked during the twelve-month vesting period from June 2008 to May 2009 would result in a vesting of seven-twelfths of the number of shares scheduled to vest in May 2009, with no such pro rata vesting for the shares scheduled to vest after May 2009). Given our assumption under this scenario that the Committee has consented to the executive's retirement, the pro rata vesting discussed above has been applied.

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benefits will be paid according to each benefit plan’s provisions following the termination of an executive’s employment in connection with a change in control.

The severance agreements expire on December 31, 2010; however, unless notice to the contrary is given to the executive by the Corporation not later than September 1 of each year, his or her agreement will automatically be extended for one year. The agreements are automatically extended for 24 months in the event of a Change in Control (defined below). The following discussion describes the events and circumstances that will trigger payments under the change in control agreements.

Generally, payments are triggered upon the occurrence of both a change in control of the Corporation and termination of the executive’s employment. Under the agreements, each executive agrees to remain in the employ of the Corporation until the earlier of (i) a date three months after a Change in Control and (ii) a date six months after a Potential Change in Control (defined below). There is a Good Reason (defined below) termination exception to the contract; however, in order for the Corporation to be obligated to pay the benefits under the contract, all Good Reason terminations must also involve an actual Change in Control (if the Good Reason termination occurs prior to a Change in Control, the change in control must be a 409A Change in Control; see definition below).

Following a Change in Control, if there is a termination by the Corporation (other than for cause or disability) or by the executive for Good Reason, the executive is entitled to the following benefits, most of which are discussed under *“Discussion of Compensation Elements,”* below:

- Accrued compensation and benefits;
- Cash severance;
- Supplemental retirement benefit;
- Active medical;
- Outplacement services;
- Excise tax gross up;
- Supplemental Savings Benefit—equal to the unvested portion of the Corporation’s contributions to the executive under the tax-qualified and non tax-qualified savings plans; and
- Legal fees—reimbursement for monthly legal fees incurred as a result of termination of employment and incurred in contesting or disputing such termination or seeking to enforce any right or benefit under the agreement or in connection with any tax audit relating to IRC sections 4999 (excise taxes) or 409A (deferred compensation).

A “*Good Reason*” termination involves a voluntary termination following any of these events:

termination for cause or disability and the executive must give a notice of termination in connection with a termination for good reason).

A “*Change in Control*” happens under the agreements if any of the following occurs:

- A person (defined to include individuals, corporations, partnerships, etc.) acquires 20 percent or more of the voting power of the Corporation;
- A merger occurs involving the Corporation except (a) a merger with at least a majority of continuing directors and (b) a merger involving a division, business unit or subsidiary;
- A change in the majority of the Board of Directors;
- A sale of all or substantially all of the assets of the Corporation; or
- Shareholder approval of a plan of complete liquidation.

A “*Potential Change in Control*” occurs if:

- The Corporation enters into an agreement that would result in a Change in Control;
- A person acquires 15 percent or more of the voting power of the Corporation;
- There is a public announcement by any person of intentions that, if consummated, would result in a Change in Control; or
- The Corporation’s Board of Directors passes a resolution stating that a Potential Change in Control has occurred.

A “*409A Change in Control*” is similar to a Change in Control except that it meets the Section 409A requirements. The main difference between the two definitions is that a 409A Change in Control requires a person to acquire 30 percent of the total voting power of the Corporation’s stock, while a Change in Control requires a person to acquire 20 percent

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a permanent incapacity pension (see "*Steel Pension Plan*" and "*Non Tax-Qualified Pension Plan,*" below). The criteria for a disability termination under the Long-Term Incentive Compensation Program are the same as for a disability termination under Section 409A of the Internal Revenue [illegible]).

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Executive	Component	A	B	C	D	E	F

(ii) a 409A Change in Control (see *"Termination Scenarios—Change in Control and Termination"* for definition) occurs within twenty-four months following the commencement of the potential change in control period.

Restricted Stock (Awards and Units)

Following a voluntary termination with the Committee's consent or a retirement pursuant to a retirement plan *(Column A)*, a prorated number of an executive's unvested restricted stock awards and restricted stock units will vest based on the number of complete months worked during the vesting period, subject to the Committee's discretion. The remaining unvested restricted stock awards and restricted stock units will be forfeited. In the event of a disability *(Column E)* or death *(Column F)*, all unvested restricted stock awards and restricted stock units vest immediately.

If an executive's employment terminates voluntarily without the Committee's consent or involuntarily *(Columns B and C)* (regardless of whether the termination is for cause or not for cause), all remaining unvested restricted stock awards and restricted stock units are forfeited.

Restricted stock awards and restricted stock units vest immediately upon a change in control *(Column D)*, without regard to employment status. Unvested restricted stock awards and restricted stock units will not be forfeited if (i) employment is terminated during a potential change in control period by the Corporation for other than cause or disability or by the executive for good reason and (ii) a 409A Change in Control occurs within twenty-four months following the commencement of the potential change in control period.

Performance Awards

Following a voluntary termination with the Committee's consent or a retirement pursuant to a retirement plan (*Column A*), a disability *(Column E)*, or death *(Column F)*, the prorated value of the performance awards will vest based on the number of complete months worked during the relevant performance period (each is approximately three years), provided in each case that the relevant performance goals are achieved, and subject to the Committee's discretion to reduce or eliminate the award.

If an executive's employment terminates voluntarily without the Committee's consent or involuntarily (*Columns B and C*) (regardless of whether the termination is for cause or not for cause), all remaining unvested performance awards are forfeited.

Performance awards vest immediately upon a change in control (*Column D*), without regard to continued employment, at the higher of 100 percent of target and actual performance over the abbreviated performance period. Unvested performance awards will not be forfeited if (i) employment is terminated during a potential change in control period by the Corporation for other than cause or disability or by the executive for good reason and (ii) a 409A Change in Control occurs within twenty-four months following the commencement of the potential change in control period.

Steel Pension Plan

Benefits under the Steel Pension Plan are payable on behalf of the executives under each of the termination of employment scenarios. Refer to the *"Pension Benefits"* section for a description of the Steel Pension Plan. Benefits under the Steel Pension Plan may be payable under the Non-Qualified Pension Plans to the extent they are limited by the qualified plan limitations established by the Internal Revenue Code.

If an executive is placed on involuntary layoff status as of December 31, 2008 *(Column C)*, the executive will be eligible to remain on layoff for a period of up to two years. Having satisfied certain age and service requirements, each of the executives

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benefits) that would have been payable with Corporation consent if the executive had retired on the date of death.

Supplemental Savings Program

The conditions for a payment of benefits under the Supplemental Savings Program include the attainment of five years of continuous service. Because all named executive officers already meet this condition, this benefit is payable under all termination scenarios.

Letter Agreement

Amounts are payable on behalf of Mr. Surma under his letter agreement under each of the termination of employment scenarios. See *"Pension Benefits—Letter Agreement"* for a description of Mr. Surma's letter agreement.

For Mr. Surma, the present value amounts shown for his letter agreement are attributable to the Corporation's recognition of (i) an allocated part of the 15 years of bonus service for purposes of benefit accrual under the Non Tax-Qualified Pension Plan and the Supplemental Pension Program, and (ii) 15 years of eligibility service for purposes of satisfying the 15-year service requirement for benefits under the Supplemental Pension Program. The present value of the amounts payable under the various termination scenarios pursuant to the terms of the letter agreement vary based upon the amounts payable under the above-referenced plans under these scenarios. The pension benefits, so calculated, will be paid by the Corporation to Mr. Surma in accordance with the formulas of the applicable plans upon his retirement or in the event of his death prior to his retirement, to his surviving spouse or, supplements ("*All Pension Plans*") as of the date of termination of employment, plus the following enhancements:

- Service—an additional three years are added to the executive's service for purposes of calculating the monthly normal retirement benefit payable at normal retirement age,

- Final Average Pay—is based on the higher of (a) the executive's final average pay used in calculating Actual [illegible] using the executive's base salary in effect immediately prior to the Applicable Event (see definition under *"Termination Scenarios — Change in Control and Termination"*, above) and, to the extent [illegible]-term incentive payment is considered in the calculation of pension benefits, the higher of [illegible] payment, or if higher, the executive's target short-term incentive [illegible] or to the Applicablpat ag