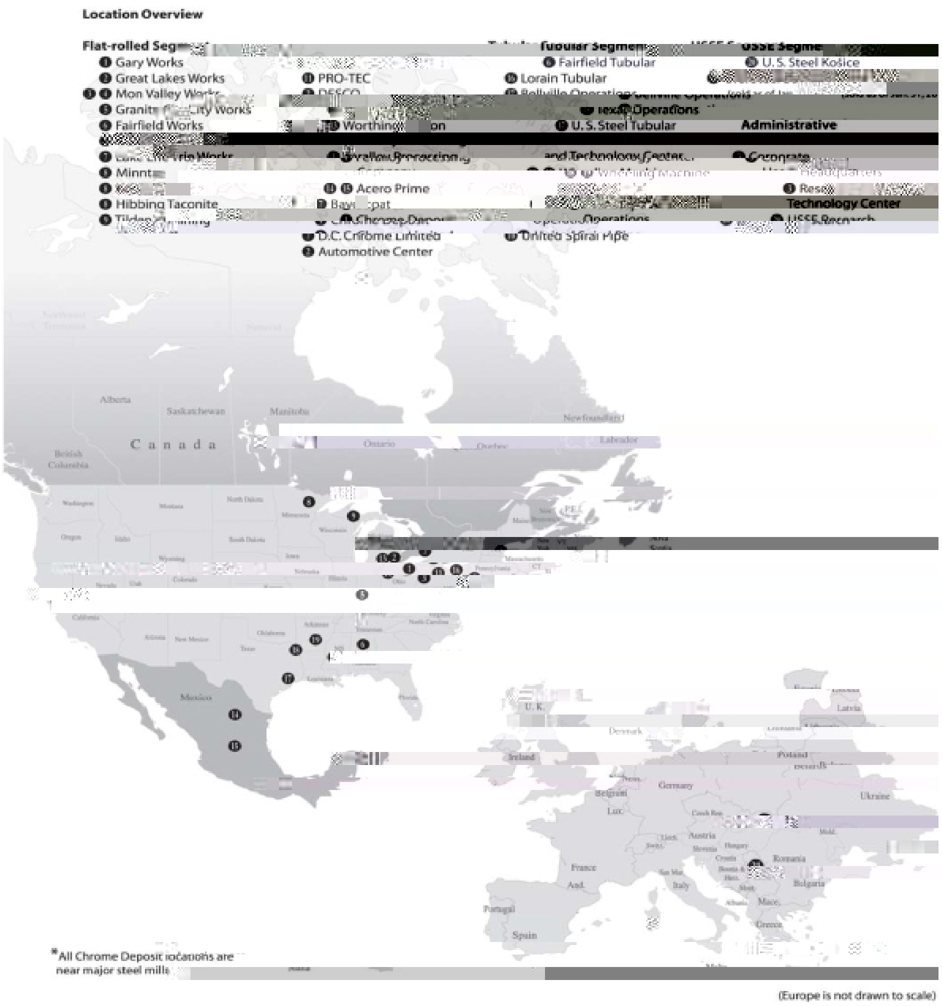
Location Overview
Gary Works
Great Lakes Works
Fairfield Works
Hibbing Taconite
PRO-TEC
Acero Prime
D.C. Chrome Limited
Automotive Center
Fairfield Tubular
Lorain Tubular
U. S. Steel Tubular
United Spiral Pipe
U. S. Steel Košice
Administrative
Technology Center
Alberta
Saskatchewan
Manitoba
Canada
Mexico
*All Chrome Deposit locations are near major steel mills
(Europe is not drawn to scale)

Segments

U. S. Steel has three reportable operating segments: Flat-rolled Products (Flat-rolled), U. S. Steel Europe (USSE) and Tubular Products (Tubular). The results of several operating segments that do not constitute reportable segments are combined and disclosed in the Other Businesses category.

The Flat-rolled segment includes the operating results of U. S. Steel's North American integrated steel mills and equity investees involved in the production of slabs, rounds, strip mill plates, sheets and tin mill products, as well as all iron ore and coke production facilities in the United States and Canada. These operations primarily serve North American customers in the service center, conversion, transportation (including automotive), construction, container, and appliance and electrical markets. Flat-rolled supplies steel rounds and hot-rolled bands to Tubular.

Flat-rolled has annual raw steel production capability of 24.3 million tons. Raw steel production was 18.6 million tons in 2011, 18.4 million tons in 2010 and 11.7 million tons in 2009. Raw steel production averaged 77 percent of capability in 2011, 76 percent of capability in 2010 and 48 percent of capability in 2009.

The USSE segment included the operating results of U. S. Steel Košice (USSK), U. S. Steel's integrated steel mill and coke production facilities in Slovakia; U. S. Steel Serbia (USSS), U. S. Steel's integrated steel mill and other facilities in Serbia; and an equity investee. USSS was sold on January 31, 2012. USSE primarily serves customers in the European construction, service center, conversion, container, transportation (including automotive), appliance and electrical, and oil, gas and petrochemical markets. USSE produces and sells slabs, sheet, strip mill plate, tin mill products and spiral welded pipe, as well as heating radiators and refractory ceramic materials.

USSE had annual raw steel production capability of 7.4 million tons, which consists of 5.0 million and 2.4 million tons from USSK and USSS, respectively. On January 31, 2012, USSS was sold, reducing USSE's annual steel capacity to 5.0 million tons. USSE's raw steel production was 5.6 million tons in 2011, 6.1 million tons in 2010 and 5.1 million tons in 2009. USSE's raw steel production averaged 76 percent of capability in 2011, 82 percent of capability in 2010 and 69 percent of capability in 2009.

The Tubular segment includes the operating results of U. S. Steel's tubular production facilities, primarily in the United States, and equity investees in the United States and Brazil. These operations produce and sell seamless and electric resistance welded (ERW) steel casing and tubing (commonly known as oil country tubular goods or OCTG), standard and line pipe and mechanical tubing and primarily serve customers in the oil, gas and petrochemical markets. Tubular's annual production capability is 2.8 million tons.

All other U. S. Steel businesses not included in reportable segments are reflected in Other Businesses. These businesses include transportation services (railroad and barge operations) and real estate operations.

For further information, see Note 3 to the Financial Statements.

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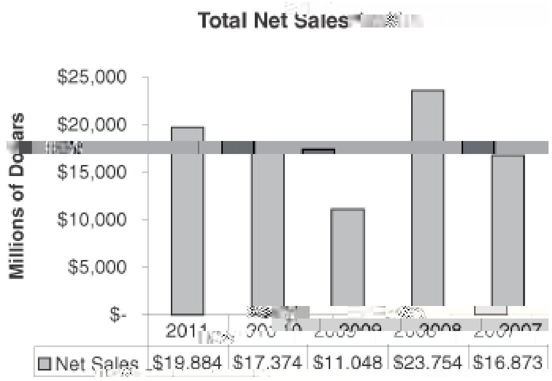
Financial and Operational Highlights

Net Sales



(a) Includes the former Lone Star facilities from the date of acquisition on June 14, 2007 and USSC from the date of acquisition on October 31, 2007.

Net Sales by Segment

(Dollars in millions, excluding intersegment sales)	2011	2010	2009
Flat-rolled	**$12,367**	$10,848	$ 6,814
USSE	**4,306**	3,989	2,944
Tubular	**3,034**	2,403	1,216
Total sales from reportable segments	**19,707**	17,240	10,974
Other Businesses	**177**	134	74
Net sales	**$19,884**	$17,374	$11,048

Income (Loss) from Operations by Segment

	Year Ended December 31,		
(Dollars in Millions)	2011	2010	2009
Flat-rolled	**$ 469**	$(261)	

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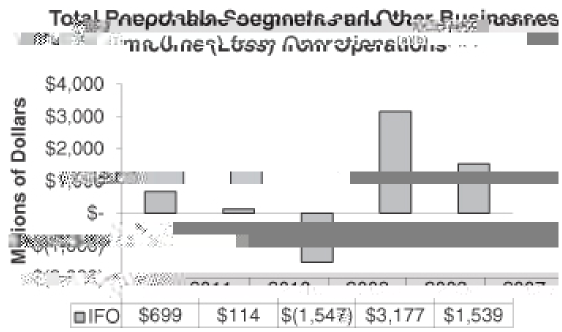
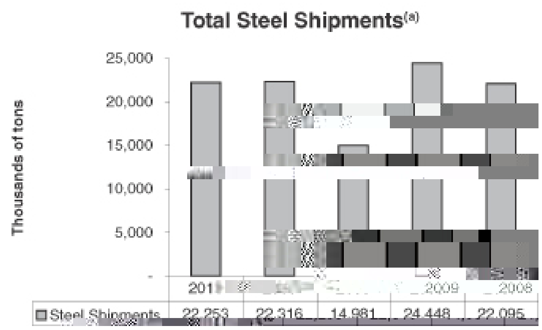
Reportable Segments and Other Businesses – Income (Loss) from Operations (IFO)



(a) Includes the former Lone Star facilities from the date of acquisition on June 14, 2007 and USSC from the date of acquisition on October 31, 2007.
(b) Amounts prior to 2011 have been restated to reflect a change in our segment allocation methodology for postretirement benefit expenses as disclosed in Note 3 to the Financial Statements.

Steel Shipments



(a) Includes the former Lone Star facilities from the date of acquisition on June 14, 2007 and USSC from the date of acquisition on October 31, 2007.

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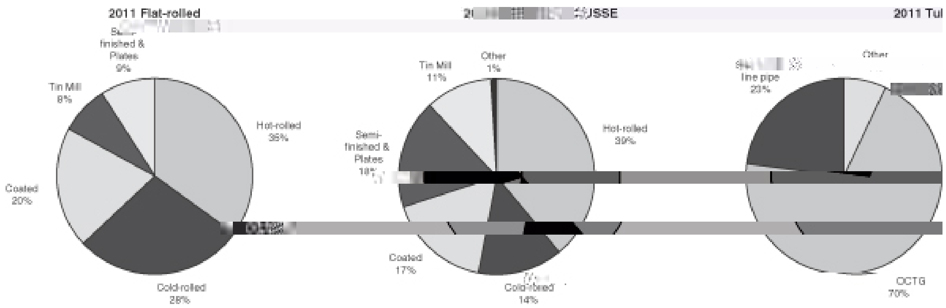
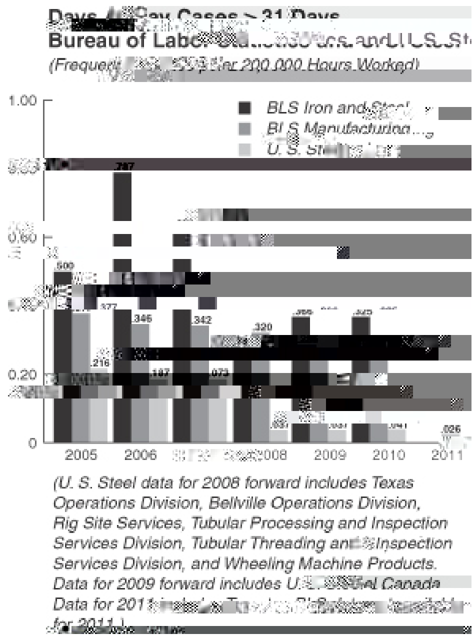
Steel Shipments by Product and Segment



The following table does not include shipments to end cusIŏ Ď F



Our commercial strategy is focused on providing value-added steel products, including advanced high strength steel and coated sheets for the automotive and appliance industries, electrical steel sheets for the manufacture of motors and electrical equipment, galvanized and Galvalume sheets for construction, tin mill products for the container industry and oil country tubular goods for the oil and gas industry, including providing high quality steel to the developing North American shale oil and gas market. In addition, our European operations concentrate on being a dependable source of high-quality steel to meet the needs of the developing central European markets.

We are committed to meeting our customers requirements by developing new steel products and uses for steel. In connection with this commitment we have research centers in Pittsburgh, Pennsylvania, and Košice, Slovakia. We also have an automotive center in Troy, Michigan and in 2011 we completed construction of an innovation and technology center for Tubular products in Houston, Texas. The

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During 2011, we were re-certified from the Wildlife Habitat Council (WHC) for our Wildlife at Work program at our South Taylor Environmental Park (STEP) near Pittsburgh, Pennsylvania, which incorporates interaction with elementary school programs in Western Pennsylvania. In addition, we renewed our WHC li

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In May 2011, the U.S. International Trade Commission (ITC) concluded its five-year (sunset) reviews of antidumping orders against hot-rolled carbon steel flat products from Brazil and Japan, a countervailing duty order against hot-rolled carbon steel flat products from Brazil, and a suspended antidumping investigation concerning hot-rolled carbon steel flat products from Russia. It determined that terminating the existing suspended antidumping duty investigation on imports of product from Russia would be likely to lead to the continuation or recurrence of material injury within a reasonably foreseeable time, and that revoking the orders against product from Brazil and Japan would not be likely to lead to the continuation or recurrence of material injury within a reasonably foreseeable time. As a result, the orders against product from Brazil and Japan have been terminated, while the suspended investigation against product from Russia will remain suspended. U. S. Steel has appealed the ITC's negative determinations with respect to Brazil and Japan to the U.S. Court of International Trade.

The U.S. Department of Commerce (DOC) and the ITC concluded their five-year (sunset) reviews of antidumping orders against seamless standard, line, and pressure pipe from Japan (large-diameter and small-diameter) and Romania (small-diameter) in August 2011 and September 2011, respectively. The DOC determined that revoking these orders would likely lead to the continuation or recurrence of dumping, and the ITC determined that revoking the orders would be likely to lead to the continuation or recurrence of material injury within a reasonably foreseeable time. As a result, the orders remain [illegible]

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restS

East Chicago Tin is located in East Chicago, Indiana and produces tin mill products. Facilities include a pickling line a acii cnel

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U. S. Steel has a 14.7 percent ownership interest in Hibbing Taconite Company (Hibbing), which is based in Hibbing, Minnesota. Hibbing's rated annual [illegible]

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Feralloy Processing Company (FPC), a joint venture between U. S. Steel and Feralloy Corporation, converts coiled hot strip mill plate into sheared and flattened plates for shipment to customers. U. S. Steel has a 49 percent interest. The plant, located in Portage, Indiana, has annual production capability of approximately 275,000 tons.

U. S. Steel, along with Feralloy Mexico, S.R.L. de C.V. and Mitsui & Co. (USA), Inc., participates in a joint venture, Acero Prime, S.R.L. de CV (Acero Prime). U. S. Steel has a 40 percent interest. Acero Prime has facilities in San Luis Potosi and Ramos Arizpe, Mexico. Acero Prime provides slitting, warehousing and logistical services. Acero Prime’s annual slitting capability is approximately 385,000 tons.

USSE

USSE consisted of USSK and its subsidiaries, USSS and an equity investee.

On January 31, 2012, USSS was sold.

USSK operates an integrated facility in Košice, Slovakia, which has annual raw steel production capability of 5.0 million tons. This facility has two coke batteries, three blast furnaces, four steelmaking vessels, a vacuum degassing unit, two dual strand casters, a hot strip mill, two pickling lines, two cold reduction mills, three annealing facilities, a temper mill, a temper/double cold reduction mill, three hot dip galvanizing lines, two tin coating lines, three dynamo lines, a color coating line and two spiral welded pipe mills. Principal products include hot-rolled, cold-rolled and coated sheets, tin mill products and spiral welded pipe. USSK also has facilities for manufacturing heating radiators and refractory ceramic materials.

In addition, USSK has a research laboratory which, in conjunction with our Research and Technology Center, supports efforts in cokemaking, electrical steels, design and instrumentation, and ecology.

USSS consisted of an integrated plant in Smederevo, Serbia which had annual raw steel production capability of 2.4 million tons. Facilities at this plant included two blast furnaces, three steelmaking vessels, two slab casters, a hot strip mill, two pickling lines, a cold reduction mill, two annealing facilities, a temper mill and a temper/double cold reduction mill. Other facilities included a tin mill in Šabac with one tin coating line, a limestone mine in Kučevo and a river port in Smederevo, all located in Serbia. Principal products included hot-rolled and cold-rolled sheets and tin mill products.

Tubular

The amounts of such raw materials needed to produce a ton of steel will fluctuate based upon the specifications of the final steel products, the quality of raw materials and, to a lesser extent, differences among steel producing equipment. In broad terms, U. S. Steel estimates that it consumes about 1.4 tons of coal to produce one ton of coke and that it consumes approximately 0.4 tons of coke, 0.2 tons of steel scrap (40 percent of which is ino

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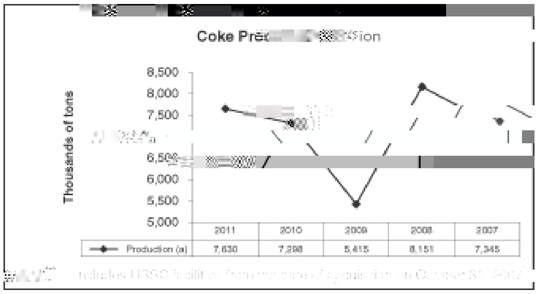
Coke



In No

contracts for a portion of our expected business needs in order to partially manage our exposure to the volatility of the zinc and tin markets.

Natural Gas

All of U. S. Steel’s natural gas requirements are purchased from outside sources.

We believe that supplies adequate to meet Flat- F quſex Ď }

current Congress. The EU has established greenhouse gas regulations while in Canada, a regulatory fram

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forward. Since EPA previously stayed attainment designations, EPA also advised the regulated community that it would move forward with implementation of the 2008 standard, starting with designating areas in the first half of 2012. States must submit SIPs outlining how they will reduce pollution to meet the standards by a date that is no later than three years after EPA's final designations. If EPA issues designations in 2012 as it has indicated, these plans would be due no later than 2015. States are required to meet the standards by deadlines that may vary based on the severity of the problem in the area. It is anticipated that the ozone NAAQS revisions could result in significant costs to U. S. Steel; however, it is not possible to estimate the magnitude of these costs at this time since any implementation requirements will not be known until after areas are designated and SIPs are developed.

In 2010, EPA retained the annual nitrogen dioxide NAAQS standard, but created a new 1-hour NAAQS and established new data reduction and monitoring requirements. While it is expected that compliance with the new standard could result in additional capital expenditures in the coming years, since EPA has not yet made area designations with regards to the new 1-hour NAAQS for nitrogen oxide and States have not yet begun preparing implementation plans, the impact on current operating remedial actions, capital expenditures and costs of compliance, see “Item 3. Legal Proceedings – Environmental Proceedings” and “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Environmental Matters, Litigation and Contingencies.”

Property, Plant and Equipment Additions

For property, plant and equipment additions, including capital leases, see “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Financial Condition, Cash Flows and Liquidity – Cash Flows” and Note 12 to the Financial Statements.

Employees

As of December 31, 2011, U. S. Steel had approximately 24,000 employees in North America and approximately 19,000 in Europe. Due to the sale of USSS on January 31, 2012, our total employees were reduced by approximately 5,400.

Most hourly employees of U. S. Steel’s flat-rolled, tubular, cokemaking and iron ore pellet facilities in the United States are covered by collective bargaining agreements with the USW entered into effective September 1, 2008 (the 2008 CBAs) that expire on September 1, 2012. The 2008 CBAs resulted in wage increases ranging from $0.65 to $1.00 per hour as of the effective date. Employees received four percent wage increases on September 1, 2009, 2010 and 2011. The 2008 CBAs also required U. S. Steel to make annual $75 million contributions to a restricted account within our trust for retiree health care and life insurance during the contract period. In early 2009, we reached agreement with the USW to def

Table

Risk Factors Concerning the Steel Industry

Steel consumption is highly cyclical, and worldwide overcapacity in the steel industry and the availability of alternative products have resulted in intense competition, which may have an adverse effect on profitability and cash flow, especially during periods of economic weakness.

Steel consumption is highly cyclical and generally follows economic and industrial conditions both worldwide and in regional markets. The steel industry has historically been characterized by excess global supply, which has led to substantial price decreases during periods of economic weakness. Substitute materials are increasingly available for many steel products, which further reduces demand for steel.

As the overall North American economy has recovered, we have experienced shorter business cycles with durations measured in weeks or months rather than the traditional multi-year cycles. This volatility makes it difficult to balance the procurement of raw materials and energy with our steel production and customer product demand.

Rapidly growing supply in China and other developing economies may grow faster than real demand in those economies, which may result in additional excess worldwide capacity and falling steel prices.

Over the last several years, steel consumption in China and other developing economies has increased at a rapid pace. Steel companies have responded by rapidly increasing steel production capability in those countries and published reports state that further capacity increases are likely. Steel production capability, especially in China, now appears to be well in excess of China's home market demand. Because China is now the largest worldwide steel producer by a significant margin, any excess Chinese supply could have a major impact on world steel trade and prices if this excess and subsidized production is exported to other markets. Since the Chinese steel industry is largely government owned, it has not been as adversely impacted by the ongoing difficult economic conditions, pëktyguis pr. Seeer e Chinm automatic or discretionary recision or reduction. There can be no assurance that any such relief will be obtained or continued in the future or that such relief as obtained will be adequate. There is also a risk that international bodies such as the World Trade Organization or judicial bodies in the United States, Canada or the EU may change their interpretations of these laws in ways unfavorable to U. S. Steel such as a recent United States court ruling rejecting the applicability t deting the

Many domestic and international competitors do not provide retiree health care and life insurance or defined benefit pension plans, and other international competitors operate in jurisdictions with government sponsored retirement and health care plans that may offer them a cost advantage. Benefit obligations under our plans are not tied to operating rates; therefore, our costs do not change to reflect general economic conditions.

We have higher environmental remediation costs than our competitors. This creates a competitive disadvantage and negatively affects our results of operations and cash flows.

U. S. Steel is involved in numerous remediation projects at currently operating facilities, facilities that have been closed or sold to unrelated parties and other sites where material generated by U. S. Steel was deposited. In addition, there are numerous other former operating or disposal sites that could become the subject of remediation. For example, we recorded a charge of $18 million in 2011 related to a component of the Gary Works RCRA corrective action program, and we recorded a charge of $49 million in 2009 in connection with the expanded scope of remediation at our former Geneva Works.

Environmental remediation costs and related cash requirements of many of our competitors may be substantially less than ours. Many international competitors do not face similar laws in the jurisdictions where they operate. Many U.S. competitors have substantially shorter operating histories than we do, resulting in less exposure for environmental remediation. Competitors that have obtained relief under bankruptcy laws may have been released from certain environmental obligations that existed prior to the bankruptcy filing.

Other Risk Factors Applicable to U. S. Steel

Unplanned equipment outages and other unforeseen disruptions may reduce our results of operations.

Our steel production depends on the operation of critical structures and pieces of equipment, such as blast furnaces, casters, hot strip mills and various structures and operations that support them. It is possible that we could experience prolonged periods of reduced production and increased maintenance and repair costs due to equipment failures at our facilities or those of our key suppliers. For example, we experienced a structural failure at Gary Works in 2010 that disrupted operations for several weeks. It is also possible that operations may be disrupted due to other unforeseen circumstances such as power outages, explosions, fires, floods, accidents and severe weather conditions. We are also exposed to similar risks involving major customers and suppliers such as force majeure events of raw materials suppliers that have occurred and may occur in the future. Production at USSE was curtailed in January 2009 due to the suspension of natural gas deliveries to Europe from Russia transported through Ukraine and we remain vulnerable to this risk. Since that time, we have taken steps to mitigate the effects of a future disruption including adding storage capacity in the Slovak Republic and the ability to have reverse flow gas from the Czech Republic to Slovakia. Availability of raw materials and delivery of products to customers could be affected by logistical disruptions (such as shortages of barges, ocean vessels, rail cars or trucks, or unavailability of rail lines or of locks on the Great Lakes or other bodies of water). To the extent that lost production could not be compensated for at unaffected facilities and depending on the length of the outage, our sales and our unit production costs could be adversely affected.

We may be adversely impacted by volatility in prices for raw materials, energy, and steel.

In 2011, approximately 67 percent of U. S. Steel's Flat-rolled segment sales in the United States are based on sales contracts with volume commitments and durations of at least one quarter, while lesser percentages of Tubular and USSE segment sales are made pursuant to such contracts. These contracts generally have a fixed price or a price that will fluctuate with changes in a defined index and do not always have firm volume commitments. During periods of rapid escalation of raw materials, energy and other costs such [illegible] s Steel's [illegible]

Declines in the production levels of our major customers could have an adverse effect on our financial position, results of operations and cash flow.

We sell to the automotive, service center, converter, energy and appliance and construction-related industries, all of which have been signficantly impacted by the ongoing difficult economic conditions. Low demand from customers in these key markets may adversely affect our results of operations.

We face risks concerning new technologies, products and increasing customer requirements.

Technologies such as direct iron reduction and carbon substitution may be more cost effective than our current production methods. However, we may not have sufficient capital to invest in such technologies and may from time to time, incur cost over-runs and difficulties adapting and fully integrating these technologies into our existing operations. We may also encounter control or production restrictions, or not realize the cost benefit from such capital intensive technology adaptations to our current production processes. Customers such as the automotive industry are demanding stronger and lighter products. Tubular customers are increasingly requesting pipe producers to supply connections and other ancillary parts as well as inspection and other services. We may not be successful in meeting these technological challenges and there may be increased liability exposures connected with the supply of additional products and services. Events such as well failures, line pipe leaks, blowouts, bursts, fires and product recalls could result in claims that our products or services were defective and caused death, personal injury, property damage or environmental pollution. The insurance we maintain may not be adequate, available to protect us in the event of a claim, or its coverage may be limited, canceled or otherwise terminated, or the amount of our insurance may be less than the related impact on our enterprise value after a loss.

The terms of our indebtedness contain provisions that may limit our flexibility.

The Amended Credit Agreement is secured by a lien on a majority of our domestic inventory and certain of our accounts receivable and includes a fixed charge coverage ratio covenant that applies to the most recent four consecutive quarters when availability under the Amended Credit Agreement is less than the greater of 10% of the total aggregate commitments and $87.5 million. Because the Amended Credit Agreement was undrawn throughout 2011, this covenant was not applicable. The value or levels of inventory may decrease or we may not be able to meet this covenant in the future, and either or both of these situations would limit our ability to borrow under the Amended Credit Agreement. We also amended our RPA during 2011 to increase the maximum amount of receivables eligible for sale by $100 million to $625 million. As of December 31, 2011, we have sold $380 million of our receivables to third party commercial paper conduits to fund our working capital requirements. Reductions in accounts receivable would reduce the amount of receivables available for sale.

In general, availability under the Amended Credit Agreement is limited to a monthly borrowing base for certain eligible domestic inventory. Inventory reductions could limit availability to less than the potential $875 million. If availability under the Amended Credit Agreement is less than the greater of 10% of the total aggregate commitments and $87.5 million, we would also be subject to a fixed charge coverage ratio covenant. In addition, beginning on February 13, 2014 and extending until the repayment or conversion of the 4.00% senior convertible notes, we must maintain minimum liquidity of at least $350 million if the aggregate outstanding principal amount of the 4.00% senior convertible notes is $350 million or greater; or minimum liquidity of $175 million, if the outstanding principal amount is lower than $350 million. The minimum liquidity (as further defined in the Amended Credit Agreement) must include at least $145 million of availability under the Amended Credit Agreement. This may be a particular problem as market conditions and order levels continue to improve and U. S. Steel needs the liquidity to build working capital. We have granted the lenders under the Amended Credit Agreement a secured position in our most liquid assets, which may be a detriment to other creditors.

The Amended Credit Agreement, our Senior Convertible Notes issued in 2009 and our $2.2 billion of Senior Notes issued in 2007 and 2010 also contain covenants limiting our ability to create liens and engage in sale-leasebacks. Additionally, the repayment of amounts outstanding under the Amended Credit Agreement and repurchase of the Senior Convertible Notes and Senior Notes is required upon a change of control under specified circumstances, as well as other customary provisions. The Amended Credit Agreement, the Senior Convertible Notes and the RPA have provisions that certain defaults under a material debt obligation could cause a default under the Amended Credit Agreement or the Senior Convertible Notes or termination of the RPA. These terms may affect our liquidity, our ability to operate our business and may limit our ability to take advantage of potential business opportunities.

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Rating agencies may downgrade our credit ratings, which would make it more difficult for us to raise capital and would increase our financial costs.

Any downgrades in our credit ratings may make raising capital more difficult, may increase the cost and affect the terms of future borrowings, may affect the terms under which we purchase goods and services and may limit our ability to take advantage of potential business opportunities.

"Change in control" clauses in our financial and labor agreements grant the other parties to those agreements rights to accelerate obligations and to terminate or extend our labor agreements.

Upon the occurrence of "change in control" events specified in our Senior Notes, Amended Credit Agreement, Senior Convertible Notes and various other contracts and leases, the holders of our indebtedness may require us to immediately repurchase or repay that debt on less than favorable terms. Additionally, the 2008 CBAs give the USW the right to either terminate or extend the collective bargaining agreements for an additional four years. Among other things, these provisions may make a takeover of U. S. Steel more difficult.

A "change of control" is generally defined to include any of the following: (a) the acquisition by a person or group of at least 35 percent of our common stock, (b) a merger in which holders of our common stock own less than a majority of the equity in the resulting entity, or (c) replacement of a majority of the members of our Board of Directors by persons who were not nominated by our current directors.

Our operations expose us to uncertainties and risks in the countries in which we operate, which could negatively affect our results of operations and cash flows.

Our U.S. operations are subject to economic conditions and political factors in the United States, which if changed could negatively affect our results of operations and cash flow. Political factors include, but are not limited to, taxation, inflation, increased regulation, limitations on exports of energy and raw materials, and trade remedies. Actions taken by the U.S. government could affect our results of operations and cash flow.

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We are exposed to potential impairment of goodwill recorded on our balance sheet.

Our acquisitions of Lone Star Technologies

Provisions of Delaware Law, and our governing documents may make a takeover of U. S. Steel more difficult.

Certain provisions of Delaware law, our certificate of incorporation and by-laws could make more difficult or delay our acquisition by means of a tender offer, a proxy contest or otherwise and the removal of incumbent directors

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Item 2. PROPERTIES

The following tables list U. S. Steel’s main properties, their locations and their products and services:

North American Operations

Property	Location	Products and Services
Gary Works	Gary, Indiana	Slabs; Sheets; Tin mill; Strip mill plate; Coke
Midwest Plant	Portage, Indiana	Sheets; Tin mill
East Chicago Tin	East Chicago, Indiana	Tin mill
Great Lakes Works	Ecorse and River Rouge, Michigan	Slabs; Sheets
Mon Valley Works		
Irvin Plant	West Mifflin, Pennsylvania	Sheets
Edgar Thomson Plant	Brad[illegible]	

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Other Operations

Property	Location	Products and Services
U. S. Steel Košice	Košice, Slovakia	Slabs; Sheets; Tin m

About 2,570, or approximately 80 percent, of these claims are currently pending in jurisdictions which permit filings with massive numbers of plaintiffs. Based upon U. S. Steel's experience in such cases, it believes that the actual number of plaintiffs who ultimately assert claims against U. S. Steel will likely be a small fraction of the total number of plaintiffs. Most of the claims filed in 2011, 2010 and 2009 involve individual or small groups of claimants.

[illegible] exposed to asbestos at U. S. Steel facilities (referred to as "premises claims"); (2) claims made by industrial workers allegedly exposed to products formerly manufactured by U. S. Steel; and [illegible] general maritime laws by employees of former operations of U. S. Steel. The ultimate outcome of any claim depends upon a myriad of legal and [illegible] current or former premises. These claims may be made by an indeterminable number of people such as truck drivers, railroad workers, salespersons, contractors and their employees, government inspectors, customers, visitors and even trespassers. In most cases, the claimant also was exposed to asbestos in non-U. S. Steel settings; the relative periods of exposure between U. S. Steel and non-U. S. Steel settings vary with each claimant; and the strength or weakness of the

Minnesota Environmental Response and Liability Act on its Permanent List of Priorities. The U.S. Environmental Protection AYóriYoȝ3 ȝ sediments behind the East Breakwall. Implementation of these programs continued during the fourth quarter of 2011. In addition, U. S. Steel has submitted an interim stabilization measure workplan to address certain components of the East Side Groundwater Solid Waste Management Area as required by the Administrative Order. Until the remaining Phase I work and Phase II field investigations are completed, it is not possible to assess what additional expenditures will be necessary for Corrective Action projects aptnctr emeofC ent tr eirosotningeg th Mon menrectivemeast Sideono praptnctr essiapn batteries at its Clairton Plant and to resolve alleged opacity violations from its Edgar Thomson Plant. Under the COA, U. S. Steel paid a civil penalty of $301,800 on March 25, 2008. The COA requires U. S. Steel to conduct interim repairs on existing batteries and make improvements at the Ladle Metallurgical Facility and Steelmaking Shop at the Edgar Thomson Plant. The COA also required that Batteries 1, 2 and 3 be shutdown by August 11, 2015. On September 30, 2010, U. S. Steel and ACHD amended the COA to require U. S. Steel to install two new Low Emissions Quench Towers to replace existing towers and bring Batteries 1, 2 and 3 into compliance rather than shutting them down. We are repairing existing Batteries 19 and 20 and we continue to make improvements on Batteries 1, 2 and 3. The capital costs for the quench towers is estimated to be $60 million while the cost of improvements at Batteries 1, 2 and 3 cannot be estimated at this time. U. S. Steel is also completing upgrades at its Edgar Thomson Plant that would reduce emissions. U. S. Steel shut down Batteries 7, 8 and 9 in 2009 as required by the COA.

On October 8, 2009, Mon Valley Clairton Plant received an NOV from ACHD alleging that the Clairton Plant was culpable for hydrogen sulfide (H_2S) Pennsylvania ambient air quality standard exceedances. The NOV requires U. S. Steel to submit a plan with milestones to reduce and minimize fugitive emissions of coke oven gas from the coke producing operations at Clairton including identification of coke oven gas emission sources and method of improved emission prevention and control. While U. S. Steel appealed the NOV on October 16, 2009, U. S. Steel submitted an Action Plan to ACHD that was required by the NOV. U. S. Steel and ACHD have performed H_2S modeling and are in the process of evaluating all potential sources of H_2S in the area. U. S. Steel and ACHD continue to meet and discuss resolution.

Midwest Plant

A former disposal area located on the east side of the Midwest Plant was designated a SWMU (East Side SWMU) by IDEM before U. S. Steel acquired this plant from National Steel Corporation. U. S. Steel submitted a Closure Plan to IDEM recommending consolidation and "in-place" closure of the East Side SWMU. IDEM approved the Closure Plan in January 2010. Implementation of the Closure Plan began during the third quarter of 2010 and field work was completed early in the second quarter of 2011. A full vegetative cover over the project area is in place and the Closure Completion Report was approved by IDEM on November 21, 2011. As of December 31, 2011, $4.2 million has been spent on the project. The remaining cost is estimated to be $216,000 for post construction monitoring work and was recorded as an accrued liability as of December 31, 2011.

Fairless Plant

In January 1992, U. S. Steel commenced negotiations with EPA regarding the terms of an Administrative Order on consent, pursuant to RCRA, under which U. S. Steel would perform an RFI and a CMS at our Fairless Plant. A Phase I RFI report was submitted during the third quarter of 1997. The cost to U. S. Steel to continue to maintain the interim measures, develop a Phase II/III RFI Work Plan and implement certain corrective measures is estimated to be $683,000. It is reasonably possible that additional costs of as much as $25 million to $45 million may be incurred at this site in combination with four other projects. See note 24 to the Financial Statements "Contingencies and Commitments – Environmental Matters – Remediation Projects – Projects with Ongoing Study and Scope Development."

Fairfield Works

A consent decree was signed by U. S. Steel, EPA and the U.S. DOJ and filed with the United States District Court for the Northern District of Alabama (United States of America v. USX Corporation) on December 11, 1997. In accordance with the consent decree, U. S. Steel initiated a RCRA corrective action program at the Fairfield Works facility. The Alabama Department of Environmental Management (ADEM) with the approval of EPA assumed primary responsibility for regulation and oversight of the RCRA corrective action program at Fairfield Works. ADEM is currently reviewing the Phase II RFI work plan. In October, 2011, U. S. Steel initiated a Phase I Investigation of the Exum Materials Management Area. In total, the accrued liability for remaining work under the Corrective Action Progam including the former Ensley facility was $790,000 at December 31, 2011, based on estimated remaining costs. It is reasonably possible that additional costs of as much as $25 million to $45 million may be incurred at this site in combination with four other projects. See note 24 to the Financial Statements "Contingencies and Commitments – Environmental Matters – Remediation Projects – Projects with Ongoing Study and Scope Development."

Lorain Tubular Operations

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Granite City Works

U. S. Steel received two NOVs, dated February 20, 2004 and March 25, 2004, for air violations at the coke batteries, the blast furnace and the steel shop at our Granite City Works facility. All of the issues have been resolved except for an issue relating to air emissions that occurs when coke is pushed out of the ovens, for which a compliance plan has been submitted to the Illinois Environmental Protection Agency (IEPA). On December 18, 2007, U. S. Steel and IEPA entered into a consent order (State of Illinois ex. rel. Lisa Madigan vs. United States Steel Corporf nĎrăn submitt the scrubber car by November 30, 2010, certify compliance by February 28, 2011 and update the compliance plan after the results of the evaluation are known. U. S. Steel has completed its self-imposed obligations pursuant to the schedule it submitted to IEPA. IEPA issued a Violation Notice on November 10, 2010 alleging violations for noncompliance with coke door and coke scrubber car standards. On June 17, 2011, U. S. Steel received a Notice of Intent to Pursue Legal Action from IEPA regarding the NOV. On July [illegible], 2011, U. S. Steel met with IEPA to discuss resolution. On August 1, 2011, U. S. Steel provided a supplemental response to IEPA.

To comply with the Illinois State NOx RACT rule, U. S. Steel will install Flue Gas Recirculation and Continuous Emission Monitors on Boilers 11 and 12 at Granite City Works, at a capital expenditure of approximately $4 million. U. S. Steel will also install a NOx continuous emissions monitor for the slab reheat furnaces at a capital expenditure of approximately $1 million.

Geneva Works

At U. S. Steel's former Geneva Works, liability for environmental remediation, including the closure of three hazardous waste impoundments and facility-wide corrective action, has been allocated between U. S. Steel and the current property owner pursuant to an agreement and a permit issued by the Utah Department of Environmental Quality. As of December 31, 2011, U. S. Steel has spent $17.6 million to complete remediation on certain areas of the site. Having completed the investigation on a majority of the remaining areas identified in the permit, U. S. Steel has determined that the most effective means to address the remaining impacted material is to manage those materials in a previously approved on-site Corrective Action Management Unit (CAMU). U. S. Steel has an accrued liability of $65 million as of December 31, 2011, for our estimated share of the remaining costs of remediation, including the construction, waste management, closure and post closure of a CAMU.

Duluth Works

The former U. S. Steel Duluth Works site was p

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EXECUTIVE OFFICERS OF THE REGISTRANT

The executive officers of U. S. Steel and their ages as of February 1, 2012, are as follows:

Name	Age	Title	Executive Officer Since
George F. Babcoke	55	Senior Vice President – European Operations & Global Operations Services	March 1, 2008
Larry T. Brockway	52	Senior Vice President and Chief Risk Officer	August 1, 2011
James D. Garraux	59	General Counsel & Senior Vice President – Corporate Affairs	February 1, 2007
Gretchen R. Haggerty	56	Executive Vice President & Chief Financial Officer	December 31, 2001
David H. Lohr	58	Senior Vice President – Strategic Planning, Business Services & Administration	June 1, 2008
John P. Surma	57	Chairman of the Board of Directors and Chief Executive Officer	December 31, 2001
Susan M. Suver	52	Vice President – Human Resources	November 1, 2007
Gregory A. Zovko	50	Vice President & Controller	April 1, 2009

All of the executive officers mentioned above have held responsible management or professional positions with U. S. Steel or our subsidiaries for more than the past five years, with the exception of Ms. Suver. Prior to joining U. S. Steel, Ms. Suver served as corporate vice president, Global Human Resources for Arrow Electronics, Inc. (Arrow), a $12 billion global provider of industrial and commercial electronic components and computer products. She joined Arrow in 2001 as vice president, Global Organizational Development. Prior to that, she served as vice president, Organization Effectiveness and Communication for Phelps Dodge Corporation.

Messrs. Garraux and Surma and Ms. Haggerty will hold office until the annual election of executive officers by the Board of Directors following the next Annual Meeting of Stockholders, or until his or her earlier resignation, retirement or removal. Messrs. Bab s l wib ! A

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PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Common Stock Information

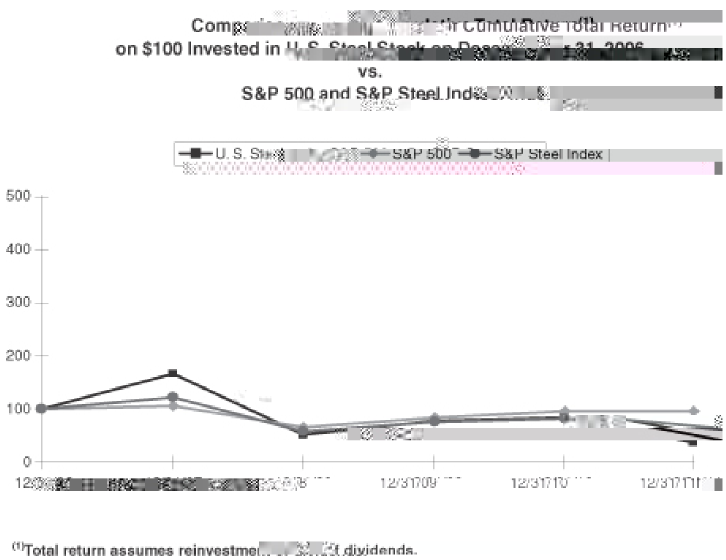
The principal market on which U. S. Steel common stock is traded is the New York Stock Exchange. U. S. Steel common stock is also traded on the Chicago Stock Exchange. Information concerning the high and low sales price for the common stock as reported in the consolidated transaction reporting system and the frequency and amount of dividends paid during the last two years is set forth in "Selected Quarterly Financial Data (Unaudited)" on page F-59.

As of January 31, 2012, there were 18,414 registered holders of U. S. Steel common stock.

The Board of Directors intends to declare and pay dividends on U. S. Steel common stock based on the financial condition and results of operations of U. S. Steel, although it has no obligation under Delaware law or the U. S. Steel Certificate of Incorporation to do so. Dividends are declared by U. S. Steel on a quarterly basis. For all four quarters in 2011 and 2010, the dividend declared per share of U. S. Steel common stock was $0.05. Dividends on U. S. Steel common stock are limited to legally available funds.

Shareholder Return Performance

The graph below compares the yearly change in cumulative total shareholder return of our common stock with the cumulative total return of the Standard & Poor's (S&P's) 500 Stock Index and the S&P Steel Index.



Operations reporting units was estimated using probability weighted scenarios of future cash flow projections based on management's long range estimates of market conditions over a multiple year horizon. A three be able to realize deferred tax assets in the future in excess of the net recorded amount, an adjustment to the deferred tax asset valuation allowance would increase income in the period such determination was made. Likewise, should U. S. Steel determine that it would not be able to realize all or part of our deferred tax assets in the future, an adjustment to the valuation allowance for deferred tax assets would be charged to income in the period such determination was made. U. S. Steel expects to generate future taxable income to realize the benefits of our net deferred tax assets. On January 31, 2012, U. S. Steel sold USSS and the Serbian deferred tax assets and offsetting valuation allowance will be removed in the first quarter of 2012 in connection with the sale.

U. S. Steel makes no provision for deferred U.S. income taxes on undistributed foreign earnings because as of December 31, 2011, it remained management's intention to continue to indefinitely reinvest such earnings in foreign operations. See Note 10 to the Financial Statements. Undistributed foreign earnings at December 31, 2011 amounted to approximately $2,993 million. If such earnings were not indefinitely reinvested, a U.S. deferred tax liability of approximately $900 million would have been required.

U. S. Steel records liabilities for potential tax deficiencies. These liabilities are based on management's judgment of the risk of loss for items that have been or may be challenged by taxing authorities. In the event that U. S. Steel were to determine that tax-related items would not be considered deficiencies or that items previously not considered to be potential deficiencies could be considered potential tax deficiencies (as a result of an audit, court case, tax ruling or other authoritative tax position), an adjustment to the liability would be recorded through income in the period such determination was made.

Environmental Remediation U. S. Steel provides for remediation costs and penalties when the responsibility to remediate is probable and the amount of associated costs is reasonably determinable. Remediation liabilities are accrued based on estimates of known environmental exposures and are discounted in certain instances. U. S. Steel regularly monitors the progress of environmental remediation. Should studies indicate that the cost of remediation is to be more than previously estimated, an additional accrual would be recorded in the period in which such determination was made. As of December 31, 2011, the total accrual for environmental remediation was $206 million, excluding liabilities related to asset retirement obligations. Due to uncertainties inherent in remediation projects, it is possible that total remediation costs for active matters may exceed the accrued liability by as much as 15 to 30 percent.

Segments

U. S. Steel has three reportable operating segments: Flat-rolled Products (Flat-rolled), U. S. Steel Europe (USSE) and Tubular Products (Tubular). The results of several operating segments that do not constitute reportable segments are combined and disclosed in the Other Businesses category.

The Flat-rolled segment includes the operating results of U. S. Steel's North American integrated steel mills and equity investees involved in the production of slabs, rounds, strip mill plates, sheets and tin mill products, as well as all iron ore and coke production facilities in the United States and Canada. These operations primarily serve North American customers in the service center, conversion, transportation (including automotive), construction, container, and appliance and electrical markets. Flat-rolled supplies steel rounds and hot-rolled bands to Tubular.

Flat-rolled has annual raw steel production capability of 24. [illegible]s. Flat d

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The amounts above represent amounts paid as profit sharing to active USW-represented employees (excluding employees of USSC) and are included in cost of sales on the statement of operations. Results for the year ended December 31, 2011 and 2010 include costs related to profit-based payments, which are included in cost of sales on the statement of operations. Results for the year ended December 31, 2009 did not include any costs for profit-based payments to employees represented by the USW because the base threshold of operating income agreed to in the 2008 CBAs was not met.

Pension and other benefits costs

Defined benefit and multiemployer pension plan costs totaled $443 million in 2011, $276 million during 2010 and $271 million during 2009. The $167 million increase in expense from 2010 to 2011 is primarily due to higher amortization of unrecognized losses and lower asset returns, both of which relate to a lower market-related value of assets caused by the recognition of remaining deferred 2008 investment losses. U. S. Steel calculates its market-related value of assets such that investment gains or losses as compared to expected returns are recognized over a three-year period. To the extent that deferred gains and losses on plan assets are not yet reflected in this calculated value, the amounts do not impact expected asset returns or the net actuarial gains or losses subject to amortization within the net periodic pension expense calculation. Excluding [illegible]

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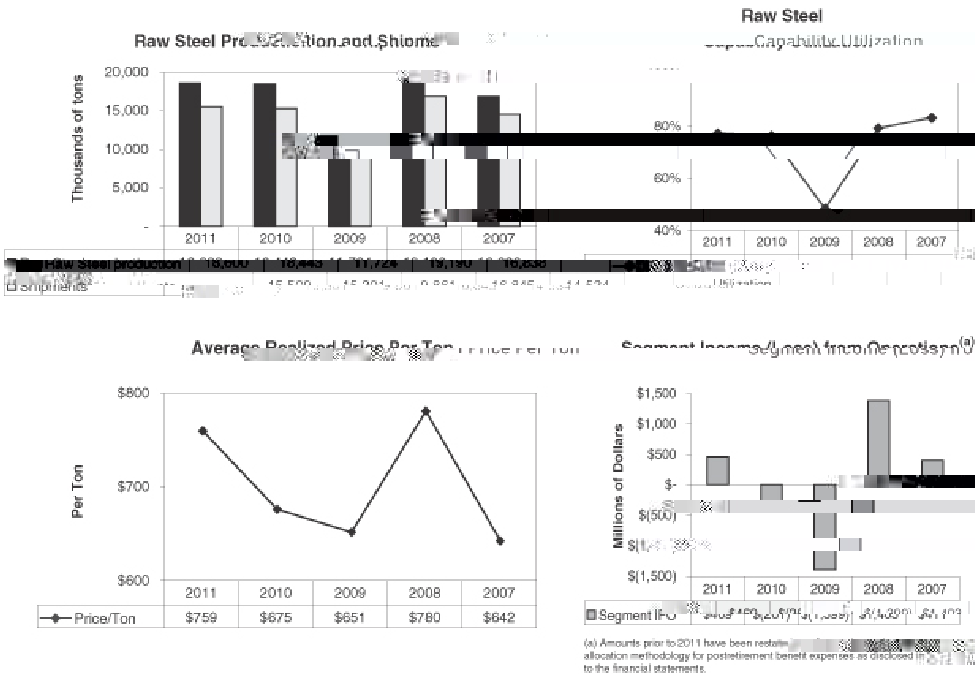
Segment results for Flat-rolled
(Includes USSC from the date of acquisition on October 31, 2007)



The Flat-rolled segment had income of $469 million for the year ended December 31, 2011 compared to a loss of $261 million for the year ended December 31, 2010. The significant improvement in Flat-rolled results for the year ended December 31, 2011 compared to the same period in 2010 resulted mainly from net favorable changes in commercial effects (approximately $1,260 million), favorable changes from increased steel substrate sales to our Tubular segment (approximately $195 million), decreased facility restart costs (approximately $50 million), highe d א

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Segment results for Tubular
(Includes Lone Star facilities from the date of acquisition on June 14, 2007)

Items not allocated to segments:

We recorded an $18 million **environmental remediation charge** in 2011 as a component of the Gary Works RCRA corrective action program was defined. We recorded a $49 million environmental remediation charge in 2009 in connection with the definition of an expanded scope of remediation at our former Geneva Works.

We recorded a $6 million pretax **net gain on the sale of assets** in 2010 related to the sale of transportation assets in Alabama, the sale of the bar mill and bloom and billet mill assets located at Hamilton Works and the sale of the majority of the operating assets of Fintube Technologies. We recorded a $97 million pretax **net gain on sale of assets** in 2009 as a result of the sale of a majority of the operating assets of EJ&E. The net gain included a pension curtailment loss of approximately $10 million.

Postretirement benefit expenses increased from 2010 to 2011 and from 2009 to 2010 as a result of higher amortization of unrecognized losses and lower asset returns, both of which relate to a lower market-related value of assets caused by the recognition of the deferred 2008 investment losses.

During 2009, U. S. Steel received a **federal excise tax refund** of $34 million associated with the recovery of black lung excise taxes that were paid on coal export sales from 1990 to 1992.

A **litigation reserve** of $45 million involving a rate escalation provision in a U. S. Steel power supply contract was established in 2008 as a result of a court ruling and was subsequently reversed in 2009 as that decision was overturned.

Workforce reduction charges of $86 million in 2009 reflected employee severance and net benefit charges related to a VERP offered in the first quarter of 2009 to certain non-represented employees in the United States.

Net Interest and Other Financial Costs

	Year Ended December 31,		
	2011	**2010**	**2009**
Interest and other financial costs	**$ 217**	$ 223	$ 179
Interest income	**(6)**	(7)	(10)
Foreign currency losses (gains)	**27**	58	(8)
Net interest and other financial costs	**$ 238**	$ 274	$ 161

The favorable change in net interest and other financial costs from 2010 to 2011 was mainly due to reduced net foreign currency losses in 2011 as compared to 2010. The foreign currency effects primarily resulted from the accounting remeasurement effects on a U.S. dollar-denominated intercompany loan (the Intercompany Loan) from a U.S. subsidiary to a European subsidiary that had an outstanding balance of $1.6 billion at December 31, 2011 partially offset by euro-U.S. dollar derivatives activity, which we use to mitigate our foreign currency exchange rate exposure.

The unfavorable change in net interest and other financial costs from 2009 to 2010 was partially due to foreign currency losses in 2010 compared to foreign currency gains in 2009 which primarily resulted from the accounting remeasurement effects of the Intercompany Loan partially offset by euro-U.S. dollar derivatives activity. Additionally, interest expense increased in 2010 due to the issuance of $600 million of 7.375% Senior Notes in March 2010 and the issuance of $863 million 4.00% Senior Convertible Notes in May of 2009 partially offset by reduced interest expense on the USSK revolving credit facility due to repayments in 2010.

For additional information on U. S. Steel's foreign currency exchange activity see Note 15 to the Financial Statements and "Item 7A **.** Quantitative and Qualitative Disclosures about Market Risk – Foreign Currency Exchange Rate Risk."

Income Taxes

The income tax provision for the year ended December 31, 2011 was $80 million, compared to an income tax provision of $97 million in 2010 and an income tax benefit of $439 million in 2009. The effective tax rates differs from the statutory rate because losses in Canada and Serbia, which are jurisdictions where we have recorded full valuation allowances, do not generate a tax benefit for accounting purposes and because the tax provision does not reflect any tax provision or benefit for certain foreign currency accounting remeasurement gains and losses that are not recognized in any tax jurisdiction. These foreign currency gains or losses relate to the accounting remeasurement effects on the outstanding balance of a U.S. dollar-denominated intercompany loan from a U.S. subsidiary to a European subsidiary. (See Item 7A. Quantitative and Qualitative Disclosures about Market Risk – Foreign Currency Exchange Rate Risk for further details.) Included in the 2010 tax provision is a net tax benefit of $39 million resulting from the conclusion of certain tax return examinations and the remeasurement of existing tax reserves, offset by a tax charge of $27 million as a result of the U.S. health care legislation enacted in the first quarter (see Note 18 to the Financial Statements).

The net domestic deferred tax asset was $697 million at December 31, 2011 compared to $563 million at December 31, 2010. The increase in the net deferred tax asset from 2010 to 2011 was primarily due to an increase in credit carryforwards and the change in the funded status of our pension and other employee benefit plans (see Note 10 to the Financial Statements). A substantial amount of U. S. Steel's domestic deferred tax assets relates to employee benefits that will become [illegible]

U. S. Steel's contract commitments to acquire property, plant and equipment at December 31, 2011, totaled $257 million.

Capital expenditures for 2012 are expected to total approximately $900 million. With regard to capital investments, we remain focused on a number of key projects of strategic importance in each of our three business segments. We have made significant progress to improve our self-sufficiency and reduce our reliance on coke for the steel making process through the application of advanced technologies, upgrades to our existing coke facilities and increased use of natural gas and pulverized coal in our operations. This may enable us to minimize additional capital investments in coke and carbon alloy projects in the future. Engineering and construction of a technologically and environmentally advanced battery at the Mon Valley Works' Clairton Plant with projected capacity of 960,000 tons per year is underway with completion expected near year-end 2012. We are constructing a carbon alloy facility at our Gary Works which utilizes an environmentally compliant, energy efficient and flexible production technology to produce a coke substitute with a projected capacity of 500,000 tons per year with completion expected in the second half of 2012. We expect both of these projects to reach full production capability in 2013. We completed construction of our blast furnace coal injection r oal t[illegible] from the sale of transportation assets in Alabama, and approximately $22 million from the sale of a majority of the operating assets of Fintube. Disposal of assets in 2009 primarily reflects pre-tax cash proceeds of approximately $300 million from the sale of a majority of the operating assets of EJ&E and $36 million from the sale of emissions allowances by USSK.

Restricted cash in 2011 and 2010 primarily relates to the receipt and use of the proceeds received from the issuance of $70 million of Recovery Zone Facility Bonds in 2010. The proceeds of which were placed in escrow and restricted for the heat treat and finishing facilities capital project at our Tubular operations in Lorain, Ohio. The proceeds became unrestricted as capital expenditures for this project were made. This project was completed in 2011. Restricted cash in 2009 primarily reflected collateral required for financial assurance purposes.

Borrowings against revolving credit facilities in 2011 reflect amounts drawn under USSK's €280 million total unsecured revolving credit facilities.

Repayments of revolving credit facilities in 2011 reflect USSK's repayment of the outstanding borrowings under its €280 million total unsecured revolving credit facilities. Repayments of revolving credit facilities in 2010 reflects USSK's repayment of the outstanding borrowings under its €200 million unsecured revolving credit facility and repayment of current year borrowings under revolving credit facilities.

Proceeds from Receivables Purchase Agreement in 2011 reflect activity under the Receivables Purchase Agreement.

Issuance of long-term debt, net of financing costs in 2011 reflects the issuance of $195 million of Environmental Revenue Bonds (ERBs) maturing from 2015 to 2029. Issuance of long-term debt, net of financing costs in 2010 primarily reflects the issuance of $600 million of 7.375% Senior Notes due in 2020. U. S. Steel received net proceeds of $582 million afterf t 2029. Issu r2 su2 su2 su a 58ent.

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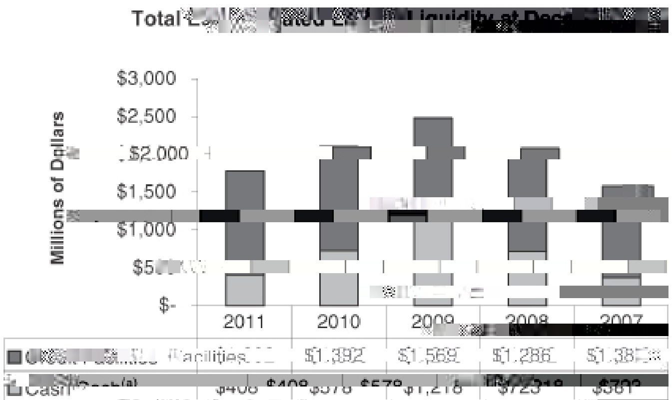
Liquidity

The following table summarizes U. S. Steel's liquidity as of December 31, 2011:

Cash and cash equivalents	$	408
Amount available under $875 Million Credit Facility		875
Amount available under Receivables Purchase Agreement		245
Amounts available under USSK credit facilities		233
Amounts available under USSS credit facilities		39
Total estimated liquidity	$	1,800

(a) The USSS credit facilities were terminated on January 31, 2012 as a result of the sale of USSS. Therefore, first quarter 2012 availability will be reduced by this amount.



(a) Excludes $20 million at December 31, 2007 of cash primarily related to the Clairton 1314B Partnership because it was not available for U. S. Steel's use. On October 31, 2008, we acquired the equity interests in Clairton 1314B that we did not wholly own. Excludes $1 million of cash at December 31, 2008 related to our variable interest entities.

Over the last three years there have been substantial changes in our working capital. Cash was generated as business activity slowed during the recession and cash was consumed as working capital was rebuilt in 2010 as raw steel capability utilizatty been sa ess

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As of December 31, 2011, U. S. Steel has a Receivables Purchase Agreement (RPA) that provides liquidity and letters of credit depending upon the number of eligible domestic receivables generated by U. S. Steel. Domestic trade accounts receivables are sold, on a daily basis, without recourse, to U. S. Steel Receivables, LLC (USSR), a consolidated wholly owned special purpose entity. As U. S. Steel accesses this facility, USSR sells an undivided interest in these receivables to certain conduits. The conduits issue commercial paper to finance the purchase of their interest in the receivables and if any of them are unable to fund such purchases, two banks are committed to do so. U. S. Steel has agreed to continue servicing the sold receivables at market rates. Because U. S. Steel receives adequate compensation for these services, no servicing asset or liability has been recorded.

The RPA may be terminated on the occurrence and failure to cure certain events, including, among others, failure by U. S. Steel to make payments under our material debt obligations and any failure to maintain certain ratios related to the collectability of the receivables. On July 18, 2011, U. S. Steel entered into an amendment of our RPA that increased the maximum amount of receivables eligible for sale by $100 million to $625 million, extended the term until July 18, 2014 and made amendments to other terms and conditions. As of December 31, 2011, eligible accounts receivable supported the maximum amount eligible for sale of $625 million and there was $380 million of outstanding borrowings based on receivables sold to third-party conduits under this facility that reduced availability to $245 million.

On March 16, 2010, U. S. Steel issued $600 million of 7.375% Senior Notes due 2020 (2020 Senior Notes). U. S. Steel received net proceeds of $582 million after fees of $13 million related to the underwriting discount and third party expenses. The 2020 Senior Notes contain covenants restricting our ability to create liens and engage in sale-leasebacks and requiring the purchase of the 2020 Senior Notes upon a change of control under specified circumstances, as well as other customary provisions. As of December 31, 2011, the principal amount outstanding under the 2020 Senior Notes was $600 million.

On May 4, 2009, U. S. Steel issued $863 million of 4% Senior Convertible Notes due 2014 and 27,140,000 shares of its Common Stock. U. S. Steel received net proceeds of approximately $1.5 billion and used $655 million to repay all amounts outstanding under its three-year term loan due October 2010 and five-year term loan due May 2012. At December 31, 2011, the aggregate principal amount outstanding under the Senior Convertible Notes was $863 million.

On August 6, 2010, USSK entered into a €200 million (approximately $259 million and $267 million at December 31, 2011 and 2010) unsecured revolving credit facility which expires in August 2013. This facility replaced its three-year €200 million credit facility dated July 2, 2008.

On October 8, 2009, USSK amended its €40 million (approximately $52 million and $53 million at December 31, 2011 and 2010) unsecured revolving credit facility. The facility expires in October 2012.

On December 17, 2010, USSK entered into a €

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In its acquisition of Stelco on October 31, 2007, U. S. Steel assumed liability for a note issued to the Province of Ontario (Province Note). The face amount of the Province Note is C$150 million (approximately $147 million at December 31, 2011) and is payable on December 31, 2015. The Province Note is unsecured and is subject to a 75 percent discount if the solvency deficiencies in the four main USSC pension plans (see Note 18 to the Financial Statements) are eliminated on or before the maturity date.

The following table summarizes U. S. Steel's contractual obligations at December 31, 2011, and the effect such obligations are expected to have on our liquidity and cash flows in future periods.

			Payments Due by Period		
Contractual Obligations	Total	2012	2013 through 2014	2015 through 2016	Beyond 2016
Long-term debt (including interest) and capital leases	$ 5,800	$ 248	$1,683	$ 579	$3,290
Operating leases	$ 159	45	56	40	18
Contractual purchase commitments	$10,212	5,081	1,746	716	2,669
Capital commitments	$ 257	202	55	—	

and existing laws and regulations as currently implemented, U. S. Steel does not anticipate that environmental compliance expenditures (including operating and maintenance and remediation) will materially increase in 2012. U. S. Steel's environmental capital expenditures are expected to be approximately $77 million in 2012, $6 million of which is related to projects at USSE. Predictions beyond 2012 can only be broad-based estimates, which have varied, and will continue to vary, due to the ongoing evolution of specific regulatory requirements, the possible imposition of more stringent requirements and the availability of new technologies to remediate sites, among other matters. Based upon currently identified projects, U. S. Steel anticipates that environmental capital expenditures will be approximately $186 million in 2013, including $61 million for USSE; however, actual expenditures may vary as the number and scope of environmental projects are revised as a result of improved technology or changes in regulatory requirements and could increase if additional projects are identified or additional requirements are imposed.

Asbestos Litigation

As of December 31, 2011, U. S. Steel was a defendant in approximately 695 active asbestos cases involving approximately 3,235 plaintiffs. Almost 2,570, or approximately 80 percent, of these claims are currently pending in jurisdictions which permit filings with massive numbers of plaintiffs. Based upon U. S. Steel's experience in such cases, it believes that the actual number of plaintiffs who ultimately assert claims against U. S. Steel will likely be a sma

We expect good results for our Flat-rolled segment in the first quarter as a result of increased average realized prices and shipments, as improving end user demand and lower customer inventories began to significantly improve market conditions late in the fourth quarter. While our quarterly index-based pricing for the first quarter will be lower than the fourth quarter, incorporating the decrease from the third to fourth quarter in published market price assessments, the expected increase in first quarter prices reflects higher average realized prices on both spot and contract business reflecting increases in our newly negotiated cost-based and firm priced contracts. Additionally, operating costs are expected to improve in the first quarter, reflecting reduced energy costs and facility maintenance and outage costs partially offset by higher raw materials costs. First quarter results will also improve as compared to the fourth quarter due to the absence of the effect of the pellet transactions described above.

Excluding the loss on the sale of U. S. Steel Serbia, we expect the first quarter results for our European segment to improve compared to the fourth quarter 2011 due to the elimination of operating losses subsequent to January 31, 2012 associated with our former Serbian operations and improving spot market conditions. Maintenance on a blast furnace in Slovakia was completed and we restarted the furnace in late January.

First quarter 2012 results for our Tubular segment are expected to maintain the solid performance achieved in the prior two quarters as the demand for OCTG and line pipe remains strong. Shipments are expected to increase modestly from the fourth quarter while average realized prices are expected to be comparable to the fourth quarter. Overall, shale resource development and oil-directed drilling continue to drive the rig count, while natural gas drilling is being affected by the high levels of natural gas in storage.

Accounting Standards

See Note 2 to the Consolidated Financial Statements in Part II Item 8 of this Form 10-K.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Management Opinion Concerning Derivative Instruments

U. S. Steel uses commodity-based and foreign currency derivative instruments to manage our market and exchange rate risk. Management has authorized the use of futures, forwards, swaps and options to manage exposure to price fluctuations related to the purchase of natural gas and nonferrous metals, and also certain business transactions denominated in foreign currencies. For future periods, U. S. Steel may elect to use hedge accounting for certain commodity or currency transactions. For those transactions, the impact of the effective portion of the hedging instrument will be recognized in other comprehensive income until the transaction is settled. Once the transaction is settled, the effect of the hedged item will be recognized in income. While U. S. Steel's risk management activities generally reduce market risk exposure due to unfavorable commodity price changes for raw material purchases and products sold, such activities can also encompass strategies that assume price risk.

Management believes that the use of derivative instruments, along with risk assessment procedures and internal controls, does not expose U. S. Steel to material risk. The use of derivative instruments could materially affect U. S. Steel's results of operations in particular quarterly or annual periods; however, management believes that the use of these instruments will not have a material adverse effect on our financial position or liquidity. For further information regarding derivative instruments see Notes 1 and 15 to the Financial Statements.

Foreign Currency Exchange Rate Risk

U. S. Steel, through USSE and USSC, is subject to the risk of price fluctuations due to the effects of exchange rates on revenues and operating costs, firm commitments for capital expenditures and existing assets or liabilities denominated in currencies other than the U.S. dollar, particularly the euro, the Serbian dinar and the Canadian dollar. On January 31, 2012, U. S. Steel sold USSS and is no longer subject to the exchange rate effects of the Serbian dinar. U. S. Steel historically has made limited use of forward currency contracts to manage exposure to certain currency price fluctuations. U. S. Steel has not elected to use hedge accounting for these contracts. Foreign currency derivative instruments have been marked-to-market and the resulting gains or losses recognized

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Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

United States Steel Corporation
600 Grant Street
Pittsburgh, PA 15219-2800

MANAGEMENT'S REPORT TO STOCKHOLDERS

February 28, 2012

To the stockholders of United States Steel Corporation:

Financial Statements and Practices

The accompanying consolidated financial statements of United States Steel Corporation are the responsibility of and have been prepared by United States Steel Corporation in conformity with accounting principles generally accepted in the United States of America. They necessarily include some amounts that are based on our best judgments and estimates. United States Steel Corporation's financial information displayed in other sections of this report is consistent with these financial statements.

United States Steel Corporation seeks to assure the objectivity and integrity of its financial records by careful selection of its managers, by organizational arrangements that provide an appropriate division of responsibility and by communication programs aimed at assuring that its policies, procedures and methods are understood throughout the organization.

United States Steel Corporation has a comprehensive, formalized system of internal controls designed to provide reasonable assurance that assets are safeguarded, that financial records are reliable and that information requi ples geneÇ c£ in reportspfpl wiĎpĎd farmiited to the resuratres and Çhan2e

Based on this evaluation, United States Steel Corporation's management concluded that United States Steel Corporation's internal control over financial reporting was effective as of December 31, 2011.

The effectiveness of United States Steel Corporation's internal control over financial reporting as of December 31, 2011 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which is included herein.

/S/ JOHN P. SURMA	/S/ GRETCHEN R. HAGGERTY
John P. Surma Chairman of the Board of Directors and Chief Executive Officer	Gretchen R. Haggerty Executive Vice President and Chief Financial Officer

/S/ GREGORY A. ZOVKO

Gregory A. Zovko
Vice President and Controller

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Cash and cash equivalents

Cash and cash equivalents include cash on deposit and investments in highly liquid debt instruments with maturities of three months oSn

U. S. Steel has determined that certain acquired intangible assets have indefinite useful lives. These assets are reviewed for impairment annually and whenever events or circumstances indicate that the carrying value may not be recoverable.

Identifiable intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives and are reviewed for impairment whenever events or circumstances indicate that the carrying value may not be recoverable.

See Note 13 for further details on our evaluation of goodwill and intangible asset impairment.

Property, plant and equipment
Property, plant and equipment is carried at cost and is depreciated on a straight-line basis over the estimated useful lives of the assets.

Depletion of mineral properties is based on rates which are expected to amortize cost over the estimated tonnage of minerals to þ Ĉ ľ (

Asset retirement obligations
Asset retirement obligations (AROs) are initially recorded at fair value and are capitalized as part of the cost of the related long-lived asset and depreciated in accordance with U. S. Steel's depreciation policies for property, plant and equipment. The fair value of the obligation is determined as the discounted value of expected future cash flows. Accretion expense is recorded each month to increase this discounted obligation over time. Certain AROs related to disposal costs of the majority of assets at our integrated steel facilities are not recorded because they have an indeterminate settlement date. These AROs will be initially recognized in the period in which sufficient information exists to estimate their fair value.

Pensions, other postretirement and postemployment benefits
U. S. Steel has defined contribution or multi-employer arrangements for pension benefits for more than half of its North American employees and non-contributory defined benefit pension plans covering the remaining North American employees. U. S. Steel has defined benefit retiree health care and life insurance plans (Other Benefits) that cover the majority of its employees in North America upon their retirement. Non-union salaried employees in the United States hired on or after July 1, 2003 participate in a defined contribution plan whereby U. S. Steel contributes a certain percentage of salary based upon attained age each year. In addition, most domestic salaried employees participate in defined contribution plans (401(k) plans) whereby the Company matches a certain percentage of salary based upon the amount of each participant's contributions and years of service with the Company. The Steelworkers Pension Trust (SPT), a multi-employer pension plan, to which U. S. Steel contributes on the basis of a fixed dollar amount for each hour worked by participating employees, currently covers approximately 56 percent of our union employees in the United States. Government-sponsored programs into which U. S. Steel makes required contributions cover the majority of U. S. Steel's European employees.

The net pension and Other Benefits obligations and the related periodic costs are based on, among other things, assumptions of the discount rate, estimated return on plan assets, salary increases, the mortality of participants and the current level and future escalation of health care costs. Additionally, U. S. Steel recognizes an obligation to provide postemployment benefits for disability-related claims covering indemnity and medical payments for certain employees in North America. The obligation for these claims and the related periodic costs are measured using actuarial techniques and assumptions. Actuarial gains and losses are deferred and amortized over future periods.

U. S. Steel records costs associated with ongoing benefit arrangements for employees associated with temporary idling of facilities and reduced production in the period when it becomes probable that the costs will be incurred and the costs are reasonably estimable. See Note 18 for further details.

Concentration of credit and business risks
U. S. Steel is exposed to credit risk in the event of nonpayment by customers, principally within the automotive, container, construction, steel service center, appliance and electrical, conversion, and oil, gas and petrochemical industries. Changes in these industries may significantly affect U. S. Steel's financial performance and management's estimates. U. S. Steel mitigates its exposure to credit risk by performing ongoing credit evaluations and, when deemed necessary, requiring letters of credit, credit insurance, prepayments, guarantees or other collateral.

The majority of U. S. Steel's customers are located in North America and Europe. No single customer accounted for more than 10 percent of gross annual revenues.

operated a galvanizing/galvannealing line, has subsequently been

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A tabular reconciliation of unrecognized tax benefits follows:

(In millions)	2011	2010	2009
Unrecognized tax benefits, beginning of year	**$ 115**	$ 106	$ 99
Increases – tax positions taken in prior years	**1**	49	24
Decreases – tax positions taken in prior years	**(4)**	(25)	(27)
Increases – current tax positions	**3**	10	14
Settlements	**-**	(18)	-
Lapse of statute of limitations	**(5)**	(7)	(4)
Unrecognized tax benefits, end of year	**$ 110**	$ 115	$ 106

It is reasonably expected that during the next 12 months unrecognized tax benefits related to income tax issues will not change by a significant amount.

Tax years subject to examination

Below is a summary of the tax years open to examination by major tax jurisdiction:

U.S. Federal – 2006 and forward*
U.S. States – 2004 and forward
Slovakia – 2006 and forward
Serbia – 2007 and forward
Canada Federal and Provincial – 2004 and forward

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12. Property, Plant and Equipment

		December 31,	
(In millions)	**Useful Lives**	**2011**	**2010**
Land and depletable property	-	**$ 268**	$ 270
Buildings	35 years	**1,406**	1,358
Machinery and equipment	4-22 years	**14,091**	13,508
Information technology	5-6 years	**631**	578
Leased machinery and equipment	3-25 years	**176**	176
Total		**16,572**	15,890
Less accumulated depreciation and depletion		**9,993**	9,404
Net		**$ 6,579**	$ 6,486

Amounts in accumulated depreciation and depletion for assets acquired under capital leases (including sale-leasebacks accounted for as financings) were $163 million and $154 million at December 31, 2011 and 2010, respectively.

13. Goodwill and Intangible Assets

The changes in the carrying amount of goodwill by segment for the years ended December 31, 2011 and December 31, 2010 are as follows:

	Flat-rolled Segment	USSE Segment	Tubular Segment	Total
Balance at January 1, 2010	$ 876	$ -	$ 849	$ 1,725
Goodwill from acquisitions	-	4	-	4
Impact of dispositions	-	-	(15)	(15)
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Performance awards vest at the end of a three-year performance period as a function of U. S. Steel's total shareholder return compared to the total shareholder return of a peer group of companies over the three-year performance period. Performance awards can vest at between zero and 200 percent of the target award.

The following table shows a summary of the performance awards outstanding as of December 31, 2011, and their fair market value on the respective grant date:

Performance Period	Fair Value (in millions)	Minimum Shares	Target Shares	Maximum Shares
2011 - 2014	**$ 6**	**-**	**85,040**	**170,080**
2010 - 2013	$ 6	-	105,640	211,280
2009 - 2012	$ 5	-	116,410	232,820

The following table shows a summary of the status and activity of nonvested stock awards for the year ended December 31, 2011:

	Restricted Stock Units	Performance Awards	Total	Weighted-Average Grant-Date Fair Value
Nonvested at January 1, 2011	733,733	241,831	975,564	$ 49.30
Granted	422,080	85,040	507,120	49.10
Vested	(311,631)	-	(311,631)	48.42
Performance adjustment factor	-	(27,280)	(27,280)	214.52
Forfeited or expired	(55,813)	(35,928)	(91,741)	45.78
Nonvested at December 31, 2011	788,369	263,663	1,052,032	$ 45.49

(a) The number of shares shown for the performance awards is based on the target number of share awards.
(b) Consists of adjustments to vested performance awards to refyrdyrmb

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U. S. Steel uses euro forward sales contracts with maturities no longer than 12 months to exchange euros for U.S. dollars to partially manage our exposure to foreign currency exchange rate fluctuations. Derivative instruments are recognized at fair value in the balance sheet. U. S. Steel has not elected to designate these euro forward sales contracts as hedges. Therefore, changes in the fair value are recognized immediately in the results of operations. The gains and losses recognized on these euro forward sales contracts may also partially offset the accounting remeasurement gains and losses recognized on the Intercompany Loan.

As of December 31, 2011, U. S. Steel held euro forward sales contracts with a total notional value of approximately $468 million. We mitigate the risk of concentration of counterparty credit risk by purchasing our forward sales contracts from several counterparties.

Additionally, we routinely enter into fixed-price forward physical purchase contracts to partially manage our exposure to price risk related to the purchases of natural gas and certain nonferrous metals used in the production process. Historically, the forward physical purchase contracts for natural gas and nonferrous metals have qualified for the normal purchases and normal sales exemption in ASC Topic 815. However, due to reduced natural gas consumption in 2009, we net settled some of our excess natural gas purchase contracts for certain facilities. Therefore, the remaining contracts related to 2009 natural gas purchases for those facilities no longer met the exemption criteria and were subject to mark-to-market (€r 31, 2

Senior Convertible Notes

On May 4, 2009, U. S. Steel issued $863 million of 4.00% Senior Convertible Notes due May 15, 2014 (the Senior Convertible Notes). U. S. Steel received net proceeds from the offering of $836 million after fees of $27 million for the underwriting discount and third party expenses. The fees for the issuance of the Senior Convertible Notes are being amortized to interest expense over their five-year term.

The Senior Convertible Notes are senior and unsecured obligations that rank equally with U. S. Steel's other existing and future senior and unsecured indebtedness. Interest on the Senior Convertible Notes is payable semi-annually on May 15 and November 15 of each year. The Senior Convertible Notes are not listed on any national securities exchange.

U. S. Steel may not redeem the Senior Convertible Notes prior to their maturity date. Holders may convert their Senior Convertible Notes into shares of U. S. Steel common stock at their option at any time prior to the close of business on the second scheduled trading day immediately preceding the maturity date of May 15, 2014. The initial conversion rate for the Senior Convertible Notes is 31.3725 shares of U. S. Steel common stock per $1,000 principal amount of Senior Convertible Notes, equivalent to an initial conversion price of approximately $31.875 per share of common stock, subject to adjustment as defined in the Senior Convertible Notes. On the issuance date of the Senior Convertible Notes, the market price of U. S. Steel's common stock was below the stated conversion price of $31.875 and therefore, there was no beneficial conversion option to the holders. Based on the initial conversion rate, the Senior Convertible Notes are convertible into 27,058,781 shares of U. S. Steel common stock and we reserved for the possible issuance of 33,824,000 shares, which is the maximum amount that could be issued upon conver

Obligations relating to Environmental Revenue Bonds
U. S. Steel is the obligor on $455 million of Environmental Revenue Bonds (ERBs). During 2011, 2010 and 2009, U. S. Steel refunded $196 million, $89 million and $129 million, respectively, of ERBs with newly issued ERBs extending the maturities beyond 2011 and setting new interest rates. With these refundings we have fully satisfied our obligation to Marathon Oil concerning the ERB obligations that we assumed in connection with the separation from Marathon Oil on December 31, 2001 (the Separation).

Recovery Zone Facility Bonds
On December 1, 2010, U. S. Steel entered into a loan agreement in connection with the issuance and sale by the Lorain County Port Authority of $70 million of Lorain County Port Authority Recovery Zone Facility Revenue Bonds (the Recovery Zone Bonds). The proceeds from the sale of the Recovery Zone Bonds were used to fund a capital project at our Lorain Tubular Operations in Ohio. The interest rate on the loan is 6.75 percent and interest is payable semi-annually on June 1st and December 1st of each year.

Fairfield Caster Lease
U. S. Steel is the sublessee of a slab caster at Fairfield Works in Alabama. The sublease is accounted for as a capital lease. Marathon is the primary obligor under the lease. Under an agreement related to the Separation, U. S. Steel assumed and agreed to discharge all obligations under this lease. The final lease payment is due in December 2012 and the lease term expires in June 2013, subject to additional extensions.

Other capital leases and all other obligations
U. S. Steel is the lessee of a coke battery at the Clairton Plant in Pennsylvania. Marathon is the primary obligor under the lease. Under an agreement related to the Separation, U. S. Steel assumed and will discharge all obligations under this lease, which matures in 2012. Upon making the final lease payment in 2012, the lessor is obligated to transfer the coke battery to U. S. Steel.

Amended Credit Agreement
On July 20, 2011, U. S. Steel entered into an amendment and restatement of its $750 million Credit Agreement dated June 12, 2009 (Amended Credit Agreement) which increased the facility to $875 million, extended the term to July 20, 2016, added a minimum liquidity requirement to address the maturity of the 4% Senior Convertible Notes due in May 2014, reduced the fixed charge coverage ratio and increased the availability by $25 million prior to its measurement and made amendments to other terms and conditions. The Amended Credit Agreement is secured with a security interest in the majority of U. S. Steel’s domestic inventory, certain accounts receivable and related collateral.

The Amended Credit Agreement establishes a borrowing base formula, which limits the amounts U. S. Steel can borrow to a percent of the value of certain domestic inventory less specified reserves.

The Amended Credit Agreement provides for borrowings at interest rates based on defined, short-term, market rates plus a spread based on availability and includes other customary terms and conditions including restrictions on our ability to create certain liens and to consolidate, merge or transfer all, or substantially all, of our assets.

As of December 31, 2011, there were no amounts drawn on the Amended Credit Agreement and inventory values calculated in accordance with the Amended Credit Agreement supported the full $875 million of the facility. Under the Amended Credit Agreement, U. S. Steel must maintain a fixed charge coverage ratio (as further defined in the Amended Credit Agreement) of at least 1.00 to 1.00 for the most recent four consecutive quarters when availability under the Amended Credit

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U. S. Steel Košice (USSK) credit facilities
At December 31, 2011, USSK had €100 million (approximately $129 million) borrowed under its €200 million (approximately $259 million) revolving unsecured credit facility which expires in August 2013. At December 31, 2010, USSK had no borrowings under this facility.

At December 31, 2011, USSK had no borrowings under its €80 million credit facilities (which approximated $104 million) and the availability was approximately $103 million due to approximately $1 million of customs and other guarantees outstanding. At December 31, 2010, USSK had no borrowings against its €80 million credit facilities (which approximated $107 million) and the availability was approximately $100 million due to approximately $7 million of customs and other guarantees outstanding.

Each of these facilities bear interest at the applicable inter-bank offer rate plus a margin and they contain customary terms and conditions. USSK is the sole obligor on each of these facilities and is obligated to pay a commitment fee on the undrawn portion of the facilities.

U. S. Steel Serbia (USSS) credit facilities
At December 31, 2011, USSS had no borrowings under its facilities which consist of facilities for general corporate purposes of up to €20 million and facilities for overdrafts of up to 1 billion Serbian dinar

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recovery coke plant with an annual capacity of 650,000 tons of coke at U. S. Steel's Granite City Works that began operations in the fourth quarter of 2009. U. S. Steel has a 15-year arrangement to purchase coke from Gateway under which Gateway is obligated to supply 90 percent to 105 percent of the expected annual capacity of this coke plant, and U. S. Steel is obligated to purchase the coke from Gateway at the contract price. As of December 31, 2011, a maximum default payment of approximately $276 million would apply if U. S. Steel terminates the agreement.

[illegible] activities that most significantly impact Gateway's economic performance: procurement of coking coal used in the production of coke, direction of the operations associated with the production of coke and steam and direction of the sale of coke and steam. U. S. Steel and Gateway jointly direct the sale of coke and steam due to the 15-year arrangement described above; however, U. S. Steel does not have the power to direct the other activities that most significantly impact Gateway's economic performance. Since the only activity in which U. S. Steel shares power is less significant than the combination of the other significant activities, U. S. Steel is not the primary beneficiary. Accordingly, as of January 1, 2010, U. S. Steel deconsolidated Gateway and all activity with Gateway is now accounted for as third party transactions.

Daniel Ross Bridge, LLC

Daniel Ross Bri[illegible]

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available in the marketplace. Based on this evaluation at December 31, 2011, U. S. Steel decreased the discount rate used to measure both domestic Pension and Other Benefits obligations to 4.50 percent. For USSC benefit plans, a discount rate was selected through a similar review process using Canadian bond rates and indices and at December 31, 2011, U. S. Steel decreased the discount rate to 4.50 percent for its Canadian-based pension and other benefits.

	2011		2010	
Assumed health care cost trend rates at December 31:	**U.S.**	**Canada**	**U.S.**	**Canada**
Health care cost trend rate assumed for next year	**7.00%**	**6.00%**	8.00%	6.00%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	**5.00%**	**5.00%**	5.00%	5.00%
Year that the rate reaches the ultimate trend rate	**2016**	**2014**	2016	2014

U. S. Steel reviews its own actual historical rate experience and expectations of future insurance trends to determine the escalation of per capita health care costs under U. S. Steel's insurance plans. About two thirds of our costs for the domestic United Steelworkers (USW

U. S. Steel's Pension plan and Othea

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The following table sets forth a summary of changes in the fair value of U. S. Steel's Pension plan level 3 assets for the years ended December 31, 2011 and 2010 (in millions):

	Other (level 3 assets only)	
	2011	**2010**
Balance at beginning of period	**$ 752**	$ 618
Transfers in and/or out of level 3	**-**	(35)
Actual return on plan assets:		
Realized gain	**25**	8
Net unrealized gain	**59**	78
Purchases, sales, issuances and settlements:		
Purchases	**108**	110

The following table sets forth a summary of changes in the fair value of U. S. Steel's Other Benefits plan level 3 assets for the years ended December 31, 2011 and 2010 (in millions):

	Other (level 3 assets only)	
	2011	**2010**
Balance at beginning of period	**$ 46**	$ 38
Transfers in and/or out of level 3	**-**	(4)
Actual return on plan assets:		
Realized gain	**1**	-
Net unrealized gain	**3**	5
Purchases, sales, issuances and settlements:		
Purchases	**12**	9
Sales	**(5)**	(2)
Balance at end of period	**$ 57**	$ 46

U. S. Steel's investment strategy for its U.S. pension and other benefits plan assets provides for a diversified mix of public equities, high quality bonds and selected smaller investments in private equities, investment trusts, timber and mineral interests. For its U.S. Pension and Other Benefit plans, U. S. Steel has a target allocation for plan assets of 60 percent and 70 percent in equities, respectively, with the balance primarily invested in corporate bonds, Treasury bonds and government-backed mortgages. U. S. Steel believes that returns on equities over the long term will be higher than returns from fixed-income securities as actual historical returns from U. S. Steel's trusts have shown. Returns on bonds tend to offset some of the shorter-term volatility of stocks. Both equity and fixed-income investments are made across a broad range of industries and companies to provide protection against the impact of volatility in any single industry as well as company specific developments. U. S. Steel will use a 7.75 percent assumed rate of return on assets for the development of net periodic cost for the main defined benefit pension plan and domestic OPEB plans in 2012. This 2012 assumed rate of return reflects a decline from the 8.0 percent used for 2011 domestic expense and was determined by taking into account the intended asset mix and some moderation of the historical premiums that fixed-income and equity investments have yielded above government bonds. Actual returns since the inception of the plans have exceeded this 7.75 percent rate and while some recent annual returns have not, it is U. S. Steel's expectation that rates will return to this level in future periods.

For USSC defined benefit pension plans, U. S. Steel's investment strategy is similar to its strategy for U.S. plans, whereby the Company seeks a diversified mix of large and mid-cap equities, high quality corporate and government bonds and selected smaller investments with a target allocation for plan assets of 65 percent equities. U. S. Steel will use a 7.25 percent assumed rate of return on assets for the development of net periodic costs for the USSC defined benefit expense in 2012. This is lower than the U.S. pension plan assumption as subcategories within the asset mix are from a more limited investment unhe Crom a ml to the SPT a fixed dollar amount for each hour worked of $2.65; a rate negotiated as part of the 2008 Collective Bargaining Agreement (CBA) which is set to expire on September 1, 2012. U. S. Steel’s contributions to the SPT represented greater than 5% of the total combined contributions of all employers participating in the plan for the years ended December 31, 2011, 2010 and 2009.

Participation in a multi-employer pension plan agreed to under the terms of a collective bargaining agreement differ from a traditional qualified single employer defined benefit pension plan. The SPT shares risks associated with the plan in the following respects:

a. Contributions to the SPT by U. S. Steel may be used to provide benefits to employees of other participating employers;

b. If a participating employer stops contributing to the SPT, the unfunded obligations of the plan may be borne by the remaining participating employers;

c. If U. S. Steel chooses to stop participating in the SPT, U. S. Steel may be required to pay an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

On March 21, 2011 plan21,he 1,

The 2008 Collective Bargaining Agreements required U. S. Steel to make annual $75 million contributions during the contract period to a restricted account within our trust for retiree health care and life insurance. This contribution is in addition to an annual $10 million required contribution to the same trust that continues from an earlier agreement. Under this earlier agreement, a $20 million contribution is required if the Company does not contribute at least $75 million to its main pension plan in the ppacnt continuance and continuation of health care benefits and life insurance coverage for employees associated with the temporary idling of certain facilities and reduced production at others. U. S. Steel recorded immaterial charges in 2010 and 2011 related to these benefits. Substantially all of the accrued benefits were paid and there was an immaterial accrual for these benefits as of December 31, 2011 and 2010.

Settlements, terminations and curtailments

During 2009, approximately 1,060 non-represented North American and European employees elected to retire under various Voluntary Early Retirement Programs (VERPs) that were offered by U. S. Steel. VERP charges for termination benefits, curtailment and settlement expenses totaled $70 million for defined benefit pension plans and $13 million for other benefit plans and were recorded in cost of sales in 2009. Charges for additional termination and settlement expenses for the remaining employees that retired under the VERP totaled $3 million and were recorded in cost of sales in 2010. Other pension charges related to the VERPs were incurred for defined contribution plans totaling approximately $18 million in 2009.

In connection with the sale of the majority of EJ&E on January 31, 2009 (see Note 6), a pension curtailment charge of approximately $10 million, which reduced the gain related to this transaction, was recognized in the first quarter of 2009.

Defined contribution plans

U. S. Steel also contributes to several defined contribution plans for its salari [illegible]

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Drug Subsidy Recoveries, Health Care Legislation and Medicare Subsidy Changes

The Company continued to benefit in 2011 from the Medicare Part D drug program subsidies available under the Medicare Act for primarily the Mineworker and certain limited USW, Medicare-eligible, retiree populations. Most subsidies collected for other Medicare participants do not benefit the Company and are provided to retirees as a reduction to their insurance premiums. The Company collected $24 million and $21 million in 2011 and 2010, respectively, which was subsequently used to pay benefits.

The PPACA includes many provisions impacting health care and health insurance coverage in the U.S. Beginning in 2013, PPACA eliminates the tax deductibility of retiree prescription drug expenses allocable to the Medicare Part D subsidies received by an employer. U. S. Steel recorded a tax charge of $27 million in the first quarter of 2010 to adjust deferred tax assets in order to recognize the estimated future tax effects. The Company believes that its retiree health indemnity plans are exempt from the PPACA’s group market reform requirements, but that the HMO plans in which many retirees participate will be required to implement these new requirements, thereby

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with the decline in mass plaintiff cases, the incidence of claimants actually alleging a claim against U. S. Steel is increasing. In addition, in many asbestos cases, the claimants have been unable to demonstrate that they have suffered any identifiable injury or compensable loss at all; that any injuries that they have incurred did in fact result from alleged exposure to asbestos; or that such alleged exposure was in any way related to U. S. Steel or its products or premises.

The amount U. S. Steel has accrued for pending asbestos claims is not material to U. S. Steel's financial position. U. S. Steel does not accrue for unasserted asbestos claims because it is not possible to determine whether any loss is probable with respect to such claims or even to estimate the amount or range of any possible losses. The vast majority of pending claims against U. S. Steel allege so-called "premises" liability-based exposure on U. S. Steel's current or former premises. These claims may be made by an indeterminable number of people such as truck drivers, railroad workers, salespersons, contractors and their employees, government inspectors, customers, visitors and even trespassers. In most cases the claimant also was exposed to asbestos in non-U. S. Steel settings; the relative periods of exposure between U. S. Steel and non-U. S. Steel settings vary with each claimant; and the strength or weakness of the causal link between U. S. Steel

The remaining environmental remediation projects each had an accrued liability of less than $1 million. The total accrued liability for these projects at December 31, 2011 was $9 million. We do not foresee material additional liabilities for any of these sites.

The majority of U. S. Steel's unconditional purchase obligations relate to the supply of industrial gases, certain energy and utility services and coke and steam purchase commitments related to a coke supply agreement with Gateway Energy & Coke Company LLC (see Note 17) with terms ranging from two to 16 years. Total payments relating to unconditional purchase obligations were approximately $740 million in 2011, $710 million in 2010 and $320 million in 2009.

25. Subsequent Events

On January 31, 2012, U. S. Steel sold USSS to the Republic of Serbia for a purchase price of one dollar. In addition, USSK received a $40 million payment for certain intercompany balances owed by USSS for raw materials and support services. U. S. Steel expects to record a total non-cash charge of approximately $400 million in the first quarter of 2012, which includes the loss on the sale and a charge of approximately $50 million to recognize the cumulative currency translation adjustment related to USSS.

On February 1, 2012, U. S. Steel completed the sale of the majority of the operating assets of Birmingham Southern Railroad Company as well as the Port Birmingham Terminal. U. S. Steel will recognize a pretax gain of approximately $85 million in the first quarter of 2012 as a result of this transaction.

In February 2012, U. S. Steel made a voluntary contribution of $140 million to the main domestic defined benefit pension plan.

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FIVE-YEAR OPERATING SUMMARY (Unaudited) (Continued)

(Thousands of net tons, unless otherwise noted)	2011	2010	2009	2008	2007
Steel Shipments by Market - North American Facilities					
Steel .					

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FIVE-YEAR FINANCIAL SUMMARY (Unaudited)

(Dollars in millions, excep

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information concerning the directors of Urα (

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10. Material Contracts

(a) United States Steel Corporation 2002 Stock Plan, as amended April 26, 2005	Incorporated by reference to Exhibit 10.5 to United States Steel Corporation's Form 10-Q for the quarter ended March 31, 2005, Commission File Number 1-16811.
(b) United States Steel Corporation Executive Management Supplemental Pension Program	Incorporated by reference to Exhibit 10.4 to United States Steel Corporation's Form 10-Q for the quarter ended September 30, 2011, Commission File Number 1-16811.
(c) United States Steel Corporation Supplemental Thrift Program	Incorporated by reference to Exhibit 10.2 to United States Steel Corporation's Form 10-Q for the quarter ended September 30, 2011, Commission File Number 1-16811.
(d) United States Steel Corporation Deferred Compensation Program for Non-Employee Directors, a program under the 2005 Stock Incentive Plan	
(e) Form of Severance Agreements between the Corporation and its Officers	Incorporated by reference to Exhibit 10(e) to United States Steel Corporation's Form 10-K for the year ended December 31, 2007, Commission File Number 1-16811.
(f) Amendment and Restated Agreement between United States Steel Corporation and John P. Surma	Incorporated by reference to Exhibit 10(f) to United States Steel Corporation's Form 10-K for the year ended December 31, 2008, Commission File Number 1-16811.
(g) Tax Sharing Agreement between USX Corporation (renamed Marathon Oil Corporation) and United States Steel Corporation	Incorporated by reference to Exhibit 99.3 to United States Steel Corporation's Form 8-K filed on January 3, 2002, Commission File Number 1-16811.
(h) Financial Matters Agreement between USX Corporation (renamed Marathon Oil Corporation) and United States Steel Corporation	Incorporated by reference to Exhibit 99.5 to United States Steel Corporation's Form 8-K filed on January 3, 2002, Commission File Number 1-16811.
(i) First Amendment to Second Amended and Restated Receivables Purchase Agreement, dated as of June 12, 2009 among U. S. Steel Receivables, as Seller; United States Steel Corporation, as initial Servicer; the persons party thereto as CP Conduit Purchasers, Committed Purchasers, LC Banks and Funding Agents; and The Bank of Nova Scotia, as Collateral Agent	Incorporated by reference to Exhibit 10.1 to United States Steel Corporation's Form 8-K filed on June 16, 2009, Commission File Number 1-16811.

(j) Second Amendment to the Second Amended and Restated Receivables Purchase Agreement, dated as of July 21, 2010 by and among U. S. Steel Receivables LLC, as Seller; United States Steel Corporation, as initial Servicer; the persons party thereto as CP Conduit Purchasers, Committed Purchasers, LC Banks and Funding Agents; and The Bank of Nova Scotia, as Collateral Agent	Incorporated by reference to Exhibit 10.1 to United States Steel Corporation's Form 8-K filed on July 22, 2010, Commission File Number 1-16811.
(k) Third Amendment to the Second Amended and Restated Receivables Purchase Agreement, dated as of July 18, 2011 by and among U. S. Steel Receivables LLC, as Seller; United States Steel Corporation, as initial Servicer; the persons party thereto as Funding Agents, CP Conduit Purchasers, Committed Purchasers and LC Banks; and The Bank of Nova Scotia, as Collateral Agent.	Incorporated by reference to Exhibit 10.1 to United States Steel Corporation's Form 8-K filed on July 21, 2011, Commission File Number 1-16811.
(l) Purchase and Sale Agreement dated November 28, 2001 among United States Steel LLC, as initial Servicer and as Originator; and U. S. Steel Receivables LLC as purchaser and contributee	Incorporated by reference to Exhibit 10(o) to United States Steel Corporation's Form 10-K for the year ended December 31, 2001, Commission File Number 1-16811.
(m) First Amendment to the Purchase and Sale Agreement dated as of September 27, 2006 among United States Steel Corporation and U. S. Steel Receivables LLC.	Incorporated by reference to Exhibit 10.2 to United States Steel Corporation's Form 8-K filed on September 28, 2006, Commission File Number 1-16811.
(n) Second Amendment to the Purchase and Sale Agreement dated as of June 12, 2009 among United States Steel Corporation and U. S. Steel Receivables LLC.	Incorporated by reference to Exhibit 10.2 to United States Steel Corporation's Form 8-K filed on June 16, 2009, Commission File Number 1-16811.
(o) Form of Stock Option Grant to Officer-Directors under the United States Steel Corporation 2002 Stock Plan	Incorporated by reference to Exhibit 10(t) to United States Steel Corporation's Form 10-K for the year ended December 31, 2004, Commission File Number 1-16811.
(p) Form of Stock Option Grant to Executive Management Committee Members under the United States Steel Corporation 2002 Stock Plan	Incorporated by reference to Exhibit 10(u) to United States Steel Corporation's Form 10-K for the year ended December 31, 2004, Commission File Number 1-16811.
(q) Base Salaries of Named Executive Officers.	Incorporated by reference to Exhibit 10.10 to United States Steel Corporation's Form 10-Q for the quarter ended March 31, 2011, Commission File Number 1-16811.
(r) Summary of non-employee director fee arrangements	Incorporated by reference to Exhibit 10.7 to United States Steel Corporation's Form 10-Q for the quarter ended March 31, 2011, Commission File Number 1-16811.

(s)	United States Steel Corporation Non Tax-Qualified Pension Plan	Incorporated by reference to Exhibit 10.3 to United States Steel Corporation's Form 10-Q for the quarter ended September 30, 2011, Commission File Number 1-16811.
(t)	United States Steel Corporation 2005 Stt	

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacity indicated on February 28, 2012.

UNITED STATES STEEL CORPORATION

By:

Gregory A. Zovko
Vice President & Controller

Signature	Title
John P. Surma	Chairman of the Board of Dpt

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Exhibit 10(d)

UNITED STATES STEEL CORPORATION DEFERRED COMPENSATION PROGRAM FOR NON-EMPLOYEE DIRECTORS
(Effective as of November 29, 2005)

1. Purpose

The United States Steel Corporation Deferred Compensation Program for Non-Employee Directors, a program under the United States Steel Corporation 2005 Stock Incentive Plan, is intended to enable the Corporation to attract and retain non-employee Directors and to enhance the long-term mutuality of interest between such Directors and shareholders of the Corporation.

2. Definitions

Unless otherwise defined herein, capitalized terms shall have the meanings set forth in the Plan. The following definitions apply to this Program and to the Deferral Election Forms:

(a) ***Beneficiary or Beneficiaries*** means a person or persons or other entity designated on a Beneficiary Designation Form by a Participant as allowed in subsection 7(c) of this Program to receive Deferred Stock Benefit payments. If there is no valid designation by the Participant, or if the designated Beneficiary or Beneficiaries fail to survive the Participant or otherwise fail to take the Deferred Stock Benefit, the Participant's Beneficiary is the Participant's surviving spouse or, if there is no surviving spouse, the Participant's estate.

(b) ***Beneficiary Designation Form*** means that portion of the Deferral Election Form that is used by a Participant according to this Program to name his/her Beneficiary or Beneficiaries.

(c) ***Board*** means the board of directors of United States Steel Corporation.

(d) ***Committee*** means the Corporate Governance & Public Policy Committee of the Board.

(e) ***Common Stock*** means the common stock of the Corporation.

(f) ***Common Stock Unit*** shall have the meaning assigned to it in Section 6(a).

(g) ***Corporation*** means United States Steel Corporation.

(h) ***Deferral Election Form*** means a document governed by the provisions of Section 4 of this Program by which a Participant elects the portion of his or her Retainer Fee to be deferred and designates a Beneficiary.

(i) ***Deferral Year*** means a calendar year for which a Participant has a Deferred Stock Benefit.

(j) ***Deferred Stock Account*** means that bookkeeping record established for each Participant to reflect the status of his/her Deferred Stock Benefits under this Program. A Deferred Stock Account is established only for purposes of measuring a Deferred Stock Benefit and not to segregate assets or to identify assets that may or must be used to satisfy a Deferred Stock Benefit. A Deferred Stock Account will be credited with that portion of the Participant's Retainer Fee deferred as a Deferred Stock Benefit according to a Deferral Election Form and according to Sections 3 and 6 of this Program. A Deferred Stock Account will also be adjusted periodically with amounts specified under subsections 6(a)(iii) through 6(a)(v) of this Program.

(k) ***Deferred Stock Benefit*** means the benefit that results in distributions governed by sections 6 and 7.

(l) ***Directors*** means those duly named members of the Board.

(m) ***Election Date*** means the date established by this Program as the date before which a Participant must submit a valid Deferral Election Form to the Committee. For the Deferral Year during which an individual first becomes a Participant, the Election Date is the earlier of (i) 30 days following the date on which the individual becomes a Participant and (ii) December 31 of such Deferral Year. For each subsequent Deferral Year, the Election Date is December 31 of the preceding calendar year. Despite the two preceding sentences, the Committee may set an earlier date as the Election Date for any Deferral Year.

(n) ***Participant*** means a Director who is not simultaneously an employee of the Corporation.

(o) ***Plan*** means the United States Steel Corporation 2005 Stock Incentive Plan.

(p) ***Program*** means the United States Steel Corporation Deferred Compensation Program for Non-Employee Directors under the Plan.

(q) ***Retainer Fee*** means that portion of a Participant's compensation that is fixed and paid without regard to his/her attendance at meetings, as such amount is established for or during the Deferral Year, subject to Section 4(c).

(r) ***Terminate, Terminating, or Termination,*** with respect to a Participant, means cessation of his/her relationship with the Corporation as a Director whether by resignation, retirement, death, disability or severance for any other reason. The terms "Terminate", "Terminating", and "Termination",

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when used in the context of a condition to, or timing of, payment hereunder, shall be interpreted to mean a “separation from service” as that term is used in Section 409A of the Internal Revenue Code of 1986, as amended (“Section 409A”).

3. Minimum Stock-Based Compensation

Each Person who becomes a Participant is required to receive at least 50 percent of his/her annual Retainer Fee in the form of Common Stock Units and may increase such amount pursuant to a Deferral Election.

4. Deferral Election

A deferral election is valid when a Deferral Election Form is completed, signed by the Participant, and received by the Committee or its designee. Deferral elections are governed by the provisions of this section.

(a) A Participant may elect Deferred Stock Benefits for any Deferral Year, subject to the Election Date Requirements, if he/she is a Participant at the beginning of that Deferral Year or becomes a Participant during the Deferral Year.

(b) Before each Deferral Year’s Election Date, each Participant w5,

Account on the dividend payment date times the amount of the cash dividend payable on a share of Common Stock. “Stock Purchase Price” means the closing price of a share of Common Stock on the NYSE on the most recent trading day preceding the Investment Date.

(iv) Stock Dividends, Stock Splits and Reverse Stock Splits. In the event of a stock dividend, stock split, reverse stock split or similar event affectinffec the NYSE advise the trustee under the governing trust agreement as to the voting of shares of the Common Stock allocated to that Participant's separate account under the trust according to this subsection and provisions of the governing trust agreement. Before each annual or special meeting of the Corporation's shareholders, the trustee under the governing trust agreement must furnish each Participant with a copy of the proxy solicitation and other relevant material for the meeting as furnished to the trustee by the Corporation, and a form addressed to the trustee requesting the Participant's confidential advice as to the voting of shares of the Common Stock allocated to his/her account as of the valuation date established under the governing trust agreement preceding the record date.

7. Distributions

subject to such reporting requirement; provided, that, without limitation, such a change in control shall be deemed to have occurred if:

(A) any person (as defined in Sections 13(d) and 14(d) of the Exchange Act) (a "Person") is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing twenty percent (20%) or more of the combined voting power of the Corporation's then outstanding voting securities; provided, however, that for purposes of this Program the term "Person" shall not

8. Corporation’s Obligation

(a) The Program is unfunded. A Deferred Stock Benefit is at all times solely a c

Exhibit 10(ee)

Administrative Regulations for the
Executive Management Annual Incentive Compensation Program
under the United States Steel Corporation 2010 Annual Incentive Compensation Plan
As amended by the Compensation & Organization Committee on February 28, 2012

1. **Administration**. The Compensation & Organization Committee (the "Committee") shall administer the Annual Incentive Compensation Program (the "Program") under and pursuant to the authority provided in the Board of Directors' April 27, 2010 delegation to the Committee and Section 3 of the United States Steel Corporation 2010 Annual Incentive Compensation Plan (the "Plan").

   A. Definitions. Unless otherwise defined herein, capitalized terms used herein shall have the meanings set forth in the Plan.

   B. Compensation consultant. The Committee may engage a compensation consultant to assess the competitiveness of various target Award levels and advise the Committee.

2. **Participation/Eligibility**. All management employees of the Corporation, its Subsidiaries and affiliates are eligible to participate in the Program upon designation b... and advis

3. **<u>Performance Period.</u>**

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month prior to the month in which the Performance Period ends (that is, December 1 to November 30).

(4) <u>Adjustments to performance measures other than ROCE</u>. Consistent with Section 5.A.(2)(d) hereof, all adjustments to performance measures, whether identified in this section or not, are conditioned upon the requirement that such adjustments can be accomplished in conformance with Section 162(m) of the Internal Revenue Code.

(a) <u>Shipment Tons</u>

Consistent with the adjustment provisions for ROCE, intending that operating performance shall track with financial performance for the operating assets, the Shipment Tons performance measure shall be adjusted:

i. in the event of an acquisition or startup (as defined in Section 4.A.(1).(d)) to exclude from the target and from the related performance calculation, all shipment tons, to the extent all relevant data is available, relating to such business or production facility for the Performance Period during which the acquisition or startup occurs:

ii. in the case of a business disposition, divestiture, or permanent facility shutdown/closure, the Shipment Tons performance calculation shall be adjusted, to the extent all relevant data is available, to assume that the business achieved (for the time period following such disposition, divestiture or shutdown/closure) the shipment performance level contemplated in the Business Plan Target ROCE;

<u>provided</u>, however, that the foregoing adjustments will not pertain to the Shipment Tons performance measure to the extent and for the period such acquisition, startup, disposition, divestiture, or permanent facility shutdown/closure is recognized and/or contemplated in the shipment tons making up the Business Plan Target ROCE.

(b) <u>Environmental Emissions Improvement</u>

The target and the related performance calculation for the Environmental Emissions Improvement measure shall be adjusted by the number of occurrences of non-compliant environmental emissions relating to production units/facilities

i. in the event of an acquisition, startup, disposition, divestiture, permanent shutdown/closure, or idling (as defined below) of a business or production facility to exclude all measures, to the extent all relevant data is available, relating to such business or production facility for the Performance Period during which the business event occurs; and/or

ii. in the event the method and/or frequency of measuring permit compliance is revised during the current Performance Period in response to a change in governmental requirements.

With respect to an adjustment made pursuant to (i) and/or (ii) above and unless the Committee determines otherwise, the number of occurrences of noncompliant environmental emissions from the last Performance Period during which the facility operated for the entire period (the entire period under the revised method and/or frequency of measuring permit compliance if applicable under (ii) above) or from any other period that Committee may so determine, shall be used to set a target for such facility for the succeeding Performance Period.

For purposes of the adjustment to the Environmental Emissions Improvement measure, the term "idling" shall refer to a plant/facility that was not operated for at least thirty consecutive days during the relevant Performance Period and shall be applied only in the event such idling pertains to an entire plant, or an identifiable substantial portion of a plant (that is, an entire hot-end, an entire finishing-end, or an entire coke battery), as such plants are identified and reported to the Vice President – Human Resources for purposes of setting the Environmental Emissions Improvement baseline/target for the relevant Performance Period.

B. Corporate or subsidiary level. Notwithstanding the Co ntine pl peet f3 ntine pl pe itions, the Committee may assign PerformanceNoals for the Co ntine

(b) <u>Interpolation</u>. Interpolation will be used to determine an Incentive Award for performance that correlates to performance between the pre-determined ROCE and Shipment Tons Performance Goals. Such interpolation will not be used in connection with the Citizenship Measures. The interpolated payout percentages for ROCE and Shipment Tons shall be added together p? ll bp

(3) Award Unit Determination Procedure. If the Committee determines to pay all or a portion of an award in the form of common stock, the value of such award, or portion thereof, under this Program shall be converted into a number of shares of common stock by dividing (i) the value of such award, or portion thereof, by (ii) the Common Stock Unit Value, which is to be determined as follows:

(a) Common Stock Unit Value

Period and (iv) the Committee retains its negative discretion with respect to such awards.

(1) Retirement. Retirement shall mean, for all purposes under the Program, the applicable Participant's termination of employment that constitutes a separation from service under Section 409A of the Code after having satisfied the age, service and/or other requirements necessary to commence an immediate pension under either: (i) the applicable defined benefit pension plan for the Participant's home country, regardless of whether the Participant is a participant in such pension plan, or (ii) in the case of a home country for which there is no applicable defined benefit plan, the applicable local law or regulation; *provided, however*, such term does not include, unless the Committee consents with knowledge of the specific facts, retirement under circumstances in which the Participant accepts employment with a company that owns, or is owned by, a business that competes with the Corporation, or its Subsidiaries or affiliates. Further, to the extent necessary under applicable local law, Retirement may have such other meaning adopted by the Committee and set forth in the applicable Award notice.

(2) Disability. Disability shall be as defined in the Plan.

(B) Resignation, Early Retirement and Other Termination. Following a Participant's Resignation, Early Retirement or other termination, all pending Incentive Awards are forfeited.

(1) Early Retirement. Early Retirement shall mean a retirement other than a Retirement.

8. **Forfeiture and Repayment**. The Committee may determine that an Incentive Award shall be forfeited and/or any value received from the Incentive Award shall be repaid to the Corporation pursuant to any recoupment policies, rules or regulations in effect at the time of the Incentive Award.

United States Steel Corporation
600 Grant Street
Pittsburgh, PA 15219-2800
412 433 1140
Fax: 412 433 1145
email: jdgarraux@uss.com

James D. Garraux
General Counsel and
Senior Vice President-Corporate
Affairs

<Date>

<Name>
<Address>

Dear <Nickname>:

United States Steel Corporation, and its subsidiaries and affiliates (the "Corporation"), recognizes that your contribution to the growth and success of the Corporation will continue to be substantial and desires to assure the Corporation of your continued employment. In this connection, the Board of Directors of the Corporation (the "Board") recognizes that, as is the case with many publicly-held corporations, the possibility of a change in control may exist and that such possibility, and the uncertainty and questions which it may raise among management, may result in the departure or distraction of management personnel to the detriment of the Corporation and its stockholders.

Accordingly, the Board has determined that appropriate steps should be taken to reinforce and encourage the continued attention and dedication of members of the Corporation's management, including you, to their assigned duties without distraction in the face of potentially disturbing circumstances arising from the possibility of a change in control of the Corporation.

In order to induce you to remain in the employ of the Corporation, the Corporation agrees that you shall receive the severance benefits set forth in this letter agreement (“Agreement”) in the event your employment with the Corporation is terminated undl

ownership on Schedule 13G (or any successor Schedule); provided that, if any such individual, entity or group subsequently becomes required to or does report its beneficial ownership on Schedule 13D (or any successor Schedule), then, for purposes of this paragraph, such individual, entity or group shall be deemed to have first acquired, on the first date on which such individual, entity or group becomes required to or does so report, beneficial ownership of all of the Corporati3 fi5pirflut,

(A) at least a majority of the members of the board of directors of the resulting or surviving entity (or any ultimate parent thereof) in such Business Combination (the "New Board") consisting of individuals ("Continuing Directors") who were members of the Incumbent Board (as defined in subparagraph (ii) above) immediately prior to consummation of such Business Combination or were appointed, elected or recommended for appointment or election by members of the Incumbent Board prior to consummation of such Business Combination (excluding from Continuing Directors for this purpose, however, any individual whose election or appointment, or recommendation for election or appointment, to the New Board was at the request, directly or indirectly, of the entity which entered into the definitive agreement providing for such Business Combination with the Corporation or any direct or indirect subsidiary thereof), unless the Board determines, prior to such consummation, that there does not exist a reasonable assurance that, for at least a two-year period following consummation of such Business Combination, at least a majority of the members of the New Board will continue to consist of Continuing Directors and individuals whose election, or nomination for election by shareholders of the resulting or surviving entity (or any ultimate parent thereof) in such Business Combination, would be approved by a vote of at least a majority of the Continuing Directors and individuals whose election or nomination for election has previously been so approved; or

(B) a Business Combination that in substance constitutes a disposition of a division, business unit, or subsidiary; or

(iv) the shareholders of the Corporation approve a plan of a complete liquidation or dissolution of the Corporation or there is consummation of a sale or other disposition of all or substantially all of the assets of the Corporation, other than to a corporation with respect to which, following such sale or other disposition, more than 50% of the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners of the Corporation's then outstanding voting securities immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of the Corporation's then outstanding voting securities.

(b) For purposes of this Agreement, a "Potential Change in Control of the Corporation" and "Potential Change in Control" shall be deemed to have occurred, if:

(i) the Corporation enters into an agreement, the consummation of which would result in the occurrence of a Change in Control of the Corporation;

(ii) any Person (including the Corporation) publicly announces an intention to take or to consider taking actions which if consummated would constitute a Change in Control of the Corporation;

(iii) any Person becomes the beneficial owner, directly or indirectly, of securities of the Corporation representing 15% or more of the combined voting power of the Corporation's then outstanding securities (not including in the amou

terminate your employment during any such period for Good Reason, you shall not be required to remain in the Corporation's employ. The foregoing shall in no event limit or otherwise affect your rights under any other provision of this Agreement.

3. Termination Following a Change in Control or Potential Change in Control of the Corporation. If any of the events described in Section 2(a) hereof constituting a Change in Control of the Corporation shall have occurred, you shall be entitled to the benefits provided in Section 4(d) hereof upon the termination of your employment upon or following the Change in Control and during the term of this Agreement unless such termination is (i) because of your death or Disability, (ii) by the Corporation for Cause, (iii) by you other than for Good Reason or (iv) on or after the date that you attain age sixty-five (65). If your employment is terminated prior to a Change in Control, if such termination is other than (i) because of your death or Disability, (ii) by the Corporation for Cause, (iii) due to your voluntary resignation, unless such resignation is for Good Reason or (iv) on or after the date that you attain age sixty-five (65), and either you reasonably demonstrate that such termination (I) was at the request of or as a result of actions by a third party who has taken steps reasonably calculated to effect a Change in Control or (II) occurs during a Potential Change in Control Period, and (III) a 409A Change in Control occurs within twenty-four (24) months following your termination of employment, then your employment shall be deemed to have terminated following a Change in Control for purposes of determining your entitlement to benefits pursuant to Section 4. For purposes of this Agreementoymlestwenty-fou24) rnmleonŠtwenty-fou

purposes of this Subsection, no act, or failure to act, on your part shall be deemed “willful” unless done, or omitted to be done, by you not in good faith and without reasonable belief that your action or omission was in the best interest of the Corporation.

(c) Good Reason. You shall be entitled to terminate your employment for Good Reason. For purposes of this Agreement, “Good Reason” shall mean, without your express written consent, the occurrence after a Change in Control of the Corporation, or after and at the request of or as a result of actions by a third party who has taken steps reasonably calculated to effect a Change in Control or after the first day of but during a Potential Change in Control Period (each an “Applicable Event”), of any one or more of the following:

(i) the assignment to you of duties inconsistent with your position immediately prior to the Applicable Event or a reduction or adverse alteration in the nature of your position, duties, status or responsibilities from those in effect immediately prior to the Applicable Event;

(ii) a reduction by the Corporation in your annualized and monthly or semi-monthly rate of base salary (as increased to incorporate your foreign service premium, if any) (“Base Salary”) as in effect on the date hereof or as the same shall be increased from time to time;

(iii) the Corporation’s requiring you “u [illegible] aoratio

(iv) the failure by the Corporation to continue, substantially as in effect immediately prior to the Applicable Event, all of the Corporation’s employee benefit, incentive compensation, bonus, stock option and stock award plans, programs, policies, practices or arrangements in which you participate (or substantially equivalent successor plans, programs, policies, practices or arrangements) or the failure by the Corporation to continue your participation therein on substantially the same basis, both in terms of the amount of benefits provided and the level of your participation relative to other participants, as existed immediately prior to the Applicable Event;

(v) the failure of the Corporation to obtain an agrs th l'

(d) Notice of Termination. Any termination by the Corporation for Cause or for Disability or by you for Good Reason shall be communicated by Notice of Termination to the other party hereto. For purposes of this Agreement, a “Notice of Termination” shall mean a written notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of your employment under the provision so indicated. The failure by you to set forth in the Notice of Termination any fact or circumstance which contributes to a showing of Good Reason, shall not waive any of your rights hereunder or preclude you from asserting such fact or circumstance in enforcing your rights hereunder.

(e) Date of Termination. “Date of Termination” shall mean the date specified in the Notice of Termination, when such a notice is requir you on a monthly basis, in accordance with the Corporation's standard payroll practices and on the regularly scheduled payroll dates. Bonuses shall be payable to you within 2 1/2 months following the year for which the amount is earned, in accordance with the Corporation's annual incentive plan payment practices. Benefits shall be payable in accordance with the terms of the applicable plan, program or arrangement. In the event you return to the full-time performance of your duties, you shall continue to receive your full Base Salary and bonus plus all other amounts to which you are entitled under any compensation or other employee benefit plan of the Corporation without interruption. In the event your employment is terminated pursuant to Section 3(a) hereof, your benefits shall be determined in accordance with the Corporation's retirement, insurance and other applicable programs and plans then in effect and the Corporation shall have no further obligations to you under this Agreement.

(b) If your employment shall be terminated by the Corporation for Cause or by you other than for Good Reason, the Corporation shall pay you your full Base Salary, payable in accordance with the Corporation's standard payroll practices and on the regularly scheduled payroll dates, through the Date of Termination at the rate in effect at the time Notice of Termination is given or on the Date of Termination if no Notice of Termination is required hereunder plus all other amounts to which you are entitled under any compensation or benefit plan of the Corporation at the time such payments are due in accordance with the applicable plan, and the Corporation shall have no further obligations to you under this Agreement.

(c) If your employment terminates by reason of your death, your benefits shall be determined and paid in accordance with the

Corporation’s retirement, survivor’s benefits, insurance and other applicable programs and plans then in effect and the Corporation shall have no further obligations to you under this Agreement.

(d) If your employment by the Corporation is either terminated by the Corporation (other than for Cause or Disability) or terminated by you for Good Reason, in either case (I) upon or following a Change in Control, or (II) during a Potential Change in Control Period which is followed within twenty-four (24) months thereafter by a 409A Change in Control, you shall be entitled to the following benefits:

(i) *Accrued Compensation and Benefits.* The Corporation shall provide you:

(A) the compensation and benefits accrued through the Date of Termination to the extent not theretofore provided;

(B) a lump sum cash amount equal to the value of your unused vacation days accrued through the Date of Termination; and

(C) your normal post-termination compensation and benefits under the Corporation’s retirement, insurance and other compensation and benefit plans as in effect immediately prior to the Date of Termination, or if more favorable to you, immediately prior to the Applicable Event.

The amounts set forth in (A) and (B) above shall be payable on your next regularly scheduled payroll date following the Date of Termination. The amounts set forth in (C) above shall be payable in accordance with the terms of the applicable plan,

If because of the recognition of the additional three years of continuous service and age described above, your service and/or age meets or exceeds the service and/or age specified in the Steel (the term "Steel" is defined to mean United States Steel Corporation, and its subsidiaries and successors) welfare benefit plan for eligibility for retiree medical or life insurance coverage, the Corporation will provide you with an additional lump sum severance payment equal to the lump sum value of the contributions that the Corporation would have made on your behalf with respect to the retiree medical and life (as if all such life insurance benefits were group term life insurance benefits) benefits provided under the Steel welfare benefit plan. Such additional lump sum severance benefit shall be in lieu of monthly Corporation contributions on your behalf for retiree medical and life insurance coverage under a Steel welfare benefit plan and shall be paid to you within five (5) business days following your separation from service; provided, however, if you are a Specified Employee at the time of your separation from service, the payment shall not be payable until the first business day following the six-month anniversary of your separation from service; provided, further, if your employment was terminated prior to a Change in Control, the payment shall be payable upon the first business day following the six-month anniversary of the date of the 409A Change in Control. If you elect to participate in retiree medical and life insurance coverage through the Corporation, you will be responsible for the full costs of the program. The methods and assumptions that existed under the Steel Pension Plans (as defined in paragraph 4(d)(v)(B) below) immediately prior to the Applicable Event for purposes of determining a lump sum distribution shall be used for purposes of determining the lump sum value of the Corporation contributions.

(v) *Supplemental Pension Benefit*. If you are eligible to participate in the Steel Pension Plans (as defined in paragraph (B) below), in addition to the pension benefits to which you are entitled (assuming Corporation consent, if necessary for retirement prior to age 60) under the Corporation's defined benefit pension plans, the Corporation shall provide to you a benefit (the "Supplemental Pension Benefit") equal to the difference between: (A) the lump sum value of your Enhanced Pension Benefit (as defined in paragraph (A) below), and (B) the lump sum value of your Actual Pension Benefit (as defined in paragraph (B) below). The Supplemental Pension Benefit shall be paid in the form of a lump sum cash distribution within five (5) business days following your separation from service; provided, however, if you are a Specified Employee at the time of your separation from service, the payment shall not be payable until the first business day following the six-month anniversary of your separation from service;

Date of Termination, as adjusted to incorporate the enhancements outlined in paragraphs (1) through (5) below. The enhancements shall be applied only to your benefits under the Steel Pension Plans.

(1) *Normal Retirement Benefit - Service.* For purposes of determining your monthly normal retirement benefit payable at normal retirement age, service used in the formula(s) shall be deemed to be equal to the sum of your actual service for benefit accrual purposes plus three years. For this purpose, your actual service shall be determined as of the Date of Termination.

(2) *Normal Retirement Benefit - Final Average Pay.* For purposes of determining your monthly normal retirement benefit payable at normal retirement age, final average pay shall be calculated using the sum of:

I. your Base Salary in effect immediNe

year in which your termination of employment occurs or, if higher, the year in which the Applicable Event occurs.

Final average pay taken into account for this paragraph shall not be less than the amount of final average pay taken into account in the determination of your Actual Pension Benefit.

*(3) Early Commencement Factors - Enhanced Service and Age.*For purposes of determining the early commencement factors that apply to your monthly normal retirement benefit, your service and age shall be deemed equal to your actual service and age plus three years of service and three years of age, respectively. For this purpose, your actual service and actual age shall be determined as of the Date of Termination. In addition, if you satisfy the age and service requirements for a Rule-of-65, -70, or -80 retirement option under the pension rules applicable to the Steel Pension Plans as of the Date of Termination (taking into consideration the three years of age and service provided in this paragraph), you shall be eligible for an immediate pension under such retirement option in accordance with the terms of such pension rules even though the leave of absence requirements have not been satisfied.

(4) *Full Vesting.* Your accrued benefits under the Steel Pension Plans shall be deemed to be fully vested or, to the extent not so vested, paid as an additional benefit under this Agreement as provided above.

(5) *Determination of Age - All other purposes.*Except as specifically provided otherwise in this paragraph (A), your age, as well as the age of your spouse, survivor, and/or co-pensioner, used in the determination of

the amount of benefits payable under the applicable pension plan shall be determined using your age and their actual ages as of the Date of Termination.

(B) *Actual Pension Benefit.* The amount of your Actual PeRn я determinĎr/actutuc applicable Savings Plan as of your Date of Termination. For purposes of this subparagraph (A), the Retirement Account Contributions shall be based upon your Eligible Salary (as defined in the applicable Savings Plan) as of your Date of Termination or, if higher, immediately prior to the Applicable Event.

(B) The contributions you would have received under the United States Steel Corporation Supplemental Retirement Account Program (the "Supplemental Program") had your employment with the Corporation continued for an additional thirty-six (36) months from your actual Date of Termination plus thirty-six (36) months of earnings on those contributions and your entire account balance under the Supplemental Program as of your Date of Termination. The earnings shall be based upon the ten-year return (or life return, if a ten-year return is not available) of the target date investment fund applicable to you under the Supplemental Program. For purposes of this subparagraph (B), the bonus awards for determining the contributions you would have received under the Supplemental Program shall be based on an amount equal to the higher of: (i) the average actual bonus awarded to you, if any, under any [illegible]

provided, further, if your employment was terminated prior to a Change in Control, the payment shall be payable upon the first business day following the six-month anniversary of the date of the 409A Change in Control.

(e) Following your separation from service, the Corporation shall also reimburse you for all legal fees and expenses incurred by you for the period beginning upon your separation from service and ending upon the date of your death, on a monthly basis, payable on the first of each month, for such legal fees and expenses reasonably incurred by you, as a result of your termination of employment (including all such fees and expenses, if any, incurred in contesting or disputing any such termination or in seeking to obtain or enforce any right or benefit provided by this Agreement or in connection with any tax audit or proceeding to the extent attributable to the application of section 4999 or 409A of the Code to any payment or benefit provided hereunder). All reimbursement payments with respect to expenses incurred within a particular year shall be made no later than the end of your taxable year following the taxable year in which the expense was incurred. The amount of reimbursable expenses incurred in one taxable year for you shall not affect the amount of reimbursable expenses in a different taxable year and such reimbursement shall not be subject to liquidation or exchange for another benefit. Notwithstanding the foregoing sentence, if you are a Specified Employee at the time of your separation from service no such payments may be made to you until the first business day following the six-month anniversary of the Date of Termination or, in the case where your employment was terminated prior to a Change in Control, the first business day following the six-month anniversary of the date of the 409A Change in Control.

(f) Following your separation from service, the Corporation shall also reimburse you on a timely basis for reasonable costs incurred by you for outplacement services; provided such expenses must be incurred before the end of your second taxable year following the taxable year in which the Date of Termination occurs and must be reimbursed before the end of your third taxable year following the taxable year in which the Date of Termination occurs.

(g) Other than as provided in Section 4(d)(iii), you shall not be required to mitigate the amount of any payment provided for in this Section 4 by seeking other employment or otherwise, nor shall the amount of any payment provided for in this Section 4 be reduced by any compensation earned by you as the result of employment by another employer, including self-employment, after the Date of Termination, or otherwise.

5. Limit on Payments.

(a) Application. In the event that any amount or benefit paid or distributed to you pursuant to this Agreement, taken together with any amounts or benefits otherwise?it paid stributed to you by the Corporation er any eefplDat com any) calSectevele, the Cevired Payment i),ryoped br ae eiceas paricbuty payment

(b) Calculation of Benefits. Within ten (10) days following delivery of any Notice of Termination, the Corporation shall notify you of the aggregate present value of all termination benefits to which you would be entitled under this Agreement and any other plan, program or arrangement as of the projected Date of benefit; (vi) the cash payment for the supplemental savings benefit under Section 4(d)(vii); (vii) the cash payment for legal fees and expenses under Section 4(e); (viii) the rights to continued life insurance benefits under Section 4(d)(iii); (ix) the rights to continued health insurance benefits under Section 4(d)(iii); and (x) the rights, if any, resulting

(B) the value of any non-cash benefits or any deferred payment or benefit shall be determined by the Accountants in accordance with the principles of Section 280G of the Code.

(e) Tax Rates. For purposes of determining whether you would receive a greater net-after-tax benefit were the amounts payable under this Agreement reduced in accordance with Paragraph 5(c), you shall be deemed to pay:

(A) Federal income taxes at the highest applicable marginal rate of Federal income taxation for the calendar year in which the first amounts are to be paid hereunder, and

(B) any applicable state and local income taxes at the highest applicable marginal rate of taxation for such calendar year, net of the maximum reduction in Federal income taxes which could be obtained from the deduction of such state or local taxes if paid in such year;

provided, however, that you may request that such determination be made based on your individual tax circumstances, which shall govern such determination so long as you provide to the Accountants such information and documents e ants such do 5ll and Ď 3 in the meaning of Section 280G of the Code paid to you or for your benefit are in an amount that would result in you being subject to an Excise Tax, then you shall have an obligation to repay to the Corporation on the tenth d tł' th nt that wo

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Exhibit 12.1

United States Steel Corporation

Computation of Ratio of Earnin

Exhibit 21

UNITED STATES STEEL CORPORATION
Subsidiary and Joint Ventures
2011 Form 10-K

Company Name

Chisholm Coal LLC

Chrome Deposit Corporation

Compagnie de Gestion de Mifergui- Nimba, LTEE

Cygnus Mines Limited

Delaware USS Corporation

Double Eagle Steel Coating Company

Double G Coatings, m[illegible]

Swan Point Development Company, Inc.
Brookfield Swan Point, LLC
Timber Wolf Land, LLC
Transtar, Inc.
Delray Connecting Railroad Company
Gary Railway Company
Tracks Traffic and Management Services, Inc.
Texas & Northern Railway Company
Lake Terminal Railroad Company, The
Lorain Northern Company f/k/a/ Ohio Northern Company
McKeesport Connecting Railroad Company
Union Railroad Company
Birmingham Southern Railroad Company
Fairfield Southern Company, Inc.
Warrior & Gulf Navigation LLC
Mobile River Terminal Company
Sisco Stevedoring, LLC
U. S. Steel China, LLC
U. S. Steel Holdings, Inc.
U. S. Steel Holdings II, LLC
Worldwide Steel C.V.
U. S. Steel Global Holdings I, B.V.
U. S. Steel Košice, s.r.o. (USSK)
OBAL-SERVIS, a.s. Košice
U. S. Steel Europe – Austria GmbH in Liqu.
U. S. Steel Košice – Labortest, s.r.o.
U. S. Steel Services s.r.o.
U. S. Steel Europe – Bohemia a.s.
U. S. Steel Europe – France S.A.
U.S. Steel Košice – SBS, s.r.o.
U. S. Steel Europe – Germany GmbH
U. S. Steel Europe (UK) Limited
Refrako s.r.o.
VULKMONT, a.s. Košice

- UEC Sail Information Technology, LTD.

United States Steel Credit Corporation

United States Steel International, Inc.

- United States Steel Export Company de Mexico, S.R.L. de C.V.
  - Acero Prime Servicios, S.R.L. de CV
- United States Steel International de Mexico, S.R.L. de C. V.

USS Galvanizing, Inc.

- PRO-TEC Coating Company
  - PRO-TEC Coating Company, Inc.

USS International Services, LLC

USS Lakeside, LLC

- Chicago Lakeside Development, LLC

USS Mine Management, Inc.

USS Oilwell Supply Co., LTD.

USS Oilwell Tubular, Inc.

USS Portfolio Delaware, Inc.

USS Tubular Processing, Inc.

USS WSP, LLC

- Worthington Specialty Processing
  - ProCoil Company, LLC
  - Worthington Taylor, LLC

USX International Sales Company, Inc.

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned does hereby make, constitute and appoint J. P. Surma, Jr., G. R. Haggerty and G. A. Zovko or any one of them, my true and lawful attorneys-in-fact to sign and execute for me and on my behalf United States Steel Corporation’s Annual Report on Form 10-K for the year ended December 31, 2011 to be filed with the Securities and Exchange Commission, and any and all amendments to such report to be filed with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, in such form as they o el Corpor tn Th@ of dedh mendhge

POWER OF ATTORNEY

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2P -

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IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of February, 2012.

/s/ Richard A. Gephardt

Richard A. Gephardt

POWER OF ATTORNEY

<u>POWER OF ATTORNEY</u>

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IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of February, 2012.

/s/ David S. Sutherland

David S. Sutherland

POWER OF ATTORNEY

Exhibit

Exhibit 32.1

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

I, John P. Surma, Chairman of the Board of Directors and Chief Executive Officer of Un

United States Steel Corporation
Mine Safety Disclosure
(Unaudited)

Mine (Federal Mine Safety and Health Administration (MSHA) ID)	Total # of Significant & Substantial violations under §104 [a]	Total # of orders under §104(b) [a]	Total # of unwarrantable failure citations and orders under §104(d) [a]	Total # of violations under §110(b)(2) [a]	Total # of orders under §107(a) [a]	Total dollar value of proposed assessments from MSHA	Total # of mining related fatalities	Received Notice of Pattern of Violations under §104(e) [a] (yes/no)?	Received Notice of Potential to have Pattern under §104(e) [a] (yes/no)?	Total # of Legal Actions Pending with the Mine Safety and Health Review Commission as of Last Day of Period [b]	Legal Actions Initiated During Period	Legal Actions Resolved During Period
Mt. Iron (2100819, 2100820, 2100282)	86	1	1	0	0	$ 311,173	0	no	no	125	69	12
Keewatin (2103352)	27	0	0	0	0	$ 176,307	0	no	no	44	38	0

(a) References to Section numbers are to sections of the Federal Mine Safety and Health Act of 1977.

(b) Includes all legal actions pending before the Federal Mine Safety and Health Review Commission, together with the Administrative Law Judges thereof, for each of our iron ore operations. These actions may have been initiated in prior quarters. All of the legal actions were initiated by us to contest citations, orders or proposed assessments issued by the Federal Mine Safety and Health administration, and if we are successful, may result in the reduction or dismissal of those citations, orders or assessments. As of the last day of the period, all 169 legal actions were to contest citations and proposed assessments.