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

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2015

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____.

Commission File Number: 1-8944

CLIFFS NATURAL RESOURCES INC.
(Exact Name of Registrant as Specified in Its Charter)

Ohio	34-1464672
(State or Other Jurisdiction of Incorporation or Organization)	*(I.R.S. Employer Identification No.)*
200 Public Square, Cleveland, Ohio	44114-2315
(Address of Principal Executive Offices)	*(Zip Code)*

Registrant's Telephone Number, Including Area Code: (216) 694-5700

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES ☐ NO ☒

The number of shares outstanding of the registrant's common shares, par value $0.125 per share, was 153,279,552 as of May 4, 2015.

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DEFINITIONS

The following abbreviations or acronyms are used in the text. References in this report to the "Company," "we," "us," "our" and "Cliffs" are to Cliffs Natural Resources Inc. and subsidiaries, collectively. References to "A$" or "AUD" refer to Australian currency, "C$" or "CAD" to Canadian currency and "$" to United States currency.

Abbreviation or acronym	Term
ABL Facility	Syndicated Facility Agreement by and among Bank of America, N.A., as Administrative Agent and Australian Security Trustee, the Lenders that are parties hereto, Cliffs Natural Resources Inc., as Parent and a Borrower, and the Subsidiaries of Parent party hereto, as Borrowers dated as of March 30, 2015
ArcelorMittal	ArcelorMittal (as the parent company of ArcelorMittal Mines Canada, ArcelorMittal USA and ArcelorMittal Dofasco, as well as, many other subsidiaries)
ASC	Accounting Standards Codification
ASU	Accounting Standards Updates
BAML	Bank of America Merrill Lynch
Bloom Lake	The Bloom Lake Iron Ore Mine Limited Partnership
Bloom Lake Group	Bloom Lake General Partner Limited and certain of its affiliates, including Cliffs Quebec Iron Mining ULC
CCAA	Companies' Creditors Arrangement Act (Canada)
CEO	Chief Executive Officer
CFR	Cost and freight
Chromite Project	Cliffs Chromite Ontario Inc.
CLCC	Cliffs Logan County Coal LLC
CODM	Chief Operating Decision Maker
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act
EBITDA	Earnings before interest, taxes, depreciation and amortization
Empire	Empire Iron Mining Partnership
Exchange Act	Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
Fe	Iron
FMSH Act	Federal Mine Safety and Health Act of 1977
GAAP	Accounting principles generally accepted in the United States
Hibbing	Hibbing Taconite Company
Koolyanobbing	Collective term for the operating deposits at Koolyanobbing, Mount Jackson and Windarling
LIBOR	London Interbank Offered Rate
LTVSMC	LTV Steel Mining Company
MMBtu	Million British Thermal Units
Moody's	Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors
MSHA	U.S. Mine Safety and Health Administration
Northshore	Northshore Mining Company
Oak Grove	Oak Grove Resources, LLC
OCI	Other comprehensive income (loss)
OPEB	Other postretirement employment benefits
Pinnacle	Pinnacle Mining Company, LLC
Preferred Share	7.00 percent Series A Mandatory Convertible Preferred Stock, Class A, without par value
S&P	Standard & Poor's Rating Services, a division of Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., and its successors
SEC	U.S. Securities and Exchange Commission
Securities Act	Securities Act of 1933
Substitute Rating Agency	A "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) of the Exchange Act, selected by us (as certified by a certificate of officers confirming the decision of our Board of Directors) as a replacement agency of Moody's or S&P, or both of them, as the case may be
Tilden	Tilden Mining Company
TSR	Total Shareholder Return
United Taconite	United Taconite LLC
U.S.	United States of America
Wabush	Wabush Mines Joint Venture
WARN Act	Worker Adjustment and Retraining Notification Act
2012 Equity Plan	Cliffs Natural Resources Inc. 2012 Incentive Equity Plan
2012 Amended Equity Plan	Cliffs Natural Resources Inc. Amended and Restated 2012 Incentive Equity Plan

PART I

Item 1. ***Financial Statements***

Statements of Unaudited Condensed Consolidated Operations

Cliffs Natural Resources Inc. and Subsidiaries

	(In Millions, Except Per Share Amounts)	
	Three Months Ended March 31,	
	2015	2014
REVENUES FROM PRODUCT SALES AND SERVICES		
Product	**$ 399.5**	$ 559.2
Freight and venture partners' cost reimbursements	**46.5**	56.3
	446.0	615.5
COST OF GOODS SOLD AND OPERATING EXPENSES	**(365.2)**	(425.5)
SALES MARGIN	**80.8**	190.0
OTHER OPERATING INCOME (EXPENSE)		
Selling, general and administrative expenses	**(29.1)**	(37.5)
Miscellaneous - net	**20.2**	(13.3)
	(8.9)	(50.8)
OPERATING INCOME	**71.9**	139.2
OTHER INCOME (EXPENSE)		
Interest expense, net	**(42.9)**	(40.4)
Gain on extinguishment of debt	**313.7**	—
Other non-operating income (expense)	**(0.8)**	0.8
	270.0	(39.6)
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND EQUITY LOSS FROM VENTURES	**341.9**	99.6
INCOME TAX EXPENSE	**(175.1)**	(29.6)
EQUITY LOSS FROM VENTURES, net of tax	**—**	(0.3)
INCOME FROM CONTINUING OPERATIONS	**166.8**	69.7
LOSS FROM DISCONTINUED OPERATIONS, net of tax	**(928.5)**	(140.4)
NET LOSS	**(761.7)**	(70.7)
LOSS ATTRIBUTABLE TO NONCONTROLLING INTEREST (2015 - Loss of $7.7 million related to Discontinued Operations, 2014 - Loss of $7.3 million related to Discontinued Operations)	**1.9**	0.4
NET LOSS ATTRIBUTABLE TO CLIFFS SHAREHOLDERS	**$ (759.8)**	$ (70.3)
PREFERRED STOCK DIVIDENDS	**(12.8)**	(12.8)
NET LOSS ATTRIBUTABLE TO CLIFFS COMMON SHAREHOLDERS	**$ (772.6)**	$ (83.1)
EARNINGS (LOSS) PER COMMON SHARE ATTRIBUTABLE TO CLIFFS SHAREHOLDERS - BASIC		
Continuing operations	**$ 1.02**	$ 0.37
Discontinued operations	**(6.06)**	(0.92)
	$ (5.04)	$ (0.55)
EARNINGS (LOSS) PER COMMON SHARE ATTRIBUTABLE TO CLIFFS SHAREHOLDERS - DILUTED		
Continuing operations	**$ 0.94**	$ 0.37
Discontinued operations	**(5.20)**	(0.91)
	$ (4.26)	$ (0.54)
AVERAGE NUMBER OF SHARES (IN THOUSANDS)		
Basic	**153,185**	153,040
Diluted	**178,696**	153,653

The accompanying notes are an integral part of theseunaudited condensed consolidated financial statements.

Statements of Unaudited Condensed Consolidated Comprehensive Income

Cliffs Natural Resources Inc. and Subsidiaries

	(In Millions)	
	Three Months Ended March 31,	
	2015	2014
NET LOSS ATTRIBUTABLE TO CLIFFS SHAREHOLDERS	**$ (759.8)**	$ (70.3)
OTHER COMPREHENSIVE INCOME (LOSS)		
Changes in pension and other post-retirement benefits, net of tax	**28.8**	3.4
Unrealized net gain on marketable securities, net of tax	**0.8**	3.9
Unrealized net gain on foreign currency translation	**168.0**	40.5
Unrealized net gain (loss) on derivative financial instruments, net of tax	**(0.8)**	10.5
OTHER COMPREHENSIVE INCOME	**196.8**	58.3
OTHER COMPREHENSIVE LOSS (INCOME) ATTRIBUTABLE TO THE NONCONTROLLING INTEREST	**10.8**	(0.5)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO CLIFFS SHAREHOLDERS	**$ (552.2)**	$ (12.5)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Statements of Unaudited Condensed Consolidated Financial Position

Cliffs Natural Resources Inc. and Subsidiaries

	(In Millions)	
	March 31, 2015	December 31, 2014
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	**$ 355.7**	$ 271.3
Accounts receivable, net	**87.1**	122.7
Inventories	**408.5**	260.1
Supplies and other inventories	**120.4**	118.6
Income tax receivable	**165.5**	217.6
Short-term assets of discontinued operations	**197.2**	330.6
Other current assets	**190.0**	128.0
TOTAL CURRENT ASSETS	**1,524.4**	1,448.9
PROPERTY, PLANT AND EQUIPMENT, NET	**1,047.2**	1,070.5
OTHER ASSETS		
Long-term assets of discontinued operations	**—**	400.1
Other non-current assets	**131.0**	244.5
TOTAL OTHER ASSETS	**131.0**	644.6
TOTAL ASSETS	**$ 2,702.6**	$ 3,164.0

(continued)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements .

Statements of Unaudited Condensed Consolidated Financial Position

Cliffs Natural Resources Inc. and Subsidiaries - (Continued)

	(In Millions)	
	March 31, 2015	December 31, 2014
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	**$ 114.3**	$ 166.1
Accrued expenses	**167.1**	201.7
Short-term liabilities of discontinued operations	**265.0**	400.6
Other current liabilities	**300.1**	190.2
TOTAL CURRENT LIABILITIES	**846.5**	958.6
PENSION AND POSTEMPLOYMENT BENEFIT LIABILITIES	**250.2**	259.7
ENVIRONMENTAL AND MINE CLOSURE OBLIGATIONS	**165.6**	165.6
LONG-TERM DEBT	**2,880.9**	2,843.3
LONG-TERM LIABILITIES OF DISCONTINUED OPERATIONS	**125.2**	436.1
OTHER LIABILITIES	**216.3**	235.0
TOTAL LIABILITIES	**4,484.7**	4,898.3
COMMITMENTS AND CONTINGENCIES (SEE NOTE 20)		
EQUITY		
CLIFFS SHAREHOLDERS' DEFICIT		
Preferred Stock - no par value		
Class A - 3,000,000 shares authorized		
7% Series A Mandatory Convertible, Class A, no par value and $1,000 per share liquidation preference		
Issued and Outstanding - 731,223 shares (2014 - 731,223 shares)	**731.3**	731.3
Class B - 4,000,000 shares authorized		
Common Shares - par value $0.125 per share		
Authorized - 400,000,000 shares (2014 - 400,000,000 shares);		
Issued - 159,546,224 shares (2014 - 159,546,224 shares);		
Outstanding - 153,279,552 shares (2014 - 153,246,754 shares)	**19.8**	19.8
Capital in excess of par value of shares	**2,308.1**	2,309.8
Retained deficit	**(4,733.2)**	(3,960.7)
Cost of 6,266,672 common shares in treasury (2014 - 6,299,470 shares)	**(283.5)**	(285.7)
Accumulated other comprehensive loss	**(38.2)**	(245.8)
TOTAL CLIFFS SHAREHOLDERS' DEFICIT	**(1,995.7)**	(1,431.3)
NONCONTROLLING INTEREST (DEFICIT)	**213.6**	(303.0)
TOTAL DEFICIT	**(1,782.1)**	(1,734.3)
TOTAL LIABILITIES AND DEFICIT	**$ 2,702.6**	$ 3,164.0

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Statements of Unaudited Condensed Consolidated Cash Flows

Cliffs Natural Resources Inc. and Subsidiaries

	(In Millions)	
	Three Months Ended March 31,	
	2015	2014
OPERATING ACTIVITIES		
Net loss	**$ (761.7)**	$ (70.7)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:		
Depreciation, depletion and amortization	**33.0**	141.1
Impairment of long-lived assets	**76.6**	—
Deferred income taxes	**165.8**	15.1
Gain on extinguishment of debt	**(313.7)**	—
Loss on deconsolidation, net of cash deconsolidated	**776.1**	—
Other	**31.6**	3.2
Changes in operating assets and liabilities:		
Receivables and other assets	**71.7**	161.5
Product inventories	**(154.9)**	(214.5)
Payables and accrued expenses	**(152.7)**	(117.7)
Net cash used by operating activities	**(228.2)**	(82.0)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(15.9)**	(103.3)
Other investing activities	**0.2**	12.6
Net cash used by investing activities	**(15.7)**	(90.7)
FINANCING ACTIVITIES		
Proceeds from first lien notes offering	**503.5**	—
Debt issuance costs	**(33.1)**	—
Repurchase of debt	**(133.3)**	—
Borrowings under credit facilities	**295.0**	225.0
Repayment under credit facilities	**(295.0)**	—
Common stock dividends	**—**	(23.0)
Preferred stock dividends	**(12.8)**	(12.8)
Other financing activities	**(14.3)**	8.7
Net cash provided by financing activities	**310.0**	197.9
EFFECT OF EXCHANGE RATE CHANGES ON CASH	**(1.3)**	3.3
INCREASE IN CASH AND CASH EQUIVALENTS	**64.8**	28.5
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**290.9**	335.5
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**$ 355.7**	$ 364.0

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

See NOTE 17 - CASH FLOW INFORMATION.

Cliffs Natural Resources Inc. and Subsidiaries

Notes to Unaudited Condensed Consolidated Financial Statements

NOTE 1 - BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with SEC rules and regulations and, in the opinion of management, include all adjustments (consisting of normal recurring adjustments) necessary to present fairly, the financial position, results of operations, comprehensive income and cash flows for the periods presented. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management bases its estimates on various assumptions and historical experience, which are believed to be reasonable; however, due to the inherent nature of estimates, actual results may differ significantly due to changed conditions or assumptions. The results of operations for the three months ended March 31, 2015 are not necessarily indicative of results to be expected for the year ending December 31, 2015 or any other future period. These unaudited condensed consolidated financial statements should be read in conjunction with the financial statements and notes included in our Annual Report on Form 10-K for the year ended December 31, 2014.

As more fully described in NOTE 14 - DISCONTINUED OPERATIONS, in January 2015, we announced that the Bloom Lake Group commenced restructuring proceedings in Montreal, Quebec, under the CCAA. Bloom Lake had recently suspended operations and for several months had been exploring options to sell certain of its Canadian assets, among other initiatives. Effective January 27, 2015, following the CCAA filing of the Bloom Lake Group, we deconsolidated the Bloom Lake Group and certain other wholly-owned subsidiaries comprising substantially all of our Canadian operations (collectively, the "Canadian Entities"). Our pre-filing financial results in Canada and subsequent expenses directly associated with the Canadian Entities are included in our financial statements and classified within discontinued operations.

Additionally, as we continue to re-focus our strategy on strengthening our U.S. Iron Ore operations, management has determined that our North American Coal operating segment as of March 31, 2015 met the criteria to be classified as held for sale under *ASC 205 - Presentation of Financial Statements*. As such, all current and historical North American Coal operating segment results are included in our financial statements and classified within discontinued operations.

We will now report our results from continuing operations in two reportable segments: U.S. Iron Ore and Asia Pacific Iron Ore.

Basis of Consolidation

The unaudited condensed consolidated financial statements include our accounts and the accounts of our wholly-owned and majority-owned subsidiaries, including the following operations:

Name	Location	Ownership Interest	Operation	Status of Operations
Northshore	Minnesota	100.0%	Iron Ore	Active
United Taconite	Minnesota	100.0%	Iron Ore	Active
Tilden	Michigan	85.0%	Iron Ore	Active
Empire	Michigan	79.0%	Iron Ore	Active
Koolyanobbing	Western Australia	100.0%	Iron Ore	Active
Pinnacle	West Virginia	100.0%	Coal	Active - Held for Sale
Oak Grove	Alabama	100.0%	Coal	Active - Held for Sale
Wabush[1]	Newfoundland and Labrador/ Quebec, Canada	100.0%	Iron Ore	Permanent closure
Bloom Lake[1]	Quebec, Canada	82.8%	Iron Ore	Care-and-maintenance
Cliffs Chromite Ontario - Black Label Deposit[1]	Ontario, Canada	100.0%	Chromite	Suspended
Cliffs Chromite Ontario - Black Thor Deposit[1]	Ontario, Canada	100.0%	Chromite	Suspended
Cliffs Chromite Ontario & Cliffs Chromite Far North - Big Daddy Deposit[1]	Ontario, Canada	70.0%	Chromite	Suspended

[1] As of January 27, 2015, we deconsolidated substantially all of our Canadian operations following the CCAA filing. See NOTE 14 - DISCONTINUED OPERATIONS for further information.

Intercompany transactions and balances are eliminated upon consolidation.

Equity Method Investments

Investments in unconsolidated ventures that we have the ability to exercise significant influence over, but not control, are accounted for under the equity method. The following table presents the detail of our investments in unconsolidated ventures and where those investments are classified in the Statements of Unaudited Condensed Consolidated Financial Position as of March 31, 2015 and December 31, 2014. Parentheses indicate a net liability.

				(In Millions)	
Investment	**Classification**	**Accounting Method**	**Interest Percentage**	**March 31, 2015**	December 31, 2014
Hibbing	*Other non-current assets*	Equity Method	23%	**$ 2.5**	$ 3.1
Other	*Other non-current assets*	Equity Method	Various	**0.9**	1.0
				$ 3.4	$ 4.1

Foreign Currency

Our financial statements are prepared with the U.S. dollar as the reporting currency. The functional currency of the Company's Australian subsidiaries is the Australian dollar. The functional currency of all other international subsidiaries is the U.S. dollar. The financial statements of international subsidiaries are translated into U.S. dollars using the exchange rate at each balance sheet date for assets and liabilities and a weighted average exchange rate for each period for revenues, expenses, gains and losses. Where the local currency is the functional currency, translation adjustments are recorded as *Accumulated other comprehensive loss*. Income taxes generally are not provided for foreign currency translation adjustments. To the extent that monetary assets and liabilities, inclusive of intercompany notes, are recorded in a currency other than the functional currency, these amounts are remeasured each reporting period, with the resulting gain or loss being recorded in the Statements of Unaudited Condensed Consolidated Operations. Transaction gains and losses resulting from remeasurement of short-term intercompany loans are included in *Miscellaneous - net* in our Statements of Unaudited Condensed Consolidated Operations. For the three months ended March 31, 2015, net gains of $13.5 million related to the impact of transaction gains and losses resulting from remeasurement. Of these transaction gains and losses, for the three months ended March 31, 2015, gains of $12.4 million and gains of $1.5 million, respectively, resulted from remeasurement of short-term intercompany loans and cash and cash equivalents. For the three months ended March 31, 2014, losses of $11.4 million related to the impact of transaction gains and losses resulting from remeasurement, of which included losses of $8.8 million and losses of $3.1 million, respectively, resulted from remeasurement of short-term intercompany loans and cash and cash equivalents.

Significant Accounting Policies

A detailed description of our significant accounting policies can be found in the audited financial statements for the fiscal year ended December 31, 2014 included in our Annual Report on Form 10-K filed with the SEC. The significant accounting policies requiring updates have been included within the disclosures below.

Derivative Financial Instruments and Hedging Activities

According to our global hedge policy, the policy allows for hedging not more than 75 percent, but not less than 40 percent for up to 12 months and not less than 10 percent for up to 15 months, of forecasted net currency exposures that are probable to occur. Full hedge compliance under the policy has been waived through December 31, 2015. The waiver was a result of the evaluation of the potential risk of being over hedged and the uncertainty of the 2015 currency exposures. During 2015, we have not entered into any new foreign currency exchange contracts to hedge our foreign currency exposure and we do not expect to enter into any during the remainder of 2015. In the future, we may enter into additional hedging instruments as needed in order to further hedge our exposure to changes in foreign currency exchange rates.

Recent Accounting Pronouncements

Issued and Not Effective

In April 2015, the FASB issued ASU 2015-03, *Simplifying the Presentation of Debt Issuance Costs*, which requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. This ASU requires retrospective adoption and will be effective for us beginning in our first quarter of 2016. Early adoption is permitted. We do not expect this adoption to have an impact on our Statements of Unaudited Condensed Consolidated Operations or Statements of

Unaudited Condensed Consolidated Cash Flows. The impact of the adoption of the guidance will result in reclassification of the unamortized debt issuance costs on the Statements of Unaudited Condensed Consolidated Financial Position, which were $46.2 million and $25.6 million at March 31, 2015 and December, 31, 2014, respectively.

NOTE 2 - SEGMENT REPORTING

Our continuing operations are organized and managed according to product category and geographic location: U.S. Iron Ore and Asia Pacific Iron Ore. The U.S. Iron Ore segment is comprised of our interests in five U.S. mines that provide iron ore to the integrated steel industry. The Asia Pacific Iron Ore segment is located in Western Australia and provides iron ore to the seaborne market for Asian steel producers. There were no intersegment product revenues in the first quarters of 2015 or 2014.

We have historically evaluated segment performance based on sales margin, defined as revenues less cost of goods sold, and operating expenses identifiable to each segment. Additionally, beginning in the third quarter of 2014, concurrent with the change in control on July 29, 2014, management began to evaluate segment performance based on EBITDA, defined as *Net Loss* before interest, income taxes, depreciation, depletion and amortization, and Adjusted EBITDA, defined as EBITDA excluding certain items such as impacts of discontinued operations, foreign currency remeasurement, severance recorded in *Selling, general and administrative expenses*, or SG&A, extinguishment of debt and intersegment corporate allocations of SG&A costs. Management uses and believes that investors benefit from referring to these measures in evaluating operating and financial results, as well as in planning, forecasting and analyzing future periods as these financial measures approximate the cash flows associated with the operational earnings.

The following tables present a summary of our reportable segments for the three months ended March 31, 2015 and 2014, including a reconciliation of segment sales margin to *Income from Continuing Operations Before Income Taxes and Equity Loss from Ventures* and a reconciliation of *Net Loss* to EBITDA and Adjusted EBITDA:

	(In Millions)			
	Three Months Ended March 31,			
	2015		2014	
Revenues from product sales and services:				
U.S. Iron Ore	**$ 311.8**	**70%**	$ 361.3	59%
Asia Pacific Iron Ore	**134.2**	**30%**	254.2	41%
Total revenues from product sales and services	**$ 446.0**	**100%**	$ 615.5	100%
Sales margin:				
U.S. Iron Ore	**$ 80.0**		$ 95.0	
Asia Pacific Iron Ore	**0.8**		66.3	
Eliminations with Discontinued Operations	**—**		28.7	
Sales margin	**80.8**		190.0	
Other operating income	**(8.9)**		(50.8)	
Other income (expense)	**270.0**		(39.6)	
Income from continuing operations before income taxes and equity loss from ventures	**$ 341.9**		$ 99.6	

	(In Millions)	
	Three Months Ended March 31,	
	2015	2014
Net Loss	**$ (761.7)**	$ (70.7)
Less:		
Interest expense, net	**(44.2)**	(42.7)
Income tax benefit (expense)	**(175.0)**	21.8
Depreciation, depletion and amortization	**(33.0)**	(141.1)
EBITDA	**$ (509.5)**	$ 91.3
Less:		
Impact of discontinued operations	**$ (924.1)**	$ (118.1)
North American Coal operations impact	**(5.5)**	18.2
Gain on extinguishment of debt	**313.7**	—
Severance in SG&A	**(1.5)**	(6.0)
Foreign exchange remeasurement	**13.5**	(11.4)
Adjusted EBITDA	**$ 94.4**	$ 208.6
EBITDA:		
U.S. Iron Ore	**$ 101.6**	$ 123.6
Asia Pacific Iron Ore	**18.0**	85.3
Other	**(629.1)**	(117.6)
Total EBITDA	**$ (509.5)**	$ 91.3
Adjusted EBITDA:		
U.S. Iron Ore	**$ 105.1**	$ 128.7
Asia Pacific Iron Ore	**5.7**	99.1
Other	**(16.4)**	(19.2)
Total Adjusted EBITDA	**$ 94.4**	$ 208.6

	(In Millions)	
	Three Months Ended March 31,	
	2015	2014
Depreciation, depletion and amortization:		
U.S. Iron Ore	**$ 21.7**	$ 28.7
Asia Pacific Iron Ore	**6.3**	39.1
Other	**1.8**	1.9
Total depreciation, depletion and amortization	**$ 29.8**	$ 69.7
Capital additions[1]:		
U.S. Iron Ore	**$ 9.5**	$ 14.9
Asia Pacific Iron Ore	**3.4**	3.2
Other	**0.4**	0.9
Total capital additions	**$ 13.3**	$ 19.0

[1] Includes capital lease additions and non-cash accruals. Refer to NOTE 17 - CASH FLOW INFORMATION.

A summary of assets by segment is as follows:

	(In Millions)	
	March 31, 2015	December 31, 2014
Assets:		
U.S. Iron Ore	**$ 1,550.1**	$ 1,464.9
Asia Pacific Iron Ore	**250.6**	274.6
Other	**31.2**	147.0
Total segment assets	**1,831.9**	1,886.5
Corporate	**673.5**	546.8
Assets of Discontinued Operations	**197.2**	730.7
Total assets	**$ 2,702.6**	$ 3,164.0

NOTE 3 - INVENTORIES

The following table presents the detail of our *Inventories* in the Statements of Unaudited Condensed Consolidated Financial Position as of March 31, 2015 and December 31, 2014:

	(In Millions)					
	March 31, 2015			December 31, 2014		
Segment	**Finished Goods**	**Work-in Process**	**Total Inventory**	Finished Goods	Work-in Process	Total Inventory
U.S. Iron Ore	**$ 294.5**	**$ 13.9**	**$ 308.4**	$ 132.1	$ 13.5	$ 145.6
Asia Pacific Iron Ore	**15.1**	**85.0**	**100.1**	26.4	88.1	114.5
Total	**$ 309.6**	**$ 98.9**	**$ 408.5**	$ 158.5	$ 101.6	$ 260.1

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT

The following table indicates the value of each of the major classes of our consolidated depreciable assets as of March 31, 2015 and December 31, 2014:

	(In Millions)	
	March 31, 2015	December 31, 2014
Land rights and mineral rights	**$ 500.5**	$ 500.5
Office and information technology	**69.7**	73.7
Buildings	**59.8**	59.8
Mining equipment	**584.9**	585.1
Processing equipment	**512.7**	510.2
Electric power facilities	**44.2**	46.8
Land improvements	**24.8**	24.7
Other	**54.7**	55.0
Construction in-progress	**20.7**	14.4
	1,872.0	1,870.2
Allowance for depreciation and depletion	**(824.8)**	(799.7)
	$ 1,047.2	$ 1,070.5

We recorded depreciation and depletion expense of $28.7 million and $67.7 million in the Statements of Unaudited Condensed Consolidated Operations for the three months ended March 31, 2015 and March 31, 2014, respectively.

NOTE 5 - DEBT AND CREDIT FACILITIES

The following represents a summary of our long-term debt as of March 31, 2015 and December 31, 2014:

($ in Millions)						
March 31, 2015						
Debt Instrument	**Type**	**Annual Effective Interest Rate**	**Final Maturity**	**Total Face Amount**	**Total Debt**	
$700 Million 4.875% 2021 Senior Notes	**Fixed**	**4.89%**	**2021**	**$ 423.2**	**$ 422.9**	**(1)**
$1.3 Billion Senior Notes:						
$500 Million 4.80% 2020 Senior Notes	**Fixed**	**4.83%**	**2020**	**308.5**	**308.1**	**(2)**
$800 Million 6.25% 2040 Senior Notes	**Fixed**	**6.34%**	**2040**	**492.8**	**487.0**	**(3)**
$400 Million 5.90% 2020 Senior Notes	**Fixed**	**5.98%**	**2020**	**326.8**	**325.7**	**(4)**
$500 Million 3.95% 2018 Senior Notes	**Fixed**	**6.32%**	**2018**	**436.0**	**433.8**	**(5)**
$540 Million 8.25% 2020 First Lien Notes	**Fixed**	**9.97%**	**2020**	**540.0**	**503.5**	**(6)**
$544.2 Million 7.75% 2020 Second Lien Notes	**Fixed**	**15.55%**	**2020**	**544.2**	**397.2**	**(7)**
$550 Million ABL Facility:						
Asset-Based Revolving Credit Facility	**Variable**	**—%**	**2020**	**550.0**	**—**	**(8)**
Fair Value Adjustment to Interest Rate Hedge					**2.7**	
Total debt				**$ 3,621.5**	**$ 2,880.9**	
Less: Short-term and current portion of long-term debt					**—**	
Long-term debt					**$ 2,880.9**	

($ in Millions)						
December 31, 2014						
Debt Instrument	Type	Annual Effective Interest Rate	Final Maturity	Total Face Amount	Total Debt	
$700 Million 4.875% 2021 Senior Notes	Fixed	4.88%	2021	$ 690.0	$ 689.5	(1)
$1.3 Billion Senior Notes:						
$500 Million 4.80% 2020 Senior Notes	Fixed	4.83%	2020	490.0	489.4	(2)
$800 Million 6.25% 2040 Senior Notes	Fixed	6.34%	2040	800.0	790.5	(3)
$400 Million 5.90% 2020 Senior Notes	Fixed	5.98%	2020	395.0	393.7	(4)
$500 Million 3.95% 2018 Senior Notes	Fixed	5.17%	2018	480.0	477.4	(5)
$1.125 Billion Credit Facility:						
Revolving Credit Agreement	Variable	2.94%	2017	1,125.0	—	(9)
Fair Value Adjustment to Interest Rate Hedge					2.8	
Total debt				$ 3,980.0	$ 2,843.3	
Less: Short-term and current portion of long-term debt					—	
Long-term debt					$ 2,843.3	

(1) During the first quarter of 2015, we purchased $58.3 million of outstanding 4.875 percent senior notes that were trading at a discount of 52.0 percent which resulted in a gain on extinguishment of $20.0 million. In addition, on March 27, 2015, we exchanged as part of a tender offer $208.5 million of the 4.875 percent senior notes for $170.3 million of the 7.75 percent second lien notes at a discount of $46.0 million based on an imputed interest rate of 15.55 percent, resulting in a gain on extinguishment of $83.1 million, net of amounts expensed for unamortized original issue discount and deferred origination fees. As of March 31, 2015, the $700.0 million 4.875 percent senior notes were recorded at a par value of $423.2 million less unamortized discounts of $0.3 million, based on an imputed interest rate of 4.89 percent. As of December 31, 2014, the $700.0 million 4.875 percent senior notes were recorded at a par value of $690.0 million less unamortized discounts of $0.5 million based on an imputed interest rate of 4.88 percent.

(2) During the first quarter of 2015, we purchased $43.8 million of outstanding 4.80 percent senior notes that were trading at a discount of 54.3 percent, which resulted in a gain on extinguishment of $15.6 million. In addition, on March 27, 2015, we exchanged as part of a tender offer $137.8 million of the 4.80 percent senior notes for $112.9 million of the 7.75 percent second lien notes at a discount of $30.5 million based on an imputed interest rate of 15.55 percent, resulting in a gain on extinguishment of $54.6 million, net of amounts expensed for unamortized original issue discount and deferred origination fees. As of March 31, 2015, the $500.0 million 4.80 percent senior notes were recorded at a par value of $308.5 million less unamortized discounts of $0.4 million, based on an imputed interest rate of 4.83 percent. As of December 31, 2014, the $500.0 million 4.80 percent senior notes were recorded at a par value of $490.0 million less unamortized discounts of $0.6 million based on an imputed interest rate of 4.83 percent.

(3) During the first quarter of 2015, we purchased $45.9 million of outstanding 6.25 percent senior notes that were trading at a discount of 52.5 percent, which resulted in a gain on extinguishment of $15.0 million. In addition, on March 27, 2015, we exchanged as part of a tender offer $261.3 million of the 6.25 percent senior notes for $203.5 million of the 7.75 percent second lien notes at a discount of $55.0 million based on an imputed interest rate of 15.55 percent, resulting in a gain on extinguishment of $107.3 million, net of amounts expensed for unamortized original issue discount and deferred origination fees. As of March 31, 2015, the $800 million 6.25 percent senior notes were recorded at a par value of $492.8 million less unamortized discounts of $5.8 million, based on an imputed interest rate of 6.34 percent. As of December 31, 2014, the $800 million 6.25 percent senior notes were recorded at a par value of $800.0 million less unamortized discounts of $9.5 million based on an imputed interest rate of 6.34 percent.

(4) During the first quarter of 2015, we purchased $1.3 million of outstanding 5.90 percent senior notes that were trading at a discount of 58.0 percent, which resulted in a gain on extinguishment of $0.3 million. In addition, on March 27, 2015, we exchanged as part of a tender offer $67.0 million of the 5.90 percent senior notes for $57.5 million of the 7.75 percent second lien notes at a discount of $15.5 million based on an imputed interest rate of 15.55 percent, resulting in a gain on extinguishment of $24.5 million, net of amounts expensed for unamortized original issue discount and deferred origination fees. As of March 31, 2015, the $400.0 million 5.90 percent senior notes were recorded at a par value of $326.8 million less unamortized discounts of $1.1 million, based on an imputed interest rate of 5.98 percent. As of December 31, 2014, the $400.0 million 5.90 percent senior notes were recorded at a par value of $395.0 million less unamortized discounts of $1.3 million based on an imputed interest rate of 5.98 percent.

(5) During the first quarter of 2015, we purchased $44.0 million of outstanding 3.95 percent senior notes that were trading at a discount of 77.5 percent, which resulted in a gain on the extinguishment of debt of $7.1 million. As of March 31, 2015, the $500.0 million 3.95 percent senior notes were recorded at a par value of $436.0 million less unamortized discounts of $2.2 million, based on an imputed interest rate of 6.32 percent. As of December 31, 2014, the $500.0 million 3.95 percent senior notes were recorded at a par value of $480.0 million less unamortized discounts of $2.6 million based on an imputed interest rate of 5.17 percent.

(6) As of March 31, 2015, the $540.0 million 8.25 percent first lien notes were recorded at a par value of $540.0 million less unamortized discounts of $36.5 million, based on an imputed interest rate of 9.97 percent.

(7) As of March 31, 2015, the $544.2 million 7.75 percent second lien notes were recorded at a par value of $544.2 million less unamortized discounts of $147.0 million, based on an imputed interest rate of 15.55 percent. See NOTE 6 - FAIR VALUE MEASUREMENTS for further discussion of unamortized discount as a result of the exchange offers.

(8) As of March 31, 2015, no loans were drawn under the ABL Facility and we had total availability of $441.1 million as a result of borrowing base limitations. As of March 31, 2015, the principal amount of letter of credit obligations totaled $136.2 million and foreign exchange hedge obligations totaled $5.5 million, thereby further reducing available borrowing capacity on our ABL Facility to $299.4 million.

(9) As of December 31, 2014, we had no revolving loans drawn under the revolving credit agreement of which had $1.125 billion availability. As of December 31, 2014, the principal amount of letter of credit obligations totaled $149.5 million, thereby further reducing available borrowing capacity on the revolving credit agreement to $975.5 million.

Revolving Credit Facility

As of March 30, 2015, we eliminated the revolving credit agreement which was last amended on January 22, 2015 (Amendment No. 6). The amended terms waived the potential event of default related to a CCAA filing for Canadian entities. The CCAA filing for our Bloom Lake Group was made subsequent to the effectiveness of this amendment. The amendment also reduced the size of the existing facility from $1.125 billion to $900 million. The revolving credit agreement was replaced with our ABL Facility.

As of December 31, 2014, we were in compliance with all applicable financial covenants related to the revolving credit agreement.

ABL Facility

On March 30, 2015, we entered into a new senior secured asset-based revolving credit facility with various financial institutions. The ABL Facility will mature upon the earlier of March 30, 2020 or 60 days prior to the maturity of the New First Lien Notes (as defined below) and certain other material debt, and provides for up to $550.0 million in borrowings, comprised of (i) a $450.0 million U.S. tranche, including a $250.0 million sublimit for the issuance of letters of credit and a $100.0 million sublimit for U.S. swingline loans, and (ii) a $100.0 million Australian tranche, including a $50.0 million sublimit for the issuance of letters of credit and a $20.0 million sublimit for Australian swingline loans. Availability under both the U.S. tranche and Australian tranche of the ABL Facility is limited to an eligible U.S. borrowing base and Australian borrowing base, as applicable, determined by applying customary advance rates to eligible accounts receivable, inventory and certain mobile equipment. As of March 31, 2015, no loans were drawn under the ABL Facility and we had total availability of $441.1 million on our ABL Facility, as a result of borrowing base limitations. As of March 31, 2015, the principal amount of letter of credit obligations totaled $136.2 million and foreign exchange hedge obligations totaled $5.5 million, thereby reducing available borrowing capacity on our ABL Facility to $299.4 million.

The ABL Facility and certain bank products and hedge obligations are guaranteed by us and certain of our existing wholly-owned U.S. and Australian subsidiaries and are required to be guaranteed by certain of our future U.S. and Australian subsidiaries; provided, however, that the obligations of any U.S. entity will not be guaranteed by any Australian entity. Amounts outstanding under the ABL Facility will be secured by (i) a first-priority security interest in the ABL Collateral (as defined herein), including, in the case of the Australian tranche only, ABL Collateral owned by a borrower or guarantor that is organized under laws of Australia, and (ii) a third-priority security interest in the Notes Collateral. The priority of the security interests in the ABL Collateral and the Notes Collateral of the lenders under the ABL Facility and the holders of the First Lien Notes are set forth in intercreditor provisions contained in and ABL intercreditor agreement.

The ABL Collateral generally consists of the following assets of our direct and indirect wholly-owned U.S. subsidiaries (other than certain excluded subsidiaries): accounts receivable and other rights to payment, inventory, as-extracted collateral, investment property, certain general intangibles and commercial tort claims, certain mobile equipment, commodities accounts, deposit accounts, securities accounts and other related assets and proceeds and products of each of the foregoing.

Borrowings under the ABL Facility bear interest, at our option, at a base rate, an Australian base rate or, if certain conditions are met, a LIBOR rate, in each case plus an applicable margin. The base rate is equal to the greater of the federal funds rate plus ½ of 1 percent, the LIBOR rate based on a one-month interest period plus 1 percent and the floating rate announced by BAML as its “prime rate.” The Australian base rate is equal to the LIBOR rate as of 11:00 a.m. on the first business day of each month for a one-month period. The LIBOR rate is a per annum fixed rate equal to LIBOR with respect to the applicable interest period and amount of LIBOR rate loan requested.

The ABL Facility contains customary representations and warranties and affirmative and negative covenants including, among others, covenants regarding the maintenance of certain financial ratios if certain conditions are triggered, covenants relating to financial reporting, covenants relating to the payment of dividends on, or purchase or redemption

of our capital stock, covenants relating to the incurrence or prepayment of certain debt, covenants relating to the incurrence of liens or encumbrances, compliance with laws, transactions with affiliates, mergers and sales of all or substantially all of our assets and limitations on changes in the nature of our business.

The ABL Facility provides for customary events of default, including, among other things, the event of nonpayment of principal, interest, fees, or other amounts, a representation or warranty proving to have been materially incorrect when made, failure to perform or observe certain covenants within a specified period of time, a cross-default to certain material indebtedness, the bankruptcy or insolvency of the Company and certain of its subsidiaries, monetary judgment defaults of a specified amount, invalidity of any loan documentation, a change of control of the Company, and ERISA defaults resulting in liability of a specified amount. In the event of a default by us (beyond any applicable grace or cure period, if any), the administrative agent may and, at the direction of the requisite number of lenders, shall declare all amounts owing under the ABL Facility immediately due and payable, terminate such lenders' commitments to make loans under the ABL Facility and/or exercise any and all remedies and other rights under the ABL Facility. For certain defaults related to insolvency and receivership, the commitments of the lenders will be automatically terminated and all outstanding loans and other amounts will become immediately due and payable.

As of March 31, 2015, we were in compliance with the ABL Facility liquidity requirements and, therefore, the springing financial covenant requiring a minimum fixed charge coverage ratio of 1.0 to 1.0 was not applicable.

$540 Million 8.25% 2020 Senior Secured First Lien Notes - 2015 Offering

On March 30, 2015, we entered into an indenture among the Company, the guarantors party thereto and U.S. Bank National Association, as trustee and notes collateral agent, relating to our issuance of $540 million aggregate principal amount of 8.25 percent Senior First Lien Notes due 2020 (the "First Lien Notes"). The First Lien Notes were sold on March 30, 2015 in a private transaction exempt from the registration requirements of the Securities Act.

The First Lien Notes bear interest at a rate of 8.25 percent per annum. Interest on the Notes is payable semi-annually in arrears on March 31 and September 30 of each year, commencing on September 30, 2015. The First Lien Notes mature on March 31, 2020 and are secured senior obligations of the Company.

The First Lien Notes are jointly and severally and fully and unconditionally guaranteed on a senior secured basis by substantially all of our material domestic subsidiaries and are secured (subject in each case to certain exceptions and permitted liens) by (i) a first-priority lien on substantially all of our assets, other than the ABL Collateral (the "Notes Collateral"), and (ii) a second-priority lien on the ABL Collateral, which is junior to a first-priority lien for the benefit of the lenders under the ABL Facility. The First Lien Notes and guarantees are general senior obligations of the Company and the applicable guarantor; are effectively senior to all of our unsecured indebtedness, to the extent of the value of the collateral; together with other obligations secured equally and ratably with the First Lien Notes, are effectively (i) senior to our existing and future ABL obligations, to the extent and value of the Notes Collateral and (ii) senior to our obligations under the Second Lien Notes, to the extent and value of the collateral; are effectively subordinated to (i) our existing and future ABL obligations, to the extent and value of the ABL Collateral, and (ii) any existing or future indebtedness that is secured by liens on assets that do not constitute a part of the collateral, to the extent of the value of such assets; will rank equally in right of payment with all existing and future senior indebtedness, and any guarantees thereof; will rank equally in priority as to the Notes Collateral with any future debt secured equally and ratably with the First Lien Notes incurred after March 30, 2015; rank senior in right of payment to all existing and future subordinated indebtedness; and structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries that do not guarantee the First Lien Notes. The relative priority of the liens securing our First Lien Notes obligations and Second Lien Notes obligations compared to the liens securing our obligations under the ABL Facility and certain other matters relating to the administration of security interests are set forth in intercreditor agreements.

The terms of the First Lien Notes are governed by the First Lien Notes indenture. The First Lien Notes indenture contains customary covenants that, among other things, limit our ability to incur secured indebtedness, create liens on principal property and the capital stock or debt of a subsidiary that owns a principal property, use proceeds of dispositions of collateral, enter into sale and leaseback transactions, merge or consolidate with another company, and transfer or sell all or substantially all of our assets. Upon the occurrence of a "change of control triggering event," as defined in the indenture, we are required to offer to repurchase the First Lien Notes at 101 percent of the aggregate principal amount thereof, plus any accrued and unpaid interest, if any, to, but excluding, the repurchase date.

We may redeem any of the First Lien Notes beginning on March 31, 2018. The initial redemption price is 108.25 percent of their principal amount, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. The redemption price will decline after 2018 and will be 100 percent of their principal amount, plus accrued interest, beginning on June 30, 2019. We may also redeem some or all of the First Lien Notes at any time and from time to time prior to

March 31, 2018 at a price equal to 100 percent of the principal amount thereof plus a “make-whole” premium, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. In addition, at any time and from time to time on or prior to March 31, 2018, we may redeem in the aggregate up to 35 percent of the original aggregate principal amount of the First Lien Notes (calculated after giving effect to any issuance of additional First Lien Notes) with the net cash proceeds of certain equity offerings, at a redemption price of 108.25 percent, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, so long as at least 65 percent of the original aggregate principal amount of the First Lien Notes (calculated after giving effect to any issuance of additional First Lien Notes) issued under the First Lien Notes indenture remain outstanding after each such redemption.

The First Lien Notes indenture contains customary events of default, including failure to make required payments, failure to comply with certain agreements or covenants, failure to pay or acceleration of certain other indebtedness, certain events of bankruptcy and insolvency, and failure to pay certain judgments. An event of default under the First Lien indenture will allow either the trustee or the holders of at least 25 percent in aggregate principal amount of the then-outstanding First Lien Notes issued under such indenture to accelerate, or in certain cases, will automatically cause the acceleration of, the amounts due under the First Lien Notes.

$544 Million Senior Secured Second Lien Notes - 2015 Offering

On March 30, 2015, we also entered into an indenture among the Company, the guarantors and U.S. Bank National Association, as trustee and notes collateral agent, relating to our issuance of $544.2 million aggregate principal amount of 7.75 percent second lien senior secured notes due 2020 (the "Second Lien Notes"). The Second Lien Notes were issued on March 30, 2015 in exchange offers for certain of our existing senior notes.

The Second Lien Notes bear interest at a rate of 7.75 percent per annum. Interest on the Second Lien Notes is payable semi-annually in arrears on March 31 and September 30 of each year, commencing on September 30, 2015. The Second Lien Notes mature on March 31, 2020 and are secured senior obligations of the Company.

The Second Lien Notes have substantially similar terms to those of the First Lien Notes except with respect to their priority security interest in the collateral. The Second Lien Notes are jointly and severally and fully and unconditionally guaranteed on a senior secured basis by substantially all of our material domestic subsidiaries and are secured (subject in each case to certain exceptions and permitted liens) by (i) a second-priority lien (junior to the First Lien Notes) on substantially all of our assets, other than the ABL Collateral, and (ii) a third-priority lien (junior to the ABL Facility and the First Lien Notes) on the ABL Collateral.

The Company may redeem any of the Second Lien Notes beginning on March 31, 2017. The initial redemption price is 103.875 percent of their principal amount, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. The redemption price will decline each year after March 31, 2017 and will be 100 percent of their principal amount, plus accrued interest, beginning on March 31, 2019. The Company may also redeem some or all of the Second Lien Notes at any time and from time to time prior to March 31, 2017 at a price equal to 100 percent of the principal amount thereof plus a “make-whole” premium, plus accrued and unpaid interest, if any, to, but excluding, the redemption date. In addition, at any time and from time to time on or prior to March 31, 2017, the Company may redeem in the aggregate up to 35 percent of the original aggregate principal amount of the Second Lien Notes (calculated after giving effect to any issuance of additional Second Lien Notes) with the net cash proceeds of certain equity offerings, at a redemption price of 107.75 percent, plus accrued and unpaid interest, if any, to, but excluding, the redemption date, so long as at least 65 percent of the original aggregate principal amount of the Second Lien Notes (calculated after giving effect to any issuance of additional Second Lien Notes) issued under the Second Lien Notes Indenture remain outstanding after each such redemption.

Letters of Credit

We issued standby letters of credit with certain financial institutions in order to support general business obligations including, but not limited to, workers compensation and environmental obligations. As of March 31, 2015 and December 31, 2014, these letter of credit obligations totaled $136.2 million and $149.5 million, respectively.

Debt Maturities

The following represents a summary of our maturities of debt instruments, excluding borrowings on the ABL Facility, based on the principal amounts outstanding at March 31, 2015:

	(In Millions)
	Maturities of Debt
2015 (April 1 - December 31)	$ —
2016	—
2017	—
2018	436.0
2019	—
2020	1,719.5
2021 and thereafter	916.0
Total maturities of debt	$ 3,071.5

NOTE 6 - FAIR VALUE MEASUREMENTS

The following represents the assets and liabilities of the Company measured at fair value at March 31, 2015 and December 31, 2014:

	(In Millions)			
	March 31, 2015			
Description	**Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**
Assets:				
Cash equivalents	**$ 120.0**	**$ —**	**$ —**	**$ 120.0**
Derivative assets	**—**	**—**	**34.5**	**34.5**
Available-for-sale marketable securities	**2.8**	**—**	**—**	**2.8**
Total	**$ 122.8**	**$ —**	**$ 34.5**	**$ 157.3**
Liabilities:				
Derivative liabilities	**$ —**	**$ 1.6**	**$ 16.2**	**$ 17.8**
Foreign exchange contracts	**—**	**8.7**	**—**	**8.7**
Total	**$ —**	**$ 10.3**	**$ 16.2**	**$ 26.5**

	(In Millions)			
	December 31, 2014			
Description	Quoted Prices in Active Markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Derivative assets	$ —	$ —	$ 63.2	$ 63.2
Available-for-sale marketable securities	4.3	—	—	4.3
Total	$ 4.3	$ —	$ 63.2	$ 67.5
Liabilities:				
Derivative liabilities	$ —	$ —	$ 9.5	$ 9.5
Foreign exchange contracts	—	31.5	—	31.5
Total	$ —	$ 31.5	$ 9.5	$ 41.0

Financial assets classified in Level 1 at March 31, 2015 include money market funds and available-for-sale marketable securities. Financial assets classified in Level 1 at December 31, 2014 include available-for-sale marketable securities. The valuation of these instruments is based upon unadjusted quoted prices for identical assets in active markets.

The valuation of financial assets and liabilities classified in Level 2 is determined using a market approach based upon quoted prices for similar assets and liabilities in active markets, or other inputs that are observable. Level 2 securities primarily include derivative financial instruments valued using financial models that use as their basis readily observable market parameters. At March 31, 2015 and December 31, 2014, such derivative financial instruments included our existing foreign currency exchange contracts. The fair value of the foreign currency exchange contracts is based on forward market prices and represents the estimated amount we would receive or pay to terminate these agreements at the reporting date, taking into account creditworthiness, nonperformance risk and liquidity risks associated with current market conditions.

The derivative financial assets classified within Level 3 at March 31, 2015 and December 31, 2014 included a freestanding derivative instrument related to certain supply agreements with one of our U.S. Iron Ore customers. The agreements include provisions for supplemental revenue or refunds based on the customer's annual steel pricing at the time the product is consumed in the customer's blast furnaces. We account for this provision as a derivative instrument at the time of sale and adjust this provision to fair value as an adjustment to *Product revenues* each reporting period until the product is consumed and the amounts are settled. The fair value of the instrument is determined using a market approach based on an estimate of the annual realized price of hot-rolled steel at the steelmaker's facilities, and takes into consideration current market conditions and nonperformance risk.

The Level 3 derivative assets and liabilities also consisted of derivatives related to certain provisional pricing arrangements with our U.S. Iron Ore and Asia Pacific Iron Ore customers at March 31, 2015 and December 31, 2014. These provisional pricing arrangements specify provisional price calculations, where the pricing mechanisms generally are based on market pricing, with the final revenue rate to be based on market inputs at a specified point in time in the future, per the terms of the supply agreements. The difference between the provisionally agreed-upon price and the estimated final revenue rate is characterized as a derivative and is required to be accounted for separately once the revenue has been recognized. The derivative instrument is adjusted to fair value through *Product revenues* each reporting period based upon current market data and forward-looking estimates provided by management until the final revenue rate is determined.

The following table illustrates information about quantitative inputs and assumptions for the derivative assets and derivative liabilities categorized in Level 3 of the fair value hierarchy:

Qualitative/Quantitative Information About Level 3 Fair Value Measurements

	(In Millions) Fair Value at March 31, 2015	Balance Sheet Location	Valuation Technique	Unobservable Input	Range or Point Estimate per ton (Weighted Average)
Provisional Pricing Arrangements	$ 16.2	*Other current liabilities*	Market Approach	Management's Estimate of 62% Fe	$51
Customer Supply Agreement	$ 34.5	*Other current assets*	Market Approach	Hot-Rolled Steel Estimate	$540 - $575 ($563)

The significant unobservable input used in the fair value measurement of the reporting entity's provisional pricing arrangements is management's estimate of 62 percent Fe fines spot price based upon current market data, including historical seasonality and forward-looking estimates determined by management. Significant increases or decreases in this input would result in a significantly higher or lower fair value measurement, respectively.

The significant unobservable input used in the fair value measurement of the reporting entity's customer supply agreement is the future hot-rolled steel price that is estimated based on projections provided by the customer, current market data, analysts' projections and forward-looking estimates determined by management. Significant increases or decreases in this input would result in a significantly higher or lower fair value measurement, respectively.

We recognize any transfers between levels as of the beginning of the reporting period. There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the three months ended March 31, 2015 or 2014. The following tables represent a reconciliation of the changes in fair value of financial instruments measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the three months ended March 31, 2015 and 2014.

	(In Millions) Derivative Assets (Level 3) Three Months Ended March 31,	
	2015	2014
Beginning balance	**$ 63.2**	$ 57.7
Total gains (losses)		
Included in earnings	**10.1**	29.0
Settlements	**(38.8)**	(43.4)
Transfers into Level 3	**—**	—
Transfers out of Level 3	**—**	—
Ending balance - March 31	**$ 34.5**	$ 43.3
Total gains for the period included in earnings attributable to the change in unrealized gains on assets still held at the reporting date	**$ 10.1**	$ 29.0

	(In Millions)	
	Derivative Liabilities (Level 3)	
	Three Months Ended March 31,	
	2015	2014
Beginning balance	**$ (9.5)**	$ (1.0)
Total gains (losses)		
Included in earnings	**(16.2)**	(4.0)
Settlements	**9.5**	1.0
Transfers into Level 3	**—**	—
Transfers out of Level 3	**—**	—
Ending balance - March 31	**$ (16.2)**	$ (4.0)
Total losses for the period included in earnings attributable to the change in unrealized losses on liabilities still held at the reporting date	**$ (16.2)**	$ (4.0)

Gains and losses included in earnings are reported in *Product revenues* in the Statements of Unaudited Condensed Consolidated Operations for the three months ended March 31, 2015 and 2014.

The carrying amount for certain financial instruments (e.g., *Accounts receivable, net*, *Accounts payable* and *Accrued expenses*) approximates fair value and, therefore, has been excluded from the table below. A summary of the carrying amount and fair value of other financial instruments at March 31, 2015 and December 31, 2014 were as follows:

		(In Millions)			
		March 31, 2015		December 31, 2014	
	Classification	**Carrying Value**	**Fair Value**	Carrying Value	Fair Value
Long-term debt:					
Senior notes—$700 million	Level 1	**$ 422.9**	**$ 220.0**	$ 689.5	$ 367.3
Senior notes—$1.3 billion	Level 1	**795.1**	**425.8**	1,279.9	704.0
Senior notes—$400 million	Level 1	**325.7**	**190.5**	393.7	228.1
Senior notes—$500 million	Level 1	**433.8**	**337.9**	477.4	312.0
Senior First Lien Notes —$540 million	Level 1	**503.5**	**507.6**	—	—
Senior Second Lien Notes —$544.2 million	Level 2	**397.2**	**397.2**	—	—
Asset-Based Revolving Credit Facility	Level 2	**—**	**—**	—	—
Fair value adjustment to interest rate hedge	Level 2	**2.7**	**2.7**	2.8	2.8
Total long-term debt		**$ 2,880.9**	**$ 2,081.7**	$ 2,843.3	$ 1,614.2

The fair value of long-term debt was determined using quoted market prices based upon current borrowing rates. The asset based lending credit facility is variable rate interest and approximates fair value. See NOTE 5 - DEBT AND CREDIT FACILITIES for further information.

Items Measured at Fair Value on a Non-Recurring Basis

The following tables present information about the financial and non-financial assets and liabilities that were measured on a fair value basis at March 31, 2015 and December 31, 2014. The tables also indicate the fair value hierarchy of the valuation techniques used to determine such fair value.

	(In Millions)				
	March 31, 2015				
Description	**Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**	**Total Gains**
Liabilities:					
$544.2 Million 7.75% 2020 Second Lien Notes	**$ —**	**$ 397.2**	**$ —**	**$ 397.2**	**$ 269.5**
	$ —	**$ 397.2**	**$ —**	**$ 397.2**	**$ 269.5**

The $544.2 million 7.75 percent Second Lien Notes issued in the exchange offers were recorded as an extinguishment of debt as the change in debt terms was considered substantial. As such, the newly issued Second Lien Senior Notes were recorded at fair value at the issuance date. In order to determine the fair value of the Second Lien Senior Notes on the date of the exchange, we utilized the median bid ask spread obtained from various investment banks for the exchange date. The bid ask spread is indicative of the fair value of the notes on the exchange date. The 27.0 percent discount equated to a discount of $147.0 million on the issue value of $544.2 million, or an estimated fair value of $397.2 million.

	(In Millions)				
	December 31, 2014				
Description	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Total Losses
Assets:					
Goodwill impairment - Asia Pacific Iron Ore reporting unit	$ —	$ —	$ —	$ —	$ 73.5
Other long-lived assets - Property, plant and equipment and Mineral rights:					
Asia Pacific Iron Ore reporting unit	—	—	72.4	72.4	526.5
Other reporting units	—	—	—	—	11.3
Other long-lived assets - Intangibles and other long-term assets:					
Asia Pacific Iron Ore reporting unit	—	—	7.0	7.0	24.2
Investment in ventures impairment - Global Exploration	—	—	—	—	9.2
	$ —	$ —	$ 79.4	$ 79.4	$ 644.7

Financial Assets

During the third quarter of 2014, an impairment charge of $9.2 million to investment in ventures was recorded within our Global Exploration operating segment as a decision was made to abandon the investment during the period.

Non-Financial Assets

During the third and fourth quarter of 2014, we identified factors that indicated the carrying values of the asset groups in the chart above may not be recoverable primarily due to long-term price forecasts as part of management's long-range planning process. Updated estimates of long-term prices for all products, specifically the Platts 62 percent Fe fines spot price were lower than prior estimates. This especially affects the Asia Pacific Iron Ore business segment because their contracts correlate heavily to world market spot pricing. These estimates were updated based upon current market conditions, macro-economic factors influencing the balance of supply and demand for our products and expectations for future cost and capital expenditure requirements. Additionally, our CEO, Lourenco Goncalves, was appointed by the Board of Directors in early August 2014 and was subsequently identified as the CODM in accordance with ASC 280, Segment Reporting. Our CODM views Asia Pacific Iron Ore as a non-core asset and has communicated plans to evaluate the business unit for a change in strategy including possible divestiture. These factors, among other considerations utilized in the individual impairment assessments, indicate that the carrying value of the respective asset groups in the chart above and Asia Pacific Iron Ore goodwill may not be recoverable.

During the third quarter of 2014, a goodwill impairment charge of $73.5 million was recorded for our Asia Pacific Iron Ore reporting units within our Asia Pacific Iron Ore operating segment. Based on our review of the fair value hierarchy, the inputs used in these fair value measurements were considered Level 3 inputs.

We also recorded impairment charges to property, plant and equipment, mineral rights, intangible assets and other long-term assets during the second half of 2014 related to our Asia Pacific Iron Ore operating segment, along with impairments charged to reporting units within our *Other* reportable segments. A detailed break out of the impairment charges is shown in the chart above. The recorded impairment charges reduce the related assets to their estimated fair value as we determined that the future cash flows associated with these operations were not sufficient to support the recoverability of the carrying value of these assets. Fair value was determined based on management's best estimate within a range of fair values, which is considered a Level 3 input, and resulted in an asset impairment charge of $562.0 million. The Level 3 inputs used to determine fair value included models developed and market inputs obtained by management which provided a range of fair value estimates of property, plant and equipment. Management's models include internally developed long-term future cash flow estimates, capital expenditure and cost estimates, market inputs to determine long-term pricing assumptions, discount rates, and foreign exchange rates.

NOTE 7 - PENSIONS AND OTHER POSTRETIREMENT BENEFITS

The following are the components of defined benefit pension and OPEB expense for the three months ended March 31, 2015 and 2014:

Defined Benefit Pension Expense

	(In Millions)	
	Three Months Ended March 31,	
	2015	2014
Service cost	**$ 6.3**	$ 6.7
Interest cost	**9.4**	10.1
Expected return on plan assets	**(14.9)**	(14.5)
Amortization:		
Prior service costs	**0.6**	0.6
Net actuarial loss	**5.4**	3.5
Curtailments/settlements	**0.3**	0.3
Net periodic benefit cost to continuing operations	**$ 7.1**	$ 6.7

Other Postretirement Benefits Expense

	(In Millions)	
	Three Months Ended March 31,	
	2015	2014
Service cost	**$ 1.5**	$ 1.7
Interest cost	**3.3**	3.4
Expected return on plan assets	**(4.6)**	(4.3)
Amortization:		
Prior service costs	**(0.9)**	(0.9)
Net actuarial loss	**3.1**	1.3
Net periodic benefit cost to continuing operations	**$ 2.4**	$ 1.2

We made pension contributions of $3.9 million for the three months ended March 31, 2015, compared to pension contributions of $4.0 million for the three months ended March 31, 2014. OPEB contributions are typically made on an annual basis in the first quarter of each year, but due to plan funding requirements being met, no OPEB contributions were required or made for the three months ended March 31, 2015 and March 31, 2014.

NOTE 8 - STOCK COMPENSATION PLANS

Employees' Plans

The Compensation and Organization Committee of the Board of Directors approved grants under the 2012 Amended Equity Plan to certain officers and employees for the 2015 to 2017 performance period. Shares granted under the awards during 2015 consisted of 0.9 million performance shares based on TSR, 0.9 million restricted share units and 0.4 million stock options, each of which may or may not convert into shares based on our shares achieving and maintaining certain milestones above an absolute threshold during the performance period.

For the outstanding 2012 Equity Plan awards that were issued subsequent to October 2013 and the 2012 Amended Equity Plan awards, each performance share, if earned, entitles the holder to receive common shares or cash within a range between a threshold and maximum number of our common shares, with the actual number of common shares earned dependent upon whether the Company achieves certain objectives and performance goals as established by the Compensation and Organization Committee. The performance share or unit grants vest over a period of three years and are intended to be paid out in common shares or cash in certain circumstances. Performance for the 2015 to 2017 performance period is measured on the basis of relative TSR for the period and measured against the constituents of the S&P Metals and Mining ETF Index on the last day of trading of the performance period. The final payouts for the 2015 to 2017 performance period grants will vary from zero to 200 percent of the original grant.

The restricted share units are subject to continued employment, are retention based, will vest in equal thirds on each of December 31, 2015, December 31, 2016 and December 31, 2017, and are payable in common shares or cash in certain circumstances at a time determined by the Committee at its discretion.

The stock options vest on December 31, 2017, subject to continued employment through the vesting date, are exercisable at a strike price of $7.70 after the vesting date and expire on January 12, 2025.

Determination of Fair Value

The fair value of each performance share grant is estimated on the date of grant using a Monte Carlo simulation to forecast relative TSR performance. A correlation matrix of historic and projected stock prices was developed for both the Company and our predetermined peer group of mining and metals companies. The fair value assumes that performance goals will be achieved.

The expected term of the grant represents the time from the grant date to the end of the service period for each of the three plan-year agreements. We estimate the volatility of our common shares and that of the peer group of mining and metals companies using daily price intervals for all companies. The risk-free interest rate is the rate at the grant date on zero-coupon government bonds, with a term commensurate with the remaining life of the performance period.

The following assumptions were utilized to estimate the fair value for the first quarter of 2015 performance share grants:

Grant Date	Grant Date Market Price	Average Expected Term (Years)	Expected Volatility	Risk-Free Interest Rate	Dividend Yield	Fair Value	Fair Value (Percent of Grant Date Market Price)
January 12, 2015	$ 7.70	2.97	58.3%	0.91%	—%	$ 11.56	150.13%
February 9, 2015	$ 6.57	2.89	58.3%	0.87%	—%	$ 9.86	150.13%

The fair value of each stock option grant is estimated on the date of grant using a Black-Scholes valuation model. The expected term of the option grant is determined using the simplified method. We estimate the volatility of our common shares using historical stock prices with consistent frequency over the most recent historical period equal to the option's expected term. The risk-free interest rate is the rate at the grant date on zero-coupon government bonds, with a term commensurate with the expected term.

The following assumptions were utilized to estimate the fair value for the first quarter of 2015 stock option grants:

Grant Date	Grant Date Market Price	Average Expected Term (Years)	Expected Volatility	Risk-Free Interest Rate	Dividend Yield	Fair Value
January 12, 2015	$ 7.70	6.47	75.3%	1.60%	—%	$ 5.23

The fair value of the restricted share units is determined based on the closing price of our common shares on the grant date. The restricted share units granted under either the 2012 Equity Plan or the 2012 Amended Equity Plan generally vest over a period of three years.

NOTE 9 - INCOME TAXES

For the three months ended March 31, 2015, we recorded an income tax expense in continuing operations of $175.1 million compared with an expense of $29.6 million for the comparable prior-year period. The increase of income tax expense was primarily driven by the placement of a valuation allowance against U.S. deferred tax assets that were recognized in prior years.

We determined our interim tax provision using a methodology required by ASC 740, *Income Taxes*, as it is the Company's position that the use of an estimated annual effective tax rate would not be reliable. The year-to-date expense was calculated using the year-to-date income, considering non-taxable and non-deductible items expected to be incurred for the full year unless those items are expected to be ratably incurred based on operating activity or profitability, (e.g. depletion), in which case we only considered year-to-date actual amounts, multiplied by the statutory rate and offset by the computed valuation allowance.

There were discrete items recorded in the first quarter of 2015 which resulted in a $167.5 million expense. These adjustments relate primarily to the placement of a valuation allowance against US deferred tax assets that were recognized in prior years.

NOTE 10 - LEASE OBLIGATIONS

We lease certain mining, production and other equipment under operating and capital leases. The leases are for varying lengths, generally at market interest rates and contain purchase and/or renewal options at the end of the terms. Our operating lease expense was $4.3 million for the three months ended March 31, 2015, respectively, compared with $6.2 million for the same respective period in 2014.

Future minimum payments under capital leases and non-cancellable operating leases at March 31, 2015 are as follows:

	(In Millions)	
	Capital Leases	Operating Leases
2015 (April 1 - December 31)	$ 20.5	$ 7.5
2016	25.8	7.9
2017	22.8	7.3
2018	18.4	6.6
2019	10.0	4.8
2020 and thereafter	18.8	9.9
Total minimum lease payments	$ 116.3	$ 44.0
Amounts representing interest	25.1	
Present value of net minimum lease payments	$ 91.2 [(1)]	

[(1)] The total is comprised of $19.5 million and $71.7 million classified as *Other current liabilities* and *Other liabilities*, respectively, in the Statements of Unaudited Condensed Consolidated Financial Position at March 31, 2015.

NOTE 11 - ENVIRONMENTAL AND MINE CLOSURE OBLIGATIONS

We had environmental and mine closure liabilities of $169.0 million and $170.8 million at March 31, 2015 and December 31, 2014, respectively. The following is a summary of the obligations as of March 31, 2015 and December 31, 2014:

	(In Millions)	
	March 31, 2015	December 31, 2014
Environmental	**$ 3.7**	$ 5.5
Mine closure		
LTVSMC	**23.2**	22.9
Operating mines:		
U.S. Iron Ore	**121.8**	120.9
Asia Pacific Iron Ore	**20.3**	21.5
Total mine closure	**165.3**	165.3
Total environmental and mine closure obligations	**169.0**	170.8
Less current portion	**3.4**	5.2
Long term environmental and mine closure obligations	**$ 165.6**	$ 165.6

Mine Closure

The accrued closure obligation for our active mining operations provides for contractual and legal obligations associated with the eventual closure of the mining operations. The accretion of the liability and amortization of the related asset is recognized over the estimated mine lives for each location.

The following represents a rollforward of our asset retirement obligation liability related to our active mining locations for the three months ended March 31, 2015 and for the year ended December 31, 2014:

	(In Millions)	
	March 31, 2015	December 31, 2014 [1]
Asset retirement obligation at beginning of period	**$ 142.4**	$ 177.6
Accretion expense	**1.2**	5.7
Exchange rate changes	**(1.5)**	(2.4)
Revision in estimated cash flows	**—**	(38.5)
Asset retirement obligation at end of period	**$ 142.1**	$ 142.4

[1] Represents a 12-month rollforward of our asset retirement obligation at December 31, 2014.

NOTE 12 - GOODWILL AND OTHER INTANGIBLE ASSETS AND LIABILITIES

Goodwill

The following table summarizes changes in the carrying amount of goodwill allocated by operating segment for the three months ended March 31, 2015 and the year ended December 31, 2014:

	(In Millions)					
	March 31, 2015			December 31, 2014		
	U.S. Iron Ore	Asia Pacific Iron Ore	Total	U.S. Iron Ore	Asia Pacific Iron Ore	Total
Beginning Balance	$ 2.0	$ —	$ 2.0	$ 2.0	$ 72.5	$ 74.5
Arising in business combinations	—	—	—	—	—	—
Impairment	—	—	—	—	(73.5)	(73.5)
Impact of foreign currency translation	—	—	—	—	1.0	1.0
Ending Balance	$ 2.0	$ —	$ 2.0	$ 2.0	$ —	$ 2.0
Accumulated goodwill impairment loss	$ —	$ (73.5)	$ (73.5)	$ —	$ (73.5)	$ (73.5)

Other Intangible Assets and Liabilities

The following table is a summary of intangible assets and liabilities as of March 31, 2015 and December 31, 2014:

		(In Millions)					
		March 31, 2015			December 31, 2014		
	Classification	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Definite-lived intangible assets:							
Permits	*Other non-current assets*	$ 78.7	$ (17.5)	$ 61.2	$ 79.2	$ (16.5)	$ 62.7
Total intangible assets		$ 78.7	$ (17.5)	$ 61.2	$ 79.2	$ (16.5)	$ 62.7
Below-market sales contracts	*Other current liabilities*	$ (23.0)	$ —	$ (23.0)	$ (23.0)	$ —	$ (23.0)
Below-market sales contracts	*Other liabilities*	(205.9)	182.8	(23.1)	(205.9)	182.8	(23.1)
Total below-market sales contracts		$ (228.9)	$ 182.8	$ (46.1)	$ (228.9)	$ 182.8	$ (46.1)

Amortization expense relating to intangible assets was $1.1 million for the three months ended March 31, 2015 and is recognized in *Cost of goods sold and operating expenses* in the Statements of Unaudited Condensed Consolidated Operations. Amortization expense relating to intangible assets was $2.3 million for the comparable period in 2014. The estimated amortization expense relating to intangible assets for the remainder of this year and each of the five succeeding years is as follows:

	(In Millions)
	Amount
Year Ending December 31,	
2015 (remaining nine months)	$ 3.0
2016	4.0
2017	4.0
2018	4.2
2019	3.1
2020	2.5
Total	$ 20.8

The below-market sales contract is classified as a liability and recognized over the term of the underlying contract, which has a remaining life of approximately two years and expires December 31, 2016. For the three months ended March 31, 2015 and 2014, there were no *Product revenues* related to the below-market sales contract due to the timing of the Great Lakes shipping season. The following amounts are estimated to be recognized in *Product revenues* for the remainder of this year and the succeeding fiscal year:

	(In Millions) Amount
Year Ending December 31,	
2015 (remaining nine months)	$ 23.0
2016	23.1
Total	$ 46.1

NOTE 13 - DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The following table presents the fair value of our derivative instruments and the classification of each in the Statements of Unaudited Condensed Consolidated Financial Position as of March 31, 2015 and December 31, 2014:

	(In Millions)							
	Derivative Assets				**Derivative Liabilities**			
	March 31, 2015		December 31, 2014		**March 31, 2015**		December 31, 2014	
Derivative Instrument	**Balance Sheet Location**	**Fair Value**	Balance Sheet Location	Fair Value	**Balance Sheet Location**	**Fair Value**	Balance Sheet Location	Fair Value
Derivatives designated as hedging instruments under ASC 815:								
Foreign Exchange Contracts		**$ —**		$ —		**$ —**	*Other current liabilities*	$ 21.6
Total derivatives designated as hedging instruments under ASC 815		**$ —**		$ —		**$ —**		$ 21.6
Derivatives not designated as hedging instruments under ASC 815:								
Foreign Exchange Contracts		**$ —**		$ —	*Other current liabilities*	**$ 8.7**	*Other current liabilities*	$ 9.9
Commodity Contracts		**—**		—	*Other current liabilities*	**1.6**		—
Customer Supply Agreement	*Other current assets*	**34.5**	*Other current assets*	63.2		**—**		—
Provisional Pricing Arrangements		**—**		—	*Other current liabilities*	**16.2**	*Other current liabilities*	9.5
Total derivatives not designated as hedging instruments under ASC 815		**$ 34.5**		$ 63.2		**$ 26.5**		$ 19.4
Total derivatives		**$ 34.5**		$ 63.2		**$ 26.5**		$ 41.0

Derivatives Designated as Hedging Instruments

Cash Flow Hedges

Australian Dollar Foreign Exchange Contracts

We are subject to changes in foreign currency exchange rates as a result of our operations in Australia and Canada. With respect to Australia, foreign exchange risk arises from our exposure to fluctuations in foreign currency

exchange rates because the functional currency of our Asia Pacific operations is the Australian dollar. Our Asia Pacific operations receive funds in U.S. currency for their iron ore sales.

We use foreign currency exchange contracts to hedge our foreign currency exposure for a portion of our U.S. dollar sales receipts in our Australian functional currency entities and our entities with Canadian dollar operating costs. For our Australian operations, U.S. dollars are converted to Australian dollars at the currency exchange rate in effect during the period the transaction occurred. The primary objective for the use of these instruments is to reduce exposure to changes in currency exchange rates and to protect against undue adverse movement in these exchange rates. These instruments qualify for hedge accounting treatment and are tested for effectiveness at inception and at least once each reporting period. If and when any of our hedge contracts are determined not to be highly effective as hedges, the underlying hedged transaction is no longer likely to occur, or the derivative is terminated, hedge accounting is discontinued. Due to the uncertainty of 2015 hedge exposures, we have suspended entering into new foreign exchange rate contracts. As discussed in NOTE 1 - BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES , we have waived compliance with our current derivative financial instruments and hedging activities policy through December 31, 2015.

As of March 31, 2015, we had outstanding Australian foreign currency exchange contracts with notional amounts of $20.0 million in the form of forward contracts for which we elected hedge accounting. One outstanding Australian foreign exchange rate contract matures in May 2015 and the other matures in September 2015. This compares with outstanding Australian foreign currency exchange contracts with a notional amount of $220.0 million as of December 31, 2014.

Changes in fair value of highly effective hedges are recorded as a component of *Accumulated other comprehensive loss* in the Statements of Unaudited Condensed Consolidated Financial Position. Any ineffectiveness is recognized immediately in income. As of March 31, 2015 and 2014, there was no material ineffectiveness recorded for foreign exchange contracts that were classified as cash flow hedges. However, certain Australian hedge contracts were deemed ineffective during the first quarter of 2015 and no longer qualified for hedge accounting treatment. All of these de-designated hedges were settled and were no longer outstanding by March 31, 2015. The de-designated hedges are discussed within the *Derivatives Not Designated as Hedging Instruments* section of this footnote. Amounts recorded as a component of *Accumulated other comprehensive loss* are reclassified into earnings in the same period the forecasted transactions affect earnings. Of the amounts remaining in *Accumulated other comprehensive loss* related to the designated Australian hedge contracts, we estimate that losses of $2.2 million (net of tax), respectively, will be reclassified into earnings within the next 12 months.

The following summarizes the effect of our derivatives designated as cash flow hedging instruments, net of tax in *Accumulated other comprehensive loss* in the Statements of Unaudited Condensed Consolidated Operations for the three months ended March 31, 2015 and 2014:

	(In Millions)				
Derivatives in Cash Flow Hedging Relationships	**Amount of Gain (Loss) Recognized in OCI on Derivatives (Effective Portion)**		**Location of Gain (Loss) Reclassified from Accumulated OCI into Earnings (Effective Portion)**	**Amount of Gain (Loss) Reclassified from Accumulated OCI into Earnings (Effective Portion)**	
	Three Months Ended March 31,			**Three Months Ended March 31,**	
	2015	2014		**2015**	2014
Australian Dollar Foreign Exchange Contracts *(hedge designation)*	**$ (2.6)**	$ 5.5	*Product revenues*	**$ (6.3)**	$ (9.1)
Australian Dollar Foreign Exchange Contracts *(prior to de-designation)*	**(4.5)**	—	*Product revenues*	**—**	—
Canadian Dollar Foreign Exchange Contracts *(hedge designation)*	**—**	(7.8)	*Cost of goods sold and operating expenses*	**—**	(3.4)
Canadian Dollar Foreign Exchange Contracts *(prior to de-designation)*	**—**	—	*Cost of goods sold and operating expenses*	**—**	(0.3)
	$ (7.1)	$ (2.3)		**$ (6.3)**	$ (12.8)

Derivatives Not Designated as Hedging Instruments

Foreign Exchange Contracts

During the first quarter of 2015, in connection with our refinancing initiatives, we discontinued hedge accounting and early-settled certain of our Australian foreign currency exchange contracts associated with Asia Pacific Iron Ore operations. Subsequent to de-designation, no further foreign currency exchange rate contracts were entered into for the Asia Pacific Iron Ore operations. The amounts that were previously recorded as a component of *Accumulated other comprehensive loss* prior to de-designation and remaining in *Accumulated other comprehensive loss* as of March 31, 2015 will be reclassified to earnings and a corresponding realized gain or loss will be recognized when the forecasted cash flow occurs. The hedges were de-designated at the end of the first quarter of 2015. No forecasted cash flows have occurred related to the de-designated contracts between the de-designation date and March 31, 2015. For the three months ended March 31, 2015, prior to the de-designation of the Asia Pacific Iron Ore hedges, we reclassified losses of $6.3 million from *Accumulated other comprehensive loss* related to contracts that matured during the year, and recorded the amounts as *Product revenues* on the Statements of Unaudited Condensed Consolidated Operations. As of March 31, 2015, losses of $12.5 million (net of tax) remain in *Accumulated other comprehensive loss* related to the effective cash flow hedge contracts prior to de-designation and early-settlement. We estimate the remaining losses of $12.5 million (net of tax) will be reclassified to *Product revenues* during the remainder of 2015 upon the occurrence of the related forecasted cash flows.

During the fourth quarter of 2014, we discontinued hedge accounting for Canadian foreign currency exchange contracts for all outstanding contracts associated with Bloom Lake operations as projected future cash flows were no longer considered probable or reasonably possible, but we continued to hold these instruments as economic hedges to manage currency risk. Our parent company holds the Canadian foreign currency exchange contracts and the contracts were unaffected by Bloom Lake General Partner Limited and certain of its affiliates filing under the CCAA on January 27, 2015. Subsequent to de-designation, no further foreign currency exchange contracts were entered into for the Bloom Lake operations. As of March 31, 2015 and December 31, 2014, the de-designated outstanding foreign exchange rate contracts had notional amounts of $41.4 million and $183.0 million in the form of forward contracts, respectively. The outstanding contracts as of March 31, 2015 have varying maturity dates ranging from May 2015 to September 2015.

The amounts that were previously recorded as a component of *Accumulated other comprehensive loss* prior to de-designation and remaining in *Accumulated other comprehensive loss* as of December 31, 2014 were reclassified to earnings upon the de-designation of the hedges as the hedges would not be effective prospectively due to the projected future cash flows associated with the hedges no longer being considered probable or reasonably possible. We reclassified losses of $7.3 million from *Accumulated other comprehensive loss* related to contracts that had not matured during the year, and recorded the amounts as *Cost of goods sold and operating expenses* on the Statements of Unaudited Condensed Consolidated Operations. A corresponding realized gain or loss is recognized in each period until settlement of the related economic hedge during 2015.

We previously discontinued hedge accounting for Canadian foreign currency exchange contracts for all outstanding contracts associated with the Wabush operation and the Ferroalloys operating segment as projected future cash flows were no longer considered probable, but we continued to hold these instruments as economic hedges to manage currency risk. Subsequent to de-designation, no further foreign currency exchange contracts were entered into for the Wabush operation or the Ferroalloys operating segment. As of March 31, 2015 and December 31, 2014, there were no outstanding de-designated foreign currency exchange rate contracts as all remaining de-designated foreign exchange contracts matured during the second quarter of 2014.

Prior to the maturation of the contracts and as a result of discontinued hedge accounting, the instruments were prospectively adjusted to fair value each reporting period through *Cost of goods sold and operating expenses* on the Statements of Unaudited Condensed Consolidated Operations. For the three months ended March 31, 2014, the change in fair value of our de-designated foreign currency exchange contracts resulted in net losses of $0.9 million. The amounts that were previously recorded as a component of *Accumulated other comprehensive loss* prior to de-designation were reclassified to earnings and a corresponding realized gain or loss was recognized when the forecasted cash flow occurred. For the three months ended March 31, 2014, we reclassified losses of $0.3 million from *Accumulated other comprehensive loss* related to contracts that matured during the period, and recorded the amounts as *Cost of goods sold and operating expenses* on the Statements of Unaudited Condensed Consolidated Operations.

Fair Value Hedges

Interest Rate Hedges

Our fixed-to-variable interest rate swap derivative instruments, with a notional amount of $250.0 million, were de-designated and settled during August 2014. Prior to settlement, the derivatives were designated and qualified as fair value hedges. The objective of the hedges was to offset changes in the fair value of our debt instruments associated with fluctuations in the benchmark LIBOR interest rate as part of our risk management strategy.

Prior to de-designation and settlement, when the interest rate swap derivative instruments were designated and qualified as fair-value hedges, the gain or loss on the hedge instrument as well as the offsetting loss or gain on the hedged item attributable to the hedged risk were recognized in net income. We included the gain or loss on the derivative instrument and the offsetting loss or gain on the hedged item in *Other non-operating income (expense)*. The net gain recognized in *Other non-operating income (expense)* for the three months ended March 31, 2014 was $0.2 million.

Customer Supply Agreements

Most of our U.S. Iron Ore long-term supply agreements are comprised of a base price with annual price adjustment factors. The base price is the primary component of the purchase price for each contract. The indexed price adjustment factors are integral to the iron ore supply contracts and vary based on the agreement, but typically include adjustments based upon changes in the Platts 62 percent Fe fines spot price and/or international pellet prices and changes in specified Producer Price Indices, including those for industrial commodities, energy and steel. The pricing adjustments generally operate in the same manner, with each factor typically comprising a portion of the price adjustment, although the weighting of each factor varies based upon the specific terms of each agreement. In most cases, these adjustment factors have not been finalized at the time our product is sold. In these cases, we historically have estimated the adjustment factors at each reporting period based upon the best third-party information available. The estimates are then adjusted to actual when the information has been finalized. The price adjustment factors have been evaluated to determine if they contain embedded derivatives. The price adjustment factors share the same economic characteristics and risks as the host contract and are integral to the host contract as inflation adjustments; accordingly, they have not been separately valued as derivative instruments. Certain of our term supply agreements contain price collars, which typically limit the percentage increase or decrease in prices for our products during any given year.

A certain supply agreement with one U.S. Iron Ore customer provides for supplemental revenue or refunds to the customer based on the customer's average annual steel pricing at the time the product is consumed in the customer's blast furnace. The supplemental pricing is characterized as a freestanding derivative and is required to be accounted for separately once the product is shipped. The derivative instrument, which is finalized based on a future price, is adjusted to fair value as a revenue adjustment each reporting period until the pellets are consumed and the amounts are settled.

We recognized $10.1 million as *Product revenues* in the Statements of Unaudited Condensed Consolidated Operations for the three months ended March 31, 2015 related to the supplemental payments. This compares with *Product revenues* of $27.7 million for the comparable period in 2014. *Derivative assets*, representing the fair value of the pricing factors, were $34.5 million and $63.2 million in the March 31, 2015 and December 31, 2014 Statements of Unaudited Condensed Consolidated Financial Position, respectively.

Provisional Pricing Arrangements

Certain of our U.S. Iron Ore and Asia Pacific Iron Ore customer supply agreements specify provisional price calculations, where the pricing mechanisms generally are based on market pricing, with the final revenue rate to be based on market inputs at a specified period in time in the future, per the terms of the supply agreements. The difference between the provisionally agreed-upon price and the estimated final revenue rate is characterized as a freestanding derivative and is required to be accounted for separately once the provisional revenue has been recognized. The derivative instrument is adjusted to fair value through *Product revenues* each reporting period based upon current market data and forward-looking estimates provided by management until the final revenue rate is determined. At March 31, 2015 and December 31, 2014, we recorded no *Other current assets* related to our estimate of the final revenue rate with any of our customers. At March 31, 2015 and December 31, 2014, we recorded $16.2 million and $9.5 million, respectively, as *Other current liabilities* in the Statements of Unaudited Condensed Consolidated Financial Position related to our estimate of the final revenue rate with our U.S. Iron Ore and Asia Pacific Iron Ore customers. These amounts represent the difference between the provisional price agreed upon with our customers based on the supply agreement terms and our estimate of the final revenue rate based on the price calculations established in the supply agreements. As a result, we recognized a net $16.2 million decrease in *Product revenues* in the Statements of Unaudited Condensed Consolidated

Operations for the three months ended March 31, 2015 related to these arrangements. This compares with a net $2.7 million decrease in *Product revenues* for the comparable period in 2014.

The following summarizes the effect of our derivatives that are not designated as hedging instruments in the Statements of Unaudited Condensed Consolidated Operations for the three months ended March 31, 2015 and 2014:

(In Millions)

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in Income on Derivative	Amount of Gain (Loss) Recognized in Income on Derivative	
		Three Months Ended March 31,	
		2015	2014
Foreign Exchange Contracts	*Other non-operating income (expense)* [1]	**$ (5.9)**	$ (0.9)
Commodity Contracts	*Cost of goods sold and operating expenses*	**(3.6)**	—
Customer Supply Agreement	*Product revenues*	**10.1**	27.7
Provisional Pricing Arrangements	*Product revenues*	**(16.2)**	(2.7)
		$ (15.6)	$ 24.1

[1] At March 31, 2014, the location of the Gain (Loss) Recognized in Income on Derivative for Foreign Exchange Contracts was *Cost of goods sold and operating expenses*.

Refer to NOTE 6 - FAIR VALUE MEASUREMENTS for additional information.

NOTE 14 - DISCONTINUED OPERATIONS

The information below sets forth selected financial information related to operating results of our businesses classified as discontinued operations. While the reclassification of revenues and expenses related to discontinued operations from prior periods have no impact upon previously reported net income, the Statements of Unaudited Condensed Consolidated Operations present the revenues and expenses that were reclassified from the specified line items to discontinued operations and the Statements of Unaudited Condensed Consolidated Financial Position present the assets and liabilities that were reclassified from the specified line items to assets and liabilities of discontinued operations.

The chart below provides an asset group breakout for each financial statement line impacted by discontinued operations.

			Canadian Operations			
		North American Coal	Eastern Canadian Iron Ore	Other	Total Canadian Operations	Total of Discontinued Operations
Statements of Unaudited Condensed Consolidated Operations						
Loss from Discontinued Operations, net of tax	YTD March 31, 2015	$ (75.7)	$ (852.7)	$ (0.1)	$ (852.8)	$ (928.5)
Loss from Discontinued Operations, net of tax	YTD March 31, 2014	$ (46.3)	$ (91.2)	$ (2.9)	$ (94.1)	$ (140.4)
Statements of Unaudited Condensed Consolidated Financial Position						
Short-term assets of discontinued operations	As of March 31, 2015	$ 188.6	$ 8.6	$ —	$ 8.6	$ 197.2
Long-term assets of discontinued operations	As of March 31, 2015	$ —	$ —	$ —	$ —	$ —
Short-term liabilities of discontinued operations	As of March 31, 2015	$ 197.7	$ 67.3	$ —	$ 67.3	$ 265.0
Long-term liabilities of discontinued operations	As of March 31, 2015	$ —	$ 125.2	$ —	$ 125.2	$ 125.2
Short-term assets of discontinued operations	As of December 31, 2014	$ 143.8	$ 183.5	$ 3.3	$ 186.8	$ 330.6
Long-term assets of discontinued operations	As of December 31, 2014	$ 130.4	$ 256.0	$ 13.7	$ 269.7	$ 400.1
Short-term liabilities of discontinued operations	As of December 31, 2014	$ 81.3	$ 316.3	$ 3.0	$ 319.3	$ 400.6
Long-term liabilities of discontinued operations	As of December 31, 2014	$ 125.9	$ 304.6	$ 5.6	$ 310.2	$ 436.1
Non-Cash Operating and Investing Activities						
Depreciation, depletion and amortization:	YTD March 31, 2015	$ 3.2	$ —	$ —	$ —	$ 3.2
Purchase of property, plant and equipment	YTD March 31, 2015	$ 2.5	$ —	$ —	$ —	$ 2.5
Impairment of long-lived assets	YTD March 31, 2015	$ 73.4	$ —	$ —	$ —	$ 73.4
Depreciation, depletion and amortization:	YTD March 31, 2014	$ 29.9	$ 41.2	$ 0.1	$ 41.3	$ 71.2
Purchase of property, plant and equipment	YTD March 31, 2014	$ 10.0	$ 75.6	$ —	$ 75.6	$ 85.6
Impairment of long-lived assets	YTD March 31, 2014	$ —	$ —	$ —	$ —	$ —

North American Coal Operations

Background

As we continue to refine our strategy to one that focuses on strengthening our U.S. Iron Ore operations, management has determined that our North American Coal operating segment as of March 31, 2015 met the criteria to be classified as held for sale under *ASC 205 - Presentation of Financial Statements* . As such, all current and historical North American Coal operating segment results are included in our financial statement and classified within discontinued operations. Consistent with our strategy to extract maximum value from our current assets, we plan to sell the North American Coal assets within the current year. In the first quarter of 2015, as part of the held for sale classification assigned to North American Coal, an impairment of $73.4 million was recorded. The impairment charge was to reduce the assets to their estimated fair value which was determined based on potential sales scenarios.

Loss on Discontinued Operations

Our planned sale of the Oak Grove and Pinnacle mine assets represents a strategic shift in our business. For this reason, our previously reported North American Coal operating segment results for all periods, prior to the March 31, 2015 held for sale determination, are classified as discontinued operations. This includes our CLCC assets, which were sold during the fourth quarter of 2014.

	(In Millions)	
	Three Months Ended March 31,	
Loss from Discontinued Operations	**2015**	2014
REVENUES FROM PRODUCT SALES AND SERVICES	**$ 116.6**	$ 166.2
COST OF GOODS SOLD AND OPERATING EXPENSES	**(107.3)**	(214.6)
SALES MARGIN	**9.3**	(48.4)
OTHER OPERATING EXPENSE	**(11.3)**	(4.5)
OTHER EXPENSE	**(0.4)**	(0.6)
LOSS FROM DISCONTINUED OPERATIONS BEFORE INCOME TAXES	**(2.4)**	(53.5)
IMPAIRMENT OF LONG-LIVED ASSETS	**(73.4)**	—
INCOME TAX BENEFIT	**0.1**	7.2
LOSS FROM DISCONTINUED OPERATIONS, net of tax	**$ (75.7)**	$ (46.3)

Items Measured at Fair Value on a Non-Recurring Basis

The following table presents information about the impairment charge on non-financial assets that was measured on a fair value basis at March 31, 2015. The tables also indicate the fair value hierarchy of the valuation techniques used to determine such fair value.

	(In Millions)				
	March 31, 2015				
Description	**Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total**	**Total Losses**
Assets:					
Other long-lived assets - Property, plant and equipment and Mineral rights: North American Coal operating unit	**$ —**	**$ —**	**$ 20.4**	**$ 20.4**	**$ (73.4)**
	$ —	**$ —**	**$ 20.4**	**$ 20.4**	**$ (73.4)**

We determined the fair value and recoverability of our North American Coal operating segment by comparing the estimated fair value of the underlying assets and liabilities to the estimated sales price of the operating segment held for sale.

Recorded Assets and Liabilities

	(In Millions)	
Assets and Liabilities of Discontinued Operations	**March 31, 2015**	December 31, 2014
Accounts receivable, net	**$ 42.7**	$ 44.8
Inventories	**59.7**	50.3
Supplies and other inventories	**28.4**	28.2
Other current assets	**29.4**	20.5
Property, plant and equipment, net	**20.4**	94.7
Other non-current assets	**8.0**	35.7
Total assets of discontinued operations	**$ 188.6**	$ 274.2
Accounts payable	**$ 23.3**	$ 22.4
Accrued liabilities	**16.7**	27.9
Other current liabilities	**34.7**	31.0
Pension and postemployment benefit liabilities [1]	**56.7**	55.8
Environmental and mine closure obligations	**34.4**	33.9
Other liabilities	**31.9**	36.2
Total liabilities of discontinued operations	**$ 197.7**	$ 207.2

[1] This does not include a liability of approximately $330 million, which is the most recent estimate of Pinnacle and Oak Grove's combined share of the underfunded liability under the UMWA 1974 Pension Plan.

Income Taxes

We have recognized a tax benefit of $0.1 million in discontinued operations, which primarily relates to a loss on our North American Coal investments.

Canadian Operations

Background

On November 30, 2013, we suspended indefinitely our Chromite Project in Northern Ontario. The Chromite Project remained suspended throughout 2014. Our Wabush Scully iron ore mine in Newfoundland and Labrador was idled by the end of the first quarter of 2014 and subsequently began to commence permanent closure in the fourth quarter of 2014. During 2014, we also limited exploration spending on the Labrador Trough South property in Québec. In November 2014, we announced that we were pursuing exit options for our Eastern Canadian Iron Ore operations. In December 2014, iron ore production at the Bloom Lake mine was suspended and the Bloom Lake mine was placed in "care-and-maintenance" mode. Together, the suspension of exploration efforts, shutdown of the Wabush Scully mine and the cessation of operations at our Bloom Lake mine represent a complete curtailment of our Canadian operations.

On January 27, 2015, we announced that the Bloom Lake Group commenced restructuring proceedings (the "Filing") under the CCAA with the Québec Superior Court (Commercial Division) in Montreal (the "Court"). The Bloom Lake Group was no longer generating any revenues and was not able to meet its obligations as they came due. The Filing addressed the Bloom Lake Group's immediate liquidity issues and permits the Bloom Lake Group to preserve and protect its assets for the benefit of all stakeholders while restructuring and sale options are explored. As part of the CCAA process, the Court approved the appointment of a monitor and certain other financial advisors.

As a result of the Filing, we no longer have a controlling interest in the Bloom Lake Group. For this reason, we deconsolidated the Bloom Lake Group and certain other wholly-owned subsidiaries (collectively, the "Canadian Entities") effective January 27, 2015, which resulted in a pretax impairment loss on deconsolidation and other charges, totaling $818.7 million. The pretax loss on deconsolidation includes the derecognition of the carrying amounts of the Canadian Entities assets, liabilities and accumulated other comprehensive loss and the recording of our remaining interests at fair value.

Subsequent to deconsolidation, we utilized the cost method to account for our investment in the Canadian Entities, which has been reflected as zero in our Statements of Unaudited Condensed Consolidated Financial Position at March 31, 2015 based on the estimated fair value of the Canadian Entities' net assets. Loans to and accounts receivable from the Canadian Entities are recorded at an estimated fair value of $112.1 million classified as *Other current assets* in the Statements of Unaudited Condensed Consolidated Financial Position at March 31, 2015.

Loss on Discontinued Operations

Our Canadian exit represents a strategic shift in our business. For this reason, our previously reported Eastern Canadian Iron Ore and Ferroalloys operating segment results for all periods prior to the January 27, 2015 deconsolidation as well as costs to exit are classified as discontinued operations.

	(In Millions)	
	Three Months Ended March 31,	
Loss from Discontinued Operations	**2015**	2014
REVENUES FROM PRODUCT SALES AND SERVICES	**$ 11.3**	$ 158.3
COST OF GOODS SOLD AND OPERATING EXPENSES	**(11.1)**	(208.0)
ELIMINATIONS WITH CONTINUING OPERATIONS	**—**	(28.7)
SALES MARGIN	**0.2**	(78.4)
OTHER OPERATING EXPENSE	**(33.3)**	(58.6)
OTHER EXPENSE	**(1.0)**	(1.4)
LOSS FROM DISCONTINUED OPERATIONS BEFORE INCOME TAXES	**(34.1)**	(138.4)
PRETAX EXIT COSTS	**(818.7)**	—
INCOME TAX BENEFIT	**—**	44.3
LOSS FROM DISCONTINUED OPERATIONS, net of tax	**$ (852.8)**	$ (94.1)

The first quarter Canadian Entities pretax exit costs totaled $818.7 million and included the following:

	(In Millions)
	Three Months Ended March 31,
Pretax Exit Costs	**2015**
Investment Impairment on Deconsolidation	**$ (476.0)**
Contingent Liabilities	**(342.7)**
Total Pretax Exit Costs	**$ (818.7)**

Investments in the Canadian Entities

Cliffs continues to indirectly own a majority of the interest in the Canadian Entities but has deconsolidated those entities because Cliffs no longer has a controlling interest. At the date of deconsolidation, January 27, 2015, we adjusted our investment in the Canadian Entities to fair value with a corresponding charge to *LOSS FROM DISCONTINUED OPERATIONS, net of tax* . As the estimated amount of the Canadian Entities' liabilities exceeded the estimated fair value of the assets available for distribution to its creditors, the fair value of Cliffs' equity investment is approximately zero.

Amounts Receivable from the Canadian Entities

Prior to deconsolidation, various Cliffs wholly-owned entities made loans to the Canadian Entities for the purpose of funding its operations and had accounts receivable generated in the ordinary course of business. The loans, corresponding interest and the accounts receivable were considered intercompany transactions and eliminated in our consolidated financial statements. As of the deconsolidation date, the loans, associated interest and accounts receivable are considered related party transactions and have been recognized in our consolidated financial statements at their estimated fair value of $112.1 million classified as *Other current assets* in the Statements of Unaudited Condensed Consolidated Financial Position at March 31, 2015.

Contingent Liabilities

Certain liabilities consisting primarily of equipment loans and capital leases of the Bloom Lake Group were secured through corporate guarantees and standby letters of credit. Upon the filing of CCAA and subsequent to the deconsolidation, we recorded liabilities of $166.1 million in our consolidated results, classified as *Other current liabilities* in the Statements of Unaudited Condensed Consolidated Financial Position at March 31, 2015.

Additionally, certain liabilities of subsidiaries of the Canadian Entities for which we have joint and several liability were recorded in our consolidated results to reflect obligations of deconsolidated entities which did not file in CCAA but do not have the ability to fund their share of liabilities. As such, subsequent to deconsolidation we recorded liabilities of $51.4 million and $125.2 million classified as *Short-term liabilities of discontinued operations* and *Long-term liabilities of discontinued operations*, respectively, in the Statements of Unaudited Condensed Consolidated Financial Position at March 31, 2015.

Contingencies

The recorded expenses include an accrual for the estimated probable loss related to claims that may be asserted against us, primarily under guarantees of certain debt arrangements and leases. The beneficiaries of those guarantees may seek damages or other related relief as a result of our exit from Canada. Our probable loss estimate is based on the expectation that claims will be asserted against us and negotiated settlements will be reached, and not on any determination that it is probable we would be found liable were these claims to be litigated. Given the early stage of our exit and the Filing, our estimates involve significant judgment and are based on currently available information, an assessment of the validity of certain claims and estimated payments by the Canadian Entities. We are not able to reasonably estimate a range of possible losses in excess of the accrual because there are significant factual and legal issues to be resolved. We believe that it is reasonably possible that future changes to our estimates of loss and the ultimate amount paid on these claims could be material to our results of operations in future periods. Any such losses would be reported in discontinued operations.

Items Measured at Fair Value on a Non-Recurring Basis

The following table presents information about the financial assets and liabilities that was measured on a fair value basis at March 31, 2015. The tables also indicate the fair value hierarchy of the valuation techniques used to determine such fair value.

	(In Millions)				
	March 31, 2015				
Description	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Total Losses
Assets:					
Loans to and accounts receivables from the Canadian Entities	**$ —**	**$ —**	**$ 112.1**	**$ 112.1**	**$ (476.0)**
Liabilities:					
Contingent liabilities and joint and several liabilities	**$ —**	**$ —**	**$ 342.7**	**$ 342.7**	**$ (342.7)**

We determined the fair value and recoverability of our Canadian investments by comparing the estimated fair value of the underlying assets of the Canadian Entities to estimated liabilities at the time of the Filing. We recorded the contingent liabilities and joint and several liabilities at the historical book value which best approximated fair value.

Outstanding liabilities include accounts payable and other liabilities, forward commitments, unsubordinated related party payables, lease liabilities and other potential claims. Potential claims include an accrual for the estimated probable loss related to claims that may be asserted against the Bloom Lake Group under certain contracts. Claimants may seek damages or other related relief as a result of the Bloom Lake Group's exit from Canada. Based on our estimates, the fair value of liabilities exceeds the fair value of assets.

To assess the fair value and recoverability of the amounts receivable from the Canadian Entities, we estimated the fair value of the underlying net assets of the Canadian Entities available for distribution to their creditors in relation to the estimated creditor claims and the priority of those claims.

Our estimates involve significant judgment and are based on currently available information, an assessment of the validity of certain claims and estimated payments made by the Canadian Entities. Our ultimate recovery is subject to the final liquidation value of the Canadian Entities. Further, the final liquidation value and ultimate recovery of the creditors of the Canadian Entities, including Cliffs Natural Resources and various subsidiaries, may impact our estimates of contingent liability exposure described previously.

Recorded Assets and Liabilities

	(In Millions)
Assets and Liabilities of Discontinued Operations	**March 31, 2015**
Accounts receivable, net	**$ 3.0**
Income tax receivable	**1.8**
Other non-current assets	**3.8**
Total Assets	**$ 8.6**
Accounts payable	**$ 0.5**
Accrued expenses	**51.1**
Other liabilities	**140.9**
Total Liabilities	**$ 192.5**

	(In Millions)
Assets and Liabilities of Discontinued Operations	December 31, 2014
Cash and cash equivalents	$ 19.7
Accounts receivable, net	37.9
Inventories	16.3
Supplies and other inventories	48.5
Income tax receivable	20.1
Other current assets	44.3
Property, plant and equipment, net	249.8
Other non-current assets	19.9
Total Assets	$ 456.5
Accounts payable	$ 83.6
Accrued expenses	200.0
Other current liabilities	35.7
Pension and postemployment benefit liabilities	79.8
Environmental and mine closure obligations	56.5
Other liabilities	173.9
Total Liabilities	$ 629.5

Income Taxes

Canadian deferred tax assets relating to both historical and current year net operating losses were included in our equity investment in the Canada Subsidiaries that has been reduced to zero. Due to the valuation allowance position in all jurisdictions, there is no income tax benefit related to the deconsolidation charges recognized in the consolidated financials dated March 31, 2015.

NOTE 15 - CAPITAL STOCK

Dividends

On February 11, 2014, May 13, 2014, September 8, 2014 and November 19, 2014, our Board of Directors declared the quarterly cash dividend of $17.50 per Preferred Share, which is equivalent to approximately $0.44 per depositary share. The cash dividend was paid on May 1, 2014, August 1, 2014, November 3, 2014, and February 2, 2015 to our Preferred Shareholders of record as of the close of business on April 15, 2014, July 15, 2014, October 15, 2014 and January 15, 2015, respectively. On March 27, 2015, our Board of Directors declared the quarterly cash dividends of $17.50 per Preferred Share, which is equivalent to approximately $0.44 per depositary share. The cash dividend of $12.8 million was paid on May 1, 2015 to our shareholders of record as of the close of business on April 15, 2015.

On January 26, 2015, we announced that our Board of Directors had decided to eliminate the quarterly dividend of $0.15 per share on our common shares. The decision is applicable to this first quarter of 2015 and all subsequent quarters. The elimination of the common share dividend provides us with additional free cash flow of approximately $92 million annually, which we intend to use for further debt reduction.

During 2014, a cash dividend of $0.15 per share was paid on March 3, 2014, June 3, 2014, September 2, 2014 and December 1, 2014 to our common shareholders of record as of close of business on February 21, 2014, May 23, 2014, August 15, 2014 and November 15, 2014, respectively.

NOTE 16 - SHAREHOLDERS' EQUITY (DEFICIT)

The following table reflects the changes in shareholders' equity (deficit) attributable to both Cliffs and the noncontrolling interests primarily related to Bloom Lake, Tilden and Empire of which Cliffs owns 82.8 percent, 85 percent and 79 percent, respectively, for the three months ended March 31, 2015 and March 31, 2014:

	(In Millions)		
	Cliffs Shareholders' Equity (Deficit)	**Noncontrolling Interest (Deficit)**	**Total Equity (Deficit)**
December 31, 2014	**$ (1,431.3)**	**$ (303.0)**	**$ (1,734.3)**
Comprehensive income			
Net loss	**(759.8)**	**(1.9)**	**(761.7)**
Other comprehensive income	**207.6**	**(10.8)**	**196.8**
Total comprehensive income	**(552.2)**	**(12.7)**	**(564.9)**
Effect of deconsolidation	**—**	**528.2**	**528.2**
Stock and other incentive plans	**0.6**	**—**	**0.6**
Preferred share dividends	**(12.8)**	**—**	**(12.8)**
Undistributed losses to noncontrolling interest	**—**	**1.1**	**1.1**
March 31, 2015	**$ (1,995.7)**	**$ 213.6**	**$ (1,782.1)**

	(In Millions)		
	Cliffs Shareholders' Equity (Deficit)	Noncontrolling Interest (Deficit)	Total Equity (Deficit)
December 31, 2013	$ 6,069.5	$ 814.8	$ 6,884.3
Comprehensive income			
Net income	(70.3)	(0.4)	(70.7)
Other comprehensive income	57.8	0.5	58.3
Total comprehensive income	(12.5)	0.1	(12.4)
Stock and other incentive plans	(1.4)	—	(1.4)
Common and preferred share dividends	(36.1)	—	(36.1)
Undistributed losses to noncontrolling interest	—	1.2	1.2
March 31, 2014	$ 6,019.5	$ 816.1	$ 6,835.6

The following table reflects the changes in *Accumulated other comprehensive income (loss)* related to Cliffs shareholders' equity for March 31, 2015 and March 31, 2014:

	(In Millions)				
	Changes in Pension and Other Post-Retirement Benefits, net of tax	**Unrealized Net Gain (Loss) on Securities, net of tax**	**Unrealized Net Gain (Loss) on Foreign Currency Translation**	**Net Unrealized Gain (Loss) on Derivative Financial Instruments, net of tax**	**Accumulated Other Comprehensive Income (Loss)**
Balance December 31, 2014	**$ (291.1)**	**$ (1.0)**	**$ 64.4**	**$ (18.1)**	**$ (245.8)**
Other comprehensive income (loss) before reclassifications	**31.1**	**2.8**	**(14.7)**	**(7.1)**	**12.1**
Net loss (gain) reclassified from accumulated other comprehensive income (loss)	**8.5**	**(2.0)**	**182.7**	**6.3**	**195.5**
Balance March 31, 2015	**$ (251.5)**	**$ (0.2)**	**$ 232.4**	**$ (18.9)**	**$ (38.2)**

	(In Millions)				
	Changes in Pension and Other Post-Retirement Benefits, net of tax	Unrealized Net Gain (Loss) on Securities, net of tax	Unrealized Net Gain (Loss) on Foreign Currency Translation	Net Unrealized Gain (Loss) on Derivative Financial Instruments, net of tax	Accumulated Other Comprehensive Income (Loss)
Balance December 31, 2013	$ (204.9)	$ 6.2	$ 106.7	$ (20.9)	$ (112.9)
Other comprehensive income (loss) before reclassifications	(0.4)	3.8	40.5	(2.3)	41.6
Net loss (gain) reclassified from accumulated other comprehensive income (loss)	3.3	0.1	—	12.8	16.2
Balance March 31, 2014	$ (202.0)	$ 10.1	$ 147.2	$ (10.4)	$ (55.1)

The following table reflects the details about *Accumulated other comprehensive income (loss)* components related to Cliffs shareholders' equity for the three months ended March 31, 2015:

	(In Millions)		
Details about Accumulated Other Comprehensive Income (Loss) Components	**Amount of (Gain)/Loss Reclassified into Income**		**Affected Line Item in the Statement of Unaudited Condensed Consolidated Operations**
	Three Months Ended March 31,		
	2015	2014	
Amortization of Pension and Postretirement Benefit Liability:			
Prior service costs [1]	**$ (0.3)**	$ (0.3)	
Net actuarial loss [1]	**8.5**	4.8	
Settlements/curtailments [1]	**0.3**	0.3	
	8.5	4.8	Total before taxes
	—	(1.6)	*Income tax benefit (expense)*
	$ 8.5	$ 3.2	Net of taxes
Unrealized gain (loss) on marketable securities:			
Sale of marketable securities	**$ —**	$ 0.1	*Other non-operating income (expense)*
Impairment	**(2.0)**	—	*Other non-operating income (expense)*
	(2.0)	0.1	Total before taxes
	—	—	*Income tax benefit (expense)*
	$ (2.0)	$ 0.1	Net of taxes
Unrealized gain (loss) on foreign currency translation:			
Effect of deconsolidation [2]	**$ 182.7**	$ —	*Loss from Discontinued Operations, net of tax*
	—	—	*Income tax benefit (expense)*
	$ 182.7	$ —	Net of taxes
Unrealized gain (loss) on derivative financial instruments:			
Australian dollar foreign exchange contracts	**$ 9.0**	$ 13.0	*Product revenues*
Canadian dollar foreign exchange contracts	**—**	5.5	*Cost of goods sold and operating expenses*
	9.0	18.5	Total before taxes
	(2.7)	(5.7)	*Income tax benefit (expense)*
	$ 6.3	$ 12.8	Net of taxes
Total Reclassifications for the Period	**$ 195.5**	$ 16.1	

(1) These accumulated other comprehensive income components are included in the computation of net periodic benefit cost. See NOTE 7 - PENSIONS AND OTHER POSTRETIREMENT BENEFITS for further information.

(2) Represents Canadian accumulated currency translation adjustments deconsolidated on January 27, 2015.

NOTE 17 - CASH FLOW INFORMATION

A reconciliation of capital additions to cash paid for capital expenditures for the three months ended March 31, 2015 and 2014 is as follows:

	(In Millions)	
	Three Months Ended March 31,	
	2015	2014
Capital additions	**$ 26.1**	$ 79.2
Cash paid for capital expenditures	**15.9**	103.3
Difference	**$ 10.2**	$ (24.1)
Non-cash accruals	**$ 10.2**	$ (34.0)
Capital leases	**—**	9.9
Total	**$ 10.2**	$ (24.1)

Non-Cash Financing Activities - Declared Dividends

On March 27, 2015, our Board of Directors declared the quarterly cash dividend on our Preferred Shares of $17.50 per share, which is equivalent to approximately $0.44 per depositary share, each representing 1/40th of a share of Series A preferred stock. The cash dividend of $12.8 million was paid on May 1, 2015 to our preferred shareholders of record as of the close of business on April 15, 2015.

NOTE 18 - RELATED PARTIES

Three of our five U.S. iron ore mines are owned with various joint venture partners that are integrated steel producers or their subsidiaries. We are the manager of each of the mines we co-own and rely on our joint venture partners to make their required capital contributions and to pay for their share of the iron ore pellets that we produce. The joint venture partners are also our customers. The following is a summary of the mine ownership of these iron ore mines at March 31, 2015:

Mine	Cliffs Natural Resources	ArcelorMittal	U.S. Steel Corporation
Empire	79.0%	21.0%	—
Tilden	85.0%	—	15.0%
Hibbing	23.0%	62.3%	14.7%

ArcelorMittal has a unilateral right to put its interest in the Empire mine to us, but has not exercised this right to date.

Product revenues from related parties were as follows:

	(In Millions)	
	Three Months Ended March 31,	
	2015	2014
Product revenues from related parties	**$ 110.4**	$ 134.4
Total product revenues	**399.5**	559.2
Related party product revenue as a percent of total product revenue	**27.6%**	24.0%

Amounts due from related parties recorded in *Accounts receivable, net* and *Other current assets,* including trade accounts receivable, a customer supply agreement and provisional pricing arrangements, were $61.2 million and $127.6 million at March 31, 2015 and December 31, 2014, respectively. Amounts due to related parties recorded in *Accounts payable* and *Other current liabilities,* including provisional pricing arrangements, were $0.1 million at March 31, 2015 and amounts including provisional pricing arrangements and liabilities to related parties were $11.8 million at December 31, 2014.

NOTE 19 - EARNINGS PER SHARE

The following table summarizes the computation of basic and diluted earnings (loss) per share:

	(In Millions, Except Per Share Amounts)	
	Three Months Ended March 31,	
	2015	2014
Net Income from Continuing Operations Attributable to Cliffs Shareholders	**$ 168.7**	$ 70.1
Loss from Discontinued Operations, net of tax	**(928.5)**	(140.4)
Net Loss Attributable to Cliffs Shareholders	**$ (759.8)**	$ (70.3)
Preferred Stock Dividends	**(12.8)**	(12.8)
Net Loss Attributable to Cliffs Common Shareholders	**$ (772.6)**	$ (83.1)
Weighted Average Number of Shares:		
Basic	**153.2**	153.0
Depositary Shares	**25.2**	—
Employee Stock Plans	**0.3**	0.6
Diluted	**178.7**	153.6
Earnings (Loss) per Common Share Attributable to Cliffs Common Shareholders - Basic:		
Continuing operations	**$ 1.02**	$ 0.37
Discontinued operations	**(6.06)**	(0.92)
	$ (5.04)	$ (0.55)
Earnings (Loss) per Common Share Attributable to Cliffs Common Shareholders - Diluted:		
Continuing operations	**$ 0.94**	$ 0.37
Discontinued operations	**(5.20)**	(0.91)
	$ (4.26)	$ (0.54)

There was no anti-dilution for the three months ended March 31, 2015. The diluted earnings per share calculation excludes 25.2 million depositary shares that were anti-dilutive for the three months ended March 31, 2014.

NOTE 20 - COMMITMENTS AND CONTINGENCIES

Contingencies

Litigation

We are currently a party to various claims and legal proceedings incidental to our operations. If management believes that a loss arising from these matters is probable and can reasonably be estimated, we record the amount of the loss, or the minimum estimated liability when the loss is estimated using a range, and no point within the range is more probable than another. As additional information becomes available, any potential liability related to these matters is assessed and the estimates are revised, if necessary. Based on currently available information, management believes that the ultimate outcome of these matters, individually and in the aggregate, will not have a material effect on our financial position, results of operations or cash flows. However, litigation is subject to inherent uncertainties, and unfavorable rulings could occur. An unfavorable ruling could include monetary damages, additional funding requirements or an injunction. If an unfavorable ruling were to occur, there exists the possibility of a material impact on the financial position and results of operations of the period in which the ruling occurs, or future periods. However, we believe that any pending litigation will not result in a material liability in relation to our consolidated financial statements.

NOTE 21 - SUBSEQUENT EVENTS

We have evaluated subsequent events through the date of financial statement issuance.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is designed to provide a reader of our financial statements with a narrative from the perspective of management on our financial condition, results of operations, liquidity and other factors that may affect our future results. We believe it is important to read our MD&A in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2014 as well as other publicly available information.

Overview

Cliffs Natural Resources Inc. is a leading mining and natural resources company in the United States. We are a major supplier of iron ore pellets to the North American steel industry from the five iron ore mines we currently operate located in Michigan and Minnesota. We also operate the Koolyanobbing iron ore mining complex, an iron ore mining complex in Western Australia. Additionally, we produce low-volatile metallurgical coal in the U.S. from our mines located in Alabama and West Virginia. Driven by the core values of safety, social, environmental and capital stewardship, our employees endeavor to provide all stakeholders operating and financial transparency.

The key driver of our business is demand for steelmaking raw materials from U.S. steelmakers. In the first three months of 2015, the U.S. produced approximately 20 million metric tons of crude steel, or about 5 percent of total global crude steel production. This represents an 8 percent decrease in U.S. crude steel production when compared to the same period in 2014. U.S. total steel capacity utilization was about 73 percent in the first three months of 2015, which is an approximate 4 percent decrease from the same period in 2014. Additionally, in the first three months of 2015, China produced approximately 200 million metric tons of crude steel, or approximately 50 percent of total global crude steel production. These figures represent an approximate 1 percent decrease in Chinese crude steel production when compared to the same period in 2014. Through the first three months of 2015, global crude steel production decreased about 2 percent compared to the same period in 2014.

Through the first quarter of 2015, both domestic and global steel industries continue to show weakness as steel mills' utilization rates have declined, crude steel production has fallen, and prices have collapsed. We expect this year to be a challenging one for the steel industry as it contends with slowing growth, overcapacity and increased competition.

In our core U.S. market, we expect industry demand will be supported by an improving housing market and a strengthened automotive sector; however, this support could be more than offset by the continued weakening of the oil and gas sector, as well as destocking of inventories after a relatively strong 2014. The U.S. steel industry will likely face continued pressure from surging imports as the strength of the U.S. dollar continues to increase. A substantial amount of our North American customers' products serve the higher-end steel markets and are not heavily correlated to the oil and gas markets nor are easily displaced by commercial-grade imported steel.

In China, we believe growth in steel production will be zero to modest. Despite this, major iron ore producers in Australia and Brazil continue to supply the Chinese market with low-cost iron ore, which has driven the seaborne price to ten-year lows. The global price of iron ore has also been driven by mining cost deflation and a sharp fall in Australian and Brazilian currencies versus the U.S. dollar. As such, we expect seaborne iron ore prices will continue to face downward price pressure unless there are vast structural changes to the supply/demand picture, including increased global demand or significant iron ore capacity cuts.

As a result of the long-term contracts, as discussed above, for the three months ended March 31, 2015 when compared to the comparable prior year period, our U.S. Iron Ore revenues only experienced a realized revenue rate decrease of 15.0 percent versus the much higher decrease in Platts 62 percent Fe fines spot price. Additionally, the first quarter sales tons for U.S. Iron Ore in both 2015 and 2014 include a substantial amount of carry over tonnage from prior year nominations which are priced based on prior year price formulas.

The Platts 62 percent Fe fines spot price decreased 48.2 percent to an average price of $62 per ton for the three months ended March 31, 2015 compared to the first quarter of 2014. These large decreases in Platts 62 percent Fe fines spot price were driven by insufficient growth in Chinese demand to absorb the additional seaborne supply. The spot price volatility impacts our realized revenue rates, particularly in our Asia Pacific Iron Ore business segment because their contracts correlate heavily to world market spot pricing.

The metallurgical coal market continues to be in an oversupplied position due to increased supply from Australian producers and inconsistent demand for imported coal in China. Australian producers, benefiting from a devaluated local currency, are very competitive in European and South American markets. Reductions in global coal supply over the last 12 months have yet to correct the oversupplied position of the market.

Consistent with the above, the quarterly benchmark price for premium low-volatile hard coking coal between Australian metallurgical coal suppliers and Japanese/Korean consumers decreased 18.2 percent to a first quarter average of $117 per metric ton in 2015 versus the 2014 first quarter average of $143 per metric ton.

For the three months ended March 31, 2015, our consolidated revenues were $446.0 million and net income from continuing operations per diluted share were $0.94. This compares with consolidated revenue of $615.5 million, and with net income from continuing operations per diluted share of $0.37, for the comparable period in 2014. Net income from continuing operations in the first three months of 2015 was positively impacted by a $313.7 million gain on extinguishment of debt. This was offset by lower sales margin which decreased by $109.2 million in the three months ended March 31, 2015, when compared to the same period of 2014 primarily driven by lower market pricing for our products partially offset by increased sales volume and cost cutting measures. Additionally, results for the three months ended March 31, 2015 were impacted negatively by the increase in income tax expense of $145.5 million primarily due to the placement of a valuation allowance against U.S. deferred tax assets.

Strategy

Re-focusing the Company on our Core U.S. Iron Ore Business

We continue the strategic shift to become a company fully focused on our U.S. Iron Ore business, and no longer pursuing a diversification strategy. We are the market-leading iron ore producer in the U.S., supplying differentiated iron ore pellets under long-term contracts, some of which begin to expire in the end of 2016, to the largest North America steel producers. With the unique advantage of being a low cost producer of iron ore pellets in the U.S. market, fluctuations of the commoditized price of seaborne iron ore have a limited impact on the business. Pricing structures contained in and the long-term supply provided by our existing contracts, along with our low-cost operating profile, positions U.S. Iron Ore as our most stable and profitable business. We expect to continue to strengthen our U.S. Iron Ore cost operating profile through continuous operational improvements and disciplined capital allocation policies. Strategically, we continue to develop various entry options for the Electric Arc Furnace market. As the EAF steel market continues to grow and evolve in the US, there is a potential for iron ore to serve this market through DR-pellets. Near term, we are focused on securing a trial order for DR-pellets to confirm under actual operating conditions what we have already demonstrated in smaller batch trials. As a market leader in value-added iron ore pellets, we believe this will open up a new opportunity for us to diversify our product mix and add new customers to our U.S. Iron Ore business beyond the traditional blast furnace clientele.

Reviewing All Other Businesses for Either Optimization, Divestiture or Shutdown

As an extension of our re-focused U.S. Iron Ore strategy, we continue to consider further divestitures of Eastern Canadian Iron Ore, Asia Pacific Iron Ore and North American Coal businesses. We believe the assets from these non-core segments have value and will only consummate a transaction where we believe the price fairly and adequately represents such value. For more information regarding the status of our divestiture of our Eastern Canadian Iron Ore business, see "Recent Developments" below.

Asia Pacific Iron Ore is a well-recognized and reliable supplier to steelmakers in Asia. Despite the depressed pricing environment, Asia Pacific Iron Ore has been a steady cash flow contributor, benefiting from a premium price for its high lump iron ore mix and minimal required capital expenditures to maintain production. As we consider selling this business, we will continue to operate Asia Pacific Iron Ore optimally for cash with very low total capital expenditures for the remaining life of mine. We are exploring the sale of the remaining North American Coal assets and committed to ensuring an acceptable value can be realized. We are focused on limiting capital expenditures while continuing to meet environmental, safety and permission to operate requirements.

Maintaining Discipline on Costs and Capital Spending and Improving our Financial Flexibility

We believe our ability to execute our strategy is dependent on our financial position, balance sheet strength and financial flexibility to manage through volatility in commodity prices. We have developed a highly disciplined financial and capital expenditure plan with a focus on improving our cost profile and increasing long-term profitability. We are focused on sizing our organization to better fit our new strategic direction and streamlining our businesses' support functions by eliminating duplication. Our capital allocation plan is focused on strengthening our core U.S. Iron Ore operations to promote greater free cash flow generation.

Recent Developments

On April 2, 2015, we announced that P. Kelly Tompkins, our Executive Vice President of Business Development, had been named Executive Vice President & Chief Financial Officer effective April 1, 2015. Simultaneously, Clifford Smith has been named Executive Vice President, Business Development. Clifford Smith's previous position, Executive Vice President, Seaborne Iron Ore, has been eliminated. Since joining Cliffs in May 2010, Mr. Tompkins has held many executive officer and senior leadership positions. Prior to joining the organization, he served as Executive Vice President and Chief Financial Officer of RPM International Inc. from June 2008 to May 2010. He also served as RPM's Chief Administrative Officer and Senior Vice President and General Counsel. Mr. Smith joined Cliffs in 2003, holding several senior leadership positions, including global responsibility for operations and business development. He also led the exploration and development activities of the Company's global exploration group. Prior to joining Cliffs, Mr. Smith held mine management positions with Asarco and South Peru Copper Corporation.

United States Iron Ore

On February 18, 2015, we announced that an interim power agreement with Wisconsin Electric Power Company had been finalized for our Michigan operations. On April 23, 2015, the Michigan Public Service Commission approved the 2015-2019 Large Curtailable Special Contracts between Wisconsin Electric Power Company and each of Tilden and Empire. By their terms, the special contracts went into effect April 24, 2015, the day after the Michigan Public Service Commission approved. These were key steps in a series of contemplated short and long-term agreements that are essential to the viability of our iron ore mines in the Upper Peninsula. These Special Contracts are expected to save the mines approximately $20 million over the term of the agreement versus the regulated tariff.

On April 29, 2015, we issued a WARN Act notice to the employees of Empire and Tilden, the United Steelworkers and state and local government agencies, that we intend to temporarily reduce our operations at the Empire mine as a result of a reduction in demand for its iron ore pellets. Empire will reduce operations beginning around the end of June 2015, which reduction is anticipated to continue through October 2015. Operations could return to normal sooner if unforeseen orders were to materialize for Empire's pellets. It is also possible that the reduction period could be extended if the current demand for Empire pellets were to soften. This temporary reduction will result in reductions in force at both the Empire and Tilden mines due to bumping rights in the labor agreement.

Eastern Canadian Iron Ore

On January 27, 2015, we announced that the Bloom Lake Group commenced restructuring proceedings in Montreal, Quebec, under the CCAA. The Bloom Lake Group had recently suspended operations and for several months we were exploring options to sell certain of our Canadian assets, among other initiatives. The decision to seek protection under the CCAA was based on a thorough legal and financial analysis of the options available to the Bloom Lake Group. The Bloom Lake Group was no longer generating any revenues and was not able to meet its obligations as they came due. The initial CCAA order addressed the Bloom Lake Group's immediate liquidity issues and permits the Bloom Lake Group to preserve and protect its assets for the benefit of all stakeholders while restructuring and sale options are explored. As part of the CCAA process, the Court has appointed FTI Consulting Canada Inc. as the Monitor. The Monitor's role in the CCAA process is to monitor the activities of the Bloom Lake Group and provide assistance to the Bloom Lake Group and its stakeholders in respect of the CCAA process.

On March 23, 2015, we announced a definitive agreement to sell our Chromite assets in Northern Ontario, Canada, to Noront Resources Ltd. for $20 million. The transaction is comprised of the Chromite deposits and associated claims held by Cliffs. On April 13, 2015, we received an unsolicited offer from a potential purchaser for an alternate transaction to purchase the Chromite assets on terms substantially similar, but for a purchase price higher than that in Noront's definitive agreement. A supplemental bid process ensued and a superior offer was made and selected by us, our advisors and the Monitor. On April 28, 2015, we closed our sale of the Chromite assets to Noront for $27.5 million.

Credit Facility Amendments

On January 22, 2015, we entered into an agreement to further amend our existing revolving credit agreement (Amendment No. 6). The further amended terms waived the event of default related to a CCAA filing for Canadian entities. The CCAA filing for our Bloom Lake Group was made subsequent to the effectiveness of this amendment. The amendment also reduced the size of the existing facility from $1.125 billion to $900 million, with a further reduction to $750 million on May 31, 2015. As of March 30, 2015, we eliminated the revolving credit agreement upon entering into the new ABL Facility. Refer to NOTE 5 - DEBT AND CREDIT FACILITIES.

Debt

In January 2015, we reduced total debt by approximately $159 million through senior note repurchases in the open market with approximately $106 million of net proceeds from the sale of CLCC and cash from operations.

On March 30, 2015, we entered into the ABL Facility and successfully completed the previously announced offering of $540 million aggregate principal amount of First Lien Notes due March 31, 2020. From the offering of the First Lien Notes, we received net proceeds of approximately $491.4 million. We used a portion of the proceeds from the offering to repay all amounts outstanding under the former revolving credit facility and intend to use the remainder for general corporate purposes. Additionally, the ABL Facility is expected to provide up to $550 million in borrowing availability on a revolving basis, subject to borrowing base limitations.

On March 30, 2015, we also announced the successful completion of the exchange offers to exchange newly issued Second Lien Notes due 2020 for certain outstanding senior unsecured notes. Approximately $675 million aggregate principal amount of outstanding senior notes were accepted in exchange for $544.2 million aggregate principal amount of the Second Lien Notes. As a result of the completion of the exchange offers, approximately $130 million of long-term debt was removed from the balance sheet.

Business Segments

Our Company's primary continuing operations are organized and managed according to product category and geographic location: U.S. Iron Ore and Asia Pacific Iron Ore. As of March 31, 2015, management determined that our North American Coal operating segment met the criteria to be classified as held for sale under *ASC 205 - Presentation of Financial Statements* . As such, all current and historical North American Coal operating segment results are included in our financial statement and classified within discontinued operations. Additionally, as a result of the CCAA filing of the Bloom Lake Group, we no longer have a controlling interest over the Bloom Lake Group and certain of its wholly owned subsidiaries that were previously reported Eastern Canadian Iron Ore and Other reportable segments. As such, we deconsolidated the Canadian Entities as of January 27, 2015. All financial information prior to the deconsolidation date and historical Eastern Canadian Iron Ore and Ferroalloys operating segment results are included in our financial statement and classified within discontinued operations.

Results of Operations – Consolidated

2015 Compared to 2014

The following is a summary of our consolidated results of operations for the three months ended March 31, 2015 and 2014:

	(In Millions)		
	Three Months Ended March 31,		
	2015	2014	Variance Favorable/ (Unfavorable)
Revenues from product sales and services	**$ 446.0**	$ 615.5	$ (169.5)
Cost of goods sold and operating expenses	**(365.2)**	(425.5)	60.3
Sales margin	**$ 80.8**	$ 190.0	$ (109.2)
Sales margin %	**18.1%**	30.9%	(12.8)%

Revenues from Product Sales and Services

Sales revenue for the three months ended March 31, 2015 decreased $169.5 million or 27.5 percent from the comparable period in 2014. The decrease in sales revenue during the first quarter of 2015 compared to the same period in 2014 was primarily attributable to the decrease in market pricing for our products, which impacted revenues by $214.5 million for three months ended March 31, 2015.

Changes in world market pricing impact our revenues each year. Iron ore revenues were impacted primarily by the decrease in the Platts 62 percent Fe fines spot price, which declined 48.2 percent to an average price of $62 per ton in the first quarter of 2015, resulting in decreased revenues of $214.5 million. The decrease in our realized revenue rates during the first quarter of 2015 compared to the first quarter of 2014 was 15.0 percent and 55.5 percent for our U.S. Iron Ore and Asia Pacific Iron Ore operations, respectively. Partially offsetting these decreases was an increase in revenues period-over-period as a result of higher iron ore sales volumes of 503 thousand tons or $51.9 million for the three months ended March 31, 2015.

Refer to "Results of Operations – Segment Information" for additional information regarding the specific factors that impacted revenue during the period.

Cost of Goods Sold and Operating Expenses

Cost of goods sold and operating expenses for the three months ended March 31, 2015 were $365.2 million, which represented a decrease of $60.3 million or 14.2 percent from the comparable prior-year period.

Cost of goods sold and operating expenses for the three months ended March 31, 2015 decreased as operational efficiencies and cost cutting efforts across each of our business units has reduced costs for the three months ended March 31, 2015 by $97.0 million. Partially offsetting this decrease was an increase in costs period-over-period as a result of higher iron ore sales volumes of $36.3 million for the three months ended March 31, 2015.

Refer to "Results of Operations – Segment Information" for additional information regarding the specific factors that impacted our operating results during the period.

Other Operating Income (Expense)

The following is a summary of other operating income (expense) for the three months ended March 31, 2015 and 2014:

	(In Millions)		
	Three Months Ended March 31,		
	2015	2014	Variance Favorable/ (Unfavorable)
Selling, general and administrative expenses	**$ (29.1)**	$ (37.5)	$ 8.4
Miscellaneous - net	**20.2**	(13.3)	33.5
	$ (8.9)	$ (50.8)	$ 41.9

Selling, general and administrative expenses during the three months ended March 31, 2015 decreased by $8.4 million over the comparable period in 2014. The three months ended March 31, 2015 was favorably impacted by $3.2 million for employment costs related to cost savings actions. Additionally, incrementally lower severance costs of $4.5 million during the three months ended March 31, 2015 versus the comparable quarter.

The following is a summary of Miscellaneous - net for the three months ended March 31, 2015 and 2014:

	(In Millions)		
	Three Months Ended March 31,		
	2015	2014	Variance Favorable/ (Unfavorable)
Foreign exchange remeasurement	**$ 13.5**	$ (11.4)	$ 24.9
Exploration costs	**—**	(4.2)	4.2
Insurance recoveries	**7.6**	0.1	7.5
Other	**(0.9)**	2.2	(3.1)
	$ 20.2	$ (13.3)	$ 33.5

The change in Miscellaneous - net was favorable by $33.5 million during the three months ended March 31, 2015 from the comparable period in 2014. The three months ended March 31, 2015 was a favorable incremental impact of $24.9 million due to the change in foreign exchange re-measurement on short-term intercompany notes, Australian bank accounts that are denominated in U.S. dollars and certain monetary financial assets and liabilities, which are denominated in something other than the functional currency of the entity. Additionally, the three months ended March 31, 2015 was impacted favorably by $7.6 million of insurance recoveries related to the clean-up of the Pointe Noire oil spill that occurred in September 2013.

Other Income (Expense)

The following is a summary of other income (expense) for the three months ended March 31, 2015 and 2014:

	(In Millions)		
	Three Months Ended March 31,		
	2015	2014	Variance Favorable/ (Unfavorable)
Interest expense, net	**$ (42.9)**	$ (40.4)	$ (2.5)
Gain on extinguishment of debt	**313.7**	—	313.7
Other non-operating income (expense)	**(0.8)**	0.8	(1.6)
	$ 270.0	$ (39.6)	$ 309.6

The increase in gain on extinguishment of debt during the three months ended March 31, 2015 compared to the comparable prior-year period is a result of the corporate debt restructuring, as discussed in NOTE 5 - DEBT AND CREDIT FACILITIES.

Income Taxes

We determined our interim tax provision using a methodology required by ASC 740, *Income Taxes*, since we believe the use of an estimated annual effective tax rate would not be reliable. The following represents a summary of our tax provision for the three months ended March 31, 2015 and 2014:

	(In Millions)		
	Three Months Ended March 31,		
	2015	2014	Variance
Income tax benefit (expense)	**$ (175.1)**	$ (29.6)	$ (145.5)
Effective tax rate	**51.2%**	29.7%	21.5%

We have recorded an income tax expense for the three months ended March 31, 2015 of $175.1 million compared with an expense of $29.6 million for the comparable prior-year period. The increase in the expense from the prior-year period is due primarily to the placement of the valuation allowance against U.S. deferred tax assets.

Discrete items recorded in the first quarter of 2015 resulted in a $167.5 million expense. These adjustments relate primarily to the placement of a valuation allowance against US deferred tax assets that were recognized in prior years.

Noncontrolling Interest

Noncontrolling interest primarily is comprised of our consolidated, but less-than-wholly owned subsidiary at our Empire mining and through the CCAA filing on January 27, 2015, the Bloom Lake operations. The net income attributable to the noncontrolling interest of the Empire mining venture was $5.8 million and $6.9 million for the three months ended March 31, 2015 and 2014, respectively. The net loss attributable to the noncontrolling interest related to Bloom Lake was $7.7 million and $7.3 million for the three months ended March 31, 2015 and 2014, respectively.

Results of Operations – Segment Information

We have historically evaluated segment performance based on sales margin, defined as revenues less cost of goods sold, and operating expenses identifiable to each segment. Additionally, beginning in the third quarter of 2014, concurrent with the change in control, management began to evaluate segment performance based on EBITDA, defined as *Net Loss* before interest, income taxes, depreciation, depletion and amortization and Adjusted EBITDA, defined as EBITDA excluding certain items such as impacts of discontinued operations, foreign currency remeasurement, severance recorded in SG&A, extinguishment of debt and intersegment corporate allocations of SG&A costs. Management uses and believes that investors benefit from referring to these measures in evaluating operating results, as well as in planning, forecasting and analyzing future periods as these financial measures approximate the cash flows associated with the operational earnings.

EBITDA and Adjusted EBITDA

	Three Months Ended March 31,	
	2015	2014
Net Loss	**$ (761.7)**	$ (70.7)
Less:		
Interest expense, net	**(44.2)**	(42.7)
Income tax benefit (expense)	**(175.0)**	21.8
Depreciation, depletion and amortization	**(33.0)**	(141.1)
EBITDA	**$ (509.5)**	$ 91.3
Less:		
Impact of discontinued operations	**$ (924.1)**	$ (118.1)
Gain on extinguishment of debt	**313.7**	—
North American Coal operations impact	**(5.5)**	18.2
Severance in SG&A	**(1.5)**	(6.0)
Foreign exchange remeasurement	**13.5**	(11.4)
Adjusted EBITDA	**$ 94.4**	$ 208.6
EBITDA:		
U.S. Iron Ore	**$ 101.6**	$ 123.6
Asia Pacific Iron Ore	**18.0**	85.3
Other	**(629.1)**	(117.6)
Total EBITDA	**$ (509.5)**	$ 91.3
Adjusted EBITDA:		
U.S. Iron Ore	**$ 105.1**	$ 128.7
Asia Pacific Iron Ore	**5.7**	99.1
Other	**(16.4)**	(19.2)
Total Adjusted EBITDA	**$ 94.4**	$ 208.6

EBITDA for the three months ended March 31, 2015 decreased by $600.8 million on a consolidated basis from the comparable period in 2014. The decrease was driven by the items detailed above in the Adjusted EBITDA calculation. Adjusted EBITDA decreased by $114.2 million for the three months ended March 31, 2015 from the comparable period in 2014. The decrease was primarily attributable to the lower consolidated sales margin excluding the impact of depreciation, depletion and amortization expense. See further detail below for additional information regarding the specific factors that impacted each reportable segments' sales margin during the three months ended March 31, 2015 and 2014.

2015 Compared to 2014

U.S. Iron Ore

The following is a summary of U.S. Iron Ore results for the three months ended March 31, 2015 and 2014:

	(In Millions)						
			Changes due to:				
	Three Months Ended March 31,		Revenue and cost rate	Sales volume	Idle cost/production volume variance	Freight and reimburse-ment	Total change
	2015	2014					
Revenues from product sales and services	**$ 311.8**	$ 361.3	$ (48.1)	$ 12.0	$ —	$ (13.4)	$ (49.5)
Cost of goods sold and operating expenses	**(231.8)**	(266.3)	26.2	(8.3)	3.2	13.4	34.5
Sales margin	**$ 80.0**	$ 95.0	$ (21.9)	$ 3.7	$ 3.2	$ —	$ (15.0)

	Three Months Ended March 31,			
Per Ton Information	**2015**	2014	Difference	Percent change
Realized product revenue rate[1]	**$ 92.70**	$ 109.02	$ (16.32)	(15.0)%
Cash production cost	**64.98**	81.15	(16.17)	(19.9)%
Non-production cash cost	**(6.79)**	(15.73)	8.94	(56.8)%
Cost of goods sold and operating expenses rate[1] (excluding DDA)	**58.19**	65.42	(7.23)	(11.1)%
Depreciation, depletion & amortization	**7.36**	10.12	(2.76)	(27.3)%
Total cost of goods sold and operating expenses rate	**65.55**	75.54	(9.99)	(13.2)%
Sales margin	**$ 27.15**	$ 33.48	$ (6.33)	(18.9)%
Sales tons[2] (In thousands)	**2,947**	2,837		
Production tons[2] (In thousands)				
Total	**7,182**	6,159		
Cliffs' share of total	**5,376**	4,637		

[1] Excludes revenues and expenses related to domestic freight, which are offsetting and have no impact on sales margin. Revenues also exclude venture partner cost reimbursements.

[2] Tons are long tons (2,240 pounds).

Sales margin for U.S. Iron Ore was $80.0 million for the three months ended March 31, 2015, compared with sales margin of $95.0 million for the three months ended March 31, 2014. The decline compared to the prior-year period is attributable to a decrease in revenue of $49.5 million partially offset by lower cost of goods sold and operating expenses of $34.5 million. Sales margin per ton decreased 18.9 percent to $27.15 in the first three months of 2015 compared to the first three months of 2014.

Revenue decreased by $36.1 million, excluding the decrease of $13.4 million of freight and reimbursements from the prior-year period, predominantly due to:

- The average year-to-date realized product revenue rate declined by $16.32 per ton or 15.0 percent to $92.70 per ton in first three months of 2015, which resulted in a decrease of $48.1 million. This decline is a result of:
  - Changes in customer pricing negatively affected the realized revenue rate by $8 per ton driven primarily by the reduction in Platts 62 percent Fe fines spot price;
  - Realized revenue rates impacted negatively by $5 per ton related to one major customer contract with a reduced average selling price due to a contractual change in the pricing mechanism; and

- Realized revenue rates impacted negatively by $4 per ton primarily as a result of one major customer contract with a pricing mechanism affected by a reduction in the full-year estimate of their hot band steel pricing.
- These decreases are partially mitigated by a favorable customer mix impacting the realized revenue rates by $2 per ton mainly due to lower export sales and lower sales tonnage from a customer contract with a lower than average rate.

- The decline in average year-to-date realized product revenue rate is partially offset by higher sales volumes of 110 thousand tons or $12.0 million due to:
  - Increased December 2014 shipments and adjusted contract terms created higher inventory in the lower lakes which resulted in increased payments and sales revenue recognition in the first quarter of 2015.
  - These increases were partially offset by lower export sales and lower demand from one customer in the first quarter of 2015 compared to the prior-year period in which that customer needed to replenish lower inventory levels caused by weather related issues and required first quarter 2014 shipments.

Cost of goods sold and operating expenses in the first three months of 2015 decreased $21.1 million, excluding the decrease of $13.4 million of freight and reimbursements from the same period in the prior-year period, predominantly as a result of:

- Lower costs in the first quarter of 2015 as a result of reduced energy rates in comparison to the first quarter of 2014 in which energy rates were increased due to extreme cold weather, along with reduced maintenance and repair costs due to cost reduction initiatives and condition based monitoring and lower costs related to decreased headcount. Additionally, in the first quarter of 2014 there were costs incurred that did not recur in the first quarter of 2015 including increased maintenance and repair costs primarily driven by increased kiln repairs at Empire in 2014 due to the 2016 life-of-mine extension, and the mill repair at the Hibbing mine; and
- Lower idle costs of $3.2 million due to one idled production line at our Northshore mine during the majority of the first quarter of 2015 versus two idled production lines at our Northshore mine during the majority of the first quarter of 2014,
- Partially offset by increased sales volumes as discussed above that increased costs by $8.3 million compared to the prior-year period.

Production

Cliffs' share of production in its U.S. Iron Ore segment increased by 15.9 percent in the first three months of 2015 when compared to the comparable period in 2014. United Taconite mine had an increase in production of 346 thousand tons during the first quarter of 2015 compared to same period in 2014, primarily due to items that occurred in the first quarter of 2014 that did not reoccur in the current period including unplanned outages and rail related issues due to extreme cold weather. There was an increase in production of 153 thousand tons at the Northshore mine during the first three months of 2015, as we ran a three furnace operation during the first quarter of 2015 compared to 2014 when we ran a two furnace operation for the majority of the first quarter. The one furnace currently idled at the Northshore pellet plant was idled in January 2015 and is expected to remain idled throughout 2015. Additionally, there was increased production at Empire mine, Tilden mine and Hibbing mine in the first three months of 2015 primarily as a result of maintenance repairs and unplanned outages that occurred in the first quarter of 2014 and that did not reoccur in the first quarter of 2015.

Asia Pacific Iron Ore

The following is a summary of Asia Pacific Iron Ore results for the three months ended March 31, 2015 and 2014:

	(In Millions)						
			Change due to:				
	Three Months Ended March 31,		Revenue and cost rate	Sales volume	Exchange rate	Freight and reimburse-ment	Total change
	2015	2014					
Revenues from product sales and services	**$ 134.2**	$ 254.2	$ (166.4)	$ 39.9	$ 2.2	$ 4.3	$ (120.0)
Cost of goods sold and operating expenses	**(133.4)**	(187.9)	67.6	(28.0)	19.2	(4.3)	54.5
Sales margin	**$ 0.8**	$ 66.3	$ (98.8)	$ 11.9	$ 21.4	$ —	$ (65.5)

	Three Months Ended March 31,			
Per Ton Information	**2015**	2014	Difference	Percent change
Realized product revenue rate[1]	**$ 42.81**	$ 96.25	$ (53.44)	(55.5)%
Cash production cost	**36.77**	50.72	(13.95)	(27.5)%
Non-production cash cost	**3.70**	5.62	(1.92)	(34.2)%
Cost of goods sold and operating expenses rate (excluding DDA)[1]	**40.47**	56.34	(15.87)	(28.2)%
Depreciation, depletion & amortization	**2.08**	14.80	(12.72)	(85.9)%
Total cost of goods sold and operating expenses rate	**42.55**	71.14	(28.59)	(40.2)%
Sales margin	**$ 0.26**	$ 25.11	$ (24.85)	(99.0)%
Sales tons[2] (In thousands)	**3,034**	2,641		
Production tons[2] (In thousands)	**2,879**	2,790		

[1] We began selling a portion of our product on a CFR basis in 2014. As such, the information above excludes revenues and expenses related to domestic freight, which are offsetting and have no impact on sales margin.

[2] Metric tons (2,205 pounds).

Sales margin for Asia Pacific Iron Ore decreased to $0.8 million during the three months ended March 31, 2015 compared with $66.3 million for the same period in 2014 and sales margin per ton decreased 99.0 percent to $0.26 per ton in the first quarter of 2015 compared to the first quarter of 2014 primarily as a result of decreased pricing as discussed below.

Revenue decreased $124.3 million in the first quarter of 2015 over the prior-year period, excluding the increase of $4.3 million of freight and reimbursements, primarily as a result of:

- An overall decrease to the average realized revenue rate, which resulted in a decrease of $166.4 million, primarily as a result of a decrease in the Platts 62 percent Fe fines spot price to an average of $62 per ton from $120 per ton in the prior-year period; and
- Partially offset by the higher sales volume of 3.0 million tons during the three months ended March 31, 2015 compared with 2.6 million tons during the prior-year period due to port maintenance timing and size of vessel loadings, resulting in an increase in revenue of $39.9 million.

Cost of goods sold and operating expenses in the three months ended March 31, 2015 decreased $58.8 million, excluding the increases of $4.3 million of freight and reimbursements, compared to the same period in 2014 primarily as a result of:

- A reduction in depreciation, amortization and depletion expense of $32.8 million primarily due to the long-lived asset impairments taken during the second half of 2014, reduced mining costs of $20.4 million mainly due to decreased mining volumes and increases in productivity related to maintenance, hauling

and train loading, and lower sales royalties of $11.1 million primarily attributable to the decline in the Platts 62 percent Fe fines spot price; and

- Favorable foreign exchange rate variances of $19.2 million or $6 per ton.
- These decreases were offset partially by higher sales volumes, as discussed above, that resulted in increased costs of $28.0 million compared to the same period in the prior year.

Production

Production at Asia Pacific Iron Ore during the three months ended March 31, 2015 remained consistent when compared to the same period in 2014 with a slight increase of 89 thousand production tons or 3.2 percent. The increase in production tons compared to the prior-year period is mainly attributable to increased rail capacity.

Liquidity, Cash Flows and Capital Resources

Our primary sources of liquidity are cash generated from our operating and financing activities. Our capital allocation process is focused on prioritizing all potential uses of future cash flows. We continue to focus on cash generation in our business operations as well as reductions of any discretionary expenditures in order to ensure we are positioned to face the challenges and uncertainties of the volatile pricing markets for our products.

Based on current mine plans and subject to future iron ore and coal prices and supply and demand, we expect our budgeted capital expenditures, preferred dividends and other cash requirements during 2015 to exceed our estimated operating cash flows. Although we expect our cash flows from operating activities to be exceeded by our capital expenditures and dividends during 2015, we maintain adequate liquidity through the cash on our balance sheet and the availability provided by our ABL Facility to fund our normal business operations and strategic initiatives. Based on current market conditions, we expect to be able to fund our requirements for at least the next 12 months.

Refer to “Outlook” for additional guidance regarding expected future results, including projections on pricing, sales volume and production.

The following discussion summarizes the significant activities impacting our cash flows during the three months ended March 31, 2015 and 2014 as well as those expected to impact our future cash flows over the next 12 months. Refer to the Statements of Unaudited Condensed Consolidated Cash Flows for additional information.

Operating Activities

Net cash used by operating activities was $228.2 million for the three months ended March 31, 2015, compared to $82.0 million used for the same period in 2014. The decrease in operating cash flows in the first three months of 2015 were primarily due to lower operating results previously discussed and changes in working capital.

In our core U.S. market, we expect industry demand will be supported by an improving housing market and a strengthened automotive sector; however, this support could be more than offset by the continued weakening of the oil and gas sector, as well as destocking of inventories after a relatively strong 2014. The U.S. steel industry should also face continued pressure from surging imports as the strength of the U.S. dollar continues to increase. However, a healthy portion of our North American customers serve the higher-end steel markets and are not heavily correlated to the oil and gas markets nor are easily displaced by commercial-grade imported steel. In China, we believe growth in steel production will be zero to modest. Despite this, major iron ore producers in Australia and Brazil continue to flood the Chinese market with low-cost iron ore supply which has driven the seaborne price to ten-year lows. The global price of iron ore has also been driven by mining cost deflation and a sharp fall in Australian and Brazilian currencies versus the U.S. dollar. As such, we expect seaborne iron ore prices will continue to face downward price pressure unless there are vast structural changes to the supply/demand picture, including increased global demand or iron ore capacity cuts.

Coupled with efficient tax structures, our U.S. operations and our financing arrangements provide sufficient capital resources to support operations and do not require us to repatriate earnings from our foreign operations; however, if we repatriated earnings, we would be subject to increased income tax. Our U.S. cash and cash equivalents balance at March 31, 2015 was $323.5 million, or approximately 90.9 percent of our consolidated total cash and cash equivalents balance of $355.7 million. Furthermore, historically we have been able to raise additional capital through private financings and public debt and equity offerings, the bulk of which, to date, have been U.S.-based. If the demand for our product weakens and pricing deteriorates for a prolonged period, we have the financial and operational flexibility to reduce production, delay capital expenditures, sell assets and reduce overhead costs to provide liquidity in the absence of cash flow from operations.

Investing Activities

Net cash used by investing activities was $15.7 million for the three months ended March 31, 2015, compared with $90.7 million for the comparable period in 2014.

We spent approximately $16 million and $41 million globally on expenditures related to sustaining capital during the three months ended March 31, 2015 and 2014, respectively. Sustaining capital spend includes infrastructure, mobile equipment, environmental, safety, fixed equipment, product quality and health.

Additionally, for the three months ended March 31, 2014, we had capital expenditures at Bloom Lake mine related to expansion projects and expenditures for the tailings and water management system of $27.6 million and $19.3 million, respectively.

In alignment with our strategy to focus on allocating capital among key priorities related to liquidity management, and business investment, we anticipate total cash used to now be $100 - $125 million, reduced from our previous expectation of $125 - $150 million.

Financing Activities

Net cash provided by financing activities in the first three months of 2015 was $310.0 million, compared to $197.9 million for the comparable period in 2014. Net cash provided by financing activities increased year-over-year due to the issuance of First Lien Notes, which resulted in net proceeds excluding debt issuance costs of $503.5 million, which was offset partially by the repurchase of senior notes of $133.3 million and debt issuance costs of $33.1 million. Net cash provided by financing activities in the first three months of 2014 included $225.0 million of net borrowings under the former revolving credit and uncommitted facilities. Offsetting net cash provided by financing activities in the first three months of 2015 and 2014 were dividend distributions of $12.8 million and $35.8 million, respectively. On March 27, 2015, our Board of Directors declared the quarterly cash dividend on our Preferred Shares of $17.50 per share, which is equivalent to approximately $0.44 per depositary share, each representing 1/40th of a Preferred Share. The cash dividend of $12.8 million was paid on May 1, 2015 to our preferred shareholders of record as of the close of business on April 15, 2015.

Capital Resources

We expect to fund our business obligations from available cash, current and future operations and existing borrowing arrangements. We also may pursue other funding strategies in the capital and/or bond markets to strengthen our liquidity. The following represents a summary of key liquidity measures as of March 31, 2015 and December 31, 2014:

	(In Millions)	
	March 31, 2015	December 31, 2014
Cash and cash equivalents	**$ 355.7**	$ 271.3
Available revolving credit facility[1]	**$ —**	$ 1,125.0
Revolving loans drawn	**—**	—
Available borrowing base on ABL Facility[2]	**441.1**	—
ABL Facility loans drawn	**—**	—
Letter of credit obligations and other commitments	**(141.7)**	(149.5)
Borrowing capacity available	**$ 299.4**	$ 975.5

[1] On March 30, 2015, we eliminated our revolving credit facility and replaced it with the ABL Facility.

[2] The ABL Facility has a maximum borrowing base of $550 million, determined by applying customary advance rates to eligible accounts receivable, inventory and certain mobile equipment.

As of March 31, 2015, our primary sources of funding are the cash on hand, which totaled $355.7 million as of March 31, 2015, cash generated by our business and availability under the ABL Facility. The combination of cash and availability under the ABL Facility gave us approximately $655.1 million in liquidity entering the second quarter of 2015, which is expected to be used to fund operations, capital expenditures and finance strategic initiatives.

As of March 31, 2015, we were in compliance with the ABL Facility liquidity requirements and, therefore, the springing financial covenant requiring a minimum Fixed Charge Coverage Ratio of 1.0 to 1.0 was not applicable.

We believe that the cash on hand and the ABL Facility provide us sufficient liquidity to support our operating and investing activities. We continue to focus on achieving a capital structure that achieves the optimal mix of debt, equity and other financing arrangements.

Several credit markets may provide additional capacity should that become necessary. The bank market may provide funding through a term loan, bridge loan or credit facility. Additionally, we have access to the bond market as a source of capital. The risk associated with these credit markets is a significant increase in borrowing costs as a result of limited capacity and market conditions.

Off-Balance Sheet Arrangements

In the normal course of business, we are a party to certain arrangements that are not reflected on our Statements of Unaudited Condensed Consolidated Financial Position. These arrangements include minimum "take or pay" purchase commitments, such as minimum electric power demand charges, minimum coal, diesel and natural gas purchase commitments, minimum railroad transportation commitments and minimum port facility usage commitments; financial instruments with off-balance sheet risk, such as bank letters of credit and bank guarantees; and operating leases, which primarily relate to equipment and office space.

Market Risks

We are subject to a variety of risks, including those caused by changes in commodity prices, foreign currency exchange rates and interest rates. We have established policies and procedures to manage such risks; however, certain risks are beyond our control.

Pricing Risks

Commodity Price Risk

Our consolidated revenues include the sale of iron ore pellets, iron ore lump, low-volatile metallurgical coal and high-volatile metallurgical coal. Our financial results can vary significantly as a result of fluctuations in the market prices of iron ore and coal. World market prices for these commodities have fluctuated historically and are affected by numerous factors beyond our control. The world market price that most commonly is utilized in our iron ore sales contracts is the Platts 62 percent Fe fines spot rate pricing, which can fluctuate widely due to numerous factors, such as global economic growth or contraction, change in demand for steel or changes in availability of supply.

Provisional Pricing Arrangements

Certain of our U.S. Iron Ore and Asia Pacific Iron Ore customer supply agreements specify provisional price calculations, where the pricing mechanisms generally are based on market pricing, with the final revenue rate to be based on market inputs at a specified point in time in the future, per the terms of the supply agreements. The difference between the provisionally agreed-upon price and the estimated final revenue rate is characterized as a derivative and is required to be accounted for separately once the revenue has been recognized. The derivative instrument is adjusted to fair value through *Product revenues* each reporting period based upon current market data and forward-looking estimates provided by management until the final revenue rate is determined.

At March 31, 2015, we have recorded $16.2 million as derivative liabilities included in *Other current liabilities* in the Statements of Unaudited Condensed Consolidated Financial Position related to our estimate of final revenue rate with our U.S. Iron Ore and Asia Pacific Iron Ore customers. These amounts represent the difference between the provisional price agreed upon with our customers based on the supply agreement terms and our estimate of the final sales rate based on the price calculations established in the supply agreements. As a result, we recognized a net $16.2 million decrease in *Product revenues* in the Statements of Unaudited Condensed Consolidated Operations for the three months ended March 31, 2015 related to these arrangements.

Customer Supply Agreements

A certain supply agreement with one U.S. Iron Ore customer provides for supplemental revenue or refunds based on the customer's average annual steel pricing at the time the product is consumed in the customer's blast furnace. The supplemental pricing is characterized as a freestanding derivative, which is finalized based on a future price, and is adjusted to fair value as a revenue adjustment each reporting period until the pellets are consumed and the amounts are settled. The fair value of the instrument is determined using an income approach based on an estimate of the annual realized price of hot-rolled steel at the steelmaker's facilities.

At March 31, 2015, we had a derivative asset of $34.5 million, representing the fair value of the pricing factors, based upon the amount of unconsumed tons and an estimated average hot-band steel price related to the period in which the tons are expected to be consumed in the customer's blast furnace at each respective steelmaking facility, subject to final pricing at a future date. This compares with a derivative asset of $63.2 million as of December 31, 2014. We estimate that a $75 change in the average hot-band steel price realized from the March 31, 2015 estimated price recorded would cause the fair value of the derivative instrument to increase or decrease by approximately $15.9 million, thereby impacting our consolidated revenues by the same amount.

We have not entered into any hedging programs to mitigate the risk of adverse price fluctuations; however certain of our term supply agreements contain price collars, which typically limit the percentage increase or decrease in prices for our products during any given year.

Volatile Energy and Fuel Costs

The volatile cost of energy is an important issue affecting our production costs, primarily in relation to our iron ore operations. Our consolidated U.S. Iron Ore mining ventures consumed approximately 5.6 million MMBtu's of natural gas at an average delivered price of $4.59 per MMBtu inclusive of the natural gas hedge impact or $4.08 per MMBtu net of the natural gas hedge impact during the first three months of 2015. Additionally, our consolidated U.S. Iron Ore mining ventures consumed approximately 6.9 million gallons of diesel fuel at an average delivered price of $2.05 per gallon excluding the diesel fuel hedge impact or $2.28 per gallon net of the diesel fuel hedge impact during the first three months of 2015. The hedging of natural gas and diesel is further discussed later in this section. Consumption of diesel fuel by our Asia Pacific operations was approximately 3.3 million gallons at an average delivered price of $1.66 per gallon for the same period.

In the ordinary course of business, there may also be increases in prices relative to electrical costs at our U.S. mine sites. Specifically, our Tilden and Empire mines in Michigan have entered into large curtailable special contracts with Wisconsin Electric Power Company. Charges under those special contracts are subject to a power supply cost recovery mechanism that is based on variations in the utility's actual fuel and purchase power expenses.

Our strategy to address increasing energy rates includes improving efficiency in energy usage, identifying alternative providers and utilizing the lowest cost alternative fuels. A pilot energy hedging program was implemented in order to manage the price risk of diesel and natural gas at our U.S. Iron Ore mines. This pilot program began in January 2015 and concluded during the beginning of April 2015. Based on the results of this pilot program, a more structured hedging program is being evaluated and may be implemented in the future. We will continue to monitor relevant energy markets for risk mitigation opportunities and may make additional forward purchases or employ other hedging instruments in the future as warranted and deemed appropriate by management. Assuming we do not enter into further hedging activity in the near term, a 10 percent change in natural gas and diesel fuel prices would result in a change of approximately $9.6 million in our annual fuel and energy cost based on expected consumption for the remainder of 2015.

Valuation of Other Long-Lived Assets

Long-lived assets are reviewed for impairment upon the occurrence of events or changes in circumstances that would indicate that the carrying value of the assets may not be recoverable. Such indicators may include, among others: a significant decline in expected future cash flows; a sustained, significant decline in market pricing; a significant adverse change in legal or environmental factors or in the business climate; changes in estimates of our recoverable reserves; unanticipated competition; and slower growth or production rates. Any adverse change in these factors could have a significant impact on the recoverability of our long-lived assets and could have a material impact on our consolidated statements of operations and statement of financial position.

A comparison of each asset group's carrying value to the estimated undiscounted future cash flows expected to result from the use of the assets, including cost of disposition, is used to determine if an asset is recoverable. Projected future cash flows reflect management's best estimates of economic and market conditions over the projected period, including growth rates in revenues and costs, estimates of future expected changes in operating margins and capital

expenditures. If the carrying value of the asset group is higher than its undiscounted future cash flows, the asset group is measured at fair value and the difference is recorded as a reduction to the long-lived assets. We estimate fair value using a market approach, an income approach or a cost approach.

Foreign Currency Exchange Rate Risk

We are subject to changes in foreign currency exchange rates primarily as a result of our operations in Australia, which could impact our financial condition. With respect to Australia, foreign exchange risk arises from our exposure to fluctuations in foreign currency exchange rates because our reporting currency is the U.S. dollar, but the functional currency of our Asia Pacific operations is the Australian dollar. Our Asia Pacific operations receive funds in U.S. currency for their iron ore sales and incur costs in Australian currency.

At March 31, 2015, we had two outstanding Australian foreign exchange rate contracts with total notional amounts of $20.0 million for which we elected hedge accounting. One outstanding Australian foreign exchange rate contract matures in May 2015 and the other matures in September 2015. A 10 percent increase in the value of the Australian dollar from the month-end rate would increase the fair value of these contracts to approximately negative $1.5 million, and a 10 percent decrease would reduce the fair value to approximately negative $4.8 million. Due to the uncertainty of 2015 hedge exposures, we have suspended entering into new foreign exchange rate contracts. As discussed in NOTE 1 - BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, we have waived compliance with our current derivative financial instruments and hedging activities policy through December 31, 2015. In the future, we may enter into additional hedging instruments as needed in order to further hedge our exposure to changes in foreign currency exchange rates.

The following table represents our foreign currency exchange contract position for contracts held as cash flow hedges as of March 31, 2015:

	($ in Millions)			
Contract Maturity	**Notional Amount**	**Weighted Average Exchange Rate**	**Spot Rate**	**Fair Value**
Contract Portfolio [1]:				
AUD Contracts expiring in the next 12 months	$ 20.0	0.90	0.7607	$ (3.2)

[1] Includes collar options and forward contracts.

Refer to NOTE 13 - DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES for further information.

Interest Rate Risk

Interest payable on our senior notes is at fixed rates. Interest payable under our ABL Facility is at a variable rate based upon the base rate plus the base rate margin depending on the liquidity ratio. As of March 31, 2015, we had no amounts drawn on the ABL Facility.

The interest rate payable on the $500.0 million senior notes due in 2018 may be subject to adjustments from time to time if either Moody 's or S&P or, in either case, any Substitute Rating Agency thereof downgrades (or subsequently upgrades) the debt rating assigned to the notes. In no event shall (1) the interest rate for the notes be reduced to below the interest rate payable on the notes on the date of the initial issuance of notes or (2) the total increase in the interest rate on the notes exceed 2.00 percent above the interest rate payable on the notes on the date of the initial issuance of notes. Throughout 2014, the interest rate payable on the $500 million 3.95 percent senior notes due was increased from 3.95 percent ultimately to 5.70 percent based on Substitute Rating Agency downgrades throughout the year. During the first quarter of 2015, subsequent to a downgrade, the interest rate was further increased to 5.95 percent. This maximum rate increase of 2.00 percent has resulted in an additional interest expense of $8.7 million per annum.

Supply Concentration Risks

Many of our mines are dependent on one source each of electric power and natural gas. A significant interruption or change in service or rates from our energy suppliers could impact materially our production costs, margins and profitability.

Outlook

We provide full-year expected revenues-per-ton ranges based on different assumptions of seaborne iron ore prices. We indicated that each different pricing assumption holds all other assumptions constant, including customer mix, as well as industrial commodity prices, freight rates, energy prices, production input costs and/or hot-band steel prices (all factors contained in certain of our supply agreements).

The table below provides certain Platts IODEX averages for the remaining nine months and the corresponding full-year realization for the U.S. Iron Ore and Asia Pacific Iron Ore segments. The estimates consider actual Platts IODEX rates for the first quarter. We previously furnished 2015 pricing expectations on February 2, 2015. Due to favorable changes in freight rates and customer mix, partially offset by reduced steel price assumptions, we have since raised our revenues-per-ton expectations for U.S. Iron Ore. In addition, due to increased lump premium assumptions, revenues-per-ton expectations in Asia Pacific Iron Ore increased as well.

2015 Full-Year Realized Revenues-Per-Ton Range Summary

Apr. - Dec. Platts IODEX (1)	U.S. Iron Ore (2)	Asia Pacific Iron Ore (3)
$30	$75 - $80	$20 - $25
$35	$75 - $80	$25 - $30
$40	$75 - $80	$30 - $35
$45	$80 - $85	$30 - $35
$50	$80 - $85	$35 - $40
$55	$80 - $85	$40 - $45
$60	$80 - $85	$40 - $45
$65	$80 - $85	$45 - $50
$70	$80 - $85	$50 - $55
$75	$80 - $85	$50 - $55
$80	$85 - $90	$55 - $60

(1) The Platts IODEX is the benchmark assessment based on a standard specification of iron ore fines with 62% iron content (C.F.R. China).

(2) U.S. Iron Ore tons are reported in long tons of pellets.

(3) Asia Pacific Iron Ore tons are reported in metric tons of lump and fines, F.O.B. the port.

U.S. Iron Ore Outlook (Long Tons)

For 2015, we are lowering our full-year sales and production volume expectation to 20.5 million tons of iron ore pellets, reflecting currently low capacity utilization rates among U.S. steel producers, mainly attributed to heavy imported steel penetration. A majority of the tonnage removed from the outlook was priced below average realizations and was related to a higher cost of production. Given these factors, as well as the positive impact of SG&A reductions (see "SG&A Expenses and Other Expectations") and other cost reductions, the overall impact on total EBITDA for the year is expected to be neutral-to-positive when compared to the previous forecast.

Despite the reduction in production tonnage, we are maintaining our previous cash production cost expectation of $55 - $60 per ton and the previous cash cost of goods sold per ton expectation of $60 - $65.

Depreciation, depletion and amortization for full-year 2015 is expected to be approximately $5 per ton.

Asia Pacific Iron Ore Outlook (Metric Tons, F.O.B. the port)

We are maintaining our full-year 2015 Asia Pacific Iron Ore expected sales and production volumes of approximately 11 million tons. The product mix is expected to contain 51 percent lump and 49 percent fines. This expectation assumes no divestiture of this business in 2015, which may or may not occur.

Based on a full-year average exchange rate of $0.77 U.S. Dollar to Australian Dollar, our full-year 2015 Asia Pacific Iron Ore cash production cost per ton expectation has been lowered to $30 - $35. Our cash cost of goods sold per ton expectation has been lowered to $35 - $40. This expectation reflects additional operational improvements in light of current market conditions as well as a more favorable foreign exchange rate expectation.

We anticipate depreciation, depletion and amortization to be approximately $3 per ton for full-year 2015.

North American Coal Outlook

We will no longer be providing a detailed outlook for our North American Coal business as a result of its accounting treatment, as previously explained in this release.

The following table provides a summary of our 2015 guidance for our two continuing business segments:

	2015 Outlook Summary	
	U.S. Iron Ore (A)	Asia Pacific Iron Ore (B)
Sales volume (million tons)	**20.5**	**11**
Production volume (million tons)	**20.5**	**11**
Cash production cost per ton	**$55 - $60**	**$30 - $35**
Cash cost of goods sold per ton	**$60 - $65**	**$35 - $40**
DD&A per ton	**$5**	**$3**

(A) U.S. Iron Ore tons are reported in long tons of pellets.

(B) Asia Pacific Iron Ore tons are reported in metric tons of lumps and fines.

SG&A Expenses and Other Expectations

We are lowering our full-year 2015 SG&A expense expectation to $120 million, a $20 million reduction from our previous expectation of $140 million.

We no longer anticipate any spending related to exploration.

Consolidated full-year 2015 depreciation, depletion and amortization is expected to be approximately $140 million.

Capital Budget Update

We are lowering our full-year 2015 capital expenditures budget to a range of $100 - $125 million, from our previous expectation of $125 - $150 million. This reduction reflects a continued focus on reducing expenditures. The spending range includes outflows related to North American Coal and assumes no additional asset divestitures.

Forward-Looking Statements

This report contains statements that constitute "forward-looking statements" within the meaning of the federal securities laws. As a general matter, forward-looking statements relate to anticipated trends and expectations rather than historical matters. Forward-looking statements are subject to uncertainties and factors relating to Cliffs' operations and business environment that are difficult to predict and may be beyond our control. Such uncertainties and factors may cause actual results to differ materially from those expressed or implied by the forward-looking statements. These statements speak only as of the date of this report, and we undertake no ongoing obligation, other than that imposed by law, to update these statements. Uncertainties and risk factors that could affect Cliffs' future performance and cause results to differ from the forward-looking statements in this report include, but are not limited to:

- our ability to successfully execute an exit option for our Canadian entities that minimizes the cash outflows and associated liabilities of such entities, including the CCAA process;
- trends affecting our financial condition, results of operations or future prospects, particularly the continued volatility of iron ore and coal prices;
- our actual levels of capital spending;

- availability of capital and our ability to maintain adequate liquidity and successfully implement our financing plans;
- uncertainty or weaknesses in global economic conditions, including downward pressure on prices, reduced market demand and any slowing of the economic growth rate in China;
- our ability to successfully identify and consummate any strategic investments and complete planned divestitures, including with respect to our North American Coal operating segment;
- our ability to successfully diversify our product mix and add new customers beyond our traditional blast furnace clientele;
- the outcome of any contractual disputes with our customers, joint venture partners or significant energy, material or service providers or any other litigation or arbitration;
- the ability of our customers and joint venture partners to meet their obligations to us on a timely basis or at all;
- our ability to reach agreement with our iron ore customers regarding any modifications to sales contract provisions;
- the impact of price-adjustment factors on our sales contracts;
- changes in sales volume or mix;
- our actual economic iron ore and coal reserves or reductions in current mineral estimates, including whether any mineralized material qualifies as a reserve;
- the impact of our customers using other methods to produce steel or reducing their steel production;
- events or circumstances that could impair or adversely impact the viability of a mine and the carrying value of associated assets, as well as any resulting impairment charges;
- the results of prefeasibility and feasibility studies in relation to projects;
- impacts of existing and increasing governmental regulation and related costs and liabilities, including failure to receive or maintain required operating and environmental permits, approvals, modifications or other authorization of, or from, any governmental or regulatory entity and costs related to implementing improvements to ensure compliance with regulatory changes;
- our ability to cost-effectively achieve planned production rates or levels;
- uncertainties associated with natural disasters, weather conditions, unanticipated geological conditions, supply or price of energy, equipment failures and other unexpected events;
- adverse changes in currency values, currency exchange rates, interest rates and tax laws;
- our ability to maintain appropriate relations with unions and employees and enter into or renew collective bargaining agreements on satisfactory terms;
- risks related to international operations;
- availability of capital equipment and component parts;
- the potential existence of significant deficiencies or material weakness in our internal control over financial reporting;
- problems or uncertainties with productivity, tons mined, transportation, mine-closure obligations, environmental liabilities, employee-benefit costs and other risks of the mining industry; and
- the risk factors identified in Part I - Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2014.

For additional factors affecting the business of Cliffs, refer to Part II - Item 1A - Risk Factors. You are urged to carefully consider these risk factors.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

Information regarding our Market Risk is presented under the caption *Market Risks*, which is included in our Annual Report on Form 10-K for the year ended December 31, 2014 and in the Management's Discussion and Analysis section of this report.

Item 4. ***Controls and Procedures***

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our President and Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure based solely on the definition of "disclosure controls and procedures" in Rule 13a-15(e) promulgated under the Exchange Act. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As of the end of the period covered by this report, we carried out an evaluation under the supervision and with the participation of our management, including our President and Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on the foregoing, our President and Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective.

There have been no changes in our internal control over financial reporting or in other factors that occurred during our last fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. See "Management's Report on Internal Control Over Financial Reporting" and "Report of Independent Registered Public Accounting Firm" in our Annual Report on Form 10-K for the year ended December 31, 2014.

PART II

Item 1. *Legal Proceedings*

Essar Litigation. The Cleveland-Cliffs Iron Company, Northshore Mining Company and Cliffs Mining Company (collectively, the "Cliffs Plaintiffs") filed a complaint against Essar in the U.S. District Court for the Northern District of Ohio, Eastern Division, on January 12, 2015, asserting that Essar breached the Essar Sale Agreement by, among other things, failing to take delivery of and pay for its nominated ore in 2014, failing to make certain payments under a true up provision, and disclosing confidential information. The complaint also seeks a declaration that Essar is not entitled to receive certain credit payments under the terms of the Essar Sale Agreement. The Cliffs Plaintiffs seek damages in excess of $90 million. Essar filed an Answer and Counterclaim on February 11, 2015, seeking damages in excess of $160 million for various alleged breaches of the Essar Sale Agreement, including failure to deliver ore, overcharging for certain deliveries, failure to pay certain credit payments and disclosing confidential information. The parties started the discovery process but no discovery cutoff has been set. The parties agreed to attempt mediation of the claims. Two hearings took place on March 7 and March 21, 2015. The mediations were unsuccessful and a jury trial has been set for December 7, 2015.

Putative Class Action Lawsuits. In May 2014, alleged purchasers of our common shares filed suit in the U.S. District Court for the Northern District of Ohio against us and certain current and former officers and directors of the Company. The action is captioned Department of the Treasury of the State of New Jersey and Its Division of Investment v. Cliffs Natural Resources Inc., et al., No. 1:14-CV-1031. The action asserts violations of the federal securities laws based on alleged false or misleading statements or omissions during the period of March 14, 2012 to March 26, 2013, regarding operations at our Bloom Lake mine in Québec, Canada, and the impact of those operations on our finances and outlook, including sustainability of the dividend, and that the alleged misstatements caused our common shares to trade at artificially inflated prices. The lawsuit seeks class certification and an award of monetary damages to the putative class in an unspecified amount, along with costs of suit and attorneys' fees. On October 21, 2014, defendants filed a motion to dismiss this action, which was denied as moot. Plaintiff was ordered to file and did file an amended complaint on March 31, 2015. The lawsuit has been referred to our insurance carriers.

In June 2014, an alleged purchaser of the depositary shares issued by Cliffs in a public offering in February 2013 filed a putative class action, which is captioned Rosenberg v. Cliffs Natural Resources Inc., et al. , and after a round of removal and remand motions, is now pending in Cuyahoga County Court of Common Pleas, No. CV-14-828140. The suit asserts claims against us, certain current and former officers and directors of the Company, and several underwriters of the offering, alleging disclosure violations in the registration statement regarding operations at our Bloom Lake mine and the impact of those operations on our finances and outlook. This action seeks class certification and monetary relief in an unspecified amount, along with costs of suit and attorneys' fees. This lawsuit has been referred to our insurance carriers.

Southern Natural Gas Lawsuit: On July 23, 2014, Southern Natural Gas Company, L.L.C. filed a lawsuit in the Circuit Court of Jefferson County, Alabama (Case No. 68-CV-2014-900533.00) against the Company and others. The suit seeks to prevent coal mining activity underneath a gas pipeline at our Oak Grove property and to require defendants to pay the costs associated with relocating that pipeline. The suit seeks declaratory judgment, permanent injunctive relief and nuisance damages. The Circuit Court denied our motion to dismiss the complaint and we subsequently filed a petition for a writ of mandamus in the Alabama Supreme Court requesting that it direct the Circuit Court to dismiss the case for lack of subject matter jurisdiction, which motion has been denied. Discovery is ongoing. We also filed a Joinder of Additional Parties, including Kinder Morgan, Inc., and a Counterclaim, asserting breach or repudiation of easement agreements, interference with business relations, and slander of title.

Item 1A. *Risk Factors*

Our Annual Report on Form 10-K for the year ended December 31, 2014 includes a detailed discussion of our risk factors. The information presented below amends, updates and should be read in conjunction with the risk factors and information disclosed in that Form 10-K.

We are subject to bankruptcy risks relating to our Canadian operations.

As previously disclosed, the Bloom Lake Group commenced the CCAA process in January 2015 to address the Bloom Lake Group's immediate liquidity issues and to preserve and protect its assets for the benefit of all stakeholders while restructuring and/or sale options are explored. Certain obligations of the Bloom Lake Group, including equipment loans, were guaranteed by Cliffs. It is possible that (a) as part of the CCAA process (i) claims may be asserted by or on behalf of the Bloom Lake Group against non-debtor affiliates of the Bloom Lake Group and/or (ii) claims of non-debtor affiliates against the Bloom Lake Group may be challenged and (b) creditors of the Bloom Lake Group may assert claims against non-debtor affiliates of the Bloom Lake Group under the guarantees discussed above. For example, on March 16, 2015, Bank of Nova Scotia filed a lawsuit in the U.S. District Court for the Northern District of Ohio, Eastern Division, against Cliffs asserting that Cliffs breached its obligations under a guaranty of certain equipment loans made by Key Equipment Finance Inc. (Bank of Nova Scotia's predecessor-in-interest) to the Bloom Lake Group, which lawsuit seeks an award of $52.6 million plus unpaid accrued interest and expenses. While we anticipate the restructuring and/or sale of the Bloom Lake Group assets may mitigate these risks, to the extent that any claims are successful or the Bloom Lake Group's obligations guaranteed by Cliffs are not satisfied in full by any such restructuring or sale, Cliffs could be held liable for certain obligations.

Additionally, at the end of March 2014, we idled our Wabush Scully mine, and in the fourth quarter of 2014, we began to implement the permanent closure plan for the mine. We also have several advanced exploration projects located in Canada at different stages of evaluation at this time, although we are not allocating capital to these projects. If the entities related to our Wabush Scully mine or Canadian exploration projects seek relief under the CCAA process, it is possible that claims may be asserted by or on behalf of these entities against us and other non-debtor affiliates and/or claims of non-debtor affiliates against these entities may be challenged. Although we anticipate that any sale and/or restructuring of the assets held by these entities may mitigate these risks, to the extent that we seek such relief and any claims are successful, Cliffs could be held liable for certain obligations.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds***

The following table presents information with respect to repurchases by the Company of our common shares during the periods indicated.

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares (or Units) Purchased [1]	Average Price Paid per Share (or Unit) [1]	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs [2]	Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet be Purchased Under the Plans or Programs [2]
January 1 - 31, 2015	—	$ —	—	$ 200,000,000
February 1 - 28, 2015	19,432	$ 6.67	—	$ 200,000,000
March 1 - 31, 2015	—	$ —	—	$ 200,000,000
	19,432	**$ 6.67**	**—**	**$ 200,000,000**

(1) These shares were delivered to us by employees to satisfy tax withholding obligations due upon the vesting or payment of stock awards.

(2) On August 25, 2014, the Board of Directors authorized a new share repurchase plan pursuant to which we may buy back our outstanding common shares in the open market or in private negotiated transactions up to a maximum of $200 million dollars. No shares have been purchased through March 31, 2015. The authorization is active until December 31, 2015.

Item 4. ***Mine Safety Disclosures***

We are committed to protecting the occupational health and well-being of each of our employees. Safety is one of our Company's core values, and we strive to ensure that safe production is the first priority for all employees. Our internal objective is to achieve zero injuries and incidents across the Company by focusing on proactively identifying needed prevention activities, establishing standards and evaluating performance to mitigate any potential loss to people, equipment, production and the environment. We have implemented intensive employee training that is geared toward maintaining a high level of awareness and knowledge of safety and health issues in the work environment through the development and coordination of requisite information, skills and attitudes. We believe that through these policies, our Company has developed an effective safety management system.

Under the Dodd-Frank Act, each operator of a coal or other mine is required to include certain mine safety results within its periodic reports filed with the SEC. As required by the reporting requirements included in §1503(a) of the Dodd-Frank Act and Item 104 of Regulation S-K, the required mine safety results regarding certain mining safety and health matters for each of our mine locations that are covered under the scope of the Dodd-Frank Act are included in Exhibit 95 of *Item 6. Exhibits* of this Quarterly Report on Form 10-Q.

Item 6. **Exhibits**

(a) List of Exhibits — Refer to Exhibit Index on pg. 70.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CLIFFS NATURAL RESOURCES INC.

By: /s/ Timothy K. Flanagan

Name: Timothy K. Flanagan

Title: Vice President, Corporate Controller and Chief Accounting Officer

Date: May 6, 2015

EXHIBIT INDEX

All documents referenced below have been filed pursuant to the Securities Exchange Act of 1934 by Cliffs Natural Resources Inc., file number 1-09844, unless otherwise indicated.

Exhibit Number	Exhibit
4.1	Indenture between Cliffs Natural Resources Inc., the guarantors parties thereto, and U.S. Bank National Association, as trustee and notes collateral agent, dated March 30, 2015, including Form of 8.250% Senior Secured Notes due 2020 (filed herewith)
4.2	Indenture between Cliffs Natural Resources Inc., the guarantors parties thereto, and U.S. Bank National Association, as trustee and notes collateral agent, dated March 30, 2015, including Form of 7.75% Second Lien Senior Secured Notes due 2020 (filed herewith)
10.1	Amendment No. 6, dated as of January 22, 2015, to the Amended and Restated Multicurrency Credit Agreement, dated as of August 11, 2011, among the Company, the foreign subsidiaries of the Company from time to time party thereto, the lenders from time to time party thereto and Bank of America, N.A., as Administrative Agent (filed as Exhibit 10.86 to Cliffs' Form 10-K for the period ended December 31, 2014 and incorporated herein by reference)
10.2	Syndicated Facility Agreement, dated as of March 30, 2015, by and among Bank of America, N.A., as Administrative Agent and Australian Security Trustee, the Lenders that are Parties hereto, as the Lenders, Cliffs Natural Resources Inc., as Parent and a Borrower, and the Subsidiaries of Parent Party hereto, as Borrowers (filed herewith)
10.3	* Form of 2015 Change in Control Severance Agreement (filed herewith)
10.4	* Severance Agreement and Release by and between Terrance M. Paradie and Cliffs Natural Resources Inc., dated April 14, 2015 (filed herewith)
31.1	Certification Pursuant to 15 U.S.C. Section 7241, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, signed and dated by Lourenco Goncalves as of May 6, 2015 (filed herewith)
31.2	Certification Pursuant to 15 U.S.C. Section 7241, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002, signed and dated by P. Kelly Tompkins as of May 6, 2015 (filed herewith)
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, signed and dated by Lourenco Goncalves, Chairman, President and Chief Executive Officer of Cliffs Natural Resources Inc., as of May 6, 2015 (filed herewith)
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, signed and dated by P. Kelly Tompkins, Executive Vice President and Chief Financial Officer of Cliffs Natural Resources Inc., as of May 6, 2015 (filed herewith)
95	Mine Safety Disclosures (filed herewith)
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Indicates management contract or other compensatory arrangement.

EXHIBIT 4.1

CLIFFS NATURAL RESOURCES INC.,
THE GUARANTORS PARTIES HERETO

AND

U.S. BANK NATIONAL ASSOCIATION,
AS TRUSTEE AND NOTES COLLATERAL AGENT

8.250% Senior Secured Notes due 2020

INDENTURE

Dated as of March 30, 2015

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N.A. means Not Applicable
Note: The Cross-Reference Table shall not, for any purpose, be deemed to be part of this Indenture.

INDENTURE, dated as of March 30, 2015, among CLIFFS NATURAL RESOURCES INC., an Ohio corporation (the " **Company**"), THE GUARANTORS (as defined herein) party hereto and U.S. BANK NATIONAL ASSOCIATION, as trustee (the "**Trustee**") and Notes Collateral Agent (as defined herein).

Each party agrees as follows for the benefit of the other parties and for the equal and ratable benefit of the Holders of (i) the Company's 8.250% Senior Secured Notes due 2020 issued on the date hereof and the guarantees thereof by the Guarantors party hereto (the "**Initial Notes**"), and (ii) if and when issued, an unlimited principal amount of additional notes having identical terms and conditions as the Notes other than issue date, issue price and the first interest payment date (the "**Additional Notes**" and together with the Initial Notes, the " **Notes**"):

ARTICLE 1

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. *Definitions*.

"**ABL Agent**" means Bank of America, N.A., acting in its capacity as collateral agent under the ABL Credit Facility, or any successor thereto in such capacity.

"**ABL Collateral**" means the portion of the Collateral as to which the First Lien Notes Secured Parties have a second-priority security interest subject to certain Permitted Liens.

"**ABL Credit Facility**" means the agreement, dated as of March 30, 2015, among the Company, the Subsidiaries of the Company that borrow or guarantee obligations under such agreement from time to time, as "Credit Parties," the lenders parties thereto from time to time and Bank of America, N.A., as agent (or its successor in such capacity), together with the related notes, letters of credit, guarantees and security documents, and as the same may be amended, restated, amended and restated, supplemented or modified from time to time and any renewal, increase, extension, refunding, restructuring, replacement or refinancing thereof (whether with the original administrative agent and lenders or another administrative agent, collateral agent or agents or one or more other lenders or additional borrowers or guarantors and whether provided under the original ABL Credit Facility or one or more other credit or other agreements or indentures).

"**ABL Credit Facility Obligations**" means all ABL Obligations under the ABL Credit Facility.

"**ABL Foreign Collateral**" means all property or assets of any Subsidiary that is not a U.S. Subsidiary and with respect to which a Lien is granted as security for any ABL Obligations owing by such non-U.S. Subsidiary.

"**ABL Intercreditor Agreement**" means the intercreditor agreement among Bank of America, N.A., as ABL Agent (as defined therein), U.S. Bank National Association, as First Lien Notes Collateral Agent and Controlling Fixed Asset Collateral Agent (each as defined therein), and the Notes Collateral Agent, as Second Lien Notes Collateral Agent (as defined therein), and acknowledged by the Company, the Guarantors and the other Subsidiaries of the Company from time to time party thereto, to be entered into on the Issue Date in connection with the incurrence of the ABL Credit Facility, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with the Indenture.

"**ABL Obligations**" means (i) Debt outstanding under any Debt Facility incurred under clause (i) or clause (viii) of Section 3.05 so long as such Debt complies with the provisos thereunder, and all other Obligations (not constituting Debt) of the Company or any Guarantor under such Debt Facility and (ii) Bank Product Obligations owed to an agent, arranger or lender or other secured party under such Debt Facility (even if the respective agent, arranger or lender or other secured party subsequently ceases to be an agent arranger or lender or other secured party under such Debt Facility for any reason) or any of their

respective affiliates, assigns or successors and more particularly described in the ABL Intercreditor Agreement.

"**Additional First Lien Indebtedness**" means any Additional Notes and any additional Debt that is secured by Liens on the Collateral that are pari passu with the Liens securing the First Lien Notes and is permitted to be incurred pursuant to Section 3.05; provided that with respect to such additional Debt (i) the representative of such additional Debt executes a joinder agreement to the applicable collateral documents in respect of the First Lien Notes, in each case in the form attached thereto, agreeing to be bound thereby and (ii) the Company has designated such additional Debt as "Additional First Lien Indebtedness" thereunder.

"**Additional Notes**" has the meaning set forth in the second introductory paragraph of this Indenture.

"**Additional Second Lien Indebtedness**" means any additional Debt that is secured by Liens on the Collateral that are pari passu with the Liens securing the Second Lien Notes and is permitted to be incurred pursuant to Section 3.05; provided that with respect to such additional Debt (i) the representative of such Additional Second Lien Indebtedness executes a joinder agreement to the applicable Collateral Documents, in each case in the form attached thereto, agreeing to be bound thereby and (iii) the Company has designated such Debt as "Additional Second Lien Indebtedness" under the Second Lien Notes Indenture.

"**Additional Secured Indebtedness**" means any Debt (including any guarantee thereof) other than the Notes, Additional First Lien Indebtedness, Second Lien Notes and Additional Second Lien Indebtedness secured by Liens on the Collateral.

"**Adjusted Treasury Rate**" means, with respect to any Redemption Date, (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after March 31, 2018, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date, in each case calculated on the third Business Day immediately preceding the Redemption Date, plus 0.50%.

"**Applicable Premium**" means with respect to a Note at any Redemption Date the excess of (if any) (A) the present value at such redemption date of (1) the redemption price of such Note on March 31, 2018 (such redemption price being described in Section 5.07(d) plus (2) all required remaining scheduled interest payments due on such note through March 31, 2018, excluding in each case accrued and unpaid interest to, but excluding, the Redemption Date, computed by the Company using a discount rate equal to the Adjusted Treasury Rate, over (B) the principal amount of such Note on such Redemption Date.

"**Arbitration Award**" means that certain arbitration award granted pursuant to Case No. 18209/VRO/AGF/ZF by the ICC International Court of Arbitration in favor of Worldlink Resources Limited against Cliffs Quebec Iron Mining ULC, The Bloom Lake Iron Ore Mine Limited Partnership and Bloom Lake General Partner Limited.

"**Asset Disposition**" means

(a) the sale, lease, conveyance or other disposition of any assets other than in the ordinary course of business; provided that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole will be governed by Section 3.06 and/or Section 4.01 and not by Section 3.02; and

(b) the issuance of Capital Stock in any of the Company's Subsidiaries or the sale of Capital Stock in any of its Subsidiaries (other than directors' qualifying shares or nominal shares required to be held by applicable law to be held by a Person other than the Company or any of its Subsidiaries).

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Disposition:

(i) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than $50.0 million;

(ii) a transfer of assets between or among the Company and the Guarantors;

(iii) an issuance of Capital Stock by a Subsidiary of the Company to the Company or to a Subsidiary of the Company;

(iv) the sale or lease of inventory, products or services in the ordinary course of business;

(v) the sale of accounts receivable in the ordinary course of business in connection with the compromise or collection thereof;

(vi) any transfer of property or assets that consists of grants by the Company or its Subsidiaries in the ordinary course of business of licenses or sub-licenses, including with respect to intellectual property rights;

(vii) (a) the sale or other disposition of damaged, obsolete, unusable or worn out equipment that is no longer needed in the conduct of the business of the Company and its Subsidiaries, (b) the sale or other disposition of inventory, used or surplus equipment or reserves and dispositions related to the burn-off of mines or (c) the abandonment or allowance to lapse or expire or other disposition of intellectual property no longer needed in the conduct of business of the Company and its Subsidiaries;

(viii) the sale or other disposition of cash or Cash Equivalents;

(ix) operating leases entered into in the ordinary course of business;

(x) the granting of a Lien otherwise permitted under this Indenture; and

(xi) the surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind.

"**Attributable Debt**" means the present value (discounted at the rate of interest implicit in the terms of the lease) of the obligation of a lessee for net rental payments during the remaining term of any lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended).

"**Bank Product**" means any one or more of the following financial products or accommodations extended to the Company or its Subsidiaries by a holder of ABL Credit Facility Obligations or an affiliate of such person: (a) credit cards (including commercial cards (including so-called "purchase cards", "procurement cards" or "p-cards")), (b) credit card processing services, (c) debit cards, (d) stored value

cards, (e) cash management services, (f) supply chain financing, or (g) transactions under Hedge Agreements.

"**Bank Product Agreements**" means those agreements entered into from time to time by the Company or its Subsidiaries in connection with the obtaining of any of the Bank Products.

"**Bank Product Obligations**" means (a) all obligations, liabilities, reimbursement obligations, fees, or expenses owing by the Company and its Subsidiaries to any holder of ABL Credit Facility Obligations or any of their respective affiliates pursuant to or evidenced by a Bank Product Agreement and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, (b) all Hedging Obligations and (c) all amounts that ABL Agent or any holder of ABL Credit Facility Obligations is obligated to pay as a result of ABL Agent or such holder of the ABL Credit Facility Obligations purchasing participations from, or executing guarantees or indemnities or reimbursement obligations with respect to the Bank Products to the Company or any of its Subsidiaries.

"**Bankruptcy Code**" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute.

"**Board of Directors**" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"**Board Resolution**" means a copy of a resolution certified by the Secretary or an Assistant Secretary of a Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"**Bonds**" means each of the series of notes issued pursuant to the Existing Notes Documents.

"**Borrowing Base**" means as of any date of determination, the sum of (a) 85% of the face amount of all accounts, payment intangibles and other receivables of the Company and its Subsidiaries, plus (b) 80% of the gross book value of all inventory and as-extracted collateral of the Company and its Subsidiaries, plus (c) 100% of the gross book value of all Mobile Equipment of the Company and its Subsidiaries, minus any applicable reserves, in each case determined in accordance with GAAP.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which banking institutions are authorized or required by law to close in New York City or the place of payment.

"**Calculation Date**" means the date on which the event for which the calculation of the Consolidated Secured Leverage Ratio shall occur.

"**Canadian Entities**" means (a) Cliffs Quebec Iron Mining ULC (f/k/a Cliffs Quebec Iron Mining Limited), an unlimited liability company organized under the laws of British Columbia, Canada, (b) Wabush Iron Co. Limited, an Ohio corporation, (c) The Bloom Lake Iron Ore Mine Limited Partnership, a

limited partnership formed under the laws of Ontario, (d) Bloom Lake General Partner Limited, an Ontario corporation, (e) Wabush Resources Inc., a corporation organized under the laws of Canada, (f) each other Subsidiary of the Company organized under the laws of Canada or any province thereof, including, for the avoidance of doubt, Wabush Mines, an unincorporated joint venture, and Knoll Lake Minerals Limited, a company organized under the laws of Canada and (g) Northern Land Company Limited, a company organized under the laws of Newfoundland & Labrador.

"**Canadian Existing Indebtedness**" means any Debt of the applicable Canadian Entities and the Company under (x) that certain Master Loan and Security Agreement, dated as of September 27, 2013, among Key Equipment Finance Inc., as lender and as administrative agent, The Bloom Lake Iron Ore Mine Limited Partnership, a limited partnership formed under the laws of the Province of Ontario, Wabush Mines, an unincorporated joint venture of Wabush Iron Co. Limited and Wabush Resources Inc., by its managing agent, Cliffs Mining Company and each other person designated as a borrower from time to time pursuant to the terms thereof, and the other Account Documentation referred to in such Master Loan and Security Agreement, including all loan schedules thereto, as the same may be amended, restated, supplemented or otherwise modified from time to time, and (y) the Corporate Guaranty dated September 27, 2013 provided by the Company in respect thereof, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Capital Stock**" means:

(1) in the case of a corporation, corporate stock or shares;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) or corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distribution of assets of, the issuing Person.

"**Cash Equivalents**" means:

(1) United States dollars;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government, Canada or any member of the European Union (provided that the full faith and credit of the United States, Canada or such member of the European Commission is pledged in support of those securities) having maturities of not more than twelve months from the date of acquisition;

(3) certificates of deposit and Eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding twelve months from the date of acquisition, and overnight bank deposits, in each case, with any lender party to the ABL Credit Facility or any affiliate thereof or with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thomson Bank Watch Rating of "B" or better;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper having one of the two highest ratings obtainable from Moody's or S&P, in each case, maturing within twelve months after the date of acquisition;

(6) money market funds, substantially all of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition; and

(7) marketable direct obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof, in each case maturing within one year after such date and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's.

"**CFC**" means a "controlled foreign corporation", as such term is defined in Section 957 of the Internal Revenue Code of 1986, as amended.

"**Change of Control**" means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any "person" or "group" (as those terms are used in Section 13(d)(3) of the Exchange Act) other than to the Company or one of its Subsidiaries;

(2) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" or "group"(as those terms are used in Section 13(d)(3) of the Exchange Act, it being agreed that an employee of the Company or any of its Subsidiaries for whom shares are held under an employee stock ownership, employee retirement, employee savings or similar plan and whose shares are voted in accordance with the instructions of such employee shall not be a member of a "group" (as that term is used in Section 13(d)(3) of the Exchange Act) solely because such employee's shares are held by a trustee under said plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of Voting Stock representing more than 50 percent of the voting power of our outstanding Voting Stock or of the Voting Stock of any of the Company's direct or indirect parent companies;

(3) the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merge with or into, the Company, in any such event pursuant to a transaction in which any of the Company's outstanding Voting Stock or Voting Stock of such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the Company's Voting Stock outstanding immediately prior to such transaction constitutes, or is converted into or exchanged for, Voting Stock representing at least a majority of the voting power of the Voting Stock of the surviving Person immediately after giving effect to such transaction;

(4) the first day on which a majority of the members of the Company's Board of Directors or the Board of Directors of any of the Company's direct or indirect parent companies are not Continuing Directors; or

(5) the adoption of a plan relating to the Company's liquidation or dissolution.

Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control solely because the Company becomes a direct or indirect wholly-owned Subsidiary of a holding company if the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Company's Voting Stock immediately prior to that transaction.

"**Change of Control Offer**" has the meaning assigned to that term in Section 3.06(a).

"**Change of Control Triggering Event**" means, with respect to the Notes, (i) the rating of the Notes is lowered by each of the Rating Agencies on any date during the period (the "**Trigger Period**") commencing on the earlier of (a) the occurrence of a Change of Control and (b) the first public

announcement by us of any Change of Control (or pending Change of Control), and ending 60 days following consummation of such Change of Control (which Trigger Period will be extended following consummation of a Change of Control for so long as any of the Rating Agencies has publicly announced that it is considering a possible ratings change), and (ii) the Notes are rated below Investment Grade by each of the Rating Agencies on any day during the Trigger Period; provided that a Change of Control Triggering Event will not be deemed to have occurred in respect of a particular Change of Control if each Rating Agency making the reduction in rating does not publicly announce or confirm or inform the Trustee at the Company's request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the Change of Control.

Notwithstanding the foregoing, no Change of Control Triggering Event will be deemed to have occurred in connection with any particular Change of Control unless and until such Change of Control has actually been consummated.

"**CNTA Covered Debt**" means (a) Debt secured by a Lien on Principal Property or Principal Subsidiary Interests and (b) Attributable Debt relating to any Sale and Leaseback Transaction of any Principal Property, in each case, to the extent restricted by Section 3.03 or Section 3.04.

"**CNTA Limit**" means, as of any time of incurring any CNTA Covered Debt, 15% of Consolidated Net Tangible Assets at such time.

"**Collateral**" means all property and assets, whether now owned or hereafter acquired, in which Liens are, from time to time, purported to be granted to secure the First Lien Notes Obligations pursuant to the Collateral Documents.

"**Collateral Account**" means any segregated deposit account under the control of the Notes Priority Agent pursuant to a control agreement and subject to the Notes Intercreditor Agreement, which account is free from all other Liens (other than Liens securing the ABL Obligations, Additional Secured Indebtedness and the Second Lien Notes Obligations), and only includes all cash, Cash Equivalents and proceeds of Designated Non-cash Consideration received by the Trustee, the First Lien Notes Collateral Agent or the Second Lien Notes Collateral Agent from Asset Dispositions of Notes Collateral, Recovery Events of Notes Collateral, foreclosures on or sales of Notes Collateral or any other awards or proceeds pursuant to the Collateral Documents, including earnings, revenues, rents, issues, profits and income from the Notes Collateral received pursuant to the Collateral Documents, and interest earned thereon.

"**Collateral Documents**" means the Mortgages, security agreements, pledge agreements, agency agreements, the Intercreditor Agreements and any other intercreditor agreement executed and delivered pursuant to this Indenture, including any intercreditor agreement related to Additional Secured Indebtedness, and other instruments and documents executed and delivered pursuant to this Indenture or any of the foregoing, as the same may be amended, supplemented or otherwise modified from time to time and pursuant to which Collateral is pledged, assigned or granted to or on behalf of the Notes Collateral Agent for the benefit of the First Lien Notes Secured Parties or notice of such pledge, assignment or grant is given.

"**Commission**" means the Securities and Exchange Commission.

"**Comparable Treasury Issue**" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes from the Redemption Date to March 31, 2018, that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a maturity most nearly equal to March 31, 2018.

"**Comparable Treasury Price**" means, with respect to any Redemption Date, if clause (ii) of the definition of Adjusted Treasury Rate is applicable, the average of three, or such lesser number as is obtained by the Company, Reference Treasury Dealer Quotations for such Redemption Date.

"**Consolidated EBITDA**" means, with respect to any Person and its consolidated Subsidiaries in reference to any period, Consolidated Net Income for such period plus, without duplication,

(a) all amounts deducted in arriving at such Consolidated Net Income amount in respect of (i) the sum of all interest charges for such period determined on a consolidated basis in accordance with GAAP, (ii) federal, state and local income taxes as accrued for such period, (iii) depreciation of fixed assets and amortization of intangible assets for such period, (iv) non-cash items decreasing Consolidated Net Income for such period, including, without limitation, non-cash compensation expense, (v) transaction costs, fees and expenses associated with the issuance of Debt or the extension, renewal, refunding, restructuring, refinancing or replacement of Debt (whether or not consummated) (but excluding any such costs amortized through or otherwise included or to be included in interest expense for any period), (vi) Debt extinguishment costs, (vi) losses on discontinued operations, (vii) amounts attributable to minority interests and (viii) any additional non-cash losses, expenses and charges, minus, without duplication,

(b) the sum of (i) cash payments made during such period in respect of items added to the calculation of Consolidated Net Income pursuant to clause (a)(iv) or clause (a)(viii) above during such period or any previous period, and (ii) non-cash items increasing Consolidated Net Income for such period.

"**Consolidated Net Income**" means with respect to any Person and its consolidated Subsidiaries in reference to any period, the net income (or net loss) of such Person and its Subsidiaries for such period computed on a consolidated basis in accordance with GAAP; provided that there shall be excluded, without duplication, from Consolidated Net Income (to the extent otherwise included therein):

(i) the net income (or net loss) of any Person accrued prior to the date it becomes a Subsidiary of, or has merged into or consolidated with, such person or another Subsidiary of such Person;

(ii) the net income (or net loss) of any Person (other than a Subsidiary) in which such Person or any of its Subsidiaries has an equity interest in, except to the extent of the amount of dividends or other distributions actually paid to the such Person or its Subsidiaries during such period;

(iii) any net after-tax gains or losses (less all fees and expenses or charges relating thereto) attributable to asset sales or dispositions, in each case other than in the ordinary course of business;

(iv) any net after-tax extraordinary gains or losses;

(v) the cumulative effect of a change in accounting principles; and

(vi) any gains or losses due to fluctuations in currency values and the related tax effects calculated in accordance with GAAP.

"**Consolidated Net Tangible Assets**" means the aggregate amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom (a) all current liabilities (excluding any indebtedness for money borrowed having a maturity of less than 12 months from the date of the most recent consolidated balance sheet of the Company but which by its terms is renewable or extendable beyond 12 months from such date at the option of the borrower) and (b) all goodwill, trade names, patents, unamortized debt discount and expense and any other like intangibles, all as set forth on the most recent consolidated balance sheet of the Company and computed in accordance with U.S. generally accepted accounting principles.

"**Consolidated Secured Leverage Ratio**" means, with respect to any specified Person on any Calculation Date, the ratio of (1) the sum of the aggregate outstanding amount of Debt of such Person and its Subsidiaries secured by a Lien, determined on a consolidated basis as of the last day of the most recent fiscal quarter for which internal financial statements are available immediately preceding the Calculation Date, in effect on such Calculation Date, to (2) the Consolidated EBITDA of such Person and its consolidated Subsidiaries for the most recently ended four fiscal quarters for which internal financial statements are available immediately preceding the Calculation Date.

For purposes of calculating the Consolidated Secured Leverage Ratio:

(1) (A) acquisitions that have been made by the specified Person or any of its Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries acquired by the specified Person or any of its Subsidiaries, and including any related financing transactions and including increases in ownership of Subsidiaries, (B) discontinued operations (as determined in accordance with GAAP), and (C) operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, in each case, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date will be given pro forma effect (as determined in good faith by the chief financial officer of the Company calculated on a basis that is consistent with Regulation S-X under the Securities Act) as if they had occurred on the first day of the four-quarter reference period;

(2) in the event that such Person or any Subsidiary incurs, assumes, guarantees, redeems, repays, retires or extinguishes any Debt (other than Debt incurred or repaid under any revolving credit facility in the ordinary course of business for working capital purposes), subsequent to the end of the most recent fiscal quarter for which internal financial statements are available but on or prior to or simultaneously with the Calculation Date, then the Consolidated Secured Leverage Ratio shall be calculated giving pro forma effect to such incurrence, assumption, guarantee, redemption, repayment, retirement or extinguishment of Debt, as if the same had occurred on the last day of such most recent fiscal quarter; and

(3) the U.S. dollar-equivalent principal amount of any Debt denominated in a foreign currency will reflect the currency translation effects, determined in accordance with GAAP, of Hedging Obligations for currency exchange risks with respect to the applicable currency in effect on the date of determination of the U.S. dollar equivalent principal amount of such Debt.

"**Continuing Director**" means, as of any date of determination, any member of the applicable Board of Directors who: (1) was a member of such Board of Directors on the Issue Date or (2) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment (either by a specific vote or by approval of a proxy statement in which such member was named as a nominee for election as a director).

"**Corporate Trust Office**" means, with respect to the Trustee, the principal office at which at any particular time the corporate trust business of the Trustee, shall be administered, which offices at the date of execution of this Indenture are located, in the case of the Trustee, (i) solely for purposes of (A) transfer, surrender, or exchange of the Notes, and (B) acting as the Paying Agent or Registrar, at U.S. Bank Corporate Trust Services, Attn: Original Issuance, P.O. Box 64111, St. Paul, MN 55164-0111 (by registered or certified mail) or U.S. Bank Corporate Trust Services, Attn: Original Issuance, 2nd Floor, 60 Livingston Avenue, St. Paul, MN 55107 (by hand or overnight mail), and (ii) for all other purposes, the principal office of the Trustee at which at any particular time its corporate trust business shall be administered, which office at the date of execution of this Indenture is located at U.S. Bank National Association, Attention: Corporate Trust Services/Account Administrator, 1350 Euclid Avenue, Mail Code: CN-OH-RN11, Cleveland, Ohio 44114.

"**Debt**" means indebtedness for money borrowed that in accordance with applicable generally accepted accounting principles would be reflected on the balance sheet of the obligor as a liability as of the date on which Debt is to be determined.

"**Debt Facility**" or "**Debt Facilities**" means, with respect to the Company or any of its Subsidiaries, one or more debt facilities (which may be outstanding, at the same time and including, without limitation, the ABL Credit Facility) or commercial paper facilities with banks or other lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or bankers' acceptances or issuances of debt securities evidenced by notes, debentures, bonds or similar instruments, in each case, as amended, restated, supplemented, modified, renewed, refunded, replaced or refinanced (including by means of sales of debt securities to institutional investors, including convertible or exchangeable debt securities) in whole or in part from time to time (and whether or not with the original trustee, administrative agent, holders and lenders or another trustee, administrative agent or agents or other holders or lenders or additional borrowers or guarantors and whether provided under the ABL Credit Facility or any other credit agreement or other agreement or indenture).

"**Default**" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"**Definitive Notes**" means certificated Notes registered in the name of the Holder thereof and issued in accordance with Section 2.01, substantially in the form of Exhibit A hereto, except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Increases or Decreases in Global Security" attached thereto.

"**Designated Non-cash Consideration**" means the Fair Market Value of non-cash consideration received by the Company or any Guarantor in connection with an Asset Disposition of Notes Collateral that is so designated as Designated Non-cash Consideration pursuant to an officer's certificate, less the amount of cash or Cash Equivalents, received in connection with a subsequent sale of or collection on such Designated Non-cash Consideration.

"**Discharge of ABL Obligations**" means, except to the extent otherwise expressly provided in the ABL Intercreditor Agreement,

(a) payment in full in cash of all ABL Obligations (other than (i) Bank Product Obligations, (ii) undrawn letters of credit and (iii) contingent obligations or indemnification obligations, except as provided in clauses (c) and (d) below);

(b) termination or expiration of all commitments, if any, to extend credit under the ABL Credit Facility;

(c) either (x) the delivery of cash collateral (pursuant to documentation reasonably satisfactory to the ABL Agent) in respect of Bank Product Obligations in such amount as required by the ABL Credit Facility or (y) the termination and unwinding of the applicable Hedge Agreement or Bank Product Agreement and the payment in full in cash of the Hedge Obligations and/or Bank Product Obligations (other than contingent obligations or indemnification obligations, in each case for which no claim has been asserted) due and payable in connection with such termination and unwinding or the execution and implementation of alternative arrangements reasonably satisfactory to the applicable holder of such obligations,

(d) termination, cash collateralization (in an amount and manner reasonably satisfactory to the ABL Agent, but in no event greater than 103% of the aggregate undrawn face amount, plus

commissions, fees, and expenses) or backstop of all letters of credit issued under the ABL Credit Facility in compliance with the terms of the ABL Credit Facility; and

(e) cash collateralization (or support by a letter of credit) for any costs, expenses and indemnification obligations consisting of ABL Obligations not yet due and payable but with respect to which a claim has been asserted in writing under the ABL Credit Facility (in an amount and manner reasonably satisfactory to the ABL Agent).

"**Discharge of First Lien Notes Obligations**" means, except to the extent otherwise expressly provided in the Intercreditor Agreements, (a) payment in full in cash of all First Lien Notes Obligations (other than contingent obligations or indemnification obligations, in each case for which no claim has been asserted) or (b) any defeasance of the First Lien Notes as provided for in Article 8 or a discharge of this Indenture as provided for in Article 12 and each other First Lien Notes Obligation in accordance with the express terms thereof.

"**Domestic Subsidiary**" means a Subsidiary that owns or leases any Principal Property except a Subsidiary (a) that transacts any substantial portion of its business and regularly maintains any substantial portion of its fixed assets outside of the United States or (b) that is engaged primarily in financing the operation of us or our Subsidiaries, or both, outside the United States.

"**DTC**" means The Depository Trust Company, its nominees and their respective successors and assigns, or such other depository institution hereinafter appointed by the Company.

"**Equity Offering**" means any public or private issuance and sale of the Company's common shares by the Company. Notwithstanding the foregoing, the term "Equity Offering" shall not include:

(1) any issuance and sale with respect to the Company's common shares registered on Form S-4 or Form S-8; or

(2) any issuance and sale to any Subsidiary of the Company.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"**Excluded Equity**" means (a) Voting Stock in any CFC or FSHCO, to the extent (but only to the extent) required to prevent the Collateral from including more than 65% of all Voting Stock in such CFC or FSHCO, (b) Capital Stock in any Subsidiary that is not a Wholly-Owned Subsidiary, to the extent, and for so long as, the pledge of such Capital Stock would be prohibited by the terms of any organizational document, joint venture agreement or shareholders' agreement applicable to such Subsidiary, (c) Voting Stock in Cleveland-Cliffs International Holding Company in excess of 65% and (d) Capital Stock in Wabush Iron Co. Limited.

"**Excluded Property**" means:

(1) Excluded Equity;

(2) motor vehicles (excluding, for the avoidance of doubt, Mobile Equipment), the perfection of a security interest in which cannot be accomplished by filing a UCC financing statement in the central filing office in which the Company or the Guarantor that owns such property is located;

(3) (i) any individual parcel of Real Property with a fair market value (as reasonably determined by the Company) not to exceed $25.0 million; provided that such parcel is not necessary to operate the relevant complex or facility associated with such parcel (as reasonably determined by the Company), (ii) any Real Property or interest therein used or held in connection with a mine owned by a

joint venture of which the Company or a Guarantor is a party, to the extent that the joint venture agreement or other relevant agreement with the relevant joint venture partner prohibits (or requires the consent of a party other than the Company or a Guarantor or any of their respective Subsidiaries) the creation of a security interest therein, except to the extent that such term in such contract, license, lease, agreement, instrument, general intangible or other document or shareholder, joint venture or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable law; and (iii) any leasehold interest in the office headquarters of the Company located at 200 Public Square, Cleveland, Ohio 44114;

(4) any Principal Property and Principal Subsidiary Interests to the extent that the Obligations secured by any Principal Property or Principal Subsidiary Interests (together with any other CNTA Covered Debt) would exceed, at any time that any CNTA Covered Debt is incurred, the CNTA Limit at such time;

(5) any property to the extent that the grant of a security interest therein (x) is prohibited by any applicable law or regulation, requires a consent not obtained of any governmental authority pursuant to any applicable law or regulation, or (y) is prohibited by, or constitutes a breach or default under or results in the termination of or requires any consent not obtained under, any contract, lease, license, agreement, instrument, general intangible or other document evidencing or giving rise to such property or creating or governing a Permitted Lien applicable to such property or, in the case of any Capital Stock, any applicable shareholder, joint venture or similar agreement (for the avoidance of doubt, whether applying to any joint venture or parent of any joint venture), except to the extent that such law or regulation or the term in such contract, license, lease, agreement, instrument, general intangible or other document or shareholder, joint venture or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable law; provided that in the case of clause (y), such contractual obligation (other than any such contractual obligation entered into in the ordinary course of business) existed on the Issue Date or, with respect to any Subsidiary acquired after the Issue Date (and so long as such contractual obligation was not incurred in contemplation of such acquisition), on the date such Subsidiary is so acquired;

(6) any United States intent-to-use trademark applications to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable federal law, provided that upon submission and acceptance by the PTO of an amendment to allege use pursuant to 15 U.S.C. Section 1060(a) (or any successor provision), such intent-to-use trademark application shall be considered Collateral;

(7) any timber to be cut, the perfection of a security interest in which cannot be accomplished by the filing of an initial financing statement;

(8) any property as to which the Notes Collateral Agent and the Company reasonably agree in writing that the cost of creating or perfecting a security interest in such property is excessive in relation to the benefit afforded thereby;

provided, however, that any proceeds, substitutes or replacements of Excluded Property shall not constitute Excluded Property unless such proceeds, substitutes or replacements would themselves constitute Excluded Property; provided, further, however, that Excluded Property shall not include as-extracted collateral or to the extent not otherwise as-extracted collateral, all minerals whether or not severed or extracted from the ground of the Company or any Guarantor (including all severed or extracted minerals purchased, acquired or obtained from other persons), and all accounts, general intangibles and products and proceeds thereof or related thereto, regardless of whether any such minerals are in raw form or processed for sale and regardless of whether or not the Company or any Guarantor had an interest in the minerals before extraction or severance.

"**Excluded Subsidiaries**" means (i) any direct or indirect Foreign Subsidiary of the Company, (ii) any non-Foreign Subsidiary that is treated as a disregarded entity for U.S. income tax purposes if substantially all of its assets consist of the Voting Stock of one or more direct or indirect Foreign Subsidiaries of the Company, (iii) any non-Foreign Subsidiary of a Foreign Subsidiary, (iv) any Subsidiary that is an Immaterial Subsidiary, (v) any non-Wholly-Owned Subsidiary, to the extent, and for so long as, a guarantee by such Subsidiary of the obligations of the Company under the Second Lien Notes Documents would be prohibited by the terms of any organizational document, joint venture agreement or shareholder's agreement applicable to such Subsidiary; provided that such prohibition existed on the Issue Date or, with respect to any Subsidiary formed or acquired after the Issue Date (and, in the case of any Subsidiary acquired after the Issue Date, for so long as such prohibition was not incurred in contemplation of such acquisition), on the date such Subsidiary is so formed or acquired, (vi) any parent entity of any non-Wholly-Owned Subsidiary, to the extent, and for so long as, a guarantee by such Subsidiary of the obligations of the Company under the Second Lien Notes Documents would be prohibited by the terms of any organizational document, joint venture agreement or shareholder's agreement applicable to the non-Wholly Owned Subsidiary to which such Subsidiary is a parent; provided that (A) such prohibition existed on the Issue Date or, with respect to any Subsidiary formed or acquired after the Issue Date (and, in the case of any Subsidiary acquired after the Issue Date, for so long as such prohibition was not incurred in contemplation of such acquisition), on the date such Subsidiary is so formed or acquired and (B) a direct or indirect parent company of such parent entity (1) shall be a Guarantor and (2) shall be a holding company not engaged in any business activities or having any assets or liabilities other than (x) its ownership and acquisition of the Capital Stock of the applicable joint venture (or any other entity holding an ownership interest in such joint venture), together with activities directly related thereto, (y) actions required by law to maintain its existence and (z) activities incidental to its maintenance and continuance and to the foregoing activities; (vii) Cleveland-Cliffs International Holding Company, so long as substantially all of its assets consist of equity interests in one or more Foreign Subsidiaries, (viii) Wabush Iron Co. Limited and (ix) any Subsidiary of a Person described in the foregoing clauses (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii), provided in each case that such Subsidiary has not guaranteed any Obligations of the Company or any co-borrowers or guarantors under (x) the Second Lien Notes Documents or (y) the ABL Credit Facility (other than any Obligations of a co-borrower or guarantor that is a Foreign Subsidiary).

"**Existing Indebtedness**" means Debt of the Company and, as applicable, any of its Subsidiaries (other than Debt under the ABL Credit Facility, the Notes or the Second Lien Notes) in existence on the Issue Date, until such amounts are repaid.

"**Existing Notes Documents**" means the Indenture between the Company and U.S. Bank National Association, as trustee, dated March 17, 2010, the 5.90% Notes due 2020 First Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated March 17, 2010, the 4.80% Notes due 2020 Second Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated September 20, 2010, the 6.25% Notes due 2040 Third Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated September 20, 2010, the 4.875% Notes due 2021 Fourth Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated March 23, 2011, the Fifth Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated March 31, 2011 and the 3.95% Notes due 2018 Sixth Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated December 13, 2012.

"**Fair Market Value**" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party.

"**First Lien Notes Collateral Agent**" means such agent or trustee as is designated "First Lien Notes Collateral Agent" by the First Lien Notes Secured Parties holding a majority in principal amount of the First Lien Notes Obligations then outstanding; it being understood that as of the Issue Date, U.S. Bank National Association shall be so designated First Lien Notes Collateral Agent.

"**First Lien Notes Documents**" means any documents or instrument evidencing or governing any First Lien Notes Obligations, including the First Lien Notes Indenture.

"**First Lien Notes Obligations**" means Obligations secured on a first-priority Lien basis by the Notes Collateral, including the Notes and any Additional First Lien Indebtedness.

"**First Lien Notes Secured Parties**" means any persons holding any First Lien Notes Obligations, including the First Lien Notes Collateral Agent.

"**Foreign Subsidiary**" means any Subsidiary of the Company that was not formed under the laws of the United States or any state of the United States or the District of Columbia.

"**FSHCO**" means any direct or indirect U.S. Subsidiary that has no material assets other than Capital Stock of one or more CFCs.

"**GAAP**" means generally accepted accounting principles in the United States, consistently applied, as set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, which are in effect as of the Issue Date.

"**Global Note Legend**" means the legend set forth in Section 2.01(d)(iii) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"**Grantors**" has the meaning assigned to such term in the Security Agreement.

"**Guarantee**" means any guarantee of the obligations of the Company under this Indenture and the Notes by any Person in accordance with the provisions of this Indenture.

"**Guarantors**" means any Person that incurs a Guarantee with respect to the Notes; provided, however, that upon the release or discharge of such Person from its Guarantee in accordance with this Indenture, such Person ceases to be a Guarantor.

"**Hedge Agreement**" means a "swap agreement" as that term is defined in Section 101(53B)(A) of the Bankruptcy Code.

"**Hedging Obligations**" means any and all obligations or liabilities, whether absolute or contingent, due or to become due, now existing or hereafter arising of the Company or any of their Subsidiaries arising under, owing pursuant to, or existing in respect of Hedge Agreements entered into with one or more of the holders of ABL Credit Facility Obligations or one or more of their affiliates.

"**Holder**" means a person in whose name a Note is registered.

"**Immaterial Subsidiary**" means, as of any date, any Subsidiary of the Company (that is not an Excluded Subsidiary of the type described in clause (i), (ii), (iii), (v), (vi), (vii), (viii) or (ix) in the definition thereof) that, together with its Subsidiaries, does not have (i) consolidated total assets in excess of 3.0% of the consolidated total assets of the Company and its Subsidiaries on a consolidated basis as of the date of the most recent consolidated balance sheet of the Company or (ii) consolidated total revenues in excess 3.0% of the consolidated total revenues of the Company and its Subsidiaries on a consolidated basis for the most recently ended four fiscal quarters for which internal financial statements of the Company are available immediately preceding such calculation date; provided that any such Subsidiary, when taken together with all other Immaterial Subsidiaries does not, in each case together with their respective Subsidiaries, have (i) consolidated total assets with a value in excess of 7.5% of the

consolidated total assets of the Company and its Subsidiaries on a consolidated basis or (ii) consolidated total revenues in excess of 7.5% of the consolidated total revenues of the Company and its Subsidiaries on a consolidated basis.

"**Indenture**" means this Indenture, as amended or supplemented from time to time.

"**Initial Notes**" has the meaning ascribed to it in the second introductory paragraph of this Indenture.

"**Intercreditor Agreements**" means the ABL Intercreditor Agreement and the Notes Intercreditor Agreements.

"**Investment Grade**" means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating category of Moody's) and a rating of BBB- or better by S&P (or its equivalent under any successor rating category of S&P), and the equivalent investment grade credit rating from any replacement rating agency or rating agencies selected by us under the circumstances permitting us to select a replacement agency and in the manner for selecting a replacement agency, in each case as set forth in the definition of "Rating Agency."

"**Issue Date**" means the date on which the Notes are initially issued.

"**Junior Lien Debt**" means Debt incurred by the Company or any Guarantor in the form of one or more series of secured debt securities or loans; provided that (i) the final maturity date of any such Debt shall be no earlier than 91 days after the maturity date of the Notes and Second Lien Notes, (ii) the terms of such Debt shall not provide for any scheduled repayment, mandatory redemption, sinking fund obligations or other payment (other than periodic interest payments) prior to 91 days after the final maturity date of the Notes and Second Lien Notes, other than customary offers to purchase upon a change of control, asset sale or casualty or condemnation event and customary acceleration rights upon an event of default, (iii) such Debt shall only be secured by a Lien on the Collateral that is junior to the ABL Obligations, the First Lien Notes Obligations and the Second Lien Notes Obligations (including with respect to the control of remedies) and shall not be secured by any property or assets of the Company or any Subsidiary other than Collateral, (iv) a representative of the holders of such Debt shall have become party to or otherwise subject to the provisions of a junior lien intercreditor agreement or collateral trust agreement reasonably satisfactory to the First Lien Notes Collateral Agent, the Second Lien Notes Collateral Agent and the ABL Agent reflecting the junior lien status of the Liens securing such Debt on customary terms for junior lien Debt at the time of incurrence (as determined in good faith by the Company), and (v) none of the obligors or guarantors with respect to such Debt shall be a Person that is not the Company or a Guarantor.

"**Liens**" means any mortgage, pledge, lien or other encumbrance.

"**Material Real Property**" means any Real Property owned or leased by the Company or any Guarantor; provided that such Material Real Property shall not include any Excluded Property.

"**Mobile Equipment**" means all of the right, title and interest of the Company or any of its Subsidiaries in any forklifts, trailers, graders, dump trucks, water trucks, grapple trucks, lift trucks, flatbed trucks, fuel trucks, other trucks, dozers, cranes, loaders, skid steers, excavators, back hoes, shovels, drill crawlers, other drills, scrappers, graders, gondolas, flat cars, ore cars, shuttle cars, conveyors, locomotives, miners, other rail cars, and any other vehicles, mobile equipment and other equipment similar to any of the foregoing.

"**Moody's**" means Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors.

"**Mortgage**" means a mortgage or deed of trust, deed to secure debt, trust deed or other security document entered into by the owner or lessee, as the case may be, of a Material Real Property in favor of the Notes Collateral Agent for its benefit and the benefit of the Second Lien Notes Secured Parties creating a Lien on such Material Real Property, substantially in such form as may be reasonably agreed between the Company and the Notes Collateral Agent (other than Excluded Property.)

"**Net Insurance Proceeds**" means any awards or proceeds in respect of any casualty insurance claim, condemnation or other eminent domain proceeding relating to any Notes Collateral deposited in the Collateral Account pursuant to the Collateral Documents.

"**Net Proceeds**" means, with respect to any Asset Disposition of Notes Collateral, the aggregate proceeds received by the Company or any of its Subsidiaries in respect of such Asset Disposition of Notes Collateral (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in such Asset Disposition), net of the direct costs relating to such Asset Disposition of Notes Collateral, including, without limitation, (i) legal accounting and investment banking fees, (ii) taxes paid or payable as a result of such Asset Disposition of Notes Collateral or as a result of any transactions occurring or deemed to occur in connection with a prepayment hereunder, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, and (iii) appropriate amounts to be provided as a reserve against any adjustment in the sale price of such asset or assets or liabilities associated with such Asset Disposition of Notes Collateral, including pension and other post-employment benefit liabilities, liabilities related to environmental matters and indemnification obligations associated with such Asset Disposition of Notes Collateral with any subsequent reduction of the reserve other than by payments made and charged against the reserved amount to be deemed a receipt of cash.

"**Non-Conforming Plan of Reorganization**" means any plan of reorganization whose provisions are inconsistent with the Intercreditor Agreements, including any plan of reorganization that purports to re-order (whether by subordination, invalidation, or otherwise) or otherwise disregard, in whole or part, the lien priority and other related provisions of the Intercreditor Agreements, the waterfall and turnover provisions of the Intercreditor Agreements, or the provisions of the Intercreditor Agreements relating to insolvency and liquidation proceedings.

"**Non-U.S. Person**" means a Person who is not a U.S. Person (as defined in Regulations).

"**Note**" has the meaning ascribed to it in the second introductory paragraph of this Indenture.

"**Notes Collateral**" means the portion of the Collateral as to which the First Lien Notes Secured Parties have a first-priority security interest subject to certain Permitted Liens.

"**Notes Collateral Agent**" means U.S. Bank National Association, acting in its capacity as collateral agent under the Collateral Documents, or any successor thereto.

"**Notes Custodian**" means the custodian with respect to the Global Note (on behalf of DTC), or any successor Person thereto and shall initially be the Trustee.

"**Notes Documents**" means, collectively, the First Lien Notes Documents and the Second Lien Notes Documents and, for the avoidance of doubt, shall include the Intercreditor Agreements.

"**Notes Intercreditor Agreements**" means (a) the intercreditor agreement among U.S. Bank National Association, as Notes Priority Agent and First Lien Notes Collateral Agent (each as defined therein), and U.S. Bank National Association, as Second Lien Notes Collateral Agent (as defined therein), and acknowledged by the Company and the Guarantors, to be entered into on the Issue Date, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with this Indenture; and (b) any intercreditor agreement to be entered into in connection with the incurrence of any

Additional First Lien Indebtedness, to be substantially similar to the Notes Intercreditor Agreement entered into on the Issue Date described in clause (a), as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with this Indenture.

"**Notes Obligations**" means, collectively, the First Lien Notes Obligations and the Second Lien Notes Obligations.

"**Notes Priority Agent**" means (a) until the Discharge of First Lien Notes Obligations has occurred, the First Lien Notes Collateral Agent (or another representative for the First Lien Notes Secured Parties and the Second Lien Notes Secured Parties under the Notes Intercreditor Agreements or other applicable First Lien Notes Documents and Second Lien Notes Documents) and (b) following the Discharge of the First Lien Notes Obligations, the Second Lien Notes Collateral Agent acting on behalf of the Second Lien Secured Notes Parties. As of the Issue Date, U.S. Bank National Association, in its capacity as the First Lien Notes Collateral Agent, shall be the Notes Priority Agent.

"**Notes Secured Parties**" means, collectively, the First Lien Notes Secured Parties and the Second Lien Notes Secured Parties.

"**Obligations**" means all principal, premium, interest (including any interest accruing subsequent to the filing of a petition in bankruptcy, reorganization or similar proceeding at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under any such proceeding or under applicable state, federal or foreign law), penalties, fees, indemnifications, reimbursements (including reimbursement obligations with respect to letters of credit and banker's acceptances), damages and other liabilities, and guarantees of payment of such principal, premium, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities, payable under the documentation governing any indebtedness.

"**Offering Memorandum**" means that certain offering memorandum dated March 25, 2015 relating to the Company's 8.250% Senior Secured Notes due 2020.

"**Officer**" means anyone of the Chairman of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, the Chief Operating Officer, any Vice President, the Treasurer, the Secretary or the Controller of the Company.

"**Officer's Certificate**" means a certificate signed by any one of the principal executive officer, principal financial officer or principal accounting officer of the Company or a Guarantor, as applicable.

"**Opinion of Counsel**" means an opinion from legal counsel who is reasonably acceptable to the Trustee, that meets the requirements of Section 13.05 hereof. The counsel may be an employee of or counsel to the Company, any Subsidiary of the Company or the Trustee.

"**Permitted Liens**" means:

(i) Liens securing Obligations (including ABL Obligations and Second Lien Notes Obligations) in respect of Debt incurred pursuant to clauses (i), (ii), (iii), (iv), (v) or (x) of Section 3.05; provided, that: (A) any Liens on the Notes Collateral granted pursuant to this clause must be junior in priority to the Liens on such Notes Collateral (other than Liens securing Additional First Lien Indebtedness) granted in favor of the Notes Collateral Agent for the benefit of the Trustee and the Holders of the Notes pursuant to the Collateral Documents and the terms of such Liens must be pursuant to the Intercreditor Agreements or on terms no more favorable than the terms contained in the Intercreditor Agreements as in effect from time to time and (B) any Liens on the ABL Collateral (other than Liens securing the ABL Obligations and Additional First Lien Indebtedness) granted pursuant to this clause must be junior in priority to the Liens on such ABL Collateral granted in favor of the Notes Collateral Agent for the benefit of the Trustee and the Holders of the Notes pursuant to the Collateral Documents and the

terms of such Liens must be pursuant to the Intercreditor Agreements or on terms no more favorable than the terms contained in the Intercreditor Agreements as in effect from time to time;

(ii) Liens existing on assets at the time of acquisition thereof, or incurred to secure the payment of all or part of the cost of the purchase or construction price of property, or to secure Debt incurred or guaranteed for the purpose of financing all or part of the purchase or construction price of property or the cost of improvements on property, which Debt is incurred or guaranteed prior to, at the time of, or within 180 days after the later of such acquisition or completion of such improvements or construction or commencement of commercial operation of the assets;

(iii) Liens in favor of the Company or any Subsidiary;

(iv) Liens on property of a Person existing at the time such Person is merged into or consolidated with us or a Subsidiary or at the time of a purchase, lease or other acquisition of the property of a Person as an entirety or substantially as an entirety by us or a Subsidiary;

(v) Liens on the Company's property or that of a Subsidiary in favor of the United States of America or any State thereof, or any political subdivision thereof, or in favor of any other country, or any political subdivision thereof, to secure certain payments pursuant to any contract or statute or to secure any indebtedness incurred or guaranteed for the purpose of financing all or any part of the purchase price or the cost of construction of the property subject to such Liens (including, but not limited to, Liens incurred in connection with pollution control industrial revenue bond or similar financing);

(vi) (a) pledges or deposits under worker's compensation laws, unemployment insurance and other social security laws or regulations or similar legislation, or to secure liabilities to insurance carriers under insurance arrangements in respect of such obligations, or good faith deposits, prepayments or cash payments in connection with bids, tenders, contracts or leases, or to secure public or statutory obligations, surety and appeal bonds, customs duties and the like, or for the payment of rent, in each case incurred in, the ordinary course of business and (b) Liens securing obligations incurred in the ordinary course of business to secure performance of obligations with respect to statutory or regulatory requirements, performance or return-of-money bonds, contractual arrangements with suppliers, reclamation bonds, surety bonds or other obligations of a like nature and incurred in a manner consistent with industry practice;

(vii) Liens imposed by law, such as landlords' carriers', vendors', warehousemen's and mechanics', materialmen's and repairmen's, supplier of materials, architects' and other like Liens arising in the ordinary course of business;

(viii) pledges or deposits under workmen's compensation or similar legislation or in certain other circumstances;

(ix) Liens in connection with legal proceedings;

(x) Liens for taxes or assessments or governmental charges or levies not yet due or delinquent, of which can thereafter be paid without penalty, or which are being contested in good faith by appropriate proceedings;

(xi) Liens consisting of restrictions on the use of real property that do not interfere materially with the property's use;

(xii) Liens on property or shares of Capital Stock or other assets of a Person at the time such Person becomes a Subsidiary of the Company, provided such Liens were not created in contemplation thereof and do not extend to any other property of the Company or any Subsidiary;

(xiii) Liens on property at the time the Company or any of its Subsidiaries acquires such property, including any acquisition by means of a merger or consolidation with or into the Company or a Subsidiary of such Person, provided such Liens were not created in contemplation thereof and do not extend to any other property of the Company or any Subsidiary;

(xiv) contract mining agreements and leases or subleases granted to others that do not materially interfere with the ordinary conduct of business of the Company or any of its Subsidiaries;

(xv) easements, rights of way, zoning and similar restrictions, reservations (including severances, leases or reservations of oil, gas, coal, minerals or water rights), restrictions or encumbrances in respect of real property or title defects that were not incurred in connection with indebtedness and do not in the aggregate materially impair their use in the operation of the business of the Company and its Subsidiaries;

(xvi) Liens in favor of collecting or payor banks having a right of setoff, revocation, refund or chargeback with respect to money or instruments of the Company or any Subsidiary on deposit with or in possession of such bank;

(xvii) deposits made in the ordinary course of business to secure liability to insurance carriers; and

(xviii) Liens arising from UCC (or equivalent statute) financing statement filings regarding operating leases or consignments entered into by the Company or any Subsidiary in the ordinary course of business;

(xix) Liens securing Existing Indebtedness;

(xx) any refinancing, extension, renewal or replacement (or successive refinancings, extensions, renewals or replacements), in whole or in part, of any Lien (a "**Refinanced Lien**") referred to in any of the foregoing clauses (" **Permitted Refinancing Lien**"); provided that any such Permitted Refinancing Lien shall not extend to any other property, secure a greater principal amount (or accreted value, if applicable) or have a higher priority than the Refinanced Lien;

(xxi) Liens securing Bank Product Obligations;

(xxii) options, put and call arrangements, rights of first refusal and similar rights relating to investments in joint ventures and partnerships;

(xxiii) rights of owners of interests in overlying, underlying or intervening strata and/or mineral interests not owned by the Company or any of its Subsidiaries, with respect to tracts of real property where the Company or the applicable Subsidiary's ownership is only surface or severed mineral or is otherwise subject to mineral severances in favor of one or more third parties;

(xxiv) royalties, dedication of reserves under supply agreements, mining leases, or similar rights or interests granted, taken subject to, or otherwise imposed on properties consistent with normal practices in the mining industry and any precautionary UCC financing statement filings in respect of leases or consignment arrangements (and not any Debt) entered into in the ordinary course of business;

(xxv) surface use agreements, easements, zoning restrictions, rights of way, encroachments, pipelines, leases, subleases, rights of use, licenses, special assessments, trackage rights, transmission and transportation lines related to mining leases or mineral rights and/or other real property including any re-conveyance obligations to a surface owner following mining, royalty payments, and other obligations under surface owner purchase or leasehold arrangements necessary to obtain surface disturbance rights to access the subsurface mineral deposits and similar encumbrances on real property imposed by law or

arising in the ordinary course of business which, in the aggregate, are not substantial in amount and which do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the Company or any Subsidiary;

(xxvi) Liens securing Debt incurred under clause (x) and clause (xii) of Section 3.05; provided that Liens securing Debt incurred under clause (xii) are on a junior lien basis as set forth in clauses (iii) and (iv) of the definition of Junior Lien Debt;

(xxvii) Liens securing Additional First Lien Indebtedness permitted to be incurred under clause (ii) of Section 3.05;

(xxviii) Liens securing Debt permitted to be incurred under clause (iii) or clause (iv) of Section 3.05; and

(xxiv) Liens securing the Notes and the related Guarantees issued on the Issue Date.

"**Permitted Refinancing Indebtedness**" means any Debt of the Company or any Guarantor issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Debt of the Company or any Guarantor (other than intercompany Debt); provided, that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a weighted average life to maturity equal to or greater than the weighted average life to maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Permitted Refinancing Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Notes or a Guarantee, as applicable, such Permitted Refinancing Indebtedness is subordinated in right of payment to, the Notes or the Guarantees, as applicable, on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged, as determined in good faith by the Company; and

(4) such Permitted Refinancing Indebtedness is incurred either by the Company or by the Guarantor who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

"**Person**" means any individual, corporation, partnership, limited liability company, business trust, association, joint-stock company, joint venture, trust, incorporated or unincorporated organization or government or any agency or political subdivision thereof.

"**Principal Property**" means a single manufacturing or processing plant, warehouse distribution facility or office owned or leased by the Company or a Domestic Subsidiary which has a net book value in excess of 5 percent of Consolidated Net Tangible Assets other than a plant, warehouse, office, or portion thereof which, in the opinion of the Company's Board of Directors, is not of material importance to the business conducted by the Company and its Subsidiaries as an entirety.

"**Principal Subsidiary Interests**" means any shares of stock or indebtedness of a Domestic Subsidiary (whether now owned or hereafter acquired).

"**QIB**" means any "**qualified institutional buyer**" as such term is defined in Rule 144A.

"**Rating Agency**" means each of Moody's and S&P; provided, that if any of Moody's or S&P ceases to provide rating services to issuers or investors, the Company may appoint another "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) of the Exchange Act as a replacement for such Rating Agency.

"**Real Property**" means, collectively, all right, title and interest in and to any and all the parcels of or interests in real property owned or leased by a person, together with, in each case, all easements, hereditaments and appurtenances relating thereto, all improvements and appurtenant fixtures.

"**Recovery Event**" means any event, occurrence, claim or proceeding that results in any Net Insurance Proceeds being deposited into the Collateral Account pursuant to the Collateral Documents.

"**Redemption Date**" means, with respect to any redemption of Notes, the date of redemption with respect thereto.

"**Reference Treasury Dealer**" means each of Merrill Lynch, Pierce, Fenner & Smith Incorporated and its respective successors and assigns, and any other nationally recognized investment banking firm selected by the Company and identified to the Trustee by written notice from the Company that is a primary U.S. Government securities dealer.

"**Reference Treasury Dealer Quotations**" means with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day immediately preceding such Redemption Date.

"**Regulation S**" means Regulation S under the Securities Act.

"**Restricted Notes**" means Initial Notes and Additional Notes bearing the restrictive legend described in Section 2.01(d).

"**Restricted Notes Legend**" means the legend set forth in Section 2.01(d)(i), and, in the case of the Temporary Regulation S Global Note, the additional legend set forth in Section 2.01(d)(ii).

"**Rule 144A**" means Rule 144A under the Securities Act.

"**S&P**" means Standard & Poor's Ratings Services, a division of Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., and its successors.

"**Second Lien Notes**" means the Company's 7.75% Senior Secured Notes due 2020 issued pursuant to the Second Lien Notes Indenture, the Obligations of which are guaranteed by the Guarantors.

"**Second Lien Notes Collateral Agent**" means such agent or trustee as is designated "Second Lien Notes Collateral Agent" by Second Lien Notes Secured Parties holding a majority in principal amount of the Second Lien Notes Obligations then outstanding; it being understood that as of the Issue Date, the Notes Collateral Agent shall be so designated Second Lien Notes Collateral Agent.

"**Second Lien Notes Documents**" means any documents or instrument evidencing or governing any Second Lien Notes Obligations.

"**Second Lien Notes Indenture**" means the indenture governing the Second Lien Notes, among the Company, the Guarantors party thereto, the Trustee and the Second Lien Notes Collateral Agent, as amended or supplemented from time to time.

"**Second Lien Notes Obligations**" means Obligations secured on a junior-priority Lien basis by the Notes Collateral, including the Second Lien Notes and any Additional Second Lien Indebtedness.

"**Second Lien Notes Secured Parties**" means persons holding any Second Lien Notes Obligations, including the Trustee for the Second Lien Notes and the Second Lien Notes Collateral Agent.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"**Security Agreement**" means the Security Agreement (First Lien) dated as of the date hereof, among the Company, certain of its Subsidiaries party thereto and the Notes Collateral Agent, as amended, supplemented or modified from time to time.

"**Significant Subsidiary**" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02(w)(1) or (2) of Regulation S-X promulgated under the Securities Act, as such regulation is in effect on the Issue Date.

"**Stated Maturity**" means, with respect to any installment of interest or principal on any Debt, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Debt, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"**Subsidiary**" means any corporation, partnership or other legal entity (a) the accounts of which are consolidated with the Company's in accordance with U.S. generally accepted accounting principles and (b) of which, in the case of a corporation, more than 50 percent of the outstanding voting stock is owned, directly or indirectly, by the Company or by one or more other Subsidiaries, or by the Company and one or more other Subsidiaries or, in the case of any partnership or other legal entity, more than 50 percent of the ordinary equity capital interests is, at the time, directly or indirectly owned or controlled by the Company or by one or more of the Subsidiaries or by the Company and one or more of the Subsidiaries.

"**TIA**" or "**Trust Indenture Act**" means the Trust Indenture Act of 1939, as amended (15 U.S.C. §§ 77aaa-77bbbb).

"**Treasury Rate**" means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) which has become publicly available at least two Business Days prior to the date fixed for redemption (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the then remaining average life to March 31, 2018, provided, however, that if the average life to March 31, 2018, of the Notes is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the average life to March 31, 2018, of the Notes is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

"**Trust Officer**" means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any managing director, director, vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such

officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

"**Trustee**" means the party named as such in this Indenture until a successor replaces it and, thereafter, means the successor.

"**UCC**" means the Uniform Commercial Code (or any similar equivalent legislation) as in effect from time to time in the State of New York.

"**U.S. Government Obligations**" means debt securities that are:

(a) direct obligations of The United States of America for the payment of which its full faith and credit is pledged; or

(b) obligations of a person controlled or supervised by and acting as an agency or instrumentality of The United States of America the full and timely payment of which is unconditionally guaranteed as full faith and credit obligation by The United States of America, which, in either case, are not callable or redeemable at the option of the issuer itself and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a depository receipt. Except as required by law, such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation evidenced by such depository receipt.

"**U.S. Subsidiary**" of any specified Person means a Subsidiary of such Person that is organized under the laws of any state of the United States or the District of Columbia.

"**Voting Stock**" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote generally in the election of the Board of Directors of such Person.

"**Wholly Owned Subsidiary**" of any specified Person means a Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares or investments by foreign nationals mandated by applicable law) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person and one or more Wholly Owned Subsidiaries of such Person.

Section 1.02. *Other Definitions*.

Term	**Section**
"Additional Restricted Notes"	2.01(b)
"Affiliate Transaction"	3.05(a)
"Agent Members"	2.01(e)(iii)
"Applicable Law"	7.12
"Authenticating Agent"	2.02
"Change of Control Offer"	3.06(a)
"Change of Control Payment"	3.06(a)
"Change of Control Payment Date"	3.06(b)
"Clearstream"	2.01(b)
"Collateral Disposition Offer"	3.02(e)

“Company Order”	2.02
“Covenant Defeasance”	8.03
“Covenant Suspension Event”	3.09(a)
“Defaulted Interest”	2.14
“Euroclear”	2.01(b)
“Event of Default”	6.01
“Excess Collateral Proceeds”	3.02(e)
“Excess Proceeds”	3.05 (i)
“Global Notes”	2.01(b)
“Guaranteed Obligations”	10.01
“incur”	3.05(a)
“Intercreditor Agreement Order”	11.09(n)
“Legal Defeasance”	8.02
“Notes Register”	2.03
“Notice of Change of Control Offer”	3.06(b)
“Paying Agent”	2.03
“Payment Default”	6.01(e)
“Permanent Regulation S Global Note”	2.01(b)
“Permitted Debt”	3.05(a)
“Permitted Refinancing Loan	1.01
“Post-Closing Collateral Documents”	11.05
“protected purchaser”	2.10
“Refinanced Debt”	3.05(a)
“Refinanced Lien”	1.01
“Registrar”	2.03
“Regulation S Global Note”	2.01(b)
“Regulation S Notes”	2.01(b)
“Resale Restriction Termination Date”	2.06(b)
“Restricted Payment”	3.03(a)
“Restricted Period”	2.01(b)
“Reversion Date”	3.09(b)
“Rule 144A Global Note”	2.01(b)
“Rule 144A Notes”	2.01(b)
“Security Document Order”	11.09(m)
“Special Record Date”	2.14(a)
“Successor Company”	4.01(a)
“Successor Parent”	4.01(b)
“Successor Guarantor”	4.01(b)
“Suspended Covenants”	3.09(a)
“Suspension Period”	3.09(c)
“Temporary Regulation S Global Note”	2.01(b)

Section 1.03. *Incorporation by Reference of Trust Indenture Act.* The following TIA terms have the following meanings:

“**Commission**” means the Securities and Exchange Commission.

"**indenture securities**" means the Notes.

"**indenture security holder**" means a Holder.

"**indenture to be qualified**" means this Indenture.

"**indenture trustee**" or "**institutional trustee**" means the Trustee.

"**obligor**" on the Indenture securities means the Company and any other obligor on the Indenture securities.

All other TIA terms used in this Indenture that are defined by the TIA, defined in the TIA by reference to another statute or defined by Commission rule have the meanings assigned to them by such definitions. For the avoidance of doubt, the Company shall not be required to qualify this Indenture under the TIA.

Section 1.04. *Rules of Construction.* Unless the context otherwise requires:

(a) a term has the meaning assigned to it;

(b) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(c) "or" is not exclusive;

(d) the words "including," "includes" and similar words shall be deemed to be followed by "without limitation";

(e) words in the singular include the plural and words in the plural include the singular;

(f) the principal amount of any non-interest bearing or other discount security at any date shall be the principal amount thereof that would be shown on a balance sheet of the issuer dated such date prepared in accordance with GAAP;

(g) all amounts expressed in this Indenture or in any of the Notes in terms of money refer to the lawful currency of the United States of America;

(h) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision;

(i) "will" shall be interpreted to express a command;

(j) provisions apply to successive events and transactions;

(k) references to sections of, or rules under, the Securities Act or the Exchange Act will be deemed to include substitute, replacement or successor sections or rules adopted by the Commission from time to time;

(l) unless the context otherwise requires, any reference to an "Article," "Section" or "clause" refers to an Article, Section or clause, as the case may be, of this Indenture; and

(m) words used herein implying any gender shall apply to both genders.

ARTICLE 2
THE NOTES

Section 2.01. *Form, Dating and Terms*.

(a) The aggregate principal amount of Notes that may be authenticated and delivered under this Indenture is unlimited. The Initial Notes issued on the date hereof will be in an aggregate principal amount of $540,000,000. In addition, the Company may issue, from time to time in accordance with the provisions of this Indenture, Additional Notes (as provided herein). Furthermore, Notes may be authenticated and delivered upon registration of transfer, exchange or in lieu of, other Notes pursuant to Sections 2.02, 2.06, 2.10, 2.12, 5.06 or 9.05 or in connection with a Collateral Disposition Offer or an Optional Collateral Disposition Offer pursuant to Section 3.02 or in connection with a Change of Control Offer pursuant to Section 3.06.

Notwithstanding anything to the contrary contained herein, the Company may not issue any Additional Notes, unless immediately after giving effect to such issuance, no Event of Default shall have occurred and be continuing.

The Initial Notes shall be known and designated as "8.250% Senior Secured Notes due 2020" of the Company. Any Additional Notes shall be known and designated as "8.250% Senior Secured Notes due 2020" of the Company. Any Additional Notes that are not fungible with the Initial Notes for U.S. federal income tax purposes will have a separate CUSIP number.

With respect to any Additional Notes, the Company shall set forth in (i) an Officer's Certificate or (ii) one or more indentures supplemental hereto, the following information:

(i) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture; and

(ii) the issue price and the issue date of such Additional Notes, including the date from which interest shall accrue.

In authenticating and delivering Additional Notes, the Trustee shall be entitled to receive and shall be fully protected in relying upon, in addition to the Opinion of Counsel and Officer's Certificate required by Section 13.04, an Opinion of Counsel as to the due authorization, execution, delivery, validity and enforceability of such Additional Notes.

The Initial Notes and the Additional Notes shall be considered collectively as a single class for all purposes of this Indenture. Holders of the Initial Notes and the Additional Notes will vote and consent together on all matters to which such Holders are entitled to vote or consent as one class, and none of the Holders of the Initial Notes or the Additional Notes shall have the right to vote or consent as a separate class on any matter to which such Holders are entitled to vote or consent.

The terms of any Additional Notes shall be established by action taken pursuant to a Board Resolution of the Company and a copy of an appropriate record of such action shall be certified by the Secretary or any Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Officer's Certificate or the Indenture supplemental hereto setting forth the terms of the Additional Notes.

(b) The Initial Notes are being offered and issued by the Company pursuant to the Offering Memorandum. The Initial Notes and any Additional Notes (if issued as Restricted Notes) (the "**Additional Restricted Notes**") will be placed initially only with (A) QIBs in reliance on Rule 144A and (B) Non-U.S. Persons in reliance on Regulation S. Such Initial Notes and Additional Restricted Notes may thereafter be transferred to, among others, QIBs and purchasers in reliance on Regulation S, in each case, in

accordance with the procedure described herein. Additional Notes offered after the date hereof may be offered and sold by the Company from time to time pursuant to one or more purchase agreements in accordance with applicable law.

Initial Notes and Additional Restricted Notes offered and sold to QIBs in the United States of America in reliance on Rule 144A (the " **Rule 144A Notes**") shall be issued in the form of a permanent global Note substantially in the form of Exhibit A, which is hereby incorporated by reference and made a part of this Indenture, including appropriate legends as set forth in (d) (the "**Rule 144A Global Note**"), deposited with the Trustee, as custodian for DTC, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The Rule 144A Global Note may be represented by more than one certificate, if so required by DTC's rules regarding the maximum principal amount to be represented by a single certificate. The aggregate principal amount of the Rule 144A Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for DTC or its nominee, as hereinafter provided.

Initial Notes and any Additional Restricted Notes offered and sold outside the United States of America in reliance on Regulation S (the " **Regulation S Notes**") shall initially be issued in the form of a temporary global Note (the " **Temporary Regulation S Global Note**"), without interest coupons. Beneficial interests in the Temporary Regulation S Global Note will be exchanged for beneficial interests in a corresponding permanent global Note, without interest coupons, substantially in the form of Exhibit A including appropriate legends as set forth in (d) (the "**Permanent Regulation S Global Note**" and, together with the Temporary Regulation S Global Note, each a "**Regulation S Global Note**") within a reasonable period after the expiration of the Restricted Period (as defined below) and upon (i) delivery by the Company of a certification or other evidence in a form reasonably acceptable to the Trustee of non-United States beneficial ownership of 100% of the aggregate principal amount of the Temporary Regulation S Global Note or (ii) receipt by the Trustee of an Officer's Certificate certifying as to the expiration of the Restricted Period and instructing the Trustee to authenticate a Permanent Regulation S Global Note. Each Regulation S Global Note will be deposited upon issuance with, or on behalf of, the Trustee as custodian for DTC in the manner described in this Article 2 for credit to the respective accounts of the purchasers (or to such other accounts as they may direct), including, but not limited to, accounts at Euroclear Bank S.A./N.V. ("**Euroclear**") or Clearstream Banking, societe anonyme (" **Clearstream**"). Prior to the 40th day after the later of the commencement of the offering of the Initial Notes and the Issue Date (such period through and including such 40th day, the "**Restricted Period**"), interests in the Temporary Regulation S Global Note may only be transferred to Non-U.S. Persons pursuant to Regulation S, unless exchanged for interests in a Rule 144A Global Note in accordance with the transfer and certification requirements described herein.

Investors may hold their interests in the Regulation S Global Note through organizations other than Euroclear or Clearstream that are participants in DTC's system or directly through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations which are participants in such systems. If such interests are held through Euroclear or Clearstream, Euroclear and Clearstream will hold such interests in the applicable Regulation S Global Note on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries. Such depositaries, in turn, will hold such interests in the applicable Regulation S Global Note in customers' securities accounts in the depositaries' names on the books of DTC.

The Regulation S Global Note may be represented by more than one certificate, if so required by DTC's rules regarding the maximum principal amount to be represented by a single certificate. The aggregate principal amount of the Regulation S Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for DTC or its nominee, as hereinafter provided.

The Rule 144A Global Note and the Regulation S Global Note are sometimes collectively herein referred to as the " **Global Notes**."

The principal of (and premium, if any) and interest on the Notes shall be payable at the office or agency of the Paying Agent or Registrar designated by the Company (or the Trustee when it is acting as the Registrar and Paying Agent) as may be maintained for such purpose pursuant to Section 2.03; provided, *however*, that, at the option of the Company, each installment of interest may be paid by (i) check mailed (or otherwise delivered) to Holders of the Notes at their registered addresses as they appear on the Notes Register (as defined in Section 2.03) or (ii) wire transfer to an account located in the United States maintained by the payee, subject to the last sentence of this paragraph. Payments in respect of Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by DTC. Payments in respect of Notes represented by Definitive Notes (including principal, premium, if any, and interest) held by a Holder of at least $1,000,000 aggregate principal amount of Notes represented by Definitive Notes will be made by wire transfer to a U.S. dollar account maintained by the payee with a bank in the United States if such Holder elects payment by wire transfer by giving written notice to the Trustee or the Paying Agent to such effect designating such account no later than 15 days immediately preceding the relevant due date for payment (or such other date as the Trustee may accept in its discretion).

The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage, in addition to those set forth on Exhibit A and in (d). The Company shall approve any notation, endorsement or legend on the Notes. Each Note shall be dated the date of its authentication. The terms of the Notes set forth in Exhibit A are part of the terms of this Indenture and, to the extent applicable, the Company, the Guarantors and the Trustee and the Notes Collateral Agent, by their execution and delivery of this Indenture, expressly agree to be bound by such terms.

(c) *Denominations*. The Notes shall be issuable only in fully registered form, without coupons, and only in minimum denominations of $2,000 and any integral multiples of $1,000 in excess of $2,000.

(d) *Restrictive Legends*. Unless and until an Initial Note or an Additional Note issued as a Restricted Note is sold under an effective registration statement:

(i) each Rule 144A Global Note and Regulation S Global Note shall bear the following legend on the face thereof:

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER

(1) REPRESENTS THAT

(A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A “QUALIFIED INSTITUTIONAL BUYER” (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, OR

(B) IT IS NOT A “U.S. PERSON” (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) AND

(2) AGREES FOR THE BENEFIT OF CLIFFS NATURAL RESOURCES INC. THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ONLY

(A) TO CLIFFS NATURAL RESOURCES INC.,

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT,

(C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT,

(D) IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR

(E) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT OR ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(C) ABOVE OR (2)(D) ABOVE, A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE TRUSTEE) MUST BE DELIVERED TO THE TRUSTEE. PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (E) ABOVE, CLIFFS NATURAL RESOURCES INC. RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY RULE 144 EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

(ii) the Temporary Regulation S Global Note shall bear the following additional legend on the face thereof:

THIS NOTE IS A TEMPORARY GLOBAL NOTE. PRIOR TO THE EXPIRATION OF THE RESTRICTED PERIOD APPLICABLE HERETO, BENEFICIAL INTERESTS HEREIN MAY NOT BE HELD BY ANY PERSON OTHER THAN (1) A NON-U.S. PERSON OR (2) A U.S. PERSON THAT PURCHASED SUCH INTEREST IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). BENEFICIAL INTERESTS HEREIN ARE NOT EXCHANGEABLE FOR PHYSICAL NOTES OTHER THAN A PERMANENT GLOBAL NOTE IN ACCORDANCE WITH THE TERMS OF THE INDENTURE. TERMS IN THIS LEGEND ARE USED AS USED IN REGULATION S UNDER THE SECURITIES ACT.

(iii) each Global Note, whether or not an Initial Note, shall bear the following legend on the face thereof

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), NEW YORK, NEW YORK, TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO DTC, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

(iv) any Note issued hereunder that has more than a de minimis amount of original issue discount for U.S. federal income tax purposes shall bear a legend in substantially the following form:

THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR PURPOSES OF SECTION 1271 ET SEQ. OF THE INTERNAL REVENUE CODE. A HOLDER MAY OBTAIN THE ISSUE PRICE, AMOUNT OF ORIGINAL ISSUE DISCOUNT, ISSUE DATE AND YIELD TO MATURITY FOR SUCH NOTE BY SUBMITTING A WRITTEN REQUEST FOR SUCH INFORMATION TO:

Cliffs Natural Resources Inc.
200 Public Square
Suite 3300
Cleveland, Ohio 44114
Attention: Chief Financial Officer

(e) *Book-Entry Provisions*. (1) This Section 2.01(e) shall apply only to Global Notes deposited with the Trustee, as custodian for DTC.

(i) Each Global Note initially shall (x) be registered in the name of DTC or the nominee of DTC, (y) be delivered to the Trustee as custodian for DTC and (z) bear legends as set forth in Section 2.01(d). Transfers of a Global Note (but not a beneficial interest therein) will be limited to transfers thereof in whole, but not in part, to DTC, its successors or their respective nominees, except as set forth in Section 2.01(e)(v) and Section 2.01(f). If a beneficial interest in a Global Note is transferred or exchanged for a beneficial interest in another Global Note, the Trustee will (x) record a decrease in the principal amount of the Global Note being transferred or exchanged equal to the principal amount of such transfer or exchange and (y) record a like increase in the principal amount of the other Global Note. Any beneficial interest in one Global Note that is transferred to a Person who takes delivery in the form of an interest in another Global Note, or exchanged for an interest in another Global Note, will, upon transfer or exchange, cease to be an interest in such Global Note and become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer and exchange restrictions, if any, and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such an interest.

(ii) Members of, or participants in, DTC (" **Agent Members**") shall have no rights under this Indenture with respect to any Global Note held on their behalf by DTC or by the Trustee as the custodian of DTC or under such Global Note, and DTC shall be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by DTC or impair, as between DTC and its Agent Members, the operation of customary practices of DTC governing the exercise of the rights of a holder of a beneficial interest in any Global Note.

(iii) In connection with any transfer of a portion of the beneficial interest in a Global Note pursuant to Section 2.01(f) to beneficial owners who are required to hold Definitive Notes, the Notes Custodian shall reflect on its books and records the date and a decrease in the

principal amount of such Global Note in an amount equal to the principal amount of the beneficial interest in the Global Note to be transferred, and the Company shall execute, and the Trustee shall, upon written request of the Company, authenticate and make available for delivery, one or more Definitive Notes of like tenor and amount.

(iv) In connection with the transfer of an entire Global Note to beneficial owners pursuant to Section 2.01(f), such Global Note shall be deemed to be surrendered to the Trustee for cancellation, and the Company shall execute, and the Trustee shall, upon written request of the Company, authenticate and make available for delivery, to each beneficial owner identified by DTC in exchange for its beneficial interest in such Global Note, an equal aggregate principal amount of Definitive Notes of authorized denominations.

(v) The registered Holder of a Global Note may grant proxies and otherwise authorize any person, including Agent Members and persons that may hold interests through Agent Members, to take any action which a Holder is entitled to take under this Indenture or the Notes.

(vi) Any Holder of a Global Note shall, by acceptance of such Global Note, agree that transfers of beneficial interests in such Global Note may be effected only through a book-entry system maintained by (A) the Holder of such Global Note (or its agent) or (B) any holder of a beneficial interest in such Global Note, and that ownership of a beneficial interest in such Global Note shall be required to be reflected in a book entry.

(f) Definitive Notes. (1) Except as provided below, owners of beneficial interests in Global Notes will not be entitled to receive Definitive Notes. If required to do so pursuant to any applicable law or regulation, beneficial owners may obtain Definitive Notes in exchange for their beneficial interests in a Global Note upon written request in accordance with DTC's and the Registrar's procedures. In addition, Definitive Notes shall be transferred to all beneficial owners in exchange for their beneficial interests in a Global Note if (A) DTC notifies the Company that it is unwilling or unable to continue as depositary for such Global Note or DTC ceases to be a clearing agency registered under the Exchange Act, at a time when DTC is required to be so registered in order to act as depositary, and in each case a successor depositary is not appointed by the Company within 90 days of such notice or, (B) the Company in its sole discretion executes and delivers to the Trustee and Registrar an Officer's Certificate stating that such Global Note shall be so exchangeable or (C) an Event of Default has occurred and is continuing and the Registrar has received a request from DTC. In the event of the occurrence of any of the events specified in the preceding sentence or in clause (A), (B) or (C) of the second preceding sentence, the Company shall promptly make available to the Trustee a reasonable supply of Definitive Notes.

(i) Any Definitive Note delivered in exchange for an interest in a Global Note pursuant to Section 2.01(e)(iv) shall, (A) except as otherwise provided by Section 2.06(d), bear the applicable legend regarding transfer restrictions applicable to the Definitive Note set forth in Section 2.01(d) and (B) be registered in the name of the Holder of the Definitive Note.

(ii) If a Definitive Note is transferred or exchanged for a beneficial interest in a Global Note, the Trustee will (x) cancel such Definitive Note, (y) record an increase in the principal amount of such Global Note equal to the principal amount of such transfer or exchange and (z) in the event that such transfer or exchange involves less than the entire principal amount of the canceled certificated Note, the Company shall execute, and the Trustee shall, upon written request of the Company, authenticate and make available for delivery, to the transferring Holder a new Definitive Note representing the principal amount not so transferred.

(iii) If a Definitive Note is transferred or exchanged for another Definitive Note, (x) the Trustee will cancel the Definitive Note being transferred or exchanged, (y) the Company shall execute, and the Trustee shall authenticate and make available for delivery, one or more new

Definitive Notes in authorized denominations having an aggregate principal amount equal to the principal amount of such transfer or exchange to the transferee (in the case of a transfer) or the Holder of the canceled Definitive Note (in the case of an exchange), registered in the name of such transferee or Holder, as applicable, and (z) if such transfer or exchange involves less than the entire principal amount of the canceled Definitive Note, the Company shall execute, and the Trustee shall, upon written request of the Company, authenticate and make available for delivery to the Holder thereof, one or more Definitive Notes in authorized denominations having an aggregate principal amount equal to the untransferred or unexchanged portion of the canceled Definitive Notes, registered in the name of the Holder thereof.

(iv) Notwithstanding anything to the contrary in this Indenture, in no event shall a Definitive Note be delivered upon exchange or transfer of a beneficial interest in the Temporary Regulation S Global Note prior to the end of the Restricted Period.

Section 2.02. *Execution and Authentication.* One Officer shall sign the Notes for the Company by manual, facsimile or electronic (including "pdf") signature. If the Officer whose signature is on a Note no longer holds that office at the time the Trustee authenticates the Note, the Note shall be valid nevertheless.

A Note shall not be valid until an authorized officer of the Trustee manually authenticates the Note. The signature of the Trustee on a Note shall be conclusive evidence that such Note has been duly and validly authenticated and issued under this Indenture. A Note shall be dated the date of its authentication.

At any time and from time to time after the execution and delivery of this Indenture, the Trustee shall, upon written request of the Company, authenticate and make available for delivery: (a) Initial Notes for original issue on the Issue Date in an aggregate principal amount of $540,000,000, (b) subject to the terms of this Indenture, Additional Notes for original issue in an unlimited principal amount and (c) under the circumstances set forth in Section 2.06(d), Initial Notes in the form of an Unrestricted Global Note, in each case after receipt of: (i) a written order of the Company signed by one Officer of the Company (the "**Company Order**"), and (ii) an Opinion of Counsel, addressed to the Trustee and the Notes Collateral Agent, which in the case of (a) above shall be to the effect that this Indenture, the Notes and the Collateral Documents executed prior to or as of the Issue Date (other than the Intercreditor Agreements) have been duly authorized, executed and delivered by the Grantors and are enforceable against them, subject to customary enforceability exceptions, and that the issuance of the Notes has been duly authorized. Such Company Order shall specify whether the Notes will be in the form of Definitive Notes or Global Notes, the amount of the Notes to be authenticated and the date on which the original issue of Notes is to be authenticated and whether the Notes are to be Initial Notes or Additional Notes.

The Trustee may appoint an agent (the "**Authenticating Agent**") reasonably acceptable to the Company to authenticate the Notes. Any such appointment shall be evidenced by an instrument signed by a Trust Officer of the Trustee, a copy of which shall be furnished to the Company. Unless limited by the terms of such appointment, any such Authenticating Agent may authenticate Notes whenever the Trustee is authorized to do so. Each reference in this Indenture to authentication by the Trustee includes authentication by the Authenticating Agent. An Authenticating Agent has the same rights as any Registrar, Paying Agent or agent for service of notices and demands.

In case the Company or any Guarantor, pursuant to Article 4 or Section 10.02 as applicable, shall be consolidated or merged with or into any other Person or shall convey, transfer, lease or otherwise dispose of its properties and assets substantially as an entirety to any Person, and the successor Person resulting from such consolidation, or surviving such merger, or into which the Company or any Guarantor shall have been merged, or the Person which shall have received a conveyance, transfer, lease or other disposition as aforesaid, shall have executed an indenture supplemental hereto with the Trustee pursuant to Article 4, as applicable, any of the Notes authenticated or delivered prior to such consolidation, merger,

conveyance, transfer, lease or other disposition may, from time to time, at the request of the successor Person, be exchanged for other Notes executed in the name of the successor Person with such changes in phraseology and form as may be appropriate, but otherwise in substance of like tenor as the Notes surrendered for such exchange and of like principal amount; and the Trustee, upon Company Order of the successor Person, shall authenticate and make available for delivery Notes as specified in such order for the purpose of such exchange. If Notes shall at any time be authenticated and delivered in any new name of a successor Person pursuant to this Section 2.02 in exchange or substitution for or upon registration of transfer of any Notes, such successor Person, at the option of the Holders but without expense to them, shall provide for the exchange of all Notes at the time outstanding for Notes authenticated and delivered in such new name.

Section 2.03. *Registrar and Paying Agent.* The Company shall maintain an office or agency where Notes may be presented for registration of transfer or for exchange (the "**Registrar**") and an office or agency where Notes may be presented for payment (the " **Paying Agent**"). The Registrar shall keep a register of the Notes and of their transfer and exchange (the "**Notes Register**"). The Company may have one or more co-registrars and one or more additional paying agents. The term "Paying Agent" includes any additional paying agent and the term "Registrar" includes any co-registrar.

The Company shall enter into an appropriate agency agreement with any Registrar or Paying Agent not a party to this Indenture. The agreement shall implement the provisions of this Indenture that relate to such agent. The Company shall notify the Trustee of the name and address of each such agent. If the Company fails to maintain a Registrar or Paying Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 7.07. The Company or any of its wholly owned Subsidiaries organized in the United States may act as Paying Agent, Registrar or transfer agent.

The Company initially appoints the Trustee as Registrar and Paying Agent for the Notes. So long as U.S. Bank National Association acts as the Registrar and Paying Agent for the Notes, the Notes may be presented for registration of transfer or for exchange at the Corporate Trust Office of the Trustee. The Company may remove any Registrar or Paying Agent without prior notice to the Holders of the Notes, but upon written notice to such Registrar or Paying Agent and to the Trustee; provided, however, that no such removal shall become effective until (a) acceptance of any appointment by a successor as evidenced by an appropriate agreement entered into by the Company and such successor Registrar or Paying Agent, as the case may be, and delivered to the Trustee or (b) notification to the Trustee that the Trustee shall serve as Registrar or Paying Agent until the appointment of a successor in accordance with clause (a) above. The Registrar or Paying Agent may resign at any time upon written notice to the Company and the Trustee.

Section 2.04. *Paying Agent to Hold Money in Trust.* By no later than 10:00 a.m. (New York City time) on the date on which any principal of, premium, if any, or interest on any Note is due and payable, the Company shall deposit with the Paying Agent a sum sufficient in immediately available funds to pay such principal, premium or interest when due. The Company shall require each Paying Agent (other than the Trustee) to agree in writing that such Paying Agent shall hold in trust for the benefit of Holders or the Trustee all money held by such Paying Agent for the payment of principal of, premium, if any, or interest on the Notes (whether such assets have been distributed to it by the Company or other obligors on the Notes), shall notify the Trustee in writing of any default by the Company or any Guarantor in making any such payment and shall during the continuance of any default by the Company (or any other obligor upon the Notes) in the making of any payment in respect of the Notes, upon the written request of the Trustee, forthwith deliver to the Trustee all sums held in trust by such Paying Agent for payment in respect of the Notes together with a full accounting thereof. If the Company or a Subsidiary of the Company acts as Paying Agent, it shall segregate the money held by it as Paying Agent and hold it as a separate trust fund. The Company at any time may require a Paying Agent (other than the Trustee) to pay all money held by it to the Trustee and to account for any funds or assets disbursed by such Paying Agent. Upon complying with this Section 2.04 the Paying Agent (if other than the Company or a Subsidiary of the Company) shall have no further liability for the money delivered to the Trustee. Upon

any bankruptcy, reorganization or similar proceeding with respect to the Company, the Trustee shall serve as Paying Agent for the Notes.

Section 2.05. *Holder Lists*. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available and known to it of the names and addresses of Holders. If the Trustee is not the Registrar, the Company, on its own behalf and on behalf of each of the Guarantors, shall furnish or cause the Registrar to furnish to the Trustee, in writing at least five Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Holders.

Section 2.06. *Transfer and Exchange*.

(a) *Transfer of Notes.* A Holder may transfer a Note (or a beneficial interest therein) to another Person or exchange a Note (or a beneficial interest therein) for another Note or Notes of any authorized denomination by presenting to the Trustee a written request therefor stating the name of the proposed transferee or requesting such an exchange, accompanied by any certification, opinion or other document required by this Section 2.06. The Trustee will promptly register any transfer or exchange that meets the requirements of this Section 2.06 by noting the same in the register maintained by the Trustee for the purpose, and no transfer or exchange will be effective until it is registered in such register. The transfer or exchange of any Note (or a beneficial interest therein) may only be made in accordance with this Section 2.06 and Section 2.01(e) and Section 2.01(f), as applicable, and, in the case of a Global Note (or a beneficial interest therein), the applicable rules and procedures of DTC, Euroclear and Clearstream. The Trustee shall refuse to register any requested transfer or exchange that does not comply with this paragraph.

(b) *Transfers of Rule 144A Notes*. The following provisions shall apply with respect to any proposed registration of transfer of a Rule 144A Note prior to the date which is one year after the later of the date of its original issue and the last date on which the Company or any Affiliate of the Company was the owner of such Notes or the relevant beneficial interest therein (or any predecessor thereto) (the "**Resale Restriction Termination Date**"):

(i) a registration of transfer of a Rule 144A Note or a beneficial interest therein to a QIB shall be made upon the representation of the transferee in the form as set forth on the reverse of the Note that it is purchasing for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A; provided that no such written representation or other written certification shall be required in connection with the transfer of a beneficial interest in the Rule 144A Global Note to a transferee in the form of a beneficial interest in that Rule 144A Global Note in accordance with this Indenture and the applicable procedures of DTC; and

(ii) a registration of transfer of a Rule 144A Note or a beneficial interest therein to a Non-U.S. Person shall be made upon receipt by the Trustee or its agent of a certificate substantially in the form set forth in Section 2.09 from the proposed transferee and, if requested by the Company, the delivery of an opinion of counsel, certification and/or other information satisfactory to it.

(c) *Transfers of Regulations S Notes*. The following provisions shall apply with respect to any proposed transfer of a Regulation S Note prior to the expiration of the Restricted Period:

(i) a transfer of a Regulation S Note or a beneficial interest therein to a QIB shall be made upon the representation of the transferee, in the form of assignment on the reverse of the certificate, that it is purchasing the Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a QIB, is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A; and

(ii) a transfer of a Regulation S Note or a beneficial interest therein to a Non- U.S. Person shall be made upon receipt by the Trustee or its agent of a certificate substantially in the form set forth in Section 2.09 from the proposed transferee and, if requested by the Company, receipt by the Trustee or its agent of an opinion of counsel, certification and/or other information satisfactory to the Company.

After the expiration of the Restricted Period, interests in the Regulation S Note may be transferred in accordance with applicable law without requiring the certification set forth in Section 2.09 or any additional certification.

(d) *Restricted Notes Legend*. Upon the transfer, exchange or replacement of Notes not bearing a Restricted Notes Legend, the Registrar shall deliver Notes that do not bear a Restricted Notes Legend. Upon the transfer, exchange or replacement of Notes bearing a Restricted Notes Legend, the Registrar shall deliver only Notes that bear a Restricted Notes Legend unless (i) an Initial Note is being transferred pursuant to an effective registration statement, (ii) Initial Notes are being exchanged for Notes that do not bear the Restricted Notes Legend in accordance with this (d) or (iii) there is delivered to the Registrar an Opinion of Counsel reasonably satisfactory to the Company and the Trustee to the effect that neither such legend nor the related restrictions on transfer are required in order to maintain compliance with the provisions of the Securities Act. Any Additional Notes sold in an offering registered under the Securities Act shall not be required to bear the Restricted Notes Legend.

(e) *[Intentionally Omitted]*.

(f) *Retention of Written Communications*. The Registrar shall retain copies of all letters, notices and other written communications received pursuant to Section 2.01 or this Section 2.06. The Company shall have the right to inspect and make copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable prior written notice to the Registrar.

(g) *Obligations with Respect to Transfers and Exchanges of Notes* .

(i) To permit registrations of transfers and exchanges, the Company shall, subject to the other terms and conditions of this Article 2, execute and the Trustee shall, upon written request from the Company, authenticate Definitive Notes and Global Notes at the Registrar's request.

(ii) No service charge shall be made to a Holder for any registration of transfer or exchange, but the Company may require the Holder to pay a sum sufficient to cover any transfer tax assessments or similar governmental charge payable in connection therewith (other than any such transfer taxes, assessments or similar governmental charges payable upon exchange or transfer pursuant to Sections 2.02, 2.06, 2.10, 2.12, 3.02, 3.06, 5.06 or 9.05).

(iii) The Company (and the Registrar) shall not be required to register the transfer of or exchange of any Note (A) for a period beginning (1) 15 days before the mailing of a notice of

an offer to repurchase or redeem Notes and ending at the close of business on the day of such mailing or (2) 15 days before an interest payment date and ending on such interest payment date or (B) called for redemption, except the unredeemed portion of any Note being redeemed in part.

(iv) Prior to the due presentation for registration of transfer of any Note, the Company, the Trustee, the Paying Agent or the Registrar shall deem and treat the person in whose name a Note is registered as the owner of such Note for the purpose of receiving payment of principal or premium, if any, and (subject to paragraph 2 of the forms of Notes attached hereto as Exhibits A) interest on such Note and for all other purposes whatsoever, including without limitation the transfer or exchange of such Note, whether or not such Note is overdue, and none of the Company, the Trustee, the Paying Agent or the Registrar shall be affected by notice to the contrary.

(v) Any Definitive Note delivered in exchange for an interest in a Global Note pursuant to Section 2.01(f) shall, except as otherwise provided by (d), bear the applicable legend regarding transfer restrictions applicable to the Definitive Note set forth in Section 2.01(d).

(vi) All Notes issued upon any transfer or exchange pursuant to the terms of this Indenture shall evidence the same debt and shall be entitled to the same benefits under this Indenture as the Notes surrendered upon such transfer or exchange.

(h) *No Obligation of the Trustee*. (1) The Trustee shall have no responsibility or obligation to any beneficial owner of a Global Note, a member of, or a participant in, DTC or other Person with respect to the accuracy of the records of DTC or its nominee or of any participant or member thereof, with respect to any ownership interest in the Notes or with respect to the delivery to any participant, member, beneficial owner or other Person (other than DTC) of any notice (including any notice of redemption or purchase) or the payment of any amount or delivery of any Notes (or other security or property) under or with respect to such Notes. All notices and communications to be given to the Holders and all payments to be made to Holders in respect of the Notes shall be given or made only to the registered Holders (which shall be DTC or its nominee in the case of a Global Note). The rights of beneficial owners in any Global Note shall be exercised only through DTC subject to the applicable rules and procedures of DTC. The Trustee may rely and shall be fully protected in relying upon information furnished by DTC with respect to its members, participants and any beneficial owners.

(i) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among DTC participants, members or beneficial owners in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance on their face as to form with the express requirements hereof.

(i) *Affiliate Holders*. By accepting a beneficial interest in a Global Note, any Person that is an Affiliate of the Company agrees to give written notice to the Company, the Trustee and the Registrar of the acquisition and its Affiliate status.

Section 2.07. *[Reserved]*.

Section 2.08. *[Reserved]*.

Section 2.09. *Form of Certificate to be Delivered in Connection with Transfers Pursuant to Regulation S*. The form of certificate to be delivered in connection with transfers of a Regulation S Note or a beneficial interest therein shall be substantially in the form set forth in Exhibit C hereto.

Section 2.10. *Mutilated, Destroyed, Lost or Stolen Notes.* If a mutilated Note is surrendered to the Registrar or if the Holder of a Note claims that the Note has been lost, destroyed or wrongfully taken, the Company shall issue and the Trustee shall, upon written request from the Company, authenticate a replacement Note if the requirements of Section 8.01-405 of the Uniform Commercial Code are met, such that the Holder (a) satisfies the Company or the Trustee that such Note has been lost, destroyed or wrongfully taken within a reasonable time after such Holder has notice of such loss, destruction or wrongful taking and the Registrar has not registered a transfer prior to receiving such notification, (b) makes such request to the Company or Trustee prior to the Note being acquired by a protected purchaser as defined in Section 8.01-303 of the Uniform Commercial Code (a "**protected purchaser**") and (c) satisfies any other reasonable requirements of the Trustee; provided, however, if after the delivery of such replacement Note, a protected purchaser of the Note for which such replacement Note was issued presents for payment or registration such replaced Note, the Trustee or the Company shall be entitled to recover such replacement Note from the Person to whom it was issued and delivered or any Person taking therefrom, except a protected purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Company or the Trustee in connection therewith. If required by the Trustee or the Company, such Holder shall furnish an indemnity bond sufficient in the judgment of the Company and the Trustee to protect the Company, the Trustee, the Paying Agent and the Registrar from any loss which any of them may suffer if a Note is replaced, and, in the absence of written notice to the Company, any Guarantor or the Trustee that such Note has been acquired by a protected purchaser, the Company shall execute, and upon receipt of a Company Order the Trustee shall authenticate and make available for delivery, in exchange for any such mutilated Note or in lieu of any such destroyed, lost or stolen Note, a replacement Note of like tenor and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the Company in its discretion may, instead of issuing a replacement Note, pay such Note.

Upon the issuance of any replacement Note under this Section 2.10, the Company may require that such Holder pay a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of counsel and of the Trustee) in connection therewith.

Subject to the proviso in the initial paragraph of this Section 2.10 every replacement Note issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Company, any Guarantor (if applicable) and any other obligor upon the Notes, whether or not the mutilated, destroyed, lost or stolen Note shall be at any time enforceable by anyone, and shall be entitled to all benefits of this Indenture equally and proportionately with any and all other Notes duly issued hereunder.

The provisions of this Section 2.10 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes.

Section 2.11. *Outstanding Notes*. Notes outstanding at any time are all Notes authenticated by the Trustee except for those cancelled by it, those delivered to it for cancellation and those described in this Section as not outstanding. A Note does not cease to be outstanding in the event the Company or an Affiliate of the Company holds the Note; provided, however, that in determining whether the Trustee shall be protected in making a determination whether the Holders of the requisite principal amount of outstanding Notes are present at a meeting of Holders of Notes for quorum purposes or have consented to or voted in favor of any request, demand, authorization, direction, notice, consent, waiver, amendment or modification hereunder, or relying upon any such quorum, consent or vote, only Notes which a Trust Officer of the Trustee actually knows to be held by the Company or a Subsidiary of the Company shall not be considered outstanding. If a Note is replaced pursuant to Section 2.10 (other than a mutilated Note

surrendered for replacement), it ceases to be outstanding unless the Trustee and the Company receive proof satisfactory to them that the replaced Note is held by a protected purchaser. A mutilated Note ceases to be outstanding upon surrender of such Note and replacement pursuant to Section 2.10.

If the Paying Agent segregates and holds in trust, in accordance with this Indenture, on a Redemption Date or maturity date money sufficient to pay all principal, premium, if any, and accrued interest payable on that date with respect to the Notes (or portions thereof) to be redeemed or maturing, as the case may be, and the Paying Agent is not prohibited from paying such money to the Holders on that date pursuant to the terms of this Indenture, then on and after that date such Notes (or portions thereof) cease to be outstanding and interest on them ceases to accrue.

Section 2.12. *Temporary Notes.* In the event that Definitive Notes are to be issued under the terms of this Indenture, until such Definitive Notes are ready for delivery, the Company may prepare and the Trustee shall, upon written request from the Company, authenticate temporary Notes, which shall be maintained in registered form in accordance with Section 2.03. Temporary Notes shall be substantially in the form, and shall carry all rights, of Definitive Notes but may have variations that the Company considers appropriate for temporary Notes. Without unreasonable delay, the Company shall prepare and the Trustee shall, upon written request from the Company, authenticate Definitive Notes. After the preparation of Definitive Notes, the temporary Notes shall be exchangeable for Definitive Notes upon surrender of the temporary Notes at any office or agency maintained by the Company for that purpose and such exchange shall be without charge to the Holder. Upon surrender for cancellation of any one or more temporary Notes, the Company shall execute, and the Trustee shall, upon written request from the Company, authenticate and make available for delivery in exchange therefor, one or more Definitive Notes representing an equal principal amount of Notes. Until so exchanged, the Holder of temporary Notes shall in all respects be entitled to the same benefits under this Indenture as a Holder of Definitive Notes.

Section 2.13. *Cancellation. The Company at any time may deliver Notes to the Trustee for cancellation*. The Registrar and the Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else shall cancel all Notes surrendered for registration of transfer, exchange, payment or cancellation and dispose of such Notes in accordance with its internal policies and customary procedures including delivery of a certificate describing such Notes disposed (subject to the record retention requirements of the Exchange Act) or deliver canceled Notes to the Company pursuant to written direction by one Officer of the Company. If the Company or any Guarantor acquires any of the Notes, such acquisition shall not operate as a redemption or satisfaction of the Indebtedness represented by such Notes unless and until the same are surrendered to the Trustee for cancellation pursuant to this Section 2.13. The Company may not issue new Notes to replace Notes it has paid or delivered to the Trustee for cancellation for any reason other than in connection with a transfer or exchange.

At such time as all beneficial interests in a Global Note have either been exchanged for Definitive Notes, transferred, redeemed, repurchased or canceled, such Global Note shall be returned by DTC to the Trustee for cancellation or retained and canceled by the Trustee. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for Definitive Notes, transferred in exchange for an interest in another Global Note, redeemed, repurchased or canceled, the principal amount of Notes represented by such Global Note shall be reduced and an adjustment shall be made on the books and records of the Trustee (if it is then the Notes Custodian for such Global Note) with respect to such Global Note, by the Trustee or the Notes Custodian, to reflect such reduction.

Section 2.14. *Payment of Interest; Defaulted Interest*. Interest on any Note which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the Person in whose name such Note (or one or more predecessor Notes) is registered at the close of business on the regular record date for such payment at the office or agency of the Company maintained for such purpose pursuant to Section 2.03.

Any interest on any Note which is payable, but is not paid when the same becomes due and payable and such nonpayment continues for a period of 30 days shall forthwith cease to be payable to the Holder on the regular record date, and such defaulted interest and (to the extent lawful) interest on such defaulted interest at the rate borne by the Notes (such defaulted interest and interest thereon herein collectively called "**Defaulted Interest**") shall be paid by the Company, at its election in each case, as provided in clause (a) or (b) below:

(a) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Notes (or their respective predecessor Notes) are registered at the close of business on a Special Record Date (as defined below) for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date (not less than 25 days after Trustee's receipt of such notice) of the proposed payment (the "**Special Interest Payment Date**"), and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Company shall fix a record date (the "**Special Record Date**") for the payment of such Defaulted Interest, which date shall be not more than 15 days and not less than 10 days prior to the Special Interest Payment Date and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Company shall promptly notify the Trustee in writing of such Special Record Date, and in the name and at the expense of the Company, the Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date and Special Interest Payment Date therefor to be given in the manner provided for in Section 13.02, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date and Special Interest Payment Date therefor having been so given, such Defaulted Interest shall be paid on the Special Interest Payment Date to the Persons in whose names the Notes (or their respective predecessor Notes) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (b).

(b) The Company may make payment of any Defaulted Interest in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section 2.14, each Note delivered under this Indenture upon registration of, transfer of or in exchange for or in lieu of any other Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Note.

Section 2.15. *Computation of Interest.* Interest on the Notes shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 2.16. *CUSIP, Common Code and ISIN Numbers*. The Company in issuing the Notes may use "CUSIP", "Common Code" and "ISIN" numbers and, if so, the Trustee shall use "CUSIP", "Common Code" and "ISIN" numbers in notices of redemption or purchase as a convenience to Holders; provided, however, that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption or purchase and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption or purchase shall not be affected by any defect in or omission of such CUSIP, Common Code and ISIN numbers. The Company shall promptly notify the Trustee in writing of any change in the CUSIP, Common Code and ISIN numbers.

ARTICLE 3
COVENANTS

Section 3.01. *Payment of Notes*.

The Company will pay or cause to be paid the principal of, premium, if any, and interest on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest will be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 10:00 a.m. Eastern Time on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due.

The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace period) at the same rate to the extent lawful.

Section 3.02. *Limitation on Asset Dispositions of Notes Collateral*.

(a) The Company will not, and will not permit any of the Guarantors to, make any Asset Disposition of Notes Collateral unless:

(i) the Company or such Guarantor, as the case may be, receives consideration at least equal to the Fair Market Value of the Notes Collateral subject to such Asset Disposition;

(ii) at least 75% of the consideration from such Asset Disposition received by the Company or such Guarantor, as the case may be, is in the form of cash or Cash Equivalents; and

(iii) the remaining consideration from such Asset Disposition that is not in the form of cash or Cash Equivalents is thereupon with its acquisition pledged as the Notes Collateral to secure the Notes.

(b) For purposes of (a)(ii), the following shall be deemed to be cash: (i) the repayment or assumption by the transferee of Debt secured by Liens with a priority to the Liens in favor of the Notes and the Guarantees (other than Debt incurred in contemplation of such Asset Disposition), (ii) the repayment or assumption by the transferee of liabilities (as shown on the Company's most recent balance sheet or in the notes thereto), other than liabilities that are subordinated in right of payment to the Notes, (iii) any securities, notes or other obligations received by the Company or any such Guarantor in such Asset Disposition that are, within 180 days of the disposition of Notes Collateral, converted by the Company or such Guarantor into cash or Cash Equivalents and (iv) any Designated Non-cash Consideration received by the Company or such Guarantor in such Asset Disposition having an aggregate Fair Market Value, taken together with all other Designated Non-cash Consideration received pursuant to this paragraph that has at that time not been converted into cash or Cash Equivalents not to exceed the greater of (x) $75.0 million and (y) 2.0% of Consolidated Net Tangible Assets at the time of the receipt of such Designated Non-cash Consideration (with the fair market value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value).

(c) All of the Net Proceeds from Asset Dispositions and Recovery Events in respect of Notes Collateral shall be deposited directly into the Collateral Account; provided, that the Company and the Guarantors will not be required to cause any Net Proceeds to be held in the Collateral Account except to the extent the aggregate amount of Net Proceeds from all Asset Dispositions and Recovery Events in respect of Notes Collateral that are not held in the Collateral Account, or have not been previously applied

in accordance with the provision of Section 3.02(d) or Section 3.02(e), exceeds $50.0 million in the aggregate.

(d) Any Net Proceeds deposited in the Collateral Account from any Asset Disposition or Recovery Event in respect of Notes Collateral may be withdrawn (i) to be invested by the Company or a Guarantor in additional assets constituting Notes Collateral (including, without limitation, through capital expenditures or acquisitions of assets constituting Notes Collateral, or in the case of Net Proceeds from any Recovery Event in respect of Notes Collateral, the performance of a restoration of the affected Notes Collateral) within 365 days of the date of such Asset Disposition or Recovery Event in respect of Notes Collateral, which additional assets are thereupon with their acquisition added to the Notes Collateral securing the Notes or (ii) to repay (and correspondingly reduce commitments with respect to) Additional First Lien Indebtedness; provided, that the Company make an offer to all holders of Notes to purchase at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, in an amount equal to the principal amount of Additional First Lien Indebtedness repaid, such offer to be conducted in accordance with the procedures set forth below for a Collateral Disposition Offer but without any further limitation in amount or (iii) to make an Optional Collateral Disposition Offer.

(e) Any Net Proceeds from Asset Dispositions or Recovery Events in respect of Notes Collateral that are not applied or invested as provided in (d) or in accordance with the Collateral Documents will be deemed to constitute "**Excess Collateral Proceeds**," provided that any Net Proceeds from Asset Dispositions of Notes Collateral or Recovery Events in respect of Notes Collateral that remain after an Optional Collateral Disposition Offer will not be deemed to constitute Excess Collateral Proceeds and the Company may use any remaining Excess Collateral Proceeds for any purpose not prohibited by this Indenture, including, without limitation, general corporate purposes. When the aggregate amount of Excess Collateral Proceeds exceeds $50.0 million, within 45 days thereof, the Company will be required to make an offer ("**Collateral Disposition Offer**") to all Holders of Notes and all holders of Additional First Lien Indebtedness containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales or insurance recovery events in respect of Notes Collateral to purchase the maximum principal amount of the Notes and such Additional First Lien Indebtedness (on a pro rata basis) to which the Collateral Disposition Offer applies that may be purchased out of the Excess Collateral Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest to, but excluding, the date of purchase, in accordance with the procedures set forth in this Indenture. Notwithstanding anything to the contrary in the foregoing, the Company, at its option, may make a Collateral Disposition Offer with Net Proceeds from Asset Dispositions or Recovery Events in respect of Notes Collateral that are not deemed Excess Collateral Proceeds (an "**Optional Collateral Disposition Offer**") pursuant to clause (iii) of subsection (d) at any time following consummation of a Notes Collateral Asset Disposition. To the extent that the aggregate amount of Notes and other Additional First Lien Indebtedness so validly tendered and not properly withdrawn pursuant to a Collateral Disposition Offer is less than the Excess Collateral Proceeds, subject to the ABL Credit Facility and the Second Lien Notes Documents, the Company may use any remaining Excess Collateral Proceeds for any purpose not prohibited by this Indenture, including, without limitation, general corporate purposes. If the aggregate principal amount of Notes surrendered by Holders and Additional First Lien Indebtedness tendered into such Collateral Disposition Offer exceeds the amount of Excess Collateral Proceeds, the Notes and Additional First Lien Indebtedness to be purchased shall be selected on a pro rata basis. Upon completion of such Collateral Disposition Offer, the amount of Excess Collateral Proceeds shall be reset at zero.

(f) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of notes pursuant to a Collateral Disposition Offer or an Optional Collateral Disposition Offer. To the extent that the provisions of any securities laws or regulations conflict with the Collateral Disposition Offer or Optional Collateral Disposition Offer provisions of this Indenture, the Company will comply with the applicable securities laws and regulations and will not be

deemed to have breached its obligations under the Collateral Disposition Offer or Optional Collateral Offer provisions of this Indenture by virtue of such compliance.

Section 3.03. *Restrictions on Liens.* (1)The Company will not, nor will it permit any Domestic Subsidiary to, incur, issue, assume or guarantee any Debt secured by a Lien upon any Principal Property or on any shares of stock or Debt of any Domestic Subsidiary (whether such Principal Property, shares of stock or Debt is now owned or hereafter acquired) without in any such case effectively providing that the Notes (together with, if the Company shall so determine, any other indebtedness of or guaranteed by the Company or such Domestic Subsidiary ranking equally with the Notes then existing or thereafter created) shall be secured equally and ratably with such Debt.

(a) The restrictions set forth in paragraph (a) in this Section 3.03 shall not apply to:

(i) Liens on property, shares of stock or indebtedness of or guaranteed by any Person existing at the time such Person becomes a Domestic Subsidiary;

(ii) Liens on property existing at the time of acquisition thereof, or to secure the payment of all or part of the purchase or construction price of property, or to secure Debt incurred or guaranteed for the purpose of financing all or part of the purchase or construction price of property or the cost of improvements on property, which Debt is incurred or guaranteed prior to, at the time of, or within 180 days after the later of such acquisition or completion of such improvements or construction or commencement of commercial operation of the property;

(iii) Liens in favor of the Company or any Subsidiary;

(iv) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Company or a Domestic Subsidiary or at the time of a purchase, lease or other acquisition of the property of a Person as an entirety or substantially as an entirety by the Company or a Domestic Subsidiary;

(v) Liens on the property of the Company or that of a Domestic Subsidiary in favor of the United States of America or any State thereof, or any political subdivision thereof, or in favor of any other country, or any political subdivision thereof, to secure certain payments pursuant to any contract or statute or to secure any indebtedness incurred or guaranteed for the purpose of financing all or any part of the purchase price or the cost of construction of the property subject to such Liens (including, but not limited to, Liens incurred in connection with pollution control industrial revenue bond or similar financing);

(vi) Liens imposed by law, for example mechanics', workmen's, repairmen's or other similar Liens arising in the ordinary course of business;

(xi) pledges or deposits under workmen's compensation or similar legislation or in certain other circumstances;

(vii) Liens in connection with legal proceedings;

(viii) Liens for taxes or assessments or governmental charges or levies not yet due or delinquent, of which can thereafter be paid without penalty, or which are being contested in good faith by appropriate proceedings;

(ix) Liens consisting of restrictions on the use of real property that do not interfere materially with the property's use;

(x) Liens existing on the date of the Indenture; and

(xi) any refinancing, extension, renewal or replacement (or successive refinancings, extensions, renewals or replacements), in whole or in part, of any Lien referred to in any of the foregoing clauses.

(b) Notwithstanding the above, the Company and any one or more of its Subsidiaries may, without securing the Notes, incur, issue, assume or guarantee secured Debt which would otherwise be subject to the foregoing restrictions, provided that after giving effect thereto the aggregate amount of Debt which would otherwise be subject to the foregoing restrictions then outstanding (not including secured Debt permitted under the foregoing exceptions) plus Attributable Debt relating to sale and leaseback transactions (as described below) does not exceed 15% of the Company's Consolidated Net Tangible Assets.

Section 3.04. *Restrictions on Sale and Leaseback Transactions.* (1) The Company shall not, nor shall it permit any Domestic Subsidiary to enter into a sale and leaseback transaction of any Principal Property (whether now owned or hereafter acquired), unless:

(i) the Company or such Domestic Subsidiary would be entitled under this Indenture, to issue, assume or guarantee Debt secured by a Lien upon such Principal Property at least equal in amount to the Attributable Debt in respect of such transaction without equally and ratably securing the Notes, provided that, such Attributable Debt shall thereupon be deemed to be Debt subject to the provisions of Section 3.03; or

(ii) within 180 days, an amount in cash equal to such Attributable Debt is applied to the retirement of Funded Debt (debt that matures at or is extendible or renewable at the option of the obligor to a date more than twelve months after the date of the creation of such Debt) ranking *pari passu* with the Notes, an amount not less than the greater of (i) the net proceeds of the sale of the Principal Property leased pursuant to the arrangement or (ii) the fair market value of the Principal Property so leased.

(b) The restrictions set forth in paragraph (a) in this Section 3.04 shall not apply to:

(i) a sale and leaseback transaction between the Company and a Domestic Subsidiary or between Domestic Subsidiaries, or that involves the taking back of a lease for a period of less than three years, or

(ii) if, at the time of the sale and leaseback transaction, after giving effect to the transaction, the total discounted net amount of rent required to be paid during the remaining term of any lease relating to sale and leaseback transactions (other than transactions permitted by the previous bullet points) plus all outstanding secured Debt pursuant to Section 3.03, does not exceed 15% of the Company's Consolidated Net Tangible Assets.

Section 3.05. *Restrictions on Secured Debt*. (a) The Company will not, and will not permit any Guarantor to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur") any Debt secured by a Lien on the Collateral; provided that, this Section 3.05(a) will not prohibit the incurrence of any of the following items of Debt:

(i) the incurrence by the Company and the Guarantors of Debt (including letters of credit) under the ABL Credit Facility (with letters of credit being deemed to have a principal amount equal to the face amount thereof) up to an aggregate principal amount outstanding at any one time not to exceed the greater of (x) $700.0 million and (y) the Borrowing Base; provided, however, that any Debt incurred pursuant to this clause (i) must be secured by a Lien that is junior in priority to the Liens on Notes Collateral granted in favor of the Notes Collateral Agent for the benefit of the Trustee and the Holders of the Notes pursuant to the Collateral Documents and

the terms of such junior interest must be pursuant to the Intercreditor Agreements or on terms no more favorable than the terms contained in the Intercreditor Agreements;

(ii) the incurrence by the Company and the Guarantors of the Initial Notes (and the Guarantees thereof) or any refinancing thereof (which refinancing may constitute Additional First Lien Indebtedness); provided that the principal amount of any such refinancing of the Initial Notes shall not be any higher than the principal amount of the Notes being refinanced;

(iii) the incurrence by the Company and the Guarantors of Second Lien Notes and Additional Second Lien Indebtedness (and, in either case, any guarantee thereof) in an aggregate principal amount outstanding at any one time not to exceed $1,250 million;

(iv) the incurrence by the Company or any Guarantor of additional Debt (and, in either case, any Guarantee thereof) secured by Liens on the Collateral in an aggregate principal amount outstanding at any one time not to exceed the greater of (x) an amount equal to (1) $1,250 million minus (2) the principal amount of Debt incurred pursuant to clause (ii) of this Section 3.05(a) outstanding at such time, and (y) an amount that, on a pro forma basis upon giving effect to the incurrence thereof (and the application of the net proceeds therefrom), would not cause the Company's Consolidated Secured Leverage Ratio to exceed 2.5:1.0; provided that (A) such Debt must have a final maturity date no earlier than 91 days after the maturity date of the Notes and the terms of such Debt shall not provide for any scheduled repayment, mandatory redemption, sinking fund obligations or other payment (other than periodic interest payments) prior to 91 days after the final maturity date of the Notes, other than customary offers to purchase upon a change of control, asset sale or casualty or condemnation event and customary acceleration rights upon an event of default and (B) the Liens on the Collateral securing such Debt shall be subordinated to the Liens securing the Notes (and the Guarantees) pursuant to the Notes Intercreditor Agreements (in the case of Second Lien Notes Obligations) or such other intercreditor agreement that is substantially similar to the Notes Intercreditor Agreements (including pursuant to a customary so-called "one and a half lien structure");

(v) the incurrence by the Company and the Guarantor of Existing Indebtedness;

(vi) Debt existing on assets at the time of acquisition thereof or incurred to secure the payment of all or part of the purchase or construction price of assets, or to secure Debt incurred or guaranteed for the purpose of financing all or part of the purchase or construction price of assets or the cost of improvements on assets, which Debt is incurred or guaranteed prior to, at the time of, or within 180 days after the later of such acquisition or completion of such improvements or construction or commencement of commercial operation of the assets;

(vii) the incurrence by the Company or any Guarantor of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Debt ("Refinanced Debt") that was permitted to be incurred under clauses (v), (vi), (vii), (x) or (xii) of this Section 3.05(a); provided that any Lien securing the Permitted Refinancing Indebtedness shall not extend to any other property, secure a greater principal amount (or accreted value, if applicable) or have a higher priority than the Lien securing the Refinanced Debt;

(viii) intercompany Debt (A) between or among the Company and one or more Guarantors and (B) between or among any Guarantors;

(ix) the incurrence of Bank Product Obligations and Liens for Bank Product Obligations; provided, however, that any Debt incurred pursuant to this clause (ix) must be secured by a Lien that is junior in priority to the Liens on Notes Collateral granted in favor of the Notes Collateral Agent for the benefit of the Trustee and Notes Secured Parties pursuant to the

Collateral Documents and the terms of such Liens must be pursuant to the Intercreditor Agreements, or on terms no more favorable than the terms contained in the Intercreditor Agreements;

(x) the incurrence by the Company or any Guarantor of additional Debt in the ordinary course of business in an aggregate principal amount at any time outstanding not to exceed $100.0 million;

(xi) any guarantee by the Company or any Guarantor of Debt otherwise permitted to be incurred under this Section 3.05; provided, that if such Debt is incurred pursuant to clause (xii) below, such guarantee will be secured on a basis consistent with the provisions set forth in clauses (iii) and (iv) of the definition of Junior Lien Debt; and

(xii) the incurrence by the Company or any Guarantor of Junior Lien Debt.

(b) Notwithstanding any other provision of this Section 3.05, Additional First Lien Indebtedness may only be incurred by the Company or any Guarantor pursuant to clause (ii) of this Section 3.05(a).

(c) Notwithstanding any other provision of this Section 3.05, for purposes of determining compliance with this Section 3.05, increases in Debt solely due to fluctuations in the exchange rates of currencies will not be deemed to exceed the maximum amount that the Company or a Guarantor may incur under this Section 3.05. For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrences of Debt, the U.S. dollar-equivalent principal amount of Debt denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date of such Debt was incurred; provided that if such Debt is incurred to refinance other Debt denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Debt does not exceed the principal amount of such Debt being refinanced. The principal amount, of any Debt incurred to refinance other Debt, if incurred in a different currency from the Debt being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Debt is denominated that is in effect on the date of such refinancing.

(d) For purposes of determining, compliance with this Section 3.05, in the event that an item of Debt meets the criteria of more than one of the categories of Debt permitted under clauses (i) through (xii) of Section 3.05(a), the Company shall, in its sole discretion, classify such item and may divide and classify such item in more than one of the types of Debt in any manner that complies with this covenant, and such Debt will be treated as having been incurred pursuant to the clauses above as designated by the Company, and from time to time the Company may change the classification of an item of Debt to any other type of Debt described in clauses (i) through (xii) of Section 3.05(a) at any time.

Section 3.06. *Change of Control Triggering Event*.

(a) Upon the occurrence of a Change of Control Triggering Event, unless the Company has exercised its right to redeem the Notes pursuant to Section 5.07 by giving irrevocable written notice to the Trustee in accordance with the Indenture, each Holder of the Notes shall have the right to require the Company to purchase all or a portion of such Holder's Notes pursuant to the offer described in this Section 3.06 (the "**Change of Control Offer**"), at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of purchase (the "**Change of Control Payment**"), subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date.

(b) Unless the Company has exercised its right to redeem the Notes, within 30 days following the date upon which the Change of Control Triggering Event occurred with respect to the Notes or, at the Company's option, prior to any Change of Control but after the public announcement of the pending Change of Control, the Company shall be required to send, by first class mail (or to the extent permitted or required by applicable DTC procedures or regulations with respect to Global Notes, electronically), a notice to each Holder of Notes, with a copy to the Trustee ("**Notice of Change of Control Offer**"), which Notice of Change of Control Offer shall govern the terms of the Change of Control Offer. Such Notice of Change of Control Offer shall state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date such notice is mailed or otherwise sent, other than as may be required by law (the "**Change of Control Payment Date**"). The Notice of Change of Control Offer, if mailed or otherwise sent prior to the date of consummation of the Change of Control, shall state that the Change of Control Offer is conditioned on the Change of Control being consummated on or prior to the Change of Control Payment Date.

(c) On the Change of Control Payment Date, the Company shall, to the extent lawful:

(i) accept or cause a third party to accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(ii) deposit or cause a third party to deposit with the paying agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(iii) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being repurchased and that all conditions precedent to the Change of Control Offer and to the repurchase by the Company of Notes pursuant to the Change of Control Offer have been complied with.

(d) The Company shall not be required to make a Change of Control Offer if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by the Company and such third party purchases all Notes properly tendered and not withdrawn under its offer.

(e) The Notice of Change of Control Offer shall describe the transaction or transactions that constitute the Change of Control and state:

(i) that the Change of Control Offer is being made pursuant to this Section 3.06 and that all Notes tendered will be accepted for payment;

(ii) the Change of Control Payment Date;

(iii) that any Note not tendered will continue to accrue interest;

(iv) that, unless the Company defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Payment Date;

(v) any conditions precedent to the consummation of the Change of Control Offer;

(vi) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "**Option of Holder to Elect Purchase**" attached to the Notes completed, or transfer by book-entry transfer, to the

Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(vii) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a facsimile, or electronic transmission in the form of a "pdf" on letterhead (if applicable) and signed by an authorized signer or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(viii) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to $2,000 in principal amount or an integral multiple of $1,000.

(f) On the Change of Control Payment Date, the Company will, to the extent lawful: (1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(i) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(ii) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Company.

The Paying Agent will promptly mail or deliver (but in any case not later than five days after the Change of Control Payment Date) to each Holder of Notes properly tendered the Change of Control Payment to the extent it has been received for such Notes, and the Trustee, upon receipt of the Officer's Certificate referred to in clause (iii) above, will promptly authenticate and mail or otherwise deliver (or cause to be transferred by book entry), at the Company's expense, to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; provided that each such new Note will be in a principal amount of at least $2,000 or an integral multiple of $1,000 in excess thereof. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(g) Notwithstanding anything to the contrary in this Section 3.06, the Company will not be required to make a Change of Control Offer upon a Change of Control if (i) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 3.06 applicable to a Change of Control Offer made by the Company and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (ii) notice of redemption has been given pursuant to Section 5.03 hereof, unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control Triggering Event, conditional upon such Change of Control Triggering Event, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer.

(h) The Company shall comply in all material respects with the requirements of Rule 14e-l under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with this Section 3.06, the Company will comply with those securities laws and regulations and will not be deemed to have breached its obligations under this Section 3.06 by virtue of any such conflict.

Section 3.07. *Reports to Holders*. Whether or not the Company is then required to file reports with the Commission, the Company shall file with the Commission all such reports and other information as it would be required to file with the Commission by Section 13(a) or 15(d) under the Exchange Act if it were subject thereto within the time periods specified by the Commission's rules and regulations for an accelerated filer (including any extension as would be permitted by Rule 12b-25 under the Exchange Act).

Section 3.08. *Additional Guarantees*. (1) If the Company or any Subsidiary acquires or creates another Subsidiary that is a U.S. Subsidiary on or after the Issue Date (other than an Excluded Subsidiary), then, within 60 days of the date of such acquisition or creation, as applicable: (i) such Subsidiary must become a Guarantor and execute a supplemental indenture substantially in the form of Exhibit B hereto and the Company must deliver a written request to sign and an Officer's Certificate to the Trustee as to the satisfaction of all conditions precedent to such execution under this Indenture, and (ii) such Subsidiary shall become a party to the Collateral Documents and shall as promptly as practicable execute and deliver such security instruments, financing statements, Mortgages, deeds of trust and certificates as may be necessary to vest in the Notes Collateral Agent a perfected second- or third-priority security interest, as the case may be, (subject to Permitted Liens) upon all its properties and assets (other than Excluded Property), in each case, as set forth in the Security Agreement as security for the notes or the Guarantees and as may be necessary to have such property or asset added to the Collateral as required under the Collateral Documents and the indenture, and thereupon all provisions of the indenture relating to the Collateral shall be deemed to relate to such properties and assets to the same extent and with the same force and effect.

Section 3.09. *[Reserved.]*

Section 3.10. *Corporate Existence.* Subject to Article 4, hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(a) its corporate existence, and the corporate, partnership or other existence of each of the Guarantors, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Subsidiary; and

(b) the rights (charter and statutory), licenses and franchises of the Company and the Guarantors;

provided, however, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors shall determine as evidenced by an Officer's Certificate to the Trustee that (a) the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and (b) the loss thereof is not adverse in any material respect to the Holders of the Notes, and provided further, that this Section 3.10 does not prohibit any transaction otherwise permitted by Section 3.02 (or that does not otherwise constitute an Asset Disposition pursuant to Section 1.01) or Section 3.04.

Section 3.11. *Compliance Certificate*.

(a) The Company shall deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate stating that a review of the activities of the Company and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officer with a view to determining whether the Company has kept, observed, performed and fulfilled in all material respects its obligations under this Indenture, and further stating, as to the Officer signing such certificate, that to his or her knowledge the Company has kept, observed, performed and fulfilled in all material respects each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default has occurred and is continuing, describing all such Defaults or Events of Default of which he or she may have

knowledge and what action the Company is taking or proposes to take with respect thereto) and that to his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

(b) So long as any of the Notes are outstanding, the Company will deliver to the Trustee, within 10 Business Days upon any Officer becoming aware of the occurrence of any Default or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto.

Section 3.12. *Further Instruments and Acts.* The Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Indenture, including, without limitation, the filing, in a timely manner, of all necessary termination and releases with respect to any outstanding trademark registrations in favor of parties other than the Notes Collateral Agent or the Bank Agent (as defined in the Intercreditor Agreement).

Section 3.13. *Stay, Extension and Usury Laws.* The Company and each of the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company and each of the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

ARTICLE 4
SUCCESSOR COMPANY

Section 4.01. *Consolidation, Merger or Sale of Assets*.

(a) The Company will not consolidate with or merge with or into, or convey, transfer or lease all or substantially all of our properties and assets to, any person (a "**successor person**") unless:

(i) The Company is the surviving corporation or the successor person (if other than the Company) is a corporation organized and validly existing under the laws of any U.S. domestic jurisdiction and expressly assumes the Company's obligations on the Notes and under this Indenture and the Collateral Documents;

(ii) immediately after giving effect to the transaction, no Event of Default, and no event which, after notice or passage of time, or both, would become an Event of Default, shall have occurred and be continuing under the indenture or the Collateral Documents; and

(iii) the Company will have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with this Indenture and all conditions precedent are satisfied.

(b) No Guarantor will consolidate with or merge with or into, or convey, transfer or lease all or substantially all of its properties and assets to a successor person unless:

(i) (A) the successor person is the Company or a Guarantor or a Person that becomes a Guarantor concurrently with the transaction; (B) such Guarantor is the surviving entity or the successor person is validly existing under the laws of any U.S. domestic jurisdiction and

expressly assumes such Guarantor's obligations on its Guarantee and under the indenture and the Collateral Documents; (C) immediately after giving effect to the transaction, no Default or Event of Default, and no event which, after notice or passage of time, or both, would become an Event of Default, shall have occurred and be continuing under the indenture and the Collateral Documents; and (D) the Guarantor will have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with this Indenture and all conditions precedent are satisfied; or

(ii) the transaction constitutes a sale or other disposition (including by way of consolidation or merger) of the Guarantor or the sale or disposition of all or substantially all of the properties and assets of the Guarantor (in each case other than to the Company or a Guarantor) in a transaction not otherwise prohibited or restricted by this Indenture.

Notwithstanding the foregoing, any Subsidiary of the Company may consolidate with, merge into or transfer all or part of its properties and assets to the Company or a Guarantor.

ARTICLE 5
REDEMPTION AND PREPAYMENT

Section 5.01. *Notices to Trustee.* If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 5.07, it must furnish to the Trustee, at least 30 days but not more than 60 days before a Redemption Date, an Officer's Certificate setting forth:

(a) the clause of this Indenture pursuant to which the redemption shall occur;

(b) the Redemption Date;

(c) the principal amount of Notes to be redeemed; and

(d) the redemption price.

Any redemption referenced in such Officer's Certificate may be cancelled by the Company at any time prior to notice of redemption being mailed or otherwise delivered to any Holder and thereafter shall be null and void.

Section 5.02. *Selection of Notes to Be Redeemed or Purchased.* If less than all of the Notes are to be redeemed pursuant to Section 5.07 hereof or purchased in an Collateral Disposition Offer or an Optional Collateral Disposition Offer pursuant to Section 3.02 hereof or a Change of Control Offer pursuant to Section 3.06 hereof, the Trustee will select Notes for redemption or purchase (a) if the Notes are Global Notes, pursuant to the applicable rules of DTC and (b) if the Notes are Definitive Notes, on a pro rata basis or as required by the rules of the depositary except:

(a) if the Notes are listed on any national securities exchange, in compliance with the requirements of the principal national securities exchange on which the Notes are listed;

(b) to the extent that selection on a pro rata basis is not practicable, by lot or as required by the rules of DTC; or

(c) if otherwise required by law.

No Notes of $2,000 or less can be redeemed in part. In the event of partial redemption, the particular Notes to be redeemed or purchased will be selected, unless otherwise provided herein, not less

than 30 days nor more than 60 days prior to the redemption or purchase date by the Trustee from the outstanding Notes not previously called for redemption or purchase.

The Trustee will promptly notify the Company in writing of the Notes selected for redemption or purchase and, in the case of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. Notes and portions of Notes selected will be in amounts of $2,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder, even if not a multiple of $1,000, shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 5.03. *Notice of Redemption.* At least 30 days but not more than 60 days before a Redemption Date, the Company will deliver by electronic transmission (including "pdf" on letterhead (if applicable) and signed by an authorized signer), mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 12. The Company shall promptly provide a copy of such notice of redemption to the Trustee.

The notice will identify the Notes (including the CUSIP number) to be redeemed and will state:

(a) the Redemption Date;

(b) the redemption price;

(c) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the Redemption Date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note;

(d) the name and address of the Paying Agent;

(e) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(f) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the Redemption Date;

(g) the paragraph or sub-paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed;

(h) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes; and

(i) if such redemption is pursuant to Section 5.07(a), any conditions to such redemption.

At the Company's request, the Trustee will deliver the notice of redemption in the Company's name and at its expense; provided, however, that the Company has delivered to the Trustee, at least 35 days prior to the Redemption Date (or such shorter period as the Trustee shall agree), an Officer's Certificate requesting that the Trustee deliver such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Notice of any redemption of Notes described herein, whether in connection with an Equity Offering or otherwise, may be given prior to such redemption, and any such redemption or notice may, at

the Company's discretion, be subject to one or more conditions precedent, including, but not limited to, completion of the related Equity Offering. In addition, if such redemption is subject to satisfaction of one or more conditions precedent, such notice of redemption shall describe each such condition and, if applicable, shall state that such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied (or waived by the Company in its sole discretion) by the Redemption Date as stated in such notice. The Company may provide in such notice that payment of the redemption price and performance of the Company's obligations with respect to such redemption may be performed by another Person.

Section 5.04. *Effect of Notice of Redemption.* Once notice of redemption is mailed or otherwise delivered in accordance with Section 5.03, Notes called for redemption become irrevocably due and payable on the Redemption Date at the redemption price unless such notice of redemption is subject to one or more conditions precedent as permitted by the last paragraph of Section 5.03, in which case such notice of redemption becomes irrevocable once the conditions set forth therein are satisfied.

Section 5.05. *Deposit of Redemption or Purchase Price.* Prior to 11:00 a.m. Eastern Time on the redemption or purchase date, the Company will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of and accrued and unpaid interest, if any, on, all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent will promptly return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption or purchase price of, and accrued and unpaid interest, if any, on, all Notes to be redeemed or purchased.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest to the redemption date or purchase date shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest accrued to the redemption or purchase date not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 3.01 hereof.

Section 5.06. *Notes Redeemed or Purchased in Part*. Upon surrender of a Note that is redeemed or purchased in part, the Company will issue and, upon receipt of a written authentication order, the Trustee will authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered; provided, that each such new Note will be in a principal amount of $2,000 or integral multiples of $1,000 in excess thereof. It is understood that, notwithstanding anything in this Indenture to the contrary, only an authentication order and not an Opinion of Counsel or Officer's Certificate is required for the Trustee to authenticate such new Note.

Section 5.07. *Optional Redemption*.

(a) Prior to March 31, 2018, the Company may, at any time and from time to time, redeem, in the aggregate up to 35% of the aggregate principal amount of the Notes originally issued under this Indenture with the net cash proceeds of one or more Equity Offerings by the Company at a redemption price (expressed as a percentage of principal amount thereof) of 108.250%, plus accrued and unpaid interest, if any, to, but excluding, the Redemption Date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); provided, however, that:

(i) at least 65% of the aggregate principal amount of Notes originally issued under this Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(ii) the redemption occurs within 90 days of the date of the closing of such Equity Offering or contribution.

(b) Prior to March 31, 2018, the Company may, at any time and from time to time, also redeem all or a part of the Notes, upon not less than 30 days nor more than 60 days' prior notice mailed by or on behalf of the Company (or to the extent permitted or required by applicable DTC procedures or regulations with respect to Global Notes sent electronically) by first-class mail to each Holder's registered address or otherwise delivered in accordance with the procedures of DTC, at a redemption price equal to the sum of (i) 100.000% of the principal amount of Notes redeemed and (ii) the Applicable Premium as of, and accrued and unpaid interest to, but excluding, Redemption Date, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date.

(c) Except pursuant to (a) or (b), the Notes shall not be redeemable at the Company's option prior to March 31, 2018.

(d) On or after March 31, 2018, the Company may on one or more occasions redeem all or a part of the Notes upon not less than 30 days nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest on the Notes redeemed, to, but excluding, the applicable Redemption Date, if redeemed during the twelve-month or three-month period, as applicable, set forth below, subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant interest payment date:

Period	**Redemption price**
March 31, 2018	108.250%
March 31, 2019	104.125%
June 30, 2019 and thereafter	100.000%

(e) Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable Redemption Date.

(f) Any redemption pursuant to this Section 5.07 shall be made pursuant to the provisions of Sections 5.01 through 5.06.

Section 5.08. *Mandatory Redemption*. Except to the extent the Company may be required to offer to purchase the Notes pursuant to Section 3.02 and Section 3.06, the Company is not required to make mandatory repurchase, redemption or sinking fund payments with respect to the Notes. However, the Company may at any time and from time to time purchase Notes in the open market or otherwise.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01. *Events of Default.* Each of the following is an "**Event of Default**":

(a) a default in the payment of any interest on the Notes, when such payment becomes due and payable, and continuance of that default for a period of 30 days (unless the entire amount of the payment is deposited by the Company with the Trustee or with the Paying Agent prior to the expiration of such period of 30 days);

(b) default in the payment of principal or premium on the Notes when such payment becomes due and payable;

(c) subject to clause (d), a default in the performance or breach of any other covenant or warranty by the Company in this Indenture or the Collateral Documents, which default continues uncured for a period of 60 days after written notice thereof has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the holders of at least 25 percent in principal amount of the Notes, as provided in this Indenture;

(d) any Guarantee of a Guarantor that is a Significant Subsidiary ceases to be in full force and effect (except as contemplated by the terms of this Indenture and the Guarantees) or is declared null and void in a judicial proceeding or any Guarantor that is a Significant Subsidiary denies or disaffirms its obligations under this Indenture;

(e) with respect to any Collateral having a fair market value in excess of $75.0 million, individually or in the aggregate, (A) the failure of the security interest with respect to such Collateral under the Collateral Documents, at any time, to be in full force and effect for any reason other than in accordance with their terms and the terms of this Indenture and other than the satisfaction in full of all obligations under this Indenture and discharge of this Indenture if such Default continues for 60 days, (B) the declaration that the security interest with respect to such Collateral created under the Collateral Documents or under this Indenture is invalid or unenforceable, if such Default continues for 60 days or (C) the assertion by the Company or any Guarantor, in any pleading in any court of competent jurisdiction, that any such security interest is invalid or unenforceable;

(f) there occurs a default under any Debt of the Company or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Company or any of the Guarantors), whether such Debt or guarantee now exists, or is created after the Issue Date, other than with respect to the Canadian Existing Indebtedness, if that default:

(i) is caused by a failure to pay any such Debt at its final Stated Maturity (after giving effect to any applicable grace period) (a " **Payment Default**"); or

(ii) results in the acceleration of such Debt prior to its final Stated Maturity,

and, in either case, the aggregate principal amount of any such Indebtedness, together with the aggregate principal amount of any other such Debt under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $75.0 million or more;

(g) failure by the Company or any of its Significant Subsidiaries to pay final and non-appealable judgments entered by a court or courts of competent jurisdiction aggregating in excess of $75.0 million (net of any amount covered by insurance issued by a national insurance company that has not contested coverage), which judgments are not paid, discharged or stayed for a period of 60 days, other than the Arbitration Award or any judgment related to the Arbitration Award;

(h) the Company or any Guarantor pursuant to or within the meaning of Bankruptcy Law:

(i) commences a voluntary case,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a custodian of it or for all or substantially all of its property,

(iv) makes a general assignment for the benefit of its creditors, or

(v) generally is not paying its debts as they become due; or

(i) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company or any Guarantor in an involuntary case;

(ii) appoints a custodian of the Company or any Guarantor or for all or substantially all of the property of the Company or any of Guarantor; or

(iii) orders the liquidation of the Company or any Guarantor; and the order or decree remains unstayed and in effect for 60 consecutive days.

(j) If an Event of Default specified under clauses (a) through (g) of this Section 6.01 occurs and is continuing, the Trustee by written notice to the Company, or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes by written notice to the Company and the Trustee, may, and the Trustee at the request of such Holders shall, declare all such Notes to be due and payable. If an Event of Default specified under clause (h) or (i) of this Section 6.01 occurs, then all outstanding Notes will become due and payable immediately without further action or notice. Upon the Notes becoming due and payable upon an Event of Default, whether automatically or by declaration, such Notes will immediately become due and payable and (i) if prior to March 31, 2018, the entire unpaid principal amount of such Notes plus the Applicable Premium as of the date of such acceleration or (ii) if on or after March 31, 2018, the applicable redemption price as set forth under Section 5.07(d) as of the date of such acceleration, plus in each case accrued and unpaid interest thereon shall all be immediately due and payable.

Without limiting the generality of the foregoing, it is understood and agreed that if the Notes are accelerated or otherwise become due prior to their maturity date, in each case, in respect of any Event of Default (including an event of default relating to certain events of bankruptcy, insolvency or reorganization (including the acceleration of claims by operation of law)), the premium applicable with respect to an optional redemption of the Notes will also be due and payable as though the Notes were optionally redeemed and shall constitute part of the First Lien Notes Obligations, in view of the impracticability and extreme difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Holder's lost profits as a result thereof. Any premium payable above shall be presumed to be the liquidated damages sustained by each Holder as the result of the early redemption and the Company and each Guarantor agrees that it is reasonable under the circumstances currently existing. The premium shall also be payable if the Notes (and/or this Indenture) are satisfied or released by foreclosure (whether by power of judicial proceeding), deed in lieu of foreclosure or by any other means. THE COMPANY AND EACH GUARANTOR EXPRESSLY WAIVES (TO THE FULLEST EXTENT IT MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. The Company and each Guarantor expressly agrees (to the fullest extent it may lawfully do so) that: (A) the premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel; (B) the premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between Holders and the Company and the Guarantors giving specific consideration in the offering pursuant to the Offering Memorandum for such agreement to pay the premium; and (D) the Company and each Guarantor shall be estopped hereafter from claiming differently than as agreed to in this paragraph. The Company and each Guarantor expressly acknowledges that its agreement to pay the premium to Holders as described in this Indenture is a material inducement to Holders to purchase the Notes.

Section 6.02. *Acceleration.* In the case of an Event of Default specified in clauses (h) or (i) of Section 6.01, with respect to the Company or any Guarantor, all outstanding Notes will become due and payable immediately without further action or notice.

If an Event of Default (other than an Event of Default described in clause (h) or (i) of Section 6.01) occurs and is continuing, the Trustee by written notice to the Company, or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes by written notice to the Company and the Trustee, may, and the Trustee at the request of such Holders shall, declare the principal of, premium, if any, and accrued and unpaid interest, if any, on all such Notes to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest shall be due and payable immediately.

Section 6.03. *Other Remedies*. If an Event of Default occurs and is continuing, the Trustee may, but shall not be obligated to, pursue any available remedy by proceeding at law or in equity to collect the payment of principal of (or premium, if any) or interest on the Notes or to enforce the performance of any provision of the Notes, this Indenture, the Guarantees or the Collateral Documents.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative to the extent provided by law, provided, that once all amounts due to Holders under this Indenture and the Notes, including, without limitation, principal, premium and interest, shall have been paid, there shall be no duplication of any recovery provided by such remedies.

Section 6.04. *Waiver of Past Defaults.* Holders of not less than a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of the Holders of all of the Notes, (a) waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium or interest on, the Notes and (b) rescind an acceleration and its consequences. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05. *Control by Majority.* The Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that it determines conflicts with law or this Indenture, the Notes, the Guarantees, the Collateral Documents or, subject to Sections 7.01 and 7.02 that the Trustee determines is unduly prejudicial to the rights of other Holders or would involve the Trustee in personal liability; provided, however, that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction.

The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or premium.

Subject to the provisions of this Indenture relating to the duties of the Trustee or the Notes Collateral Agent, in case an Event of Default occurs and is continuing, the Trustee or the Notes Collateral Agent will be under no obligation to exercise any of the rights or powers under this Indenture, the Notes, the Guarantees and the Collateral Documents, at the request or direction of any Holders of Notes unless such Holders have offered to the Trustee or the Notes Collateral Agent indemnity or security satisfactory to it against any loss, liability or expense.

Section 6.06. *Limitation on Suits.* Except to enforce the right to receive payment of principal, premium, if any, or interest when due, no Holder of a Note may pursue any remedy with respect to this Indenture or the Notes unless:

(a) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(b) Holders of at least 25% in aggregate principal amount of the then outstanding Notes have requested the Trustee in writing to pursue the remedy;

(c) such Holders have offered the Trustee security or indemnity satisfactory to it against any loss, liability or expense;

(d) the Trustee has not complied with such request within 60 days after the receipt of the written request and the offer of security or indemnity; and

(e) Holders of a majority in aggregate principal amount of the then outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

Section 6.07. *Rights of Holders to Receive Payment*. Notwithstanding any other provision of this Indenture (including, without limitation, Section 6.06(a)), the right of any Holder to receive payment of principal of, premium (if any) or interest on the Notes held by such Holder, on or after the respective due dates expressed or provided for in the Notes, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder; provided that a Holder shall not have the right to institute any such suit for the enforcement of payment if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the lien of this Indenture under any property subject to such Lien.

Section 6.08. *Collection Suit by Trustee*. If an Event of Default specified in Section 6.06(a) or (b) occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium and interest remaining unpaid on, the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents, accountants, experts and counsel.

Section 6.09. *Trustee May File Proofs of Claim*. The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents, accountants, experts and counsel) and the Holders allowed in any judicial proceedings relative to the Company, its Subsidiaries or its or their respective creditors or properties and, unless prohibited by law or applicable regulations, may be entitled and empowered to participate as a member of any official committee of creditors appointed in such matter and may vote on behalf of the Holders in any election of a trustee in bankruptcy or other Person performing similar functions, and any custodian in any such judicial proceeding is hereby authorized by each Holder to make payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents, accountants, experts and its counsel, and any other amounts due the Trustee under Section 7.07.

No provision of this Indenture shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or

composition affecting the Notes or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10. *Priorities*.

(a) If the Trustee collects any money or property pursuant to this Article 6, or pursuant to the foreclosure or other remedial provisions contained in the Collateral Documents (including any money or property deposited into the Collateral Account in connection therewith), it shall pay out the money or proceeds of property in the following order:

FIRST: to the Trustee and the Notes Collateral Agent, for amounts due to it pursuant to Section 7.07 and Section 7.13;

SECOND: to Holders for amounts due and unpaid on the Notes for principal, premium, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, and interest, respectively; and

THIRD: to the Company or to such party as a court of competent jurisdiction shall direct.

(b) The Company shall fix the record date and payment date for any payment to Holders pursuant to this Section and provide written notice to the Trustee of such dates.

Section 6.11. *Undertaking for Costs*. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by the Company, a suit by a Holder pursuant to Section 6.07 or a suit by Holders of more than 10% in outstanding principal amount of the Notes.

ARTICLE 7
TRUSTEE

Section 7.01. *Duties of Trustee*.

(a) If an Event of Default, of which a Trust Officer of the Trustee has received written notice from the Company, has occurred and is continuing, the Trustee or the Notes Collateral Agent shall exercise the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs; provided that the Trustee and the Notes Collateral Agent will be under no obligation to exercise any of the rights or powers under this Indenture, the Notes, the Guarantees or the Collateral Documents at the request or direction of any of the Holders unless such Holders have offered the Trustee or the Notes Collateral Agent, respectively, indemnity or security reasonably satisfactory to each of them against loss, liability or expense.

(b) Except during the continuance of an Event of Default:

(i) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon

certificates, opinions or orders furnished to the Trustee and conforming to the requirements of this Indenture, the Notes, the Guarantees or the Collateral Documents, as applicable. However, in the case of any such certificates or opinions which by any provisions hereof or thereof are specifically required to be furnished to the Trustee, the Trustee shall examine such certificates and opinions to determine whether or not they conform on their face to the requirements of this Indenture, the Notes, the Guarantees or the Collateral Documents, as the case may be (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liability for its own grossly negligent action, its own grossly negligent failure to act or its own bad faith or willful misconduct, except that:

(i) this Section 7.01(c) does not limit the effect of Section 7.01(b);

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Trust Officer of the Trustee unless it is found by a final, non-appealable judgment of a court of competent jurisdiction that the Trustee was grossly negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05, and

(iv) no provision of this Indenture, the Notes, the Guarantees or the Collateral Documents shall require the Trustee to expend or risk its own funds or otherwise incur any liability (financial or otherwise) in the performance of any of its duties hereunder or thereunder or in the exercise of any of its rights or powers, and the Trustee may refuse to perform any duty or exercise any right or power if it reasonably believes that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to all of the clauses of this Section.

(e) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company.

(f) Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law, this Indenture, the Notes, the Collateral Documents, or by Section 11.08.

(g) Every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

(h) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by one Officer of the Company.

(i) Except as otherwise specifically provided in this Indenture or the Collateral Documents, the Trustee shall have no obligation to monitor or verify compliance by the Company or any Guarantor with any other obligation or covenant under such documents.

(j) The Trustee shall be under no obligation to the Holders to ascertain or to inquire as to the observance or performance of any of the agreements contained in, statements made in, or conditions of any of the Collateral or Collateral Documents or to inspect the property (including the books and records) of the Company.

(k) The Trustee shall have no duty (i) to cause the maintenance of any insurance, (ii) with respect to the payment or discharge of any tax, charge or Lien levied against any part of the Collateral or

(iii) except as otherwise specifically provided in Article 11 and the Security Agreement, with respect to the filing or refiling of any Collateral Document.

(l) The Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens upon any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part.

Section 7.02. *Rights of Trustee.* Subject to Section 7.01:

(a) The Trustee may conclusively rely, as to the truth of statements and the correctness of the opinions expressed therein, on and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, or other paper or document (whether in its original or facsimile form) believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact, matter or opinion stated in such document. However, the Trustee, in its discretion, may make such further inquiry or investigation into such facts, matters and opinions as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the sole cost of the Company, at a reasonable time and in a reasonable manner, and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation. The Trustee shall receive and retain financial reports and statements of the Company as provided herein, but shall have no duty whatsoever with respect to the contents thereof, including no duty to review or analyze such reports or statements to determine compliance with covenants or other obligations of the Company.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate and/or an Opinion of Counsel. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel.

(c) The Trustee may act through its attorneys, custodians, nominees and agents and shall not be responsible for the misconduct or negligence of any attorney, custodian, nominee or agent appointed with due care.

(d) Subject to Section 7.01(c), the Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers conferred on it by this Indenture or the Intercreditor Agreements.

(e) The Trustee may consult with counsel of its selection, and the advice or opinion of counsel with respect to legal matters relating to this Indenture, the Notes, the Guarantees or the Collateral Documents shall be full and complete authorization and protection from liability in respect of any action taken, omitted or suffered by it hereunder or under the Notes, the Guarantees, or the Collateral Documents in good faith and in accordance with the advice or opinion of such counsel.

(f) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by an Officer of the Company.

(g) The Trustee shall not be deemed to have notice of any Default or Event of Default or whether any entity or group of entities constitutes a Significant Subsidiary or whether any other event or action has occurred unless written notice of (1) any event which is in fact such a Default or Event of Default or (2) of any such Significant Subsidiary or (3) of any other event or action is received by a Trust Officer of the Trustee at the Corporate Trust Office of the Trustee, and such notice describing the Default or Event of Default, Significant Subsidiaries, or other event or action references the Notes and this Indenture and details the nature of such Default or Event of Default. Delivery of reports to the Trustee pursuant to (a) shall not constitute notice to the Trustee of the information contained therein.

(h) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder.

(i) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture, the Notes, the Guarantees or the Collateral Documents at the request, order or direction of any of the Holders pursuant to the provisions of this Indenture, unless such Holders shall have offered to the Trustee security or indemnity reasonably satisfactory to it against the losses, costs, expenses and liabilities which may be incurred by it in compliance with such request or direction.

(j) The Trustee shall not be deemed to have knowledge of any fact or matter unless a Trust Officer of the Trustee has received written notice of such fact at the Corporate Trust Office.

(k) Whenever in the administration of or in connection with this Indenture, the Notes, the Guarantees or the Collateral Documents, the Company is required to provide an Officer's Certificate, the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder or thereunder, the Trustee (unless other evidence be herein specifically prescribed) may, as the case may be, request and in the absence of bad faith or willful misconduct on its part, rely upon such Officer's Certificate.

(l) In no event shall the Trustee be responsible or liable for any special, indirect, punitive, incidental, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit), irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(m) The Trustee may request that the Company and any Guarantor deliver an Officer's Certificate setting forth the names of the individuals and titles of Officers (with specimen signatures) authorized at such times to take specific actions pursuant to this Indenture or the Intercreditor Agreements, which Officer's Certificate may be signed by any person specified as so authorized in any certificate previously delivered and not superseded.

(n) If any party fails to deliver a notice relating to an event the fact of which, pursuant to this Indenture, requires notice to be sent to the Trustee, the Trustee may conclusively rely on its failure to receive such notice as reason to assume no such event occurred.

(o) The Trustee shall not be bound to make any investigation into (i) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or in any Collateral Documents, (ii) the occurrence of any default, or the validity, enforceability, effectiveness or genuineness of this Indenture, any Collateral Documents, or any other agreement, instrument or document, (iii) the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (iv) the value or the sufficiency of any Collateral, or (v) the satisfaction of any condition set forth in any Collateral Documents, other than to confirm receipt of items expressly required to be delivered to the Trustee.

(p) No provision of this Indenture, the Notes or the Collateral Documents shall require the Trustee to give any bond or surety or to expend or risk its own funds or otherwise incur any liability (financial or otherwise) in the performance of any of its duties hereunder or thereunder or in the exercise of any of its rights or powers, and the Trustee may refuse to perform any duty or exercise any right or power if it reasonably believes that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(q) In the event that the Trustee (in such capacity or in any other capacity hereunder or under any Collateral Document) is unable to decide between alternative courses of action permitted or

required by the terms of this Indenture or any Collateral Document, or in the event that the Trustee is unsure as to the application of any provision of this Indenture or any Collateral Document, or believes any such provision is ambiguous as to its application, or is, or appears to be, in conflict with any other application provision, or in the event that this Indenture or any Collateral Document permits any determination by or the exercise of discretion on the part of the Trustee or is silent or is incomplete as to the course of action that the Trustee is required to take with respect to a particular set of facts, the Trustee shall promptly give notice (in such form as shall be appropriate under the circumstances) to the Holders requesting instruction as to the course of action to be adopted, and to the extent the Trustee acts in good faith in accordance with any written instructions received from a majority in aggregate principal amount of the then outstanding Notes, the Trustee shall not be liable on account of such action to any Person. If the Trustee shall not have received appropriate instruction within 10 days of such notice (or such shorter period as reasonably may be specified in such notice or as may be necessary under the circumstances) it may, but shall be under no duty to, take or refrain from taking such action as it shall deem to be in the best interests of the Holders and the Trustee shall have no liability to any Person for such action or inaction.

(r) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with any direction of the Holders of a majority in aggregate principal amount of the then outstanding Notes permitted to be given by them under this Indenture.

(s) The permissive rights of the Trustee to do things enumerated in this Indenture shall not be construed as a duty to take such action.

(t) The rights, privileges, protections, immunities and benefits (except for as mentioned in Section 11.09(c)) given to U.S. Bank National Association, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, U.S. Bank National Association in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder (except for as mentioned in Section 11.09(c)).

(u) Neither the Trustee nor the Notes Collateral Agent shall have an obligation to invest and reinvest any cash held in the absence of timely and specific written investment direction from the Company. In the absence of written investment direction from the Company, all cash received by the Trustee or the Notes Collateral Agent from the Company shall be placed in a non-interest bearing deposit account. In no event shall the Trustee or the Notes Collateral Agent be liable for the selection of investments or for investment losses incurred thereon.

Neither Trustee nor the Notes Collateral Agent shall have any liability in respect of losses incurred as a result of the liquidation of any investment prior to its stated maturity or the failure of the Company to provide timely written investment direction.

Section 7.03. *Individual Rights of Trustee*. The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company, Guarantors or their Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-registrar, co-paying agent, or Notes Priority Agent may do the same with like rights. However, the Trustee must comply with Sections 7.10 and 7.12. In addition, the Trustee shall be permitted to engage in transactions with the Company; provided, however, that if the Trustee acquires any conflicting interest (as defined in the TIA), the Trustee must (a) eliminate such conflict within 90 days of acquiring such conflicting interest, (b) apply to the Commission for permission to continue acting as Trustee (if the Indenture has been qualified under the TIA) or (c) resign.

Section 7.04. *Trustee's Disclaimer*. The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture, the Guarantees, the Collateral Documents, or the Notes, shall not be accountable for the Company's use of the proceeds from the sale of the Notes, shall not be responsible for the use or application of any money received by any Paying Agent other than

the Trustee or any money paid to the Company or upon the Company's direction pursuant to the terms of this Indenture and shall not be responsible for any statement of the Company in this Indenture or in any document issued in connection with the sale of the Notes (including without limitation any preliminary or final offering circular) or in the Notes other than the Trustee's certificate of authentication.

Section 7.05. *Notice of Defaults*. If a Default or Event of Default occurs and is continuing and if a Trust Officer of the Trustee receives written notice of such event addressed to its address set forth in Section 13.02, from the Company or a Guarantor, the Trustee shall, at the Company's expense, mail by first-class mail to each Holder at the address set forth in the Notes Register, or otherwise deliver in accordance with the procedures of DTC, notice of the Default or Event of Default within 90 days after it receives notice. Except in the case of a Default or Event of Default in payment of principal of, premium (if any), or interest on any Note (including payments pursuant to the optional redemption or required repurchase provisions of such Note), the Trustee may withhold the notice if and so long as the Trustee in good faith determines that withholding the notice is in the interests of the Holders.

Section 7.06. *Reports by Trustee to Holders*. Within 60 days after each December 15 beginning December 15, 2015, the Trustee shall mail to each Holder a brief report dated as of such December 15 that complies with TIA § 313(a) if and to the extent required thereby (but if no event described in such Section has occurred within the 12 months preceding the reporting date, no report need be transmitted). The Trustee also shall comply with TIA § 313(b) and TIA § 313(c).

A copy of each report at the time of its mailing to Holders shall be mailed by the Trustee to the Company. The Company agrees to notify promptly the Trustee in writing whenever the Notes become listed on any stock exchange and of any delisting thereof and the Trustee shall comply with TIA § 313(d).

Section 7.07. *Compensation and Indemnity*. The Company and Guarantors shall pay to the Trustee from time to time compensation for its acceptance of this Indenture and its services hereunder and under the Notes, the Guarantees and the Collateral Documents, as the Company and the Trustee shall from time to time agree in writing. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company and Guarantors shall, in addition to the compensation for their services, reimburse the Trustee promptly upon request for all reasonable out-of-pocket expenses incurred or made by it, including, but not limited to, costs of collection, costs of preparing reports, certificates and other documents, costs of preparation and mailing or other delivery of notices to Holders. Such expenses shall include the reasonable compensation and expenses, disbursements and advances of the Trustee's agents, counsel, accountants, custodians, nominees and experts. The Company and Guarantors shall jointly and severally indemnify, defend and hold harmless the Trustee, its directors, officers, employees and agents against any and all loss, liability, damages, claims or expense (including reasonable attorneys' fees and expenses) incurred by it without willful misconduct, gross negligence or bad faith on its part in connection with the administration of this trust and the performance of its duties hereunder and under the Notes, the Guarantees and the Collateral Documents, including the costs and expenses of enforcing this Indenture (including this Section 7.07, the Notes, the Guarantees and the Collateral Documents of defending itself against any claims (whether asserted by any Holder, the Company, any Holder of First Lien Note Obligations, or otherwise). The Trustee shall notify the Company promptly of any claim for which it may seek indemnity of which it has received written notice. Failure by the Trustee to so notify the Company shall not relieve the Company of its obligations hereunder. The Company and Guarantors shall defend the claim and the Trustee shall cooperate at the Company's expense in the defense. The Trustee may have separate counsel and the Company and Guarantors shall pay the reasonable fees and expenses of such counsel; provided, that neither the Company nor any Guarantor need pay for any such settlement made without its consent (such consent not to be unreasonably withheld, conditioned or delayed). This indemnification shall apply to officers, directors, employees, shareholders, and agents of the Trustee.

To secure the Company's and Guarantors' payment obligations in this Section 7.07, the Trustee shall have a lien prior to the Notes on all money or property held or collected by the Trustee other than

money or property held in trust to pay principal of and interest on particular Notes. Such lien shall survive the satisfaction and discharge of this Indenture (including any termination or rejection hereof under any Bankruptcy Law), final payment in full of the Notes, or the resignation or removal of the Trustee. The Trustee's right to receive payment of any amounts due under this Section 7.07 shall not be subordinate to any other liability or Indebtedness of the Company or Guarantors.

The Company's and Guarantors payment obligations pursuant to this Section shall survive the satisfaction and discharge of this Indenture (including any termination or rejection hereof under any Bankruptcy Law), final payment in full of the Notes and the resignation or removal of the Trustee. Without prejudice to any other rights available to the Trustee under applicable law, when the Trustee incurs expenses or renders services after the occurrence of a Default specified in clause (h) or clause (i) of Section 6.01, the expenses and compensation for services (including the reasonable fees and expenses of its agents, accountants, experts and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.08. *Replacement of Trustee*. The Trustee may resign at any time and be discharged from the trust hereby created by so notifying the Company in writing. The Holders of a majority in aggregate principal amount of the Notes may remove the Trustee by so notifying the removed Trustee and the Company in writing and may appoint a successor Trustee with the Company's written consent, which consent will not be unreasonably withheld. The Company shall remove the Trustee if:

(a) the Trustee fails to comply with Section 7.10;

(b) the Trustee is adjudged bankrupt or insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(c) a receiver, custodian or other public officer takes charge of the Trustee or its property; or

(d) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed by the Company or by the Holders of a majority in aggregate principal amount of the Notes (the Trustee in such event being referred to herein as the retiring Trustee) and such Holders do not reasonably promptly appoint a successor Trustee, or if a vacancy exists in the office of the Trustee for any reason, the Company shall promptly appoint a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a written notice of its succession to Holders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, *provided* all sums owing to the Trustee hereunder have been paid and subject to the lien provided for in Section 7.07.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee or the Holders of at least 10% in aggregate principal amount of the Notes may petition, at the Company's expense, any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 7.10, unless the Trustee's duty to resign is stayed as provided in TIA § 310(b), any Holder, who has been a bona fide Holder of a Note for at least six months, may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

Notwithstanding the replacement of the Trustee pursuant to this Section 7.08 the Company's obligations under Section 7.07 shall continue for the benefit of the retiring Trustee.

Section 7.09. *Successor Trustee by Merger*. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust business or assets to, another corporation or banking association, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee.

In case at the time such successor or successors by merger, conversion or consolidation to the Trustee shall succeed to the trusts created by this Indenture, any of the Notes shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor trustee, and deliver such Notes so authenticated; and in case at that time any of the Notes shall not have been authenticated, any successor to the Trustee may authenticate such Notes either in the name of any predecessor hereunder or in the name of the successor to the Trustee; *provided* that the right to adopt the certificate of authentication of any predecessor Trustee or authenticate Notes in the name of any predecessor Trustee shall only apply to its successor or successors by merger, consolidation or conversion.

Section 7.10. *Eligibility; Disqualification.* This Indenture shall always have a Trustee that satisfies the requirements of TIA § 310(a)(1), (2) and (5) in every respect. The Trustee shall have a combined capital and surplus of at least $100 million as set forth in its most recent published annual report of condition. The Trustee shall comply with TIA § 310(b); *provided, however*, that there shall be excluded from the operation of TIA § 310(b)(1) any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Company are outstanding if the requirements for such exclusion set forth in TIA § 310(b)(1) are met.

Section 7.11. *Collateral Documents.* By their acceptance of the Notes, the Holders hereby authorize and direct the Trustee and the Notes Collateral Agent, as the case may be, to execute and deliver the Collateral Documents to which the Trustee or the Notes Collateral Agent, as applicable, is named as a party, including any Collateral Documents executed after the Issue Date. It is hereby expressly acknowledged and agreed that, in doing so, the Trustee and the Notes Collateral Agent are not responsible for the terms or contents of such agreements, for the validity or enforceability thereof, or the sufficiency thereof for any purpose. Whether or not so expressly stated therein, in entering into, or taking or forbearing from any action under or pursuant to the Collateral Documents, the Trustee and the Notes Collateral Agent each shall have all of the rights, immunities, indemnities and other protections granted to it under this Indenture and the Collateral Documents (in addition to those that may be granted to it under the terms of any other agreement or agreements).

Section 7.12. *Preferential Collection of Claims Against the Company.* The Trustee shall comply with TIA § 311(a), excluding any creditor relationship listed in TIA § 311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311 (a) to the extent indicated therein.

Section 7.13. *Trustee and Notes Collateral Agent in Other Capacities.* References in this Indenture to the Trustee or the Notes Collateral Agent in any provision of this Indenture shall be understood to include the Trustee or Notes Collateral Agent acting in its other capacities under this Indenture and the Collateral Documents, including acting in its capacity as Trustee, Notes Priority Agent, Notes Collateral Agent, Registrar and Paying Agent. Without limiting the foregoing, and for the avoidance of doubt, such references shall be read to apply to the Collateral Documents, with the necessary modifications, in addition to this Indenture. Whether the reference in any provision of this Indenture is to either or both of the Trustee and the Notes Collateral Agent, the compensation, indemnities, immunities and exculpatory provisions contained in this Indenture shall apply to and benefit each and both of them, in whatever capacity it is acting, and whether it is acting under this Indenture, the other First Lien Notes Documents or the Collateral Documents.

Section 7.14. *USA Patriot Act*. The Company acknowledges that, to help the government fight the funding of terrorism and money laundering activities, Federal law requires that Trustee, like all financial institutions, obtain, verify and record information that identifies each person who establishes a

relationship or opens an account with Trustee. The Company agrees that it will provide the Trustee with such information and documentation it may reasonably request to verify the Company's formation and existence as a legal entity. The Company also agrees that it will provide the Trustee with such financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the Company as the Trustee may reasonably request to satisfy the requirements of Federal law.

Section 7.15. *Calculations in Respect of the Notes.* The Company shall be responsible for making calculations called for under the Notes, including, without limitation, determination of premiums, Additional Notes, original issue discount, conversion rates and adjustments, if any. The Company shall make the calculations in good faith and, absent manifest error, its calculations shall be final and binding on the Holders of the Notes. The Company shall provide a schedule of its calculations to the Trustee when applicable, and the Trustee shall be entitled to conclusively rely on the accuracy of the Company's calculations without independent verification.

Section 7.16. *Brokerage Confirmations.* The Company acknowledges that regulations of the Comptroller of the Currency grant the Company the right to receive brokerage confirmations of the security transactions as they occur. To the extent contemplated by law, the Company specifically waives any such notification relating to any securities transactions contemplated herein; provided, however, that Trustee shall send to the Company periodic cash transaction statements that describe all investment transactions.

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01. *Option to Effect Legal Defeasance or Covenant Defeasance: Defeasance.* The Company may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate delivered to the Trustee, elect to have either Section 8.02 or Section 8.03 be applied to all outstanding Notes and Guarantees upon compliance with the conditions set forth below in this Article 8.

Section 8.02. *Legal Defeasance and Discharge.* Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.02 the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04, be deemed to have been discharged from their obligations with respect to all outstanding Notes (including the Guarantees), this Indenture and the Collateral Documents on the date the conditions set forth below are satisfied (hereinafter, "**Legal Defeasance**"). For this purpose, Legal Defeasance means that the Company and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 and the other Sections of this Indenture referred to in clauses (a) and (b) below, and to have satisfied all of their other obligations under such Notes, the Guarantees, this Indenture and the Collateral Documents (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(a) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, or interest or premium on, such Notes when such payments are due from the trust referred to in Section 8.04;

(b) the Company's obligations with respect to such Notes under Article 2;

(c) the rights, powers, trusts, duties and immunities of the Trustee, Paying Agent and Registrar hereunder and the Company's and the Guarantors' obligations in connection therewith; and

(d) this Section 8.02.

Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03.

Section 8.03. *Covenant Defeasance.* Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.03 the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04, be released from each of their obligations under the covenants contained in Sections 3.02, 3.03, 3.04, 3.06, 3.05 and 3.07 with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 are satisfied (hereinafter, "**Covenant Defeasance**"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Guarantees, the Company and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01, but, except as specified above, the remainder of this Indenture and such Notes and Guarantees will be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.03 subject to the satisfaction of the conditions set forth in Section 8.04, Sections 6.01(c) through 6.01(g) will not constitute Events of Default.

Section 8.04. *Conditions to Legal or Covenant Defeasance.* In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or Section 8.03:

(a) the Company shall have deposited or caused to be irrevocably deposited with the Trustee, in trust, money and/or U.S. Government Obligations that, through the payment of interest and principal in accordance with their terms, will provide not later than one day before the due date of any payment of money, an amount in cash, sufficient, in the opinion of a nationally recognized firm of independent public accountants to pay and discharge each installment of principal of, premium and interest on and any mandatory sinking fund payments in respect of Notes on the Stated Maturity of those payments in accordance with the terms of this Indenture and the Notes;

(b) such deposit will not result in a breach or violation of, or constitute a default under this Indenture, the Intercreditor Agreements or any other material agreement to which the Company or the Guarantors bound;

(c) in the case of an election under Section 8.02, the Company must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel reasonably acceptable to the Trustee confirming that (i) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (ii) since the date of this Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the beneficial owners of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(d) in the case of an election under Section 8.03 hereof, the Company must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the beneficial owners of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in

the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(e) the Company must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or others; and

(f) the Company must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section 8.05. *Deposited Money and U.S. Government Obligations to be Held in Trust: Other Miscellaneous Provisions.* Subject to Section 8.06, all money and non-callable U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "**Trustee**") pursuant to Section 8.04 in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable U.S. Government Obligations deposited pursuant to Section 8.04 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Company from time to time upon the request of the Company any money or non-callable U.S. Government Obligations held by it as provided in Section 8.04 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(a)), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06. *Repayment to the Company.* Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium, if any, or interest on, any Note and remaining unclaimed for two years after such principal, premium or interest has become due and payable shall be paid to the Company on its request unless an abandoned property law designates another Person or (if then held by the Company) will be discharged from such trust; and the Holder of such Note will thereafter be permitted to look only to the Company for payment thereof unless an abandoned property law designates another Person, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, will thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 8.07. *Reinstatement.* If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable U.S. Government Obligations in accordance with Section 8.02 or Section 8.03, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's and the Guarantors' obligations under this Indenture, the Notes, and the Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or Section 8.03 until such time as the Trustee or Paying Agent is

permitted to apply all such money in accordance with Section 8.02 or Section 8.03, as the case may be; provided, however, that, if the Company makes any payment of principal of, premium, if any, or interest on, any Note following the reinstatement of its obligations, the Company will be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9
AMENDMENTS

Section 9.01. *Without Consent of Holders.* Notwithstanding Section 9.02, the Company, the Guarantors (with respect to the Guarantees) and the Trustee may amend or supplement this Indenture, the Notes, the Guarantees and the Collateral Documents, without the consent of any Holder (except that no existing Guarantor need execute a supplemental indenture pursuant to clause (h) below):

(a) to cure any ambiguity, defect or inconsistency;

(b) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(c) to provide for the assumption of the Company's or a Guarantor's obligations to Holders of Notes and Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Company's or such Guarantor's assets, as applicable;

(d) to make any change that would provide any additional rights or benefits to the Holders of Notes or that does not adversely affect the legal rights hereunder or under the Notes, the Guarantees and the Collateral Documents of any such Holder;

(e) *[Reserved];*

(f) to conform the text of this Indenture, the Guarantees, the Notes or the Collateral Documents to any provision of the "Description of the New First Lien Notes" section of the Offering Memorandum, to the extent that such provision in the "Description of the New First Lien Notes" section was intended to be a verbatim recitation of a provision of this Indenture, the Notes, the Guarantees or the Collateral Documents, as provided to the Trustee in an Officer's Certificate;

(g) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture as of the date hereof;

(h) to allow any Guarantor to execute a supplemental indenture substantially in the form of Exhibit B hereto and/or a Guarantee with respect to the Notes;

(i) to add any additional obligors under this Indenture, the Notes or the Guarantees;

(j) to secure any Additional First Lien Indebtedness, Additional Second Lien Indebtedness or Additional Secured Indebtedness permitted to be incurred under this Indenture pursuant to the Collateral Documents and to appropriately include the same in the Intercreditor Agreements;

(k) to add additional Collateral to secure the Notes;

(l) to comply with the provisions under Section 4.01; and

(m) to evidence and provide for the acceptance of an appointment by a successor Trustee.

Subject to Section 9.02, upon the written request of the Company accompanied by a Board Resolution authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02, the Trustee will join with the Company and the

Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture directly affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but will not be obligated to, enter into such amended or supplemental indenture.

After an amendment or supplement under this Section becomes effective, the Company shall mail to Holders a notice briefly describing such amendment or supplement. The failure to give such notice to all Holders, or any defect therein, shall not impair or affect the validity of an amendment or supplement under this Section 9.01.

The Trustee shall be entitled to receive an Officer's Certificate and an Opinion of Counsel (other than with respect to a supplemental indenture to add a Guarantor) confirming that all conditions precedent are satisfied with respect to any supplemental indenture and that such supplemental indenture is authorized or permitted.

Section 9.02. *With Consent of Holders.* Except as provided below in this Section 9.02, the Company and the Trustee may amend or supplement this Indenture, the Notes, the Guarantees and the Collateral Documents with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes), and, subject to Sections 6.04 and 6.07, any existing Default or Event of Default or compliance with any provision of this Indenture, the Notes, the Guarantees or the Collateral Documents may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes). Section 2.11 shall determine which Notes are considered to be "outstanding" for purposes of this Section 9.02.

Upon the request of the Company accompanied by a Board Resolution authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02, the Trustee will join with the Company and the Guarantors in the execution of such amended or supplemental indenture, except that the Trustee need not execute such amended or supplemental indenture if the Trustee reasonably believes that such amended or supplemental indenture adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Without the consent of each Holder of Notes affected, an amendment, supplement or waiver may not (with respect to Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(3) reduce the principal or change the stated maturity date of any note or reduce the amount of, or postpone the date fixed for, the payment of any sinking fund or analogous obligation with respect to any Note;

(4) waive a Default or Event of Default in the payment of principal of, or interest or premium on, the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make the principal of or interest on any Note payable in currency other than that stated in the Notes;

(6) make any change to the right of Holders of Notes to receive payment of the principal of and interest on the Notes or in Section 6.04 or Section 6.07:

(7) waive a redemption payment, provided that it is made of the option of the Company, with respect to any Note; or

(8) release any Guarantor from any of its obligations under its Guarantee or this Indenture, except in accordance with the terms of this Indenture; or

(9) make any change in the preceding amendment and waiver provisions of this paragraph.

In addition, without the consent of Holders of 75% in aggregate principal amount of Notes then outstanding, an amendment, supplement or waiver may not:

(1) modify any Collateral Document or the provisions in this Indenture dealing with Collateral Documents or application of trust moneys in any manner, taken as a whole, materially adverse to the Holders as determined by the Company acting in good faith or otherwise release any Collateral other than in accordance with this Indenture and the Collateral Documents; or

(2) modify the Intercreditor Agreements in any manner adverse to the Holders in any material respect other than in accordance with the terms of this Indenture and the Collateral Documents.

It shall not be necessary for the consent of the Holders under this Section to approve the particular form of any proposed amendment, supplement or waiver, but it shall be sufficient if such consent approves the substance thereof. A consent to any amendment, supplement or waiver under this Indenture by any Holder of the Notes given in connection with a tender or exchange of such Holder's Notes will not be rendered invalid by such tender or exchange.

After an amendment or supplement under this Section becomes effective, the Company shall mail to Holders a notice briefly describing such amendment or supplement. The failure to give such notice to all Holders, or any defect therein, shall not impair or affect the validity of an amendment or supplement under this Section 9.02.

Section 9.03. *Reserved*.

Section 9.04. *Revocation and Effect of Consents and Waivers*.

(a) Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation at the Corporate Trust Office provided in Section 13.02 before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

(b) The Company may, but shall not be obligated to, fix a record date for the purpose of determining the Holders entitled to give their consent or take any other action described above or required or permitted to be taken pursuant to this Indenture. If a record date is fixed, then notwithstanding anything herein to the contrary, those Persons, who were Holders at such record date (or their duly designated proxies), and only those Persons, shall be entitled to give such consent or to revoke

any consent previously given or to take any such action, whether or not such Persons continue to be Holders after such record date. No such consent shall be valid or effective for more than 120 days after such record date.

Section 9.05. *Notation on or Exchange of Notes*. The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the Trustee shall, upon receipt of an authentication order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06. *Trustee to Sign Amendments*.

The Trustee will sign any amended or supplemental indenture or amendment to a Collateral Document, except that the Trustee need not execute such amended or supplemental indenture or such amendment if the Trustee reasonably believes that such amended or supplemental indenture or such amendment adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise. The Company may not sign an amended or supplemental indenture or such amendment until the Board of Directors of the Company approves it. In executing any amended or supplemental indenture or amendment to a Collateral Document, the Trustee will be entitled to receive and (subject to Section 7.01 and Section 7.02) will be fully protected in relying upon, in addition to the documents required by Section 13.04, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture or such amendment is authorized or permitted by this Indenture and that all conditions precedent are satisfied with respect to any such amended or supplemental indenture or such amendment.

ARTICLE 10
GUARANTEE

Section 10.01. *Guarantee*. (a) Subject to the provisions of this Article 10, each Guarantor hereby fully, unconditionally and irrevocably guarantees, on a senior secured basis (except to the extent its assets are Excluded Property), as primary obligor and not merely as surety, jointly and severally with each other Guarantor, to each Holder of the Notes, to the extent lawful, and the Trustee the full and punctual payment when due, whether at maturity, by acceleration, by redemption or otherwise, of the principal of, premium, if any, and interest on the Notes, expenses, indemnification or otherwise and all other Obligations and liabilities of the Company under this Indenture (including without limitation interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding), relating to the Company or any Guarantor whether or not a claim for post-filing or post-petition interest is allowed in such proceeding and the obligations under Section 7.07), the Notes and the Collateral Documents (all the foregoing being hereinafter collectively called the "**Guaranteed Obligations**").

(b) Each Guarantee will be secured on a first-priority basis by the Notes Collateral, subject to Permitted Liens, owned by such Guarantor and on a second-priority basis by the ABL Collateral owned by such Guarantor. Such Guarantors will also agree to pay any and all costs and expenses (including reasonable counsel fees and expenses) incurred by the Trustee, the Notes Collateral Agent or the Holders in enforcing any rights under the Guarantees.

(c) Each Guarantor agrees (to the extent permitted by law) that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from it, and that it will remain bound under this Article 10 notwithstanding any extension or renewal of any Guaranteed Obligation.

(d) To the fullest extent permitted by law, each Guarantor waives presentation to, demand of payment from and protest to the Company of any of the Guaranteed Obligations and also waives notice of protest for nonpayment. To the fullest extent permitted by law, each Guarantor waives notice of any default under the Notes or the Guaranteed Obligations.

(e) Each Guarantor further agrees that its Guarantee constitutes a guarantee of payment when due (and not a guarantee of collection) and waives any right to require that any resort be had by any Holder to any security held for payment of the Guaranteed Obligations.

(f) Except as set forth in Section 10.02, the obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason (other than payment or performance of the Guaranteed Obligations), including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense of setoff, counterclaim, recoupment or termination whatsoever or by reason of the invalidity, illegality or unenforceability of the Guaranteed Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Guarantor herein shall not be discharged or impaired or otherwise affected by (i) the failure of any Holder to assert any claim or demand or to exercise or enforce any right or remedy against the Company or any other person under this Indenture, the Notes or any other agreement or otherwise; (ii) any extension or renewal of any thereof; (iii) any rescission, waiver, amendment or modification of any of the terms or provisions of this Indenture, the Notes or any other agreement; (iv) the release of any security held by any Holder or the Notes Collateral Agent for the Guaranteed Obligations or any of them; (v) any change in the ownership of the Company; (vi) any default, failure or delay, willful or otherwise, in the performance of the Guaranteed Obligations, or (vii) any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of any Guarantor or would otherwise operate as a discharge of such Guarantor as a matter of law or equity.

(g) Each Guarantor agrees that its Guarantee shall remain in full force and effect until payment in full of all the Guaranteed Obligations (other than contingent obligations or indemnification obligations, in each case for which no claim has been asserted) or such Guarantor is released from its Guarantee in compliance with Section 10.02, Article 8 or Article 12. Each Guarantor further agrees that its Guarantee herein shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of principal of, premium, if any, or interest on any of the Guaranteed Obligations is rescinded or must otherwise be restored by any Holder upon the bankruptcy or reorganization of the Company or otherwise.

(h) In furtherance of the foregoing and not in limitation of any other right which any Holder has at law or in equity against any Guarantor by virtue hereof, upon the failure of the Company to pay any of the Guaranteed Obligations when and as the same shall become due, whether at maturity, by acceleration, by redemption or otherwise, each Guarantor hereby promises to and will, upon receipt of written notice by the Trustee, forthwith pay, or cause to be paid, in cash, to the Trustee or the Trustee on behalf of the Holders an amount equal to the sum of (i) the unpaid amount of such Guaranteed Obligations then due and owing and (ii) accrued and unpaid interest on such Guaranteed Obligations then due and owing (but only to the extent not prohibited by law).

(i) Each Guarantor further agrees that, as between such Guarantor, on the one hand, and the Holders, on the other hand, (x) the maturity of the Guaranteed Obligations may be accelerated as provided in this Indenture for the purposes of its Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Guaranteed Obligations and (y) in the event of any such declaration of acceleration of such Guaranteed Obligations, such Obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantor for the purposes of this Guarantee.

(ji) Neither the Company nor the Guarantors shall be required to make a notation on the Notes to reflect any Guarantee or any release, termination or discharge thereof and any such notation shall not be a condition to the validity of any Note Guarantee.

(k) Any Guarantor that makes a payment under its Guarantee will be entitled upon payment in full of all Guaranteed Obligations under this Indenture to a contribution from each other Guarantor in an amount equal to such other Guarantor's pro rata portion of such payment based on the respective net assets of all the Guarantors at the time of such payment as determined in accordance with GAAP.

Section 10.02. *Limitation on Liability; Termination; Release and Discharge*.

(a) Any term or provision of this Indenture to the contrary notwithstanding, the obligations of each Guarantor hereunder will be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guarantor and after giving effect to any collections from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Guarantee or pursuant to its contribution obligations under this Indenture, result in the obligations of such Guarantor under its Guarantee not constituting a fraudulent conveyance or fraudulent transfer under federal or state law and not otherwise being void or voidable under any similar laws affecting the rights of creditors generally.

(b) Each Guarantee by a Guarantor will be automatically and unconditionally released and discharged, and such Subsidiary's obligations under the Guarantee, this Indenture and the Collateral Documents will be automatically and unconditionally released and discharged, upon:

(i) (1) any sale, exchange, transfer or disposition of such Guarantor (by merger, consolidation, or the sale of) the Capital Stock of such Guarantor after which the applicable Guarantor is no longer a Subsidiary or the sale of all or substantially all of its assets (other than by lease), whether or not the Guarantor is the surviving corporation in such transaction, to a Person which is not the Company or a Subsidiary; provided that (x) such sale, exchange, transfer or disposition is made in compliance with this Indenture, including Section 3.05 and Section 4.01 and (y) all the obligations of such Guarantor under all Indebtedness of the Company or its Subsidiaries terminate upon consummation of such transaction; (2) the Company exercising either Legal Defeasance or Covenant Defeasance under either Section 8.02 or Section 8.03; or (3) the applicable Guarantor becoming or constituting an Excluded Subsidiary; and

(ii) such Guarantor delivering to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for in this Indenture relating to release and discharge of such Guarantor's Guarantee have been complied with.

(c) Such Guarantor will be automatically and unconditionally released and discharged from all its obligations under this Indenture and its Guarantee and the Collateral Documents to which it is a party and such Guarantee shall terminate and be of no further force and effect and the Liens, if any, on the Collateral pledged by such Guarantor pursuant to the Collateral Documents shall be released with respect to the Notes if (x) such sale, exchange, transfer or disposition is made in compliance with this Indenture, including Section 3.02 and Section 4.01 and (y) all the obligations of such Guarantor under all Indebtedness of the Company or its Subsidiaries terminate upon consummation of such transaction.

(d) If the Guarantee of any Guarantor is deemed to be released and discharged or is automatically released and discharged, upon delivery by the Company to the Trustee of an Officer's Certificate stating the identity of the released Guarantor and the basis for the release in reasonable detail and an Opinion of Counsel, the Trustee will execute any documents reasonably required in order to evidence the release and discharge of the Guarantor from its obligations under its Guarantee.

Section 10.03. *Right of Contribution. E*ach Guarantor hereby agrees that to the extent that any Guarantor shall have paid more than its proportionate share of any payment made on the obligations under the Guarantees, such Guarantor shall be entitled to seek and receive contribution from and against the Company or any other Guarantor who has not paid its proportionate share of such payment. The provisions of this Section 10.03 shall in no respect limit the obligations and liabilities of each Guarantor to the Trustee and the Holders and each Guarantor shall remain liable to the Trustee and the Holders for the full amount guaranteed by such Guarantor hereunder.

Section 10.04. *No Subrogation.* Notwithstanding any payment or payments made by each Guarantor hereunder, no Guarantor shall be entitled to be subrogated to any of the rights of the Trustee or any Holder against the Company or any other Guarantor or any collateral security or guarantee or right of offset held by the Trustee or any Holder for the payment of the Guaranteed Obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Company or any other Guarantor in respect of payments made by such Guarantor hereunder, until all amounts owing to the Trustee and the Holders by the Company on account of the Guaranteed Obligations are paid in full. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Guaranteed Obligations shall not have been paid in full, such amount shall be held by such Guarantor in trust for the Trustee and the Holders, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the Trustee in the exact form received by such Guarantor (duly indorsed by such Guarantor to the Trustee, if required), to be applied against the Guaranteed Obligations.

Section 10.05. *Execution and Delivery of a Guarantee*.

(a) The execution by each Guarantor of this Indenture (or a supplemental indenture in the form of Exhibit B) evidences the Guarantee of such Guarantor, whether or not the person signing as an officer of the Guarantor still holds that office at the time of authentication of any Note. The delivery of any Note by the Trustee after authentication constitutes due delivery of the Guarantee set forth in this Indenture on behalf of each Guarantor.

(b) The Trustee hereby accepts the trusts in this Indenture upon the terms and conditions herein set forth.

ARTICLE 11
COLLATERAL AND SECURITY

Section 11.01. *The Collateral*.

(a) The due and punctual payment of the principal of, premium, if any, and interest on the Notes and the Guarantees when and as the same shall be due and payable, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise, interest on the overdue principal of and interest (to the extent permitted by law), if any, on the Notes and the Guarantees and performance of all other obligations under this Indenture, including, the obligations of the Company set forth in Section 7.07 and Section 8.05 herein, and the Notes and the Guarantees and the Collateral Documents, shall be secured by Liens on and security interests in the Notes Collateral and the ABL Collateral, in each case with the priority set forth in the Intercreditor Agreements and subject to Permitted Liens, as provided in the Collateral Documents which the Company and the Guarantors, as the case may be, have entered into simultaneously with the execution of this Indenture and will be secured by all Collateral Documents hereafter delivered as required or permitted by this Indenture and the Collateral Documents. All property of the Company and the Guarantors owned on the Issue Date (other than Excluded Property) shall be pledged as Collateral pursuant to the Collateral Documents on the Issue Date, and perfected with the priority intended to be granted thereby, subject, in the case of the Post-Closing Collateral Documents, to the provisions of Section 11.05.

(b) The Company and the Guarantors hereby agree that the Notes Collateral Agent shall hold the Collateral in trust for the benefit of all of the Holders and the Trustee, in each case pursuant to the terms of the Collateral Documents, and the Notes Collateral Agent is hereby authorized to execute and deliver the Collateral Documents.

(c) Each Holder, by its acceptance of any Notes and the Guarantees, consents and agrees to the terms of Section 11.09 and the Collateral Documents (including, the provisions providing for the possession, use, release and foreclosure of Collateral) as the same may be in effect or may be amended from time to time in accordance with their terms and authorizes and directs the Trustee and the Notes Collateral Agent to perform its obligations and exercise its rights under this Indenture and the Collateral Documents in accordance therewith.

(d) The Trustee and each Holder, by accepting the Notes and the Guarantees, acknowledges that, as more fully set forth in the Collateral Documents, the Collateral as now or hereafter constituted shall be held for the benefit of all the Holders and the Trustee, and that the Lien of this Indenture and the Collateral Documents in respect of the Trustee and the Holders is subject to and qualified and limited in all respects by the Collateral Documents and actions that may be taken thereunder.

(e) The Company shall, and shall cause each of the Grantors to, at the Company's sole cost and expense, take or cause to be taken such actions as may be required by the Collateral Documents, to perfect, maintain (with the priority required under the Collateral Documents), preserve and protect the valid and enforceable, perfected (except as expressly provided herein or therein) security interests in and on all the Collateral granted by the Collateral Documents in favor of the Notes Collateral Agent as security for the First Lien Notes Obligations, superior to and prior to the rights of all third Persons (other than as set forth in the Intercreditor Agreements and other than to the extent permitted or not prohibited under this Indenture with respect to Permitted Liens), and subject to no other Liens (other than Permitted Liens), including (i) the filing of financing statements, continuation statements, collateral assignments and any instruments of further assurance, in such manner and in such places as may be required by law to preserve and protect fully the rights of the Holders, the Notes Collateral Agent, and the Trustee under this Indenture and the Collateral Documents to all property comprising the Collateral, and (ii) the delivery of the certificates evidencing the securities pledged under any Collateral Document, duly endorsed in blank or accompanied by undated stock powers or other instruments of transfer executed in blank. The Company shall from time to time promptly pay all financing and continuation statement recording and/or filing fees, charges and recording and similar taxes relating to the Indenture, the Collateral Documents and any amendments hereto or thereto and any other instruments of further assurance required pursuant hereto or thereto.

Section 11.02. *Further Assurances*.

(a) Subject to the limitations set forth in the Collateral Documents, the Company and each of the Guarantors shall execute any and all further documents, financing statements, agreements and instruments, and take all further action that may be reasonably required under applicable law, or that the Notes Collateral Agent may reasonably (but shall have no duty to) request, in order to grant, preserve, protect and perfect the validity and priority of the security interests and Liens created or intended to be created by the Collateral Documents in the Collateral, including, by making all filings (including filings of continuation statements and amendments to financing statements that may be necessary to continue the effectiveness of such financing statements). In addition, from time to time, the Company shall and shall cause each Guarantor to reasonably promptly secure the obligations under this Indenture and the Collateral Documents by pledging or creating, or causing to be pledged or created, perfected security interests with respect to the Collateral to the extent and in the manner set forth in the Collateral Documents.

(b) The Company shall, and shall cause each Guarantor to (i) at all times maintain, preserve and protect all Notes Collateral material to the conduct of its business and keep such property in good repair, working order and condition (other than wear and tear occurring in the ordinary course of business); (ii) from time to time make, or cause to be made, all necessary repairs, renewals, additions, improvements and replacements thereto necessary in order to maintain and preserve the Notes Collateral; and (iii) maintain all material insurance coverages thereon.

Section 11.03. *Additional Property.* Upon (x) the formation or acquisition of any new Guarantor after the Issue Date owning Material Real Property, (y) any Excluded Property ceasing to be Excluded Property, or (z) the acquisition by the Company or any Guarantor after the Issue Date of any Material Real Property or personal property (other than any Excluded Property), the Company or such Guarantor shall execute and deliver, within 270 days of the date of the formation or acquisition of a new Guarantor, the date upon which Excluded Property ceases to be classified as such, or the date of acquisition of Material Real Property, as applicable, (A) with regard to any Material Real Property or personal property (other than any Excluded Property), the items described in Section 11.05(a)(i)-(iii) below and (B) to the extent required by the Collateral Documents and subject to the Intercreditor Agreements, any information, documentation or other certificates (including but not limited to financing statements and Opinions of Counsel) to the Notes Collateral Agent as may be necessary to vest in the Notes Collateral Agent a perfected security interest, subject only to Permitted Liens and confirm the validity and priority of the Notes Collateral Agent's perfected security interest and lien on such Material Real Property or personal property (other than any Excluded Property) and to have such property added to the Collateral, and thereupon all provisions of this Indenture, the Notes and the Collateral Documents relating to the Collateral shall be deemed to relate to such property to the same extent and with the same force and effect. Additionally, if the Company or any Guarantor creates any additional security interest upon any property or asset in the nature of assets constituting ABL Collateral to secure any ABL Obligations after the Issue Date, it shall concurrently grant a security interest (subject to Permitted Liens, including, to the extent applicable, the first-priority Lien that secures the ABL Obligations and the junior Lien that secures the Second Lien Notes Obligations) upon such property as security for the First Lien Notes Obligations and any Additional First Lien Indebtedness with the priority required by the Intercreditor Agreements. If granting a security interest in such ABL Collateral requires the consent of a third party, the Company and the applicable Guarantor may not be required to obtain such consent with respect to the security interest for the benefit of the Notes Collateral Agent on behalf of the Holders of the Notes and each other secured party under the Collateral Documents to the extent such consent is not required to be obtained under the terms of the documents governing ABL Obligations. Additionally, if the Company or any Guarantor creates any additional security interest upon any property or asset in the nature of assets constituting Notes Collateral to secure any First Lien Notes Obligations after the Issue Date, it shall concurrently grant a security interest (subject to Permitted Liens, including, to the extent applicable, the junior Lien that secures the Second Lien Notes Obligations and the first-priority Lien that secures the ABL Obligations) upon such property as security for the First Lien Notes Obligations and any Additional First Lien Indebtedness with the priority required by the Intercreditor Agreements. If granting a security interest in such Notes Collateral requires the consent of a third party, the Company and the applicable Guarantor may not be required to obtain such consent with respect to the security interest for the benefit of the Notes Collateral Agent on behalf of the Holders of the Notes and each other secured party under the Collateral Documents to the extent such consent is not required to be obtained under the terms of the documents governing the First Lien Notes Obligations. For the avoidance of doubt, neither the Company nor any Guarantor shall be required to deliver (or make efforts to deliver) to the Notes Collateral Agent any lien waiver or access agreement from any landlord, bailee, carrier, customer or similar Person with respect to the Notes Collateral, notwithstanding any requirement to deliver (or make efforts to deliver) any such lien waiver or access agreement to the ABL Agent with respect to the ABL Collateral so long as the ABL Credit Facility is outstanding.

Section 11.04. *Impairment of Security Interest.* Neither the Company nor any of its Subsidiaries is permitted to take or knowingly or negligently omit to take any action which act or omission would or could reasonably be expected to have the result of materially impairing the security interest in

the Liens in favor of the Notes Collateral Agent for the benefit of the Trustee and the Holders with respect to the Collateral. Neither the Company nor any of its Subsidiaries shall grant to any Person, or permit any Person to retain (other than the Notes Collateral Agent, the Second Lien Notes Collateral Agent or the ABL Agent), any interest whatsoever in the Collateral, other than Permitted Liens. Neither the Company nor any of its Subsidiaries will enter into any agreement that requires the proceeds received from any sale of Collateral to be applied to repay, redeem, defease or otherwise acquire or retire any Indebtedness of any Person, other than as permitted by this Indenture, the Notes, the Guarantees and the Collateral Documents. The Company shall, and shall cause each Guarantor to, at its sole cost and expense, execute and deliver all such agreements and instruments as necessary, or as the Trustee or the Notes Collateral Agent reasonably requests, to more fully or accurately describe the assets and property intended to be Collateral or the obligations intended to be secured by the Collateral Documents.

Section 11.05. *Post-Closing Collateral Documents.* (a) The Company shall, and shall cause the Guarantors, in each case, subject to the Intercreditor Agreements, to put in place the following documents (together with the Documents listed in (b), the "**Post-Closing Collateral Documents**"), following the Issue Date (but in any event not later than the date any such Post-Closing Collateral Documents are put in place for the benefit of the ABL Agent) to secure the ABL Credit Facility Obligations. Such Post-Closing Collateral Documents shall be reasonably satisfactory in form and substance to the Notes Collateral Agent and shall relate to Material Real Property as of the Issue Date. For the avoidance of doubt, the Notes Collateral Agent has the right but not the obligation to request instruction from the Holders as to whether the form and substance of such documents is satisfactory. Also, for the avoidance of doubt, neither the Trustee nor the Notes Collateral Agent shall be responsible for the failure of any Person to deliver the documents below, for monitoring such delivery or for the content or correctness of any document delivered to it:

(i) *Mortgages.* Fully executed counterparts of the Mortgages (it being understood and agreed that in the case of any Material Real Property in which the Company or any Guarantor has a leasehold interest where the terms of such leased Real Property (or applicable state law, if the lease is silent on the issue) prohibit a mortgage thereof, the Company or applicable Guarantor shall use commercially reasonable efforts to cause the landlord to allow a mortgage of such leased Real Property), together with evidence that (1) counterparts of the Mortgages have been (i) duly executed, acknowledged and delivered and (ii) properly filed in all filing or recording offices that the Notes Collateral Agent deems necessary or desirable in accordance with customary practices for real property interests of such type and for such location in order to create a valid first (subject to Permitted Liens) and subsisting Lien on the property described therein in favor of the Notes Collateral Agent for its benefit and the benefit of the First Lien Notes Secured Parties and (2) all filing, documentary, stamp, intangible and recording taxes and fees have been paid, the delivery of a copy of a recorded Mortgage being sufficient evidence to satisfy the requirements of this Section 11.05(a); provided that if, in connection with the recording or filing of a Mortgage, a mortgage tax would be owed under applicable law in respect of the entire amount of the Obligations, then the amount secured by such Mortgage shall be limited to 100% of the then-estimated fair market value of the Real Property encumbered by such Mortgage (other than where another method is used to determine mortgage recording tax, such as allocation), as determined by the Company, provided, further, that such Mortgages, to the extent encumbering a Principal Property, shall provide that the Obligations secured by Principal Property or Principal Subsidiary Interests (together with any other CNTA Covered Debt) shall not exceed, at any time that any CNTA Covered Debt is incurred, the CNTA Limit at such time so as to not require any Bonds to be equally and ratably secured with the Obligations. For the avoidance of doubt, the Notes Collateral Agent has the right but not the obligation to request instruction from the Holders as to the filing or recording offices necessary or desirable to create a valid second Lien.

(ii) *As-Extracted Financing Statements*. In the case of any as-extracted collateral constituting ABL Collateral, the Company and each applicable Guarantor shall provide the Notes

Collateral Agent with financing statements in form appropriate for filing in the appropriate jurisdictions under the applicable Uniform Commercial Code in order to perfect Liens (subject to Permitted Liens) on such as-extracted collateral for the benefit of the First Lien Notes Secured Parties.

(iii) *Counsel Opinions*. Customary opinions of counsel to the Company or Guarantor mortgagor with respect to the extent applicable to the perfection, enforceability, due authorization, execution and delivery of the applicable Mortgages and any related fixture filings in form and substance reasonably satisfactory to the Notes Collateral Agent.

(b) The Company shall, and shall cause the Guarantors, in each case, subject to the Intercreditor Agreements, to use all commercially reasonable efforts to put in place control agreements with respect to their deposit accounts (other than with respect to Excluded Accounts) following the Issue Date, but in any event not later than the date any such Post-Closing Collateral Documents are put in place for the benefit of the ABL Agent to secure the ABL Credit Facility Obligations to the extent required to be delivered pursuant to the Security Agreement and in accordance with the terms thereof. For the avoidance of doubt, the Notes Collateral Agent shall not be responsible for the failure of any Person to deliver such agreements, for monitoring such delivery or for the content or correctness of any such agreements delivered to it. For the avoidance of doubt, the Company shall be required to deliver to the Notes Collateral Agent a control agreement that is reasonably satisfactory to the Notes Collateral Agent and the depository bank with respect to the Collateral Account (if any) on the Issue Date.

(c) For the avoidance of doubt, if as provided in Section 7.02(e), the Notes Collateral Agent consults with counsel with respect to the Post-Closing Collateral Documents, all reasonable fees and expenses of such counsel shall be paid promptly by the Company.

Section 11.06. *Release of Liens on the Collateral*.

(a) Subject to the Intercreditor Agreements, the Notes Collateral Agent shall not at any time release the Collateral from the security interests created by the Collateral Documents unless such release is expressly in accordance with the provisions of this Indenture and the applicable Collateral Documents.

(b) Collateral will be released from the Liens and security interests created by the Collateral Documents at any time or from time to time in accordance with the provisions of this Indenture and the Collateral Documents. The Company and the Guarantors will be entitled to releases of property and assets included in the Collateral from the Liens securing Obligations under this Indenture, the Notes, the Guarantees, and the Collateral Documents under any one or more of the following circumstances, and such Liens on the following assets shall automatically, without requirement for consent or approval from the Holders, the Trustee or the Notes Collateral Agent and without the need for any further action by any Person (except as provided herein or in the applicable Collateral Document), be released, terminated and discharged upon any of the following:

(i) in whole, upon satisfaction and discharge of this Indenture as set forth in Section 12.01;

(ii) in whole, upon a legal defeasance or covenant defeasance as set forth in Section 8.02 or Section 8.03, as applicable;

(iii) in part, as to any property constituting Collateral (A) that is sold or otherwise disposed of by the Company or any of its Subsidiaries (other than to the Company or a Guarantor) in a transaction permitted by Section 3.02 and by the Collateral Documents, to the extent of the interest sold or disposed of, or otherwise not prohibited by this Indenture and the Collateral Documents; (B) that is cash or Net Proceeds withdrawn from the Collateral Account for any one or more purposes permitted by Section 3.02; (C) that is ABL Collateral, pursuant to the

terms of the ABL Intercreditor Agreement; (D) that is Notes Collateral, pursuant to the terms of the Notes Intercreditor Agreements or (E) that at any time becomes Excluded Property;

(iv) that is owned by a Guarantor that is released from its Guarantee in accordance with this Indenture;

(v) with the consent of Holders of 75% in aggregate principal amount of the Notes then outstanding in accordance with Section 9.02, provided, that, in the case of any release in whole pursuant to clauses, (i) and (ii) above, all amounts owing to the Trustee and the Notes Collateral Agent under this Indenture, the Notes, the Guarantees and the Collateral Documents have been paid; and

(vi) upon the incurrence by the Company or any Guarantor of any Permitted Lien on any Collateral that is a purchase money Lien, or is a pre-existing Lien on property acquired after the Issue Date where the terms of such Lien prohibit other Liens thereon.

(c) For all circumstances in Section 11.06(b) (other than with respect to clauses (iii) and (vi) thereof), the Company and each Guarantor will furnish to the Notes Collateral Agent, prior to each proposed release of Collateral pursuant to the Collateral Documents and this Indenture:

(i) an Officer's Certificate requesting such release, including a statement to the effect that all conditions precedent provided for in this Indenture and the Collateral Documents to such release have been complied with including the delivery to the Notes Collateral Agent of all documents required under this Section 11.06(c) and that the release is permitted by this Indenture and the Collateral Documents;

(ii) a form of such release (which release shall be in form reasonably satisfactory to the Notes Collateral Agent and shall provide that the requested release is without recourse or warranty to the Notes Collateral Agent);

(iii) all documents required by this Indenture and the Collateral Documents; and

(iv) an Opinion of Counsel to the effect that such accompanying documents constitute all documents required by this Indenture and the Collateral Documents and such release is authorized or permitted by the Collateral Documents and this Indenture.

Upon compliance by the Company or the Guarantors, as the case may be, with the conditions precedent set forth above in connection with any release of Collateral (whether or not such compliance is required under this Section 11.06(c)), and upon delivery by the Company or such Guarantor to the Notes Collateral Agent of an Opinion of Counsel to the effect that such conditions precedent have been complied with, (a) the Trustee or the Notes Collateral Agent shall promptly cause to be released and reconveyed to the Company, or the Guarantors, as the case may be, the released Collateral, and (b) upon written request by the Company or the applicable Guarantor, the Notes Collateral Agent will file, or authorize the filing of appropriate termination statements or other documents to terminate the security interest in the released Collateral.

(d) The release of any Collateral in accordance with the terms of this Indenture and the Collateral Documents shall not be deemed to impair the security under this Indenture in contravention of the provisions hereof or affect the Lien of this Indenture or the Collateral Documents if and to the extent the Collateral is released pursuant to this Indenture or the Collateral Documents or upon the termination of this Indenture. Any person may rely on this (d) in delivering a certificate requesting release of any collateral.

Section 11.07. *Authorization of Actions to be Taken by the Trustee or the Notes Collateral Agent Under the Collateral Documents*.

(a) Subject to the provisions of this Indenture and the Collateral Documents, each of the Trustee and the Notes Collateral Agent may (but shall not be obligated to), and at the direction of the Holders of a majority of the aggregate principal amount of then outstanding Notes shall, on behalf of the Holders, take all actions it deems necessary or appropriate in order to (i) enforce any of its rights or any of the rights of the Holders under the Collateral Documents and (ii) collect and receive any and all amounts payable in respect of the Collateral in respect of the obligations of the Company and the Subsidiaries hereunder and thereunder. Subject to the provisions of the Collateral Documents, the Trustee or the Notes Collateral Agent shall have the power to institute and to maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any acts that may be unlawful or in violation of the Collateral Documents or this Indenture, and such suits and proceedings as the Trustee or the Notes Collateral Agent may deem expedient to preserve or protect its interest and the interests of the Holders in the Collateral (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of the Holders or the Trustee).

(b) Neither the Trustee nor the Notes Collateral Agent shall be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence, bad faith or willful misconduct on the part of the Trustee or the Notes Collateral Agent, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of any Grantor to the Collateral, for insuring the Collateral, for the payment of taxes, charges, assessments or Liens upon the Collateral or otherwise as to the maintenance of the Collateral, or for the sufficiency of the form or substance of any Collateral Document. Neither the Trustee nor the Notes Collateral Agent shall have any responsibility for recording, filing, re-recording or refiling any financing statement, continuation statement, document, instrument or other notice in any public office at any time or times or to otherwise take any action to perfect or maintain the perfection of any security interest granted to it under the Collateral Documents or otherwise.

(c) Where any provision of this Indenture requires that additional property or assets be added to the Collateral, the Company and the relevant Guarantor shall deliver to the Trustee or the Notes Collateral Agent the following:

(i) a written notice from the Company of such Collateral;

(ii) the form of instrument adding such Collateral, which, based on the type and location of the property subject thereto, shall be in substantially the form of the applicable Collateral Documents entered into on the date of this Indenture, with such changes thereto as the Company shall consider appropriate, or in such other form as the Company shall deem proper; provided that any such changes or such form are administratively satisfactory to the Trustee and the Notes Collateral Agent;

(iii) an Officer's Certificate to the effect that the Collateral being added is in the form, consists of the assets and is in the amount or otherwise has the fair market value required by this Indenture;

(iv) an Officer's Certificate and, in the case of Collateral being added with respect to a new Note Guarantee, an Opinion of Counsel, to the effect that all conditions precedent provided for in this Indenture to the addition of such Collateral have been complied with, which Opinion of

Counsel (if any) shall provide customary opinions as to the creation and perfection of the Notes Collateral Agent's Lien on such Collateral and as to the due authorization, execution, delivery, validity and enforceability of the Collateral Document being entered into; and

(vi) such financing statements, if any, as shall be necessary to perfect the Notes Collateral Agent's security interest in such Collateral.

(d) The Trustee and/or the Notes Collateral Agent, as applicable, in giving any consent or approval under the Collateral Documents, shall be entitled to receive, as a condition to such consent or approval, an Officer's Certificate and an Opinion of Counsel to the effect that the action or omission for which consent or approval is to be given does not impair the security of the Holders in contravention of the provisions of this Indenture and the Collateral Documents, and the Trustee and/or the Notes Collateral Agent shall be fully protected in giving such consent or approval on the basis of such Officer's Certificate and Opinion of Counsel.

(e) The Notes Collateral Agent agrees that it shall not be obliged to, unless specifically requested to do so by the Holders of a majority in aggregate principal amount of the then outstanding Notes, take or cause to be taken any action to enforce its rights under this Indenture, the Notes or the Collateral Documents or against any Guarantor, including the commencement of any legal or equitable proceedings, to foreclose any Lien on, or otherwise enforce any security interest in, any of the Collateral.

(f) If at any time or times the Trustee shall receive (i) by payment, foreclosure, set-off or otherwise, any proceeds of Collateral or any payments with respect to the First Lien Notes Obligations arising under, or relating to, this Indenture, except for any such proceeds or payments received by the Trustee from the Notes Collateral Agent pursuant to the terms of this Indenture, or (ii) payments from the Notes Collateral Agent in excess of the amount required to be paid to the Trustee pursuant to Article 6, the Trustee shall promptly turn the same over to the Notes Collateral Agent, in kind, and with such endorsements as may be required to negotiate the same to the Notes Collateral Agent, such proceeds to be applied by the Notes Collateral Agent pursuant to the terms of this Indenture and the Collateral Documents.

Section 11.08. *Collateral Accounts*.

(a) The Trustee is authorized to receive any funds for the benefit of the Holders distributed under, and in accordance with, the Collateral Documents, and to make further distributions of such funds to the Holders according to the provisions of this Indenture and the Collateral Documents.

(b) The Collateral Account shall be a deposit account maintained with, and under the sole control of, the Notes Priority Agent and shall be established and maintained by Bank of America, N.A. All cash and Cash Equivalents received by the Notes Collateral Agent from Asset Dispositions of Notes Collateral, Recovery Events with regards to Notes Collateral, Asset Dispositions with regards to Notes Collateral, foreclosures of or sales of the Notes Collateral pursuant to the Collateral Documents, including earnings, revenues, rents, issues, profits and income from the Notes Collateral received pursuant to the Collateral Documents, shall, subject to the Intercreditor Agreements, be deposited in the Collateral Account to the extent required by this Indenture or the Collateral Documents, and thereafter shall be held, applied and/or disbursed by the Notes Priority Agent to the Trustee in accordance with the terms of this Indenture (including, without limitation, Section 2.01(a), Section 3.02, Section 6.10 and (a)). In connection with any and all deposits to be made into the Collateral Account under this Indenture, the Notes Collateral Agent shall receive an Officer's Certificate directing the Notes Collateral Agent to make such deposit.

(c) Pending the distribution of funds in the Collateral Account in accordance with the provisions hereof and provided that no Event of Default shall have occurred and be continuing, the Company may direct the Notes Collateral Agent in writing to invest such funds in Cash Equivalents

specified in such direction, such investments to mature by the times such funds are needed hereunder and such direction to certify that such funds constitute Cash Equivalents and that no Event of Default shall have occurred and be continuing. The Company acknowledges that for so long as the Notes Collateral Agent holds Cash pending investment direction from the Company, such Cash will be uninvested until one (1) Business Day after the Notes Collateral Agent receives such direction from the Company. So long as no Event of Default shall have occurred and be continuing, the Company may direct the Trustee to sell, liquidate or cause the redemption of any such investments and to transmit the proceeds to the Company or its designee, in each case, to the extent permitted under Section 2.01(a) and Section 3.02, such direction to certify that no Event of Default shall have occurred and be continuing. Any gain or income on any investment of funds in the Collateral Account shall be credited to the Collateral Account. Neither the Trustee nor the Notes Collateral Agent shall have any liability for any loss incurred in connection with any investment or any sale, liquidation or redemption thereof made in accordance with the provisions of this (c).

Section 11.09. *Appointment and Authorization of U.S. Bank National Association as Notes Collateral Agent*.

(a) U.S. Bank National Association is hereby designated and appointed as the Notes Collateral Agent of the Holders under the Collateral Documents, and is authorized as the Notes Collateral Agent for such Holders to execute and enter into each of the Collateral Documents and all other instruments relating to the Collateral Documents and (i) to take action and exercise such powers as are expressly required or permitted hereunder and under the Collateral Documents and all instruments relating hereto and thereto including, without limitation, entering into any amendments, supplements, modifications, joinders or intercreditor agreements relating thereto and (ii) to exercise such powers and perform such duties as are in each case, expressly delegated to the Notes Collateral Agent by the terms hereof and thereof together with such other powers as are reasonably incidental hereto and thereto.

(b) Notwithstanding any provision to the contrary elsewhere in this Indenture or the Collateral Documents, the Notes Collateral Agent shall not have any duties or responsibilities except those expressly set forth herein or therein or any fiduciary relationship with any Holder, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Indenture, any Collateral Document or otherwise exist against the Notes Collateral Agent. The Company and each Holder, by acceptance of the Notes and the Guarantees acknowledges and agrees that, consistent with the provisions of Article 7, the privileges, rights, compensation, indemnities, immunities and exculpatory provisions contained in this Indenture that apply to and benefit the Trustee or the Notes Collateral Agent, respectively, shall also apply to and benefit the Trustee or the Notes Collateral Agent, respectively, whether it is acting under this Indenture, the other Note Documents or the Collateral Documents.

(c) The Notes Collateral Agent shall incur no liability to anyone in acting upon any signature, instrument, statement, notice, resolution, request, direction, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by it to be genuine and reasonably believed by it to be signed by the proper party or parties. The Notes Collateral Agent may exercise any of its rights or powers hereunder or perform any of its duties hereunder either directly or by or through agents or attorneys, and the Notes Collateral Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed hereunder with due care by it. Anything in this Indenture or the Collateral Documents notwithstanding, in no event shall the Notes Collateral Agent be liable for special, indirect or consequential damage of any kind whatsoever (including but not limited to lost profits), even if the Notes Collateral Agent has been advised of such loss or damage and regardless of the form of action. The Company and Grantors, shall, jointly and severally, indemnify and hold harmless the Notes Collateral Agent, its directors, officers, agents and employees with respect to any and all expenses, losses, damages, liabilities, demands, charges, causes of action, judgments and claims of any nature (including the reasonable fees and expenses of counsel and other experts) in respect of or arising from any acts or omissions performed or omitted by the Notes Collateral Agent, its directors, officers, agents or employees hereunder or under the Collateral Documents or under any other agreement executed in

connection therewith without willful misconduct, gross negligence or reckless disregard of its duties hereunder or under the Collateral Documents or under any other agreement executed in connection therewith. The Notes Collateral Agent shall also be afforded all of the other rights, protections, indemnities and immunities afforded to the Trustee hereunder.

(d) The Notes Collateral Agent may resign at any time subject to all of the same terms and procedures as pertain to the Trustee under this Indenture.

(e) The provisions of this Article 11 are solely for the benefit of the Notes Collateral Agent and the Trustee, and none of the Holders, any of the Holders of the Second Lien Notes, the Second Lien Notes Collateral Agent, or any of the Guarantors (other than with respect to Sections 11.06 and 11.07) shall have any rights as a third-party beneficiary of any of the provisions contained herein. Each Holder agrees that any action taken by the Notes Collateral Agent in accordance with the provisions of this Indenture and the Collateral Documents, and the exercise by the Notes Collateral Agent of any rights or remedies set forth herein or therein, shall be authorized and binding upon all Holders.

(f) Notwithstanding any provision to the contrary contained elsewhere in this Indenture and the Collateral Documents, the duties of the Notes Collateral Agent shall be ministerial and administrative in nature, and the Notes Collateral Agent shall not have any duties or responsibilities, except those expressly set forth herein and in the other First Lien Notes Documents or Collateral Documents to which the Notes Collateral Agent is a party, nor shall the Notes Collateral Agent have or be deemed to have any trust or other fiduciary relationship with the Trustee, any Holder, any Holder of any Second Lien Notes, or any Guarantor, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Indenture, the Collateral Documents or otherwise exist against the Notes Collateral Agent. Without limiting the generality of the foregoing sentence, the use of the term “agent” in this Indenture with reference to the Notes Collateral Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

(g) The Notes Collateral Agent shall be accountable only for amounts that it actually receives as a result of the exercise of its powers hereunder or under the Collateral Documents, and neither the Notes Collateral Agent nor any of its officers, directors, employees, attorneys, representatives or agents shall be responsible for any act or failure to act hereunder, except to the extent such act is found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from its own gross negligence or willful misconduct.

(h) The Notes Collateral Agent is each Holder’s agent for the purpose of perfecting such Holders’ security interest in assets which, in accordance with Article 9 of the Uniform Commercial Code, can be perfected only by possession. Should the Trustee obtain possession of any such Collateral, the Trustee shall notify the Notes Collateral Agent thereof and promptly shall deliver such Collateral to the Notes Collateral Agent or otherwise deal with such Collateral in accordance with the Notes Collateral Agent’s instructions.

(i) Notwithstanding anything to the contrary contained in this Indenture or the Collateral Documents, in the event the Notes Collateral Agent is instructed by the Trustee on behalf of the Holders to commence an action to foreclose or otherwise exercise its remedies to acquire control or possession of the Collateral, the Notes Collateral Agent shall not be required to commence any such action or exercise any remedy or to inspect or conduct any studies of any property under any mortgages or take any such other action if the Notes Collateral Agent believes that it may incur personal liability as a result of the presence at, or release on or from, the Collateral or such property, of any hazardous substances unless the Notes Collateral Agent has received security or indemnity from the Holders (and the holders of other Second Lien Note Obligations (if any) whose representative has similarly instructed the Notes Collateral Agent) in an amount and in a form all satisfactory to the Notes Collateral Agent in its sole discretion,

protecting the Notes Collateral Agent from all such liability. The Notes Collateral Agent shall at any time be entitled to cease taking any action described above if it no longer believes that the indemnity, security or undertaking from the Company or the Holders (or holders of other Second Lien Note Obligations (if any), as applicable) is sufficient.

(j) The Notes Collateral Agent does not assume any responsibility for any failure or delay in performance or any breach by the Company or any Guarantor under this Indenture or the Collateral Documents. The Notes Collateral Agent shall not be responsible to the Holders or any other Person for any recitals, statements, information, representations or warranties contained in any First Lien Notes Documents or in any certificate, report, statement, or other document referred to or provided for in, or received by the Notes Collateral Agent under or in connection with, this Indenture or the Collateral Documents.

(k) The Notes Collateral Agent shall not be required to initiate or conduct any litigation or collection or other proceeding under this Indenture or the Collateral Documents except as expressly set forth hereunder or thereunder. The Notes Collateral Agent shall have the right at any time to seek instructions from the party or parties entitled to give instructions to it under the terms of this Indenture and the Collateral Documents.

(l) The parties hereto and the Holders hereby agree and acknowledge that the Notes Collateral Agent shall not assume, be responsible for or otherwise be obligated for any liabilities, claims, causes of action, suits, losses, allegations, requests, demands, penalties, fines, settlements, damages (including foreseeable and unforeseeable), judgments, expenses and costs (including but not limited to, any remediation, corrective action, response, removal or remedial action, or investigation, operations and maintenance or monitoring costs, for personal injury or property damages, real or personal) of any kind whatsoever, pursuant to any environmental law as a result of this Indenture or the Collateral Documents, or any actions taken pursuant hereto or thereto. Further, the parties hereto and the Holders hereby agree and acknowledge that in the exercise of its rights under this Indenture and the Collateral Documents, the Notes Collateral Agent may hold or obtain indicia of ownership primarily to protect the security interest of the Notes Collateral Agent in the Collateral, including without limitation the properties constituting Material Real Property, and that any such actions taken by the Notes Collateral Agent shall not be construed as or otherwise constitute any participation in the management of such Collateral, including without limitation the Material Real Property, as those terms are defined in Section 101(20)(E) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 et seq., as amended.

(m) With respect to the Collateral Documents to be executed after the Issue Date, upon the receipt by the Notes Collateral Agent of a written request of the Company signed by two Officers (a "**Security Document Order**"),which shall confirm that the security documents being delivered to the Notes Collateral Agent for execution are final and acceptable to the Company, the Notes Collateral Agent shall execute and enter into such security documents without the further consent of any Holder or the Trustee. Such Security Document Order shall (i) state that it is being delivered to the Notes Collateral Agent pursuant to, and is a Security Document Order referred to in, this Section 11.09(m), and (ii) instruct the Notes Collateral Agent to execute and enter into such Collateral Document. Any such execution of a Collateral Document shall be at the direction and expense of the Company, upon delivery to the Notes Collateral Agent of an Officer's Certificate and Opinion of Counsel stating that all conditions precedent to the execution and delivery of Collateral Document have been satisfied. The Holders, by their acceptance of the Notes, hereby authorize and direct the Notes Collateral Agent to execute such Collateral Documents.

(n) With respect to any Notes Intercreditor Agreement executed after the Issue Date, on terms substantially similar to the Notes Intercreditor Agreement entered into on the Issue Date, related to the issuance of Additional First Lien Indebtedness permitted under the terms of this Indenture that is secured by Liens on the Collateral that are junior to the Liens securing the First Lien Notes but senior to the Liens securing the Notes, upon the receipt by the Notes Collateral Agent of a written request of the

Company signed by two Officers (an " **Intercreditor Agreement Order**"), which shall confirm that the Notes Intercreditor Agreement being delivered to the Notes Collateral Agent for execution are final and acceptable to the Company, the Notes Collateral Agent shall execute and enter into such intercreditor agreement without the further consent of any Holder or the Trustee. Such Intercreditor Order shall (i) state that it is being delivered to the Notes Collateral Agent pursuant to, and is an Intercreditor Agreement Order referred to in, this Section 11.09(n), and (ii) instruct the Notes Collateral Agent to execute and enter into such Notes Intercreditor Agreement. Any such execution of a Notes Intercreditor Agreement shall be at the direction and expense of the Company, upon delivery to the Notes Collateral Agent of an Officer's Certificate and Opinion of Counsel stating that all conditions precedent to the execution and delivery of Notes Intercreditor Agreement have been satisfied. The Holders, by their acceptance of the Notes, hereby authorize and direct the Notes Collateral Agent to execute such Notes Intercreditor Agreement.

(o) The Notes Collateral Agent is authorized to receive any funds for the benefit of itself, the Trustee and the Holders distributed under the Collateral Documents and to the extent not prohibited under the Collateral Documents, turnover such funds to the Trustee to make further distributions of such funds to itself and the Holders in accordance with the provisions of Section 11.08(a) and the other provisions of this Indenture and the Collateral Documents.

ARTICLE 12
SATISFACTION AND DISCHARGE

Section 12.01. *Satisfaction and Discharge*.

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder and Guarantees thereof, when:

(a) either:

(i) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Company, have been delivered to the Trustee for cancellation; or

(ii) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing or other delivery of a notice of redemption or otherwise or will become due and payable within one year and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. dollars and non- callable U.S. Government Obligations, in such amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium and accrued interest to the maturity date or Redemption Date;

(b) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other material instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(c) the Company or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture (other than contingent obligations or indemnification obligations, in each case for which no claim has been asserted); and

(d) the Company has delivered irrevocable written instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity date or on the Redemption Date, as the case may be.

In addition, the Company must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to clause (a) (ii) of this Section 12.01, the provisions of Section 8.06 and Section 12.02 shall survive. In addition, nothing in this Section 12.01 will be deemed to discharge those provisions of Section 7.07, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section 12.02. *Application of Trust Money.* Subject to the provisions of Section 8.06, all money deposited with the Trustee pursuant to Section 12.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the Notes, this Indenture, and the Intercreditor Agreements to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or U.S. Government Obligations in accordance with Section 12.01 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's and any Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 12.01; provided that if the Company has made any payment of principal of, premium, if any, or interest on, any Notes because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or U.S. Government Obligations held by the Trustee or Paying Agent.

ARTICLE 13
MISCELLANEOUS

Section 13.01. *Reserved*.

Section 13.02. *Notices.* All notices or communications required by this Indenture shall be in writing and delivered in person, sent by facsimile or electronic transmission in the form of a "pdf" on letterhead (if applicable) and signed by an authorized signer delivered by commercial courier service or mailed by first-class mail, postage prepaid, addressed as follows:

if to the Company or to any Guarantor:

Cliffs Natural Resources Inc.
200 Public Square, Suite 3300
Cleveland, Ohio 44114
Fax: (216) 694-6509
Attention: James Graham, Executive Vice President, Chief Legal Officer & Secretary

with a copy to:

Jones Day
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114

Attention: Michael J. Solecki
Fax: (216) 579-0212

if to the Trustee or Notes Collateral Agent, at

U.S. Bank National Association
1350 Euclid Avenue, Suite 1100
Cleveland, Ohio 44115
Attention: Corporate Trust Services/Account Administrator
Fax: (216) 623-9202

The Company or the Trustee or the Notes Collateral Agent by written notice to the other may designate additional or different addresses for subsequent notices or communications.

Any notice or communication to the Company, the Guarantors, the Trustee, or the Notes Collateral Agent shall be deemed to have been given or made as of the date so delivered if personally delivered; when receipt is acknowledged, if transmitted by facsimile or electronic transmission (including "pdf" on letterhead (if applicable) and signed by an authorized signer); the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery, and five calendar days after mailing if sent by registered or certified mail, postage prepaid (except that a notice of change of address shall not be deemed to have been given until actually received by the addressee). Any written notice or communication to the Trustee or the Notes Collateral Agent shall be deemed delivered upon receipt.

Any written notice or communication mailed to a Holder' shall be mailed to the Holder at the Holder's address as it appears in the Notes Register and shall be sufficiently given if so mailed within the time prescribed.

Failure to mail a written notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a written notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it, except that notices to the Trustee or the Notes Collateral Agent shall be effective only upon receipt.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such written notice by mail, then such notification as shall be made with the approval of the Trustee or the Notes Collateral Agent shall constitute a sufficient notification for every purpose hereunder.

Section 13.03. *Communication by Holders With Other Holders.* Holders may communicate pursuant to TIA § 312(b) with other Holders with respect to their rights under this *Indenture or the Notes*. The Company, the Trustee, the Notes Collateral Agent, the Registrar and anyone else shall have the protection of TIA § 312(c).

Section 13.04. *Certificate and Opinion as to Conditions Precedent.* Upon any request or application by the Company to the Trustee or the Notes Collateral Agent to take or refrain from taking any action under this Indenture or the Collateral Documents, the Company shall furnish to the Trustee:

(a) an Officer's Certificate in form reasonably satisfactory to the Trustee or the Notes Collateral Agent stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture and the applicable Collateral Documents relating to the proposed action have been complied with; and

(b) an Opinion of Counsel in form reasonably satisfactory to the Trustee or Notes Collateral Agent stating that, in the opinion of such counsel, all such conditions precedent have been complied with.

Section 13.05. *Statements Required in Certificate or Opinion.* Each certificate or opinion with respect to compliance with a covenant or condition provided for in this Indenture shall include:

(a) a statement that the individual making such certificate or opinion has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of such individual, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether or not, in the opinion of such individual, such covenant or condition has been complied with.

In giving such Opinion of Counsel, counsel may rely as to factual matters on an Officer's Certificate or on certificates of public officials.

Section 13.06. *[Reserved]*

Section 13.07. *Rules by Trustee, Paying Agent and Registrar.* The Trustee may make reasonable rules for action by, or at meetings of, Holders. The Registrar and the Paying Agent may make reasonable rules for their functions.

Section 13.08. *Business Days.* If a payment date is not a Business Day, payment shall be made on the next succeeding day that is a Business Day, and no interest shall accrue for the intervening *period*. If a regular record date is not a Business Day, the record date shall not be affected.

Section 13.09. *GOVERNING LAW.* THIS INDENTURE, THE NOTES, THE GUARANTEES AND THE COLLATERAL DOCUMENTS (OTHER THAN THE MORTGAGES) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO AGREES TO SUBMIT TO THE JURISDICTION OF THE STATE COURTS OF, AND THE FEDERAL COURTS LOCATED IN, THE STATE OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES, THE NOTE GUARANTEES AND THE COLLATERAL DOCUMENTS (OTHER THAN THE MORTGAGES).

Section 13.10. *No Recourse Against Others.* An incorporator, director, officer, employee, member, partner or stockholder of the Company or any Guarantor, solely by reason of this status, shall not have any liability for any obligations of the Company or any Guarantor under the Notes, this Indenture or the Guarantees or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are a part of the consideration for the issuance of the Notes.

The waiver may not be effective to waive liability under the federal securities laws.

Section 13.11. *Successors.* All agreements of the Company and each Guarantor in this Indenture and the Notes shall bind their respective successors. All agreements of the Trustee or the Notes Collateral Agent in this Indenture shall bind its successors.

Section 13.12. *Multiple Originals.* The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. One signed copy is enough to prove this Indenture. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture

as to the parties hereto and may be used in lieu of the original Indenture and signature pages for all purposes.

In case any provision in this Indenture, the Notes, the Guarantees, or the Intercreditor Agreements is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.13. *Table of Contents; Headings.* The table of contents, cross-reference sheet and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof.

Section 13.14. *WAIVERS OF JURY TRIAL.* THE COMPANY, THE GUARANTORS, THE NOTES COLLATERAL AGENT AND THE TRUSTEE HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS INDENTURE, THE NOTES, THE GUARANTEES OR ANY COLLATERAL DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

Section 13.15. *Intercreditor Agreements Control.* Notwithstanding any contrary provision in this Indenture but subject to Section 2.06(h) and Article 7 of this Indenture and subject to the exculpatory and indemnification provisions of Article 11 of this Indenture that benefit the Trustee and the Notes Collateral Agent, this Indenture is subject to the provisions of the Intercreditor Agreements. The Company, the Guarantors, the Notes Collateral Agent and the Trustee acknowledge and agree to be bound by the provisions of the Intercreditor Agreements, subject to Section 2.06(h) and Article 7 of this Indenture and subject to the exculpatory and indemnification provisions of Article 11 of this Indenture that benefit the Trustee and the Notes Collateral Agent.

Section 13.16. *Force Majeure.* In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, it being understood that the Trustee shall use reasonable best efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 13.17. *Severability.* In case any provision in this Indenture, the Notes, the Guarantees, or the Intercreditor Agreements is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have caused this Indenture to be duly executed all as of the date and year first written above.

CLIFFS NATURAL RESOURCES INC.

By: /s/ Terrance M. Paradie

Name: Terrance M. Paradie

Title: Executive Vice President and Chief Financial Officer

[*Signature Page to Indenture*]

CLIFFS TIOP HOLDING, LLC
CLIFFS EMPIRE HOLDING, LLC
THE CLEVELAND-CLIFFS IRON COMPANY

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Treasurer

CLF PINNOAK LLC

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Senior Vice President, Chief Financial Officer and Treasurer

CLIFFS EMPIRE, INC.
CLIFFS INTERNATIONAL MANAGEMENT COMPANY LLC
CLIFFS MINNESOTA MINING COMPANY
CLIFFS NORTH AMERICAN COAL LLC
CLIFFS TIOP, INC.
CLIFFS UTAC HOLDING LLC
LAKE SUPERIOR & ISHPEMING RAILROAD COMPANY
OAK GROVE LAND COMPANY, LLC
CLIFFS MINING SERVICES COMPANY
NORTHSHORE MINING COMPANY
OAK GROVE RESOURCES, LLC
PICKANDS HIBBING CORPORATION
PINNACLE LAND COMPANY, LLC
PINNACLE MINING COMPANY, LLC
SILVER BAY POWER COMPANY
UNITED TACONITE LLC

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Vice President and Treasurer

CLIFFS MINING COMPANY
CLIFFS MINING HOLDING SUB COMPANY
CLIFFS PICKANDS HOLDING, LLC
CLIFFS MINING HOLDING, LLC

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie

Title: Executive Vice President, Chief Financial Officer and Treasurer

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: U.S. Bank National Association

By: /s/ Elizabeth A. Thuning
Name: Elizabeth A. Thuning
Title: Vice President and Site Manager

U.S. BANK NATIONAL ASSOCIATION, as Notes Collateral Agent

By: U.S. Bank National Association

By: /s/ Elizabeth A. Thuning
Name: Elizabeth A. Thuning
Title: Vice President and Site Manager

EXHIBIT A

[FACE OF NOTE]

No. [ ] Principal Amount $[ ]

CUSIP NO. [ ]

CLIFFS NATURAL RESOURCES INC.

8.250% Senior Secured Note due 2020

Cliffs Natural Resources Inc., an Ohio corporation, promises to pay to Cede & Co., or its registered assigns, the principal sum of [ ] Dollars ($[ ]), [, as revised by the Schedule of Increases and Decreases in Global Note attached hereto,] on March 31, 2020.

Interest Payment Dates: March 31 and September 30

Record Dates: March 16 and September 15

Additional provisions of this Note are set forth on the other side of this Note.

CLIFFS NATURAL RESOURCES INC.

By: _____

Name:

Title:

Dated: March 30, 2015

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Name:
Title:

[REVERSE SIDE OF NOTE]
CLIFFS NATURAL RESOURCES INC.

8.250% Senior Secured Note due 2020

1. **Interest**

Cliffs Natural Resources Inc., an Ohio corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "**Company**"), promises to pay interest on the principal amount of this Note at the rate per annum shown above.

The Company will pay interest semiannually on March 31 and September 30 of each year commencing September 30, 2015. [Interest on the Notes will accrue from the most recent date to which interest has been paid on the Notes or, if no interest has been paid, from March 30, 2015.] [Interest on this Note will accrue (or will be deemed to have accrued) from the most recent date to which interest on this Note or any of its predecessor Notes has been paid or duly provided for or, if no such interest has been paid, from _____, _____.] The Company shall pay interest on overdue principal, and on overdue premium, if any (plus interest on such interest to the extent lawful), at the rate borne by the Notes to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

2. **Method of Payment**

By no later than 10:00 a.m. (New York City time) on the date on which any principal of, premium, if any, or interest on any Note is due and payable, the Company shall deposit with the Trustee or the Paying Agent money sufficient to pay such principal, premium, if any, and/or interest when due. The Company will pay interest (except Defaulted Interest) to the Persons who are registered Holders of Notes at the close of business on the March 16 or September 15 next preceding the interest payment date even if Notes are cancelled, repurchased or redeemed after the record date and on or before the interest payment date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal, premium, if any, and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by The Depository Trust Company or any successor depository. The Company will make all payments in respect of a Definitive Note (including principal, premium, if any, and interest) by mailing a check to the registered address of each Holder thereof; provided, however, that payments on the Notes may also be made, in the case of a Holder of at least $1,000,000 aggregate principal amount of Notes represented by Definitive Notes, by wire transfer to a U.S. dollar account maintained by the payee with a bank in the United States if such Holder elects payment by wire transfer by giving written notice to the Trustee at the Corporate Trust Office or the Paying Agent at the Corporate Trust Office to such effect designating such account no later than 15 days immediately preceding the relevant due date for payment (or such other date as the Trustee may accept in its discretion).

3. **Paying Agent and Registrar**

Initially, U.S. Bank National Association (the "**Trustee**") will act as Trustee, Paying Agent and Registrar. The Company may appoint and change any Paying Agent, Registrar, co-registrar or transfer agent without notice to any Holder. The Company or any of its domestically organized, wholly owned Subsidiaries may act as Paying Agent, Registrar or co- registrar.

4. **Indenture**

The Company issued the Notes under an Indenture, dated as of March 30, 2015 (as it may be amended or supplemented from time to time in accordance with the terms thereof, the "**Indenture**"), among the Company, the Guarantors, the Trustee and the Notes Collateral Agent. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S.C. §§ 77aaa-77bbbb) (the "**Act**"), although the Indenture is not required to be qualified under the Act. Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to all terms and provisions of the Indenture, and Holders are referred to the Indenture and the Act for a statement of those terms.

The Notes are senior secured obligations of the Company. The aggregate principal amount of Notes that may be authenticated and delivered under the Indenture is unlimited. This Note is one of the 8.250% Senior Secured Notes due 2020 referred to in the Indenture. The Notes include (i) $540,000,000 aggregate principal amount of the Company's 8.250% Senior Secured Notes due 2020 issued under the Indenture on March 30, 2015 (herein called "**Initial Notes**") and (ii) if and when issued, additional 8.250% Senior Secured Notes due 2020 of the Company that may be issued from time to time under the Indenture subsequent to March 30, 2015 (herein called "**Additional Notes**") as provided in Section 2.01 of the Indenture. The Initial Notes and Additional Notes are treated as a single class of securities under the Indenture and shall be secured by first-priority and second-priority Liens and security interests, subject to Permitted Liens, in the Collateral. The Indenture imposes certain restrictions on the incurrence of certain liens, sale-leaseback transactions, secured debt and the consummation of mergers and consolidations. The Indenture also imposes requirements with respect to the provision of financial information and the provision of guarantees of the Notes by certain subsidiaries.

To guarantee the due and punctual payment of the principal, premium, if any, and interest (including post-filing or post-petition interest) on the Notes and all other amounts payable by the Company under the Indenture, the Notes and the Collateral Documents (including expenses and indemnification) when and as the same shall be due and payable, whether at maturity, by acceleration or otherwise, according to the terms of the Notes and the Indenture, the Guarantors have as primary obligors and not merely as sureties, irrevocably and unconditionally guaranteed (and future guarantors, together with the Guarantors, will unconditionally guarantee), jointly and severally, on a senior secured basis, all such obligations pursuant to the terms of the Indenture.

5. **Redemption and Prepayment**

Except as described below, the Notes will not be redeemable at the Company's option prior to March 31, 2018.

Prior to March 31, 2018 the Company may, at any time and from time to time, redeem in the aggregate up to 35% of the aggregate principal amount of the Notes originally issued under the Indenture with the net cash proceeds of one or more Equity Offerings by the Company at a redemption price (expressed as a percentage of principal amount thereof) of 108.250%, plus accrued and unpaid interest, if any, to, but excluding, the Redemption Date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); provided, however, that:

(1) at least 65% of the aggregate principal amount of Notes originally issued under the Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

Prior to March 31, 2018, the Company may, at any time and from time to time, also redeem all or a part of the Notes, upon not less than 30 days' nor more than 60 days' prior notice mailed (or to the extent permitted or required by applicable DTC procedures or regulations with respect to Global Notes sent electronically) by first- class mail to each Holder's registered address or otherwise delivered in accordance with the procedures of DTC, at a redemption price equal to the sum of (i) 100.000% of the principal amount of Notes redeemed and (ii) the Applicable Premium as of, and accrued and unpaid interest to, but excluding, the Redemption Date, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date.

On or after March 31, 2018, the Company may on one or more occasions redeem all or a part of the Notes upon not less than 30 days nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest on the Notes redeemed, to, but excluding, the applicable Redemption Date, if redeemed during the twelve-month or three-month period, as applicable, set forth below, subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant interest payment date:

Period	**Redemption price**
March 31, 2018	108.250%
March 31, 2019	104.125%
June 30, 2019 and thereafter	100.000%

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable Redemption Date.

"**Adjusted Treasury Rate**" means, with respect to any Redemption Date, (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after March 31, 2018, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date, in each case calculated on the third Business Day immediately preceding the Redemption Date, plus 0.50%.

"**Applicable Premium**" means, with respect to any Note on any Redemption Date the excess of (if any) (A) the present value at such Redemption Date of (1) the redemption price of such Note on March 31, 2018 plus (2) all required remaining scheduled interest payments due on such note through March 31, 2018, excluding in each case accrued and unpaid interest to, but excluding, the Redemption Date, computed by the Company using a discount rate equal to the Adjusted Treasury Rate, over (B) the principal amount of such note on such Redemption Date:

"**Comparable Treasury Issue**" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the notes from the Redemption Date to March 31, 2018, that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a maturity most nearly equal to March 31, 2018.

"**Comparable Treasury Price**" means, with respect to any Redemption Date, if clause (ii) of the definition of Adjusted Treasury Rate is applicable, the average of three, or such lesser number as is obtained by the Company, Reference Treasury Dealer Quotations for such Redemption Date.

"**Reference Treasury Dealer**" means each of Merrill Lynch, Pierce, Fenner & Smith Incorporated and its respective successors and assigns, and any other nationally recognized investment banking firm selected by the Company and identified to the Trustee by written notice from the Company that is a primary U.S. Government securities dealer.

"**Reference Treasury Dealer Quotations**" means with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day immediately preceding such Redemption Date.

"**Treasury Rate**" means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) which has become publicly available at least two Business Days prior to the date fixed for redemption (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the then remaining average life to March 31, 2018, provided, however, that if the average life to March 31, 2018, of the Notes is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the average life to March 31, 2018, of the notes is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

Prior to the mailing or delivery of any notice of redemption of the Notes, the Company shall deliver to the Trustee an Officer's Certificate stating that the conditions precedent to the right of redemption have occurred. Any such notice to the Trustee may be cancelled at any time prior to notice of such redemption being mailed to any Holder and shall thereby be void and of no effect.

The Company may acquire Notes by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws, so long as such acquisition does not otherwise violate the terms of the Indenture.

Except as set forth in the next succeeding paragraph, the Company is not required to make any mandatory repurchase, redemption or sinking fund payments with respect to the Notes.

6. **Change of Control Triggering Event**

In accordance with Section 3.06 of the Indenture, the Company shall be required to offer to purchase Notes upon the occurrence of a Change of Control Triggering Event. Any Holder of Notes shall have the right, subject to certain conditions specified in the Indenture, to cause the Company to repurchase all or any part of the Notes of such Holder at a purchase price equal to 101.0% of the principal amount of the Notes to be repurchased plus accrued and unpaid interest to, but excluding, the date of repurchase (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date that is on or prior to the date of purchase) as provided in, and subject to the terms of, the Indenture.

7. **Denominations; Transfer; Exchange**

The Notes are in registered form without coupons in minimum denominations of principal amount of $2,000 and whole multiples of $1,000 in excess thereof. A Holder may transfer or exchange Notes in

accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay a sum sufficient to cover any taxes and fees required by law or permitted by the Indenture. The Registrar need not register the transfer of or exchange of any Note (A) for a period beginning (1) 15 days before the mailing of a notice of an offer to repurchase or redeem Notes and ending at the close of business on the day of such mailing or (2) 15 days before an interest payment date and ending on such interest payment date or (B) called for redemption, except the unredeemed portion of any Note being redeemed in part.

8. **Persons Deemed Owners**

The registered Holder of this Note shall be treated as the owner of it for all purposes (except as otherwise provided in the Indenture).

9. **Unclaimed Money**

If money for the payment of principal, premium, if any, or interest on any Note remains unclaimed for two years after such principal, premium, if any, or interest has become due and payable, the Trustee or any Paying Agent shall pay the money back to the Company at its request unless an abandoned property law designates another Person. After any such payment, Holders entitled to the money must look only to the Company for payment as general creditors unless an abandoned property law designates another person and not to the Trustee for payment.

10. **Defeasance**

Subject to certain exceptions and conditions set forth in the Indenture, the Company at any time may terminate some or all of its and the Guarantors' obligations under the Notes, the Indenture and the Collateral Documents if the Company deposits with the Trustee money or U.S. Government Obligations for the payment of principal, premium, if any, and interest on the Notes to redemption or maturity, as the case may be.

11. **Amendment, Supplement, Waiver**

Subject to certain exceptions set forth in the Indenture, (i) the Indenture, the Notes, the Guarantees and the Collateral Documents may be amended or supplemented by the Company, Guarantors and Trustee with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and (ii) any default (other than with respect to nonpayment of interest or premium on, or the principal of the Notes or in respect of a provision that cannot be amended without the consent of each Holder affected or, in certain cases described in the Indenture and the Collateral Documents, the consent of Holders of 75% in aggregate principal amount of the Notes then outstanding) or noncompliance with any provision may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes. Subject to the requirements of and certain exceptions set forth in the Indenture, without the consent of any Holder, the Company, the Trustee and the Guarantors (with respect to its Guarantee) may amend or supplement the Indenture, the Notes, the Guarantees or the Collateral Documents: (1) to cure any ambiguity, defect or inconsistency; (2) to provide for uncertificated Notes in addition to or in place of certificated Notes; (3) to provide for the assumption of the Company's or a Guarantor's obligations to Holders of Notes and Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Company's or such Guarantor's assets, as applicable; (4) to make any change that would provide any additional rights or benefits to the Holders of Notes or that does not adversely affect the legal rights hereunder or under the Notes, the Guarantees and the Collateral Documents of any such Holder; (5) to conform the text of the Indenture, Guarantees, the Notes or the Collateral Documents to any provision of the "Description of the New First Lien Notes" section of the Offering Memorandum, to the extent that such provision in the "Description of the New First Lien Notes" section was intended to be a verbatim recitation of a provision of the Indenture, the Notes, the Guarantees or the Collateral Documents, as provided to the Trustee in an Officer's

Certificate; (6) to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture as of the date hereof; (7) to allow any Guarantor to execute a supplemental indenture substantially in the form of Exhibit B to the Indenture and/or a Guarantee with respect to the Notes; (8) to add any additional obligors under the Indenture, the Notes or the Guarantees; (9) to secure any Additional First Lien Indebtedness, Additional Second Lien Indebtedness or Additional Secured Indebtedness permitted to be incurred under the Indenture pursuant to the Collateral Documents and to appropriately include the same in the Intercreditor Agreements; (10) to add additional Collateral to secure the Notes; (11) to comply with the provisions under Section 4.01 of the Indenture; and (12) to evidence and provide for the acceptance of an appointment by a successor Trustee.

12. **Defaults and Remedies**

Each of the following is an "**Event of Default**":

(a) a default in the payment of any interest on the Notes, when such payment becomes due and payable, and continuance of that default for a period of 30 days (unless the entire amount of the payment is deposited by the Company with the Trustee or with the Paying Agent prior to the expiration of such period of 30 days);

(b) default in the payment of principal or premium on the Notes when such payment becomes due and payable;

(c) subject to clause (d), a default in the performance or breach of any other covenant or warranty by the Company in the Indenture or the Collateral Documents, which default continues uncured for a period of 60 days after written notice thereof has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the holders of at least 25 percent in principal amount of the Notes, as provided in the Indenture;

(d) any Guarantee of a Guarantor that is a Significant Subsidiary ceases to be in full force and effect (except as contemplated by the terms of the Indenture and the Guarantees) or is declared null and void in a judicial proceeding or any Guarantor that is a Significant Subsidiary denies or disaffirms its obligations under the Indenture;

(e) with respect to any Collateral having a fair market value in excess of $75.0 million, individually or in the aggregate, (A) the failure of the security interest with respect to such Collateral under the Collateral Documents, at any time, to be in full force and effect for any reason other than in accordance with their terms and the terms of the Indenture and other than the satisfaction in full of all obligations under the Indenture and discharge of the Indenture if such Default continues for 60 days, (B) the declaration that the security interest with respect to such Collateral created under the Collateral Documents or under the Indenture is invalid or unenforceable, if such Default continues for 60 days or (C) the assertion by the Company or any Guarantor, in any pleading in any court of competent jurisdiction, that any such security interest is invalid or unenforceable;

(f) there occurs a default under any Debt of the Company or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Company or any of the Guarantors), whether such Debt or guarantee now exists, or is created after the Issue Date, other than with respect to the Canadian Existing Indebtedness, if that default:

(i) is caused by a failure to pay any such Debt at its final Stated Maturity (after giving effect to any applicable grace period) (a " **Payment Default**"); or

(ii) results in the acceleration of such Debt prior to its final Stated Maturity,

(iii) and, in either case, the aggregate principal amount of any such Indebtedness, together with the aggregate principal amount of any other such Debt under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $75.0 million or more;

(g) failure by the Company or any of its Significant Subsidiaries to pay final and non-appealable judgments entered by a court or courts of competent jurisdiction aggregating in excess of $75.0 million (net of any amount covered by insurance issued by a national insurance company that has not contested coverage), which judgments are not paid, discharged or stayed for a period of 60 days, other than the Arbitration Award or any judgment related to the Arbitration Award;

(h) the Company or any Guarantor pursuant to or within the meaning of Bankruptcy Law:

(i) commences a voluntary case,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a custodian of it or for all or substantially all of its property,

(iv) makes a general assignment for the benefit of its creditors, or

(v) generally is not paying its debts as they become due; or

(i) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company or any Guarantor in an involuntary case;

(ii) appoints a custodian of the Company or any Guarantor or for all or substantially all of the property of the Company or any of Guarantor; or

(iii) orders the liquidation of the Company or any Guarantor; and the order or decree remains unstayed and in effect for 60 consecutive days.

(j) If an Event of Default specified under clauses (a) through (g) of this Section 12 occurs and is continuing, the Trustee by written notice to the Company, or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes by written notice to the Company and the Trustee, may, and the Trustee at the request of such Holders shall, declare all such Notes to be due and payable. If an Event of Default specified under clauses (h) and (i) of this Section 12 occurs, then all outstanding Notes will become due and payable immediately without further action or notice. Upon the Notes becoming due and payable upon an event of default, whether automatically or by declaration, such Notes will immediately become due and payable and (i) if prior to March 31, 2018, the entire unpaid principal amount of such Notes plus the Applicable Premium as of the date of such acceleration or (ii) if on or after March 31, 2018, the applicable redemption price as set forth under Section 5 as of the date of such acceleration, plus in each case accrued and unpaid interest thereon shall all be immediately due and payable.

Without limiting the generality of the foregoing, it is understood and agreed that if the Notes are accelerated or otherwise become due prior to their maturity date, in each case, in respect of any Event of Default (including an event of default relating to certain events of bankruptcy, insolvency or reorganization (including the acceleration of claims by operation of law)), the premium applicable with respect to an optional redemption of the Notes will also be due and payable as though the Notes were optionally redeemed and shall constitute part of the First Lien Notes Obligations, in view of the impracticability and

extreme difficulty of ascertaining actual damages and by mutual agreement of the parties as to a reasonable calculation of each Holder's lost profits as a result thereof. Any premium payable above shall be presumed to be the liquidated damages sustained by each Holder as the result of the early redemption and the Company and each Guarantor agrees that it is reasonable under the circumstances currently existing. The premium shall also be payable if the Notes (and/or the Indenture) are satisfied or released by foreclosure (whether by power of judicial proceeding), deed in lieu of foreclosure or by any other means. THE COMPANY AND EACH GUARANTOR EXPRESSLY WAIVES (TO THE FULLEST EXTENT IT MAY LAWFULLY DO SO) THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF THE FOREGOING PREMIUM IN CONNECTION WITH ANY SUCH ACCELERATION. The Company and each Guarantor expressly agrees (to the fullest extent it may lawfully do so) that: (A) the premium is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel; (B) the premium shall be payable notwithstanding the then prevailing market rates at the time payment is made; (C) there has been a course of conduct between Holders and the Company and the Guarantors giving specific consideration in the offering pursuant to the Offering Memorandum for such agreement to pay the premium; and (D) the Company and each Guarantor shall be estopped hereafter from claiming differently than as agreed to in this paragraph. The Company and each Guarantor expressly acknowledges that its agreement to pay the premium to Holders as described in the Indenture is a material inducement to Holders to purchase the Notes.

If an Event of Default (other than an Event of Default described in clause (h) or (i) of this Section 12) occurs and is continuing, the Trustee by written notice to the Company, or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes by written notice to the Company and the Trustee, may, and the Trustee at the request of such Holders shall, declare the principal of, premium, if any, and accrued and unpaid interest, if any, on all such Notes to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest shall be due and payable immediately.

In the case of an Event of Default specified in clause (h) or (i) of this Section 12, with respect to the Company or any Guarantor, all outstanding Notes will become due and payable immediately without further action or notice.

The Holders of a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee.

The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or premium.

Subject to the provisions of the Indenture relating to the duties of the Trustee or the Notes Collateral Agent, in case an Event of Default occurs and is continuing, the Trustee or the Notes Collateral Agent will be under no obligation to exercise any of the rights or powers under the Indenture, the Notes, the Guarantees and the Collateral Documents at the request or direction of any Holders of Notes unless such Holders have offered to the Trustee or the Notes Collateral Agent indemnity or security satisfactory to it against any loss, liability or expense.

13. **Trustee Dealings with the Company**

Subject to certain limitations set forth in the Indenture, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

14. **No Recourse Against Others**

An incorporator, director, officer, employee or stockholder of each of the Company or any Guarantor, solely by reason of this status, shall not have any liability for any obligations of the Company or any Guarantor under the Notes, the Indenture, the Collateral Documents or the Guarantees or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are a part of the consideration for the issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

15. **Authentication**

This Note shall not be valid until an authorized officer of the Trustee (or an authenticating agent acting on its behalf) manually signs the certificate of authentication on the other side of this Note.

16. **Abbreviations**

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (= tenants in common), TEN ENT (= tenants by the entirety), JT TEN (= joint tenants with rights of survivorship and not as tenants in common), CUST (= custodian) and U/G/M/A (= Uniform Gift to Minors Act).

17. **CUSIP, Common Code and ISIN Numbers**

The Company has caused CUSIP, Common Code and ISIN numbers, if applicable, to be printed on the Notes and has directed the Trustee to use CUSIP, Common Code and ISIN numbers, if applicable, in notices of redemption or purchase as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption or purchase and reliance may be placed only on the other identification numbers placed thereon.

18. **Governing Law**

This Note shall be governed by, and construed in accordance with, the laws of the State of New York.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture, which has in it the text of this Note in larger type. Requests may be made to:

Cliffs Natural Resources Inc.
200 Public Square, Suite 3300
Cleveland, Ohio 44114
Fax: (216) 694-6509
Attention: James Graham, Executive Vice President, Chief Legal Officer & Secretary

19. **USA Patriot Act**

The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. PATRIOT Act, the Trustee is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee.

The parties to the Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. PATRIOT Act.

ASSIGNMENT FORM

To assign this Note, fill in the form below:

I or we assign and transfer this Note to:

_____

(Print or type assignee's name, address and zip code)

_____

(Insert assignee's social security or tax I.D. No.)

and irrevocably appoint _____agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

_____

Date: _____ Your Signature: _____

Signature Guarantee: _____

(Signature must be guaranteed)

_____

Sign exactly as your name appears on the other side of this Note.

The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

The undersigned hereby certifies that it ☐ is / ☐ is not an Affiliate of the Company and that, to its knowledge, the proposed transferee ☐ is / ☐ is not an Affiliate of the Company.

In connection with any transfer or exchange of any of the Notes evidenced by this certificate occurring prior to the date that is one year after the later of the date of original issuance of such Notes and the last date, if any, on which such Notes were owned by the Company or any Affiliate of the Company, the undersigned confirms that such Notes are being:

CHECK ONE BOX BELOW:

(1) ☐ acquired for the undersigned's own account, without transfer; or

(2) ☐ transferred to the Company; or

(3) ☐ transferred pursuant to and in compliance with Rule 144A under the Securities Act of 1933, as amended (the " **Securities Act**"); or

(4) ☐ transferred pursuant to and in compliance with Regulation S under the Securities Act (provided that the transferee has furnished to the Trustee a signed letter containing certain representations and agreements, the form of which letter appears as Section 2.09 of the Indenture); or

(5) ☐ transferred pursuant to another available exemption from the registration requirements of the Securities Act of 1933, as amended.

Unless one of the boxes is checked, the Trustee will refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; provided, however, that if box (4) or (5) is checked, the Company may require, prior to registering any such transfer of the Notes, in its sole discretion, such legal opinions, certifications and other information as the Company may reasonably request to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933, as amended, such as the exemption provided by Rule 144 under such Act.

_____
Signature

Signature Guarantee:

_____ _____
(Signature must be guaranteed) Signature

The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

TO BE COMPLETED BY PURCHASER IF BOX (1) OR (3) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, as amended, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

_____
Dated:

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL SECURITY

The following increases or decreases in this Global Note have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease or increase	Signature of authorized signatory of Trustee of Notes Custodian

OPTION OF HOLDER TO ELECT PURCHASE

If you elect to have this Note purchased by the Company pursuant to Section 3.02 or 3.06 of the Indenture, check either box:

☐ 3.02 ☐ 3.06

If you want to elect to have only part of this Note purchased by the Company pursuant to Section 3.02 or Section 3.06 of the Indenture, state the amount in principal amount (must be in minimum denominations of $2,000 or an integral multiple of $1,000 in excess thereof): $_____ and specify the denomination or denominations (which shall not be less than the minimum authorized denomination) of the Notes to be issued to the Holder for the portion of the within Note not being repurchased (in the absence of any such specification, one such Note will be issued for the portion not being repurchased): _____.

Date: _____

Your Signature _____

(Sign exactly as your name appears on the other side of this Note)

Signature Guarantee: _____

(Signature must be guaranteed)

_____

Sign exactly as your name appears on the other side of this Note.

The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

EXHIBIT B

FORM OF INDENTURE SUPPLEMENT TO ADD GUARANTORS

This Supplemental Indenture, dated as of [ ] (this " **Supplemental Indenture**" or "**Guarantee**"), among [name of future Guarantor] (the "**Additional Guarantor**"), Cliffs Natural Resources Inc., (together with its successors and assigns, the " **Company**"), and U.S. Bank National Association, as Trustee under the Indenture referred to below.

WITNESSETH:

WHEREAS, the Company, the Guarantors, the Notes Collateral Agent and the Trustee have heretofore executed and delivered an Indenture, dated as of March 30, 2015 (as amended, supplemented, waived or otherwise modified, the "**Indenture**"), providing for the issuance of an aggregate principal amount of $540,000,000 of 8.250% Senior Secured Notes due 2020 of the Company (the "**Notes**");

WHEREAS, Section 3.08 of the Indenture provides that, after the Issue Date, the Company is required to cause certain direct or indirect Subsidiaries of the Company to execute and deliver to the Trustee a supplemental indenture pursuant to which such Subsidiary will unconditionally guarantee, on a joint and several basis with the other Guarantors, the full and prompt payment of the principal of, premium, if any, and interest on the Notes on a secured basis; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee and the Company are authorized to execute and deliver this Supplemental Indenture to amend or supplement the Indenture, without the consent of any Holder;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Additional Guarantor, the Company and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

ARTICLE 1
Definitions

Section 1.01 Defined Terms.

As used in this Supplemental Indenture, terms defined in the Indenture or in the preamble or recital hereto are used herein as therein defined. The words "herein**,**" "hereof" and "hereby" and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

ARTICLE 2
Agreement to be Bound; Guarantee

Section 2.01 *Agreement to be Bound*. The Additional Guarantor hereby becomes a party to the Indenture as a Guarantor and as such will have all of the rights and be subject to all of the obligations and agreements of a Guarantor under the Indenture. The Additional Guarantor hereby becomes a party to the Security Agreement, pursuant to the terms of such agreement, as a Grantor thereunder with the same force and effect as if originally named therein as a Grantor and as such hereby assumes all obligations and liabilities of a Grantor thereunder. The Additional Guarantor agrees to be bound by all of the provisions of the Indenture and the Collateral Documents applicable to an Additional Guarantor and to perform all of the obligations and agreements of a Guarantor under the Indenture and the Collateral Documents.

Section 2.02 *Guarantee*. The Additional Guarantor agrees, on a joint and several basis with all the existing Guarantors, to fully, unconditionally and irrevocably Guarantee to each Holder of the Notes and the Trustee the Obligations pursuant to Article 10 of the Indenture on a secured basis.

ARTICLE 3
Miscellaneous

Section 3.01 *Notices*. All notices and other communications to the Additional Guarantor shall be given as provided in the Indenture to the Additional Guarantor, at its address set forth below, with a copy to the Company as provided in the Indenture for notices to the Company.

Section 3.02 *Parties*. Nothing expressed or mentioned herein is intended or shall be construed to give any Person, firm or corporation, other than the Holders and the Trustee, any legal or equitable right, remedy or claim under or in respect of this Supplemental Indenture or the Indenture or any provision herein or therein contained.

Section 3.03 *Governing Law*. This Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York.

Section 3.04 *Severability Clause*. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

Section 3.05 *Ratification of Indenture; Supplemental Indentures Part of Indenture*. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby. The Trustee shall not be responsible for and makes no representation or warranty as to the validity, execution, or sufficiency of this Supplemental Indenture or with respect to the recitals contained herein, all of which recitals are made solely by the other parties hereto.

Section 3.06 *Counterparts*. The parties hereto may sign one or more copies of this Supplemental Indenture in counterparts, all of which together shall constitute one and the same agreement.

Section 3.07 *Headings*. The headings of the Articles and the sections in this Guarantee are for convenience of reference only and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

Section 3.08 *Execution, Delivery and Validity*. The Company and Additional Guarantor each represent and warrant to the Trustee that this Supplemental Indenture has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, receivership, administration, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

[SUBSIDIARY GUARANTOR], as a Guarantor

By: _____
Name:
Title:

[Address]

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By:

By: _____
Name:
Title:

CLIFFS NATURAL RESOURCES INC.

By: _____
Name:
Title:

EXHIBIT C

FORM OF CERTIFICATE TO BE DELIVERED IN CONNECTION WITH TRANSFERS PURSUANT TO REGULATION S

[Date]

Cliffs Natural Resources Inc.
c/o U.S. Bank National Association
1350 Euclid Avenue, Suite 1100
Cleveland, Ohio 44115
Attention: Corporate Trust Services
Fax: (216) 623-9202
Re: 8.250% Senior Secured Notes due 2020 (the "**Notes**")

Ladies and Gentlemen:

In connection with our proposed sale of $[_____] aggregate principal amount of the Notes, we confirm that such sale has been effected pursuant to and in accordance with Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and, accordingly, we represent that:

(a) the offer of the Notes was not made to a person in the United States;

(b) either (i) at the time the buy order was originated, the transferee was outside the United States or we and any person acting on our behalf reasonably believed that the transferee was outside the United States or (ii) the transaction was executed in, on or through the facilities of a designated off-shore securities market and neither we nor any person acting on our behalf knows that the transaction has been pre-arranged with a buyer in the United States;

(c) no directed selling efforts have been made in the United States in contravention of the requirements of Rule 903(a)(2) or Rule 904(a)(2) of Regulation S, as applicable; and

(d) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.

In addition, if the sale is made during a restricted period and the provisions of Rule 903(b)(2), Rule 903(b)(3) or Rule 904(b)(1) of Regulation S are applicable thereto, we confirm that such sale has been made in accordance with the applicable provisions of Rule 903(b)(2), Rule 903(b)(3) or Rule 904(b)(1), as the case may be.

We also hereby certify that we [are] [are not] an Affiliate of the Company and, to our knowledge, the transferee of the Notes [is] [is not] an Affiliate of the Company.

You and the Company are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

Very truly yours,

[Name of Transferor]

By: _____

Authorized Signature

EXHIBIT 4.2

CLIFFS NATURAL RESOURCES INC.,
THE GUARANTORS PARTIES HERETO

AND

U.S. BANK NATIONAL ASSOCIATION,
AS TRUSTEE AND NOTES COLLATERAL AGENT

7.75% Second Lien Senior Secured Notes due 2020

INDENTURE

Dated as of March 30, 2015

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N.A. means Not Applicable
Note: The Cross-Reference Table shall not, for any purpose, be deemed to be part of this Indenture.

INDENTURE, dated as of March 30, 2015, among CLIFFS NATURAL RESOURCES INC., an Ohio corporation (the " **Company**"), THE GUARANTORS (as defined herein) party hereto and U.S. BANK NATIONAL ASSOCIATION, as trustee (the "**Trustee**") and Notes Collateral Agent (as defined herein).

Each party agrees as follows for the benefit of the other parties and for the equal and ratable benefit of the Holders of (i) the Company's 7.75% Second Lien Senior Secured Notes due 2020 issued on the date hereof and the guarantees thereof by the Guarantors party hereto (the "**Initial Notes**"), and (ii) if and when issued, an unlimited principal amount of additional notes having identical terms and conditions as the Notes other than issue date, issue price and the first interest payment date (the "**Additional Notes**" and together with the Initial Notes, the " **Notes**"):

ARTICLE 1
DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. *Definitions*.

"**ABL Agent**" means Bank of America, N.A., acting in its capacity as collateral agent under the ABL Credit Facility, or any successor thereto in such capacity.

"**ABL Collateral**" means the portion of the Collateral as to which the Second Lien Notes Secured Parties have a junior-priority security interest subject to certain Permitted Liens.

"**ABL Credit Facility**" means the agreement, dated as of March 30, 2015, among the Company, the Subsidiaries of the Company that borrow or guarantee obligations under such agreement from time to time, as "Credit Parties," the lenders parties thereto from time to time and Bank of America, N.A., as agent (or its successor in such capacity), together with the related notes, letters of credit, guarantees and security documents, and as the same may be amended, restated, amended and restated, supplemented or modified from time to time and any renewal, increase, extension, refunding, restructuring, replacement or refinancing thereof (whether with the original administrative agent and lenders or another administrative agent, collateral agent or agents or one or more other lenders or additional borrowers or guarantors and whether provided under the original ABL Credit Facility or one or more other credit or other agreements or indentures).

"**ABL Credit Facility Obligations**" means all ABL Obligations under the ABL Credit Facility.

"**ABL Foreign Collateral**" means all property or assets of any Subsidiary that is not a U.S. Subsidiary and with respect to which a Lien is granted as security for any ABL Obligations owing by such non-U.S. Subsidiary.

"**ABL Intercreditor Agreement**" means the intercreditor agreement among Bank of America, N.A., as ABL Agent (as defined therein), U.S. Bank National Association, as First Lien Notes Collateral Agent and Controlling Fixed Asset Collateral Agent (each as defined therein), and the Notes Collateral Agent, as Second Lien Notes Collateral Agent (as defined therein), and acknowledged by the Company, the Guarantors and the other Subsidiaries of the Company from time to time party thereto, to be entered into on the Issue Date in connection with the incurrence of the ABL Credit Facility, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with the Indenture.

"**ABL Obligations**" means (i) Debt outstanding under any Debt Facility incurred under clause (i) or clause (viii) of Section 3.05 so long as such Debt complies with the provisos thereunder, and all other Obligations (not constituting Debt) of the Company or any Guarantor under such Debt Facility and (ii) Bank Product Obligations owed to an agent, arranger or lender or other secured party under such Debt Facility (even if the respective agent, arranger or lender or other secured party subsequently ceases to be an agent arranger or lender or other secured party under such Debt Facility for any reason) or any of their

respective affiliates, assigns or successors and more particularly described in the ABL Intercreditor Agreement.

"**Additional First Lien Indebtedness**" means any Additional First Lien Notes and any additional Debt that is secured by Liens on the Collateral that are pari passu with the Liens securing the First Lien Notes (or junior to the Liens securing the First Lien Notes but senior to the Liens securing the Notes) and is permitted to be incurred pursuant to Section 3.05; provided that with respect to such additional Debt (i) the representative of such additional Debt executes a joinder agreement to the applicable collateral documents in respect of the First Lien Notes, in each case in the form attached thereto, agreeing to be bound thereby and (ii) the Company has designated such additional Debt as "Additional First Lien Indebtedness" thereunder.

"**Additional First Lien Notes**" means any First Lien Notes issued after the date of the First Lien Notes Indenture.

"**Additional Notes**" has the meaning set forth in the second introductory paragraph of this Indenture.

"**Adjusted Treasury Rate**" means, with respect to any Redemption Date, (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after March 31, 2017, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date, in each case calculated on the third Business Day immediately preceding the Redemption Date, plus 0.50%.

"**Applicable Premium**" means with respect to a Note at any Redemption Date the excess of (if any) (A) the present value at such redemption date of (1) the redemption price of such Note on March 31, 2017 (such redemption price being described in Section 5.07(d) plus (2) all required remaining scheduled interest payments due on such note through March 31, 2017, excluding in each case accrued and unpaid interest to, but excluding, the Redemption Date, computed by the Company using a discount rate equal to the Adjusted Treasury Rate, over (B) the principal amount of such Note on such Redemption Date.

"**Arbitration Award**" means that certain arbitration award granted pursuant to Case No. 18209/VRO/AGF/ZF by the ICC International Court of Arbitration in favor of Worldlink Resources Limited against Cliffs Quebec Iron Mining ULC, The Bloom Lake Iron Ore Mine Limited Partnership and Bloom Lake General Partner Limited.

"**Asset Disposition**" means

(a) the sale, lease, conveyance or other disposition of any assets other than in the ordinary course of business; provided that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole will be governed by Section 3.06 and/or Section 4.01 and not by Section 3.02; and

(b) the issuance of Capital Stock in any of the Company's Subsidiaries or the sale of Capital Stock in any of its Subsidiaries (other than directors' qualifying shares or nominal shares required to be held by applicable law to be held by a Person other than the Company or any of its Subsidiaries).

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Disposition:

(i) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than $50.0 million;

(ii) a transfer of assets between or among the Company and the Guarantors;

(iii) an issuance of Capital Stock by a Subsidiary of the Company to the Company or to a Subsidiary of the Company;

(iv) the sale or lease of inventory, products or services in the ordinary course of business;

(v) the sale of accounts receivable in the ordinary course of business in connection with the compromise or collection thereof;

(vi) any transfer of property or assets that consists of grants by the Company or its Subsidiaries in the ordinary course of business of licenses or sub-licenses, including with respect to intellectual property rights;

(vii) (a) the sale or other disposition of damaged, obsolete, unusable or worn out equipment that is no longer needed in the conduct of the business of the Company and its Subsidiaries, (b) the sale or other disposition of inventory, used or surplus equipment or reserves and dispositions related to the burn-off of mines or (c) the abandonment or allowance to lapse or expire or other disposition of intellectual property no longer needed in the conduct of business of the Company and its Subsidiaries;

(viii) the sale or other disposition of cash or Cash Equivalents;

(ix) operating leases entered into in the ordinary course of business;

(x) the granting of a Lien otherwise permitted under this Indenture; and

(xi) the surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind.

"**Attributable Debt**" means the present value (discounted at the rate of interest implicit in the terms of the lease) of the obligation of a lessee for net rental payments during the remaining term of any lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended).

"**Bank Product**" means any one or more of the following financial products or accommodations extended to the Company or its Subsidiaries by a holder of ABL Credit Facility Obligations or an affiliate of such person: (a) credit cards (including commercial cards (including so-called "purchase cards", "procurement cards" or "p-cards")), (b) credit card processing services, (c) debit cards, (d) stored value cards, (e) cash management services, (f) supply chain financing, or (g) transactions under Hedge Agreements.

"**Bank Product Agreements**" means those agreements entered into from time to time by the Company or its Subsidiaries in connection with the obtaining of any of the Bank Products.

"**Bank Product Obligations**" means (a) all obligations, liabilities, reimbursement obligations, fees, or expenses owing by the Company and its Subsidiaries to any holder of ABL Credit Facility Obligations or any of their respective affiliates pursuant to or evidenced by a Bank Product Agreement and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, (b) all Hedging Obligations and (c) all amounts that ABL Agent or any holder of ABL Credit Facility Obligations is obligated to pay as a result of ABL Agent or such holder of the ABL Credit Facility Obligations purchasing participations from, or executing guarantees or indemnities or reimbursement obligations with respect to the Bank Products to the Company or any of its Subsidiaries.

"**Bankruptcy Code**" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute.

"**Board of Directors**" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"**Board Resolution**" means a copy of a resolution certified by the Secretary or an Assistant Secretary of a Person to have been duly adopted by the Board of Directors of such Person and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"**Bonds**" means each of the series of notes issued pursuant to the Existing Notes Documents.

"**Borrowing Base**" means as of any date of determination, the sum of (a) 85% of the face amount of all accounts, payment intangibles and other receivables of the Company and its Subsidiaries, plus (b) 80% of the gross book value of all inventory and as-extracted collateral of the Company and its Subsidiaries, plus (c) 100% of the gross book value of all Mobile Equipment of the Company and its Subsidiaries, minus any applicable reserves, in each case determined in accordance with GAAP.

"**Business Day**" means a day other than a Saturday, Sunday or other day on which banking institutions are authorized or required by law to close in New York City or the place of payment.

"**Calculation Date**" means the date on which the event for which the calculation of the Consolidated Secured Leverage Ratio shall occur.

"**Canadian Entities**" means (a) Cliffs Quebec Iron Mining ULC (f/k/a Cliffs Quebec Iron Mining Limited), an unlimited liability company organized under the laws of British Columbia, Canada, (b) Wabush Iron Co. Limited, an Ohio corporation, (c) The Bloom Lake Iron Ore Mine Limited Partnership, a limited partnership formed under the laws of Ontario, (d) Bloom Lake General Partner Limited, an Ontario corporation, (e) Wabush Resources Inc., a corporation organized under the laws of Canada, (f) each other Subsidiary of the Company organized under the laws of Canada or any province thereof, including, for the avoidance of doubt, Wabush Mines, an unincorporated joint venture, and Knoll Lake Minerals Limited, a company organized under the laws of Canada and (g) Northern Land Company Limited, a company organized under the laws of Newfoundland & Labrador.

"**Canadian Existing Indebtedness**" means any Debt of the applicable Canadian Entities and the Company under (x) that certain Master Loan and Security Agreement, dated as of September 27, 2013, among Key Equipment Finance Inc., as lender and as administrative agent, The Bloom Lake Iron Ore Mine Limited Partnership, a limited partnership formed under the laws of the Province of Ontario, Wabush Mines, an unincorporated joint venture of Wabush Iron Co. Limited and Wabush Resources Inc., by its managing agent, Cliffs Mining Company and each other person designated as a borrower from time to time pursuant to the terms thereof, and the other Account Documentation referred to in such Master Loan and Security Agreement, including all loan schedules thereto, as the same may be amended, restated, supplemented or otherwise modified from time to time, and (y) the Corporate Guaranty dated September 27, 2013 provided by the Company in respect thereof, as it may be amended, restated, supplemented or otherwise modified from time to time.

"**Capital Stock**" means:

(1) in the case of a corporation, corporate stock or shares;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) or corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distribution of assets of, the issuing Person.

"**Cash Equivalents**" means:

(1) United States dollars;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government, Canada or any member of the European Union (provided that the full faith and credit of the United States, Canada or such member of the European Commission is pledged in support of those securities) having maturities of not more than twelve months from the date of acquisition;

(3) certificates of deposit and Eurodollar time deposits with maturities of one year or less from the date of acquisition, bankers' acceptances with maturities not exceeding twelve months from the date of acquisition, and overnight bank deposits, in each case, with any lender party to the ABL Credit Facility or any affiliate thereof or with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thomson Bank Watch Rating of "B" or better;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper having one of the two highest ratings obtainable from Moody's or S&P, in each case, maturing within twelve months after the date of acquisition;

(6) money market funds, substantially all of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition; and

(7) marketable direct obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof, in each case maturing within

one year after such date and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's.

"**CFC**" means a "controlled foreign corporation", as such term is defined in Section 957 of the Internal Revenue Code of 1986, as amended.

"**Change of Control**" means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole to any "person" or "group" (as those terms are used in Section 13(d)(3) of the Exchange Act) other than to the Company or one of its Subsidiaries;

(2) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" or "group"(as those terms are used in Section 13(d)(3) of the Exchange Act, it being agreed that an employee of the Company or any of its Subsidiaries for whom shares are held under an employee stock ownership, employee retirement, employee savings or similar plan and whose shares are voted in accordance with the instructions of such employee shall not be a member of a "group" (as that term is used in Section 13(d)(3) of the Exchange Act) solely because such employee's shares are held by a trustee under said plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of Voting Stock representing more than 50 percent of the voting power of our outstanding Voting Stock or of the Voting Stock of any of the Company's direct or indirect parent companies;

(3) the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merge with or into, the Company, in any such event pursuant to a transaction in which any of the Company's outstanding Voting Stock or Voting Stock of such other Person is converted into or exchanged for cash, securities or other property, other than any such transaction where the Company's Voting Stock outstanding immediately prior to such transaction constitutes, or is converted into or exchanged for, Voting Stock representing at least a majority of the voting power of the Voting Stock of the surviving Person immediately after giving effect to such transaction;

(4) the first day on which a majority of the members of the Company's Board of Directors or the Board of Directors of any of the Company's direct or indirect parent companies are not Continuing Directors; or

(5) the adoption of a plan relating to the Company's liquidation or dissolution.

Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control solely because the Company becomes a direct or indirect wholly-owned Subsidiary of a holding company if the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Company's Voting Stock immediately prior to that transaction.

"**Change of Control Offer**" has the meaning assigned to that term in Section 3.06(a).

"**Change of Control Triggering Event**" means, with respect to the Notes, (i) the rating of the Notes is lowered by each of the Rating Agencies on any date during the period (the "**Trigger Period**") commencing on the earlier of (a) the occurrence of a Change of Control and (b) the first public announcement by us of any Change of Control (or pending Change of Control), and ending 60 days following consummation of such Change of Control (which Trigger Period will be extended following consummation of a Change of Control for so long as any of the Rating Agencies has publicly announced that it is considering a possible ratings change), and (ii) the Notes are rated below Investment Grade by each of the Rating Agencies on any day during the Trigger Period; provided that a Change of Control

Triggering Event will not be deemed to have occurred in respect of a particular Change of Control if each Rating Agency making the reduction in rating does not publicly announce or confirm or inform the Trustee at the Company's request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the Change of Control.

Notwithstanding the foregoing, no Change of Control Triggering Event will be deemed to have occurred in connection with any particular Change of Control unless and until such Change of Control has actually been consummated.

"**CNTA Covered Debt**" means (a) Debt secured by a Lien on Principal Property or Principal Subsidiary Interests and (b) Attributable Debt relating to any Sale and Leaseback Transaction of any Principal Property, in each case, to the extent restricted by Section 3.03 or Section 3.04.

"**CNTA Limit**" means, as of any time of incurring any CNTA Covered Debt, 15% of Consolidated Net Tangible Assets at such time.

"**Collateral**" means all property and assets, whether now owned or hereafter acquired, in which Liens are, from time to time, purported to be granted to secure the Second Lien Notes Obligations pursuant to the Collateral Documents.

"**Collateral Account**" means any segregated deposit account under the control of the Notes Priority Agent pursuant to a control agreement and subject to the Notes Intercreditor Agreement, which account is free from all other Liens (other than Liens securing the Second Lien Notes Obligations and the First Lien Notes Obligations), and only includes all cash, Cash Equivalents and proceeds of Designated Non-cash Consideration received by the Trustee, the First Lien Notes Collateral Agent or the Second Lien Notes Collateral Agent from Asset Dispositions of Notes Collateral, Recovery Events of Notes Collateral, foreclosures on or sales of Notes Collateral or any other awards or proceeds pursuant to the Collateral Documents, including earnings, revenues, rents, issues, profits and income from the Notes Collateral received pursuant to the Collateral Documents, and interest earned thereon.

"**Collateral Documents**" means the Mortgages, security agreements, pledge agreements, agency agreements, the Intercreditor Agreements and any other intercreditor agreement executed and delivered pursuant to this Indenture, and other instruments and documents executed and delivered pursuant to this Indenture or any of the foregoing, as the same may be amended, supplemented or otherwise modified from time to time and pursuant to which Collateral is pledged, assigned or granted to or on behalf of the Notes Collateral Agent for the benefit of the Second Lien Notes Secured Parties or notice of such pledge, assignment or grant is given.

"**Commission**" means the Securities and Exchange Commission.

"**Comparable Treasury Issue**" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the Notes from the Redemption Date to March 31, 2017, that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a maturity most nearly equal to March 31, 2017.

"**Comparable Treasury Price**" means, with respect to any Redemption Date, if clause (ii) of the definition of Adjusted Treasury Rate is applicable, the average of three, or such lesser number as is obtained by the Company, Reference Treasury Dealer Quotations for such Redemption Date.

"**Consolidated EBITDA**" means, with respect to any Person and its consolidated Subsidiaries in reference to any period, Consolidated Net Income for such period plus, without duplication,

(a) all amounts deducted in arriving at such Consolidated Net Income amount in respect of (i) the sum of all interest charges for such period determined on a consolidated basis in accordance with GAAP, (ii) federal, state and local income taxes as accrued for such period, (iii) depreciation of fixed assets and amortization of intangible assets for such period, (iv) non-cash items decreasing Consolidated Net Income for such period, including, without limitation, non-cash compensation expense, (v) transaction costs, fees and expenses associated with the issuance of Debt or the extension, renewal, refunding, restructuring, refinancing or replacement of Debt (whether or not consummated) (but excluding any such costs amortized through or otherwise included or to be included in interest expense for any period), (vi) Debt extinguishment costs, (vi) losses on discontinued operations, (vii) amounts attributable to minority interests and (viii) any additional non-cash losses, expenses and charges, minus, without duplication,

(b) the sum of (i) cash payments made during such period in respect of items added to the calculation of Consolidated Net Income pursuant to clause (a)(iv) or clause (a)(viii) above during such period or any previous period, and (ii) non-cash items increasing Consolidated Net Income for such period.

"**Consolidated Net Income**" means with respect to any Person and its consolidated Subsidiaries in reference to any period, the net income (or net loss) of such Person and its Subsidiaries for such period computed on a consolidated basis in accordance with GAAP; provided that there shall be excluded, without duplication, from Consolidated Net Income (to the extent otherwise included therein):

(i) the net income (or net loss) of any Person accrued prior to the date it becomes a Subsidiary of, or has merged into or consolidated with, such person or another Subsidiary of such Person;

(ii) the net income (or net loss) of any Person (other than a Subsidiary) in which such Person or any of its Subsidiaries has an equity interest in, except to the extent of the amount of dividends or other distributions actually paid to the such Person or its Subsidiaries during such period;

(iii) any net after-tax gains or losses (less all fees and expenses or charges relating thereto) attributable to asset sales or dispositions, in each case other than in the ordinary course of business;

(iv) any net after-tax extraordinary gains or losses;

(v) the cumulative effect of a change in accounting principles; and

(vi) any gains or losses due to fluctuations in currency values and the related tax effects calculated in accordance with GAAP.

"**Consolidated Net Tangible Assets**" means the aggregate amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom (a) all current liabilities (excluding any indebtedness for money borrowed having a maturity of less than 12 months from the date of the most recent consolidated balance sheet of the Company but which by its terms is renewable or extendable beyond 12 months from such date at the option of the borrower) and (b) all goodwill, trade names, patents, unamortized debt discount and expense and any other like intangibles, all as set forth on the most recent consolidated balance sheet of the Company and computed in accordance with U.S. generally accepted accounting principles.

"**Consolidated Secured Leverage Ratio**" means, with respect to any specified Person on any Calculation Date, the ratio of (1) the sum of the aggregate outstanding amount of Debt of such Person and its Subsidiaries secured by a Lien, determined on a consolidated basis as of the last day of the most recent fiscal quarter for which internal financial statements are available immediately preceding the Calculation Date, in effect on such Calculation Date, to (2) the Consolidated EBITDA of such Person and

its consolidated Subsidiaries for the most recently ended four fiscal quarters for which internal financial statements are available immediately preceding the Calculation Date.

For purposes of calculating the Consolidated Secured Leverage Ratio:

(1) (A) acquisitions that have been made by the specified Person or any of its Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries acquired by the specified Person or any of its Subsidiaries, and including any related financing transactions and including increases in ownership of Subsidiaries, (B) discontinued operations (as determined in accordance with GAAP), and (C) operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, in each case, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date will be given pro forma effect (as determined in good faith by the chief financial officer of the Company calculated on a basis that is consistent with Regulation S-X under the Securities Act) as if they had occurred on the first day of the four-quarter reference period;

(2) in the event that such Person or any Subsidiary incurs, assumes, guarantees, redeems, repays, retires or extinguishes any Debt (other than Debt incurred or repaid under any revolving credit facility in the ordinary course of business for working capital purposes), subsequent to the end of the most recent fiscal quarter for which internal financial statements are available but on or prior to or simultaneously with the Calculation Date, then the Consolidated Secured Leverage Ratio shall be calculated giving pro forma effect to such incurrence, assumption, guarantee, redemption, repayment, retirement or extinguishment of Debt, as if the same had occurred on the last day of such most recent fiscal quarter; and

(3) the U.S. dollar-equivalent principal amount of any Debt denominated in a foreign currency will reflect the currency translation effects, determined in accordance with GAAP, of Hedging Obligations for currency exchange risks with respect to the applicable currency in effect on the date of determination of the U.S. dollar equivalent principal amount of such Debt.

"**Continuing Director**" means, as of any date of determination, any member of the applicable Board of Directors who: (1) was a member of such Board of Directors on the Issue Date or (2) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment (either by a specific vote or by approval of a proxy statement in which such member was named as a nominee for election as a director).

"**Corporate Trust Office**" means, with respect to the Trustee, the principal office at which at any particular time the corporate trust business of the Trustee, shall be administered, which offices at the date of execution of this Indenture are located, in the case of the Trustee, (i) solely for purposes of (A) transfer, surrender, or exchange of the Notes, and (B) acting as the Paying Agent or Registrar, at U.S. Bank Corporate Trust Services, Attn: Original Issuance, P.O. Box 64111, St. Paul, MN 55164-0111 (by registered or certified mail) or U.S. Bank Corporate Trust Services, Attn: Original Issuance, 2nd Floor, 60 Livingston Avenue, St. Paul, MN 55107 (by hand or overnight mail), and (ii) for all other purposes, the principal office of the Trustee at which at any particular time its corporate trust business shall be administered, which office at the date of execution of this Indenture is located at U.S. Bank National Association, Attention: Corporate Trust Services/Account Administrator, 1350 Euclid Avenue, Mail Code: CN-OH-RN11, Cleveland, Ohio 44114.

"**Debt**" means indebtedness for money borrowed that in accordance with applicable generally accepted accounting principles would be reflected on the balance sheet of the obligor as a liability as of the date on which Debt is to be determined.

"**Debt Facility**" or "**Debt Facilities**" means, with respect to the Company or any of its Subsidiaries, one or more debt facilities (which may be outstanding, at the same time and including,

without limitation, the ABL Credit Facility) or commercial paper facilities with banks or other lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or bankers' acceptances or issuances of debt securities evidenced by notes, debentures, bonds or similar instruments, in each case, as amended, restated, supplemented, modified, renewed, refunded, replaced or refinanced (including by means of sales of debt securities to institutional investors, including convertible or exchangeable debt securities) in whole or in part from time to time (and whether or not with the original trustee, administrative agent, holders and lenders or another trustee, administrative agent or agents or other holders or lenders or additional borrowers or guarantors and whether provided under the ABL Credit Facility or any other credit agreement or other agreement or indenture).

"**Default**" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"**Definitive Notes**" means certificated Notes registered in the name of the Holder thereof and issued in accordance with Section 2.01, substantially in the form of Exhibit A hereto, except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Increases or Decreases in Global Security" attached thereto.

"**Designated Non-cash Consideration**" means the Fair Market Value of non-cash consideration received by the Company or any Guarantor in connection with an Asset Disposition of Notes Collateral that is so designated as Designated Non-cash Consideration pursuant to an officer's certificate, less the amount of cash or Cash Equivalents, received in connection with a subsequent sale of or collection on such Designated Non-cash Consideration.

"**Discharge of ABL Obligations**" means, except to the extent otherwise expressly provided in the ABL Intercreditor Agreement,

(a) payment in full in cash of all ABL Obligations (other than (i) Bank Product Obligations, (ii) undrawn letters of credit and (iii) contingent obligations or indemnification obligations, except as provided in clauses (c) and (d) below);

(b) termination or expiration of all commitments, if any, to extend credit under the ABL Credit Facility;

(c) either (x) the delivery of cash collateral (pursuant to documentation reasonably satisfactory to the ABL Agent) in respect of Bank Product Obligations in such amount as required by the ABL Credit Facility or (y) the termination and unwinding of the applicable Hedge Agreement or Bank Product Agreement and the payment in full in cash of the Hedge Obligations and/or Bank Product Obligations (other than contingent obligations or indemnification obligations, in each case for which no claim has been asserted) due and payable in connection with such termination and unwinding or the execution and implementation of alternative arrangements reasonably satisfactory to the applicable holder of such obligations,

(d) termination, cash collateralization (in an amount and manner reasonably satisfactory to the ABL Agent, but in no event greater than 103% of the aggregate undrawn face amount, plus commissions, fees, and expenses) or backstop of all letters of credit issued under the ABL Credit Facility in compliance with the terms of the ABL Credit Facility; and

(e) cash collateralization (or support by a letter of credit) for any costs, expenses and indemnification obligations consisting of ABL Obligations not yet due and payable but with respect to which a claim has been asserted in writing under the ABL Credit Facility (in an amount and manner reasonably satisfactory to the ABL Agent).

"**Discharge of First Lien Notes Obligations**" means, except to the extent otherwise expressly provided in the Notes Intercreditor Agreements, (a) payment in full in cash of all First Lien Notes Obligations (other than contingent obligations or indemnification obligations, in each case for which no claim has been asserted) or (b) any defeasance of the First Lien Notes as provided for in the First Lien Notes Indenture or a discharge of the First Lien Notes Indenture as provided for in the First Lien Notes Indenture and each other First Lien Notes Obligation in accordance with the express terms thereof.

"**Domestic Subsidiary**" means a Subsidiary that owns or leases any Principal Property except a Subsidiary (a) that transacts any substantial portion of its business and regularly maintains any substantial portion of its fixed assets outside of the United States or (b) that is engaged primarily in financing the operation of us or our Subsidiaries, or both, outside the United States.

"**DTC**" means The Depository Trust Company, its nominees and their respective successors and assigns, or such other depository institution hereinafter appointed by the Company.

"**Equity Offering**" means any public or private issuance and sale of the Company's common shares by the Company. Notwithstanding the foregoing, the term "Equity Offering" shall not include:

(1) any issuance and sale with respect to the Company's common shares registered on Form S-4 or Form S-8; or

(2) any issuance and sale to any Subsidiary of the Company.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"**Excluded Equity**" means (a) Voting Stock in any CFC or FSHCO, to the extent (but only to the extent) required to prevent the Collateral from including more than 65% of all Voting Stock in such CFC or FSHCO, (b) Capital Stock in any Subsidiary that is not a Wholly-Owned Subsidiary, to the extent, and for so long as, the pledge of such Capital Stock would be prohibited by the terms of any organizational document, joint venture agreement or shareholders' agreement applicable to such Subsidiary, (c) Voting Stock in Cleveland-Cliffs International Holding Company in excess of 65% and (d) Capital Stock in Wabush Iron Co. Limited.

"**Excluded Property**" means:

(1) Excluded Equity;

(2) motor vehicles (excluding, for the avoidance of doubt, Mobile Equipment), the perfection of a security interest in which cannot be accomplished by filing a UCC financing statement in the central filing office in which the Company or the Guarantor that owns such property is located;

(3) (i) any individual parcel of Real Property with a fair market value (as reasonably determined by the Company) not to exceed $25.0 million; provided that such parcel is not necessary to operate the relevant complex or facility associated with such parcel (as reasonably determined by the Company), (ii) any Real Property or interest therein used or held in connection with a mine owned by a joint venture of which the Company or a Guarantor is a party, to the extent that the joint venture agreement or other relevant agreement with the relevant joint venture partner prohibits (or requires the consent of a party other than the Company or a Guarantor or any of their respective Subsidiaries) the creation of a security interest therein, except to the extent that such term in such contract, license, lease, agreement, instrument, general intangible or other document or shareholder, joint venture or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable law; and (iii) any leasehold interest in the office headquarters of the Company located at 200 Public Square, Cleveland, Ohio 44114;

(4) any Principal Property and Principal Subsidiary Interests to the extent that the Obligations secured by any Principal Property or Principal Subsidiary Interests (together with any other CNTA Covered Debt) would exceed, at any time that any CNTA Covered Debt is incurred, the CNTA Limit at such time;

(5) any property to the extent that the grant of a security interest therein (x) is prohibited by any applicable law or regulation, requires a consent not obtained of any governmental authority pursuant to any applicable law or regulation, or (y) is prohibited by, or constitutes a breach or default under or results in the termination of or requires any consent not obtained under, any contract, lease, license, agreement, instrument, general intangible or other document evidencing or giving rise to such property or creating or governing a Permitted Lien applicable to such property or, in the case of any Capital Stock, any applicable shareholder, joint venture or similar agreement (for the avoidance of doubt, whether applying to any joint venture or parent of any joint venture), except to the extent that such law or regulation or the term in such contract, license, lease, agreement, instrument, general intangible or other document or shareholder, joint venture or similar agreement providing for such prohibition, breach, default or termination or requiring such consent is ineffective under applicable law; provided that in the case of clause (y), such contractual obligation (other than any such contractual obligation entered into in the ordinary course of business) existed on the Issue Date or, with respect to any Subsidiary acquired after the Issue Date (and so long as such contractual obligation was not incurred in contemplation of such acquisition), on the date such Subsidiary is so acquired;

(6) any United States intent-to-use trademark applications to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable federal law, provided that upon submission and acceptance by the PTO of an amendment to allege use pursuant to 15 U.S.C. Section 1060(a) (or any successor provision), such intent-to-use trademark application shall be considered Collateral;

(7) any timber to be cut, the perfection of a security interest in which cannot be accomplished by the filing of an initial financing statement;

(8) any property as to which the Notes Collateral Agent and the Company reasonably agree in writing that the cost of creating or perfecting a security interest in such property is excessive in relation to the benefit afforded thereby;

provided, however, that any proceeds, substitutes or replacements of Excluded Property shall not constitute Excluded Property unless such proceeds, substitutes or replacements would themselves constitute Excluded Property; provided, further, however, that Excluded Property shall not include as-extracted collateral or to the extent not otherwise as-extracted collateral, all minerals whether or not severed or extracted from the ground of the Company or any Guarantor (including all severed or extracted minerals purchased, acquired or obtained from other persons), and all accounts, general intangibles and products and proceeds thereof or related thereto, regardless of whether any such minerals are in raw form or processed for sale and regardless of whether or not the Company or any Guarantor had an interest in the minerals before extraction or severance.

"**Excluded Subsidiaries**" means (i) any direct or indirect Foreign Subsidiary of the Company, (ii) any non-Foreign Subsidiary that is treated as a disregarded entity for U.S. income tax purposes if substantially all of its assets consist of the Voting Stock of one or more direct or indirect Foreign Subsidiaries of the Company, (iii) any non-Foreign Subsidiary of a Foreign Subsidiary, (iv) any Subsidiary that is an Immaterial Subsidiary, (v) any non-Wholly-Owned Subsidiary, to the extent, and for so long as, a guarantee by such Subsidiary of the obligations of the Company under the Second Lien Notes Documents would be prohibited by the terms of any organizational document, joint venture agreement or shareholder's agreement applicable to such Subsidiary; provided that such prohibition existed on the Issue Date or, with respect to any Subsidiary formed or acquired after the Issue Date (and, in the case of any Subsidiary acquired after the Issue Date, for so long as such prohibition was not incurred in

contemplation of such acquisition), on the date such Subsidiary is so formed or acquired, (vi) any parent entity of any non-Wholly-Owned Subsidiary, to the extent, and for so long as, a guarantee by such Subsidiary of the obligations of the Company under the Second Lien Notes Documents would be prohibited by the terms of any organizational document, joint venture agreement or shareholder's agreement applicable to the non-Wholly Owned Subsidiary to which such Subsidiary is a parent; provided that (A) such prohibition existed on the Issue Date or, with respect to any Subsidiary formed or acquired after the Issue Date (and, in the case of any Subsidiary acquired after the Issue Date, for so long as such prohibition was not incurred in contemplation of such acquisition), on the date such Subsidiary is so formed or acquired and (B) a direct or indirect parent company of such parent entity (1) shall be a Guarantor and (2) shall be a holding company not engaged in any business activities or having any assets or liabilities other than (x) its ownership and acquisition of the Capital Stock of the applicable joint venture (or any other entity holding an ownership interest in such joint venture), together with activities directly related thereto, (y) actions required by law to maintain its existence and (z) activities incidental to its maintenance and continuance and to the foregoing activities; (vii) Cleveland-Cliffs International Holding Company, so long as substantially all of its assets consist of equity interests in one or more Foreign Subsidiaries, (viii) Wabush Iron Co. Limited and (ix) any Subsidiary of a Person described in the foregoing clauses (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii), provided in each case that such Subsidiary has not guaranteed any Obligations of the Company or any co-borrowers or guarantors under (x) the First Lien Notes Documents or (y) the ABL Credit Facility (other than any Obligations of a co-borrower or guarantor that is a Foreign Subsidiary).

"**Existing Indebtedness**" means Debt of the Company and, as applicable, any of its Subsidiaries (other than Debt under the ABL Credit Facility, the Notes or the First Lien Notes) in existence on the Issue Date, until such amounts are repaid.

"**Existing Notes Documents**" means the Indenture between the Company and U.S. Bank National Association, as trustee, dated March 17, 2010, the 5.90% Notes due 2020 First Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated March 17, 2010, the 4.80% Notes due 2020 Second Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated September 20, 2010, the 6.25% Notes due 2040 Third Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated September 20, 2010, the 4.875% Notes due 2021 Fourth Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated March 23, 2011, the Fifth Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated March 31, 2011 and the 3.95% Notes due 2018 Sixth Supplemental Indenture between the Company and U.S. Bank National Association, as trustee, dated December 13, 2012.

"**Fair Market Value**" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party.

"**First Lien Notes**" means the Company's 8.250% Senior Secured Notes due 2020 issued pursuant to the First Lien Notes Indenture, the Obligations of which are guaranteed by the Guarantors.

"**First Lien Notes Collateral Agent**" means such agent or trustee as is designated "First Lien Notes Collateral Agent" by the First Lien Notes Secured Parties holding a majority in principal amount of the First Lien Notes Obligations then outstanding; it being understood that as of the Issue Date, U.S. Bank National Association shall be so designated First Lien Notes Collateral Agent.

"**First Lien Notes Documents**" means any documents or instrument evidencing or governing any First Lien Notes Obligations, including the First Lien Notes Indenture.

"**First Lien Notes Indenture**" means the indenture governing the First Lien Notes, among the Company, the Guarantors party thereto, the Trustee and the First Lien Notes Collateral Agent, as amended or supplemented from time to time.

"**First Lien Notes Obligations**" means Obligations secured by Liens on the Notes Collateral that are prior to the Liens securing Second Lien Notes Obligations, including the First Lien Notes and any Additional First Lien Indebtedness.

"**First Lien Notes Secured Parties**" means any persons holding any First Lien Notes Obligations, including the First Lien Notes Collateral Agent.

"**Foreign Subsidiary**" means any Subsidiary of the Company that was not formed under the laws of the United States or any state of the United States or the District of Columbia.

"**FSHCO**" means any direct or indirect U.S. Subsidiary that has no material assets other than Capital Stock of one or more CFCs.

"**GAAP**" means generally accepted accounting principles in the United States, consistently applied, as set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, or in such other statements by such other entity as may be approved by a significant segment of the accounting profession of the United States, which are in effect as of the Issue Date.

"**Global Note Legend**" means the legend set forth in Section 2.01(d)(iii) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"**Grantors**" has the meaning assigned to such term in the Security Agreement.

"**Guarantee**" means any guarantee of the obligations of the Company under this Indenture and the Notes by any Person in accordance with the provisions of this Indenture.

"**Guarantors**" means any Person that incurs a Guarantee with respect to the Notes; provided, however, that upon the release or discharge of such Person from its Guarantee in accordance with this Indenture, such Person ceases to be a Guarantor.

"**Hedge Agreement**" means a "swap agreement" as that term is defined in Section 101(53B)(A) of the Bankruptcy Code.

"**Hedging Obligations**" means any and all obligations or liabilities, whether absolute or contingent, due or to become due, now existing or hereafter arising of the Company or any of their Subsidiaries arising under, owing pursuant to, or existing in respect of Hedge Agreements entered into with one or more of the holders of ABL Credit Facility Obligations or one or more of their affiliates.

"**Holder**" means a person in whose name a Note is registered.

"**Immaterial Subsidiary**" means, as of any date, any Subsidiary of the Company (that is not an Excluded Subsidiary of the type described in clause (i), (ii), (iii), (v), (vi), (vii), (viii) or (ix) in the definition thereof) that, together with its Subsidiaries, does not have (i) consolidated total assets in excess of 3.0% of the consolidated total assets of the Company and its Subsidiaries on a consolidated basis as of the date of the most recent consolidated balance sheet of the Company or (ii) consolidated total revenues in excess 3.0% of the consolidated total revenues of the Company and its Subsidiaries on a consolidated basis for the most recently ended four fiscal quarters for which internal financial statements of the Company are available immediately preceding such calculation date; provided that any such Subsidiary, when taken together with all other Immaterial Subsidiaries does not, in each case together with their respective Subsidiaries, have (i) consolidated total assets with a value in excess of 7.5% of the consolidated total assets of the Company and its Subsidiaries on a consolidated basis or (ii) consolidated

total revenues in excess of 7.5% of the consolidated total revenues of the Company and its Subsidiaries on a consolidated basis.

"**Indenture**" means this Indenture, as amended or supplemented from time to time.

"**Initial Notes**" has the meaning ascribed to it in the second introductory paragraph of this Indenture.

"**Intercreditor Agreements**" means the ABL Intercreditor Agreement and the Notes Intercreditor Agreements.

"**Investment Grade**" means a rating of Baa3 or better by Moody's (or its equivalent under any successor rating category of Moody's) and a rating of BBB- or better by S&P (or its equivalent under any successor rating category of S&P), and the equivalent investment grade credit rating from any replacement rating agency or rating agencies selected by us under the circumstances permitting us to select a replacement agency and in the manner for selecting a replacement agency, in each case as set forth in the definition of "Rating Agency."

"**Issue Date**" means the date on which the Notes are initially issued.

"**Junior Lien Debt**" means Debt incurred by the Company or any Guarantor in the form of one or more series of secured debt securities or loans; provided that (i) the final maturity date of any such Debt shall be no earlier than 91 days after the maturity date of the Notes, (ii) the terms of such Debt shall not provide for any scheduled repayment, mandatory redemption, sinking fund obligations or other payment (other than periodic interest payments) prior to 91 days after the final maturity date of the Notes, other than customary offers to purchase upon a change of control, asset sale or casualty or condemnation event and customary acceleration rights upon an event of default, (iii) such Debt shall only be secured by a Lien on the Collateral that is junior to the ABL Obligations, the First Lien Notes Obligations and the Second Lien Notes Obligations (including with respect to the control of remedies) and shall not be secured by any property or assets of the Company or any Subsidiary other than Collateral, (iv) a representative of the holders of such Debt shall have become party to or otherwise subject to the provisions of a junior lien intercreditor agreement or collateral trust agreement reasonably satisfactory to the Second Lien Notes Collateral Agent, the First Lien Notes Collateral Agent and the ABL Agent reflecting the junior lien status of the Liens securing such Debt on customary terms for junior lien Debt at the time of incurrence (as determined in good faith by the Company), and (v) none of the obligors or guarantors with respect to such Debt shall be a Person that is not the Company or a Guarantor.

"**Liens**" means any mortgage, pledge, lien or other encumbrance.

"**Material Real Property**" means any Real Property owned or leased by the Company or any Guarantor; provided that such Material Real Property shall not include any Excluded Property.

"**Mobile Equipment**" means all of the right, title and interest of the Company or any of its Subsidiaries in any forklifts, trailers, graders, dump trucks, water trucks, grapple trucks, lift trucks, flatbed trucks, fuel trucks, other trucks, dozers, cranes, loaders, skid steers, excavators, back hoes, shovels, drill crawlers, other drills, scrappers, graders, gondolas, flat cars, ore cars, shuttle cars, conveyors, locomotives, miners, other rail cars, and any other vehicles, mobile equipment and other equipment similar to any of the foregoing.

"**Moody's**" means Moody's Investors Service, Inc., a subsidiary of Moody's Corporation, and its successors.

"**Mortgage**" means a mortgage or deed of trust, deed to secure debt, trust deed or other security document entered into by the owner or lessee, as the case may be, of a Material Real Property in favor of

the Notes Collateral Agent for its benefit and the benefit of the Second Lien Notes Secured Parties creating a Lien on such Material Real Property, substantially in such form as may be reasonably agreed between the Company and the Notes Collateral Agent (other than Excluded Property.)

"**Net Insurance Proceeds**" means any awards or proceeds in respect of any casualty insurance claim, condemnation or other eminent domain proceeding relating to any Notes Collateral deposited in the Collateral Account pursuant to the Collateral Documents.

"**Net Proceeds**" means, with respect to any Asset Disposition of Notes Collateral, the aggregate proceeds received by the Company or any of its Subsidiaries in respect of such Asset Disposition of Notes Collateral (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in such Asset Disposition), net of the direct costs relating to such Asset Disposition of Notes Collateral, including, without limitation, (i) legal accounting and investment banking fees, (ii) taxes paid or payable as a result of such Asset Disposition of Notes Collateral or as a result of any transactions occurring or deemed to occur in connection with a prepayment hereunder, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, and (iii) appropriate amounts to be provided as a reserve against any adjustment in the sale price of such asset or assets or liabilities associated with such Asset Disposition of Notes Collateral, including pension and other post-employment benefit liabilities, liabilities related to environmental matters and indemnification obligations associated with such Asset Disposition of Notes Collateral with any subsequent reduction of the reserve other than by payments made and charged against the reserved amount to be deemed a receipt of cash.

"**Non-Conforming Plan of Reorganization**" means any plan of reorganization whose provisions are inconsistent with the Intercreditor Agreements, including any plan of reorganization that purports to re-order (whether by subordination, invalidation, or otherwise) or otherwise disregard, in whole or part, the lien priority and other related provisions of the Intercreditor Agreements, the waterfall and turnover provisions of the Intercreditor Agreements, or the provisions of the Intercreditor Agreements relating to insolvency and liquidation proceedings.

"**Non-U.S. Person**" means a Person who is not a U.S. Person (as defined in Regulations).

"**Note**" has the meaning ascribed to it in the second introductory paragraph of this Indenture.

"**Notes Collateral**" means the portion of the Collateral as to which the Second Lien Notes Secured Parties have a junior-priority security interest subject to certain Permitted Liens.

"**Notes Collateral Agent**" means U.S. Bank National Association, acting in its capacity as collateral agent under the Collateral Documents, or any successor thereto.

"**Notes Custodian**" means the custodian with respect to the Global Note (on behalf of DTC), or any successor Person thereto and shall initially be the Trustee.

"**Notes Documents**" means, collectively, the First Lien Notes Documents and the Second Lien Notes Documents and, for the avoidance of doubt, shall include the Intercreditor Agreements.

"**Notes Intercreditor Agreements**" means (a) the intercreditor agreement among U.S. Bank National Association, as Notes Priority Agent and First Lien Notes Collateral Agent (each as defined therein), and U.S. Bank National Association, as Second Lien Notes Collateral Agent (as defined therein), and acknowledged by the Company and the Guarantors, to be entered into on the Issue Date, as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with this Indenture; and (b) any intercreditor agreement to be entered into in connection with the incurrence of any Additional First Lien Indebtedness, to be substantially similar to the Notes Intercreditor Agreement

entered into on the Issue Date described in clause (a), as it may be amended, restated, supplemented or otherwise modified from time to time in accordance with this Indenture.

"**Notes Obligations**" means, collectively, the First Lien Notes Obligations and the Second Lien Notes Obligations.

"**Notes Priority Agent**" means (a) until the Discharge of First Lien Notes Obligations has occurred, the First Lien Notes Collateral Agent (or another representative for the First Lien Notes Secured Parties and the Second Lien Notes Secured Parties under the Notes Intercreditor Agreements or other applicable First Lien Notes Documents and Second Lien Notes Documents) and (b) following the Discharge of the First Lien Notes Obligations, the Second Lien Notes Collateral Agent acting on behalf of the Second Lien Notes Secured Parties. As of the Issue Date, U.S. Bank National Association, in its capacity as the First Lien Notes Collateral Agent, shall be the Notes Priority Agent.

"**Obligations**" means all principal, premium, interest (including any interest accruing subsequent to the filing of a petition in bankruptcy, reorganization or similar proceeding at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under any such proceeding or under applicable state, federal or foreign law), penalties, fees, indemnifications, reimbursements (including reimbursement obligations with respect to letters of credit and banker's acceptances), damages and other liabilities, and guarantees of payment of such principal, premium, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities, payable under the documentation governing any indebtedness.

"**Offering Memorandum**" means that certain offering memorandum dated February 26, 2015 relating to the Company's 7.75% Senior Secured Notes due 2020, as amended by Supplement No. 1, dated March 5, 2015.

"**Officer**" means anyone of the Chairman of the Board, the Chief Executive Officer, the President, the Chief Financial Officer, the Chief Operating Officer, any Vice President, the Treasurer, the Secretary or the Controller of the Company.

"**Officer's Certificate**" means a certificate signed by any one of the principal executive officer, principal financial officer or principal accounting officer of the Company or a Guarantor, as applicable.

"**Opinion of Counsel**" means an opinion from legal counsel who is reasonably acceptable to the Trustee, that meets the requirements of Section 13.05 hereof. The counsel may be an employee of or counsel to the Company, any Subsidiary of the Company or the Trustee.

"**Pari Passu Lien Indebtedness**" means any Additional Notes and any additional Debt that is secured by Liens on the Collateral that are pari passu with the Liens securing the Notes and is permitted to be incurred pursuant to Section 3.05; provided that, with respect to any additional Debt (i) the representative of such additional Debt executes a joinder agreement to the applicable Collateral Documents, in each case in the form attached thereto, agreeing to be bound thereby and (iii) the Company has designated such additional Debt as "Pari Passu Lien Indebtedness" thereunder.

"**Permitted Liens**" means:

(i) Liens securing Obligations (including ABL Obligations and First Lien Notes Obligations) in respect of Debt incurred pursuant to clauses (i), (ii), (iii), (iv), (v) or (x) of Section 3.05; provided, that: (A) any Liens on the Notes Collateral (other than Liens securing the First Lien Notes Obligations and Pari Passu Lien Indebtedness) granted pursuant to this clause must be junior in priority to the Liens on such Notes Collateral granted in favor of the Notes Collateral Agent for the benefit of the Trustee and the Holders of the Notes pursuant to the Collateral Documents and the terms of such Liens must be pursuant to the Intercreditor Agreements or on terms no more favorable than the terms contained in the

Intercreditor Agreements as in effect from time to time and (B) any Liens on the ABL Collateral (other than Liens securing the ABL Obligations, the First Lien Notes Obligations and Pari Passu Lien Indebtedness) granted pursuant to this clause must be junior in priority to the Liens on such ABL Collateral granted in favor of the Notes Collateral Agent for the benefit of the Trustee and the Holders of the Notes pursuant to the Collateral Documents and the terms of such Liens must be pursuant to the Intercreditor Agreements or on terms no more favorable than the terms contained in the Intercreditor Agreements as in effect from time to time;

(ii) Liens existing on assets at the time of acquisition thereof, or incurred to secure the payment of all or part of the cost of the purchase or construction price of property, or to secure Debt incurred or guaranteed for the purpose of financing all or part of the purchase or construction price of property or the cost of improvements on property, which Debt is incurred or guaranteed prior to, at the time of, or within 180 days after the later of such acquisition or completion of such improvements or construction or commencement of commercial operation of the assets;

(iii) Liens in favor of the Company or any Subsidiary;

(iv) Liens on property of a Person existing at the time such Person is merged into or consolidated with us or a Subsidiary or at the time of a purchase, lease or other acquisition of the property of a Person as an entirety or substantially as an entirety by us or a Subsidiary;

(v) Liens on the Company's property or that of a Subsidiary in favor of the United States of America or any State thereof, or any political subdivision thereof, or in favor of any other country, or any political subdivision thereof, to secure certain payments pursuant to any contract or statute or to secure any indebtedness incurred or guaranteed for the purpose of financing all or any part of the purchase price or the cost of construction of the property subject to such Liens (including, but not limited to, Liens incurred in connection with pollution control industrial revenue bond or similar financing);

(vi) (a) pledges or deposits under worker's compensation laws, unemployment insurance and other social security laws or regulations or similar legislation, or to secure liabilities to insurance carriers under insurance arrangements in respect of such obligations, or good faith deposits, prepayments or cash payments in connection with bids, tenders, contracts or leases, or to secure public or statutory obligations, surety and appeal bonds, customs duties and the like, or for the payment of rent, in each case incurred in, the ordinary course of business and (b) Liens securing obligations incurred in the ordinary course of business to secure performance of obligations with respect to statutory or regulatory requirements, performance or return-of-money bonds, contractual arrangements with suppliers, reclamation bonds, surety bonds or other obligations of a like nature and incurred in a manner consistent with industry practice;

(vii) Liens imposed by law, such as landlords' carriers', vendors', warehousemen's and mechanics', materialmen's and repairmen's, supplier of materials, architects' and other like Liens arising in the ordinary course of business;

(viii) pledges or deposits under workmen's compensation or similar legislation or in certain other circumstances;

(ix) Liens in connection with legal proceedings;

(x) Liens for taxes or assessments or governmental charges or levies not yet due or delinquent, of which can thereafter be paid without penalty, or which are being contested in good faith by appropriate proceedings;

(xi) Liens consisting of restrictions on the use of real property that do not interfere materially with the property's use;

(xii) Liens on property or shares of Capital Stock or other assets of a Person at the time such Person becomes a Subsidiary of the Company, provided such Liens were not created in contemplation thereof and do not extend to any other property of the Company or any Subsidiary;

(xiii) Liens on property at the time the Company or any of its Subsidiaries acquires such property, including any acquisition by means of a merger or consolidation with or into the Company or a Subsidiary of such Person, provided such Liens were not created in contemplation thereof and do not extend to any other property of the Company or any Subsidiary;

(xiv) contract mining agreements and leases or subleases granted to others that do not materially interfere with the ordinary conduct of business of the Company or any of its Subsidiaries;

(xv) easements, rights of way, zoning and similar restrictions, reservations (including severances, leases or reservations of oil, gas, coal, minerals or water rights), restrictions or encumbrances in respect of real property or title defects that were not incurred in connection with indebtedness and do not in the aggregate materially impair their use in the operation of the business of the Company and its Subsidiaries;

(xvi) Liens in favor of collecting or payor banks having a right of setoff, revocation, refund or chargeback with respect to money or instruments of the Company or any Subsidiary on deposit with or in possession of such bank;

(xvii) deposits made in the ordinary course of business to secure liability to insurance carriers; and

(xviii) Liens arising from UCC (or equivalent statute) financing statement filings regarding operating leases or consignments entered into by the Company or any Subsidiary in the ordinary course of business;

(xix) Liens securing Existing Indebtedness;

(xx) any refinancing, extension, renewal or replacement (or successive refinancings, extensions, renewals or replacements), in whole or in part, of any Lien (a "**Refinanced Lien**") referred to in any of the foregoing clauses (" **Permitted Refinancing Lien**"); provided that any such Permitted Refinancing Lien shall not extend to any other property, secure a greater principal amount (or accreted value, if applicable) or have a higher priority than the Refinanced Lien;

(xxi) Liens securing Bank Product Obligations;

(xxii) options, put and call arrangements, rights of first refusal and similar rights relating to investments in joint ventures and partnerships;

(xxiii) rights of owners of interests in overlying, underlying or intervening strata and/or mineral interests not owned by the Company or any of its Subsidiaries, with respect to tracts of real property where the Company or the applicable Subsidiary's ownership is only surface or severed mineral or is otherwise subject to mineral severances in favor of one or more third parties;

(xxiv) royalties, dedication of reserves under supply agreements, mining leases, or similar rights or interests granted, taken subject to, or otherwise imposed on properties consistent with normal practices in the mining industry and any precautionary UCC financing statement filings in respect of leases or consignment arrangements (and not any Debt) entered into in the ordinary course of business;

(xxv) surface use agreements, easements, zoning restrictions, rights of way, encroachments, pipelines, leases, subleases, rights of use, licenses, special assessments, trackage rights, transmission

and transportation lines related to mining leases or mineral rights and/or other real property including any re-conveyance obligations to a surface owner following mining, royalty payments, and other obligations under surface owner purchase or leasehold arrangements necessary to obtain surface disturbance rights to access the subsurface mineral deposits and similar encumbrances on real property imposed by law or arising in the ordinary course of business which, in the aggregate, are not substantial in amount and which do not materially detract from the value of the affected property or materially interfere with the ordinary conduct of business of the Company or any Subsidiary;

(xxvi) Liens securing Debt incurred under clause (x) and clause (xii) of Section 3.05; provided that Liens securing Debt incurred under clause (xii) are on a junior lien basis as set forth in clauses (iii) and (iv) of the definition of Junior Lien Debt;

(xxvii) Liens securing Additional First Lien Indebtedness permitted to be incurred under clause (ii) or clause (iv) of Section 3.05;

(xxviii) Liens securing Pari Passu Indebtedness permitted to be incurred under clause (iii) or clause (iv) of Section 3.05; and

(xxiv) Liens securing the Notes and the related Guarantees issued on the Issue Date.

"**Permitted Refinancing Indebtedness**" means any Debt of the Company or any Guarantor issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Debt of the Company or any Guarantor (other than intercompany Debt); provided, that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a weighted average life to maturity equal to or greater than the weighted average life to maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Permitted Refinancing Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Notes or a Guarantee, as applicable, such Permitted Refinancing Indebtedness is subordinated in right of payment to, the Notes or the Guarantees, as applicable, on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged, as determined in good faith by the Company; and

(4) such Permitted Refinancing Indebtedness is incurred either by the Company or by the Guarantor who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

"**Person**" means any individual, corporation, partnership, limited liability company, business trust, association, joint-stock company, joint venture, trust, incorporated or unincorporated organization or government or any agency or political subdivision thereof.

"**Principal Property**" means a single manufacturing or processing plant, warehouse distribution facility or office owned or leased by the Company or a Domestic Subsidiary which has a net book value in excess of 5 percent of Consolidated Net Tangible Assets other than a plant, warehouse, office, or portion

thereof which, in the opinion of the Company's Board of Directors, is not of material importance to the business conducted by the Company and its Subsidiaries as an entirety.

"**Principal Subsidiary Interests**" means any shares of stock or indebtedness of a Domestic Subsidiary (whether now owned or hereafter acquired).

"**QIB**" means any "**qualified institutional buyer**" as such term is defined in Rule 144A.

"**Rating Agency**" means each of Moody's and S&P; provided, that if any of Moody's or S&P ceases to provide rating services to issuers or investors, the Company may appoint another "nationally recognized statistical rating organization" within the meaning of Section 3(a)(62) of the Exchange Act as a replacement for such Rating Agency.

"**Real Property**" means, collectively, all right, title and interest in and to any and all the parcels of or interests in real property owned or leased by a person, together with, in each case, all easements, hereditaments and appurtenances relating thereto, all improvements and appurtenant fixtures.

"**Recovery Event**" means any event, occurrence, claim or proceeding that results in any Net Insurance Proceeds being deposited into the Collateral Account pursuant to the Collateral Documents.

"**Redemption Date**" means, with respect to any redemption of Notes, the date of redemption with respect thereto.

"**Reference Treasury Dealer**" means each of Merrill Lynch, Pierce, Fenner & Smith Incorporated and its respective successors and assigns, and any other nationally recognized investment banking firm selected by the Company and identified to the Trustee by written notice from the Company that is a primary U.S. Government securities dealer.

"**Reference Treasury Dealer Quotations**" means with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day immediately preceding such Redemption Date.

"**Regulation S**" means Regulation S under the Securities Act.

"**Restricted Notes**" means Initial Notes and Additional Notes bearing the restrictive legend described in Section 2.01(d).

"**Restricted Notes Legend**" means the legend set forth in Section 2.01(d)(i), and, in the case of the Temporary Regulation S Global Note, the additional legend set forth in Section 2.01(d)(ii).

"**Rule 144A**" means Rule 144A under the Securities Act.

"**S&P**" means Standard & Poor's Ratings Services, a division of Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., and its successors.

"**Second Lien Notes Collateral Agent**" means such agent or trustee as is designated "Second Lien Notes Collateral Agent" by Second Lien Notes Secured Parties holding a majority in principal amount of the Second Lien Notes Obligations then outstanding; it being understood that as of the Issue Date, the Notes Collateral Agent shall be so designated Second Lien Notes Collateral Agent.

"**Second Lien Notes Documents**" means any documents or instrument evidencing or governing any Second Lien Notes Obligations.

"**Second Lien Notes Obligations**" means Obligations secured on a second-priority Lien basis by the Notes Collateral, including the notes and any Pari Passu Lien Indebtedness.

"**Second Lien Notes Secured Parties**" means, collectively, the Trustee, the Notes Collateral Agent, the Holders and the holders of Pari Passu Lien Indebtedness (if any).

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"**Security Agreement**" means the Security Agreement (Second Lien) dated as of the date hereof, among the Company, certain of its Subsidiaries party thereto and the Notes Collateral Agent, as amended, supplemented or modified from time to time.

"**Significant Subsidiary**" means any Subsidiary that would be a ''significant subsidiary'' as defined in Article 1, Rule 1-02(w)(1) or (2) of Regulation S-X promulgated under the Securities Act, as such regulation is in effect on the Issue Date.

"**Stated Maturity**" means, with respect to any installment of interest or principal on any Debt, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Debt, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"**Subsidiary**" means any corporation, partnership or other legal entity (a) the accounts of which are consolidated with the Company's in accordance with U.S. generally accepted accounting principles and (b) of which, in the case of a corporation, more than 50 percent of the outstanding voting stock is owned, directly or indirectly, by the Company or by one or more other Subsidiaries, or by the Company and one or more other Subsidiaries or, in the case of any partnership or other legal entity, more than 50 percent of the ordinary equity capital interests is, at the time, directly or indirectly owned or controlled by the Company or by one or more of the Subsidiaries or by the Company and one or more of the Subsidiaries.

"**TIA**" or "**Trust Indenture Act**" means the Trust Indenture Act of 1939, as amended (15 U.S.C. §§ 77aaa-77bbbb).

"**Treasury Rate**" means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) which has become publicly available at least two Business Days prior to the date fixed for redemption (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the then remaining average life to March 31, 2017, provided, however, that if the average life to March 31, 2017, of the Notes is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the average life to March 31, 2017, of the Notes is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

"**Trust Officer**" means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any managing director, director, vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

"**Trustee**" means the party named as such in this Indenture until a successor replaces it and, thereafter, means the successor.

"**UCC**" means the Uniform Commercial Code (or any similar equivalent legislation) as in effect from time to time in the State of New York.

"**U.S. Government Obligations**" means debt securities that are:

(a) direct obligations of The United States of America for the payment of which its full faith and credit is pledged; or

(b) obligations of a person controlled or supervised by and acting as an agency or instrumentality of The United States of America the full and timely payment of which is unconditionally guaranteed as full faith and credit obligation by The United States of America, which, in either case, are not callable or redeemable at the option of the issuer itself and shall also include a depository receipt issued by a bank or trust company as custodian with respect to any such U.S. Government Obligation or a specific payment of interest on or principal of any such U.S. Government Obligation held by such custodian for the account of the holder of a depository receipt. Except as required by law, such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation evidenced by such depository receipt.

"**U.S. Subsidiary**" of any specified Person means a Subsidiary of such Person that is organized under the laws of any state of the United States or the District of Columbia.

"**Voting Stock**" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote generally in the election of the Board of Directors of such Person.

"**Wholly Owned Subsidiary**" of any specified Person means a Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares or investments by foreign nationals mandated by applicable law) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person and one or more Wholly Owned Subsidiaries of such Person.

Section 1.02. *Other Definitions*.

Term	**Section**
"Additional Restricted Notes"	2.01(b)
"Affiliate Transaction"	3.05(a)
"Agent Members"	2.01(e)(iii)
"Applicable Law"	7.12
"Authenticating Agent"	2.02
"Change of Control Offer"	3.06(a)
"Change of Control Payment"	3.06(a)
"Change of Control Payment Date"	3.06(b)
"Clearstream"	2.01(b)
"Collateral Disposition Offer"	3.02(e)
"Company Order"	2.02
"Covenant Defeasance"	8.03
"Covenant Suspension Event"	3.09(a)

“Defaulted Interest”	2.14
“Euroclear”	2.01(b)
“Event of Default”	6.01
“Excess Collateral Proceeds”	3.02(e)
“Excess Proceeds”	3.05 (i)
“Global Notes”	2.01(b)
“Guaranteed Obligations”	10.01
“incur”	3.05(a)
“Intercreditor Agreement Order”	11.09(n)
“Legal Defeasance”	8.02
“Notes Register”	2.03
“Notice of Change of Control Offer”	3.06(b)
“Paying Agent”	2.03
“Payment Default”	6.01(e)
“Permanent Regulation S Global Note”	2.01(b)
“Permitted Debt”	3.05(a)
“Permitted Refinancing Loan	1.01
“Post-Closing Collateral Documents”	11.05
“protected purchaser”	2.10
“Refinanced Debt”	3.05(a)
“Refinanced Lien”	1.01
“Registrar”	2.03
“Regulation S Global Note”	2.01(b)
“Regulation S Notes”	2.01(b)
“Resale Restriction Termination Date”	2.06(b)
“Restricted Payment”	3.03(a)
“Restricted Period”	2.01(b)
“Reversion Date”	3.09(b)
“Rule 144A Global Note”	2.01(b)
“Rule 144A Notes”	2.01(b)
“Security Document Order”	11.09(m)
“Special Record Date”	2.14(a)
“Successor Company”	4.01(a)
“Successor Parent”	4.01(b)
“Successor Guarantor”	4.01(b)
“Suspended Covenants”	3.09(a)
“Suspension Period”	3.09(c)
“Temporary Regulation S Global Note”	2.01(b)

Section 1.03. *Incorporation by Reference of Trust Indenture Act.* The following TIA terms have the following meanings:

“**Commission**” means the Securities and Exchange Commission.

“**indenture securities**” means the Notes.

“**indenture security holder**” means a Holder.

"**indenture to be qualified**" means this Indenture.

"**indenture trustee**" or "**institutional trustee**" means the Trustee.

"**obligor**" on the Indenture securities means the Company and any other obligor on the Indenture securities.

All other TIA terms used in this Indenture that are defined by the TIA, defined in the TIA by reference to another statute or defined by Commission rule have the meanings assigned to them by such definitions. For the avoidance of doubt, the Company shall not be required to qualify this Indenture under the TIA.

Section 1.04. *Rules of Construction.* Unless the context otherwise requires:

(a) a term has the meaning assigned to it;

(b) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(c) "or" is not exclusive;

(d) the words "including," "includes" and similar words shall be deemed to be followed by "without limitation";

(e) words in the singular include the plural and words in the plural include the singular;

(f) the principal amount of any non-interest bearing or other discount security at any date shall be the principal amount thereof that would be shown on a balance sheet of the issuer dated such date prepared in accordance with GAAP;

(g) all amounts expressed in this Indenture or in any of the Notes in terms of money refer to the lawful currency of the United States of America;

(h) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision;

(i) "will" shall be interpreted to express a command;

(j) provisions apply to successive events and transactions;

(k) references to sections of, or rules under, the Securities Act or the Exchange Act will be deemed to include substitute, replacement or successor sections or rules adopted by the Commission from time to time;

(l) unless the context otherwise requires, any reference to an "Article," "Section" or "clause" refers to an Article, Section or clause, as the case may be, of this Indenture; and

(m) words used herein implying any gender shall apply to both genders.

ARTICLE 2
THE NOTES

Section 2.01. *Form, Dating and Terms*.

(a) The aggregate principal amount of Notes that may be authenticated and delivered under this Indenture is unlimited. The Initial Notes issued on the date hereof will be in an aggregate principal amount of $544,156,000. In addition, the Company may issue, from time to time in accordance with the provisions of this Indenture, Additional Notes (as provided herein). Furthermore, Notes may be authenticated and delivered upon registration of transfer, exchange or in lieu of, other Notes pursuant to Sections 2.02, 2.06, 2.10, 2.12, 5.06 or 9.05 or in connection with a Collateral Disposition Offer or an Optional Collateral Disposition Offer pursuant to Section 3.02 or in connection with a Change of Control Offer pursuant to Section 3.06.

Notwithstanding anything to the contrary contained herein, the Company may not issue any Additional Notes, unless immediately after giving effect to such issuance, no Event of Default shall have occurred and be continuing.

The Initial Notes shall be known and designated as "7.75% Second Lien Senior Secured Notes due 2020" of the Company. Any Additional Notes shall be known and designated as "7.75% Second Lien Senior Secured Notes due 2020" of the Company. Any Additional Notes that are not fungible with the Initial Notes for U.S. federal income tax purposes will have a separate CUSIP number.

With respect to any Additional Notes, the Company shall set forth in (i) an Officer's Certificate or (ii) one or more indentures supplemental hereto, the following information:

(i) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture; and

(ii) the issue price and the issue date of such Additional Notes, including the date from which interest shall accrue.

In authenticating and delivering Additional Notes, the Trustee shall be entitled to receive and shall be fully protected in relying upon, in addition to the Opinion of Counsel and Officer's Certificate required by Section 13.04, an Opinion of Counsel as to the due authorization, execution, delivery, validity and enforceability of such Additional Notes.

The Initial Notes and the Additional Notes shall be considered collectively as a single class for all purposes of this Indenture. Holders of the Initial Notes and the Additional Notes will vote and consent together on all matters to which such Holders are entitled to vote or consent as one class, and none of the Holders of the Initial Notes or the Additional Notes shall have the right to vote or consent as a separate class on any matter to which such Holders are entitled to vote or consent.

The terms of any Additional Notes shall be established by action taken pursuant to a Board Resolution of the Company and a copy of an appropriate record of such action shall be certified by the Secretary or any Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Officer's Certificate or the Indenture supplemental hereto setting forth the terms of the Additional Notes.

(b) The Initial Notes are being offered and issued by the Company pursuant to the Offering Memorandum. The Initial Notes and any Additional Notes (if issued as Restricted Notes) (the "**Additional Restricted Notes**") will be placed initially only with (A) QIBs in reliance on Rule 144A and (B) Non-U.S. Persons in reliance on Regulation S. Such Initial Notes and Additional Restricted Notes may thereafter be transferred to, among others, QIBs and purchasers in reliance on Regulation S, in each case, in

accordance with the procedure described herein. Additional Notes offered after the date hereof may be offered and sold by the Company from time to time pursuant to one or more purchase agreements in accordance with applicable law.

Initial Notes and Additional Restricted Notes offered and sold to QIBs in the United States of America in reliance on Rule 144A (the " **Rule 144A Notes**") shall be issued in the form of a permanent global Note substantially in the form of Exhibit A, which is hereby incorporated by reference and made a part of this Indenture, including appropriate legends as set forth in (d) (the "**Rule 144A Global Note**"), deposited with the Trustee, as custodian for DTC, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The Rule 144A Global Note may be represented by more than one certificate, if so required by DTC's rules regarding the maximum principal amount to be represented by a single certificate. The aggregate principal amount of the Rule 144A Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for DTC or its nominee, as hereinafter provided.

Initial Notes and any Additional Restricted Notes offered and sold outside the United States of America in reliance on Regulation S (the " **Regulation S Notes**") shall initially be issued in the form of a temporary global Note (the " **Temporary Regulation S Global Note**"), without interest coupons. Beneficial interests in the Temporary Regulation S Global Note will be exchanged for beneficial interests in a corresponding permanent global Note, without interest coupons, substantially in the form of Exhibit A including appropriate legends as set forth in (d) (the "**Permanent Regulation S Global Note**" and, together with the Temporary Regulation S Global Note, each a "**Regulation S Global Note**") within a reasonable period after the expiration of the Restricted Period (as defined below) and upon (i) delivery by the Company of a certification or other evidence in a form reasonably acceptable to the Trustee of non-United States beneficial ownership of 100% of the aggregate principal amount of the Temporary Regulation S Global Note or (ii) receipt by the Trustee of an Officer's Certificate certifying as to the expiration of the Restricted Period and instructing the Trustee to authenticate a Permanent Regulation S Global Note. Each Regulation S Global Note will be deposited upon issuance with, or on behalf of, the Trustee as custodian for DTC in the manner described in this Article 2 for credit to the respective accounts of the purchasers (or to such other accounts as they may direct), including, but not limited to, accounts at Euroclear Bank S.A./N.V. ("**Euroclear**") or Clearstream Banking, societe anonyme (" **Clearstream**"). Prior to the 40th day after the later of the commencement of the offering of the Initial Notes and the Issue Date (such period through and including such 40th day, the "**Restricted Period**"), interests in the Temporary Regulation S Global Note may only be transferred to Non-U.S. Persons pursuant to Regulation S, unless exchanged for interests in a Rule 144A Global Note in accordance with the transfer and certification requirements described herein.

Investors may hold their interests in the Regulation S Global Note through organizations other than Euroclear or Clearstream that are participants in DTC's system or directly through Euroclear or Clearstream, if they are participants in such systems, or indirectly through organizations which are participants in such systems. If such interests are held through Euroclear or Clearstream, Euroclear and Clearstream will hold such interests in the applicable Regulation S Global Note on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries. Such depositaries, in turn, will hold such interests in the applicable Regulation S Global Note in customers' securities accounts in the depositaries' names on the books of DTC.

The Regulation S Global Note may be represented by more than one certificate, if so required by DTC's rules regarding the maximum principal amount to be represented by a single certificate. The aggregate principal amount of the Regulation S Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee, as custodian for DTC or its nominee, as hereinafter provided.

The Rule 144A Global Note and the Regulation S Global Note are sometimes collectively herein referred to as the " **Global Notes**."

The principal of (and premium, if any) and interest on the Notes shall be payable at the office or agency of the Paying Agent or Registrar designated by the Company (or the Trustee when it is acting as the Registrar and Paying Agent) as may be maintained for such purpose pursuant to Section 2.03; provided, *however*, that, at the option of the Company, each installment of interest may be paid by (i) check mailed (or otherwise delivered) to Holders of the Notes at their registered addresses as they appear on the Notes Register (as defined in Section 2.03) or (ii) wire transfer to an account located in the United States maintained by the payee, subject to the last sentence of this paragraph. Payments in respect of Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by DTC. Payments in respect of Notes represented by Definitive Notes (including principal, premium, if any, and interest) held by a Holder of at least $1,000,000 aggregate principal amount of Notes represented by Definitive Notes will be made by wire transfer to a U.S. dollar account maintained by the payee with a bank in the United States if such Holder elects payment by wire transfer by giving written notice to the Trustee or the Paying Agent to such effect designating such account no later than 15 days immediately preceding the relevant due date for payment (or such other date as the Trustee may accept in its discretion).

The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage, in addition to those set forth on Exhibit A and in (d). The Company shall approve any notation, endorsement or legend on the Notes. Each Note shall be dated the date of its authentication. The terms of the Notes set forth in Exhibit A are part of the terms of this Indenture and, to the extent applicable, the Company, the Guarantors and the Trustee and the Notes Collateral Agent, by their execution and delivery of this Indenture, expressly agree to be bound by such terms.

(c) *Denominations*. The Notes shall be issuable only in fully registered form, without coupons, and only in minimum denominations of $2,000 and any integral multiples of $1,000 in excess of $2,000.

(d) *Restrictive Legends*. Unless and until an Initial Note or an Additional Note issued as a Restricted Note is sold under an effective registration statement:

(i) each Rule 144A Global Note and Regulation S Global Note shall bear the following legend on the face thereof:

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER

(1) REPRESENTS THAT

(A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A “QUALIFIED INSTITUTIONAL BUYER” (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT, OR

(B) IT IS NOT A “U.S. PERSON” (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) AND

(2) AGREES FOR THE BENEFIT OF CLIFFS NATURAL RESOURCES INC. THAT IT WILL NOT OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN, EXCEPT IN ACCORDANCE WITH THE SECURITIES ACT AND ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ONLY

(A) TO CLIFFS NATURAL RESOURCES INC.,

(B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT,

(C) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT,

(D) IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, OR

(E) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT OR ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (2)(C) ABOVE OR (2)(D) ABOVE, A DULY COMPLETED AND SIGNED CERTIFICATE (THE FORM OF WHICH MAY BE OBTAINED FROM THE TRUSTEE) MUST BE DELIVERED TO THE TRUSTEE. PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (E) ABOVE, CLIFFS NATURAL RESOURCES INC. RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY RULE 144 EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

(ii) the Temporary Regulation S Global Note shall bear the following additional legend on the face thereof:

THIS NOTE IS A TEMPORARY GLOBAL NOTE. PRIOR TO THE EXPIRATION OF THE RESTRICTED PERIOD APPLICABLE HERETO, BENEFICIAL INTERESTS HEREIN MAY NOT BE HELD BY ANY PERSON OTHER THAN (1) A NON-U.S. PERSON OR (2) A U.S. PERSON THAT PURCHASED SUCH INTEREST IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”). BENEFICIAL INTERESTS HEREIN ARE NOT EXCHANGEABLE FOR PHYSICAL NOTES OTHER THAN A PERMANENT GLOBAL NOTE IN ACCORDANCE WITH THE TERMS OF THE INDENTURE. TERMS IN THIS LEGEND ARE USED AS USED IN REGULATION S UNDER THE SECURITIES ACT.

(iii) each Global Note, whether or not an Initial Note, shall bear the following legend on the face thereof

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), NEW YORK, NEW YORK, TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO DTC, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

(iv) any Note issued hereunder that has more than a de minimis amount of original issue discount for U.S. federal income tax purposes shall bear a legend in substantially the following form:

THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR PURPOSES OF SECTION 1271 ET SEQ. OF THE INTERNAL REVENUE CODE. A HOLDER MAY OBTAIN THE ISSUE PRICE, AMOUNT OF ORIGINAL ISSUE DISCOUNT, ISSUE DATE AND YIELD TO MATURITY FOR SUCH NOTE BY SUBMITTING A WRITTEN REQUEST FOR SUCH INFORMATION TO:

Cliffs Natural Resources Inc.
200 Public Square
Suite 3300
Cleveland, Ohio 44114
Attention: Chief Financial Officer

(e) *Book-Entry Provisions*. (i) This Section 2.01(e) shall apply only to Global Notes deposited with the Trustee, as custodian for DTC.

(ii) Each Global Note initially shall (x) be registered in the name of DTC or the nominee of DTC, (y) be delivered to the Trustee as custodian for DTC and (z) bear legends as set forth in Section 2.01(d). Transfers of a Global Note (but not a beneficial interest therein) will be limited to transfers thereof in whole, but not in part, to DTC, its successors or their respective nominees, except as set forth in Section 2.01(e)(v) and Section 2.01(f). If a beneficial interest in a Global Note is transferred or exchanged for a beneficial interest in another Global Note, the Trustee will (x) record a decrease in the principal amount of the Global Note being transferred or exchanged equal to the principal amount of such transfer or exchange and (y) record a like increase in the principal amount of the other Global Note. Any beneficial interest in one Global Note that is transferred to a Person who takes delivery in the form of an interest in another Global Note, or exchanged for an interest in another Global Note, will, upon transfer or exchange, cease to be an interest in such Global Note and become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer and exchange restrictions, if any, and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such an interest.

(iii) Members of, or participants in, DTC (" **Agent Members**") shall have no rights under this Indenture with respect to any Global Note held on their behalf by DTC or by the Trustee as the custodian of DTC or under such Global Note, and DTC shall be treated by the Company, the Trustee and any agent of the Company or the Trustee as the absolute owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by DTC or impair, as between DTC and its Agent Members, the operation of customary practices of DTC governing the exercise of the rights of a holder of a beneficial interest in any Global Note.

(iv) In connection with any transfer of a portion of the beneficial interest in a Global Note pursuant to Section 2.01(f) to beneficial owners who are required to hold Definitive Notes, the Notes Custodian shall reflect on its books and records the date and a decrease in the

principal amount of such Global Note in an amount equal to the principal amount of the beneficial interest in the Global Note to be transferred, and the Company shall execute, and the Trustee shall, upon written request of the Company, authenticate and make available for delivery, one or more Definitive Notes of like tenor and amount.

(v) In connection with the transfer of an entire Global Note to beneficial owners pursuant to Section 2.01(f), such Global Note shall be deemed to be surrendered to the Trustee for cancellation, and the Company shall execute, and the Trustee shall, upon written request of the Company, authenticate and make available for delivery, to each beneficial owner identified by DTC in exchange for its beneficial interest in such Global Note, an equal aggregate principal amount of Definitive Notes of authorized denominations.

(vi) The registered Holder of a Global Note may grant proxies and otherwise authorize any person, including Agent Members and persons that may hold interests through Agent Members, to take any action which a Holder is entitled to take under this Indenture or the Notes.

(vii) Any Holder of a Global Note shall, by acceptance of such Global Note, agree that transfers of beneficial interests in such Global Note may be effected only through a book-entry system maintained by (A) the Holder of such Global Note (or its agent) or (B) any holder of a beneficial interest in such Global Note, and that ownership of a beneficial interest in such Global Note shall be required to be reflected in a book entry.

(f) Definitive Notes. (i) Except as provided below, owners of beneficial interests in Global Notes will not be entitled to receive Definitive Notes. If required to do so pursuant to any applicable law or regulation, beneficial owners may obtain Definitive Notes in exchange for their beneficial interests in a Global Note upon written request in accordance with DTC's and the Registrar's procedures. In addition, Definitive Notes shall be transferred to all beneficial owners in exchange for their beneficial interests in a Global Note if (A) DTC notifies the Company that it is unwilling or unable to continue as depositary for such Global Note or DTC ceases to be a clearing agency registered under the Exchange Act, at a time when DTC is required to be so registered in order to act as depositary, and in each case a successor depositary is not appointed by the Company within 90 days of such notice or, (B) the Company in its sole discretion executes and delivers to the Trustee and Registrar an Officer's Certificate stating that such Global Note shall be so exchangeable or (C) an Event of Default has occurred and is continuing and the Registrar has received a request from DTC. In the event of the occurrence of any of the events specified in the preceding sentence or in clause (A), (B) or (C) of the second preceding sentence, the Company shall promptly make available to the Trustee a reasonable supply of Definitive Notes.

(ii) Any Definitive Note delivered in exchange for an interest in a Global Note pursuant to Section 2.01(e)(iv) shall, (A) except as otherwise provided by Section 2.06(d), bear the applicable legend regarding transfer restrictions applicable to the Definitive Note set forth in Section 2.01(d) and (B) be registered in the name of the Holder of the Definitive Note.

(iii) If a Definitive Note is transferred or exchanged for a beneficial interest in a Global Note, the Trustee will (x) cancel such Definitive Note, (y) record an increase in the principal amount of such Global Note equal to the principal amount of such transfer or exchange and (z) in the event that such transfer or exchange involves less than the entire principal amount of the canceled certificated Note, the Company shall execute, and the Trustee shall, upon written request of the Company, authenticate and make available for delivery, to the transferring Holder a new Definitive Note representing the principal amount not so transferred.

(iv) If a Definitive Note is transferred or exchanged for another Definitive Note, (x) the Trustee will cancel the Definitive Note being transferred or exchanged, (y) the Company shall execute, and the Trustee shall authenticate and make available for delivery, one or more new

Definitive Notes in authorized denominations having an aggregate principal amount equal to the principal amount of such transfer or exchange to the transferee (in the case of a transfer) or the Holder of the canceled Definitive Note (in the case of an exchange), registered in the name of such transferee or Holder, as applicable, and (z) if such transfer or exchange involves less than the entire principal amount of the canceled Definitive Note, the Company shall execute, and the Trustee shall, upon written request of the Company, authenticate and make available for delivery to the Holder thereof, one or more Definitive Notes in authorized denominations having an aggregate principal amount equal to the untransferred or unexchanged portion of the canceled Definitive Notes, registered in the name of the Holder thereof.

(vi) Notwithstanding anything to the contrary in this Indenture, in no event shall a Definitive Note be delivered upon exchange or transfer of a beneficial interest in the Temporary Regulation S Global Note prior to the end of the Restricted Period.

Section 2.02. *Execution and Authentication.* One Officer shall sign the Notes for the Company by manual, facsimile or electronic (including "pdf") signature. If the Officer whose signature is on a Note no longer holds that office at the time the Trustee authenticates the Note, the Note shall be valid nevertheless.

A Note shall not be valid until an authorized officer of the Trustee manually authenticates the Note. The signature of the Trustee on a Note shall be conclusive evidence that such Note has been duly and validly authenticated and issued under this Indenture. A Note shall be dated the date of its authentication.

At any time and from time to time after the execution and delivery of this Indenture, the Trustee shall, upon written request of the Company, authenticate and make available for delivery: (a) Initial Notes for original issue on the Issue Date in an aggregate principal amount of $544,156,000, (b) subject to the terms of this Indenture, Additional Notes for original issue in an unlimited principal amount and (c) under the circumstances set forth in Section 2.06(d), Initial Notes in the form of an Unrestricted Global Note, in each case after receipt of: (i) a written order of the Company signed by one Officer of the Company (the "**Company Order**"), and (ii) an Opinion of Counsel, addressed to the Trustee and the Notes Collateral Agent, which in the case of (a) above shall be to the effect that this Indenture, the Notes and the Collateral Documents executed prior to or as of the Issue Date (other than the Intercreditor Agreements) have been duly authorized, executed and delivered by the Grantors and are enforceable against them, subject to customary enforceability exceptions, and that the issuance of the Notes has been duly authorized. Such Company Order shall specify whether the Notes will be in the form of Definitive Notes or Global Notes, the amount of the Notes to be authenticated and the date on which the original issue of Notes is to be authenticated and whether the Notes are to be Initial Notes or Additional Notes.

The Trustee may appoint an agent (the "**Authenticating Agent**") reasonably acceptable to the Company to authenticate the Notes. Any such appointment shall be evidenced by an instrument signed by a Trust Officer of the Trustee, a copy of which shall be furnished to the Company. Unless limited by the terms of such appointment, any such Authenticating Agent may authenticate Notes whenever the Trustee is authorized to do so. Each reference in this Indenture to authentication by the Trustee includes authentication by the Authenticating Agent. An Authenticating Agent has the same rights as any Registrar, Paying Agent or agent for service of notices and demands.

In case the Company or any Guarantor, pursuant to Article 4 or Section 10.02 as applicable, shall be consolidated or merged with or into any other Person or shall convey, transfer, lease or otherwise dispose of its properties and assets substantially as an entirety to any Person, and the successor Person resulting from such consolidation, or surviving such merger, or into which the Company or any Guarantor shall have been merged, or the Person which shall have received a conveyance, transfer, lease or other disposition as aforesaid, shall have executed an indenture supplemental hereto with the Trustee pursuant to Article 4, as applicable, any of the Notes authenticated or delivered prior to such consolidation, merger,

conveyance, transfer, lease or other disposition may, from time to time, at the request of the successor Person, be exchanged for other Notes executed in the name of the successor Person with such changes in phraseology and form as may be appropriate, but otherwise in substance of like tenor as the Notes surrendered for such exchange and of like principal amount; and the Trustee, upon Company Order of the successor Person, shall authenticate and make available for delivery Notes as specified in such order for the purpose of such exchange. If Notes shall at any time be authenticated and delivered in any new name of a successor Person pursuant to this Section 2.02 in exchange or substitution for or upon registration of transfer of any Notes, such successor Person, at the option of the Holders but without expense to them, shall provide for the exchange of all Notes at the time outstanding for Notes authenticated and delivered in such new name.

Section 2.03. *Registrar and Paying Agent.* The Company shall maintain an office or agency where Notes may be presented for registration of transfer or for exchange (the "**Registrar**") and an office or agency where Notes may be presented for payment (the " **Paying Agent**"). The Registrar shall keep a register of the Notes and of their transfer and exchange (the "**Notes Register**"). The Company may have one or more co-registrars and one or more additional paying agents. The term "Paying Agent" includes any additional paying agent and the term "Registrar" includes any co-registrar.

The Company shall enter into an appropriate agency agreement with any Registrar or Paying Agent not a party to this Indenture. The agreement shall implement the provisions of this Indenture that relate to such agent. The Company shall notify the Trustee of the name and address of each such agent. If the Company fails to maintain a Registrar or Paying Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 7.07. The Company or any of its wholly owned Subsidiaries organized in the United States may act as Paying Agent, Registrar or transfer agent.

The Company initially appoints the Trustee as Registrar and Paying Agent for the Notes. So long as U.S. Bank National Association acts as the Registrar and Paying Agent for the Notes, the Notes may be presented for registration of transfer or for exchange at the Corporate Trust Office of the Trustee. The Company may remove any Registrar or Paying Agent without prior notice to the Holders of the Notes, but upon written notice to such Registrar or Paying Agent and to the Trustee; provided, however, that no such removal shall become effective until (a) acceptance of any appointment by a successor as evidenced by an appropriate agreement entered into by the Company and such successor Registrar or Paying Agent, as the case may be, and delivered to the Trustee or (b) notification to the Trustee that the Trustee shall serve as Registrar or Paying Agent until the appointment of a successor in accordance with clause (a) above. The Registrar or Paying Agent may resign at any time upon written notice to the Company and the Trustee.

Section 2.04. *Paying Agent to Hold Money in Trust.* By no later than 10:00 a.m. (New York City time) on the date on which any principal of, premium, if any, or interest on any Note is due and payable, the Company shall deposit with the Paying Agent a sum sufficient in immediately available funds to pay such principal, premium or interest when due. The Company shall require each Paying Agent (other than the Trustee) to agree in writing that such Paying Agent shall hold in trust for the benefit of Holders or the Trustee all money held by such Paying Agent for the payment of principal of, premium, if any, or interest on the Notes (whether such assets have been distributed to it by the Company or other obligors on the Notes), shall notify the Trustee in writing of any default by the Company or any Guarantor in making any such payment and shall during the continuance of any default by the Company (or any other obligor upon the Notes) in the making of any payment in respect of the Notes, upon the written request of the Trustee, forthwith deliver to the Trustee all sums held in trust by such Paying Agent for payment in respect of the Notes together with a full accounting thereof. If the Company or a Subsidiary of the Company acts as Paying Agent, it shall segregate the money held by it as Paying Agent and hold it as a separate trust fund. The Company at any time may require a Paying Agent (other than the Trustee) to pay all money held by it to the Trustee and to account for any funds or assets disbursed by such Paying Agent. Upon complying with this Section 2.04 the Paying Agent (if other than the Company or a Subsidiary of the Company) shall have no further liability for the money delivered to the Trustee. Upon

any bankruptcy, reorganization or similar proceeding with respect to the Company, the Trustee shall serve as Paying Agent for the Notes.

Section 2.05. *Holder Lists*. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available and known to it of the names and addresses of Holders. If the Trustee is not the Registrar, the Company, on its own behalf and on behalf of each of the Guarantors, shall furnish or cause the Registrar to furnish to the Trustee, in writing at least five Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Holders.

Section 2.06. *Transfer and Exchange*.

(a) *Transfer of Notes.* A Holder may transfer a Note (or a beneficial interest therein) to another Person or exchange a Note (or a beneficial interest therein) for another Note or Notes of any authorized denomination by presenting to the Trustee a written request therefor stating the name of the proposed transferee or requesting such an exchange, accompanied by any certification, opinion or other document required by this Section 2.06. The Trustee will promptly register any transfer or exchange that meets the requirements of this Section 2.06 by noting the same in the register maintained by the Trustee for the purpose, and no transfer or exchange will be effective until it is registered in such register. The transfer or exchange of any Note (or a beneficial interest therein) may only be made in accordance with this Section 2.06 and Section 2.01(e) and Section 2.01(f), as applicable, and, in the case of a Global Note (or a beneficial interest therein), the applicable rules and procedures of DTC, Euroclear and Clearstream. The Trustee shall refuse to register any requested transfer or exchange that does not comply with this paragraph.

(b) *Transfers of Rule 144A Notes*. The following provisions shall apply with respect to any proposed registration of transfer of a Rule 144A Note prior to the date which is one year after the later of the date of its original issue and the last date on which the Company or any Affiliate of the Company was the owner of such Notes or the relevant beneficial interest therein (or any predecessor thereto) (the "**Resale Restriction Termination Date**"):

(i) a registration of transfer of a Rule 144A Note or a beneficial interest therein to a QIB shall be made upon the representation of the transferee in the form as set forth on the reverse of the Note that it is purchasing for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A; provided that no such written representation or other written certification shall be required in connection with the transfer of a beneficial interest in the Rule 144A Global Note to a transferee in the form of a beneficial interest in that Rule 144A Global Note in accordance with this Indenture and the applicable procedures of DTC; and

(ii) a registration of transfer of a Rule 144A Note or a beneficial interest therein to a Non-U.S. Person shall be made upon receipt by the Trustee or its agent of a certificate substantially in the form set forth in Section 2.09 from the proposed transferee and, if requested by the Company, the delivery of an opinion of counsel, certification and/or other information satisfactory to it.

(c) *Transfers of Regulations S Notes*. The following provisions shall apply with respect to any proposed transfer of a Regulation S Note prior to the expiration of the Restricted Period:

(i) a transfer of a Regulation S Note or a beneficial interest therein to a QIB shall be made upon the representation of the transferee, in the form of assignment on the reverse of the certificate, that it is purchasing the Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a QIB, is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon its foregoing representations in order to claim the exemption from registration provided by Rule 144A; and

(ii) a transfer of a Regulation S Note or a beneficial interest therein to a Non- U.S. Person shall be made upon receipt by the Trustee or its agent of a certificate substantially in the form set forth in Section 2.09 from the proposed transferee and, if requested by the Company, receipt by the Trustee or its agent of an opinion of counsel, certification and/or other information satisfactory to the Company.

After the expiration of the Restricted Period, interests in the Regulation S Note may be transferred in accordance with applicable law without requiring the certification set forth in Section 2.09 or any additional certification.

(d) *Restricted Notes Legend*. Upon the transfer, exchange or replacement of Notes not bearing a Restricted Notes Legend, the Registrar shall deliver Notes that do not bear a Restricted Notes Legend. Upon the transfer, exchange or replacement of Notes bearing a Restricted Notes Legend, the Registrar shall deliver only Notes that bear a Restricted Notes Legend unless (i) an Initial Note is being transferred pursuant to an effective registration statement, (ii) Initial Notes are being exchanged for Notes that do not bear the Restricted Notes Legend in accordance with this (d) or (iii) there is delivered to the Registrar an Opinion of Counsel reasonably satisfactory to the Company and the Trustee to the effect that neither such legend nor the related restrictions on transfer are required in order to maintain compliance with the provisions of the Securities Act. Any Additional Notes sold in an offering registered under the Securities Act shall not be required to bear the Restricted Notes Legend.

(e) *[Intentionally Omitted].*

(f) *Retention of Written Communications*. The Registrar shall retain copies of all letters, notices and other written communications received pursuant to Section 2.01 or this Section 2.06. The Company shall have the right to inspect and make copies of all such letters, notices or other written communications at any reasonable time upon the giving of reasonable prior written notice to the Registrar.

(g) *Obligations with Respect to Transfers and Exchanges of Notes* .

(i) To permit registrations of transfers and exchanges, the Company shall, subject to the other terms and conditions of this Article 2, execute and the Trustee shall, upon written request from the Company, authenticate Definitive Notes and Global Notes at the Registrar’s request.

(ii) No service charge shall be made to a Holder for any registration of transfer or exchange, but the Company may require the Holder to pay a sum sufficient to cover any transfer tax assessments or similar governmental charge payable in connection therewith (other than any such transfer taxes, assessments or similar governmental charges payable upon exchange or transfer pursuant to Sections 2.02, 2.06, 2.10, 2.12, 3.02, 3.06, 5.06 or 9.05).

(iii) The Company (and the Registrar) shall not be required to register the transfer of or exchange of any Note (A) for a period beginning (1) 15 days before the mailing of a notice of

an offer to repurchase or redeem Notes and ending at the close of business on the day of such mailing or (2) 15 days before an interest payment date and ending on such interest payment date or (B) called for redemption, except the unredeemed portion of any Note being redeemed in part.

(iv) Prior to the due presentation for registration of transfer of any Note, the Company, the Trustee, the Paying Agent or the Registrar shall deem and treat the person in whose name a Note is registered as the owner of such Note for the purpose of receiving payment of principal or premium, if any, and (subject to paragraph 2 of the forms of Notes attached hereto as Exhibits A) interest on such Note and for all other purposes whatsoever, including without limitation the transfer or exchange of such Note, whether or not such Note is overdue, and none of the Company, the Trustee, the Paying Agent or the Registrar shall be affected by notice to the contrary.

(v) Any Definitive Note delivered in exchange for an interest in a Global Note pursuant to Section 2.01(f) shall, except as otherwise provided by (d), bear the applicable legend regarding transfer restrictions applicable to the Definitive Note set forth in Section 2.01(d).

(vi) All Notes issued upon any transfer or exchange pursuant to the terms of this Indenture shall evidence the same debt and shall be entitled to the same benefits under this Indenture as the Notes surrendered upon such transfer or exchange.

(h) *No Obligation of the Trustee*. (i) The Trustee shall have no responsibility or obligation to any beneficial owner of a Global Note, a member of, or a participant in, DTC or other Person with respect to the accuracy of the records of DTC or its nominee or of any participant or member thereof, with respect to any ownership interest in the Notes or with respect to the delivery to any participant, member, beneficial owner or other Person (other than DTC) of any notice (including any notice of redemption or purchase) or the payment of any amount or delivery of any Notes (or other security or property) under or with respect to such Notes. All notices and communications to be given to the Holders and all payments to be made to Holders in respect of the Notes shall be given or made only to the registered Holders (which shall be DTC or its nominee in the case of a Global Note). The rights of beneficial owners in any Global Note shall be exercised only through DTC subject to the applicable rules and procedures of DTC. The Trustee may rely and shall be fully protected in relying upon information furnished by DTC with respect to its members, participants and any beneficial owners.

(ii) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among DTC participants, members or beneficial owners in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance on their face as to form with the express requirements hereof.

(i) *Affiliate Holders*. By accepting a beneficial interest in a Global Note, any Person that is an Affiliate of the Company agrees to give written notice to the Company, the Trustee and the Registrar of the acquisition and its Affiliate status.

Section 2.07. *[Reserved]*.

Section 2.08. *[Reserved]*.

Section 2.09. *Form of Certificate to be Delivered in Connection with Transfers Pursuant to Regulation S*. The form of certificate to be delivered in connection with transfers of a Regulation S Note or a beneficial interest therein shall be substantially in the form set forth in Exhibit C hereto.

Section 2.10. *Mutilated, Destroyed, Lost or Stolen Notes.* If a mutilated Note is surrendered to the Registrar or if the Holder of a Note claims that the Note has been lost, destroyed or wrongfully taken, the Company shall issue and the Trustee shall, upon written request from the Company, authenticate a replacement Note if the requirements of Section 8.01-405 of the Uniform Commercial Code are met, such that the Holder (a) satisfies the Company or the Trustee that such Note has been lost, destroyed or wrongfully taken within a reasonable time after such Holder has notice of such loss, destruction or wrongful taking and the Registrar has not registered a transfer prior to receiving such notification, (b) makes such request to the Company or Trustee prior to the Note being acquired by a protected purchaser as defined in Section 8.01-303 of the Uniform Commercial Code (a "**protected purchaser**") and (c) satisfies any other reasonable requirements of the Trustee; provided, however, if after the delivery of such replacement Note, a protected purchaser of the Note for which such replacement Note was issued presents for payment or registration such replaced Note, the Trustee or the Company shall be entitled to recover such replacement Note from the Person to whom it was issued and delivered or any Person taking therefrom, except a protected purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Company or the Trustee in connection therewith. If required by the Trustee or the Company, such Holder shall furnish an indemnity bond sufficient in the judgment of the Company and the Trustee to protect the Company, the Trustee, the Paying Agent and the Registrar from any loss which any of them may suffer if a Note is replaced, and, in the absence of written notice to the Company, any Guarantor or the Trustee that such Note has been acquired by a protected purchaser, the Company shall execute, and upon receipt of a Company Order the Trustee shall authenticate and make available for delivery, in exchange for any such mutilated Note or in lieu of any such destroyed, lost or stolen Note, a replacement Note of like tenor and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, the Company in its discretion may, instead of issuing a replacement Note, pay such Note.

Upon the issuance of any replacement Note under this Section 2.10, the Company may require that such Holder pay a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of counsel and of the Trustee) in connection therewith.

Subject to the proviso in the initial paragraph of this Section 2.10 every replacement Note issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Company, any Guarantor (if applicable) and any other obligor upon the Notes, whether or not the mutilated, destroyed, lost or stolen Note shall be at any time enforceable by anyone, and shall be entitled to all benefits of this Indenture equally and proportionately with any and all other Notes duly issued hereunder.

The provisions of this Section 2.10 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes.

Section 2.11. *Outstanding Notes*. Notes outstanding at any time are all Notes authenticated by the Trustee except for those cancelled by it, those delivered to it for cancellation and those described in this Section as not outstanding. A Note does not cease to be outstanding in the event the Company or an Affiliate of the Company holds the Note; provided, however, that in determining whether the Trustee shall be protected in making a determination whether the Holders of the requisite principal amount of outstanding Notes are present at a meeting of Holders of Notes for quorum purposes or have consented to or voted in favor of any request, demand, authorization, direction, notice, consent, waiver, amendment or modification hereunder, or relying upon any such quorum, consent or vote, only Notes which a Trust Officer of the Trustee actually knows to be held by the Company or a Subsidiary of the Company shall not be considered outstanding. If a Note is replaced pursuant to Section 2.10 (other than a mutilated Note

surrendered for replacement), it ceases to be outstanding unless the Trustee and the Company receive proof satisfactory to them that the replaced Note is held by a protected purchaser. A mutilated Note ceases to be outstanding upon surrender of such Note and replacement pursuant to Section 2.10.

If the Paying Agent segregates and holds in trust, in accordance with this Indenture, on a Redemption Date or maturity date money sufficient to pay all principal, premium, if any, and accrued interest payable on that date with respect to the Notes (or portions thereof) to be redeemed or maturing, as the case may be, and the Paying Agent is not prohibited from paying such money to the Holders on that date pursuant to the terms of this Indenture, then on and after that date such Notes (or portions thereof) cease to be outstanding and interest on them ceases to accrue.

Section 2.12. *Temporary Notes.* In the event that Definitive Notes are to be issued under the terms of this Indenture, until such Definitive Notes are ready for delivery, the Company may prepare and the Trustee shall, upon written request from the Company, authenticate temporary Notes, which shall be maintained in registered form in accordance with Section 2.03. Temporary Notes shall be substantially in the form, and shall carry all rights, of Definitive Notes but may have variations that the Company considers appropriate for temporary Notes. Without unreasonable delay, the Company shall prepare and the Trustee shall, upon written request from the Company, authenticate Definitive Notes. After the preparation of Definitive Notes, the temporary Notes shall be exchangeable for Definitive Notes upon surrender of the temporary Notes at any office or agency maintained by the Company for that purpose and such exchange shall be without charge to the Holder. Upon surrender for cancellation of any one or more temporary Notes, the Company shall execute, and the Trustee shall, upon written request from the Company, authenticate and make available for delivery in exchange therefor, one or more Definitive Notes representing an equal principal amount of Notes. Until so exchanged, the Holder of temporary Notes shall in all respects be entitled to the same benefits under this Indenture as a Holder of Definitive Notes.

Section 2.13. *Cancellation. The Company at any time may deliver Notes to the Trustee for cancellation*. The Registrar and the Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else shall cancel all Notes surrendered for registration of transfer, exchange, payment or cancellation and dispose of such Notes in accordance with its internal policies and customary procedures including delivery of a certificate describing such Notes disposed (subject to the record retention requirements of the Exchange Act) or deliver canceled Notes to the Company pursuant to written direction by one Officer of the Company. If the Company or any Guarantor acquires any of the Notes, such acquisition shall not operate as a redemption or satisfaction of the Indebtedness represented by such Notes unless and until the same are surrendered to the Trustee for cancellation pursuant to this Section 2.13. The Company may not issue new Notes to replace Notes it has paid or delivered to the Trustee for cancellation for any reason other than in connection with a transfer or exchange.

At such time as all beneficial interests in a Global Note have either been exchanged for Definitive Notes, transferred, redeemed, repurchased or canceled, such Global Note shall be returned by DTC to the Trustee for cancellation or retained and canceled by the Trustee. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for Definitive Notes, transferred in exchange for an interest in another Global Note, redeemed, repurchased or canceled, the principal amount of Notes represented by such Global Note shall be reduced and an adjustment shall be made on the books and records of the Trustee (if it is then the Notes Custodian for such Global Note) with respect to such Global Note, by the Trustee or the Notes Custodian, to reflect such reduction.

Section 2.14. *Payment of Interest; Defaulted Interest*. Interest on any Note which is payable, and is punctually paid or duly provided for, on any interest payment date shall be paid to the Person in whose name such Note (or one or more predecessor Notes) is registered at the close of business on the regular record date for such payment at the office or agency of the Company maintained for such purpose pursuant to Section 2.03.

Any interest on any Note which is payable, but is not paid when the same becomes due and payable and such nonpayment continues for a period of 30 days shall forthwith cease to be payable to the Holder on the regular record date, and such defaulted interest and (to the extent lawful) interest on such defaulted interest at the rate borne by the Notes (such defaulted interest and interest thereon herein collectively called "**Defaulted Interest**") shall be paid by the Company, at its election in each case, as provided in clause (a) or (b) below:

(a) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Notes (or their respective predecessor Notes) are registered at the close of business on a Special Record Date (as defined below) for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date (not less than 25 days after Trustee's receipt of such notice) of the proposed payment (the "**Special Interest Payment Date**"), and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Company shall fix a record date (the "**Special Record Date**") for the payment of such Defaulted Interest, which date shall be not more than 15 days and not less than 10 days prior to the Special Interest Payment Date and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Company shall promptly notify the Trustee in writing of such Special Record Date, and in the name and at the expense of the Company, the Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date and Special Interest Payment Date therefor to be given in the manner provided for in Section 13.02, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date and Special Interest Payment Date therefor having been so given, such Defaulted Interest shall be paid on the Special Interest Payment Date to the Persons in whose names the Notes (or their respective predecessor Notes) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (b).

(b) The Company may make payment of any Defaulted Interest in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section 2.14, each Note delivered under this Indenture upon registration of, transfer of or in exchange for or in lieu of any other Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Note.

Section 2.15. *Computation of Interest.* Interest on the Notes shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 2.16. *CUSIP, Common Code and ISIN Numbers*. The Company in issuing the Notes may use "CUSIP", "Common Code" and "ISIN" numbers and, if so, the Trustee shall use "CUSIP", "Common Code" and "ISIN" numbers in notices of redemption or purchase as a convenience to Holders; provided, however, that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption or purchase and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption or purchase shall not be affected by any defect in or omission of such CUSIP, Common Code and ISIN numbers. The Company shall promptly notify the Trustee in writing of any change in the CUSIP, Common Code and ISIN numbers.

ARTICLE 3
COVENANTS

Section 3.01. *Payment of Notes.*

The Company will pay or cause to be paid the principal of, premium, if any, and interest on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest will be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 10:00 a.m. Eastern Time on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due.

The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace period) at the same rate to the extent lawful.

Section 3.02. *Limitation on Asset Dispositions of Notes Collateral*.

(a) The Company will not, and will not permit any of the Guarantors to, make any Asset Disposition of Notes Collateral unless:

(i) the Company or such Guarantor, as the case may be, receives consideration at least equal to the Fair Market Value of the Notes Collateral subject to such Asset Disposition;

(ii) at least 75% of the consideration from such Asset Disposition received by the Company or such Guarantor, as the case may be, is in the form of cash or Cash Equivalents; and

(iii) the remaining consideration from such Asset Disposition that is not in the form of cash or Cash Equivalents is thereupon with its acquisition pledged as the Notes Collateral to secure the Notes.

(b) For purposes of (a)(ii), the following shall be deemed to be cash: (i) the repayment or assumption by the transferee of Debt secured by Liens with a priority to the Liens in favor of the Notes and the Guarantees (other than Debt incurred in contemplation of such Asset Disposition), (ii) the repayment or assumption by the transferee of liabilities (as shown on the Company's most recent balance sheet or in the notes thereto), other than liabilities that are subordinated in right of payment to the Notes, (iii) any securities, notes or other obligations received by the Company or any such Guarantor in such Asset Disposition that are, within 180 days of the disposition of Notes Collateral, converted by the Company or such Guarantor into cash or Cash Equivalents and (iv) any Designated Non-cash Consideration received by the Company or such Guarantor in such Asset Disposition having an aggregate Fair Market Value, taken together with all other Designated Non-cash Consideration received pursuant to this paragraph that has at that time not been converted into cash or Cash Equivalents not to exceed the greater of (x) $75.0 million and (y) 2.0% of Consolidated Net Tangible Assets at the time of the receipt of such Designated Non-cash Consideration (with the fair market value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value).

(c) All of the Net Proceeds from Asset Dispositions and Recovery Events in respect of Notes Collateral shall be deposited directly into the Collateral Account; provided, that the Company and the Guarantors will not be required to cause any Net Proceeds to be held in the Collateral Account except to the extent the aggregate amount of Net Proceeds from all Asset Dispositions and Recovery Events in respect of Notes Collateral that are not held in the Collateral Account, or have not been previously applied

in accordance with the provision of Section 3.02(d) or Section 3.02(e), exceeds $50.0 million in the aggregate.

(d) Any Net Proceeds deposited in the Collateral Account from any Asset Disposition or Recovery Event in respect of Notes Collateral may be withdrawn (i) to be invested by the Company or a Guarantor in additional assets constituting Notes Collateral (including, without limitation, through capital expenditures or acquisitions of assets constituting Notes Collateral, or in the case of Net Proceeds from any Recovery Event in respect of Notes Collateral, the performance of a restoration of the affected Notes Collateral) within 365 days of the date of such Asset Disposition or Recovery Event in respect of Notes Collateral, which additional assets are thereupon with their acquisition added to the Notes Collateral securing the Notes or (ii) to repay (and correspondingly reduce commitments with respect to) (a) First Lien Notes Obligations or (b) Pari Passu Lien Indebtedness; provided, that, in the case of clause (b), the Company make an offer to all holders of Notes to purchase at a purchase price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, in an amount equal to the principal amount of Pari Passu Lien Indebtedness repaid, such offer to be conducted in accordance with the procedures set forth below for a Collateral Disposition Offer but without any further limitation in amount or (iii) to make an Optional Collateral Disposition Offer.

(e) Any Net Proceeds from Asset Dispositions or Recovery Events in respect of Notes Collateral that are not applied or invested as provided in (d) or in accordance with the Collateral Documents will be deemed to constitute "**Excess Collateral Proceeds**," provided that any Net Proceeds from Asset Dispositions of Notes Collateral or Recovery Events in respect of Notes Collateral that remain after an Optional Collateral Disposition Offer will not be deemed to constitute Excess Collateral Proceeds and the Company may use any remaining Excess Collateral Proceeds for any purpose not prohibited by this Indenture, including, without limitation, general corporate purposes. When the aggregate amount of Excess Collateral Proceeds exceeds $50.0 million, within 45 days thereof, the Company will be required to make an offer ("**Collateral Disposition Offer**") to all Holders of Notes and all holders of Pari Passu Lien Indebtedness containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales or insurance recovery events in respect of Notes Collateral to purchase the maximum principal amount of the Notes and such Pari Passu Lien Indebtedness (on a pro rata basis) to which the Collateral Disposition Offer applies that may be purchased out of the Excess Collateral Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest to, but excluding, the date of purchase, in accordance with the procedures set forth in this Indenture. Notwithstanding anything to the contrary in the foregoing, the Company, at its option, may make a Collateral Disposition Offer with Net Proceeds from Asset Dispositions or Recovery Events in respect of Notes Collateral that are not deemed Excess Collateral Proceeds (an "**Optional Collateral Disposition Offer**") pursuant to clause (iii) of subsection (d) at any time following consummation of a Notes Collateral Asset Disposition. To the extent that the aggregate amount of Notes and other Pari Passu Lien Indebtedness so validly tendered and not properly withdrawn pursuant to a Collateral Disposition Offer is less than the Excess Collateral Proceeds, subject to the ABL Credit Facility and the First Lien Notes Documents, the Company may use any remaining Excess Collateral Proceeds for any purpose not prohibited by this Indenture, including, without limitation, general corporate purposes. If the aggregate principal amount of Notes surrendered by Holders and Pari Passu Lien Indebtedness tendered into such Collateral Disposition Offer exceeds the amount of Excess Collateral Proceeds, the Notes and Pari Passu Lien Indebtedness to be purchased shall be selected on a pro rata basis. Upon completion of such Collateral Disposition Offer, the amount of Excess Collateral Proceeds shall be reset at zero.

(f) The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of notes pursuant to a Collateral Disposition Offer or an Optional Collateral Disposition Offer. To the extent that the provisions of any securities laws or regulations conflict with the Collateral Disposition Offer or Optional Collateral Disposition Offer provisions of this Indenture, the Company will comply with the applicable securities laws and regulations and will not be

deemed to have breached its obligations under the Collateral Disposition Offer or Optional Collateral Offer provisions of this Indenture by virtue of such compliance.

Section 3.03. *Restrictions on Liens.* (a)The Company will not, nor will it permit any Domestic Subsidiary to, incur, issue, assume or guarantee any Debt secured by a Lien upon any Principal Property or on any shares of stock or Debt of any Domestic Subsidiary (whether such Principal Property, shares of stock or Debt is now owned or hereafter acquired) without in any such case effectively providing that the Notes (together with, if the Company shall so determine, any other indebtedness of or guaranteed by the Company or such Domestic Subsidiary ranking equally with the Notes then existing or thereafter created) shall be secured equally and ratably with such Debt.

(b) The restrictions set forth in paragraph (a) in this Section 3.03 shall not apply to:

(i) Liens on property, shares of stock or indebtedness of or guaranteed by any Person existing at the time such Person becomes a Domestic Subsidiary;

(ii) Liens on property existing at the time of acquisition thereof, or to secure the payment of all or part of the purchase or construction price of property, or to secure Debt incurred or guaranteed for the purpose of financing all or part of the purchase or construction price of property or the cost of improvements on property, which Debt is incurred or guaranteed prior to, at the time of, or within 180 days after the later of such acquisition or completion of such improvements or construction or commencement of commercial operation of the property;

(iii) Liens in favor of the Company or any Subsidiary;

(iv) Liens on property of a Person existing at the time such Person is merged into or consolidated with the Company or a Domestic Subsidiary or at the time of a purchase, lease or other acquisition of the property of a Person as an entirety or substantially as an entirety by the Company or a Domestic Subsidiary;

(v) Liens on the property of the Company or that of a Domestic Subsidiary in favor of the United States of America or any State thereof, or any political subdivision thereof, or in favor of any other country, or any political subdivision thereof, to secure certain payments pursuant to any contract or statute or to secure any indebtedness incurred or guaranteed for the purpose of financing all or any part of the purchase price or the cost of construction of the property subject to such Liens (including, but not limited to, Liens incurred in connection with pollution control industrial revenue bond or similar financing);

(vi) Liens imposed by law, for example mechanics', workmen's, repairmen's or other similar Liens arising in the ordinary course of business;

(vii) pledges or deposits under workmen's compensation or similar legislation or in certain other circumstances;

(viii) Liens in connection with legal proceedings;

(ix) Liens for taxes or assessments or governmental charges or levies not yet due or delinquent, of which can thereafter be paid without penalty, or which are being contested in good faith by appropriate proceedings;

(x) Liens consisting of restrictions on the use of real property that do not interfere materially with the property's use;

(xi) Liens existing on the date of the Indenture; and

(xii) any refinancing, extension, renewal or replacement (or successive refinancings, extensions, renewals or replacements), in whole or in part, of any Lien referred to in any of the foregoing clauses.

(c) Notwithstanding the above, the Company and any one or more of its Subsidiaries may, without securing the Notes, incur, issue, assume or guarantee secured Debt which would otherwise be subject to the foregoing restrictions, provided that after giving effect thereto the aggregate amount of Debt which would otherwise be subject to the foregoing restrictions then outstanding (not including secured Debt permitted under the foregoing exceptions) plus Attributable Debt relating to sale and leaseback transactions (as described below) does not exceed 15% of the Company's Consolidated Net Tangible Assets.

Section 3.04. *Restrictions on Sale and Leaseback Transactions.* (a) The Company shall not, nor shall it permit any Domestic Subsidiary to enter into a sale and leaseback transaction of any Principal Property (whether now owned or hereafter acquired), unless:

(i) the Company or such Domestic Subsidiary would be entitled under this Indenture, to issue, assume or guarantee Debt secured by a Lien upon such Principal Property at least equal in amount to the Attributable Debt in respect of such transaction without equally and ratably securing the Notes, provided that, such Attributable Debt shall thereupon be deemed to be Debt subject to the provisions of Section 3.03; or

(ii) within 180 days, an amount in cash equal to such Attributable Debt is applied to the retirement of Funded Debt (debt that matures at or is extendible or renewable at the option of the obligor to a date more than twelve months after the date of the creation of such Debt) ranking *pari passu* with the Notes, an amount not less than the greater of (i) the net proceeds of the sale of the Principal Property leased pursuant to the arrangement or (ii) the fair market value of the Principal Property so leased.

(b) The restrictions set forth in paragraph (a) in this Section 3.04 shall not apply to:

(i) a sale and leaseback transaction between the Company and a Domestic Subsidiary or between Domestic Subsidiaries, or that involves the taking back of a lease for a period of less than three years, or

(ii) if, at the time of the sale and leaseback transaction, after giving effect to the transaction, the total discounted net amount of rent required to be paid during the remaining term of any lease relating to sale and leaseback transactions (other than transactions permitted by the previous bullet points) plus all outstanding secured Debt pursuant to Section 3.03, does not exceed 15% of the Company's Consolidated Net Tangible Assets.

Section 3.05. *Restrictions on Secured Debt*. (a) The Company will not, and will not permit any Guarantor to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur") any Debt secured by a Lien on the Collateral; provided that, this Section 3.05(a) will not prohibit the incurrence of any of the following items of Debt:

(i) the incurrence by the Company and the Guarantors of Debt (including letters of credit) under the ABL Credit Facility (with letters of credit being deemed to have a principal amount equal to the face amount thereof) up to an aggregate principal amount outstanding at any one time not to exceed the greater of (x) $700.0 million and (y) the Borrowing Base; provided, however, that any Debt incurred pursuant to this clause (i) must be secured by a Lien that is junior in priority to the Liens on Notes Collateral granted in favor of the Notes Collateral Agent for the benefit of the Trustee and the Holders of the Notes pursuant to the Collateral Documents and

the terms of such junior interest must be pursuant to the Intercreditor Agreements or on terms no more favorable than the terms contained in the Intercreditor Agreements;

(ii) the incurrence by the Company and the Guarantors of First Lien Notes and Additional First Lien Indebtedness (and, in either case, any guarantee thereof) in an aggregate principal amount outstanding at any one time not to exceed $500 million;

(iii) the incurrence by the Company and the Guarantors of the Initial Notes and Pari Passu Lien Indebtedness (and, in either case, any guarantee thereof) in an aggregate principal amount outstanding at any one time not to exceed $1,250 million;

(iv) the incurrence by the Company or any Guarantor of Additional First Lien Indebtedness and Pari Passu Lien Indebtedness (and, in either case, any guarantee thereof) in an aggregate principal amount outstanding at any one time not to exceed the greater of (x) $750 million and (y) an amount that, on a pro forma basis upon giving effect to the incurrence of such Additional First Lien Indebtedness and Pari Passu Lien Indebtedness (and application of the net proceeds therefrom), would not cause the Company's Consolidated Secured Leverage Ratio to exceed 2.5:1.0; provided that Additional First Lien Indebtedness incurred pursuant to this clause (iv) shall not exceed $750 million;

(v) the incurrence by the Company and the Guarantor of Existing Indebtedness;

(vi) Debt existing on assets at the time of acquisition thereof or incurred to secure the payment of all or part of the purchase or construction price of assets, or to secure Debt incurred or guaranteed for the purpose of financing all or part of the purchase or construction price of assets or the cost of improvements on assets, which Debt is incurred or guaranteed prior to, at the time of, or within 180 days after the later of such acquisition or completion of such improvements or construction or commencement of commercial operation of the assets;

(vii) the incurrence by the Company or any Guarantor of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Debt ("**Refinanced Debt**") that was permitted to be incurred under clauses (v), (vi), (vii), (x) or (xii), of this Section 3.05(a); provided that any Lien securing the Permitted Refinancing Indebtedness shall not extend to any other property, secure a greater principal amount (or accreted value, if applicable) or have a higher priority than the Lien securing the Refinanced Debt;

(viii) intercompany Debt (a) between or among the Company and one or more Guarantors and (b) between or among any Guarantors;

(ix) the incurrence of Bank Product Obligations and Liens for Bank Product Obligations; provided, however, that any Debt incurred pursuant to this clause (ix) must be secured by a Lien that is junior in priority to the Liens on Notes Collateral granted in favor of the Notes Collateral Agent for the benefit of the Trustee and Second Lien Notes Secured Parties pursuant to the Collateral Documents and the terms of such Liens must be pursuant to the Intercreditor Agreements, or on terms no more favorable than the terms contained in the Intercreditor Agreements;

(x) the incurrence by the Company or any Guarantor of additional Debt in the ordinary course of business in an aggregate principal amount at any time outstanding not to exceed $100.0 million;

(xi) any guarantee by the Company or any Guarantor of Debt otherwise permitted to be incurred under this Section 3.05; provided, that if such Debt is incurred pursuant to clause (xii)

below, such guarantee will be secured on a basis consistent with the provisions set forth in clauses (iii) and (iv) of the definition of Junior Lien Debt; and

(xii) the incurrence by the Company or any Guarantor of Junior Lien Debt.

(b) Notwithstanding any other provision of this Section 3.05, for purposes of determining compliance with this Section 3.05, increases in Debt solely due to fluctuations in the exchange rates of currencies will not be deemed to exceed the maximum amount that the Company or a Guarantor may incur under this Section 3.05. For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrences of Debt, the U.S. dollar-equivalent principal amount of Debt denominated in a foreign currency shall be calculated based on the relevant currency exchange rate in effect on the date of such Debt was incurred; provided that if such Debt is incurred to refinance other Debt denominated in a foreign currency, and such refinancing would cause the applicable U.S. dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such U.S. dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Debt does not exceed the principal amount of such Debt being refinanced. The principal amount, of any Debt incurred to refinance other Debt, if incurred in a different currency from the Debt being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Debt is denominated that is in effect on the date of such refinancing.

(c) For purposes of determining, compliance with this Section 3.05, in the event that an item of Debt meets the criteria of more than one of the categories of Debt permitted under clauses (i) through (xii) of Section 3.05(a), the Company shall, in its sole discretion, classify such item and may divide and classify such item in more than one of the types of Debt in any manner that complies with this covenant, and such Debt will be treated as having been incurred pursuant to the clauses above as designated by the Company, and from time to time the Company may change the classification of an item of Debt to any other type of Debt described in clauses (i) through (xii) of Section 3.05(a) at any time.

Section 3.06. *Change of Control Triggering Event*.

(a) Upon the occurrence of a Change of Control Triggering Event, unless the Company has exercised its right to redeem the Notes pursuant to Section 5.07 by giving irrevocable written notice to the Trustee in accordance with the Indenture, each Holder of the Notes shall have the right to require the Company to purchase all or a portion of such Holder's Notes pursuant to the offer described in this Section 3.06 (the "**Change of Control Offer**"), at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of purchase (the "**Change of Control Payment**"), subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date.

(b) Unless the Company has exercised its right to redeem the Notes, within 30 days following the date upon which the Change of Control Triggering Event occurred with respect to the Notes or, at the Company's option, prior to any Change of Control but after the public announcement of the pending Change of Control, the Company shall be required to send, by first class mail (or to the extent permitted or required by applicable DTC procedures or regulations with respect to Global Notes, electronically), a notice to each Holder of Notes, with a copy to the Trustee ("**Notice of Change of Control Offer**"), which Notice of Change of Control Offer shall govern the terms of the Change of Control Offer. Such Notice of Change of Control Offer shall state, among other things, the purchase date, which must be no earlier than 30 days nor later than 60 days from the date such notice is mailed or otherwise sent, other than as may be required by law (the "**Change of Control Payment Date**"). The Notice of Change of Control Offer, if mailed or otherwise sent prior to the date of consummation of the Change of Control, shall state that the Change of Control Offer is conditioned on the Change of Control being consummated on or prior to the Change of Control Payment Date.

(c) On the Change of Control Payment Date, the Company shall, to the extent lawful:

(i) accept or cause a third party to accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(ii) deposit or cause a third party to deposit with the paying agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(iii) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being repurchased and that all conditions precedent to the Change of Control Offer and to the repurchase by the Company of Notes pursuant to the Change of Control Offer have been complied with.

(d) The Company shall not be required to make a Change of Control Offer if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by the Company and such third party purchases all Notes properly tendered and not withdrawn under its offer.

(e) The Notice of Change of Control Offer shall describe the transaction or transactions that constitute the Change of Control and state:

(i) that the Change of Control Offer is being made pursuant to this Section 3.06 and that all Notes tendered will be accepted for payment;

(ii) the Change of Control Payment Date;

(iii) that any Note not tendered will continue to accrue interest;

(iv) that, unless the Company defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Payment Date;

(v) any conditions precedent to the consummation of the Change of Control Offer;

(vi) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "**Option of Holder to Elect Purchase**" attached to the Notes completed, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(vii) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a facsimile, or electronic transmission in the form of a "pdf" on letterhead (if applicable) and signed by an authorized signer or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(viii) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to $2,000 in principal amount or an integral multiple of $1,000.

(f) On the Change of Control Payment Date, the Company will, to the extent lawful: (i) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(ii) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(iii) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Company.

The Paying Agent will promptly mail or deliver (but in any case not later than five days after the Change of Control Payment Date) to each Holder of Notes properly tendered the Change of Control Payment to the extent it has been received for such Notes, and the Trustee, upon receipt of the Officer's Certificate referred to in clause (iii) above, will promptly authenticate and mail or otherwise deliver (or cause to be transferred by book entry), at the Company's expense, to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; provided that each such new Note will be in a principal amount of at least $2,000 or an integral multiple of $1,000 in excess thereof. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(g) Notwithstanding anything to the contrary in this Section 3.06, the Company will not be required to make a Change of Control Offer upon a Change of Control if (i) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 3.06 applicable to a Change of Control Offer made by the Company and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (ii) notice of redemption has been given pursuant to Section 5.03 hereof, unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary herein, a Change of Control Offer may be made in advance of a Change of Control Triggering Event, conditional upon such Change of Control Triggering Event, if a definitive agreement is in place for the Change of Control at the time of making of the Change of Control Offer.

(h) The Company shall comply in all material respects with the requirements of Rule 14e-l under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with this Section 3.06, the Company will comply with those securities laws and regulations and will not be deemed to have breached its obligations under this Section 3.06 by virtue of any such conflict.

Section 3.07. *Reports to Holders*. Whether or not the Company is then required to file reports with the Commission, the Company shall file with the Commission all such reports and other information as it would be required to file with the Commission by Section 13(a) or 15(d) under the Exchange Act if it were subject thereto within the time periods specified by the Commission's rules and regulations for an accelerated filer (including any extension as would be permitted by Rule 12b-25 under the Exchange Act).

Section 3.08. *Additional Guarantees*. (a) If the Company or any Subsidiary acquires or creates another Subsidiary that is a U.S. Subsidiary on or after the Issue Date (other than an Excluded Subsidiary), then, within 60 days of the date of such acquisition or creation, as applicable: (i) such Subsidiary must become a Guarantor and execute a supplemental indenture substantially in the form of Exhibit B hereto and the Company must deliver a written request to sign and an Officer's Certificate to the Trustee as to the satisfaction of all conditions precedent to such execution under this Indenture, and (ii) such Subsidiary shall become a party to the Collateral Documents and shall as promptly as practicable execute and deliver such security instruments, financing statements, Mortgages, deeds of trust and certificates as may be necessary to vest in the Notes Collateral Agent a perfected second- or third-priority

security interest, as the case may be, (subject to Permitted Liens) upon all its properties and assets (other than Excluded Property), in each case, as set forth in the Security Agreement as security for the notes or the Guarantees and as may be necessary to have such property or asset added to the Collateral as required under the Collateral Documents and the indenture, and thereupon all provisions of the indenture relating to the Collateral shall be deemed to relate to such properties and assets to the same extent and with the same force and effect.

Section 3.09. *[Reserved.]*

Section 3.10. *Corporate Existence.* Subject to Article 4, hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(a) its corporate existence, and the corporate, partnership or other existence of each of the Guarantors, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Subsidiary; and

(b) the rights (charter and statutory), licenses and franchises of the Company and the Guarantors;

provided, however, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors shall determine as evidenced by an Officer's Certificate to the Trustee that (a) the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and (b) the loss thereof is not adverse in any material respect to the Holders of the Notes, and provided further, that this Section 3.10 does not prohibit any transaction otherwise permitted by Section 3.02 (or that does not otherwise constitute an Asset Disposition pursuant to Section 1.01) or Section 3.04.

Section 3.11. *Compliance Certificate*.

(a) The Company shall deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate stating that a review of the activities of the Company and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officer with a view to determining whether the Company has kept, observed, performed and fulfilled in all material respects its obligations under this Indenture, and further stating, as to the Officer signing such certificate, that to his or her knowledge the Company has kept, observed, performed and fulfilled in all material respects each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default has occurred and is continuing, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto) and that to his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

(b) So long as any of the Notes are outstanding, the Company will deliver to the Trustee, within 10 Business Days upon any Officer becoming aware of the occurrence of any Default or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto.

Section 3.12. *Further Instruments and Acts.* The Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Indenture, including, without limitation, the filing, in a timely manner, of all necessary termination and releases with respect to any outstanding trademark registrations in favor of

parties other than the Notes Collateral Agent or the Bank Agent (as defined in the Intercreditor Agreement).

Section 3.13. *Stay, Extension and Usury Laws.* The Company and each of the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company and each of the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

ARTICLE 4
SUCCESSOR COMPANY

Section 4.01. *Consolidation, Merger or Sale of Assets*.

(a) The Company will not consolidate with or merge with or into, or convey, transfer or lease all or substantially all of our properties and assets to, any person (a "**successor person**") unless:

(i) The Company is the surviving corporation or the successor person (if other than the Company) is a corporation organized and validly existing under the laws of any U.S. domestic jurisdiction and expressly assumes the Company's obligations on the Notes and under this Indenture and the Collateral Documents;

(ii) immediately after giving effect to the transaction, no Event of Default, and no event which, after notice or passage of time, or both, would become an Event of Default, shall have occurred and be continuing under the indenture or the Collateral Documents; and

(iii) the Company will have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with this Indenture and all conditions precedent are satisfied.

(b) No Guarantor will consolidate with or merge with or into, or convey, transfer or lease all or substantially all of its properties and assets to a successor person unless:

(i) (A) the successor person is the Company or a Guarantor or a Person that becomes a Guarantor concurrently with the transaction; (B) such Guarantor is the surviving entity or the successor person is validly existing under the laws of any U.S. domestic jurisdiction and expressly assumes such Guarantor's obligations on its Guarantee and under the indenture and the Collateral Documents; (C) immediately after giving effect to the transaction, no Default or Event of Default, and no event which, after notice or passage of time, or both, would become an Event of Default, shall have occurred and be continuing under the indenture and the Collateral Documents; and (D) the Guarantor will have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with this Indenture and all conditions precedent are satisfied; or

(ii) the transaction constitutes a sale or other disposition (including by way of consolidation or merger) of the Guarantor or the sale or disposition of all or substantially all of the properties and assets of the Guarantor (in each case other than to the Company or a Guarantor) in a transaction not otherwise prohibited or restricted by this Indenture.

Notwithstanding the foregoing, any Subsidiary of the Company may consolidate with, merge into or transfer all or part of its properties and assets to the Company or a Guarantor.

ARTICLE 5
REDEMPTION AND PREPAYMENT

Section 5.01. *Notices to Trustee.* If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 5.07, it must furnish to the Trustee, at least 30 days but not more than 60 days before a Redemption Date, an Officer's Certificate setting forth:

(a) the clause of this Indenture pursuant to which the redemption shall occur;

(b) the Redemption Date;

(c) the principal amount of Notes to be redeemed; and

(d) the redemption price.

Any redemption referenced in such Officer's Certificate may be cancelled by the Company at any time prior to notice of redemption being mailed or otherwise delivered to any Holder and thereafter shall be null and void.

Section 5.02. *Selection of Notes to Be Redeemed or Purchased.* If less than all of the Notes are to be redeemed pursuant to Section 5.07 hereof or purchased in an Collateral Disposition Offer or an Optional Collateral Disposition Offer pursuant to Section 3.02 hereof or a Change of Control Offer pursuant to Section 3.06 hereof, the Trustee will select Notes for redemption or purchase (a) if the Notes are Global Notes, pursuant to the applicable rules of DTC and (b) if the Notes are Definitive Notes, on a pro rata basis or as required by the rules of the depositary except:

(a) if the Notes are listed on any national securities exchange, in compliance with the requirements of the principal national securities exchange on which the Notes are listed;

(b) to the extent that selection on a pro rata basis is not practicable, by lot or as required by the rules of DTC; or

(c) if otherwise required by law.

No Notes of $2,000 or less can be redeemed in part. In the event of partial redemption, the particular Notes to be redeemed or purchased will be selected, unless otherwise provided herein, not less than 30 days nor more than 60 days prior to the redemption or purchase date by the Trustee from the outstanding Notes not previously called for redemption or purchase.

The Trustee will promptly notify the Company in writing of the Notes selected for redemption or purchase and, in the case of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. Notes and portions of Notes selected will be in amounts of $2,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder, even if not a multiple of $1,000, shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 5.03. *Notice of Redemption.* At least 30 days but not more than 60 days before a Redemption Date, the Company will deliver by electronic transmission (including "pdf" on letterhead (if applicable) and signed by an authorized signer), mail or cause to be mailed, by first class mail, a notice of

redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 12. The Company shall promptly provide a copy of such notice of redemption to the Trustee.

The notice will identify the Notes (including the CUSIP number) to be redeemed and will state:

(a) the Redemption Date;

(b) the redemption price;

(c) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the Redemption Date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note;

(d) the name and address of the Paying Agent;

(e) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(f) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the Redemption Date;

(g) the paragraph or sub-paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed;

(h) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes; and

(i) if such redemption is pursuant to Section 5.07(a), any conditions to such redemption.

At the Company's request, the Trustee will deliver the notice of redemption in the Company's name and at its expense; provided, however, that the Company has delivered to the Trustee, at least 35 days prior to the Redemption Date (or such shorter period as the Trustee shall agree), an Officer's Certificate requesting that the Trustee deliver such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Notice of any redemption of Notes described herein, whether in connection with an Equity Offering or otherwise, may be given prior to such redemption, and any such redemption or notice may, at the Company's discretion, be subject to one or more conditions precedent, including, but not limited to, completion of the related Equity Offering. In addition, if such redemption is subject to satisfaction of one or more conditions precedent, such notice of redemption shall describe each such condition and, if applicable, shall state that such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied (or waived by the Company in its sole discretion) by the Redemption Date as stated in such notice. The Company may provide in such notice that payment of the redemption price and performance of the Company's obligations with respect to such redemption may be performed by another Person.

Section 5.04. *Effect of Notice of Redemption.* Once notice of redemption is mailed or otherwise delivered in accordance with Section 5.03, Notes called for redemption become irrevocably due and payable on the Redemption Date at the redemption price unless such notice of redemption is subject to one or more conditions precedent as permitted by the last paragraph of Section 5.03, in which case such notice of redemption becomes irrevocable once the conditions set forth therein are satisfied.

Section 5.05. *Deposit of Redemption or Purchase Price.* Prior to 11:00 a.m. Eastern Time on the redemption or purchase date, the Company will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of and accrued and unpaid interest, if any, on, all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent will promptly return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption or purchase price of, and accrued and unpaid interest, if any, on, all Notes to be redeemed or purchased.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest to the redemption date or purchase date shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest accrued to the redemption or purchase date not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 3.01 hereof.

Section 5.06. *Notes Redeemed or Purchased in Part*. Upon surrender of a Note that is redeemed or purchased in part, the Company will issue and, upon receipt of a written authentication order, the Trustee will authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered; provided, that each such new Note will be in a principal amount of $2,000 or integral multiples of $1,000 in excess thereof. It is understood that, notwithstanding anything in this Indenture to the contrary, only an authentication order and not an Opinion of Counsel or Officer's Certificate is required for the Trustee to authenticate such new Note.

Section 5.07. *Optional Redemption*.

(a) Prior to March 31, 2017, the Company may, at any time and from time to time, redeem, in the aggregate up to 35% of the aggregate principal amount of the Notes originally issued under this Indenture with the net cash proceeds of one or more Equity Offerings by the Company at a redemption price (expressed as a percentage of principal amount thereof) of 107.750%, plus accrued and unpaid interest, if any, to, but excluding, the Redemption Date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); provided, however, that:

(i) at least 65% of the aggregate principal amount of Notes originally issued under this Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(ii) the redemption occurs within 90 days of the date of the closing of such Equity Offering or contribution.

(b) Prior to March 31, 2017, the Company may, at any time and from time to time, also redeem all or a part of the Notes, upon not less than 30 days nor more than 60 days' prior notice mailed by or on behalf of the Company (or to the extent permitted or required by applicable DTC procedures or regulations with respect to Global Notes sent electronically) by first-class mail to each Holder's registered address or otherwise delivered in accordance with the procedures of DTC, at a redemption price equal to the sum of (i) 100.000% of the principal amount of Notes redeemed and (ii) the Applicable Premium as of, and accrued and unpaid interest to, but excluding, Redemption Date, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date.

(c) Except pursuant to (a) or (b), the Notes shall not be redeemable at the Company's option prior to March 31, 2017.

(d) On or after March 31, 2017, the Company may on one or more occasions redeem all or a part of the Notes upon not less than 30 days nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest on the Notes redeemed, to, but excluding, the applicable Redemption Date, if redeemed during the twelve-month period beginning on March 31 of the years indicated below, subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	**Percentage**
2017	103.875%
2018	101.938%
2019 and thereafter	100.000%

(e) Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable Redemption Date.

(f) Any redemption pursuant to this Section 5.07 shall be made pursuant to the provisions of Sections 5.01 through 5.06.

Section 5.08. *Mandatory Redemption*. Except to the extent the Company may be required to offer to purchase the Notes pursuant to Section 3.02 and Section 3.06, the Company is not required to make mandatory repurchase, redemption or sinking fund payments with respect to the Notes. However, the Company may at any time and from time to time purchase Notes in the open market or otherwise.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01. *Events of Default.* Each of the following is an "**Event of Default**":

(a) a default in the payment of any interest on the Notes, when such payment becomes due and payable, and continuance of that default for a period of 30 days (unless the entire amount of the payment is deposited by the Company with the Trustee or with the Paying Agent prior to the expiration of such period of 30 days);

(b) default in the payment of principal or premium on the Notes when such payment becomes due and payable;

(c) subject to clause (d), a default in the performance or breach of any other covenant or warranty by the Company in this Indenture or the Collateral Documents, which default continues uncured for a period of 60 days after written notice thereof has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the holders of at least 25 percent in principal amount of the Notes, as provided in this Indenture;

(d) any Guarantee of a Guarantor that is a Significant Subsidiary ceases to be in full force and effect (except as contemplated by the terms of this Indenture and the Guarantees) or is declared null and void in a judicial proceeding or any Guarantor that is a Significant Subsidiary denies or disaffirms its obligations under this Indenture;

(e) with respect to any Collateral having a fair market value in excess of $75.0 million, individually or in the aggregate, (A) the failure of the security interest with respect to such Collateral under

the Collateral Documents, at any time, to be in full force and effect for any reason other than in accordance with their terms and the terms of this Indenture and other than the satisfaction in full of all obligations under this Indenture and discharge of this Indenture if such Default continues for 60 days, (B) the declaration that the security interest with respect to such Collateral created under the Collateral Documents or under this Indenture is invalid or unenforceable, if such Default continues for 60 days or (C) the assertion by the Company or any Guarantor, in any pleading in any court of competent jurisdiction, that any such security interest is invalid or unenforceable;

(f) there occurs a default under any Debt of the Company or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Company or any of the Guarantors), whether such Debt or guarantee now exists, or is created after the Issue Date, other than with respect to the Canadian Existing Indebtedness, if that default:

(i) is caused by a failure to pay any such Debt at its final Stated Maturity (after giving effect to any applicable grace period) (a " **Payment Default**"); or

(ii) results in the acceleration of such Debt prior to its final Stated Maturity,

and, in either case, the aggregate principal amount of any such Indebtedness, together with the aggregate principal amount of any other such Debt under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $75.0 million or more;

(g) failure by the Company or any of its Significant Subsidiaries to pay final and non-appealable judgments entered by a court or courts of competent jurisdiction aggregating in excess of $75.0 million (net of any amount covered by insurance issued by a national insurance company that has not contested coverage), which judgments are not paid, discharged or stayed for a period of 60 days, other than the Arbitration Award or any judgment related to the Arbitration Award;

(h) the Company or any Guarantor pursuant to or within the meaning of Bankruptcy Law:

(i) commences a voluntary case,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a custodian of it or for all or substantially all of its property,

(iv) makes a general assignment for the benefit of its creditors, or

(v) generally is not paying its debts as they become due; or

(i) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company or any Guarantor in an involuntary case;

(ii) appoints a custodian of the Company or any Guarantor or for all or substantially all of the property of the Company or any of Guarantor; or

(iii) orders the liquidation of the Company or any Guarantor; and the order or decree remains unstayed and in effect for 60 consecutive days.

Section 6.02. *Acceleration.* In the case of an Event of Default specified in clauses (h) or (i) of Section 6.01, with respect to the Company or any Guarantor, all outstanding Notes will become due and payable immediately without further action or notice.

If an Event of Default (other than an Event of Default described in clause (h) or (i) of Section 6.01) occurs and is continuing, the Trustee by written notice to the Company, or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes by written notice to the Company and the Trustee, may, and the Trustee at the request of such Holders shall, declare the principal of, premium, if any, and accrued and unpaid interest, if any, on all such Notes to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest shall be due and payable immediately.

Section 6.03. *Other Remedies*. If an Event of Default occurs and is continuing, the Trustee may, but shall not be obligated to, pursue any available remedy by proceeding at law or in equity to collect the payment of principal of (or premium, if any) or interest on the Notes or to enforce the performance of any provision of the Notes, this Indenture, the Guarantees or the Collateral Documents.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative to the extent provided by law, provided, that once all amounts due to Holders under this Indenture and the Notes, including, without limitation, principal, premium and interest, shall have been paid, there shall be no duplication of any recovery provided by such remedies.

Section 6.04. *Waiver of Past Defaults.* Holders of not less than a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may, on behalf of the Holders of all of the Notes, (a) waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium or interest on, the Notes and (b) rescind an acceleration and its consequences. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05. *Control by Majority.* The Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that it determines conflicts with law or this Indenture, the Notes, the Guarantees, the Collateral Documents or, subject to Sections 7.01 and 7.02 that the Trustee determines is unduly prejudicial to the rights of other Holders or would involve the Trustee in personal liability; provided, however, that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction.

The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or premium.

Subject to the provisions of this Indenture relating to the duties of the Trustee or the Notes Collateral Agent, in case an Event of Default occurs and is continuing, the Trustee or the Notes Collateral Agent will be under no obligation to exercise any of the rights or powers under this Indenture, the Notes, the Guarantees and the Collateral Documents, at the request or direction of any Holders of Notes unless such Holders have offered to the Trustee or the Notes Collateral Agent indemnity or security satisfactory to it against any loss, liability or expense.

Section 6.06. *Limitation on Suits.* Except to enforce the right to receive payment of principal, premium, if any, or interest when due, no Holder of a Note may pursue any remedy with respect to this Indenture or the Notes unless:

(a) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(b) Holders of at least 25% in aggregate principal amount of the then outstanding Notes have requested the Trustee in writing to pursue the remedy;

(c) such Holders have offered the Trustee security or indemnity satisfactory to it against any loss, liability or expense;

(d) the Trustee has not complied with such request within 60 days after the receipt of the written request and the offer of security or indemnity; and

(e) Holders of a majority in aggregate principal amount of the then outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

Section 6.07. *Rights of Holders to Receive Payment*. Notwithstanding any other provision of this Indenture (including, without limitation, Section 6.06(a)), the right of any Holder to receive payment of principal of, premium (if any) or interest on the Notes held by such Holder, on or after the respective due dates expressed or provided for in the Notes, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder; provided that a Holder shall not have the right to institute any such suit for the enforcement of payment if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the lien of this Indenture under any property subject to such Lien.

Section 6.08. *Collection Suit by Trustee*. If an Event of Default specified in Section 6.06(a) or (b) occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium and interest remaining unpaid on, the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents, accountants, experts and counsel.

Section 6.09. *Trustee May File Proofs of Claim*. The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents, accountants, experts and counsel) and the Holders allowed in any judicial proceedings relative to the Company, its Subsidiaries or its or their respective creditors or properties and, unless prohibited by law or applicable regulations, may be entitled and empowered to participate as a member of any official committee of creditors appointed in such matter and may vote on behalf of the Holders in any election of a trustee in bankruptcy or other Person performing similar functions, and any custodian in any such judicial proceeding is hereby authorized by each Holder to make payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents, accountants, experts and its counsel, and any other amounts due the Trustee under Section 7.07.

No provision of this Indenture shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or

composition affecting the Notes or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10. *Priorities*.

(a) If the Trustee collects any money or property pursuant to this Article 6, or pursuant to the foreclosure or other remedial provisions contained in the Collateral Documents (including any money or property deposited into the Collateral Account in connection therewith), it shall pay out the money or proceeds of property in the following order:

FIRST: to the Trustee and the Notes Collateral Agent, for amounts due to it pursuant to Section 7.07 and Section 7.13;

SECOND: to Holders for amounts due and unpaid on the Notes for principal, premium, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, and interest, respectively; and

THIRD: to the Company or to such party as a court of competent jurisdiction shall direct.

(b) The Company shall fix the record date and payment date for any payment to Holders pursuant to this Section and provide written notice to the Trustee of such dates.

Section 6.11. *Undertaking for Costs*. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by the Company, a suit by a Holder pursuant to Section 6.07 or a suit by Holders of more than 10% in outstanding principal amount of the Notes.

ARTICLE 7
TRUSTEE

Section 7.01. *Duties of Trustee*.

(a) If an Event of Default, of which a Trust Officer of the Trustee has received written notice from the Company, has occurred and is continuing, the Trustee or the Notes Collateral Agent shall exercise the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs; provided that the Trustee and the Notes Collateral Agent will be under no obligation to exercise any of the rights or powers under this Indenture, the Notes, the Guarantees or the Collateral Documents at the request or direction of any of the Holders unless such Holders have offered the Trustee or the Notes Collateral Agent, respectively, indemnity or security reasonably satisfactory to each of them against loss, liability or expense.

(b) Except during the continuance of an Event of Default:

(i) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon

certificates, opinions or orders furnished to the Trustee and conforming to the requirements of this Indenture, the Notes, the Guarantees or the Collateral Documents, as applicable. However, in the case of any such certificates or opinions which by any provisions hereof or thereof are specifically required to be furnished to the Trustee, the Trustee shall examine such certificates and opinions to determine whether or not they conform on their face to the requirements of this Indenture, the Notes, the Guarantees or the Collateral Documents, as the case may be (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liability for its own grossly negligent action, its own grossly negligent failure to act or its own bad faith or willful misconduct, except that:

(i) this Section 7.01(c) does not limit the effect of Section 7.01(b);

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Trust Officer of the Trustee unless it is found by a final, non-appealable judgment of a court of competent jurisdiction that the Trustee was grossly negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05, and

(iv) no provision of this Indenture, the Notes, the Guarantees or the Collateral Documents shall require the Trustee to expend or risk its own funds or otherwise incur any liability (financial or otherwise) in the performance of any of its duties hereunder or thereunder or in the exercise of any of its rights or powers, and the Trustee may refuse to perform any duty or exercise any right or power if it reasonably believes that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to all of the clauses of this Section.

(e) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company.

(f) Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law, this Indenture, the Notes, the Collateral Documents, or by Section 11.08.

(g) Every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

(h) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by one Officer of the Company.

(i) Except as otherwise specifically provided in this Indenture or the Collateral Documents, the Trustee shall have no obligation to monitor or verify compliance by the Company or any Guarantor with any other obligation or covenant under such documents.

(j) The Trustee shall be under no obligation to the Holders to ascertain or to inquire as to the observance or performance of any of the agreements contained in, statements made in, or conditions of any of the Collateral or Collateral Documents or to inspect the property (including the books and records) of the Company.

(k) The Trustee shall have no duty (i) to cause the maintenance of any insurance, (ii) with respect to the payment or discharge of any tax, charge or Lien levied against any part of the Collateral or

(iii) except as otherwise specifically provided in Article 11 and the Security Agreement, with respect to the filing or refiling of any Collateral Document.

(l) The Trustee shall not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens upon any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part.

Section 7.02. *Rights of Trustee.* Subject to Section 7.01:

(a) The Trustee may conclusively rely, as to the truth of statements and the correctness of the opinions expressed therein, on and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, or other paper or document (whether in its original or facsimile form) believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact, matter or opinion stated in such document. However, the Trustee, in its discretion, may make such further inquiry or investigation into such facts, matters and opinions as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the sole cost of the Company, at a reasonable time and in a reasonable manner, and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation. The Trustee shall receive and retain financial reports and statements of the Company as provided herein, but shall have no duty whatsoever with respect to the contents thereof, including no duty to review or analyze such reports or statements to determine compliance with covenants or other obligations of the Company.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate and/or an Opinion of Counsel. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel.

(c) The Trustee may act through its attorneys, custodians, nominees and agents and shall not be responsible for the misconduct or negligence of any attorney, custodian, nominee or agent appointed with due care.

(d) Subject to Section 7.01(c), the Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers conferred on it by this Indenture or the Intercreditor Agreements.

(e) The Trustee may consult with counsel of its selection, and the advice or opinion of counsel with respect to legal matters relating to this Indenture, the Notes, the Guarantees or the Collateral Documents shall be full and complete authorization and protection from liability in respect of any action taken, omitted or suffered by it hereunder or under the Notes, the Guarantees, or the Collateral Documents in good faith and in accordance with the advice or opinion of such counsel.

(f) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by an Officer of the Company.

(g) The Trustee shall not be deemed to have notice of any Default or Event of Default or whether any entity or group of entities constitutes a Significant Subsidiary or whether any other event or action has occurred unless written notice of (1) any event which is in fact such a Default or Event of Default or (2) of any such Significant Subsidiary or (3) of any other event or action is received by a Trust Officer of the Trustee at the Corporate Trust Office of the Trustee, and such notice describing the Default or Event of Default, Significant Subsidiaries, or other event or action references the Notes and this Indenture and details the nature of such Default or Event of Default. Delivery of reports to the Trustee pursuant to (a) shall not constitute notice to the Trustee of the information contained therein.

(h) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder.

(i) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture, the Notes, the Guarantees or the Collateral Documents at the request, order or direction of any of the Holders pursuant to the provisions of this Indenture, unless such Holders shall have offered to the Trustee security or indemnity reasonably satisfactory to it against the losses, costs, expenses and liabilities which may be incurred by it in compliance with such request or direction.

(j) The Trustee shall not be deemed to have knowledge of any fact or matter unless a Trust Officer of the Trustee has received written notice of such fact at the Corporate Trust Office.

(k) Whenever in the administration of or in connection with this Indenture, the Notes, the Guarantees or the Collateral Documents, the Company is required to provide an Officer's Certificate, the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder or thereunder, the Trustee (unless other evidence be herein specifically prescribed) may, as the case may be, request and in the absence of bad faith or willful misconduct on its part, rely upon such Officer's Certificate.

(l) In no event shall the Trustee be responsible or liable for any special, indirect, punitive, incidental, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit), irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(m) The Trustee may request that the Company and any Guarantor deliver an Officer's Certificate setting forth the names of the individuals and titles of Officers (with specimen signatures) authorized at such times to take specific actions pursuant to this Indenture or the Intercreditor Agreements, which Officer's Certificate may be signed by any person specified as so authorized in any certificate previously delivered and not superseded.

(n) If any party fails to deliver a notice relating to an event the fact of which, pursuant to this Indenture, requires notice to be sent to the Trustee, the Trustee may conclusively rely on its failure to receive such notice as reason to assume no such event occurred.

(o) The Trustee shall not be bound to make any investigation into (i) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or in any Collateral Documents, (ii) the occurrence of any default, or the validity, enforceability, effectiveness or genuineness of this Indenture, any Collateral Documents, or any other agreement, instrument or document, (iii) the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (iv) the value or the sufficiency of any Collateral, or (v) the satisfaction of any condition set forth in any Collateral Documents, other than to confirm receipt of items expressly required to be delivered to the Trustee.

(p) No provision of this Indenture, the Notes or the Collateral Documents shall require the Trustee to give any bond or surety or to expend or risk its own funds or otherwise incur any liability (financial or otherwise) in the performance of any of its duties hereunder or thereunder or in the exercise of any of its rights or powers, and the Trustee may refuse to perform any duty or exercise any right or power if it reasonably believes that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(q) In the event that the Trustee (in such capacity or in any other capacity hereunder or under any Collateral Document) is unable to decide between alternative courses of action permitted or

required by the terms of this Indenture or any Collateral Document, or in the event that the Trustee is unsure as to the application of any provision of this Indenture or any Collateral Document, or believes any such provision is ambiguous as to its application, or is, or appears to be, in conflict with any other application provision, or in the event that this Indenture or any Collateral Document permits any determination by or the exercise of discretion on the part of the Trustee or is silent or is incomplete as to the course of action that the Trustee is required to take with respect to a particular set of facts, the Trustee shall promptly give notice (in such form as shall be appropriate under the circumstances) to the Holders requesting instruction as to the course of action to be adopted, and to the extent the Trustee acts in good faith in accordance with any written instructions received from a majority in aggregate principal amount of the then outstanding Notes, the Trustee shall not be liable on account of such action to any Person. If the Trustee shall not have received appropriate instruction within 10 days of such notice (or such shorter period as reasonably may be specified in such notice or as may be necessary under the circumstances) it may, but shall be under no duty to, take or refrain from taking such action as it shall deem to be in the best interests of the Holders and the Trustee shall have no liability to any Person for such action or inaction.

(r) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with any direction of the Holders of a majority in aggregate principal amount of the then outstanding Notes permitted to be given by them under this Indenture.

(s) The permissive rights of the Trustee to do things enumerated in this Indenture shall not be construed as a duty to take such action.

(t) The rights, privileges, protections, immunities and benefits (except for as mentioned in Section 11.09(c)) given to U.S. Bank National Association, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, U.S. Bank National Association in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder (except for as mentioned in Section 11.09(c)).

(u) Neither the Trustee nor the Notes Collateral Agent shall have an obligation to invest and reinvest any cash held in the absence of timely and specific written investment direction from the Company. In the absence of written investment direction from the Company, all cash received by the Trustee or the Notes Collateral Agent from the Company shall be placed in a non-interest bearing deposit account. In no event shall the Trustee or the Notes Collateral Agent be liable for the selection of investments or for investment losses incurred thereon.

Neither Trustee nor the Notes Collateral Agent shall have any liability in respect of losses incurred as a result of the liquidation of any investment prior to its stated maturity or the failure of the Company to provide timely written investment direction.

Section 7.03. *Individual Rights of Trustee*. The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company, Guarantors or their Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-registrar, co-paying agent, or Notes Priority Agent may do the same with like rights. However, the Trustee must comply with Sections 7.10 and 7.12. In addition, the Trustee shall be permitted to engage in transactions with the Company; provided, however, that if the Trustee acquires any conflicting interest (as defined in the TIA), the Trustee must (a) eliminate such conflict within 90 days of acquiring such conflicting interest, (b) apply to the Commission for permission to continue acting as Trustee (if the Indenture has been qualified under the TIA) or (c) resign.

Section 7.04. *Trustee's Disclaimer*. The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture, the Guarantees, the Collateral Documents, or the Notes, shall not be accountable for the Company's use of the proceeds from the sale of the Notes, shall not be responsible for the use or application of any money received by any Paying Agent other than

the Trustee or any money paid to the Company or upon the Company's direction pursuant to the terms of this Indenture and shall not be responsible for any statement of the Company in this Indenture or in any document issued in connection with the sale of the Notes (including without limitation any preliminary or final offering circular) or in the Notes other than the Trustee's certificate of authentication.

Section 7.05. *Notice of Defaults*. If a Default or Event of Default occurs and is continuing and if a Trust Officer of the Trustee receives written notice of such event addressed to its address set forth in Section 13.02, from the Company or a Guarantor, the Trustee shall, at the Company's expense, mail by first-class mail to each Holder at the address set forth in the Notes Register, or otherwise deliver in accordance with the procedures of DTC, notice of the Default or Event of Default within 90 days after it receives notice. Except in the case of a Default or Event of Default in payment of principal of, premium (if any), or interest on any Note (including payments pursuant to the optional redemption or required repurchase provisions of such Note), the Trustee may withhold the notice if and so long as the Trustee in good faith determines that withholding the notice is in the interests of the Holders.

Section 7.06. *Reports by Trustee to Holders*. Within 60 days after each December 15 beginning December 15, 2015, the Trustee shall mail to each Holder a brief report dated as of such December 15 that complies with TIA § 313(a) if and to the extent required thereby (but if no event described in such Section has occurred within the 12 months preceding the reporting date, no report need be transmitted). The Trustee also shall comply with TIA § 313(b) and TIA § 313(c).

A copy of each report at the time of its mailing to Holders shall be mailed by the Trustee to the Company. The Company agrees to notify promptly the Trustee in writing whenever the Notes become listed on any stock exchange and of any delisting thereof and the Trustee shall comply with TIA § 313(d).

Section 7.07. *Compensation and Indemnity*. The Company and Guarantors shall pay to the Trustee from time to time compensation for its acceptance of this Indenture and its services hereunder and under the Notes, the Guarantees and the Collateral Documents, as the Company and the Trustee shall from time to time agree in writing. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company and Guarantors shall, in addition to the compensation for their services, reimburse the Trustee promptly upon request for all reasonable out-of-pocket expenses incurred or made by it, including, but not limited to, costs of collection, costs of preparing reports, certificates and other documents, costs of preparation and mailing or other delivery of notices to Holders. Such expenses shall include the reasonable compensation and expenses, disbursements and advances of the Trustee's agents, counsel, accountants, custodians, nominees and experts. The Company and Guarantors shall jointly and severally indemnify, defend and hold harmless the Trustee, its directors, officers, employees and agents against any and all loss, liability, damages, claims or expense (including reasonable attorneys' fees and expenses) incurred by it without willful misconduct, gross negligence or bad faith on its part in connection with the administration of this trust and the performance of its duties hereunder and under the Notes, the Guarantees and the Collateral Documents, including the costs and expenses of enforcing this Indenture (including this Section 7.07, the Notes, the Guarantees and the Collateral Documents of defending itself against any claims (whether asserted by any Holder, the Company, any Holder of First Lien Note Obligations, or otherwise). The Trustee shall notify the Company promptly of any claim for which it may seek indemnity of which it has received written notice. Failure by the Trustee to so notify the Company shall not relieve the Company of its obligations hereunder. The Company and Guarantors shall defend the claim and the Trustee shall cooperate at the Company's expense in the defense. The Trustee may have separate counsel and the Company and Guarantors shall pay the reasonable fees and expenses of such counsel; provided, that neither the Company nor any Guarantor need pay for any such settlement made without its consent (such consent not to be unreasonably withheld, conditioned or delayed). This indemnification shall apply to officers, directors, employees, shareholders, and agents of the Trustee.

To secure the Company's and Guarantors' payment obligations in this Section 7.07, the Trustee shall have a lien prior to the Notes on all money or property held or collected by the Trustee other than

money or property held in trust to pay principal of and interest on particular Notes. Such lien shall survive the satisfaction and discharge of this Indenture (including any termination or rejection hereof under any Bankruptcy Law), final payment in full of the Notes, or the resignation or removal of the Trustee. The Trustee's right to receive payment of any amounts due under this Section 7.07 shall not be subordinate to any other liability or Indebtedness of the Company or Guarantors.

The Company's and Guarantors payment obligations pursuant to this Section shall survive the satisfaction and discharge of this Indenture (including any termination or rejection hereof under any Bankruptcy Law), final payment in full of the Notes and the resignation or removal of the Trustee. Without prejudice to any other rights available to the Trustee under applicable law, when the Trustee incurs expenses or renders services after the occurrence of a Default specified in clause (h) or clause (i) of Section 6.01, the expenses and compensation for services (including the reasonable fees and expenses of its agents, accountants, experts and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.08. *Replacement of Trustee*. The Trustee may resign at any time and be discharged from the trust hereby created by so notifying the Company in writing. The Holders of a majority in aggregate principal amount of the Notes may remove the Trustee by so notifying the removed Trustee and the Company in writing and may appoint a successor Trustee with the Company's written consent, which consent will not be unreasonably withheld. The Company shall remove the Trustee if:

(a) the Trustee fails to comply with Section 7.10;

(b) the Trustee is adjudged bankrupt or insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(c) a receiver, custodian or other public officer takes charge of the Trustee or its property; or

(d) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed by the Company or by the Holders of a majority in aggregate principal amount of the Notes (the Trustee in such event being referred to herein as the retiring Trustee) and such Holders do not reasonably promptly appoint a successor Trustee, or if a vacancy exists in the office of the Trustee for any reason, the Company shall promptly appoint a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a written notice of its succession to Holders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, *provided* all sums owing to the Trustee hereunder have been paid and subject to the lien provided for in Section 7.07.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee or the Holders of at least 10% in aggregate principal amount of the Notes may petition, at the Company's expense, any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 7.10, unless the Trustee's duty to resign is stayed as provided in TIA § 310(b), any Holder, who has been a bona fide Holder of a Note for at least six months, may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

Notwithstanding the replacement of the Trustee pursuant to this Section 7.08 the Company's obligations under Section 7.07 shall continue for the benefit of the retiring Trustee.

Section 7.09. *Successor Trustee by Merger*. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust business or assets to, another corporation or banking association, the resulting, surviving or transferee corporation without any further act shall be the successor Trustee.

In case at the time such successor or successors by merger, conversion or consolidation to the Trustee shall succeed to the trusts created by this Indenture, any of the Notes shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor trustee, and deliver such Notes so authenticated; and in case at that time any of the Notes shall not have been authenticated, any successor to the Trustee may authenticate such Notes either in the name of any predecessor hereunder or in the name of the successor to the Trustee; *provided* that the right to adopt the certificate of authentication of any predecessor Trustee or authenticate Notes in the name of any predecessor Trustee shall only apply to its successor or successors by merger, consolidation or conversion.

Section 7.10. *Eligibility; Disqualification.* This Indenture shall always have a Trustee that satisfies the requirements of TIA § 310(a)(1), (2) and (5) in every respect. The Trustee shall have a combined capital and surplus of at least $100 million as set forth in its most recent published annual report of condition. The Trustee shall comply with TIA § 310(b); *provided, however*, that there shall be excluded from the operation of TIA § 310(b)(1) any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Company are outstanding if the requirements for such exclusion set forth in TIA § 310(b)(1) are met.

Section 7.11. *Collateral Documents.* By their acceptance of the Notes, the Holders hereby authorize and direct the Trustee and the Notes Collateral Agent, as the case may be, to execute and deliver the Collateral Documents to which the Trustee or the Notes Collateral Agent, as applicable, is named as a party, including any Collateral Documents executed after the Issue Date. It is hereby expressly acknowledged and agreed that, in doing so, the Trustee and the Notes Collateral Agent are not responsible for the terms or contents of such agreements, for the validity or enforceability thereof, or the sufficiency thereof for any purpose. Whether or not so expressly stated therein, in entering into, or taking or forbearing from any action under or pursuant to the Collateral Documents, the Trustee and the Notes Collateral Agent each shall have all of the rights, immunities, indemnities and other protections granted to it under this Indenture and the Collateral Documents (in addition to those that may be granted to it under the terms of any other agreement or agreements).

Section 7.12. *Preferential Collection of Claims Against the Company.* The Trustee shall comply with TIA § 311(a), excluding any creditor relationship listed in TIA § 311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311 (a) to the extent indicated therein.

Section 7.13. *Trustee and Notes Collateral Agent in Other Capacities.* References in this Indenture to the Trustee or the Notes Collateral Agent in any provision of this Indenture shall be understood to include the Trustee or Notes Collateral Agent acting in its other capacities under this Indenture and the Collateral Documents, including acting in its capacity as Trustee, Notes Priority Agent, Notes Collateral Agent, Registrar and Paying Agent. Without limiting the foregoing, and for the avoidance of doubt, such references shall be read to apply to the Collateral Documents, with the necessary modifications, in addition to this Indenture. Whether the reference in any provision of this Indenture is to either or both of the Trustee and the Notes Collateral Agent, the compensation, indemnities, immunities and exculpatory provisions contained in this Indenture shall apply to and benefit each and both of them, in whatever capacity it is acting, and whether it is acting under this Indenture, the other Second Lien Notes Documents or the Collateral Documents.

Section 7.14. *USA Patriot Act*. The Company acknowledges that, to help the government fight the funding of terrorism and money laundering activities, Federal law requires that Trustee, like all financial institutions, obtain, verify and record information that identifies each person who establishes a

relationship or opens an account with Trustee. The Company agrees that it will provide the Trustee with such information and documentation it may reasonably request to verify the Company's formation and existence as a legal entity. The Company also agrees that it will provide the Trustee with such financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the Company as the Trustee may reasonably request to satisfy the requirements of Federal law.

Section 7.15. *Calculations in Respect of the Notes.* The Company shall be responsible for making calculations called for under the Notes, including, without limitation, determination of premiums, Additional Notes, original issue discount, conversion rates and adjustments, if any. The Company shall make the calculations in good faith and, absent manifest error, its calculations shall be final and binding on the Holders of the Notes. The Company shall provide a schedule of its calculations to the Trustee when applicable, and the Trustee shall be entitled to conclusively rely on the accuracy of the Company's calculations without independent verification.

Section 7.16. *Brokerage Confirmations.* The Company acknowledges that regulations of the Comptroller of the Currency grant the Company the right to receive brokerage confirmations of the security transactions as they occur. To the extent contemplated by law, the Company specifically waives any such notification relating to any securities transactions contemplated herein; provided, however, that Trustee shall send to the Company periodic cash transaction statements that describe all investment transactions.

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01. *Option to Effect Legal Defeasance or Covenant Defeasance: Defeasance.* The Company may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate delivered to the Trustee, elect to have either Section 8.02 or Section 8.03 be applied to all outstanding Notes and Guarantees upon compliance with the conditions set forth below in this Article 8.

Section 8.02. *Legal Defeasance and Discharge.* Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.02 the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04, be deemed to have been discharged from their obligations with respect to all outstanding Notes (including the Guarantees), this Indenture and the Collateral Documents on the date the conditions set forth below are satisfied (hereinafter, "**Legal Defeasance**"). For this purpose, Legal Defeasance means that the Company and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 and the other Sections of this Indenture referred to in clauses (a) and (b) below, and to have satisfied all of their other obligations under such Notes, the Guarantees, this Indenture and the Collateral Documents (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(a) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, or interest or premium on, such Notes when such payments are due from the trust referred to in Section 8.04;

(b) the Company's obligations with respect to such Notes under Article 2;

(c) the rights, powers, trusts, duties and immunities of the Trustee, Paying Agent and Registrar hereunder and the Company's and the Guarantors' obligations in connection therewith; and

(d) this Section 8.02.

Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03.

Section 8.03. *Covenant Defeasance.* Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.03 the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04, be released from each of their obligations under the covenants contained in Sections 3.02, 3.03, 3.04, 3.06, 3.05 and 3.07 with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 are satisfied (hereinafter, "**Covenant Defeasance**"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Guarantees, the Company and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01, but, except as specified above, the remainder of this Indenture and such Notes and Guarantees will be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.03 subject to the satisfaction of the conditions set forth in Section 8.04, Sections 6.01(c) through 6.01(g) will not constitute Events of Default.

Section 8.04. *Conditions to Legal or Covenant Defeasance.* In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or Section 8.03:

(a) the Company shall have deposited or caused to be irrevocably deposited with the Trustee, in trust, money and/or U.S. Government Obligations that, through the payment of interest and principal in accordance with their terms, will provide not later than one day before the due date of any payment of money, an amount in cash, sufficient, in the opinion of a nationally recognized firm of independent public accountants to pay and discharge each installment of principal of, premium and interest on and any mandatory sinking fund payments in respect of Notes on the Stated Maturity of those payments in accordance with the terms of this Indenture and the Notes;

(b) such deposit will not result in a breach or violation of, or constitute a default under this Indenture, the Intercreditor Agreements or any other material agreement to which the Company or the Guarantors bound;

(c) in the case of an election under Section 8.02, the Company must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel reasonably acceptable to the Trustee confirming that (i) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (ii) since the date of this Indenture, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the beneficial owners of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(d) in the case of an election under Section 8.03 hereof, the Company must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the beneficial owners of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in

the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(e) the Company must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or others; and

(f) the Company must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section 8.05. *Deposited Money and U.S. Government Obligations to be Held in Trust: Other Miscellaneous Provisions.* Subject to Section 8.06, all money and non-callable U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "**Trustee**") pursuant to Section 8.04 in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable U.S. Government Obligations deposited pursuant to Section 8.04 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Company from time to time upon the request of the Company any money or non-callable U.S. Government Obligations held by it as provided in Section 8.04 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(a)), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06. *Repayment to the Company.* Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium, if any, or interest on, any Note and remaining unclaimed for two years after such principal, premium or interest has become due and payable shall be paid to the Company on its request unless an abandoned property law designates another Person or (if then held by the Company) will be discharged from such trust; and the Holder of such Note will thereafter be permitted to look only to the Company for payment thereof unless an abandoned property law designates another Person, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, will thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 8.07. *Reinstatement.* If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable U.S. Government Obligations in accordance with Section 8.02 or Section 8.03, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's and the Guarantors' obligations under this Indenture, the Notes, and the Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or Section 8.03 until such time as the Trustee or Paying Agent is

permitted to apply all such money in accordance with Section 8.02 or Section 8.03, as the case may be; provided, however, that, if the Company makes any payment of principal of, premium, if any, or interest on, any Note following the reinstatement of its obligations, the Company will be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9
AMENDMENTS

Section 9.01. *Without Consent of Holders.* Notwithstanding Section 9.02, the Company, the Guarantors (with respect to the Guarantees) and the Trustee may amend or supplement this Indenture, the Notes, the Guarantees and the Collateral Documents, without the consent of any Holder (except that no existing Guarantor need execute a supplemental indenture pursuant to clause (h) below):

(a) to cure any ambiguity, defect or inconsistency;

(b) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(c) to provide for the assumption of the Company's or a Guarantor's obligations to Holders of Notes and Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Company's or such Guarantor's assets, as applicable;

(d) to make any change that would provide any additional rights or benefits to the Holders of Notes or that does not adversely affect the legal rights hereunder or under the Notes, the Guarantees and the Collateral Documents of any such Holder;

(e) *[Reserved];*

(f) to conform the text of this Indenture, the Guarantees, the Notes or the Collateral Documents to any provision of the "Description of the New Second Lien Notes" section of the Offering Memorandum, to the extent that such provision in the "Description of the New Second Lien Notes" section was intended to be a verbatim recitation of a provision of this Indenture, the Notes, the Guarantees or the Collateral Documents, as provided to the Trustee in an Officer's Certificate;

(g) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture as of the date hereof;

(h) to allow any Guarantor to execute a supplemental indenture substantially in the form of Exhibit B hereto and/or a Guarantee with respect to the Notes;

(i) to add any additional obligors under this Indenture, the Notes or the Guarantees;

(j) to secure any Additional First Lien Indebtedness or Pari Passu Lien Indebtedness permitted to be incurred under this Indenture pursuant to the Collateral Documents and to appropriately include the same in the Intercreditor Agreements;

(k) to add additional Collateral to secure the Notes;

(l) to comply with the provisions under Section 4.01; and

(m) to evidence and provide for the acceptance of an appointment by a successor Trustee.

Subject to Section 9.02, upon the written request of the Company accompanied by a Board Resolution authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02, the Trustee will join with the Company and the

Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture directly affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but will not be obligated to, enter into such amended or supplemental indenture.

After an amendment or supplement under this Section becomes effective, the Company shall mail to Holders a notice briefly describing such amendment or supplement. The failure to give such notice to all Holders, or any defect therein, shall not impair or affect the validity of an amendment or supplement under this Section 9.01.

The Trustee shall be entitled to receive an Officer's Certificate and an Opinion of Counsel (other than with respect to a supplemental indenture to add a Guarantor) confirming that all conditions precedent are satisfied with respect to any supplemental indenture and that such supplemental indenture is authorized or permitted.

Section 9.02. *With Consent of Holders.* Except as provided below in this Section 9.02, the Company and the Trustee may amend or supplement this Indenture, the Notes, the Guarantees and the Collateral Documents with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes), and, subject to Sections 6.04 and 6.07, any existing Default or Event of Default or compliance with any provision of this Indenture, the Notes, the Guarantees or the Collateral Documents may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes). Section 2.11 shall determine which Notes are considered to be "outstanding" for purposes of this Section 9.02.

Upon the request of the Company accompanied by a Board Resolution authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02, the Trustee will join with the Company and the Guarantors in the execution of such amended or supplemental indenture, except that the Trustee need not execute such amended or supplemental indenture if the Trustee reasonably believes that such amended or supplemental indenture adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Without the consent of each Holder of Notes affected, an amendment, supplement or waiver may not (with respect to Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(3) reduce the principal or change the stated maturity date of any note or reduce the amount of, or postpone the date fixed for, the payment of any sinking fund or analogous obligation with respect to any Note;

(4) waive a Default or Event of Default in the payment of principal of, or interest or premium on, the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make the principal of or interest on any Note payable in currency other than that stated in the Notes;

(6) make any change to the right of Holders of Notes to receive payment of the principal of and interest on the Notes or in Section 6.04 or Section 6.07:

(7) waive a redemption payment, provided that it is made of the option of the Company, with respect to any Note; or

(8) release any Guarantor from any of its obligations under its Guarantee or this Indenture, except in accordance with the terms of this Indenture; or

(9) make any change in the preceding amendment and waiver provisions of this paragraph.

In addition, without the consent of Holders of 75% in aggregate principal amount of Notes then outstanding, an amendment, supplement or waiver may not:

(1) modify any Collateral Document or the provisions in this Indenture dealing with Collateral Documents or application of trust moneys in any manner, taken as a whole, materially adverse to the Holders as determined by the Company acting in good faith or otherwise release any Collateral other than in accordance with this Indenture and the Collateral Documents; or

(2) modify the Intercreditor Agreements in any manner adverse to the Holders in any material respect other than in accordance with the terms of this Indenture and the Collateral Documents.

It shall not be necessary for the consent of the Holders under this Section to approve the particular form of any proposed amendment, supplement or waiver, but it shall be sufficient if such consent approves the substance thereof. A consent to any amendment, supplement or waiver under this Indenture by any Holder of the Notes given in connection with a tender or exchange of such Holder's Notes will not be rendered invalid by such tender or exchange.

After an amendment or supplement under this Section becomes effective, the Company shall mail to Holders a notice briefly describing such amendment or supplement. The failure to give such notice to all Holders, or any defect therein, shall not impair or affect the validity of an amendment or supplement under this Section 9.02.

Section 9.03. *Reserved*.

Section 9.04. *Revocation and Effect of Consents and Waivers*.

(a) Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation at the Corporate Trust Office provided in Section 13.02 before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

(b) The Company may, but shall not be obligated to, fix a record date for the purpose of determining the Holders entitled to give their consent or take any other action described above or required or permitted to be taken pursuant to this Indenture. If a record date is fixed, then notwithstanding anything herein to the contrary, those Persons, who were Holders at such record date (or their duly designated proxies), and only those Persons, shall be entitled to give such consent or to revoke

any consent previously given or to take any such action, whether or not such Persons continue to be Holders after such record date. No such consent shall be valid or effective for more than 120 days after such record date.

Section 9.05. *Notation on or Exchange of Notes*. The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the Trustee shall, upon receipt of an authentication order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06. *Trustee to Sign Amendments*.

The Trustee will sign any amended or supplemental indenture or amendment to a Collateral Document, except that the Trustee need not execute such amended or supplemental indenture or such amendment if the Trustee reasonably believes that such amended or supplemental indenture or such amendment adversely affects the Trustee's own rights, duties or immunities under this Indenture or otherwise. The Company may not sign an amended or supplemental indenture or such amendment until the Board of Directors of the Company approves it. In executing any amended or supplemental indenture or amendment to a Collateral Document, the Trustee will be entitled to receive and (subject to Section 7.01 and Section 7.02) will be fully protected in relying upon, in addition to the documents required by Section 13.04, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture or such amendment is authorized or permitted by this Indenture and that all conditions precedent are satisfied with respect to any such amended or supplemental indenture or such amendment.

ARTICLE 10
GUARANTEE

Section 10.01. *Guarantee*. (a) Subject to the provisions of this Article 10, each Guarantor hereby fully, unconditionally and irrevocably guarantees, on a senior secured basis (except to the extent its assets are Excluded Property), as primary obligor and not merely as surety, jointly and severally with each other Guarantor, to each Holder of the Notes, to the extent lawful, and the Trustee the full and punctual payment when due, whether at maturity, by acceleration, by redemption or otherwise, of the principal of, premium, if any, and interest on the Notes, expenses, indemnification or otherwise and all other Obligations and liabilities of the Company under this Indenture (including without limitation interest accruing after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding), relating to the Company or any Guarantor whether or not a claim for post-filing or post-petition interest is allowed in such proceeding and the obligations under Section 7.07), the Notes and the Collateral Documents (all the foregoing being hereinafter collectively called the "**Guaranteed Obligations**").

(b) Each Guarantee will be secured on a junior-priority basis by the Notes Collateral, subject to Permitted Liens, owned by such Guarantor and on a junior-priority basis by the ABL Collateral owned by such Guarantor. Such Guarantors will also agree to pay any and all costs and expenses (including reasonable counsel fees and expenses) incurred by the Trustee, the Notes Collateral Agent or the Holders in enforcing any rights under the Guarantees.

(c) Each Guarantor agrees (to the extent permitted by law) that the Guaranteed Obligations may be extended or renewed, in whole or in part, without notice or further assent from it, and that it will remain bound under this Article 10 notwithstanding any extension or renewal of any Guaranteed Obligation.

(d) To the fullest extent permitted by law, each Guarantor waives presentation to, demand of payment from and protest to the Company of any of the Guaranteed Obligations and also waives notice of protest for nonpayment. To the fullest extent permitted by law, each Guarantor waives notice of any default under the Notes or the Guaranteed Obligations.

(e) Each Guarantor further agrees that its Guarantee constitutes a guarantee of payment when due (and not a guarantee of collection) and waives any right to require that any resort be had by any Holder to any security held for payment of the Guaranteed Obligations.

(f) Except as set forth in Section 10.02, the obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason (other than payment or performance of the Guaranteed Obligations), including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense of setoff, counterclaim, recoupment or termination whatsoever or by reason of the invalidity, illegality or unenforceability of the Guaranteed Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of each Guarantor herein shall not be discharged or impaired or otherwise affected by (i) the failure of any Holder to assert any claim or demand or to exercise or enforce any right or remedy against the Company or any other person under this Indenture, the Notes or any other agreement or otherwise; (ii) any extension or renewal of any thereof; (iii) any rescission, waiver, amendment or modification of any of the terms or provisions of this Indenture, the Notes or any other agreement; (iv) the release of any security held by any Holder or the Notes Collateral Agent for the Guaranteed Obligations or any of them; (v) any change in the ownership of the Company; (vi) any default, failure or delay, willful or otherwise, in the performance of the Guaranteed Obligations, or (vii) any other act or thing or omission or delay to do any other act or thing which may or might in any manner or to any extent vary the risk of any Guarantor or would otherwise operate as a discharge of such Guarantor as a matter of law or equity.

(g) Each Guarantor agrees that its Guarantee shall remain in full force and effect until payment in full of all the Guaranteed Obligations (other than contingent obligations or indemnification obligations, in each case for which no claim has been asserted) or such Guarantor is released from its Guarantee in compliance with Section 10.02, Article 8 or Article 12. Each Guarantor further agrees that its Guarantee herein shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of principal of, premium, if any, or interest on any of the Guaranteed Obligations is rescinded or must otherwise be restored by any Holder upon the bankruptcy or reorganization of the Company or otherwise.

(h) In furtherance of the foregoing and not in limitation of any other right which any Holder has at law or in equity against any Guarantor by virtue hereof, upon the failure of the Company to pay any of the Guaranteed Obligations when and as the same shall become due, whether at maturity, by acceleration, by redemption or otherwise, each Guarantor hereby promises to and will, upon receipt of written notice by the Trustee, forthwith pay, or cause to be paid, in cash, to the Trustee or the Trustee on behalf of the Holders an amount equal to the sum of (i) the unpaid amount of such Guaranteed Obligations then due and owing and (ii) accrued and unpaid interest on such Guaranteed Obligations then due and owing (but only to the extent not prohibited by law).

(i) Each Guarantor further agrees that, as between such Guarantor, on the one hand, and the Holders, on the other hand, (x) the maturity of the Guaranteed Obligations may be accelerated as provided in this Indenture for the purposes of its Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the Guaranteed Obligations and (y) in the event of any such declaration of acceleration of such Guaranteed Obligations, such Obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantor for the purposes of this Guarantee.

(j) Neither the Company nor the Guarantors shall be required to make a notation on the Notes to reflect any Guarantee or any release, termination or discharge thereof and any such notation shall not be a condition to the validity of any Note Guarantee.

(k) Any Guarantor that makes a payment under its Guarantee will be entitled upon payment in full of all Guaranteed Obligations under this Indenture to a contribution from each other Guarantor in an amount equal to such other Guarantor's pro rata portion of such payment based on the respective net assets of all the Guarantors at the time of such payment as determined in accordance with GAAP.

Section 10.02. *Limitation on Liability; Termination; Release and Discharge*.

(a) Any term or provision of this Indenture to the contrary notwithstanding, the obligations of each Guarantor hereunder will be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guarantor and after giving effect to any collections from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Guarantee or pursuant to its contribution obligations under this Indenture, result in the obligations of such Guarantor under its Guarantee not constituting a fraudulent conveyance or fraudulent transfer under federal or state law and not otherwise being void or voidable under any similar laws affecting the rights of creditors generally.

(b) Each Guarantee by a Guarantor will be automatically and unconditionally released and discharged, and such Subsidiary's obligations under the Guarantee, this Indenture and the Collateral Documents will be automatically and unconditionally released and discharged, upon:

(i) (1) any sale, exchange, transfer or disposition of such Guarantor (by merger, consolidation, or the sale of) the Capital Stock of such Guarantor after which the applicable Guarantor is no longer a Subsidiary or the sale of all or substantially all of its assets (other than by lease), whether or not the Guarantor is the surviving corporation in such transaction, to a Person which is not the Company or a Subsidiary; provided that (x) such sale, exchange, transfer or disposition is made in compliance with this Indenture, including Section 3.05 and Section 4.01 and (y) all the obligations of such Guarantor under all Indebtedness of the Company or its Subsidiaries terminate upon consummation of such transaction; (2) the Company exercising either Legal Defeasance or Covenant Defeasance under either Section 8.02 or Section 8.03; or (3) the applicable Guarantor becoming or constituting an Excluded Subsidiary; and

(ii) such Guarantor delivering to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for in this Indenture relating to release and discharge of such Guarantor's Guarantee have been complied with.

(c) Such Guarantor will be automatically and unconditionally released and discharged from all its obligations under this Indenture and its Guarantee and the Collateral Documents to which it is a party and such Guarantee shall terminate and be of no further force and effect and the Liens, if any, on the Collateral pledged by such Guarantor pursuant to the Collateral Documents shall be released with respect to the Notes if (x) such sale, exchange, transfer or disposition is made in compliance with this Indenture, including Section 3.02 and Section 4.01 and (y) all the obligations of such Guarantor under all Indebtedness of the Company or its Subsidiaries terminate upon consummation of such transaction.

(d) If the Guarantee of any Guarantor is deemed to be released and discharged or is automatically released and discharged, upon delivery by the Company to the Trustee of an Officer's Certificate stating the identity of the released Guarantor and the basis for the release in reasonable detail and an Opinion of Counsel, the Trustee will execute any documents reasonably required in order to evidence the release and discharge of the Guarantor from its obligations under its Guarantee.

Section 10.03. *Right of Contribution. E*ach Guarantor hereby agrees that to the extent that any Guarantor shall have paid more than its proportionate share of any payment made on the obligations under the Guarantees, such Guarantor shall be entitled to seek and receive contribution from and against the Company or any other Guarantor who has not paid its proportionate share of such payment. The provisions of this Section 10.03 shall in no respect limit the obligations and liabilities of each Guarantor to the Trustee and the Holders and each Guarantor shall remain liable to the Trustee and the Holders for the full amount guaranteed by such Guarantor hereunder.

Section 10.04. *No Subrogation.* Notwithstanding any payment or payments made by each Guarantor hereunder, no Guarantor shall be entitled to be subrogated to any of the rights of the Trustee or any Holder against the Company or any other Guarantor or any collateral security or guarantee or right of offset held by the Trustee or any Holder for the payment of the Guaranteed Obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Company or any other Guarantor in respect of payments made by such Guarantor hereunder, until all amounts owing to the Trustee and the Holders by the Company on account of the Guaranteed Obligations are paid in full. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Guaranteed Obligations shall not have been paid in full, such amount shall be held by such Guarantor in trust for the Trustee and the Holders, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the Trustee in the exact form received by such Guarantor (duly indorsed by such Guarantor to the Trustee, if required), to be applied against the Guaranteed Obligations.

Section 10.05. *Execution and Delivery of a Guarantee*.

(a) The execution by each Guarantor of this Indenture (or a supplemental indenture in the form of Exhibit B) evidences the Guarantee of such Guarantor, whether or not the person signing as an officer of the Guarantor still holds that office at the time of authentication of any Note. The delivery of any Note by the Trustee after authentication constitutes due delivery of the Guarantee set forth in this Indenture on behalf of each Guarantor.

(b) The Trustee hereby accepts the trusts in this Indenture upon the terms and conditions herein set forth.

ARTICLE 11
COLLATERAL AND SECURITY

Section 11.01. *The Collateral*.

(a) The due and punctual payment of the principal of, premium, if any, and interest on the Notes and the Guarantees when and as the same shall be due and payable, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise, interest on the overdue principal of and interest (to the extent permitted by law), if any, on the Notes and the Guarantees and performance of all other obligations under this Indenture, including, the obligations of the Company set forth in Section 7.07 and Section 8.05 herein, and the Notes and the Guarantees and the Collateral Documents, shall be secured by Liens on and security interests in the Notes Collateral and the ABL Collateral, in each case with the priority set forth in the Intercreditor Agreements and subject to Permitted Liens, as provided in the Collateral Documents which the Company and the Guarantors, as the case may be, have entered into simultaneously with the execution of this Indenture and will be secured by all Collateral Documents hereafter delivered as required or permitted by this Indenture and the Collateral Documents. All property of the Company and the Guarantors owned on the Issue Date (other than Excluded Property) shall be pledged as Collateral pursuant to the Collateral Documents on the Issue Date, and perfected with the priority intended to be granted thereby, subject, in the case of the Post-Closing Collateral Documents, to the provisions of Section 11.05.

(b) The Company and the Guarantors hereby agree that the Notes Collateral Agent shall hold the Collateral in trust for the benefit of all of the Holders and the Trustee, in each case pursuant to the terms of the Collateral Documents, and the Notes Collateral Agent is hereby authorized to execute and deliver the Collateral Documents.

(c) Each Holder, by its acceptance of any Notes and the Guarantees, consents and agrees to the terms of Section 11.09 and the Collateral Documents (including, the provisions providing for the possession, use, release and foreclosure of Collateral) as the same may be in effect or may be amended from time to time in accordance with their terms and authorizes and directs the Trustee and the Notes Collateral Agent to perform its obligations and exercise its rights under this Indenture and the Collateral Documents in accordance therewith.

(d) The Trustee and each Holder, by accepting the Notes and the Guarantees, acknowledges that, as more fully set forth in the Collateral Documents, the Collateral as now or hereafter constituted shall be held for the benefit of all the Holders and the Trustee, and that the Lien of this Indenture and the Collateral Documents in respect of the Trustee and the Holders is subject to and qualified and limited in all respects by the Collateral Documents and actions that may be taken thereunder.

(e) The Company shall, and shall cause each of the Grantors to, at the Company's sole cost and expense, take or cause to be taken such actions as may be required by the Collateral Documents, to perfect, maintain (with the priority required under the Collateral Documents), preserve and protect the valid and enforceable, perfected (except as expressly provided herein or therein) security interests in and on all the Collateral granted by the Collateral Documents in favor of the Notes Collateral Agent as security for the Second Lien Notes Obligations, superior to and prior to the rights of all third Persons (other than as set forth in the Intercreditor Agreements and other than to the extent permitted or not prohibited under this Indenture with respect to Permitted Liens), and subject to no other Liens (other than Permitted Liens), including (i) the filing of financing statements, continuation statements, collateral assignments and any instruments of further assurance, in such manner and in such places as may be required by law to preserve and protect fully the rights of the Holders, the Notes Collateral Agent, and the Trustee under this Indenture and the Collateral Documents to all property comprising the Collateral, and (ii) the delivery of the certificates evidencing the securities pledged under any Collateral Document, duly endorsed in blank or accompanied by undated stock powers or other instruments of transfer executed in blank. The Company shall from time to time promptly pay all financing and continuation statement recording and/or filing fees, charges and recording and similar taxes relating to the Indenture, the Collateral Documents and any amendments hereto or thereto and any other instruments of further assurance required pursuant hereto or thereto.

Section 11.02. *Further Assurances.*

(a) Subject to the limitations set forth in the Collateral Documents, the Company and each of the Guarantors shall execute any and all further documents, financing statements, agreements and instruments, and take all further action that may be reasonably required under applicable law, or that the Notes Collateral Agent may reasonably (but shall have no duty to) request, in order to grant, preserve, protect and perfect the validity and priority of the security interests and Liens created or intended to be created by the Collateral Documents in the Collateral, including, by making all filings (including filings of continuation statements and amendments to financing statements that may be necessary to continue the effectiveness of such financing statements). In addition, from time to time, the Company shall and shall cause each Guarantor to reasonably promptly secure the obligations under this Indenture and the Collateral Documents by pledging or creating, or causing to be pledged or created, perfected security interests with respect to the Collateral to the extent and in the manner set forth in the Collateral Documents.

(b) The Company shall, and shall cause each Guarantor to (i) at all times maintain, preserve and protect all Notes Collateral material to the conduct of its business and keep such property in good repair, working order and condition (other than wear and tear occurring in the ordinary course of business); (ii) from time to time make, or cause to be made, all necessary repairs, renewals, additions, improvements and replacements thereto necessary in order to maintain and preserve the Notes Collateral; and (iii) maintain all material insurance coverages thereon.

Section 11.03. *Additional Property.* Upon (x) the formation or acquisition of any new Guarantor after the Issue Date owning Material Real Property, (y) any Excluded Property ceasing to be Excluded Property, or (z) the acquisition by the Company or any Guarantor after the Issue Date of any Material Real Property or personal property (other than any Excluded Property), the Company or such Guarantor shall execute and deliver, within 270 days of the date of the formation or acquisition of a new Guarantor, the date upon which Excluded Property ceases to be classified as such, or the date of acquisition of Material Real Property, as applicable, (A) with regard to any Material Real Property or personal property (other than any Excluded Property), the items described in Section 11.05(a)(i)-(iii) below and (B) to the extent required by the Collateral Documents and subject to the Intercreditor Agreements, any information, documentation or other certificates (including but not limited to financing statements and Opinions of Counsel) to the Notes Collateral Agent as may be necessary to vest in the Notes Collateral Agent a perfected security interest, subject only to Permitted Liens and confirm the validity and priority of the Notes Collateral Agent's perfected security interest and lien on such Material Real Property or personal property (other than any Excluded Property) and to have such property added to the Collateral, and thereupon all provisions of this Indenture, the Notes and the Collateral Documents relating to the Collateral shall be deemed to relate to such property to the same extent and with the same force and effect. Additionally, if the Company or any Guarantor creates any additional security interest upon any property or asset in the nature of assets constituting ABL Collateral to secure any ABL Obligations after the Issue Date, it shall concurrently grant a security interest (subject to Permitted Liens, including, to the extent applicable, the first-priority Lien that secures the ABL Obligations and the prior Lien that secures the First Lien Notes Obligations) upon such property as security for the Second Lien Notes Obligations and any Pari Passu Lien Indebtedness with the priority required by the Intercreditor Agreements. If granting a security interest in such ABL Collateral requires the consent of a third party, the Company and the applicable Guarantor may not be required to obtain such consent with respect to the security interest for the benefit of the Notes Collateral Agent on behalf of the Holders of the Notes and each other secured party under the Collateral Documents to the extent such consent is not required to be obtained under the terms of the documents governing ABL Obligations. Additionally, if the Company or any Guarantor creates any additional security interest upon any property or asset in the nature of assets constituting Notes Collateral to secure any First Lien Notes Obligations after the Issue Date, it shall concurrently grant a security interest (subject to Permitted Liens, including, to the extent applicable, the first-priority Lien that secures the First Lien Notes Obligations and the prior Lien that secures the ABL Obligations) upon such property as security for the Second Lien Notes Obligations and any Pari Passu Lien Indebtedness with the priority required by the Intercreditor Agreements. If granting a security interest in such Notes Collateral requires the consent of a third party, the Company and the applicable Guarantor may not be required to obtain such consent with respect to the security interest for the benefit of the Notes Collateral Agent on behalf of the Holders of the Notes and each other secured party under the Collateral Documents to the extent such consent is not required to be obtained under the terms of the documents governing the First Lien Notes Obligations. For the avoidance of doubt, neither the Company nor any Guarantor shall be required to deliver (or make efforts to deliver) to the Notes Collateral Agent any lien waiver or access agreement from any landlord, bailee, carrier, customer or similar Person with respect to the Notes Collateral, notwithstanding any requirement to deliver (or make efforts to deliver) any such lien waiver or access agreement to the ABL Agent with respect to the ABL Collateral so long as the ABL Credit Facility is outstanding.

Section 11.04. *Impairment of Security Interest.* Neither the Company nor any of its Subsidiaries is permitted to take or knowingly or negligently omit to take any action which act or omission would or could reasonably be expected to have the result of materially impairing the security interest in

the Liens in favor of the Notes Collateral Agent for the benefit of the Trustee and the Holders with respect to the Collateral. Neither the Company nor any of its Subsidiaries shall grant to any Person, or permit any Person to retain (other than the Notes Collateral Agent, the First Lien Notes Collateral Agent or the ABL Agent), any interest whatsoever in the Collateral, other than Permitted Liens. Neither the Company nor any of its Subsidiaries will enter into any agreement that requires the proceeds received from any sale of Collateral to be applied to repay, redeem, defease or otherwise acquire or retire any Indebtedness of any Person, other than as permitted by this Indenture, the Notes, the Guarantees and the Collateral Documents. The Company shall, and shall cause each Guarantor to, at its sole cost and expense, execute and deliver all such agreements and instruments as necessary, or as the Trustee or the Notes Collateral Agent reasonably requests, to more fully or accurately describe the assets and property intended to be Collateral or the obligations intended to be secured by the Collateral Documents.

Section 11.05. *Post-Closing Collateral Documents.* (a) The Company shall, and shall cause the Guarantors, in each case, subject to the Intercreditor Agreements, to put in place the following documents (together with the Documents listed in (b), the "**Post-Closing Collateral Documents**"), following the Issue Date (but in any event not later than the date any such Post-Closing Collateral Documents are put in place for the benefit of the ABL Agent) to secure the ABL Credit Facility Obligations. Such Post-Closing Collateral Documents shall be reasonably satisfactory in form and substance to the Notes Collateral Agent and shall relate to Material Real Property as of the Issue Date. For the avoidance of doubt, the Notes Collateral Agent has the right but not the obligation to request instruction from the Holders as to whether the form and substance of such documents is satisfactory. Also, for the avoidance of doubt, neither the Trustee nor the Notes Collateral Agent shall be responsible for the failure of any Person to deliver the documents below, for monitoring such delivery or for the content or correctness of any document delivered to it:

(i) *Mortgages.* Fully executed counterparts of the Mortgages (it being understood and agreed that in the case of any Material Real Property in which the Company or any Guarantor has a leasehold interest where the terms of such leased Real Property (or applicable state law, if the lease is silent on the issue) prohibit a mortgage thereof, the Company or applicable Guarantor shall use commercially reasonable efforts to cause the landlord to allow a mortgage of such leased Real Property), together with evidence that (1) counterparts of the Mortgages have been (i) duly executed, acknowledged and delivered and (ii) properly filed in all filing or recording offices that the Notes Collateral Agent deems necessary or desirable in accordance with customary practices for real property interests of such type and for such location in order to create a valid second (subject to Permitted Liens) and subsisting Lien on the property described therein in favor of the Notes Collateral Agent for its benefit and the benefit of the Second Lien Notes Secured Parties and (2) all filing, documentary, stamp, intangible and recording taxes and fees have been paid, the delivery of a copy of a recorded Mortgage being sufficient evidence to satisfy the requirements of this Section 11.05(a); provided that if, in connection with the recording or filing of a Mortgage, a mortgage tax would be owed under applicable law in respect of the entire amount of the Obligations, then the amount secured by such Mortgage shall be limited to 100% of the then-estimated fair market value of the Real Property encumbered by such Mortgage (other than where another method is used to determine mortgage recording tax, such as allocation), as determined by the Company, provided, further, that such Mortgages, to the extent encumbering a Principal Property, shall provide that the Obligations secured by Principal Property or Principal Subsidiary Interests (together with any other CNTA Covered Debt) shall not exceed, at any time that any CNTA Covered Debt is incurred, the CNTA Limit at such time so as to not require any Bonds to be equally and ratably secured with the Obligations. For the avoidance of doubt, the Notes Collateral Agent has the right but not the obligation to request instruction from the Holders as to the filing or recording offices necessary or desirable to create a valid second Lien.

(ii) *As-Extracted Financing Statements*. In the case of any as-extracted collateral constituting ABL Collateral, the Company and each applicable Guarantor shall provide the Notes

Collateral Agent with financing statements in form appropriate for filing in the appropriate jurisdictions under the applicable Uniform Commercial Code in order to perfect Liens (subject to Permitted Liens) on such as-extracted collateral for the benefit of the Second Lien Notes Secured Parties.

(iii) *Counsel Opinions*. Customary opinions of counsel to the Company or Guarantor mortgagor with respect to the extent applicable to the perfection, enforceability, due authorization, execution and delivery of the applicable Mortgages and any related fixture filings in form and substance reasonably satisfactory to the Notes Collateral Agent.

(b) The Company shall, and shall cause the Guarantors, in each case, subject to the Intercreditor Agreements, to use all commercially reasonable efforts to put in place control agreements with respect to their deposit accounts (other than with respect to Excluded Accounts) following the Issue Date, but in any event not later than the date any such Post-Closing Collateral Documents are put in place for the benefit of the ABL Agent to secure the ABL Credit Facility Obligations to the extent required to be delivered pursuant to the Security Agreement and in accordance with the terms thereof. For the avoidance of doubt, the Notes Collateral Agent shall not be responsible for the failure of any Person to deliver such agreements, for monitoring such delivery or for the content or correctness of any such agreements delivered to it. For the avoidance of doubt, the Company shall be required to deliver to the Notes Collateral Agent a control agreement that is reasonably satisfactory to the Notes Collateral Agent and the depository bank with respect to the Collateral Account (if any) on the Issue Date.

(c) For the avoidance of doubt, if as provided in Section 7.02(e), the Notes Collateral Agent consults with counsel with respect to the Post-Closing Collateral Documents, all reasonable fees and expenses of such counsel shall be paid promptly by the Company.

Section 11.06. *Release of Liens on the Collateral*.

(a) Subject to the Intercreditor Agreements, the Notes Collateral Agent shall not at any time release the Collateral from the security interests created by the Collateral Documents unless such release is expressly in accordance with the provisions of this Indenture and the applicable Collateral Documents.

(b) Collateral will be released from the Liens and security interests created by the Collateral Documents at any time or from time to time in accordance with the provisions of this Indenture and the Collateral Documents. The Company and the Guarantors will be entitled to releases of property and assets included in the Collateral from the Liens securing Obligations under this Indenture, the Notes, the Guarantees, and the Collateral Documents under any one or more of the following circumstances, and such Liens on the following assets shall automatically, without requirement for consent or approval from the Holders, the Trustee or the Notes Collateral Agent and without the need for any further action by any Person (except as provided herein or in the applicable Collateral Document), be released, terminated and discharged upon any of the following:

(i) in whole, upon satisfaction and discharge of this Indenture as set forth in Section 12.01;

(ii) in whole, upon a legal defeasance or covenant defeasance as set forth in Section 8.02 or Section 8.03, as applicable;

(iii) in part, as to any property constituting Collateral (A) that is sold or otherwise disposed of by the Company or any of its Subsidiaries (other than to the Company or a Guarantor) in a transaction permitted by Section 3.02 and by the Collateral Documents, to the extent of the interest sold or disposed of, or otherwise not prohibited by this Indenture and the Collateral Documents; (B) that is cash or Net Proceeds withdrawn from the Collateral Account for any one or more purposes permitted by Section 3.02; (C) that is ABL Collateral, pursuant to the

terms of the ABL Intercreditor Agreement; (D) that is Notes Collateral, pursuant to the terms of the Notes Intercreditor Agreements or (E) that at any time becomes Excluded Property;

(iv) that is owned by a Guarantor that is released from its Guarantee in accordance with this Indenture;

(v) with the consent of Holders of 75% in aggregate principal amount of the Notes then outstanding in accordance with Section 9.02, provided, that, in the case of any release in whole pursuant to clauses, (i) and (ii) above, all amounts owing to the Trustee and the Notes Collateral Agent under this Indenture, the Notes, the Guarantees and the Collateral Documents have been paid; and

(vi) upon the incurrence by the Company or any Guarantor of any Permitted Lien on any Collateral that is a purchase money Lien, or is a pre-existing Lien on property acquired after the Issue Date where the terms of such Lien prohibit other Liens thereon.

(c) For all circumstances in Section 11.06(b) (other than with respect to clauses (iii) and (vi) thereof), the Company and each Guarantor will furnish to the Notes Collateral Agent, prior to each proposed release of Collateral pursuant to the Collateral Documents and this Indenture:

(i) an Officer's Certificate requesting such release, including a statement to the effect that all conditions precedent provided for in this Indenture and the Collateral Documents to such release have been complied with including the delivery to the Notes Collateral Agent of all documents required under this Section 11.06(c) and that the release is permitted by this Indenture and the Collateral Documents;

(ii) a form of such release (which release shall be in form reasonably satisfactory to the Notes Collateral Agent and shall provide that the requested release is without recourse or warranty to the Notes Collateral Agent);

(iii) all documents required by this Indenture and the Collateral Documents; and

(iv) an Opinion of Counsel to the effect that such accompanying documents constitute all documents required by this Indenture and the Collateral Documents and such release is authorized or permitted by the Collateral Documents and this Indenture.

Upon compliance by the Company or the Guarantors, as the case may be, with the conditions precedent set forth above in connection with any release of Collateral (whether or not such compliance is required under this Section 11.06(c)), and upon delivery by the Company or such Guarantor to the Notes Collateral Agent of an Opinion of Counsel to the effect that such conditions precedent have been complied with, (a) the Trustee or the Notes Collateral Agent shall promptly cause to be released and reconveyed to the Company, or the Guarantors, as the case may be, the released Collateral, and (b) upon written request by the Company or the applicable Guarantor, the Notes Collateral Agent will file, or authorize the filing of appropriate termination statements or other documents to terminate the security interest in the released Collateral.

(d) The release of any Collateral in accordance with the terms of this Indenture and the Collateral Documents shall not be deemed to impair the security under this Indenture in contravention of the provisions hereof or affect the Lien of this Indenture or the Collateral Documents if and to the extent the Collateral is released pursuant to this Indenture or the Collateral Documents or upon the termination of this Indenture. Any person may rely on this (d) in delivering a certificate requesting release of any collateral.

Section 11.07. *Authorization of Actions to be Taken by the Trustee or the Notes Collateral Agent Under the Collateral Documents*.

(a) Subject to the provisions of this Indenture and the Collateral Documents, each of the Trustee and the Notes Collateral Agent may (but shall not be obligated to), and at the direction of the Holders of a majority of the aggregate principal amount of then outstanding Notes shall, on behalf of the Holders, take all actions it deems necessary or appropriate in order to (i) enforce any of its rights or any of the rights of the Holders under the Collateral Documents and (ii) collect and receive any and all amounts payable in respect of the Collateral in respect of the obligations of the Company and the Subsidiaries hereunder and thereunder. Subject to the provisions of the Collateral Documents, the Trustee or the Notes Collateral Agent shall have the power to institute and to maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any acts that may be unlawful or in violation of the Collateral Documents or this Indenture, and such suits and proceedings as the Trustee or the Notes Collateral Agent may deem expedient to preserve or protect its interest and the interests of the Holders in the Collateral (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of the Holders or the Trustee).

(b) Neither the Trustee nor the Notes Collateral Agent shall be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence, bad faith or willful misconduct on the part of the Trustee or the Notes Collateral Agent, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of any Grantor to the Collateral, for insuring the Collateral, for the payment of taxes, charges, assessments or Liens upon the Collateral or otherwise as to the maintenance of the Collateral, or for the sufficiency of the form or substance of any Collateral Document. Neither the Trustee nor the Notes Collateral Agent shall have any responsibility for recording, filing, re-recording or refiling any financing statement, continuation statement, document, instrument or other notice in any public office at any time or times or to otherwise take any action to perfect or maintain the perfection of any security interest granted to it under the Collateral Documents or otherwise.

(c) Where any provision of this Indenture requires that additional property or assets be added to the Collateral, the Company and the relevant Guarantor shall deliver to the Trustee or the Notes Collateral Agent the following:

(i) a written notice from the Company of such Collateral;

(ii) the form of instrument adding such Collateral, which, based on the type and location of the property subject thereto, shall be in substantially the form of the applicable Collateral Documents entered into on the date of this Indenture, with such changes thereto as the Company shall consider appropriate, or in such other form as the Company shall deem proper; provided that any such changes or such form are administratively satisfactory to the Trustee and the Notes Collateral Agent;

(iii) an Officer's Certificate to the effect that the Collateral being added is in the form, consists of the assets and is in the amount or otherwise has the fair market value required by this Indenture;

(iv) an Officer's Certificate and, in the case of Collateral being added with respect to a new Note Guarantee, an Opinion of Counsel, to the effect that all conditions precedent provided for in this Indenture to the addition of such Collateral have been complied with, which Opinion of

Counsel (if any) shall provide customary opinions as to the creation and perfection of the Notes Collateral Agent's Lien on such Collateral and as to the due authorization, execution, delivery, validity and enforceability of the Collateral Document being entered into; and

(v) such financing statements, if any, as shall be necessary to perfect the Notes Collateral Agent's security interest in such Collateral.

(d) The Trustee and/or the Notes Collateral Agent, as applicable, in giving any consent or approval under the Collateral Documents, shall be entitled to receive, as a condition to such consent or approval, an Officer's Certificate and an Opinion of Counsel to the effect that the action or omission for which consent or approval is to be given does not impair the security of the Holders in contravention of the provisions of this Indenture and the Collateral Documents, and the Trustee and/or the Notes Collateral Agent shall be fully protected in giving such consent or approval on the basis of such Officer's Certificate and Opinion of Counsel.

(e) The Notes Collateral Agent agrees that it shall not be obliged to, unless specifically requested to do so by the Holders of a majority in aggregate principal amount of the then outstanding Notes, take or cause to be taken any action to enforce its rights under this Indenture, the Notes or the Collateral Documents or against any Guarantor, including the commencement of any legal or equitable proceedings, to foreclose any Lien on, or otherwise enforce any security interest in, any of the Collateral.

(f) If at any time or times the Trustee shall receive (i) by payment, foreclosure, set-off or otherwise, any proceeds of Collateral or any payments with respect to the Second Lien Notes Obligations arising under, or relating to, this Indenture, except for any such proceeds or payments received by the Trustee from the Notes Collateral Agent pursuant to the terms of this Indenture, or (ii) payments from the Notes Collateral Agent in excess of the amount required to be paid to the Trustee pursuant to Article 6, the Trustee shall promptly turn the same over to the Notes Collateral Agent, in kind, and with such endorsements as may be required to negotiate the same to the Notes Collateral Agent, such proceeds to be applied by the Notes Collateral Agent pursuant to the terms of this Indenture and the Collateral Documents.

Section 11.08. *Collateral Accounts*.

(a) The Trustee is authorized to receive any funds for the benefit of the Holders distributed under, and in accordance with, the Collateral Documents, and to make further distributions of such funds to the Holders according to the provisions of this Indenture and the Collateral Documents.

(b) The Collateral Account shall be a deposit account maintained with, and under the sole control of, the Notes Priority Agent and shall be established and maintained by Bank of America, N.A. All cash and Cash Equivalents received by the Notes Collateral Agent from Asset Dispositions of Notes Collateral, Recovery Events with regards to Notes Collateral, Asset Dispositions with regards to Notes Collateral, foreclosures of or sales of the Notes Collateral pursuant to the Collateral Documents, including earnings, revenues, rents, issues, profits and income from the Notes Collateral received pursuant to the Collateral Documents, shall, subject to the Intercreditor Agreements, be deposited in the Collateral Account to the extent required by this Indenture or the Collateral Documents, and thereafter shall be held, applied and/or disbursed by the Notes Priority Agent to the Trustee in accordance with the terms of this Indenture (including, without limitation, Section 2.01(a), Section 3.02, Section 6.10 and (a)). In connection with any and all deposits to be made into the Collateral Account under this Indenture, the Notes Collateral Agent shall receive an Officer's Certificate directing the Notes Collateral Agent to make such deposit.

(c) Pending the distribution of funds in the Collateral Account in accordance with the provisions hereof and provided that no Event of Default shall have occurred and be continuing, the Company may direct the Notes Collateral Agent in writing to invest such funds in Cash Equivalents

specified in such direction, such investments to mature by the times such funds are needed hereunder and such direction to certify that such funds constitute Cash Equivalents and that no Event of Default shall have occurred and be continuing. The Company acknowledges that for so long as the Notes Collateral Agent holds Cash pending investment direction from the Company, such Cash will be uninvested until one (1) Business Day after the Notes Collateral Agent receives such direction from the Company. So long as no Event of Default shall have occurred and be continuing, the Company may direct the Trustee to sell, liquidate or cause the redemption of any such investments and to transmit the proceeds to the Company or its designee, in each case, to the extent permitted under Section 2.01(a) and Section 3.02, such direction to certify that no Event of Default shall have occurred and be continuing. Any gain or income on any investment of funds in the Collateral Account shall be credited to the Collateral Account. Neither the Trustee nor the Notes Collateral Agent shall have any liability for any loss incurred in connection with any investment or any sale, liquidation or redemption thereof made in accordance with the provisions of this (c).

Section 11.09. *Appointment and Authorization of U.S. Bank National Association as Notes Collateral Agent*.

(a) U.S. Bank National Association is hereby designated and appointed as the Notes Collateral Agent of the Holders under the Collateral Documents, and is authorized as the Notes Collateral Agent for such Holders to execute and enter into each of the Collateral Documents and all other instruments relating to the Collateral Documents and (i) to take action and exercise such powers as are expressly required or permitted hereunder and under the Collateral Documents and all instruments relating hereto and thereto including, without limitation, entering into any amendments, supplements, modifications, joinders or intercreditor agreements relating thereto and (ii) to exercise such powers and perform such duties as are in each case, expressly delegated to the Notes Collateral Agent by the terms hereof and thereof together with such other powers as are reasonably incidental hereto and thereto.

(b) Notwithstanding any provision to the contrary elsewhere in this Indenture or the Collateral Documents, the Notes Collateral Agent shall not have any duties or responsibilities except those expressly set forth herein or therein or any fiduciary relationship with any Holder, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Indenture, any Collateral Document or otherwise exist against the Notes Collateral Agent. The Company and each Holder, by acceptance of the Notes and the Guarantees acknowledges and agrees that, consistent with the provisions of Article 7, the privileges, rights, compensation, indemnities, immunities and exculpatory provisions contained in this Indenture that apply to and benefit the Trustee or the Notes Collateral Agent, respectively, shall also apply to and benefit the Trustee or the Notes Collateral Agent, respectively, whether it is acting under this Indenture, the other Note Documents or the Collateral Documents.

(c) The Notes Collateral Agent shall incur no liability to anyone in acting upon any signature, instrument, statement, notice, resolution, request, direction, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by it to be genuine and reasonably believed by it to be signed by the proper party or parties. The Notes Collateral Agent may exercise any of its rights or powers hereunder or perform any of its duties hereunder either directly or by or through agents or attorneys, and the Notes Collateral Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed hereunder with due care by it. Anything in this Indenture or the Collateral Documents notwithstanding, in no event shall the Notes Collateral Agent be liable for special, indirect or consequential damage of any kind whatsoever (including but not limited to lost profits), even if the Notes Collateral Agent has been advised of such loss or damage and regardless of the form of action. The Company and Grantors, shall, jointly and severally, indemnify and hold harmless the Notes Collateral Agent, its directors, officers, agents and employees with respect to any and all expenses, losses, damages, liabilities, demands, charges, causes of action, judgments and claims of any nature (including the reasonable fees and expenses of counsel and other experts) in respect of or arising from any acts or omissions performed or omitted by the Notes Collateral Agent, its directors, officers, agents or employees hereunder or under the Collateral Documents or under any other agreement executed in

connection therewith without willful misconduct, gross negligence or reckless disregard of its duties hereunder or under the Collateral Documents or under any other agreement executed in connection therewith. The Notes Collateral Agent shall also be afforded all of the other rights, protections, indemnities and immunities afforded to the Trustee hereunder.

(d) The Notes Collateral Agent may resign at any time subject to all of the same terms and procedures as pertain to the Trustee under this Indenture.

(e) The provisions of this Article 11 are solely for the benefit of the Notes Collateral Agent and the Trustee, and none of the Holders, any of the Holders of the First Lien Notes, the First Lien Notes Collateral Agent, or any of the Guarantors (other than with respect to Sections 11.06 and 11.07) shall have any rights as a third-party beneficiary of any of the provisions contained herein. Each Holder agrees that any action taken by the Notes Collateral Agent in accordance with the provisions of this Indenture and the Collateral Documents, and the exercise by the Notes Collateral Agent of any rights or remedies set forth herein or therein, shall be authorized and binding upon all Holders.

(f) Notwithstanding any provision to the contrary contained elsewhere in this Indenture and the Collateral Documents, the duties of the Notes Collateral Agent shall be ministerial and administrative in nature, and the Notes Collateral Agent shall not have any duties or responsibilities, except those expressly set forth herein and in the other Second Lien Notes Documents or Collateral Documents to which the Notes Collateral Agent is a party, nor shall the Notes Collateral Agent have or be deemed to have any trust or other fiduciary relationship with the Trustee, any Holder, any Holder of any First Lien Notes, or any Guarantor, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Indenture, the Collateral Documents or otherwise exist against the Notes Collateral Agent. Without limiting the generality of the foregoing sentence, the use of the term “agent” in this Indenture with reference to the Notes Collateral Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

(g) The Notes Collateral Agent shall be accountable only for amounts that it actually receives as a result of the exercise of its powers hereunder or under the Collateral Documents, and neither the Notes Collateral Agent nor any of its officers, directors, employees, attorneys, representatives or agents shall be responsible for any act or failure to act hereunder, except to the extent such act is found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from its own gross negligence or willful misconduct.

(h) The Notes Collateral Agent is each Holder’s agent for the purpose of perfecting such Holders’ security interest in assets which, in accordance with Article 9 of the Uniform Commercial Code, can be perfected only by possession. Should the Trustee obtain possession of any such Collateral, the Trustee shall notify the Notes Collateral Agent thereof and promptly shall deliver such Collateral to the Notes Collateral Agent or otherwise deal with such Collateral in accordance with the Notes Collateral Agent’s instructions.

(i) Notwithstanding anything to the contrary contained in this Indenture or the Collateral Documents, in the event the Notes Collateral Agent is instructed by the Trustee on behalf of the Holders to commence an action to foreclose or otherwise exercise its remedies to acquire control or possession of the Collateral, the Notes Collateral Agent shall not be required to commence any such action or exercise any remedy or to inspect or conduct any studies of any property under any mortgages or take any such other action if the Notes Collateral Agent believes that it may incur personal liability as a result of the presence at, or release on or from, the Collateral or such property, of any hazardous substances unless the Notes Collateral Agent has received security or indemnity from the Holders (and the holders of other First Lien Note Obligations (if any) whose representative has similarly instructed the Notes Collateral Agent) in an amount and in a form all satisfactory to the Notes Collateral Agent in its sole discretion,

protecting the Notes Collateral Agent from all such liability. The Notes Collateral Agent shall at any time be entitled to cease taking any action described above if it no longer believes that the indemnity, security or undertaking from the Company or the Holders (or holders of other First Lien Note Obligations (if any), as applicable) is sufficient.

(j) The Notes Collateral Agent does not assume any responsibility for any failure or delay in performance or any breach by the Company or any Guarantor under this Indenture or the Collateral Documents. The Notes Collateral Agent shall not be responsible to the Holders or any other Person for any recitals, statements, information, representations or warranties contained in any Second Lien Notes Documents or in any certificate, report, statement, or other document referred to or provided for in, or received by the Notes Collateral Agent under or in connection with, this Indenture or the Collateral Documents.

(k) The Notes Collateral Agent shall not be required to initiate or conduct any litigation or collection or other proceeding under this Indenture or the Collateral Documents except as expressly set forth hereunder or thereunder. The Notes Collateral Agent shall have the right at any time to seek instructions from the party or parties entitled to give instructions to it under the terms of this Indenture and the Collateral Documents.

(l) The parties hereto and the Holders hereby agree and acknowledge that the Notes Collateral Agent shall not assume, be responsible for or otherwise be obligated for any liabilities, claims, causes of action, suits, losses, allegations, requests, demands, penalties, fines, settlements, damages (including foreseeable and unforeseeable), judgments, expenses and costs (including but not limited to, any remediation, corrective action, response, removal or remedial action, or investigation, operations and maintenance or monitoring costs, for personal injury or property damages, real or personal) of any kind whatsoever, pursuant to any environmental law as a result of this Indenture or the Collateral Documents, or any actions taken pursuant hereto or thereto. Further, the parties hereto and the Holders hereby agree and acknowledge that in the exercise of its rights under this Indenture and the Collateral Documents, the Notes Collateral Agent may hold or obtain indicia of ownership primarily to protect the security interest of the Notes Collateral Agent in the Collateral, including without limitation the properties constituting Material Real Property, and that any such actions taken by the Notes Collateral Agent shall not be construed as or otherwise constitute any participation in the management of such Collateral, including without limitation the Material Real Property, as those terms are defined in Section 101(20)(E) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 et seq., as amended.

(m) With respect to the Collateral Documents to be executed after the Issue Date, upon the receipt by the Notes Collateral Agent of a written request of the Company signed by two Officers (a "**Security Document Order**"),which shall confirm that the security documents being delivered to the Notes Collateral Agent for execution are final and acceptable to the Company, the Notes Collateral Agent shall execute and enter into such security documents without the further consent of any Holder or the Trustee. Such Security Document Order shall (i) state that it is being delivered to the Notes Collateral Agent pursuant to, and is a Security Document Order referred to in, this Section 11.09(m), and (ii) instruct the Notes Collateral Agent to execute and enter into such Collateral Document. Any such execution of a Collateral Document shall be at the direction and expense of the Company, upon delivery to the Notes Collateral Agent of an Officer's Certificate and Opinion of Counsel stating that all conditions precedent to the execution and delivery of Collateral Document have been satisfied. The Holders, by their acceptance of the Notes, hereby authorize and direct the Notes Collateral Agent to execute such Collateral Documents.

(n) With respect to any Notes Intercreditor Agreement executed after the Issue Date, on terms substantially similar to the Notes Intercreditor Agreement entered into on the Issue Date, related to the issuance of Additional First Lien Indebtedness permitted under the terms of this Indenture that is secured by Liens on the Collateral that are junior to the Liens securing the First Lien Notes but senior to the Liens securing the Notes, upon the receipt by the Notes Collateral Agent of a written request of the

Company signed by two Officers (an " **Intercreditor Agreement Order**"), which shall confirm that the Notes Intercreditor Agreement being delivered to the Notes Collateral Agent for execution are final and acceptable to the Company, the Notes Collateral Agent shall execute and enter into such intercreditor agreement without the further consent of any Holder or the Trustee. Such Intercreditor Order shall (i) state that it is being delivered to the Notes Collateral Agent pursuant to, and is an Intercreditor Agreement Order referred to in, this Section 11.09(n), and (ii) instruct the Notes Collateral Agent to execute and enter into such Notes Intercreditor Agreement. Any such execution of a Notes Intercreditor Agreement shall be at the direction and expense of the Company, upon delivery to the Notes Collateral Agent of an Officer's Certificate and Opinion of Counsel stating that all conditions precedent to the execution and delivery of Notes Intercreditor Agreement have been satisfied. The Holders, by their acceptance of the Notes, hereby authorize and direct the Notes Collateral Agent to execute such Notes Intercreditor Agreement.

(o) The Notes Collateral Agent is authorized to receive any funds for the benefit of itself, the Trustee and the Holders distributed under the Collateral Documents and to the extent not prohibited under the Collateral Documents, turnover such funds to the Trustee to make further distributions of such funds to itself and the Holders in accordance with the provisions of Section 11.08(a) and the other provisions of this Indenture and the Collateral Documents.

ARTICLE 12
SATISFACTION AND DISCHARGE

Section 12.01. *Satisfaction and Discharge*.

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder and Guarantees thereof, when:

(a) either:

(i) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Company, have been delivered to the Trustee for cancellation; or

(ii) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing or other delivery of a notice of redemption or otherwise or will become due and payable within one year and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable U.S. Government Obligations, or a combination of cash in U.S. dollars and non- callable U.S. Government Obligations, in such amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium and accrued interest to the maturity date or Redemption Date;

(b) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) and the deposit will not result in a breach or violation of, or constitute a default under, any other material instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound;

(c) the Company or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture (other than contingent obligations or indemnification obligations, in each case for which no claim has been asserted); and

(d) the Company has delivered irrevocable written instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity date or on the Redemption Date, as the case may be.

In addition, the Company must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to clause (a) (ii) of this Section 12.01, the provisions of Section 8.06 and Section 12.02 shall survive. In addition, nothing in this Section 12.01 will be deemed to discharge those provisions of Section 7.07, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section 12.02. *Application of Trust Money.* Subject to the provisions of Section 8.06, all money deposited with the Trustee pursuant to Section 12.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the Notes, this Indenture, and the Intercreditor Agreements to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or U.S. Government Obligations in accordance with Section 12.01 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's and any Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 12.01; provided that if the Company has made any payment of principal of, premium, if any, or interest on, any Notes because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or U.S. Government Obligations held by the Trustee or Paying Agent.

ARTICLE 13
MISCELLANEOUS

Section 13.01. *Reserved*.

Section 13.02. *Notices.* All notices or communications required by this Indenture shall be in writing and delivered in person, sent by facsimile or electronic transmission in the form of a "pdf" on letterhead (if applicable) and signed by an authorized signer delivered by commercial courier service or mailed by first-class mail, postage prepaid, addressed as follows:

if to the Company or to any Guarantor:

Cliffs Natural Resources Inc.
200 Public Square, Suite 3300
Cleveland, Ohio 44114
Fax: (216) 694-6509
Attention: James Graham, Executive Vice President, Chief Legal Officer & Secretary

with a copy to:

Jones Day
North Point
901 Lakeside Avenue
Cleveland, Ohio 44114

Attention: Michael J. Solecki
Fax: (216) 579-0212

if to the Trustee or Notes Collateral Agent, at

U.S. Bank National Association
1350 Euclid Avenue, Suite 1100
Cleveland, Ohio 44115
Attention: Corporate Trust Services/Account Administrator
Fax: (216) 623-9202

The Company or the Trustee or the Notes Collateral Agent by written notice to the other may designate additional or different addresses for subsequent notices or communications.

Any notice or communication to the Company, the Guarantors, the Trustee, or the Notes Collateral Agent shall be deemed to have been given or made as of the date so delivered if personally delivered; when receipt is acknowledged, if transmitted by facsimile or electronic transmission (including "pdf" on letterhead (if applicable) and signed by an authorized signer); the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery, and five calendar days after mailing if sent by registered or certified mail, postage prepaid (except that a notice of change of address shall not be deemed to have been given until actually received by the addressee). Any written notice or communication to the Trustee or the Notes Collateral Agent shall be deemed delivered upon receipt.

Any written notice or communication mailed to a Holder' shall be mailed to the Holder at the Holder's address as it appears in the Notes Register and shall be sufficiently given if so mailed within the time prescribed.

Failure to mail a written notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a written notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it, except that notices to the Trustee or the Notes Collateral Agent shall be effective only upon receipt.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such written notice by mail, then such notification as shall be made with the approval of the Trustee or the Notes Collateral Agent shall constitute a sufficient notification for every purpose hereunder.

Section 13.03. *Communication by Holders With Other Holders.* Holders may communicate pursuant to TIA § 312(b) with other Holders with respect to their rights under this *Indenture or the Notes*. The Company, the Trustee, the Notes Collateral Agent, the Registrar and anyone else shall have the protection of TIA § 312(c).

Section 13.04. *Certificate and Opinion as to Conditions Precedent.* Upon any request or application by the Company to the Trustee or the Notes Collateral Agent to take or refrain from taking any action under this Indenture or the Collateral Documents, the Company shall furnish to the Trustee:

(a) an Officer's Certificate in form reasonably satisfactory to the Trustee or the Notes Collateral Agent, stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture and the applicable Collateral Documents relating to the proposed action have been complied with; and

(b) an Opinion of Counsel in form reasonably satisfactory to the Trustee or Notes Collateral Agent stating that, in the opinion of such counsel, all such conditions precedent have been complied with.

Section 13.05. *Statements Required in Certificate or Opinion.* Each certificate or opinion with respect to compliance with a covenant or condition provided for in this Indenture shall include:

(a) a statement that the individual making such certificate or opinion has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of such individual, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(d) a statement as to whether or not, in the opinion of such individual, such covenant or condition has been complied with.

In giving such Opinion of Counsel, counsel may rely as to factual matters on an Officer's Certificate or on certificates of public officials.

Section 13.06. *[Reserved]*

Section 13.07. *Rules by Trustee, Paying Agent and Registrar.* The Trustee may make reasonable rules for action by, or at meetings of, Holders. The Registrar and the Paying Agent may make reasonable rules for their functions.

Section 13.08. *Business Days.* If a payment date is not a Business Day, payment shall be made on the next succeeding day that is a Business Day, and no interest shall accrue for the intervening *period*. If a regular record date is not a Business Day, the record date shall not be affected.

Section 13.09. *GOVERNING LAW.* THIS INDENTURE, THE NOTES, THE GUARANTEES AND THE COLLATERAL DOCUMENTS (OTHER THAN THE MORTGAGES) SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. EACH OF THE PARTIES HERETO AGREES TO SUBMIT TO THE JURISDICTION OF THE STATE COURTS OF, AND THE FEDERAL COURTS LOCATED IN, THE STATE OF NEW YORK IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES, THE NOTE GUARANTEES AND THE COLLATERAL DOCUMENTS (OTHER THAN THE MORTGAGES).

Section 13.10. *No Recourse Against Others.* An incorporator, director, officer, employee, member, partner or stockholder of the Company or any Guarantor, solely by reason of this status, shall not have any liability for any obligations of the Company or any Guarantor under the Notes, this Indenture or the Guarantees or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are a part of the consideration for the issuance of the Notes.

The waiver may not be effective to waive liability under the federal securities laws.

Section 13.11. *Successors.* All agreements of the Company and each Guarantor in this Indenture and the Notes shall bind their respective successors. All agreements of the Trustee or the Notes Collateral Agent in this Indenture shall bind its successors.

Section 13.12. *Multiple Originals.* The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. One signed copy is enough to prove this Indenture. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture

as to the parties hereto and may be used in lieu of the original Indenture and signature pages for all purposes.

In case any provision in this Indenture, the Notes, the Guarantees, or the Intercreditor Agreements is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.13. *Table of Contents; Headings.* The table of contents, cross-reference sheet and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof.

Section 13.14. *WAIVERS OF JURY TRIAL.* THE COMPANY, THE GUARANTORS, THE NOTES COLLATERAL AGENT AND THE TRUSTEE HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS INDENTURE, THE NOTES, THE GUARANTEES OR ANY COLLATERAL DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

Section 13.15. *Intercreditor Agreements Control.* Notwithstanding any contrary provision in this Indenture but subject to Section 2.06(h) and Article 7 of this Indenture and subject to the exculpatory and indemnification provisions of Article 11 of this Indenture that benefit the Trustee and the Notes Collateral Agent, this Indenture is subject to the provisions of the Intercreditor Agreements. The Company, the Guarantors, the Notes Collateral Agent and the Trustee acknowledge and agree to be bound by the provisions of the Intercreditor Agreements, subject to Section 2.06(h) and Article 7 of this Indenture and subject to the exculpatory and indemnification provisions of Article 11 of this Indenture that benefit the Trustee and the Notes Collateral Agent.

Section 13.16. *Force Majeure.* In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, it being understood that the Trustee shall use reasonable best efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 13.17. *Severability.* In case any provision in this Indenture, the Notes, the Guarantees, or the Intercreditor Agreements is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties have caused this Indenture to be duly executed all as of the date and year first written above.

CLIFFS NATURAL RESOURCES INC.

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Executive Vice President and Chief Financial Officer

CLIFFS TIOP HOLDING, LLC
CLIFFS EMPIRE HOLDING, LLC
THE CLEVELAND-CLIFFS IRON COMPANY

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Treasurer

CLF PINNOAK LLC

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Senior Vice President, Chief Financial Officer and Treasurer

CLIFFS EMPIRE, INC.
CLIFFS INTERNATIONAL MANAGEMENT COMPANY LLC
CLIFFS MINNESOTA MINING COMPANY
CLIFFS NORTH AMERICAN COAL LLC
CLIFFS TIOP, INC.
CLIFFS UTAC HOLDING LLC
LAKE SUPERIOR & ISHPEMING RAILROAD COMPANY
OAK GROVE LAND COMPANY, LLC
CLIFFS MINING SERVICES COMPANY
NORTHSHORE MINING COMPANY
OAK GROVE RESOURCES, LLC
PICKANDS HIBBING CORPORATION
PINNACLE LAND COMPANY, LLC
PINNACLE MINING COMPANY, LLC
SILVER BAY POWER COMPANY
UNITED TACONITE LLC

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie

Title: Vice President and Treasurer

CLIFFS MINING COMPANY
CLIFFS MINING HOLDING SUB COMPANY
CLIFFS PICKANDS HOLDING, LLC
CLIFFS MINING HOLDING, LLC

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Executive Vice President, Chief Financial Officer and Treasurer

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: U.S. Bank National Association

By: /s/ Elizabeth A. Thuning
Name: Elizabeth A. Thuning
Title: Vice President and Site Manager

U.S. BANK NATIONAL ASSOCIATION, as Notes Collateral Agent

By: U.S. Bank National Association

By: /s/ Elizabeth A. Thuning
Name: Elizabeth A. Thuning
Title: Vice President and Site Manager

[*Signature Page to Indenture*]

EXHIBIT A

[FACE OF NOTE]

No. [ ] Principal Amount $[ ]

CUSIP NO. [ ]

CLIFFS NATURAL RESOURCES INC.

7.75% Second Lien Senior Secured Note due 2020

Cliffs Natural Resources Inc., an Ohio corporation, promises to pay to Cede & Co., or its registered assigns, the principal sum of [ ] Dollars ($[ ]), [, as revised by the Schedule of Increases and Decreases in Global Note attached hereto,] on March 31, 2020.

Interest Payment Dates: March 31 and September 30

Record Dates: March 16 and September 15

Additional provisions of this Note are set forth on the other side of this Note.

CLIFFS NATURAL RESOURCES INC.

By: _____

Name:

Title:

Dated: March 30, 2015

CERTIFICATE OF AUTHENTICATION

This is one of the Notes issued under the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Name:
Title:

[REVERSE SIDE OF NOTE]
CLIFFS NATURAL RESOURCES INC.

7.75% Second Lien Senior Secured Note due 2020

1. **Interest**

Cliffs Natural Resources Inc., an Ohio corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "**Company**"), promises to pay interest on the principal amount of this Note at the rate per annum shown above.

The Company will pay interest semiannually on March 31 and September 30 of each year commencing September 30, 2015. [Interest on the Notes will accrue from the most recent date to which interest has been paid on the Notes or, if no interest has been paid, from March 30, 2015.] [Interest on this Note will accrue (or will be deemed to have accrued) from the most recent date to which interest on this Note or any of its predecessor Notes has been paid or duly provided for or, if no such interest has been paid, from _____, _____.] The Company shall pay interest on overdue principal, and on overdue premium, if any (plus interest on such interest to the extent lawful), at the rate borne by the Notes to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

2. **Method of Payment**

By no later than 10:00 a.m. (New York City time) on the date on which any principal of, premium, if any, or interest on any Note is due and payable, the Company shall deposit with the Trustee or the Paying Agent money sufficient to pay such principal, premium, if any, and/or interest when due. The Company will pay interest (except Defaulted Interest) to the Persons who are registered Holders of Notes at the close of business on the March 16 or September 15 next preceding the interest payment date even if Notes are cancelled, repurchased or redeemed after the record date and on or before the interest payment date. Holders must surrender Notes to a Paying Agent to collect principal payments. The Company will pay principal, premium, if any, and interest in money of the United States that at the time of payment is legal tender for payment of public and private debts. Payments in respect of Notes represented by a Global Note (including principal, premium, if any, and interest) will be made by wire transfer of immediately available funds to the accounts specified by The Depository Trust Company or any successor depository. The Company will make all payments in respect of a Definitive Note (including principal, premium, if any, and interest) by mailing a check to the registered address of each Holder thereof; provided, however, that payments on the Notes may also be made, in the case of a Holder of at least $1,000,000 aggregate principal amount of Notes represented by Definitive Notes, by wire transfer to a U.S. dollar account maintained by the payee with a bank in the United States if such Holder elects payment by wire transfer by giving written notice to the Trustee at the Corporate Trust Office or the Paying Agent at the Corporate Trust Office to such effect designating such account no later than 15 days immediately preceding the relevant due date for payment (or such other date as the Trustee may accept in its discretion).

3. **Paying Agent and Registrar**

Initially, U.S. Bank National Association (the "**Trustee**") will act as Trustee, Paying Agent and Registrar. The Company may appoint and change any Paying Agent, Registrar, co-registrar or transfer agent without notice to any Holder. The Company or any of its domestically organized, wholly owned Subsidiaries may act as Paying Agent, Registrar or co- registrar.

4. **Indenture**

The Company issued the Notes under an Indenture, dated as of March 30, 2015 (as it may be amended or supplemented from time to time in accordance with the terms thereof, the "**Indenture**"), among the Company, the Guarantors, the Trustee and the Notes Collateral Agent. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S.C. §§ 77aaa-77bbbb) (the "**Act**"), although the Indenture is not required to be qualified under the Act. Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to all terms and provisions of the Indenture, and Holders are referred to the Indenture and the Act for a statement of those terms.

The Notes are senior secured obligations of the Company. The aggregate principal amount of Notes that may be authenticated and delivered under the Indenture is unlimited. This Note is one of the 7.75% Second Lien Senior Secured Notes due 2020 referred to in the Indenture. The Notes include (i) $544,156,000 aggregate principal amount of the Company's 7.75% Second Lien Senior Secured Notes due 2020 issued under the Indenture on March 30, 2015 (herein called "**Initial Notes**") and (ii) if and when issued, additional 7.75% Second Lien Senior Secured Notes due 2020 of the Company that may be issued from time to time under the Indenture subsequent to March 30, 2015 (herein called "**Additional Notes**") as provided in Section 2.01 of the Indenture. The Initial Notes and Additional Notes are treated as a single class of securities under the Indenture and shall be secured by second-priority and third-priority Liens and security interests, subject to Permitted Liens, in the Collateral. The Indenture imposes certain restrictions on the incurrence of certain liens, sale-leaseback transactions, secured debt and the consummation of mergers and consolidations. The Indenture also imposes requirements with respect to the provision of financial information and the provision of guarantees of the Notes by certain subsidiaries.

To guarantee the due and punctual payment of the principal, premium, if any, and interest (including post-filing or post-petition interest) on the Notes and all other amounts payable by the Company under the Indenture, the Notes and the Collateral Documents (including expenses and indemnification) when and as the same shall be due and payable, whether at maturity, by acceleration or otherwise, according to the terms of the Notes and the Indenture, the Guarantors have as primary obligors and not merely as sureties, irrevocably and unconditionally guaranteed (and future guarantors, together with the Guarantors, will unconditionally guarantee), jointly and severally, on a senior secured basis, all such obligations pursuant to the terms of the Indenture.

5. **Redemption and prepayment**

Except as described below, the Notes will not be redeemable at the Company's option prior to March 31, 2017.

Prior to March 31, 2017 the Company may, at any time and from time to time, redeem in the aggregate up to 35% of the aggregate principal amount of the Notes originally issued under the Indenture with the net cash proceeds of one or more Equity Offerings by the Company at a redemption price (expressed as a percentage of principal amount thereof) of 107.750%, plus accrued and unpaid interest, if any, to, but excluding, the Redemption Date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); provided, however, that:

(1) at least 65% of the aggregate principal amount of Notes originally issued under the Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

Prior to March 31, 2017, the Company may, at any time and from time to time, also redeem all or a part of the Notes, upon not less than 30 days' nor more than 60 days' prior notice mailed (or to the extent permitted or required by applicable DTC procedures or regulations with respect to Global Notes sent electronically) by first- class mail to each Holder's registered address or otherwise delivered in accordance with the procedures of DTC, at a redemption price equal to the sum of (i) 100.000% of the principal amount of Notes redeemed and (ii) the Applicable Premium as of, and accrued and unpaid interest to, but excluding, the Redemption Date, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date.

On or after March 31, 2017 the Company may on one or more occasions redeem all or a part of the Notes upon not less than 30 days nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest on the Notes redeemed, to, but excluding, the applicable Redemption Date, if redeemed during the twelve-month period beginning on March 31 of the years indicated below, subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	**Percentage**
2017	103.875%
2018	101.938%
2019 and thereafter	100.000%

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable Redemption Date.

"**Adjusted Treasury Rate**" means, with respect to any Redemption Date, (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after March 31, 2017, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Adjusted Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date, in each case calculated on the third Business Day immediately preceding the Redemption Date, plus 0.50%.

"**Applicable Premium**" means, with respect to any Note on any Redemption Date the excess of (if any) (A) the present value at such Redemption Date of (1) the redemption price of such Note on March 31, 2017 plus (2) all required remaining scheduled interest payments due on such note through March 31, 2017, excluding in each case accrued and unpaid interest to, but excluding, the Redemption Date, computed by the Company using a discount rate equal to the Adjusted Treasury Rate, over (B) the principal amount of such note on such Redemption Date:

"**Comparable Treasury Issue**" means the United States Treasury security selected by the Quotation Agent as having a maturity comparable to the remaining term of the notes from the Redemption Date to March 31, 2017, that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a maturity most nearly equal to March 31, 2017.

"**Comparable Treasury Price**" means, with respect to any Redemption Date, if clause (ii) of the definition of Adjusted Treasury Rate is applicable, the average of three, or such lesser number as is obtained by the Company, Reference Treasury Dealer Quotations for such Redemption Date.

"**Reference Treasury Dealer**" means each of Merrill Lynch, Pierce, Fenner & Smith Incorporated and its respective successors and assigns, and any other nationally recognized investment banking firm selected by the Company and identified to the Trustee by written notice from the Company that is a primary U.S. Government securities dealer.

"**Reference Treasury Dealer Quotations**" means with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Quotation Agent, of the bid and asked prices for the comparable Treasury Issue, expressed in each case as a percentage of its principal amount, quoted in writing to the Quotation Agent by such Reference Treasury Dealer at 5:00 p.m., New York City time, on the third Business Day immediately preceding such Redemption Date.

"**Treasury Rate**" means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15(519) which has become publicly available at least two Business Days prior to the date fixed for redemption (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the then remaining average life to March 31, 2017, provided, however, that if the average life to March 31, 2017, of the Notes is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the average life to March 31, 2017, of the notes is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

Prior to the mailing or delivery of any notice of redemption of the Notes, the Company shall deliver to the Trustee an Officer's Certificate stating that the conditions precedent to the right of redemption have occurred. Any such notice to the Trustee may be cancelled at any time prior to notice of such redemption being mailed to any Holder and shall thereby be void and of no effect.

The Company may acquire Notes by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws, so long as such acquisition does not otherwise violate the terms of the Indenture.

Except as set forth in the next succeeding paragraph, the Company is not required to make any mandatory repurchase, redemption or sinking fund payments with respect to the Notes.

6. **Change of Control Triggering Event**

In accordance with Section 3.06 of the Indenture, the Company shall be required to offer to purchase Notes upon the occurrence of a Change of Control Triggering Event. Any Holder of Notes shall have the right, subject to certain conditions specified in the Indenture, to cause the Company to repurchase all or any part of the Notes of such Holder at a purchase price equal to 101.0% of the principal amount of the Notes to be repurchased plus accrued and unpaid interest to, but excluding, the date of repurchase (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date that is on or prior to the date of purchase) as provided in, and subject to the terms of, the Indenture.

7. **Denominations; Transfer; Exchange**

The Notes are in registered form without coupons in minimum denominations of principal amount of $2,000 and whole multiples of $1,000 in excess thereof. A Holder may transfer or exchange Notes in

accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements or transfer documents and to pay a sum sufficient to cover any taxes and fees required by law or permitted by the Indenture. The Registrar need not register the transfer of or exchange of any Note (A) for a period beginning (1) 15 days before the mailing of a notice of an offer to repurchase or redeem Notes and ending at the close of business on the day of such mailing or (2) 15 days before an interest payment date and ending on such interest payment date or (B) called for redemption, except the unredeemed portion of any Note being redeemed in part.

8. **Persons Deemed Owners**

The registered Holder of this Note shall be treated as the owner of it for all purposes (except as otherwise provided in the Indenture).

9. **Unclaimed Money**

If money for the payment of principal, premium, if any, or interest on any Note remains unclaimed for two years after such principal, premium, if any, or interest has become due and payable, the Trustee or any Paying Agent shall pay the money back to the Company at its request unless an abandoned property law designates another Person. After any such payment, Holders entitled to the money must look only to the Company for payment as general creditors unless an abandoned property law designates another person and not to the Trustee for payment.

10. **Defeasance**

Subject to certain exceptions and conditions set forth in the Indenture, the Company at any time may terminate some or all of its and the Guarantors' obligations under the Notes, the Indenture and the Collateral Documents if the Company deposits with the Trustee money or U.S. Government Obligations for the payment of principal, premium, if any, and interest on the Notes to redemption or maturity, as the case may be.

11. **Amendment, Supplement, Waiver**

Subject to certain exceptions set forth in the Indenture, (i) the Indenture, the Notes, the Guarantees and the Collateral Documents may be amended or supplemented by the Company, Guarantors and Trustee with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and (ii) any default (other than with respect to nonpayment of interest or premium on, or the principal of the Notes or in respect of a provision that cannot be amended without the consent of each Holder affected or, in certain cases described in the Indenture and the Collateral Documents, the consent of Holders of 75% in aggregate principal amount of the Notes then outstanding) or noncompliance with any provision may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes. Subject to the requirements of and certain exceptions set forth in the Indenture, without the consent of any Holder, the Company, the Trustee and the Guarantors (with respect to its Guarantee) may amend or supplement the Indenture, the Notes, the Guarantees or the Collateral Documents: (1) to cure any ambiguity, defect or inconsistency; (2) to provide for uncertificated Notes in addition to or in place of certificated Notes; (3) to provide for the assumption of the Company's or a Guarantor's obligations to Holders of Notes and Guarantees in the case of a merger or consolidation or sale of all or substantially all of the Company's or such Guarantor's assets, as applicable; (4) to make any change that would provide any additional rights or benefits to the Holders of Notes or that does not adversely affect the legal rights hereunder or under the Notes, the Guarantees and the Collateral Documents of any such Holder; (5) to conform the text of the Indenture, Guarantees, the Notes or the Collateral Documents to any provision of the "Description of the New Second Lien Notes" section of the Offering Memorandum, to the extent that such provision in the "Description of the New Second Lien Notes" section was intended to be a verbatim recitation of a provision of the Indenture, the Notes, the Guarantees or the Collateral Documents, as provided to the

Trustee in an Officer's Certificate; (6) to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture as of the date hereof; (7) to allow any Guarantor to execute a supplemental indenture substantially in the form of Exhibit B to the Indenture and/or a Guarantee with respect to the Notes; (8) to add any additional obligors under the Indenture, the Notes or the Guarantees; (9) to secure any Additional First Lien Indebtedness or Pari Passu Lien Indebtedness permitted to be incurred under the Indenture pursuant to the Collateral Documents and to appropriately include the same in the Intercreditor Agreements; (10) to add additional Collateral to secure the Notes; (11) to comply with the provisions under Section 4.01 of the Indenture; and (12) to evidence and provide for the acceptance of an appointment by a successor Trustee.

12. **Defaults and Remedies**

Each of the following is an "**Event of Default**":

(1) a default in the payment of any interest on the Notes, when such payment becomes due and payable, and continuance of that default for a period of 30 days (unless the entire amount of the payment is deposited by the Company with the Trustee or with the Paying Agent prior to the expiration of such period of 30 days);

(2) default in the payment of principal or premium on the Notes when such payment becomes due and payable;

(3) subject to clause (4), a default in the performance or breach of any other covenant or warranty by the Company in the Indenture or the Collateral Documents, which default continues uncured for a period of 60 days after written notice thereof has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the holders of at least 25 percent in principal amount of the Notes, as provided in the Indenture;

(4) any Guarantee of a Guarantor that is a Significant Subsidiary ceases to be in full force and effect (except as contemplated by the terms of the Indenture and the Guarantees) or is declared null and void in a judicial proceeding or any Guarantor that is a Significant Subsidiary denies or disaffirms its obligations under the Indenture;

(5) with respect to any Collateral having a fair market value in excess of $75.0 million, individually or in the aggregate, (A) the failure of the security interest with respect to such Collateral under the Collateral Documents, at any time, to be in full force and effect for any reason other than in accordance with their terms and the terms of the Indenture and other than the satisfaction in full of all obligations under the Indenture and discharge of the Indenture if such Default continues for 60 days, (B) the declaration that the security interest with respect to such Collateral created under the Collateral Documents or under the Indenture is invalid or unenforceable, if such Default continues for 60 days or (C) the assertion by the Company or any Guarantor, in any pleading in any court of competent jurisdiction, that any such security interest is invalid or unenforceable;

(6) there occurs a default under any Debt of the Company or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Company or any of the Guarantors), whether such Debt or guarantee now exists, or is created after the Issue Date, other than with respect to the Canadian Existing Indebtedness, if that default:

(i) is caused by a failure to pay any such Debt at its final Stated Maturity (after giving effect to any applicable grace period) (a "Payment Default"); or

(ii) results in the acceleration of such Debt prior to its final Stated Maturity,

(iii) and, in either case, the aggregate principal amount of any such Indebtedness, together with the aggregate principal amount of any other such Debt under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $75.0 million or more;

(7) failure by the Company or any of its Significant Subsidiaries to pay final and non-appealable judgments entered by a court or courts of competent jurisdiction aggregating in excess of $75.0 million (net of any amount covered by insurance issued by a national insurance company that has not contested coverage), which judgments are not paid, discharged or stayed for a period of 60 days, other than the Arbitration Award or any judgment related to the Arbitration Award;

(8) the Company or any Guarantor pursuant to or within the meaning of Bankruptcy Law:

(i) commences a voluntary case,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a custodian of it or for all or substantially all of its property,

(iv) makes a general assignment for the benefit of its creditors, or

(v) generally is not paying its debts as they become due; or

(9) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company or any Guarantor in an involuntary case;

(ii) appoints a custodian of the Company or any Guarantor or for all or substantially all of the property of the Company or any of Guarantor; or

(iii) orders the liquidation of the Company or any Guarantor; and the order or decree remains unstayed and in effect for 60 consecutive days.

If an Event of Default (other than an Event of Default described in clause (8) or (9) above) occurs and is continuing, the Trustee by written notice to the Company, or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes by written notice to the Company and the Trustee, may, and the Trustee at the request of such Holders shall, declare the principal of, premium, if any, and accrued and unpaid interest, if any, on all such Notes to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest shall be due and payable immediately.

In the case of an Event of Default specified in clause (8) or (9) above, with respect to the Company or any Guarantor, all outstanding Notes will become due and payable immediately without further action or notice.

The Holders of a majority in aggregate principal amount of the outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee.

The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or premium.

Subject to the provisions of the Indenture relating to the duties of the Trustee or the Notes Collateral Agent, in case an Event of Default occurs and is continuing, the Trustee or the Notes Collateral Agent will be under no obligation to exercise any of the rights or powers under the Indenture, the Notes, the Guarantees and the Collateral Documents at the request or direction of any Holders of Notes unless such Holders have offered to the Trustee or the Notes Collateral Agent indemnity or security satisfactory to it against any loss, liability or expense.

13. **Trustee Dealings with the Company**

Subject to certain limitations set forth in the Indenture, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

14. **No Recourse Against Others**

An incorporator, director, officer, employee or stockholder of each of the Company or any Guarantor, solely by reason of this status, shall not have any liability for any obligations of the Company or any Guarantor under the Notes, the Indenture, the Collateral Documents or the Guarantees or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Note, each Holder waives and releases all such liability. The waiver and release are a part of the consideration for the issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

15. **Authentication**

This Note shall not be valid until an authorized officer of the Trustee (or an authenticating agent acting on its behalf) manually signs the certificate of authentication on the other side of this Note.

16. **Abbreviations**

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (= tenants in common), TEN ENT (= tenants by the entirety), JT TEN (= joint tenants with rights of survivorship and not as tenants in common), CUST (= custodian) and U/G/M/A (= Uniform Gift to Minors Act).

17. **CUSIP, Common Code and ISIN Numbers**

The Company has caused CUSIP, Common Code and ISIN numbers, if applicable, to be printed on the Notes and has directed the Trustee to use CUSIP, Common Code and ISIN numbers, if applicable, in notices of redemption or purchase as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption or purchase and reliance may be placed only on the other identification numbers placed thereon.

18. **Governing Law**

This Note shall be governed by, and construed in accordance with, the laws of the State of New York.

The Company will furnish to any Holder upon written request and without charge to the Holder a copy of the Indenture, which has in it the text of this Note in larger type. Requests may be made to:

Cliffs Natural Resources Inc.
200 Public Square, Suite 3300
Cleveland, Ohio 44114

Fax: (216) 694-6509
Attention: James Graham, Executive Vice President, Chief Legal Officer & Secretary

19. **USA Patriot Act**

The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. PATRIOT Act, the Trustee is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee.

The parties to the Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. PATRIOT Act.

ASSIGNMENT FORM

To assign this Note, fill in the form below:

I or we assign and transfer this Note to:

_____

(Print or type assignee's name, address and zip code)

_____

(Insert assignee's social security or tax I.D. No.)

and irrevocably appoint _____agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

_____

Date: _____ Your Signature: _____

Signature Guarantee: _____

(Signature must be guaranteed)

_____

Sign exactly as your name appears on the other side of this Note.

The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

The undersigned hereby certifies that it ☐ is / ☐ is not an Affiliate of the Company and that, to its knowledge, the proposed transferee ☐ is / ☐ is not an Affiliate of the Company.

In connection with any transfer or exchange of any of the Notes evidenced by this certificate occurring prior to the date that is one year after the later of the date of original issuance of such Notes and the last date, if any, on which such Notes were owned by the Company or any Affiliate of the Company, the undersigned confirms that such Notes are being:

CHECK ONE BOX BELOW:

(1) ☐ acquired for the undersigned's own account, without transfer; or

(2) ☐ transferred to the Company; or

(3) ☐ transferred pursuant to and in compliance with Rule 144A under the Securities Act of 1933, as amended (the " **Securities Act**"); or

(4) ☐ transferred pursuant to and in compliance with Regulation S under the Securities Act (provided that the transferee has furnished to the Trustee a signed letter containing certain representations and agreements, the form of which letter appears as Section 2.09 of the Indenture); or

(5) ☐ transferred pursuant to another available exemption from the registration requirements of the Securities Act of 1933, as amended.

Unless one of the boxes is checked, the Trustee will refuse to register any of the Notes evidenced by this certificate in the name of any person other than the registered Holder thereof; provided, however, that if box (4) or (5) is checked, the Company may require, prior to registering any such transfer of the Notes, in its sole discretion, such legal opinions, certifications and other information as the Company may reasonably request to confirm that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933, as amended, such as the exemption provided by Rule 144 under such Act.

_____
Signature

Signature Guarantee:

_____
(Signature must be guaranteed)

_____
Signature

The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

TO BE COMPLETED BY PURCHASER IF BOX (1) OR (3) ABOVE IS CHECKED.

The undersigned represents and warrants that it is purchasing this Note for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, as amended, and is aware that the sale to it is being made in reliance on Rule 144A and acknowledges that it has received such information regarding the Company as the undersigned has requested pursuant to Rule 144A or has determined not to request such information and that it is aware that the transferor is relying upon the undersigned's foregoing representations in order to claim the exemption from registration provided by Rule 144A.

_____
Dated:

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL SECURITY

The following increases or decreases in this Global Note have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease or increase	Signature of authorized signatory of Trustee of Notes Custodian

OPTION OF HOLDER TO ELECT PURCHASE

If you elect to have this Note purchased by the Company pursuant to Section 3.02 or 3.06 of the Indenture, check either box:

☐ 3.02 ☐ 3.06

If you want to elect to have only part of this Note purchased by the Company pursuant to Section 3.02 or Section 3.06 of the Indenture, state the amount in principal amount (must be in minimum denominations of $2,000 or an integral multiple of $1,000 in excess thereof): $_____ and specify the denomination or denominations (which shall not be less than the minimum authorized denomination) of the Notes to be issued to the Holder for the portion of the within Note not being repurchased (in the absence of any such specification, one such Note will be issued for the portion not being repurchased): _____.

Date: _____

Your Signature _____

(Sign exactly as your name appears on the other side of this Note)

Signature Guarantee: _____

(Signature must be guaranteed)

_____

Sign exactly as your name appears on the other side of this Note.

The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

EXHIBIT B

FORM OF INDENTURE SUPPLEMENT TO ADD GUARANTORS

This Supplemental Indenture, dated as of [ ] (this " **Supplemental Indenture**" or "**Guarantee**"), among [name of future Guarantor] (the "**Additional Guarantor**"), Cliffs Natural Resources Inc., (together with its successors and assigns, the " **Company**"), and U.S. Bank National Association, as Trustee under the Indenture referred to below.

WITNESSETH:

WHEREAS, the Company, the Guarantors, the Notes Collateral Agent and the Trustee have heretofore executed and delivered an Indenture, dated as of March 30, 2015 (as amended, supplemented, waived or otherwise modified, the "**Indenture**"), providing for the issuance of an aggregate principal amount of $544,156,000 of 7.75% Second Lien Senior Secured Notes due 2020 of the Company (the "**Notes**");

WHEREAS, Section 3.08 of the Indenture provides that, after the Issue Date, the Company is required to cause certain direct or indirect Subsidiaries of the Company to execute and deliver to the Trustee a supplemental indenture pursuant to which such Subsidiary will unconditionally guarantee, on a joint and several basis with the other Guarantors, the full and prompt payment of the principal of, premium, if any, and interest on the Notes on a secured basis; and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee and the Company are authorized to execute and deliver this Supplemental Indenture to amend or supplement the Indenture, without the consent of any Holder;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Additional Guarantor, the Company and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

ARTICLE 1
Definitions

Section 1.01 Defined Terms.

As used in this Supplemental Indenture, terms defined in the Indenture or in the preamble or recital hereto are used herein as therein defined. The words "herein**,**" "hereof" and "hereby" and other words of similar import used in this Supplemental Indenture refer to this Supplemental Indenture as a whole and not to any particular section hereof.

ARTICLE 2
Agreement to be Bound; Guarantee

Section 2.01 *Agreement to be Bound*. The Additional Guarantor hereby becomes a party to the Indenture as a Guarantor and as such will have all of the rights and be subject to all of the obligations and agreements of a Guarantor under the Indenture. The Additional Guarantor hereby becomes a party to the Security Agreement, pursuant to the terms of such agreement, as a Grantor thereunder with the same force and effect as if originally named therein as a Grantor and as such hereby assumes all obligations and liabilities of a Grantor thereunder. The Additional Guarantor agrees to be bound by all of the provisions of the Indenture and the Collateral Documents applicable to an Additional Guarantor and to perform all of the obligations and agreements of a Guarantor under the Indenture and the Collateral Documents.

Section 2.02 *Guarantee*. The Additional Guarantor agrees, on a joint and several basis with all the existing Guarantors, to fully, unconditionally and irrevocably Guarantee to each Holder of the Notes and the Trustee the Obligations pursuant to Article 10 of the Indenture on a secured basis.

ARTICLE 3
Miscellaneous

Section 3.01 *Notices*. All notices and other communications to the Additional Guarantor shall be given as provided in the Indenture to the Additional Guarantor, at its address set forth below, with a copy to the Company as provided in the Indenture for notices to the Company.

Section 3.02 *Parties*. Nothing expressed or mentioned herein is intended or shall be construed to give any Person, firm or corporation, other than the Holders and the Trustee, any legal or equitable right, remedy or claim under or in respect of this Supplemental Indenture or the Indenture or any provision herein or therein contained.

Section 3.03 *Governing Law*. This Supplemental Indenture shall be governed by, and construed in accordance with, the laws of the State of New York.

Section 3.04 *Severability Clause*. In case any provision in this Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

Section 3.05 *Ratification of Indenture; Supplemental Indentures Part of Indenture*. Except as expressly amended hereby, the Indenture is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Supplemental Indenture shall form a part of the Indenture for all purposes, and every Holder of Notes heretofore or hereafter authenticated and delivered shall be bound hereby. The Trustee shall not be responsible for and makes no representation or warranty as to the validity, execution, or sufficiency of this Supplemental Indenture or with respect to the recitals contained herein, all of which recitals are made solely by the other parties hereto.

Section 3.06 *Counterparts*. The parties hereto may sign one or more copies of this Supplemental Indenture in counterparts, all of which together shall constitute one and the same agreement.

Section 3.07 *Headings*. The headings of the Articles and the sections in this Guarantee are for convenience of reference only and shall not be deemed to alter or affect the meaning or interpretation of any provisions hereof.

Section 3.08 *Execution, Delivery and Validity*. The Company and Additional Guarantor each represent and warrant to the Trustee that this Supplemental Indenture has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, receivership, administration, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed as of the date first above written.

[SUBSIDIARY GUARANTOR], as a Guarantor

By: _____
Name:
Title:

[Address]

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By:

By: _____
Name:
Title:

CLIFFS NATURAL RESOURCES INC.

By: _____
Name:
Title:

EXHIBIT C

FORM OF CERTIFICATE TO BE DELIVERED IN CONNECTION WITH TRANSFERS PURSUANT TO REGULATION S

[Date]

Cliffs Natural Resources Inc.
c/o U.S. Bank National Association
1350 Euclid Avenue, Suite 1100
Cleveland, Ohio 44115
Attention: Corporate Trust Services
Fax: (216) 623-9202
Re: 7.75% Second Lien Senior Secured Notes due 2020 (the " **Notes**")

Ladies and Gentlemen:

In connection with our proposed sale of $[_____] aggregate principal amount of the Notes, we confirm that such sale has been effected pursuant to and in accordance with Regulation S under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and, accordingly, we represent that:

(a) the offer of the Notes was not made to a person in the United States;

(b) either (i) at the time the buy order was originated, the transferee was outside the United States or we and any person acting on our behalf reasonably believed that the transferee was outside the United States or (ii) the transaction was executed in, on or through the facilities of a designated off-shore securities market and neither we nor any person acting on our behalf knows that the transaction has been pre-arranged with a buyer in the United States;

(c) no directed selling efforts have been made in the United States in contravention of the requirements of Rule 903(a)(2) or Rule 904(a)(2) of Regulation S, as applicable; and

(d) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.

In addition, if the sale is made during a restricted period and the provisions of Rule 903(b)(2), Rule 903(b)(3) or Rule 904(b)(1) of Regulation S are applicable thereto, we confirm that such sale has been made in accordance with the applicable provisions of Rule 903(b)(2), Rule 903(b)(3) or Rule 904(b)(1), as the case may be.

We also hereby certify that we [are] [are not] an Affiliate of the Company and, to our knowledge, the transferee of the Notes [is] [is not] an Affiliate of the Company.

You and the Company are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby. Terms used in this certificate have the meanings set forth in Regulation S.

Very truly yours,

[Name of Transferor]

By: _____

Authorized Signature

EXECUTION VERSION

EXHIBIT 10.2

SYNDICATED FACILITY AGREEMENT

by and among

BANK OF AMERICA, N.A.,

as Administrative Agent and Australian Security Trustee,

THE LENDERS THAT ARE PARTIES HERETO,

as the Lenders,

CLIFFS NATURAL RESOURCES INC.,

as Parent and a Borrower, and

THE SUBSIDIARIES OF PARENT PARTY HERETO,

as Borrowers

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,

PNC CAPITAL MARKETS LLC,

DEUTSCHE BANK SECURITIES INC.,

CITIZENS BANK, N.A.

and

REGIONS BUSINESS CAPITAL,
A DIVISION OF REGIONS BANK

as Joint Lead Arrangers

and

Joint Book Runners

Dated as of March 30, 2015

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SYNDICATED FACILITY AGREEMENT

THIS SYNDICATED FACILITY AGREEMENT (this "Agreement"), is entered into as of March 30, 2015, by and among the lenders identified on the signature pages hereof (each of such lenders, together with its successors and permitted assigns, is referred to hereinafter as a "Lender", as that term is hereinafter further defined), **BANK OF AMERICA, N.A.**, as administrative agent for each member of the Lender Group and the Bank Product Providers (in such capacity, together with its successors and assigns in such capacity, "Agent"), **BANK OF AMERICA, N.A.**, as Australian security trustee (in such capacity, together with its successors and assigns in such capacity, "Australian Security Trustee"), **CLIFFS NATURAL RESOURCES INC.**, an Ohio corporation ("Parent"), and the Subsidiaries of Parent identified on the signature pages hereof (such Subsidiaries, together with Parent, are referred to hereinafter each individually as a "Borrower", and individually and collectively as the "Borrowers").

The parties agree as follows:

1**DEFINITIONS AND CONSTRUCTION.**

1.1 **Definitions.** Capitalized terms used in this Agreement shall have the meanings specified therefor on Schedule 1.1.

1.2 **Accounting Terms.** All accounting terms not specifically defined herein shall be construed in accordance with GAAP; provided, that if Parent notifies Agent that Borrowers request an amendment to any provision hereof to eliminate the effect of any Accounting Change occurring after the Closing Date or in the application thereof on the operation of such provision (or if Agent notifies Borrowers that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such Accounting Change or in the application thereof, then Agent and Borrowers agree that they will negotiate in good faith amendments to the provisions of this Agreement that are directly affected by such Accounting Change with the intent of having the respective positions of the Lenders and Borrowers after such Accounting Change conform as nearly as possible to their respective positions as of the date of this Agreement and, until any such amendments have been agreed upon and agreed to by the Required Lenders, the provisions in this Agreement shall be calculated as if no such Accounting Change had occurred. When used herein, the term "financial statements" shall include the notes and schedules thereto. Whenever the term "Parent" is used in respect of a financial covenant or a related definition, it shall be understood to mean Parent and its Subsidiaries on a consolidated basis, unless the context clearly requires otherwise. For purposes of calculating the U.S. Borrowing Base with respect to the U.S. Iron Ore Business, such calculation shall be on a "first-in, first-out" basis. Notwithstanding anything to the contrary contained herein, (a) all financial statements delivered hereunder shall be prepared, and all financial covenants contained herein shall be calculated, without giving effect to any election under the Statement of Financial Accounting Standards No. 159 (or any similar accounting principle) permitting a Person to value its financial liabilities or Indebtedness at the fair value thereof, and (b) the term "unqualified opinion" as used herein to refer to opinions or reports provided by accountants shall mean an opinion or report that does not include any explanation, supplemental comment, or other comment concerning the ability of the applicable Person to continue as a going concern or concerning the scope of the audit (other than a "going concern" or like qualification or exception resulting solely from (i) maturity of any Indebtedness (including the Revolver Commitments) occurring within one year from the time such opinion is delivered, and/or (ii) the projected or potential breach of any of the financial covenants set forth in this Agreement or any agreement governing any Indebtedness during the one-year period following the date such opinion is delivered) and (c) GAAP will be deemed to treat leases that would have been classified as operating leases in accordance with generally accepted accounting principles in the United States of America as in effect on the date hereof in a manner consistent with the treatment of such leases under generally accepted accounting principles in the United States of America as in effect on the date hereof, notwithstanding any modifications or interpretive changes thereto that may occur thereafter. For purposes of determining satisfaction of the Payment Conditions set forth in this Agreement or the financial covenant set forth in Section 7 of this Agreement, such determination shall be calculated on a *pro forma* basis (including *pro forma* adjustments arising out of events which are

directly attributable to any Permitted Acquisition, Permitted Disposition or Permitted Investment that are factually supportable, and are expected to have a continuing impact, in each case determined on a basis consistent with Article 11 of Regulation S-X promulgated under the Securities Act and as interpreted by the staff of the SEC or in such other manner acceptable to Agent).

1.3 **Code; Australian PPSA.** Any terms used in this Agreement or the other Loan Documents (except as otherwise specifically provided herein or therein) that are defined in (a) the Code shall be construed and defined as set forth in the Code; provided, that to the extent that the Code is used to define any term herein and such term is defined differently in different Articles of the Code, the definition of such term contained in Article 9 of the Code shall govern, and (b) the Australian PPSA shall be construed and defined as set forth in the Australian PPSA. Notwithstanding the foregoing, and where the context so requires, (i) any term defined in this Agreement or the Loan Documents by reference to the "Code", "UCC" or the "Uniform Commercial Code" shall also have any extended, alternative or analogous meaning given to such term in applicable Australian PPS Law, in all cases for the extension, preservation or betterment of the security and rights of the Collateral, (ii) all references in this Agreement to a financing statement, continuation statement, amendment or termination statement shall be deemed to refer also to the analogous documents used under applicable Australian PPS Law, (iii) all references to the United States of America, or to any subdivision, department, agency or instrumentality thereof shall be deemed to refer also to Australia, or to any subdivision, department, agency or instrumentality thereof, and (iv) all references to federal or state securities laws of the United States shall be deemed to refer also to analogous federal and state securities laws in Australia.

1.4 **Construction.**

(a) Unless the context of this Agreement or any other Loan Document clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms "includes" and "including" are not limiting, and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Agreement or any other Loan Document refer to this Agreement or such other Loan Document, as the case may be, as a whole and not to any particular provision of this Agreement or such other Loan Document, as the case may be. Section, subsection, clause, schedule, and exhibit references herein are to this Agreement unless otherwise specified. Any reference in this Agreement or in any other Loan Document to any agreement, instrument, or document shall include all alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements, thereto and thereof, as applicable (subject to any restrictions on such alterations, amendments, changes, extensions, modifications, renewals, replacements, substitutions, joinders, and supplements set forth herein). The words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties. Any reference herein to any Person shall be construed to include such Person's successors and assigns. Any requirement of a writing contained herein or in any other Loan Document shall be satisfied by the transmission of a Record.

(b) Any reference herein or in any other Loan Document to the satisfaction, repayment, or payment in full of the Obligations shall mean (i) the payment or repayment in full in immediately available funds of (A) the principal amount of, and interest accrued and unpaid with respect to, all outstanding Loans, together with the payment of any premium applicable to the repayment of the Loans, (B) all Lender Group Expenses that have accrued and are unpaid for which an invoice has been provided to Parent, and (C) all fees or charges that have accrued hereunder or under any other Loan Document (including the Letter of Credit Fees and the Unused Line Fee) and are unpaid, (ii) in the case of contingent reimbursement obligations with respect to Letters of Credit, providing Letter of Credit Collateralization, (iii) in the case of obligations with respect to Bank Products (other than Hedge Obligations), providing Bank Product Collateralization, (iv) the receipt by Agent of cash collateral in order to secure any other contingent Obligations for which a claim or demand for payment has been made on or prior to such time or in respect of matters or circumstances known to Agent or a Lender at such time that are reasonably expected to result in any loss, cost, damage, or expense (including attorneys' fees and legal expenses), such cash collateral to be in such amount as Agent reasonably determines is appropriate to secure such contingent Obligations, (v) the payment or

repayment in full in immediately available funds of all other outstanding Obligations (including the payment of any termination amount then applicable (or which would or could become applicable as a result of the repayment of the other Obligations) under Hedge Agreements provided by Hedge Providers) other than (A) unasserted contingent indemnification Obligations, (B) any Bank Product Obligations (other than Hedge Obligations) that, at such time, are allowed by the applicable Bank Product Provider to remain outstanding without being required to be repaid or cash collateralized, and (C) any Hedge Obligations that, at such time, are allowed by the applicable Hedge Provider to remain outstanding without being required to be repaid, and (vi) the termination of all of the Revolver Commitments of the Lenders.

(c) Any reference herein or in any other Loan Document to the satisfaction, repayment, or payment in full of the U.S. Obligations shall mean (i) the payment or repayment in full in immediately available funds of (A) the principal amount of, and interest accrued and unpaid with respect to, all outstanding U.S. Revolving Loans, together with the payment of any premium applicable to the repayment of the U.S. Revolving Loans, (B) all Lender Group Expenses of Agent, the U.S. Issuing Banks, and the U.S. Revolving Lenders that have accrued and are unpaid and for which an invoice has been provided to Parent in respect of the U.S. Obligations, and (C) all fees or charges that have accrued hereunder or under any other Loan Document with respect to the U.S. Obligations (including the U.S. Letter of Credit Fee and the Unused Line Fee) and are unpaid, (ii) in the case of contingent reimbursement obligations with respect to U.S. Letters of Credit, providing Letter of Credit Collateralization, (iii) in the case of obligations with respect to U.S. Bank Products (other than U.S. Hedge Obligations), providing Bank Product Collateralization, (iv) the receipt by Agent of cash collateral in order to secure any other contingent U.S. Obligations for which a claim or demand for payment has been made on or prior to such time or in respect of matters or circumstances known to Agent or a U.S. Revolving Lender at such time that are reasonably expected to result in any loss, cost, damage, or expense (including attorneys' fees and legal expenses), such cash collateral to be in such amount as Agent reasonably determines is appropriate to secure such contingent U.S. Obligations, (v) the payment or repayment in full in immediately available funds of all other outstanding U.S. Obligations (including the payment of any termination amount then applicable (or which would or could become applicable as a result of the repayment of the other U.S. Obligations) under Hedge Agreements provided by U.S. Hedge Providers) other than (A) unasserted contingent indemnification U.S. Obligations, (B) any U.S. Bank Product Obligations (other than U.S. Hedge Obligations) that, at such time, are allowed by the applicable U.S. Bank Product Provider to remain outstanding without being required to be repaid or cash collateralized, and (C) any U.S. Hedge Obligations that, at such time, are allowed by the applicable U.S. Hedge Provider to remain outstanding without being required to be repaid, and (vi) the termination of all of the U.S. Revolver Commitments of the U.S. Revolving Lenders.

(d) Any reference herein or in any other Loan Document to the satisfaction, repayment, or payment in full of the Australian Obligations shall mean (i) the payment or repayment in full in immediately available funds of (A) the principal amount of, and interest accrued and unpaid with respect to, all outstanding Australian Revolving Loans, together with the payment of any premium applicable to the repayment of the Australian Revolving Loans, (B) all Lender Group Expenses of Agent, the Australian Security Trustee, the Australian Issuing Banks, and the Australian Revolving Lenders that have accrued and are unpaid and for which an invoice has been provided to Parent in respect of the Australian Obligations, and (C) all fees or charges that have accrued hereunder or under any other Loan Document with respect to the Australian Obligations (including the Australian Letter of Credit Fee) and are unpaid, (ii) in the case of contingent reimbursement obligations with respect to Australian Letters of Credit, providing Letter of Credit Collateralization, (iii) in the case of obligations with respect to Australian Bank Products (other than Australian Hedge Obligations), providing Bank Product Collateralization, (iv) the receipt by Agent of cash collateral in order to secure any other contingent Australian Obligations for which a claim or demand for payment has been made on or prior to such time or in respect of matters or circumstances known to Agent or an Australian Revolving Lender at such time that are reasonably expected to result in any loss, cost, damage, or expense (including attorneys' fees and legal expenses), such cash collateral to be in such amount as Agent reasonably determines is appropriate to secure such contingent Australian Obligations, (v) the payment or repayment in full in immediately available funds of all other outstanding Australian Obligations (including the payment of any termination amount then applicable (or which would or could become applicable as a result of the

repayment of the other Australian Obligations) under Hedge Agreements provided by Australian Hedge Providers) other than (A) unasserted contingent indemnification Australian Obligations, (B) any Australian Bank Product Obligations (other than Australian Hedge Obligations) that, at such time, are allowed by the applicable Australian Bank Product Provider to remain outstanding without being required to be repaid or cash collateralized, and (C) any Australian Hedge Obligations that, at such time, are allowed by the applicable Australian Hedge Provider to remain outstanding without being required to be repaid, and (vi) the termination of all of the Australian Revolver Commitments of the Australian Revolving Lenders.

(e) Any reference herein or in any other Loan Document to any law, statute, rule or regulation shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such law.

(f) Any reference in this Agreement to Liens stated to be in favor of Agent shall be construed so as to include a reference to Liens granted in favor of Australian Security Trustee.

1.5 **Time References.** Unless the context of this Agreement or any other Loan Document clearly requires otherwise, all references to time of day refer to (i) Chicago time for U.S. Revolving Loans and (ii) Sydney time for Australian Revolving Loans. For purposes of the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each means "to and including"; provided that, with respect to a computation of fees or interest payable to Agent or any Lender, such period shall include the first day, but not the last day so long as payment thereof is received prior to the time specified in Section 2.6 hereof, but in any event shall consist of at least one full day.

1.6 **Schedules and Exhibits.** All of the schedules and exhibits attached to this Agreement shall be deemed incorporated herein by reference.

1.7 **Dollar Equivalent.**

(a) Agent shall determine the Dollar Equivalent of any Letter of Credit not denominated in Dollars (i) on the date of issuance thereof and the date of any amendment thereto that increases the face amount thereof, in each case using the Spot Rate for the Agreed Currency other than Dollars in relation to Dollars in effect on date immediately prior to the applicable issuance or amendment date, and (ii) at such other times as may be determined by either Agent or an Issuing Bank in its Permitted Discretion, in each case using the Spot Rate for the Agreed Currency other than Dollars in relation to Dollars in effect on the date of determination. Each amount determined pursuant to this Section 1.7(a) shall be the Dollar Equivalent of the applicable Letter of Credit until the next calculation thereof pursuant to the preceding sentences of this Section 1.7(a), absent manifest error. Upon the request of the Borrowers, Agent shall notify Borrowers and the applicable Lenders of each calculation of the Dollar Equivalent of each Letter of Credit denominated in an Agreed Currency other than Dollars.

(b) Wherever in this Agreement in connection any Letter of Credit, an amount, such as a required minimum, sublimit, maximum, or multiple amount, is expressed in Dollars, but such Letter of Credit is denominated in an Agreed Currency other than Dollars, such amount shall be the Agreed Currency Equivalent of such Dollar amount (rounded to the nearest unit of such Agreed Currency that is equivalent to one Dollar, with 0.5 of a unit being rounded upward).

(c) Principal, interest, reimbursement obligations, cash collateral for reimbursement obligations, fees, and all other amounts payable to Agent or Lenders under this Agreement and the other Loan Documents shall be payable (except as otherwise specifically provided herein) in Dollars.

(d) If at any time following one or more fluctuations in the exchange rate of any Agreed Currency other than Dollars against the Dollar, all or any part of the Obligations exceeds more than 102% of any other limit set forth herein for such Obligations, the Borrowers of such Obligations shall within 1

Business Day of written notice of same from Agent immediately make the necessary payments or repayments to reduce such Obligations, or Cash Collateralize such Obligations, to an amount necessary to eliminate such excess over 100% of such limit.

1.8 **LIBOR Rate.** Agent does not warrant, nor accept responsibility, nor shall Agent have any liability with respect to the administration, submission, or any other matter related to the rates in the definition of LIBOR Rate or with respect to any comparable or successor rate thereto.

1.9 **Borrowers.** Except as otherwise set forth herein, any reference herein to the "applicable Borrowers" or "Borrowers" making payment or receiving extensions of credit in respect of Obligations shall be deemed to refer to the U.S. Borrowers making payment of, or receiving extensions of credit that constitute, U.S. Obligations and the Australian Borrowers making payment of, or receiving extensions of credit that shall constitute, Australian Obligations.

1.10 **Australian Terms.** Without prejudice to the generality of any provision of this Agreement, in this Agreement where it relates to an Australian Loan Party or any of its Subsidiaries incorporated under the laws of Australia or any state or territory thereof, a reference in this Agreement to:

(a) "Affiliate" has the meaning given to it in section 50AA of the Corporations Act;

(b) "Authorized Person" means the company secretary or any director of that Australian Loan Party or Subsidiary;

(c) "Controller" has the meaning given to it in Section 9 of the Corporations Act;

(d) "Fair Labor Standards Act" or "Worker Adjustment and Retraining Notification Act" means the *Fair Work Act 2009* (Cth) of Australia;

(e) "Lien" also includes any 'security interest' as defined in sections 12(1) and 12(2) of the Australian PPSA;

(f) "Solvent" means that it is not 'insolvent' within the meaning of section 95A(2) of the Corporations Act; and

(g) a "Subsidiary" means a subsidiary within the meaning given in Part 1.2 Division 6 of the Corporations Act.

2 REVOLVING LOANS AND TERMS OF PAYMENT.

2.1 **Revolving Loans.**

(a) Subject to the terms and conditions of this Agreement, and during the term of this Agreement, each U.S. Revolving Lender agrees (severally, not jointly or jointly and severally) to make revolving loans ("U.S. Revolving Loans") in Dollars to U.S. Borrowers in a principal amount not to exceed *the lesser of*:

(i) such Lender's U.S. Revolver Commitment at such time, or

(ii) such Lender's Pro Rata Share of an amount equal to (x) the U.S. Line Cap at such time *less* (y) the sum of (A) the U.S. Letter of Credit Usage at such time, (B) the principal amount of U.S. Swing Loans outstanding at such time and (C) the principal amount of U.S. Revolving Loans outstanding at such time.

Anything to the contrary in this Section 2.1(a) notwithstanding, Agent shall have the right (but not the obligation), in the exercise of its Permitted Discretion, to establish and increase or decrease U.S. Receivable Reserves, U.S. Inventory/Equipment Reserves, U.S. Bank Product Reserves, U.S. Dilution Reserves and other Reserves against the U.S. Borrowing Base or the U.S. Maximum Revolver Amount, including based on review of the Borrowers' employment and labor contracts; provided that Agent shall not impose any reserves prior to 30 days (or such later date as Agent may agree, not to exceed 60 days) after the Closing Date with respect to locations in which the Borrowers have failed to deliver a Collateral Access Agreement; provided further that no reserve shall be established, increased or decreased except upon not less than three Business Days' prior written notice from the Agent to the Parent, during which period employees, agents or other representatives of the Agent shall use commercially reasonable efforts to be available during regular business hours to discuss any such proposed establishment or modification of such reserve with the Parent and, without limiting the right of the Agent to establish or modify reserves in its Permitted Discretion, the Parent may take such action as may be required so that the circumstances, conditions, events or contingencies that are the basis for such reserve or modification thereof no longer exist, in a manner and to the extent reasonably satisfactory to the Agent in its Permitted Discretion; provided that no such prior written notice shall be required for any modifications to any reserves during any Cash Dominion Trigger Period, during a Financial Covenant Period, during any period of weekly collateral reporting as provided in Section 5.2, or after the occurrence and during the continuance of any Event of Default, in each case resulting by virtue of mathematical calculations of the amount of the reserves in accordance with the methodology of calculation previously utilized. The amount of any U.S. Receivable Reserve, U.S. Inventory/Equipment Reserve, U.S. Bank Product Reserve, or other Reserve established by Agent shall have a reasonable relationship to the event, condition, other circumstance, or fact that is the basis for such reserve and shall not be duplicative of any other reserve established and currently maintained. Upon establishment or increase in reserves, Agent agrees to make itself available to discuss the reserve or increase, and Borrowers may take such action as may be required so that the event, condition, circumstance, or fact that is the basis for such reserve or increase no longer exists, in a manner and to the extent reasonably satisfactory to Agent in the exercise of its Permitted Discretion. In no event shall such notice and opportunity limit the right of Agent to establish or change such U.S. Receivable Reserve, U.S. Inventory/Equipment Reserve, U.S. Bank Product Reserve, or other Reserves, unless Agent shall have determined, in its Permitted Discretion, that the event, condition, other circumstance, or fact that was the basis for such U.S. Receivable Reserve, U.S. Inventory/Equipment Reserve, U.S. Bank Product Reserve, or other Reserves or such change no longer exists or has otherwise been adequately addressed by Borrowers.

(b) Subject to the terms and conditions of this Agreement, and during the term of this Agreement, each Australian Revolving Lender agrees (severally, not jointly or jointly and severally) to make revolving loans ("Australian Revolving Loans" and together with the U.S. Revolving Loans, " Revolving Loans") in Dollars to Australian Borrowers in a principal amount not to exceed *the lesser of*:

(i) such Lender's Australian Revolver Commitment at such time, or

(ii) such Lender's Pro Rata Share of an amount equal to (x) the Australian Line Cap at such time *less* (y) the sum of (A) the Australian Letter of Credit Usage at such time, (B) the principal amount of Australian Swing Loans outstanding at such time and (C) the principal amount of Australian Revolving Loans outstanding at such time.

Anything to the contrary in this Section 2.1(b) notwithstanding, Agent shall have the right (but not the obligation), in the exercise of its Permitted Discretion, to establish and increase or decrease Australian Receivable Reserves, Australian Inventory/Equipment Reserves, Australian Bank Product Reserves, Australian Priority Payables Reserves, Australian Dilution Reserves and other Reserves against the

Australian Borrowing Base or the Australian Maximum Revolver Amount, including based on review of the Australian Borrowers' employment and labor contracts; provided that Agent shall not impose any reserves prior to 30 days (or such later date as Agent may agree, not to exceed 60 days) after the Closing Date with respect to locations in which the Borrowers have failed to deliver a Collateral Access Agreement; provided further that no reserve shall be established, increased or decreased except upon not less than three Business Days' prior written notice from the Agent to the Parent, during which period employees, agents or other representatives of the Agent shall use commercially reasonable efforts to be available during regular business hours to discuss any such proposed establishment or modification of such reserve with the Parent and, without limiting the right of the Agent to establish or modify reserves in its Permitted Discretion, the Parent may take such action as may be required so that the circumstances, conditions, events or contingencies that are the basis for such reserve or modification thereof no longer exist, in a manner and to the extent reasonably satisfactory to the Agent in its Permitted Discretion; provided that no such prior written notice shall be required for any modifications to any reserves during a Financial Covenant Period, during any period of weekly collateral reporting as provided in Section 5.2, or after the occurrence and during the continuance of any Event of Default, in each case resulting by virtue of mathematical calculations of the amount of the reserves in accordance with the methodology of calculation previously utilized. The amount of any Australian Receivable Reserve, Australian Inventory/Equipment Reserve, Australian Bank Product Reserve, Australian Priority Payables Reserves, Australian Dilution Reserve, or other Reserve established by Agent shall have a reasonable relationship to the event, condition, other circumstance, or fact that is the basis for such reserve as determined by Agent in its Permitted Discretion and shall not be duplicative of any other reserve established and currently maintained. Upon establishment or increase in reserves, Agent agrees to make itself available to discuss the reserve or increase, and Borrowers may take such action as may be required so that the event, condition, circumstance, or fact that is the basis for such reserve or increase no longer exists, in a manner and to the extent reasonably satisfactory to Agent in the exercise of its Permitted Discretion. In no event shall such notice and opportunity limit the right of Agent to establish or change such Australian Receivable Reserve, Australian Inventory/Equipment Reserve, Australian Bank Product Reserve, Australian Priority Payables Reserves, Australian Dilution Reserve or other Reserves, unless Agent shall have determined, in its Permitted Discretion, that the event, condition, other circumstance, or fact that was the basis for such Receivable Reserve, Inventory Reserve, Bank Product Reserve, or other Reserves or such change no longer exists or has otherwise been adequately addressed by Borrowers.

(c) The outstanding principal amount of the U.S. Revolving Loans, together with interest accrued and unpaid thereon, shall constitute U.S. Obligations and shall be due and payable on the Maturity Date or, if earlier, on the date on which they are declared due and payable pursuant to the terms of this Agreement.

(d) The outstanding principal amount of the Australian Revolving Loans, together with interest accrued and unpaid thereon, shall constitute Australian Obligations and shall be due and payable on the Maturity Date or, if earlier, on the date on which they are declared due and payable pursuant to the terms of this Agreement.

(e) Amounts borrowed pursuant to this Section 2.1 may be repaid and, subject to the terms and conditions of this Agreement, reborrowed at any time during the term of this Agreement.

2.2 **Allocation of the U.S. Revolver Commitments and the Australian Revolver Commitments .** For so long as any of any Revolver Commitments are in effect and/or any Obligations are outstanding, a portion of the U.S. Revolver Commitments may be allocated to support the availability of Australian Revolving Loan Exposure and a portion of the Australian Revolver Commitments may be allocated to support the availability of U.S. Revolving Loan Exposure, in each case in accordance with this Section 2.2.

(a) So long as no Default or Event of Default shall have occurred and be continuing, from time to time but in no event more than (A) two (2) times per twelve-month period, upon at least five (5) Business Days (or such shorter period as Agent may agree) prior written notice to the Agent, the Borrowers

may request an amount of the U.S. Revolver Commitments be allocated to support the availability of Australian Revolving Loan Exposure or an amount of the Australian Revolver Commitments be allocated to support the availability of U.S. Revolving Loan Exposure by providing a written notice to the Agent requesting such allocation (each such notice herein a "Commitment Allocation Notice"); provided that at no time shall (i) the aggregate Australian Revolver Commitments exceed the aggregate U.S. Revolver Commitments, (ii) the Revolver Commitment of any Lender be decreased by virtue of any allocation under this Section 2.2(a) or (iii) any Lender be required to agree to allocate its U.S. Revolver Commitment to support the availability of Australian Credit Exposure or its Australian Revolver Commitment to support the availability of U.S. Credit Exposure.

(b) So long as no Default or Event of Default shall have occurred and be continuing, upon at least five (5) Business Days (or such shorter period as Agent may agree) prior written notice to the Agent (the "Discretionary Commitment Allocation Notice"), the Borrowers may reallocate U.S. Excess Availability to the Australian Borrowing Base (a "Discretionary Commitment Reallocation"). Promptly upon any such Discretionary Commitment Reallocation in accordance with the procedures set forth in this clause (b), the Agent shall provide a written notice thereof to the Lenders. Any Discretionary Commitment Reallocation shall be effective five (5) Business Days (or such shorter period as Agent may agree) following the date the Agent receives the Discretionary Commitment Allocation Notice or the date indicated for such effectiveness in the Discretionary Commitment Allocation Notice, whichever is later.

(c) In connection with each Commitment Allocation Notice, the Agent shall calculate and provide notice to each Lender of its Pro Rata Share of the U.S. Revolver Commitments and the Australian Revolver Commitments. On each date on which a reallocation of the Revolver Commitments pursuant to a Commitment Allocation Notice which results in a change in the any Lender's Pro Rata Share of the U.S. Revolver Commitments and Australian Revolver Commitments becomes effective, if any Loans or Letters of Credit are outstanding as of such date, then the outstanding principal balance of the Loans (and participations in Letters of Credit and Swing Loans) shall be reallocated in accordance with such new Pro Rata Share of the U.S. Revolver Commitments and Australian Revolver Commitments and each Lender whose Pro Rata Share has increased shall, by wire transfer of immediately available funds, purchase a pro rata portion of the outstanding Loans (and participation interests in Letters of Credit and Swing Loans) of each Lender whose Pro Rata Share of the U.S. Revolver Commitments or Australian Revolver Commitments, as applicable, has decreased (and such Lenders hereby agree to sell and to take all such further action to effectuate such sale) such that each Lender shall hold its new Pro Rata Share of the outstanding Loans (and participation interests) after giving effect to such purchases and sales.

(d) Each Commitment Allocation Notice or Discretionary Commitment Allocation Notice delivered by any Borrower to the Agent shall be substantially in the form of Exhibit B-2 or such other form as the Agent may agree.

2.3 **Borrowing Procedures and Settlements.**

(a) **Procedure for Borrowings**. Each Borrowing shall be made by a written request by an Authorized Person delivered to Agent and received by Agent no later than (i) 12:00 noon on the Business Day that is the requested Funding Date in the case of a request for a Swing Loan or a U.S. Revolving Loan that is a Base Rate Loan, (ii) 11:00 a.m. on the Business Day that is one Business Day prior to the requested Funding Date in the case of a request for an Australian Base Rate Loan, and (iii) 12:00 noon on the Business Day that is 3 Business Days prior to the requested Funding Date in the case of all other LIBOR Rate Loans, specifying (A) the amount of such Borrowing, (B) whether such Borrowing will be a U.S. Revolving Loan or an Australian Revolving Loan, (C) the requested Funding Date (which shall be a Business Day), (D) whether such Borrowing is to be a Borrowing of Base Rate Loans, a Borrowing of LIBOR Rate Loans or a Borrowing of Australian Base Rate Loans, and (E) in the case of a Borrowing of LIBOR Rate Loans, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; provided that Agent may, in its sole discretion, elect to accept as timely requests that are received later than the times specified above on the applicable Business Day; provided, further that (i)

the U.S. Borrowers shall only be permitted to borrow Base Rate Loans and LIBOR Rate Loans and (ii) the Australian Borrowers shall only be permitted to borrow Australian Base Rate Loans and LIBOR Rate Loans. In lieu of delivering the above-described written request, any Authorized Person may give Agent electronic notice of such request by the required time. In such circumstances, Borrowers agree that any such electronic notice will be confirmed in writing within 24 hours of the giving of such electronic notice, but the failure to provide such written confirmation shall not affect the validity of the request.

(b) **Reserved.**

(c) **Making of U.S. Swing Loans.** In the case of a request for a U.S. Revolving Loan and so long as either (i) the aggregate amount of U.S. Swing Loans made since the last Settlement Date, *minus* all payments or other amounts applied to U.S. Swing Loans since the last Settlement Date, *plus* the amount of the requested U.S. Swing Loan does not exceed $100,000,000, or (ii) U.S. Swing Lender, in its sole discretion, agrees to make a U.S. Swing Loan notwithstanding the foregoing limitation, U.S. Swing Lender shall make a U.S. Revolving Loan (any such U.S. Revolving Loan made by U.S. Swing Lender pursuant to this Section 2.3(c) being referred to as a "U.S. Swing Loan" and all such U.S. Revolving Loans being referred to as " U.S. Swing Loans") available to U.S. Borrowers on the Funding Date applicable thereto by transferring immediately available funds in the amount of such requested Borrowing to the U.S. Designated Account. Each U.S. Swing Loan shall be deemed to be a U.S. Revolving Loan hereunder and shall be subject to all the terms and conditions (including Section 3) applicable to other U.S. Revolving Loans, except that all payments (including interest) on any U.S. Swing Loan shall be payable to U.S. Swing Lender solely for its own account. Subject to the provisions of Section 2.3(f)(iii), U.S. Swing Lender shall not make and shall not be obligated to make any U.S. Swing Loan if U.S. Swing Lender has actual knowledge that (i) one or more of the applicable conditions precedent set forth in Section 3 will not be satisfied on the requested Funding Date for the applicable Borrowing, or (ii) the requested Borrowing would exceed the U.S. Excess Availability on such Funding Date. U.S. Swing Lender shall not otherwise be required to determine whether the applicable conditions precedent set forth in Section 3 have been satisfied on the Funding Date applicable thereto prior to making any U.S. Swing Loan. The U.S. Swing Loans shall be secured by Liens granted under the Loan Documents (other than the Australian Security Documents), constitute U.S. Revolving Loans and U.S. Obligations, and bear interest at the rate applicable from time to time to U.S. Revolving Loans that are Base Rate Loans.

(d) **Making of Australian Swing Loans.** In the case of a request for an Australian Revolving Loan and so long as either (i) the aggregate amount of Australian Swing Loans made since the last Settlement Date, *minus* all payments or other amounts applied to Australian Swing Loans since the last Settlement Date, *plus* the amount of the requested Australian Swing Loan does not exceed $20,000,000, or (ii) Australian Swing Lender, in its sole discretion, agrees to make an Australian Swing Loan notwithstanding the foregoing limitation, Australian Swing Lender shall make an Australian Revolving Loan (any such Australian Revolving Loan made by Australian Swing Lender pursuant to this Section 2.3(d) being referred to as an "Australian Swing Loan" and all such Australian Revolving Loans being referred to as "Australian Swing Loans"; and U.S. Swing Loans and Australian Swing Loan may also each be referred to herein as "Swing Loans") available to Australian Borrowers on the Funding Date applicable thereto by transferring immediately available funds in the amount of such requested Borrowing to the Australian Designated Account. Each Australian Swing Loan shall be deemed to be an Australian Revolving Loan hereunder and shall be subject to all the terms and conditions (including Section 3) applicable to other Australian Revolving Loans, except that all payments (including interest) on any Australian Swing Loan shall be payable to Australian Swing Lender solely for its own account. Subject to the provisions of Section 2.3(f)(iv), Australian Swing Lender shall not make and shall not be obligated to make any Australian Swing Loan if Australian Swing Lender has actual knowledge that (A) one or more of the applicable conditions precedent set forth in Section 3 will not be satisfied on the requested Funding Date for the applicable Borrowing, or (B) the requested Borrowing would exceed the Australian Excess Availability on such Funding Date. Australian Swing Lender shall not otherwise be required to determine whether the applicable conditions precedent set forth in Section 3 have been satisfied on the Funding Date applicable thereto prior to making any Australian Swing Loan. The Australian Swing Loans shall be secured by Liens granted under the Loan Documents, constitute Australian

Revolving Loans and Australian Obligations, and bear interest at the rate applicable from time to time to Australian Revolving Loans that are Base Rate Loans.

(e) **Making of Revolving Loans.**

(i) In the event that a Swing Lender refuses to or is not obligated to make a Swing Loan, then after receipt of a request for a Borrowing pursuant to Section 2.3(a), Agent shall notify the applicable Lenders by telecopy, telephone, email, or other electronic form of transmission, of the requested Borrowing; such notification to be sent on the Business Day that is one Business Day prior to the requested Funding Date (or, in the case of a request for a Loan delivered on the requested Funding Date, no later than 1:00 p.m. on the requested Funding Date). If Agent has notified the Lenders of a requested Borrowing on the Business Day that is one Business Day prior to the Funding Date (or, in the case of a request for a Loan delivered on the requested Funding Date), then each Lender shall make the amount of such Lender's Pro Rata Share of the requested Borrowing available to Agent in immediately available funds, to the Agent's Account, not later than 3:00 p.m., in the case of any Loan requested to be funded on the Funding Date, or 10:00 a.m., in the case of any other request, in each case, on the Business Day that is the requested Funding Date. After Agent's receipt of the proceeds of such Revolving Loans from the Lenders, Agent shall make the proceeds thereof available to applicable Borrowers on the applicable Funding Date by transferring immediately available funds equal to such proceeds received by Agent to the U.S. Designated Account (with respect to U.S. Revolving Loans) and the Australian Designated Account (with respect to Australian Revolving Loans); provided, that, subject to the provisions of Sections 2.3(f)(iii) and 2.3(f)(iv), no Lender shall have an obligation to make any Revolving Loan, if (1) one (1) or more of the applicable conditions precedent set forth in Section 3 are not satisfied on the requested Funding Date for the applicable Borrowing unless such condition has been waived, or (2) the requested Borrowing would exceed the U.S. Excess Availability or the Australian Excess Availability on such Funding Date.

(ii) Unless Agent receives notice from a Lender prior to 9:30 a.m. on the Business Day that is the requested Funding Date relative to a requested Borrowing as to which Agent has notified the Lenders of a requested Borrowing that such Lender will not make available as and when required hereunder to Agent for the account of the applicable Borrowers the amount of that Lender's Pro Rata Share of the Borrowing, Agent may assume that each Lender has made or will make such amount available to Agent in immediately available funds on the Funding Date and Agent may (but shall not be so required), in reliance upon such assumption, make available to the applicable Borrowers a corresponding amount. If, on the requested Funding Date, any Lender shall not have remitted the full amount that it is required to make available to Agent in immediately available funds and if Agent has made available to the applicable Borrowers such amount on the requested Funding Date, then such Lender shall make the amount of such Lender's Pro Rata Share of the requested Borrowing available to Agent in immediately available funds, to the Agent's Account, no later than 10:00 a.m. on the Business Day that is the first Business Day after the requested Funding Date (in which case, the interest accrued on such Lender's portion of such Borrowing for the Funding Date shall be for Agent's separate account). If any Lender shall not remit the full amount that it is required to make available to Agent in immediately available funds as and when required hereby and if Agent has made available to Borrowers such amount, then that Lender shall be obligated to immediately remit such amount to Agent, together with interest at the Defaulting Lender Rate for each day until the date on which such amount is so remitted. A notice submitted by Agent to any Lender with respect to amounts owing under this Section 2.3(e)(ii) shall be conclusive, absent manifest error. If the amount that a Lender is required to remit is made available to Agent, then such payment to Agent shall constitute such Lender's Revolving Loan for all purposes of this Agreement. If such amount is not made available to Agent on the Business Day following the Funding Date, Agent will notify Borrowers of such failure to fund and, within one Business Day after receipt of such notice, the applicable Borrowers shall pay such amount to Agent for Agent's account, together with interest thereon for each day elapsed since the date of such Borrowing, at a rate per annum equal to the interest rate applicable at the time to the Revolving Loans composing such Borrowing.

(f) **Protective Advances and Optional Overadvances.**

(i) Any contrary provision of this Agreement or any other Loan Document notwithstanding, but subject to Section 2.3(f)(vii), at any time after the occurrence and during the continuance of a Default or an Event of Default, or that any of the other applicable conditions precedent set forth in Section 3 are not satisfied, Agent hereby is authorized by Borrowers and the Lenders, from time to time, in Agent's Permitted Discretion, to make U.S. Revolving Loans that are Base Rate Loans to, or for the benefit of, U.S. Borrowers, on behalf of the U.S. Revolving Lenders, that Agent, in its Permitted Discretion, deems necessary or desirable (1) to preserve or protect the Collateral, or any portion thereof, or (2) to enhance the collectability or likelihood of repayment of the U.S. Obligations, so long as such U.S. Revolving Loans do not cause U.S. Revolver Usage to exceed the U.S. Maximum Revolver Amount (the U.S. Revolving Loans described in this Section 2.3(f)(i) shall be referred to as "U.S. Protective Advances"). U.S. Revolving Lenders shall participate on a pro rata basis in U.S. Protective Advances outstanding from time to time. Required Lenders may at any time revoke Agent's authority to make further Protective Advances by written notice to Agent. Agent shall use reasonable efforts to notify Parent of the existence of any U.S. Protective Advance on or about the date when made (it being understood that the failure to provide such notification to Parent shall have no effect on such U.S. Protective Advance).

(ii) Any contrary provision of this Agreement or any other Loan Document notwithstanding, but subject to Section 2.3(f)(vii), if there is a U.S. Overadvance at any time, the excess amount shall be payable by U.S. Borrowers within one Business Day after receipt of demand from Agent, but all such U.S. Revolving Loans shall nevertheless constitute U.S. Obligations of the U.S. Borrowers secured by the applicable Collateral of the U.S. Loan Parties and entitled to all benefits of the Loan Documents (other than Australian Collateral Documents). Agent may require U.S. Revolving Lenders to honor requests for U.S. Overadvance Loans and to forbear from requiring U.S. Borrowers to cure a U.S. Overadvance, (a) when no other Event of Default is known to the Agent, as long as (i) the U.S. Overadvance does not continue for more than 30 consecutive days (and no U.S. Overadvance may exist for at least five (5) consecutive days thereafter before further U.S. Overadvance Loans are required), and (ii) the U.S. Overadvance is not known by Agent to exceed 5.0% of the U.S. Maximum Revolver Amount and (b) regardless of whether an Event of Default exists, if Agent discovers a U.S. Overadvance not previously known by it to exist, as long as from the date of such discovery the U.S. Overadvance is not increased and does not continue for more than 30 consecutive days. In no event shall U.S. Overadvance Loans be required that would cause (x) U.S. Revolver Usage (including for this purpose, the aggregate principal amount of U.S. Overadvance Loans) to exceed the aggregate U.S. Revolver Commitments or (y) any U.S. Revolving Lenders' Pro Rata Share of U.S. Revolver Usage (including, for this purpose, the aggregate principal amount of U.S. Overadvance Loans) to exceed its U.S. Revolver Commitment. Any funding of a U.S. Overadvance Loan or sufferance of a U.S. Overadvance shall not constitute a waiver by Agent or Lenders of the Event of Default caused thereby. Agent shall use reasonable efforts to notify Parent of the existence of any U.S. Overadvance on or about the date when made (it being understood that the failure to provide such notification to Parent shall have no effect on such U.S. Overadvance).

(iii) Each U.S. Protective Advance and each U.S. Overadvance (each, a " U.S. Extraordinary Advance") shall be deemed to be a U.S. Revolving Loan hereunder, except that no U.S. Extraordinary Advance shall be eligible to be a LIBOR Rate Loan and, prior to Settlement therefor, all payments on the U.S. Extraordinary Advances shall be payable to Agent solely for its own account. The U.S. Extraordinary Advances shall be repayable within one Business Day of demand thereof, secured by the Liens granted under the Loan Documents (other than the Australian Security Documents), constitute U.S. Obligations hereunder, and bear interest at the rate applicable from time to time to U.S. Revolving Loans that are Base Rate Loans.

(iv) Any contrary provision of this Agreement or any other Loan Document notwithstanding, but subject to Section 2.3(f)(vii), at any time after the occurrence and during the continuance of a Default or an Event of Default, or that any of the other applicable conditions precedent set forth in Section 3 are not satisfied, Agent hereby is authorized by Borrowers and the Lenders, from time to time, in

Agent's Permitted Discretion, to make Australian Revolving Loans that are Base Rate Loans to, or for the benefit of, Australian Borrowers, on behalf of the Australian Revolving Lenders, that Agent, in its Permitted Discretion, deems necessary or desirable (1) to preserve or protect the Collateral, or any portion thereof, or (2) to enhance the collectability or the likelihood of repayment of the Australian Obligations, so long as such Australian Revolving Loans do not cause Australian Revolver Usage to exceed the Australian Maximum Revolver Amount (the Australian Revolving Loans described in this Section 2.3(f)(iv) shall be referred to as "Australian Protective Advances"; and U.S. Protective Advances and Australian Protective Advances may also each be referred to herein as "Protective Advances"). Australian Revolving Lenders shall participate on a pro rata basis in Australian Protective Advances outstanding from time to time. Required Lenders may at any time revoke Agent's authority to make further Protective Advances by written notice to Agent. Agent shall use reasonable efforts to notify Parent of the existence of any Australian Protective Advance on or about the date when made (it being understood that the failure to provide such notification to Parent shall not invalidate such Australian Protective Advance).

(v) Any contrary provision of this Agreement or any other Loan Document notwithstanding, but subject to Section 2.3(f)(vii), if there is an Australian Overadvance at any time, the excess amount shall be payable by Australian Borrowers within one Business Day after receipt of demand from Agent, but all such Australian Revolving Loans shall nevertheless constitute Australian Obligations secured by the applicable Collateral and entitled to all benefits of the Loan Documents. Agent may require Australian Revolving Lenders to honor requests for Australian Overadvance Loans and to forbear from requiring Australian Borrowers to cure an. Australian Overadvance, (a) when no other Event of Default is known to the Agent, as long as (i) the Australian Overadvance does not continue for more than 30 consecutive days (and no Australian Overadvance may exist for at least five (5) consecutive days thereafter before further Australian Overadvance Loans are required), and (ii) the Australian Overadvance is not known by Agent to exceed 5.0% of the Australian Maximum Revolver Amount and (b) regardless of whether an Event of Default exists, if Agent discovers an Australian Overadvance not previously known by it to exist, as long as from the date of such discovery the Australian Overadvance is not increased and does not continue for more than 30 consecutive days. In no event shall Australian Overadvance Loans be required that would cause (x) Australian Revolver Usage (including, for this purpose, the aggregate principal amount of Australian Overadvance Loans) to exceed the aggregate Australian Revolver Commitments or (y) any Australian Revolving Lenders' Pro Rata Share of Australian Revolver Usage (including, for this purpose, the aggregate principal amount of Australian Overadvance Loans) to exceed its Australian Revolver Commitment. Any funding of an Australian Overadvance Loan or sufferance of an. Australian Overadvance shall not constitute a waiver by Agent or Lenders of the Event of Default caused thereby. Agent shall use reasonable efforts to notify Parent of the existence of any Australian Overadvance on or about the date when made (it being understood that the failure to provide such notification to Parent shall have no effect on such Australian Overadvance)

(vi) Each Australian Protective Advance and each Australian Overadvance (each, an " Australian Extraordinary Advance"; and U.S. Extraordinary Advances and Australian Extraordinary Advances may also each be referred to herein as " Extraordinary Advances") shall be deemed to be an Australian Revolving Loan hereunder, except that no Australian Extraordinary Advance shall be eligible to be a LIBOR Rate Loan and, prior to Settlement therefor, all payments on the Australian Extraordinary Advances shall be payable to Agent solely for its own account. The Australian Extraordinary Advances shall be repayable within one Business Day of demand thereof, secured by the Liens granted under the Loan Documents, constitute Australian Obligations hereunder, and bear interest at the rate applicable from time to time to Australian Revolving Loans that are Base Rate Loans.

(vii) Notwithstanding anything contained in this Agreement or any other Loan Document to the contrary: (A) no U.S. Extraordinary Advance may be made by Agent if such U.S. Extraordinary Advance would cause the aggregate principal amount of U.S. Extraordinary Advances outstanding to exceed an amount equal to 10% of the U.S. Maximum Revolver Amount and (B) no Australian Extraordinary Advance may be made by Agent if such Australian Extraordinary Advance would cause the

aggregate principal amount of Australian Extraordinary Advances outstanding to exceed an amount equal to 10% of the Australian Maximum Revolver Amount.

(viii) The provisions of this Section 2.3(f) are for the exclusive benefit of Agent, Swing Lender, and the Lenders and are not intended to benefit Borrowers (or any other Loan Party) in any way.

(g) **Settlement.**

(i) U.S. Obligations. It is agreed that each U.S. Revolving Lender's funded portion of the U.S. Revolving Loans is intended by the U.S. Revolving Lenders to equal, at all times, such Lender's Pro Rata Share of the outstanding U.S. Revolving Loans. Such agreement notwithstanding, Agent, U.S. Swing Lender, and the other U.S. Revolving Lenders agree (which agreement shall not be for the benefit of Borrowers) that in order to facilitate the administration of this Agreement and the other Loan Documents, Settlement among the U.S. Revolving Lenders as to the U.S. Revolving Loans, the U.S. Swing Loans, and the U.S. Extraordinary Advances shall take place on a periodic basis in accordance with the following provisions:

(A) Agent shall request settlement ("Settlement") with the U.S. Revolving Lenders on a weekly basis, or on a more frequent basis if so determined by Agent in its sole discretion (1) on behalf of U.S. Swing Lender, with respect to the outstanding U.S. Swing Loans, (2) for itself, with respect to the outstanding U.S. Extraordinary Advances, and (3) with respect to U.S. Borrowers' or any of their Subsidiaries' payments or other amounts received, as to each by notifying the U.S. Revolving Lenders by telecopy, telephone, email or other electronic form of transmission, of such requested Settlement, no later than 2:00 p.m. on the Business Day immediately prior to the date of such requested Settlement (the date of such requested Settlement being the "Settlement Date"). Such notice of a Settlement Date shall include a summary statement of the amount of outstanding U.S. Revolving Loans, U.S. Swing Loans, and U.S. Extraordinary Advances for the period since the prior Settlement Date. Subject to the terms and conditions contained herein (including Section 2.3(i)): (y) if the amount of the U.S. Revolving Loans (including U.S. Swing Loans, and U.S. Extraordinary Advances) made by a U.S. Revolving Lender that is not a Defaulting Lender exceeds such U.S. Revolving Lender's Pro Rata Share of the U.S. Revolving Loans (including U.S. Swing Loans, and U.S. Extraordinary Advances) as of a Settlement Date, then Agent shall, by no later than 12:00 p.m. on the Settlement Date, transfer in immediately available funds to a Deposit Account of such U.S. Revolving Lender (as such U.S. Revolving Lender may designate), an amount such that each such U.S. Revolving Lender shall, upon receipt of such amount, have as of the Settlement Date, its Pro Rata Share of the U.S. Revolving Loans (including U.S. Swing Loans, and U.S. Extraordinary Advances), and (z) if the amount of the U.S. Revolving Loans (including U.S. Swing Loans, and U.S. Extraordinary Advances) made by a U.S. Revolving Lender is less than such Lender's Pro Rata Share of the U.S. Revolving Loans (including U.S. Swing Loans, and U.S. Extraordinary Advances) as of a Settlement Date, such U.S. Revolving Lender shall no later than 12:00 p.m. on the Settlement Date transfer in immediately available funds to Agent's Account, an amount such that each such U.S. Revolving Lender shall, upon transfer of such amount, have as of the Settlement Date, its Pro Rata Share of the U.S. Revolving Loans (including U.S. Swing Loans and U.S. Extraordinary Advances). Such amounts made available to Agent under clause (z) of the immediately preceding sentence shall be applied against the amounts of the applicable U.S. Swing Loans or U.S. Extraordinary Advances and, together with the portion of such U.S. Swing Loans or U.S. Extraordinary Advances representing U.S. Swing Lender's Pro Rata Share thereof, shall constitute U.S. Revolving Loans of such Lenders. If any such amount is not made available to Agent by any U.S. Revolving Lender on the Settlement Date applicable thereto to the extent required by the terms hereof, Agent shall be entitled to recover for its account such amount on demand from such U.S. Revolving Lender together with interest thereon at the Defaulting Lender Rate.

(B) In determining whether a U.S. Revolving Lender's balance of the U.S. Revolving Loans, U.S. Swing Loans, and U.S. Extraordinary Advances is less than, equal to, or greater than such U.S. Revolving Lender's Pro Rata Share of the U.S. Revolving Loans, U.S. Swing Loans, and

U.S. Extraordinary Advances as of a Settlement Date, Agent shall, as part of the relevant Settlement, apply to such balance the portion of payments actually received in good funds by Agent with respect to principal, interest, fees payable by U.S. Borrowers and allocable to the U.S. Revolving Lenders hereunder, and proceeds of Collateral securing the U.S. Obligations.

(C) Between Settlement Dates, Agent, to the extent U.S. Extraordinary Advances or U.S. Swing Loans are outstanding, may pay over to Agent or U.S. Swing Lender, as applicable, any payments or other amounts received by Agent, that in accordance with the terms of this Agreement would be applied to the reduction of the U.S. Revolving Loans, for application to the U.S. Extraordinary Advances or U.S. Swing Loans. Between Settlement Dates, Agent, to the extent no U.S. Extraordinary Advances or U.S. Swing Loans are outstanding, may pay over to U.S. Swing Lender any payments or other amounts received by Agent, that in accordance with the terms of this Agreement would be applied to the reduction of the U.S. Revolving Loans, for application to U.S. Swing Lender's Pro Rata Share of the U.S. Revolving Loans. If, as of any Settlement Date, payments or other amounts of Parent and its Subsidiaries received since the then immediately preceding Settlement Date have been applied to U.S. Swing Lender's Pro Rata Share of the U.S. Revolving Loans other than to U.S. Swing Loans, as provided for in the previous sentence, U.S. Swing Lender shall pay to Agent for the accounts of the U.S. Revolving Lenders, and Agent shall pay to the U.S. Revolving Lenders (other than a Defaulting Lender if Agent has implemented the provisions of Section 2.3(i)), to be applied to the outstanding U.S. Revolving Loans of such U.S. Revolving Lenders, an amount such that each such U.S. Revolving Lender shall, upon receipt of such amount, have, as of such Settlement Date, its Pro Rata Share of the U.S. Revolving Loans. During the period between Settlement Dates, U.S. Swing Lender with respect to U.S. Swing Loans, Agent with respect to U.S. Extraordinary Advances, and each U.S. Revolving Lender with respect to the U.S. Revolving Loans other than U.S. Swing Loans and U.S. Extraordinary Advances, shall be entitled to interest at the applicable rate or rates payable under this Agreement on the daily amount of funds employed by U.S. Swing Lender, Agent, or the U.S. Revolving Lenders, as applicable.

(ii) Australian Obligations. It is agreed that each Australian Revolving Lender's funded portion of the Australian Revolving Loans is intended by the U.S. Revolving Lenders to equal, at all times, such Lender's Pro Rata Share of the outstanding Australian Revolving Loans. Such agreement notwithstanding, Agent, Australian Swing Lender, and the other Australian Revolving Lenders agree (which agreement shall not be for the benefit of Borrowers) that in order to facilitate the administration of this Agreement and the other Loan Documents, Settlement among the Lenders as to the Australian Revolving Loans, the Australian Swing Loans, and the Australian Extraordinary Advances shall take place on a periodic basis in accordance with the following provisions:

(A) Agent shall request Settlement with the Australian Revolving Lenders on a weekly basis, or on a more frequent basis if so determined by Agent in its sole discretion (1) on behalf of Australian Swing Lender, with respect to the outstanding Australian Swing Loans, (2) for itself, with respect to the outstanding Australian Extraordinary Advances, and (3) with respect to Australian Borrowers or any of their respective Subsidiaries' payments or other amounts received, as to each by notifying the Australian Revolving Lenders by telecopy, telephone, email or other electronic form of transmission, of such requested Settlement, no later than 2:00 p.m. on the Business Day immediately prior to the Settlement Date. Such notice of a Settlement Date shall include a summary statement of the amount of outstanding Australian Revolving Loans, Australian Swing Loans, and Australian Extraordinary Advances for the period since the prior Settlement Date. Subject to the terms and conditions contained herein (including Section 2.3(i)): (y) if the amount of the Australian Revolving Loans (including Australian Swing Loans, and Australian Extraordinary Advances) made by an Australian Revolving Lender that is not a Defaulting Lender exceeds such Australian Revolving Lender's Pro Rata Share of the Australian Revolving Loans (including Australian Swing Loans, and Australian Extraordinary Advances) as of a Settlement Date, then Agent shall, by no later than 12:00 p.m. on the Settlement Date, transfer in immediately available funds to a Deposit Account of such Australian Revolving Lender (as such Australian Revolving Lender may designate), an amount such that each such Australian Revolving Lender shall, upon receipt of such amount, have as of the Settlement Date, its Pro Rata Share of the Australian Revolving Loans (including Australian Swing Loans, and Australian

Extraordinary Advances), and (z) if the amount of the Australian Revolving Loans (including Australian Swing Loans, and Australian Extraordinary Advances) made by an Australian Lender is less than such Lender's Pro Rata Share of the Australian Revolving Loans (including Australian Swing Loans, and Australian Extraordinary Advances) as of a Settlement Date, such Australian Revolving Lender shall no later than 12:00 p.m. on the Settlement Date transfer in immediately available funds to Agent's Account, an amount such that each such Australian Revolving Lender shall, upon transfer of such amount, have as of the Settlement Date, its Pro Rata Share of the Australian Revolving Loans (including Australian Swing Loans and Australian Extraordinary Advances). Such amounts made available to Agent under clause (z) of the immediately preceding sentence shall be applied against the amounts of the applicable Australian Swing Loans or Australian Extraordinary Advances and, together with the portion of such Australian Swing Loans or Australian Extraordinary Advances representing Australian Swing Lender's Pro Rata Share thereof, shall constitute Australian Revolving Loans of such Lenders. If any such amount is not made available to Agent by any Australian Revolving Lender on the Settlement Date applicable thereto to the extent required by the terms hereof, Agent shall be entitled to recover for its account such amount on demand from such Australian Revolving Lender together with interest thereon at the Defaulting Lender Rate.

(B) In determining whether an Australian Revolving Lender's balance of the Australian Revolving Loans, Australian Swing Loans, and Australian Extraordinary Advances is less than, equal to, or greater than such Australian Revolving Lender's Pro Rata Share of the Australian Revolving Loans, Australian Swing Loans, and Australian Extraordinary Advances as of a Settlement Date, Agent shall, as part of the relevant Settlement, apply to such balance the portion of payments actually received in good funds by Agent with respect to principal, interest, fees payable by Australian Borrowers and allocable to the Australian Revolving Lenders hereunder, and proceeds of Collateral securing the Australian Obligations.

(C) Between Settlement Dates, Agent, to the extent Australian Extraordinary Advances or Australian Swing Loans are outstanding, may pay over to Agent or Australian Swing Lender, as applicable, any payments or other amounts received by Agent, that in accordance with the terms of this Agreement would be applied to the reduction of the Australian Revolving Loans, for application to the Australian Extraordinary Advances or Australian Swing Loans. Between Settlement Dates, Agent, to the extent no Australian Extraordinary Advances or Australian Swing Loans are outstanding, may pay over to Australian Swing Lender any payments or other amounts received by Agent, that in accordance with the terms of this Agreement would be applied to the reduction of the Australian Revolving Loans, for application to Australian Swing Lender's Pro Rata Share of the Australian Revolving Loans. If, as of any Settlement Date, payments or other amounts of Parent and its Subsidiaries received since the then immediately preceding Settlement Date have been applied to Australian Swing Lender's Pro Rata Share of the Australian Revolving Loans other than to Australian Swing Loans, as provided for in the previous sentence, Australian Swing Lender shall pay to Agent for the accounts of the Australian Revolving Lenders, and Agent shall pay to the Australian Revolving Lenders (other than a Defaulting Lender if Agent has implemented the provisions of Section 2.3(i)), to be applied to the outstanding Australian Revolving Loans of such Australian Revolving Lenders, an amount such that each such Australian Revolving Lender shall, upon receipt of such amount, have, as of such Settlement Date, its Pro Rata Share of the Australian Revolving Loans. During the period between Settlement Dates, Australian Swing Lender with respect to Australian Swing Loans, Agent with respect to Australian Extraordinary Advances, and each Australian Revolving Lender with respect to the Australian Revolving Loans other than Australian Swing Loans and Australian Extraordinary Advances, shall be entitled to interest at the applicable rate or rates payable under this Agreement on the daily amount of funds employed by Australian Swing Lender, Agent, or the Australian Revolving Lenders, as applicable.

(iii) Anything in this Section 2.3(g) to the contrary notwithstanding, in the event that a Lender is a Defaulting Lender, Agent shall be entitled to refrain from remitting settlement amounts to the Defaulting Lender and, instead, shall be entitled to elect to implement the provisions set forth in Section 2.3(i).

(h) **Notation.** Agent, as a non-fiduciary agent for Borrowers, shall maintain a register (including the Register required pursuant to Section 13.1(h)) showing the principal amount of the Revolving

Loans owing to each Lender, including the Swing Loans owing to each Swing Lender, and Extraordinary Advances owing to Agent, and the interests therein of each Lender, from time to time and such register shall, absent manifest error, conclusively be presumed to be correct and accurate.

(i) **Defaulting Lenders.**

(i) Generally. Notwithstanding the provisions of Section 2.4(b)(iv) and Section 2.4(b)(v), Agent shall not be obligated to transfer to a Defaulting Lender any payments made by Borrowers (or any of them) to Agent for the Defaulting Lender's benefit or any proceeds of Collateral that would otherwise be remitted hereunder to the Defaulting Lender, and, in the absence of such transfer to the Defaulting Lender, Agent shall transfer any such payments (A) first, to Swing Lenders to the extent of any Swing Loans that were made by any Swing Lender and that were required to be, but were not, paid by the Defaulting Lender, (B) second, to Issuing Banks, to the extent of the portion of a Letter of Credit Disbursement that was required to be, but was not, paid by the Defaulting Lender, (C) third, to each Non-Defaulting Lender ratably in accordance with their applicable Revolver Commitments (but, in each case, only to the extent that such Defaulting Lender's portion of a Revolving Loan (or other funding obligation) was funded by such other Non-Defaulting Lender), (D) to a suspense account maintained by Agent, the proceeds of which shall be retained by Agent and may be made available to be re-advanced to or for the benefit of the applicable Borrowers (upon the request of Borrowers and subject to the conditions set forth in Section 3.2) as if such Defaulting Lender had made its portion of applicable Revolving Loans (or other funding obligations) hereunder, and (E) from and after the date on which all other Obligations have been paid in full, to such Defaulting Lender in accordance with tier (Y) of Section 2.4(b)(iv) or tier (M) of Section 2.4(b)(v) (as applicable). Subject to the foregoing, Agent may hold and, in its discretion, re-lend to the applicable Borrowers for the account of such Defaulting Lender the amount of all such payments received and retained by Agent for the account of such Defaulting Lender. Solely for the purposes of voting or consenting to matters with respect to the Loan Documents (including the calculation of Pro Rata Share in connection therewith) and for the purpose of calculating the fee payable under Section 2.10(b), such Defaulting Lender shall be deemed not to be a "Lender" and such Lender's Revolver Commitments shall be deemed to be zero; provided, that the foregoing shall not apply to any of the matters governed by Section 14.1(a)(i) through (iv). The provisions of this Section 2.3(i) shall remain effective with respect to such Defaulting Lender until the earlier of (y) the date on which all of the Non-Defaulting Lenders, Agent, Issuing Banks, and Borrowers shall have waived, in writing, the application of this Section 2.3(i) to such Defaulting Lender, or (z) the date on which such Defaulting Lender makes payment of all amounts that it was obligated to fund hereunder, pays to Agent all amounts owing by Defaulting Lender in respect of the amounts that it was obligated to fund hereunder, and, if requested by Agent, provides adequate assurance of its ability to perform its future obligations hereunder (on which earlier date, so long as no Event of Default has occurred and is continuing, any remaining cash collateral held by Agent pursuant to Section 2.3(i)(ii) or 2.3(i)(iii) shall be released to the applicable Borrowers). The operation of this Section 2.3(i) shall not be construed to increase or otherwise affect the Revolver Commitment of any Lender, to relieve or excuse the performance by such Defaulting Lender or any other Lender of its duties and obligations hereunder, or to relieve or excuse the performance by any Borrower of its duties and obligations hereunder to Agent, Issuing Banks, or to the Lenders other than such Defaulting Lender. Any failure by a Defaulting Lender to fund amounts that it was obligated to fund hereunder shall constitute a material breach by such Defaulting Lender of this Agreement and shall entitle Borrowers, at their option, upon written notice to Agent, to arrange for a substitute Lender to assume the Revolver Commitment of such Defaulting Lender, such substitute Lender to be reasonably acceptable to Agent. In connection with the arrangement of such a substitute Lender, the Defaulting Lender shall have no right to refuse to be replaced hereunder, and agrees to execute and deliver a completed form of Assignment and Acceptance in favor of the substitute Lender (and agrees that it shall be deemed to have executed and delivered such document if it fails to do so) subject only to being paid its share of the outstanding Obligations (other than Bank Product Obligations, but including (1) all interest, fees, and other amounts that may be due and payable in respect thereof, and (2) an assumption of its Pro Rata Share of its participation in the applicable Letters of Credit); provided, that any such assumption of the Revolver Commitment of such Defaulting Lender shall not be deemed to constitute a waiver of any of the Lender Group's or Borrowers' rights or remedies against any such Defaulting Lender arising out of or in relation to such failure to fund. In the event of a direct conflict

between the priority provisions of this Section 2.3(i) and any other provision contained in this Agreement or any other Loan Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of this Section 2.3(i) shall control and govern.

(ii) U.S. Revolving Lenders as Defaulting Lenders. If any U.S. Swing Loan or U.S. Letter of Credit is outstanding at the time that a U.S. Revolving Lender becomes a Defaulting Lender then:

(A) such Defaulting Lender's U.S. Swing Loan Exposure and U.S. Letter of Credit Exposure shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Pro Rata Shares but only to the extent (x) the sum of all Non-Defaulting Lenders' U.S. Revolving Loan Exposures *plus* such Defaulting Lender's U.S. Swing Loan Exposure and U.S. Letter of Credit Exposure does not exceed the total of all Non-Defaulting Lenders' U.S. Revolver Commitments, (y) no Non-Defaulting Lenders' Pro Rata Share of U.S. Revolver Usage exceeds its U.S. Revolver Commitment, and (z) the conditions set forth in Section 3.2 are satisfied at such time;

(B) if the reallocation described in clause (A) above cannot, or can only partially, be effected, U.S. Borrowers shall within one Business Day following notice by the Agent (x) first, prepay such Defaulting Lender's U.S. Swing Loan Exposure (after giving effect to any partial reallocation pursuant to clause (A) above) and (y) second, cash collateralize such Defaulting Lender's U.S. Letter of Credit Exposure (after giving effect to any partial reallocation pursuant to clause (A) above), pursuant to a cash collateral agreement to be entered into in form and substance reasonably satisfactory to the Agent, for so long as such U.S. Letter of Credit Exposure is outstanding; provided, that U.S. Borrowers shall not be obligated to cash collateralize any Defaulting Lender's U.S. Letter of Credit Exposure if such Defaulting Lender is also a U.S. Issuing Bank;

(C) if U.S. Borrowers cash collateralize any portion of such Defaulting Lender's U.S. Letter of Credit Exposure pursuant to this Section 2.3(i)(ii), U.S. Borrowers shall not be required to pay any U.S. Letter of Credit Fees to Agent for the account of such Defaulting Lender pursuant to Section 2.6(b) with respect to such cash collateralized portion of such Defaulting Lender's U.S. Letter of Credit Exposure during the period such U.S. Letter of Credit Exposure is cash collateralized;

(D) to the extent the U.S. Letter of Credit Exposure of the Non-Defaulting Lenders is reallocated pursuant to this Section 2.3(i)(ii), then the U.S. Letter of Credit Fees payable to the Non-Defaulting Lenders pursuant to Section 2.6(b) shall be adjusted in accordance with such Non-Defaulting Lenders' U.S. Letter of Credit Exposure;

(E) to the extent any Defaulting Lender's U.S. Letter of Credit Exposure is neither cash collateralized nor reallocated pursuant to this Section 2.3(i)(ii), then, without prejudice to any rights or remedies of any U.S. Issuing Bank or any U.S. Revolving Lender hereunder, all U.S. Letter of Credit Fees that would have otherwise been payable to such Defaulting Lender under Section 2.6(b) with respect to such portion of such U.S. Letter of Credit Exposure shall instead be payable to the applicable U.S. Issuing Bank until such portion of such Defaulting Lender's U.S. Letter of Credit Exposure is cash collateralized or reallocated;

(F) so long as any U.S. Revolving Lender is a Defaulting Lender, the U.S. Swing Lender shall not be required to make any U.S. Swing Loan and no U.S. Issuing Bank shall be required to issue, amend, or increase any U.S. Letter of Credit, in each case, to the extent (x) the Defaulting Lender's Pro Rata Share of such U.S. Swing Loans or U.S. Letter of Credit cannot be reallocated pursuant to this Section 2.3(i)(ii) or (y) the U.S. Swing Lender or U.S. Issuing Banks, as applicable, have not otherwise entered into arrangements reasonably satisfactory to the U.S. Swing Lender or U.S. Issuing Banks, as

applicable, and Borrowers to eliminate the U.S. Swing Lender's or U.S. Issuing Banks' risk with respect to the Defaulting Lender's participation in U.S. Swing Loans or U.S. Letters of Credit; and

(G) Agent may release any cash collateral provided by U.S. Borrowers pursuant to this Section 2.3(i)(ii) to any U.S. Issuing Bank and such U.S. Issuing Bank may apply any such cash collateral to the payment of such Defaulting Lender's Pro Rata Share of any Letter of Credit Disbursement that is not reimbursed by U.S. Borrowers pursuant to Section 2.11(d).

(iii) Australian Revolving Lenders as Defaulting Lenders. If any Australian Swing Loan or Australian Letter of Credit is outstanding at the time that an Australian Revolving Lender becomes a Defaulting Lender then:

(A) such Defaulting Lender's Australian Swing Loan Exposure and Australian Letter of Credit Exposure shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Pro Rata Shares but only to the extent (x) the sum of all Non-Defaulting Lenders' Australian Revolving Loan Exposures *plus* such Defaulting Lender's Australian Swing Loan Exposure and Australian Letter of Credit Exposure does not exceed the total of all Non-Defaulting Lenders' Australian Revolver Commitments, (y) no Non-Defaulting Lenders' Pro Rata Share of Australian Revolver Usage exceeds its Australian Revolver Commitment, and (z) the conditions set forth in Section 3.2 are satisfied at such time;

(B) if the reallocation described in clause (A) above cannot, or can only partially, be effected, Australian Borrowers shall within one Business Day following notice by the Agent (x) first, prepay such Defaulting Lender's Australian Swing Loan Exposure (after giving effect to any partial reallocation pursuant to clause (A) above) and (y) second, cash collateralize such Defaulting Lender's Australian Letter of Credit Exposure (after giving effect to any partial reallocation pursuant to clause (A) above), pursuant to a cash collateral agreement to be entered into in form and substance reasonably satisfactory to the Agent, for so long as such Australian Letter of Credit Exposure is outstanding; provided, that Australian Borrowers shall not be obligated to cash collateralize any Defaulting Lender's Australian Letter of Credit Exposure if such Defaulting Lender is also an Australian Issuing Bank;

(C) if Australian Borrowers cash collateralize any portion of such Defaulting Lender's Australian Letter of Credit Exposure pursuant to this Section 2.3(i)(iii), Australian Borrowers shall not be required to pay any Australian Letter of Credit Fees to Agent for the account of such Defaulting Lender pursuant to Section 2.6(b) with respect to such cash collateralized portion of such Defaulting Lender's Australian Letter of Credit Exposure during the period such Australian Letter of Credit Exposure is cash collateralized;

(D) to the extent the Australian Letter of Credit Exposure of the Non-Defaulting Lenders is reallocated pursuant to this Section 2.3(i)(iii), then the Australian Letter of Credit Fees payable to the Non-Defaulting Lenders pursuant to Section 2.6(b) shall be adjusted in accordance with such Non-Defaulting Lenders' U.S. Letter of Credit Exposure;

(E) to the extent any Defaulting Lender's Australian Letter of Credit Exposure is neither cash collateralized nor reallocated pursuant to this Section 2.3(i)(iii), then, without prejudice to any rights or remedies of any Australian Issuing Bank or any Australian Revolving Lender hereunder, all Australian Letter of Credit Fees that would have otherwise been payable to such Defaulting Lender under Section 2.6(b) with respect to such portion of such Australian Letter of Credit Exposure shall instead be payable to the applicable Australian Issuing Bank until such portion of such Defaulting Lender's Australian Letter of Credit Exposure is cash collateralized or reallocated;

(F) so long as any Australian Revolving Lender is a Defaulting Lender, the Australian Swing Lender shall not be required to make any Australian Swing Loan and no Australian Issuing Bank shall be required to issue, amend, or increase any Australian Letter of Credit, in each case, to

the extent (x) the Defaulting Lender's Pro Rata Share of such Australian Swing Loans or Australian Letter of Credit cannot be reallocated pursuant to this Section 2.3(i)(iii) or (y) the Australian Swing Lender or Australian Issuing Banks, as applicable, have not otherwise entered into arrangements reasonably satisfactory to the Australian Swing Lender or Australian Issuing Banks, as applicable, and Australian Borrowers to eliminate the Australian Swing Lender's or Australian Issuing Banks' risk with respect to the Defaulting Lender's participation in Australian Swing Loans or Australian Letters of Credit; and

(G) Agent may release any cash collateral provided by Australian Borrowers pursuant to this Section 2.3(i)(iii) to any Australian Issuing Bank and such Australian Issuing Bank may apply any such cash collateral to the payment of such Defaulting Lender's Pro Rata Share of any Letter of Credit Disbursement that is not reimbursed by Australian Borrowers pursuant to Section 2.12(d).

(j) **Independent Obligations.** All Revolving Loans (other than Swing Loans and Extraordinary Advances) shall be made by the Lenders contemporaneously and in accordance with their Pro Rata Shares. The obligations of the Lenders under this Agreement to make Loans and to fund participations in Letters of Credit, Swing Loans and Extraordinary Advances are several (and not joint and several). It is understood that (i) no Lender shall be responsible for any failure by any other Lender to perform its obligation to make any Revolving Loan (or other extension of credit) hereunder, nor shall any Revolver Commitment of any Lender be increased or decreased as a result of any failure by any other Lender to perform its obligations hereunder, and (ii) no failure by any Lender to perform its obligations hereunder shall excuse any other Lender from its obligations hereunder.

2.4 **Payments; Reductions of Commitments; Prepayments .**

(a) **Payments by Borrowers.**

(i) Except as otherwise expressly provided herein, all payments by Borrowers (or any of them) shall be made to the Agent's Account designated for the currency of the applicable payment and shall be made in immediately available funds, no later than 1:30 p.m. on the date specified herein. Any payment received by Agent later than 1:30 p.m. shall be deemed to have been received (unless Agent, in its sole discretion, elects to credit it on the date received) on the following Business Day and any applicable interest or fee shall continue to accrue until such following Business Day.

(ii) Unless Agent receives notice from Borrowers (or any of them) prior to the date on which any payment is due to the Lenders (or any of them) that such Borrowers will not make such payment in full as and when required, Agent may assume that such Borrowers have made (or will make) such payment in full to Agent on such date in immediately available funds and Agent may (but shall not be so required), in reliance upon such assumption, distribute to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent Borrowers (or any of them) do not make such payment in full to Agent on the date when due, each Lender severally shall repay to Agent on demand such amount distributed to such Lender, together with interest thereon at the Defaulting Lender Rate for each day from the date such amount is distributed to such Lender until the date repaid.

(b) **Apportionment and Application.**

(i) So long as no Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, all principal and interest payments received by Agent shall be apportioned ratably among the Lenders (according to the unpaid principal balance of the portion of the Obligations to which such payments relate held by each Lender) and all payments of fees and expenses received by Agent (other than fees or expenses that are for Agent's separate account or for the separate account of Issuing Bank) shall be apportioned ratably among the Lenders having a Pro Rata Share of the type of Revolver Commitment or portion of the Obligation to which a particular fee or expense relates.

(ii) Subject to Section 2.4(b)(vii) and Section 2.4(e), all payments to be made hereunder by U.S. Borrowers shall be remitted to Agent and all such payments, and all proceeds of Collateral securing the U.S. Obligations received by Agent, shall be applied, so long as no Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, subject to the Intercreditor Agreement, to reduce the balance of the U.S. Revolving Loans outstanding and, thereafter, to U.S. Borrowers (to be wired to the U.S. Designated Account) or such other Person entitled thereto under applicable law.

(iii) Subject to Section 2.4(b)(vii) and Section 2.4(e), all payments to be made hereunder by Australian Borrowers shall be remitted to Agent and all such payments, and all proceeds of Collateral securing the Australian Obligations received by Agent, shall be applied, so long as no Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, subject to the Intercreditor Agreement, to reduce the balance of the Australian Revolving Loans outstanding and, thereafter, to Australian Borrowers (to be wired to the Australian Designated Account) or such other Person entitled thereto under applicable law.

(iv) At any time that an Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, subject to the Intercreditor Agreement, all payments remitted to Agent by U.S. Borrowers and all proceeds of Collateral securing the U.S. Obligations received by Agent shall be applied as follows (it being understood that for purposes of this clause (iv) "U.S. Obligations" excludes the U.S. Loan Parties' obligations under their guarantee of the Australian Obligations):

(A) first, to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to Agent under the Loan Documents in respect of the U.S. Obligations, until paid in full,

(B) second, to pay any fees then due to Agent under the Loan Documents in respect of the U.S. Obligations until paid in full,

(C) third, ratably to pay interest due in respect of all U.S. Protective Advances until paid in full,

(D) fourth, ratably to pay the principal of all U.S. Protective Advances until paid in full,

(E) fifth, ratably to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to any of the U.S. Revolving Lenders or U.S. Issuing Banks under the Loan Documents, until paid in full,

(F) sixth, ratably to pay any fees then due to any of the U.S. Revolving Lenders or U.S. Issuing Banks under the Loan Documents until paid in full,

(G) seventh, ratably to pay interest accrued in respect of the U.S. Swing Loans until paid in full,

(H) eighth, ratably to pay the principal of all U.S. Swing Loans until paid in full,

(I) ninth, to Agent, to be held by Agent, for the benefit of U.S. Issuing Banks (and for the ratable benefit of each of the U.S. Revolving Lenders that have an obligation to pay to Agent, for the account of U.S. Issuing Banks, a share of each Letter of Credit Disbursement in connection with each U.S. Letter of Credit), as cash collateral in an amount up to the sum of 103% of the U.S. Letter of Credit Usage (to the extent permitted by applicable law, such cash collateral shall be applied to the

reimbursement of any Letter of Credit Disbursement as and when such disbursement occurs and, if a U.S. Letter of Credit expires undrawn, the cash collateral held by Agent in respect of such U.S. Letter of Credit shall, to the extent permitted by applicable law, be reapplied pursuant to this Section 2.4(b)(iv), beginning with tier (A) hereof),

(J) tenth, ratably to pay interest accrued in respect of the U.S. Revolving Loans (other than U.S. Protective Advances) until paid in full,

(K) eleventh,

i. ratably to pay the principal of all U.S. Revolving Loans until paid in full,

ii. ratably up to the amount (after taking into account any amounts previously paid pursuant to this clause (ii) during the continuation of the applicable Application Event) of the most recently established U.S. Hedge Reserves (after taking into account any amounts previously paid pursuant to this clause (ii) during the continuation of the applicable Application Event), to (I) the U.S. Hedge Providers based upon amounts then certified by the applicable U.S. Hedge Provider to Agent (in form and substance satisfactory to Agent) to be due and payable to such U.S. Hedge Providers on account of U.S. Hedge Obligations, and (II) with any balance to be paid to Agent, to be held by Agent, for the ratable benefit of the U.S. Hedge Providers, as cash collateral (which cash collateral may be released by Agent to the applicable U.S. Hedge Provider and applied by such U.S. Hedge Provider to the payment or reimbursement of any amounts due and payable with respect to U.S. Hedge Obligations owed to the applicable U.S. Hedge Provider as and when such amounts first become due and payable and, if and at such time as all such U.S. Hedge Obligations are paid or otherwise satisfied in full, the cash collateral held by Agent in respect of such U.S. Hedge Obligations shall be reapplied pursuant to this Section 2.4(b)(iv), beginning with tier (A) hereof),

THEN, unless otherwise agreed by the Supermajority Lenders, only after the earlier of (i) payment in full in cash of all Australian Obligations contemplated by clauses (A) through (K) of Section 2.4(b)(v) and (ii) the exercise of remedies against all Collateral securing the Australian Obligations and the application of the proceeds thereof in accordance with Section 2.4(b)(v):

(L) twelfth, to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to Agent or Australian Security Trustee under the Loan Documents in respect of the Australian Obligations, until paid in full,

(M) thirteenth, to pay any fees then due to Agent or Australian Security Trustee under the Loan Documents in respect of the Australian Obligations until paid in full,

(N) fourteenth, ratably to pay interest due in respect of all Australian Protective Advances until paid in full,

(O) fifteenth, ratably to pay the principal of all Australian Protective Advances until paid in full,

(P) sixteenth, ratably to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to any of the Australian Revolving Lenders or Australian Issuing Banks under the Loan Documents, until paid in full,

(Q) seventeenth, ratably to pay any fees then due to any of the Australian Revolving Lenders or Australian Issuing Banks under the Loan Documents until paid in full,

(R) eitheenth, ratably to pay interest accrued in respect of the Australian Swing Loans until paid in full,

(S) nineteenth, ratably to pay the principal of all Australian Swing Loans until paid in full,

(T) twentieth, to Agent, to be held by Agent, for the benefit of Australian Issuing Banks (and for the ratable benefit of each of the Australian Revolving Lenders that have an obligation to pay to Agent, for the account of Australian Issuing Banks, a share of each Letter of Credit Disbursement in connection with each Australian Letter of Credit), as cash collateral in an amount up to the sum of 103% of the Australian Letter of Credit Usage (to the extent permitted by applicable law, such cash collateral shall be applied to the reimbursement of any Letter of Credit Disbursement as and when such disbursement occurs and, if a Australian Letter of Credit expires undrawn, the cash collateral held by Agent in respect of such Australian Letter of Credit shall, to the extent permitted by applicable law, be reapplied pursuant to this Section 2.4(b)(iv), beginning with tier (A) hereof),

(U) twenty-first, ratably to pay interest accrued in respect of the Australian Revolving Loans (other than Australian Protective Advances) until paid in full,

(V) twenty-second,

i. ratably to pay the principal of all Australian Revolving Loans until paid in full,

ii. ratably up to the amount (after taking into account any amounts previously paid pursuant to this clause (ii) during the continuation of the applicable Application Event) of the most recently established Australian Hedge Reserves (after taking into account any amounts previously paid pursuant to this clause (ii) during the continuation of the applicable Application Event), to (I) the Australian Hedge Providers based upon amounts then certified by the applicable Australian Hedge Provider to Agent (in form and substance satisfactory to Agent) to be due and payable to such Australian Hedge Providers on account of Australian Hedge Obligations, and (II) with any balance to be paid to Agent, to be held by Agent, for the ratable benefit of the Australian Hedge Providers, as cash collateral (which cash collateral may be released by Agent to the applicable Australian Hedge Provider and applied by such Australian Hedge Provider to the payment or reimbursement of any amounts due and payable with respect to Australian Hedge Obligations owed to the applicable Australian Hedge Provider as and when such amounts first become due and payable and, if and at such time as all such Australian Hedge Obligations are paid or otherwise satisfied in full, the cash collateral held by Agent in respect of such Australian Hedge Obligations shall be reapplied pursuant to this Section 2.4(b)(iv), beginning with tier (A) hereof),

(W) twenty-third, to pay any other U.S. Obligations other than U.S. Obligations owed to Defaulting Lenders (including being paid, ratably to the U.S. Bank Product Providers on account of all amounts then due and payable in respect of U.S. Bank Product Obligations, with any balance to be paid to Agent, to be held by Agent, for the ratable benefit of the U.S. Bank Product Providers, as cash collateral (which cash collateral may be released by Agent to the applicable U.S. Bank Product Provider and applied by such U.S. Bank Product Provider to the payment or reimbursement of any amounts due and payable with respect to U.S. Bank Product Obligations owed to the applicable U.S. Bank Product Provider as and when such amounts first become due and payable and, if and at such time as all such U.S. Bank Product Obligations are paid or otherwise satisfied in full, the cash collateral held by Agent in respect of such U.S. Bank Product Obligations shall be reapplied pursuant to this Section 2.4(b)(iv), beginning with tier (A) hereof),

(X) twenty-fourth, to pay any other Australian Obligations other than Australian Obligations owed to Defaulting Lenders (including being paid, ratably to the Australian Bank Product Providers on account of all amounts then due and payable in respect of Australian Bank Product

Obligations, with any balance to be paid to Agent, to be held by Agent, for the ratable benefit of the Australian Bank Product Providers, as cash collateral (which cash collateral may be released by Agent to the applicable Australian Bank Product Provider and applied by such Australian Bank Product Provider to the payment or reimbursement of any amounts due and payable with respect to Australian Bank Product Obligations owed to the applicable Australian Bank Product Provider as and when such amounts first become due and payable and, if and at such time as all such Australian Bank Product Obligations are paid or otherwise satisfied in full, the cash collateral held by Agent in respect of such Australian Bank Product Obligations shall be reapplied pursuant to this Section 2.4(b)(iv), beginning with tier (A) hereof),

(Y) twenty-fifth, ratably to pay any Obligations owed to Defaulting Lenders; and

(Z) twenty-sixth, to U.S. Borrowers (to be wired to the U.S. Designated Account) or such other Person entitled thereto under applicable law.

(v) At any time that an Application Event has occurred and is continuing and except as otherwise provided herein with respect to Defaulting Lenders, subject to the Intercreditor Agreement, all payments remitted to Agent by Australian Borrowers and all proceeds of Collateral securing the Australian Obligations received by Agent or the Australian Security Trustee shall be applied as follows to the extent not applied or eligible to be applied pursuant to clause (iv) above:

(A) first, to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to Agent or the Australian Security Trustee under the Loan Documents in respect of the Australian Obligations, until paid in full,

(B) second, to pay any fees then due to Agent (to the extent related to the Australian Obligations) or the Australian Security Trustee under the Loan Documents in respect of the Australian Obligations until paid in full,

(C) third, ratably to pay interest due in respect of all Australian Protective Advances until paid in full,

(D) fourth, ratably to pay the principal of all Australian Protective Advances until paid in full,

(E) fifth, ratably to pay any Lender Group Expenses (including cost or expense reimbursements) or indemnities then due to any of the Australian Revolving Lenders or Australian Issuing Banks under the Loan Documents, until paid in full,

(F) sixth, ratably to pay any fees then due to any of the Australian Revolving Lenders or Australian Issuing Banks under the Loan Documents until paid in full,

(G) seventh, to pay interest accrued in respect of the Australian Swing Loans until paid in full,

(H) eighth, to pay the principal of all Australian Swing Loans until paid in full,

(I) ninth, to Agent, to be held by Agent, for the benefit of Australian Issuing Banks (and for the ratable benefit of each of the Australian Revolving Lenders that have an obligation to pay to Agent, for the account of Australian Issuing Banks, a share of each Australian Letter of Credit Disbursement), as cash collateral in an amount up to 103% of the Australian Letter of Credit Usage (to the extent permitted by applicable law, such cash collateral shall be applied to the reimbursement of any Australian Letter of Credit Disbursement as and when such disbursement occurs and, if an Australian Letter of Credit

expires undrawn, the cash collateral held by Agent in respect of such Australian Letter of Credit shall, to the extent permitted by applicable law, be reapplied pursuant to this Section 2.4(b)(v), beginning with tier (A) hereof),

(J) tenth, ratably, to pay interest accrued in respect of the Australian Revolving Loans (other than Australian Protective Advances) until paid in full,

(K) eleventh,

i. ratably to pay the principal of all Australian Revolving Loans and until paid in full,

ii. ratably up to the amount (after taking into account any amounts previously paid pursuant to this clause (ii) during the continuation of the applicable Application Event) of the most recently established Australian Hedge Reserves (after taking into account any amounts previously paid pursuant to this clause (ii) during the continuation of the applicable Application Event), to (%8) the Australian Hedge Providers based upon amounts then certified by the applicable Australian Hedge Provider to Agent (in form and substance satisfactory to Agent) to be due and payable to such Australian Hedge Providers on account of Australian Hedge Obligations, and (%8) with any balance to be paid to Agent, to be held by Agent, for the ratable benefit of the Australian Hedge Providers, as cash collateral (which cash collateral may be released by Agent to the applicable Australian Hedge Provider and applied by such Australian Hedge Provider to the payment or reimbursement of any amounts due and payable with respect to Australian Hedge Obligations owed to the applicable Australian Hedge Provider as and when such amounts first become due and payable and, if and at such time as all such Australian Hedge Obligations are paid or otherwise satisfied in full, the cash collateral held by Agent in respect of such Australian Hedge Obligations shall be reapplied pursuant to this Section 2.4(b)(v), beginning with tier (A) hereof),

(L) twelfth, to pay any other Australian Obligations other than Australian Obligations owed to Defaulting Lenders (including being paid, ratably, to the Australian Bank Product Providers on account of all amounts then due and payable in respect of Australian Bank Product Obligations, with any balance to be paid to Agent, to be held by Agent, for the ratable benefit of the Australian Bank Product Providers, as cash collateral (which cash collateral may be released by Agent to the applicable Australian Bank Product Provider and applied by such Australian Bank Product Provider to the payment or reimbursement of any amounts due and payable with respect to Australian Bank Product Obligations owed to the applicable Australian Bank Product Provider as and when such amounts first become due and payable and, if and at such time as all such Australian Bank Product Obligations are paid or otherwise satisfied in full, the cash collateral held by Agent in respect of such Australian Bank Product Obligations shall be reapplied pursuant to this Section 2.4(b)(v), beginning with tier (A) hereof),

(M) thirteenth, ratably to pay any Australian Obligations owed to Defaulting Lenders; and

(N) fourteenth, to Australian Borrowers (to be wired to the Australian Designated Account) or such other Person entitled thereto under applicable law.

(vi) Agent promptly shall distribute to each Lender, pursuant to the applicable wire instructions received from each Lender in writing, such funds as it may be entitled to receive, subject to a Settlement delay as provided in Section 2.3(g).

(vii) In each instance, so long as no Application Event has occurred and is continuing, Sections 2.4(b)(iv) and 2.4(b)(v) shall not apply to any payment made by Borrowers (or any of them) to Agent and specified by such Borrowers to be for the payment of specific Obligations then due and payable (or prepayable) under any provision of this Agreement or any other Loan Document.

(viii) For purposes of Sections 2.4(b)(iv) and 2.4(b)(v), "paid in full" of a type of Obligation means payment in cash or immediately available funds of all amounts owing on account of such type of Obligation, including interest accrued after the commencement of any Insolvency Proceeding, default interest, interest on interest, and expense reimbursements, irrespective of whether any of the foregoing would be or is allowed or disallowed in whole or in part in any Insolvency Proceeding.

(ix) In the event of a direct conflict between the priority provisions of this Section 2.4 and any other provision contained in this Agreement or any other Loan Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, if the conflict relates to the provisions of Section 2.3(i) and this Section 2.4, then the provisions of Section 2.3(i) shall control and govern, and if otherwise, then the terms and provisions of this Section 2.4 shall control and govern.

(c) **Reduction of Commitments.**

(i) **U.S. Revolver Commitments.** The U.S. Revolver Commitments shall terminate on the Maturity Date. Borrowers may reduce the U.S. Revolver Commitments, without premium or penalty, to an amount not less than the sum of (A) the U.S. Revolver Usage as of such date, plus (B) the principal amount of all U.S. Revolving Loans not yet made as to which a request has been given by Borrowers under Section 2.3(a), plus (C) the amount of all U.S. Letters of Credit not yet issued as to which a request has been given by Borrowers pursuant to Section 2.11(a); provided that if after any such reduction of the U.S. Revolver Commitments, the Australian Revolver Commitments will exceed the U.S. Revolver Commitments, such reduction shall be accompanied by a reduction of the Australian Revolver Commitments pursuant to Section 2.4(c)(ii) in the amount of such excess. Each such reduction shall be in an amount which is not less than $5,000,000 (unless the U.S. Revolver Commitments are being reduced to zero and the amount of the U.S. Revolver Commitments in effect immediately prior to such reduction are less than $5,000,000), shall be made by providing not less than 5 Business Days prior written notice to Agent, and shall be irrevocable; provided that such notice of termination may state that such notice is conditioned upon the effectiveness of other credit facilities or the closing of one or more securities offerings or other transactions, in which case such notice may be revoked by Borrowers (by notice to Agent from Parent on or prior to the specified effective date) if such condition is not satisfied. Once reduced, the U.S. Revolver Commitments may not be increased. Each such reduction of the U.S. Revolver Commitments shall reduce the U.S. Revolver Commitments of each U.S. Revolving Lender proportionately in accordance with its ratable share thereof.

(ii) **Australian Revolver Commitments.** The Australian Revolver Commitments shall terminate on the Maturity Date. Borrowers may reduce the Australian Revolver Commitments, without premium or penalty, to an amount (which may be zero) not less than the sum of (A) the Australian Revolver Usage as of such date, *plus* (B) the principal amount of all Australian Revolving Loans not yet made as to which a request has been given by Borrowers under Section 2.3(a), *plus* (C) the amount of all Australian Letters of Credit not yet issued as to which a request has been given by Borrowers pursuant to Section 2.12(a). Each such reduction shall be in an amount which is not less than $5,000,000 (unless the Australian Revolver Commitments are being reduced to zero and the amount of the Australian Revolver Commitments in effect immediately prior to such reduction are less than $5,000,000), shall be made by providing not less than 5 Business Days prior written notice to Agent, and shall be irrevocable; provided that such notice of termination may state that such notice is conditioned upon the effectiveness of other credit facilities or the closing of one or more securities offerings or other transactions, in which case such notice may be revoked by Borrowers (by notice to Agent from Parent on or prior to the specified effective date) if such condition is not satisfied. Once reduced, the Australian Revolver Commitments may not be increased. Each such reduction of the Australian Revolver Commitments shall reduce the Australian Revolver Commitments of each Australian Revolving Lender proportionately in accordance with its ratable share thereof.

(d) **Optional Prepayments.**

(i) U.S. Borrowers may prepay the principal of any U.S. Revolving Loan at any time in whole or in part, without premium or penalty, upon not less than (x) 3 Business Days prior written notice to Agent, in the case of LIBOR Rate U.S. Revolving Loan and (y) same day written notice to Agent, in the case of Base Rate U.S. Revolving Loans (each such notice to be irrevocable), provided that such notice may state that such notice is conditioned upon the effectiveness of other credit facilities or the closing of one or more securities offerings or other transactions, in which case such notice may be revoked by Borrowers (by notice to Agent from Parent on or prior to the specified effective date) if such condition is not satisfied; provided, further that no such notice shall be required during a Cash Dominion Trigger Period.

(ii) Australian Borrowers may prepay the principal of any Australian Revolving Loan at any time in whole or in part, without premium or penalty.

(e) **Mandatory Prepayments.**

(i) **U.S. Borrowing Base.** If, at any time and subject to Section 1.7(d), (A) the U.S. Revolver Usage on such date exceeds (B) the U.S. Borrowing Base reflected in the Borrowing Base Certificate most recently delivered by Borrowers to Agent or the U.S. Maximum Revolver Amount, then U.S. Borrowers shall, within one Business Day, prepay the U.S. Obligations in accordance with Section 2.4(f)(i) in an aggregate amount equal to the amount of such excess.

(ii) **Australian Borrowing Base.** If, at any time and subject to Section 1.7(d), (A) the Australian Revolver Usage on such date exceeds (B) the Australian Borrowing Base reflected in the Borrowing Base Certificate most recently delivered by Borrowers to Agent or the Australian Maximum Revolver Amount, then Australian Borrowers shall, within one Business Day, prepay the Australian Obligations in accordance with Section 2.4(f)(ii) in an aggregate amount equal to the amount of such excess.

(f) **Application of Payments.**

(i) Each prepayment pursuant to Section 2.4(e)(i) shall, (A) so long as no Application Event shall have occurred and be continuing, be applied, first, to the outstanding principal amount of the U.S. Revolving Loans until paid in full, and second, to cash collateralize the U.S. Letters of Credit in an amount equal to the sum of (x) 103% of the U.S. Letter of Credit Usage that is denominated in Dollars, and (y) 103% of the U.S. Letter of Credit Usage that is denominated in an Agreed Currency other than Dollars, and (B) if an Application Event shall have occurred and be continuing, be applied in the manner set forth in Section 2.4(b)(iv).

(ii) Each prepayment pursuant to Section 2.4(e)(ii) shall, (A) so long as no Application Event shall have occurred and be continuing, be applied, first, to the outstanding principal amount of the Australian Revolving Loans until paid in full, and second, to cash collateralize the Australian Letters of Credit in an amount equal to the sum of (x) 103% of the Australian Letter of Credit Usage that is denominated in Dollars, and (y) 103% of the Australian Letter of Credit Usage that is denominated in an Agreed Currency other than Dollars, and (B) if an Application Event shall have occurred and be continuing, be applied in the manner set forth in Section 2.4(b)(v).

(g) **Generally**. Any mandatory prepayments required under Section 2.4(e) shall not result in a permanent reduction of the Revolver Commitments. All prepayments made pursuant to Section 2.4(d) or Section 2.4(e) shall be accompanied by accrued and unpaid interest on the amount so prepaid.

2.5 **Promise to Pay; Promissory Notes.**

(a) U.S. Borrowers agree to pay the Lender Group Expenses of Agent, the U.S. Issuing Banks, and the U.S. Revolving Lenders on the earlier of (i) the first day of the month following the date on

which the applicable Lender Group Expenses were first incurred and invoiced or (ii) the date on which demand therefor is made by Agent (it being acknowledged and agreed that any charging of such costs, expenses or Lender Group Expenses to the applicable Loan Account pursuant to the provisions of Section 2.6(d) shall be deemed to constitute a demand for payment thereof for the purposes of this subclause (ii)). U.S. Borrowers promise to pay all of the U.S. Obligations (including principal, interest, premiums, if any, fees, costs, and expenses (including Lender Group Expenses of Agent, the U.S. Issuing Banks, and the U.S. Revolving Lenders)) in full on the Maturity Date or, if earlier, on the date on which the U.S. Obligations (other than the U.S. Bank Product Obligations) become due and payable pursuant to the terms of this Agreement. U.S. Borrowers agree that their obligations contained in the first sentence of this Section 2.5(a) shall survive payment or satisfaction in full of all other U.S. Obligations.

(b) Australian Borrowers agree to pay the Lender Group Expenses, in respect of the Australian Obligations, of Agent, the Australian Issuing Banks, and the Australian Revolving Lenders on the earlier of (i) the first day of the month following the date on which the applicable Lender Group Expenses were first incurred and invoiced or (ii) the date on which demand therefor is made by Agent (it being acknowledged and agreed that any charging of such costs, expenses or Lender Group Expenses to the applicable Loan Account pursuant to the provisions of Section 2.6(d) shall be deemed to constitute a demand for payment thereof for the purposes of this subclause (ii)). Australian Borrowers promise to pay all of the Australian Obligations (including principal, interest, premiums, if any, fees, costs, and expenses (including Lender Group Expenses of Agent, the Australian Issuing Banks, and the Australian Revolving Lenders)) in full on the Maturity Date or, if earlier, on the date on which the Australian Obligations (other than the Australian Bank Product Obligations) become due and payable pursuant to the terms of this Agreement. Australian Borrowers agree that its obligations contained in the first sentence of this Section 2.5(b) shall survive payment or satisfaction in full of all other Australian Obligations.

(c) Any Lender may request that any portion of its Revolver Commitments or the Revolving Loans made by it be evidenced by one or more promissory notes. In such event, the applicable Borrowers shall execute and deliver to such Lender or its registered assigns the requested promissory notes payable to such Lender in a form furnished by Agent and reasonably satisfactory to such Borrowers. Thereafter, the portion of the Revolver Commitments and Revolving Loans evidenced by such promissory notes and interest thereon shall at all times be represented by one or more promissory notes in such form payable to the payee named therein or its registered assigns.

2.6 **Interest Rates and Letter of Credit Fee: Rates, Payments, and Calculations .**

(a) **Interest Rates.** Except as provided in Section 2.6(c), all Obligations (except for undrawn Letters of Credit) that have been charged to the applicable Loan Account pursuant to the terms hereof shall bear interest as follows:

(i) if the relevant Obligation is a Revolving Loan that is a LIBOR Rate Loan, at a per annum rate equal to the LIBOR Rate plus the LIBOR Rate Margin,

(ii) if the relevant Obligation is a Revolving Loan that is an Australian Base Rate Loan, at a per annum rate equal to the Australian Base Rate plus the Australian Base Rate Margin, and

(iii) otherwise, at a per annum rate equal to the Base Rate plus the Base Rate Margin.

Interest at the Default Rate shall be payable upon demand.

(b) **Letter of Credit Fees.**

(i) U.S. Borrowers shall pay Agent (for the ratable benefit of the U.S. Revolving Lenders), a U.S. Letter of Credit fee (the " U.S. Letter of Credit Fee") (which fee shall be in addition to the fronting fees and commissions, other fees, charges and expenses set forth in Section 2.11(l)) that shall accrue at a per annum rate equal to the LIBOR Rate Margin times the undrawn amount of all outstanding U.S. Letters of Credit.

(ii) Australian Borrowers shall pay Agent (for the ratable benefit of the Australian Revolving Lenders), an Australian Letter of Credit fee (the "Australian Letter of Credit Fee"; and the U.S. Letter of Credit Fee and the Australian Letter of Credit Fee may also each be referred to herein as a "Letter of Credit Fee") (which fee shall be in addition to the fronting fees and commissions, other fees, charges and expenses set forth in Section 2.12(l)) that shall accrue at a per annum rate equal to the LIBOR Rate Margin times the undrawn amount of all outstanding Australian Letters of Credit.

(c) **Default Rate.** Upon the occurrence and during the continuation of an Event of Default,

(i) the overdue Obligations shall bear interest at a per annum rate equal to two (2) percentage points above the per annum rate otherwise applicable thereunder, and

(ii) the overdue Letter of Credit Fees shall be increased to two (2) percentage points above the per annum rate otherwise applicable hereunder.

(d) **Payment.**

(i) Except to the extent provided to the contrary in Section 2.4(g), Section 2.10, Section 2.11(l), Section 2.12(l), and Section 2.13(a), (A) all interest, all U.S. Letter of Credit Fees, all U.S. Unused Line Fees and all other fees payable hereunder or under any of the other Loan Documents shall be due and payable, in arrears, on the first day of each quarter and on the Maturity Date, (B) all Australian Letter of Credit Fees and Australian Unused Line Fees shall be due and payable, in arrears, on the first day of each month and on the Maturity Date, and (C) all costs and expenses payable hereunder or under any of the other Loan Documents, and all Lender Group Expenses shall be due and payable on the earlier of (x) the first day of the month following the date on which the applicable costs, expenses, or Lender Group Expenses were first incurred and invoiced or (y) the date on which demand therefor is made by Agent (it being acknowledged and agreed that any charging of such costs, expenses or Lender Group Expenses to the applicable Loan Account pursuant to the provisions of the following clauses (ii) and (iii) shall be deemed to constitute a demand for payment thereof for the purposes of this subclause (y)).

(ii) U.S. Borrowers hereby authorize Agent, from time to time during any Cash Dominion Trigger Period, with prior notice to U.S. Borrowers that the Agent is exercising its rights under this Section 2.6(d)(ii) (provided that after delivery of such notice, no additional notice shall be required during such Cash Dominion Trigger Period), to charge to the U.S. Loan Account (A) on the first day of each quarter, all interest accrued during the prior quarter on the U.S. Revolving Loans hereunder, (B) on the first day of each quarter, all U.S. Letter of Credit Fees accrued or chargeable hereunder during the prior quarter, (C) as and when due and payable, all fees and costs provided for in Section 2.10(a) or (c), (D) on the first day of each quarter, the Unused Line Fee accrued during the prior quarter pursuant to Section 2.10(b), (E) as and when due and payable, all other fees payable hereunder or under any of the other Loan Documents, (%5) as and when due and payable, the fronting fees and all commissions, other fees, charges and expenses provided for in Section 2.11(l), (G) as and when due and payable, all other Lender Group Expenses of Agent, the U.S. Issuing Banks, and the U.S. Revolving Lenders, and (H) as and when due and payable all other payment obligations payable under any Loan Document or any U.S. Bank Product Agreement (including any amounts due and payable to the U.S. Bank Product Providers in respect of U.S. Bank Products). All amounts (including interest, fees, costs, expenses, Lender Group Expenses, or other amounts payable

hereunder or under any other Loan Document or under any U.S. Bank Product Agreement) charged to the U.S. Loan Account shall thereupon constitute U.S. Revolving Loans hereunder, shall constitute U.S. Obligations hereunder, and shall initially accrue interest at the rate then applicable to U.S. Revolving Loans that are Base Rate Loans (unless and until converted into LIBOR Rate Loans in accordance with the terms of this Agreement).

(iii) Australian Borrowers hereby authorize Agent, from time to time during the continuance of any Specified Event of Default, with prior notice to Australian Borrowers that the Agent is exercising its rights under this Section 2.6(d)(iii) (provided that after delivery of such notice, no additional notice shall be required during such Specified Event of Default), to charge to the Australian Loan Account (A) on the first day of each quarter, all interest accrued during the prior quarter on the Australian Revolving Loans hereunder, (B) on the first day of each month, all Australian Letter of Credit Fees and Australian Unused Line Fees accrued or chargeable hereunder during the prior month, (C) as and when due and payable, the fronting fees and all commissions, other fees, charges and expenses provided for in Section 2.12(l), (D) as and when due and payable, all other Lender Group Expenses of Agent, the Australian Issuing Banks, and the Australian Revolving Lenders, in each case, solely for amounts owed by the Australian Loan Parties, and (E) as and when due and payable all other payment obligations of Australian Borrowers payable under any Loan Document or any Australian Bank Product Agreement (including any amounts due and payable to the Australian Bank Product Providers in respect of Australian Bank Products). All amounts (including interest, fees, costs, expenses, Lender Group Expenses, or other amounts payable hereunder or under any other Loan Document or under any Australian Bank Product Agreement) charged to the Australian Loan Account shall thereupon constitute Australian Revolving Loans hereunder, shall constitute Australian Obligations hereunder, and shall initially accrue interest at the rate then applicable to Australian Revolving Loans that are Base Rate Loans (unless and until converted into LIBOR Rate Loans in accordance with the terms of this Agreement).

(e) **Computation.** All interest and fees chargeable under the Loan Documents shall be computed on the basis of a 360-day year or, in the case of Base Rate Loans (or any fees or expenses based on the Base Rate), on the basis of a 365-day year or 366-day year, as applicable, in each case, for the actual number of days elapsed in the period during which the interest or fees accrue. In the event the Base Rate is changed from time to time hereafter, the rates of interest hereunder based upon the Base Rate automatically and immediately shall be increased or decreased by an amount equal to such change in the Base Rate.

(f) **Intent to Limit Charges to Maximum Lawful Rate.** In no event shall the interest rate or rates payable under this Agreement, *plus* any other amounts paid in connection herewith, exceed the highest rate permissible under any law that a court of competent jurisdiction shall, in a final determination, deem applicable. Borrowers and the Lender Group, in executing and delivering this Agreement, intend legally to agree upon the rate or rates of interest and manner of payment stated within it; provided, that, anything contained herein to the contrary notwithstanding, if such rate or rates of interest or manner of payment exceeds the maximum allowable under applicable law, then, ipso facto, as of the date of this Agreement, the applicable Borrowers are and shall be liable only for the payment of such maximum amount as is allowed by law, and payment received from any Borrowers in excess of such legal maximum, whenever received, shall be applied to reduce the principal balance of the Obligations to the extent of such excess.

2.7 **Crediting Payments.** The receipt of any payment item by Agent shall not be required to be considered a payment on account unless such payment item is a wire transfer of immediately available federal funds made to the Agent's Account or unless and until such payment item is honored when presented for payment. Should any payment item not be honored when presented for payment, then Borrowers shall be deemed not to have made such payment and interest shall be calculated accordingly. Anything to the contrary contained herein notwithstanding, any payment item shall be deemed received by Agent only if it is received into the Agent's Account on a Business Day on or before 1:30 p.m. If any payment item is received into the Agent's Account on a non-Business Day or after 1:30 p.m. on a Business Day (unless Agent, in its

sole discretion, elects to credit it on the date received), it shall be deemed to have been received by Agent as of the opening of business on the immediately following Business Day.

2.8 **Designated Accounts.** Agent is authorized to make the Revolving Loans, and Issuing Bank is authorized to issue the Letters of Credit, under this Agreement based upon electronic or other instructions received from anyone purporting to be an Authorized Person or, without instructions, if pursuant to Section 2.6(d)(ii) and (iii).

(a) U.S. Borrowers agree to establish and maintain the U.S. Designated Account with the U.S. Designated Account Bank for the purpose of receiving the proceeds of the U.S. Revolving Loans requested by U.S. Borrowers and made by Agent or the U.S. Revolving Lenders hereunder. Unless otherwise agreed by Agent and U.S. Borrowers, any U.S. Revolving Loan or U.S. Swing Loan requested by U.S. Borrowers and made by Agent or the U.S. Revolving Lenders hereunder shall be made to the U.S. Designated Account.

(b) Australian Borrowers agree to establish and maintain the Australian Designated Account with the Australian Designated Account Bank for the purpose of receiving the proceeds of the Australian Revolving Loans requested by Australian Borrowers and made by Agent or the Australian Revolving Lenders hereunder. Unless otherwise agreed by Agent and Australian Borrowers, any Australian Revolving Loan or Australian Swing Loan requested by Australian Borrowers and made by Agent or the Australian Revolving Lenders hereunder shall be made to the Australian Designated Account.

2.9 **Maintenance of Loan Accounts; Statements of Obligations.**

(a) Agent shall maintain an account on its books in the name of U.S. Borrowers (the " U.S. Loan Account") on which U.S. Borrowers will be charged with all U.S. Revolving Loans (including U.S. Extraordinary Advances and U.S. Swing Loans) made by Agent, U.S. Swing Lender, or the U.S. Revolving Lenders to U.S. Borrowers or for U.S. Borrowers' account, the U.S. Letters of Credit issued or arranged by any U.S. Issuing Bank for U.S. Borrowers' account, and with all other payment U.S. Obligations hereunder or under the other Loan Documents, including, accrued interest, fees and expenses, and Lender Group Expenses. In accordance with Section 2.7, the U.S. Loan Account will be credited with all payments received by Agent from U.S. Borrowers or for U.S. Borrowers' account. Agent shall make available to U.S. Borrowers monthly statements regarding the U.S. Loan Account, including the principal amount of the U.S. Revolving Loans, interest accrued hereunder, fees accrued or charged hereunder or under the other Loan Documents, and a summary itemization of all charges and expenses constituting Lender Group Expenses accrued hereunder or under the other Loan Documents, and each such statement, absent manifest error, shall be conclusively presumed to be correct and accurate and constitute an account stated between U.S. Borrowers and the Lender Group unless, within 30 days after Agent first makes such a statement available to U.S. Borrowers, U.S. Borrowers shall deliver to Agent written objection thereto describing the error or errors contained in such statement.

(b) Agent shall maintain an account on its books in the name of Australian Borrowers (the " Australian Loan Account") on which Australian Borrowers will be charged with all Australian Revolving Loans (including Australian Extraordinary Advances and Australian Swing Loans) made by Agent, Australian Swing Lender, or the Australian Revolving Lenders to Australian Borrowers or for Australian Borrowers' account, the Australian Letters of Credit issued or arranged by any Australian Issuing Bank for Australian Borrowers' account, and with all other payment Australian Obligations hereunder or under the other Loan Documents, including, accrued interest, fees and expenses, and Lender Group Expenses. In accordance with Section 2.7, the Australian Loan Account will be credited with all payments received by Agent from Australian Borrowers or for Australian Borrowers' account. Agent shall make available to Australian Borrowers monthly statements regarding the Australian Loan Account, including the principal amount of the Australian Revolving Loans, interest accrued hereunder, fees accrued or charged hereunder or under the other Loan Documents, and a summary itemization of all charges and expenses constituting Lender Group Expenses accrued hereunder or under the other Loan Documents, and each such statement, absent manifest error,

shall be conclusively presumed to be correct and accurate and constitute an account stated between Australian Borrowers and the Lender Group unless, within 30 days after Agent first makes such a statement available to Australian Borrowers, Australian Borrowers shall deliver to Agent written objection thereto describing the error or errors contained in such statement.

2.10 **Fees.**

(a) **Agent Fees.** U.S. Borrowers shall pay to Agent, for the account of Agent, as and when due and payable under the terms of the Fee Letter, the fees set forth in the Fee Letter.

(b) **Unused Line Fees.**

(i) U.S. Borrowers shall pay to Agent, for the ratable account of the U.S. Revolving Lenders, an unused line fee (the " U.S. Unused Line Fee") in an amount equal to the Applicable U.S. Unused Line Fee Percentage per annum times the result of (a) the aggregate amount of the U.S. Revolver Commitments, less (b) the average amount of the U.S. Revolver Usage during the immediately preceding quarter (or portion thereof), which U.S. Unused Line Fee shall be due and payable, in arrears, on the first day of each quarter from and after the Closing Date up to the first day of the quarter prior to the date on which the U.S. Obligations are paid in full and on the date on which the U.S. Obligations are paid in full. For purposes of calculating the U.S. Unused Line Fee, no portion of the U.S. Revolver Commitments shall be deemed used as a result of outstanding U.S. Swing Loans.

(ii) Australian Borrowers shall pay to Agent, for the ratable account of the Australian Revolving Lenders, an unused line fee (the "Australian Unused Line Fee") in an amount equal to the Applicable Australian Unused Line Fee Percentage per annum times the result of (a) the aggregate amount of the Australian Revolver Commitments, less (b) the average amount of the Australian Revolver Usage during the immediately preceding quarter (or portion thereof), which Australian Unused Line Fee shall be due and payable, in arrears, on the first day of each month from and after the Closing Date up to the first day of the month prior to the date on which the Australian Obligations are paid in full and on the date on which the Australian Obligations are paid in full. For purposes of calculating the Australian Unused Line Fee, no portion of the Australian Revolver Commitments shall be deemed used as a result of outstanding Australian Swing Loans.

(c) **Field Examination and Other Fees.** U.S. Borrowers shall pay to Agent, field examination, appraisal, and valuation fees and charges, as and when incurred or chargeable, the fees or charges paid or incurred by Agent (including allocated costs of employees of Agent) to perform field examinations of Parent or its Subsidiaries, to establish electronic collateral reporting systems, to appraise the Collateral, or any portion thereof, or to assess Parent's or its Subsidiaries' business valuation; provided, that so long as no Event of Default and no Field Examination/Appraisal Triggering Event shall have occurred and be continuing, U.S. Borrowers shall not be obligated to reimburse Agent for more than one (1) field examination, one (1) appraisal of the Collateral consisting of inventory, one (1) appraisal of the Collateral consisting of equipment, and one (1) business valuation during any calendar year; provided, further that (%4) if a Field Examination/Appraisal Triggering Event occurs in any calendar year, the limits in the immediately preceding proviso shall each be increased to two (2) and (%4) during the existence and continuance of an Event of Default, the limits in the immediately preceding proviso shall each be increased to four (4).

2.11 **U.S. Letters of Credit.**

(a) Subject to the terms and conditions of this Agreement, upon the request of U.S. Borrowers made in accordance herewith, during the period from the Closing Date until the Letter of Credit Expiration Date, each U.S. Issuing Bank agrees to issue a requested U.S. Letter of Credit for the account of U.S. Borrowers or any of their respective Subsidiaries (it being understood that the U.S. Borrowers shall be primarily liable in respect of U.S. Letters of Credit Issued for the account of their Subsidiaries). By

submitting a request to a U.S. Issuing Bank for the issuance of a U.S. Letter of Credit, U.S. Borrowers shall be deemed to have requested that such U.S. Issuing Bank issue the requested U.S. Letter of Credit. Each request for the issuance of a U.S. Letter of Credit, or the amendment, renewal, or extension of any outstanding U.S. Letter of Credit, shall be irrevocable and shall be made in writing by an Authorized Person and delivered to the applicable U.S. Issuing Bank via telefacsimile or other electronic method of transmission reasonably acceptable to such U.S. Issuing Bank and at least three (3) Business Days (or such shorter period as agreed by the applicable U.S. Issuing Bank) in advance of the requested date of issuance, amendment, renewal, or extension. Each such request shall be in form and substance reasonably satisfactory to such U.S. Issuing Bank and (i) shall specify (A) the amount and applicable Agreed Currency of such U.S. Letter of Credit, (B) the date of issuance, amendment, renewal, or extension of such U.S. Letter of Credit, (C) the proposed expiration date of such U.S. Letter of Credit, (D) the name and address of the beneficiary of the U.S. Letter of Credit, and (E) such other information (including, the conditions to drawing, and, in the case of an amendment, renewal, or extension, identification of the U.S. Letter of Credit to be so amended, renewed, or extended) as shall be reasonably necessary to prepare, amend, renew, or extend such U.S. Letter of Credit, and (ii) shall be accompanied by such Issuer Documents as Agent or such U.S. Issuing Bank may reasonably request or require, to the extent that such requests or requirements are consistent with the Issuer Documents that such U.S. Issuing Bank generally requests for U.S. Letters of Credit in similar circumstances. The applicable U.S. Issuing Bank's records of the content of any such request will be conclusive, absent manifest error.

(b) No U.S. Issuing Bank shall issue a U.S. Letter of Credit if any of the following would result after giving effect to the requested issuance:

(i) the U.S. Letter of Credit Usage would exceed the U.S. Letter of Credit Sublimit, or

(ii) the U.S. Letter of Credit Usage would exceed the U.S. Maximum Revolver Amount less the sum of the outstanding principal amount of U.S. Revolving Loans (including U.S. Swing Loans) at such time,

(iii) the U.S. Letter of Credit Usage would exceed the U.S. Borrowing Base at such time less the sum of the outstanding principal amount of U.S. Revolving Loans (including U.S. Swing Loans) at such time, or

(iv) the expiration date of such requested U.S. Letter of Credit would occur after the Letter of Credit Expiration Date, unless such U.S. Issuing Bank and the Agent have approved such expiration date (it being understood that the obligation of U.S. Revolving Lenders to fund participations in U.S. Letters of Credit shall expire immediately following the Maturity Date (for this purpose, pursuant to clause (a) of the definition thereof)).

In addition, no U.S. Issuing Bank shall issue or be obligated to issue any U.S. Letter of Credit if it has actual knowledge that one or more of the applicable conditions precedent set forth in Section 3 is not satisfied on the requested Funding Date. On the Maturity Date, the US Borrowers shall provide Letter of Credit Collateralization to Agent to be held as security for U.S. Borrowers' reimbursement obligations in respect of drawings that may subsequently occur under issued and outstanding U.S. Letters of Credit.

(c) In the event there is a Defaulting Lender as of the date of any request for the issuance of a U.S. Letter of Credit, no U.S. Issuing Bank shall be required to issue or arrange for such U.S. Letter of Credit to the extent (i) the Defaulting Lender's U.S. Letter of Credit Exposure with respect to such U.S. Letter of Credit may not be reallocated pursuant to Section 2.3(i)(ii), or (ii) such U.S. Issuing Bank has not otherwise entered into arrangements reasonably satisfactory to it and U.S. Borrowers to eliminate such U.S. Issuing Bank's risk with respect to the participation in such U.S. Letter of Credit of the Defaulting Lender, which arrangements may include U.S. Borrowers cash collateralizing such Defaulting Lender's U.S. Letter of Credit

Exposure in accordance with Section 2.3(i)(ii). Additionally, no U.S. Issuing Bank shall have any obligation to issue a U.S. Letter of Credit if (A) any order, judgment, or decree of any Governmental Authority or arbitrator shall, by its terms, purport to enjoin or restrain such U.S. Issuing Bank from issuing such U.S. Letter of Credit, or any law applicable to such U.S. Issuing Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such U.S. Issuing Bank shall prohibit or request that such U.S. Issuing Bank refrain from the issuance of letters of credit generally or such U.S. Letter of Credit in particular, (B) the issuance of such U.S. Letter of Credit would violate one or more policies of such U.S. Issuing Bank applicable to letters of credit generally, or (C) if amounts demanded to be paid under any U.S. Letter of Credit will or may not be in an Agreed Currency.

(d) Any U.S. Issuing Bank (other than Bank of America or any of its Affiliates) shall notify Agent in writing no later than the Business Day immediately following the Business Day on which such U.S. Issuing Bank receives a request for issuance of any U.S. Letter of Credit. The applicable U.S. Issuing Bank will not issue any requested U.S. Letter of Credit if it receives written notice from the Agent (with a copy to Parent) that the proposed U.S. Letter of Credit would cause a U.S. Overadvance to occur. Each U.S. Letter of Credit shall be in form and substance reasonably acceptable to the applicable U.S. Issuing Bank, including the requirement that the amounts payable thereunder must be payable in an Agreed Currency. If a U.S. Issuing Bank makes a payment under a U.S. Letter of Credit, U.S. Borrowers shall pay to Agent an amount equal to the applicable Letter of Credit Disbursement in the same currency as such U.S. Letter of Credit (i) within one Business Day after such Letter of Credit Disbursement in the case of U.S. Letters of Credit denominated in U.S. Dollars and (ii) within two Business Days after such Letter of Credit Disbursement in the case of U.S. Letters of Credit denominated in an Agreed Currency other than U.S. Dollars is made and, in the absence of such payment, the amount of the Letter of Credit Disbursement immediately and automatically shall be deemed to be a U.S. Revolving Loan hereunder (notwithstanding any failure to satisfy any condition precedent set forth in Section 3) and, initially, shall bear interest at the rate then applicable to U.S. Revolving Loans that are Base Rate Loans. If a Letter of Credit Disbursement is deemed to be a U.S. Revolving Loan hereunder, U.S. Borrowers' obligation to pay the amount of such Letter of Credit Disbursement to the applicable U.S. Issuing Bank shall be automatically converted into an obligation to pay the resulting U.S. Revolving Loan. Promptly following receipt by Agent of any payment from U.S. Borrowers pursuant to this paragraph, Agent shall distribute such payment to the applicable U.S. Issuing Bank or, to the extent that U.S. Revolving Lenders have made payments pursuant to Section 2.11(e) to reimburse the applicable U.S. Issuing Bank, then to such U.S. Revolving Lenders and such U.S. Issuing Bank as their interests may appear.

(e) Promptly following receipt of a notice of a Letter of Credit Disbursement pursuant to Section 2.11(d), each U.S. Revolving Lender agrees to fund its Pro Rata Share of any U.S. Revolving Loan deemed made pursuant to Section 2.11(d) on the same terms and conditions as if U.S. Borrowers had requested the amount thereof as a U.S. Revolving Loan and Agent shall promptly pay to the applicable U.S. Issuing Bank the amounts so received by it from the U.S. Revolving Lenders. By the issuance of a U.S. Letter of Credit (or an amendment, renewal, or extension of a U.S. Letter of Credit) and without any further action on the part of any U.S. Issuing Bank or the U.S. Revolving Lenders, the applicable U.S. Issuing Bank shall be deemed to have granted to each U.S. Revolving Lender, and each U.S. Revolving Lender shall be deemed to have purchased, a participation in each U.S. Letter of Credit issued by such U.S. Issuing Bank, in an amount equal to its Pro Rata Share of such U.S. Letter of Credit, and each such U.S. Revolving Lender agrees to pay to Agent, for the account of such U.S. Issuing Bank, such U.S. Revolving Lender's Pro Rata Share of any Letter of Credit Disbursement made by U.S. Issuing Bank under the applicable U.S. Letter of Credit. In consideration and in furtherance of the foregoing, each U.S. Revolving Lender hereby absolutely and unconditionally agrees to pay to Agent, for the account of the applicable U.S. Issuing Bank, such Revolving Lender's Pro Rata Share of each Letter of Credit Disbursement made by such U.S. Issuing Bank and not reimbursed by U.S. Borrowers on the date due as provided in Section 2.11(d), or of any reimbursement payment that is required to be refunded (or that Agent or the applicable U.S. Issuing Bank elects, based upon the advice of counsel, to refund) to U.S. Borrowers for any reason. Each U.S. Revolving Lender acknowledges and agrees that its obligation to deliver to Agent, for the account of the applicable U.S. Issuing Bank, an amount equal to its respective Pro Rata Share of each Letter of Credit Disbursement pursuant to this Section 2.11(e) shall be absolute and unconditional and such remittance shall be made notwithstanding

the occurrence or continuation of an Event of Default or Default or the failure to satisfy any condition set forth in Section 3.

(f) Each U.S. Borrower agrees to indemnify, defend and hold harmless each member of the Lender Group (including each U.S. Issuing Bank and its branches, Affiliates, and correspondents) and each such Person's respective directors, officers, employees, attorneys and agents (each, including each U.S. Issuing Bank, a "U.S. Letter of Credit Related Person") (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable fees and disbursements of one counsel in each relevant jurisdiction (and, solely in the case of an actual or perceived conflict of interest, one additional counsel to each group of affected persons similarly situated) and all other reasonable and documented costs and out-of-pocket expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), which may be incurred by or awarded against any U.S. Letter of Credit Related Person (other than any Taxes that are governed by Section 17) (the "U.S. Letter of Credit Indemnified Costs"), and which arise out of or in connection with, or as a result of this Agreement, any U.S. Letter of Credit, any Issuer Document, or any Drawing Document referred to in or related to any U.S. Letter of Credit, or any action or proceeding arising out of any of the foregoing (whether administrative, judicial or in connection with arbitration); in each case, including that resulting from the U.S. Letter of Credit Related Person's own negligence (other than resulting from such Person's bad faith or willful misconduct or constituting gross negligence); provided, however, that such indemnity shall not be available to any U.S. Letter of Credit Related Person claiming indemnification to the extent that such U.S. Letter of Credit Indemnified Costs may be finally determined in a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the bad faith, gross negligence or willful misconduct of the Letter of Credit Related Person claiming indemnity. This indemnification provision shall survive termination of this Agreement and all U.S. Letters of Credit.

(g) The liability of each U.S. Issuing Bank (or any other U.S. Letter of Credit Related Person) under, in connection with or arising out of any U.S. Letter of Credit (or pre-advice), regardless of the form or legal grounds of the action or proceeding, shall be limited to direct damages suffered by U.S. Borrowers that result from such U.S. Issuing Bank's bad faith, gross negligence or willful misconduct in (i) honoring a presentation under a U.S. Letter of Credit that on its face does not at least substantially comply with the terms and conditions of such U.S. Letter of Credit, (ii) failing to honor a presentation under a U.S. Letter of Credit that strictly complies with the terms and conditions of such U.S. Letter of Credit or (iii) retaining Drawing Documents presented under a U.S. Letter of Credit. Each U.S. Issuing Bank shall be deemed to have acted with due diligence and reasonable care if such U.S. Issuing Bank's conduct is in accordance with Standard Letter of Credit Practice or in accordance with this Agreement. U.S. Borrowers' aggregate remedies against each U.S. Issuing Bank and any U.S. Letter of Credit Related Person for wrongfully honoring a presentation under any U.S. Letter of Credit or wrongfully retaining honored Drawing Documents shall in no event exceed the aggregate amount paid by U.S. Borrowers to the applicable U.S. Issuing Bank in respect of the honored presentation in connection with such U.S. Letter of Credit under Section 2.11(d), plus interest at the rate then applicable to Base Rate Loans hereunder.

(h) U.S. Borrowers are responsible for preparing or approving the final text of the U.S. Letter of Credit as issued by any U.S. Issuing Bank, irrespective of any assistance such U.S. Issuing Bank may provide such as drafting or recommending text or by such U.S. Issuing Bank's use or refusal to use text submitted by U.S. Borrowers. U.S. Borrowers are solely responsible for the suitability of the U.S. Letter of Credit for U.S. Borrowers' purposes. With respect to any U.S. Letter of Credit containing an "automatic amendment" to extend the expiration date of such U.S. Letter of Credit for additional consecutive periods of twelve (12) months (but in no event shall the expiration date extend beyond the Letter of Credit Expiration Date unless such U.S. Issuing Bank and the Agent have approved such expiration date (it being understood that the obligation of U.S. Revolving Lenders to fund participations in U.S. Letters of Credit shall expire immediately following the Maturity Date (for this purpose, pursuant to clause (a) of the definition thereof)), any U.S. Issuing Bank, in its sole and absolute discretion, may give notice of nonrenewal of such U.S. Letter of Credit and, if U.S. Borrowers do not at any time want such U.S. Letter of Credit to be renewed, U.S.

Borrowers will so notify Agent and the applicable U.S. Issuing Bank at least 7 Business Days (or such later date as agreed to by the applicable U.S. Issuing Bank) before such U.S. Issuing Bank is required to notify the beneficiary of such U.S. Letter of Credit or any advising bank of such nonrenewal pursuant to the terms of such U.S. Letter of Credit.

(i) U.S. Borrowers' reimbursement and payment obligations under this Section are absolute, unconditional and irrevocable and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever, provided, however, that subject to Section 2.11(g) above, the foregoing shall not release any U.S. Issuing Bank from such liability to U.S. Borrowers as may be finally determined in a final, non-appealable judgment of a court of competent jurisdiction against such U.S. Issuing Bank following reimbursement or payment of the obligations and liabilities, including reimbursement and other payment obligations, of U.S. Borrowers to such U.S. Issuing Bank arising under, or in connection with, this Section 2.11 or any U.S. Letter of Credit.

(j) Without limiting any other provision of this Agreement, each U.S. Issuing Bank and each other U.S. Letter of Credit Related Person (if applicable) shall not be responsible to U.S. Borrowers for, and no U.S. Issuing Bank's rights and remedies against U.S. Borrowers and the obligation of U.S. Borrowers to reimburse each U.S. Issuing Bank for each drawing under each U.S. Letter of Credit shall be impaired by:

(i) honor of a presentation under any U.S. Letter of Credit that on its face substantially complies with the terms and conditions of such U.S. Letter of Credit, even if the U.S. Letter of Credit requires strict compliance by the beneficiary;

(ii) honor of a presentation of any Drawing Document that appears on its face to have been signed, presented or issued (A) by any purported successor or transferee of any beneficiary or other Person required to sign, present or issue such Drawing Document or (B) under a new name of the beneficiary;

(iii) acceptance as a draft of any written or electronic demand or request for payment under a U.S. Letter of Credit, even if non-negotiable or not in the form of a draft or notwithstanding any requirement that such draft, demand or request bear any or adequate reference to a U.S. Letter of Credit;

(iv) the identity or authority of any presenter or signer of any Drawing Document or the form, accuracy, genuineness or legal effect of any Drawing Document (other than the applicable U.S. Issuing Bank's determination that such Drawing Document appears on its face substantially to comply with the terms and conditions of a U.S. Letter of Credit);

(v) acting upon any instruction or request relative to a U.S. Letter of Credit or requested a U.S. Letter of Credit that a U.S. Issuing Bank in good faith believes to have been given by a Person authorized to give such instruction or request;

(vi) any errors, omissions, interruptions or delays in transmission or delivery of any message, advice or document (regardless of how sent or transmitted) or for errors in interpretation of technical terms or in translation or any delay in giving or failing to give notice to U.S. Borrowers;

(vii) any acts, omissions or fraud by, or the insolvency of, any beneficiary, any nominated person or entity or any other Person or any breach of contract between any beneficiary and any U.S. Borrower or any of the parties to the underlying transaction to which the U.S. Letter of Credit relates;

(viii) assertion or waiver of any provision of the ISP or UCP that primarily benefits an issuer of a letter of credit, including any requirement that any Drawing Document be presented to it at a particular hour or place;

(ix) payment to any paying or negotiating bank (designated or permitted by the terms of the applicable Letter of Credit) claiming that it rightfully honored or is entitled to reimbursement or indemnity under Standard Letter of Credit Practice applicable to it;

(x) acting or failing to act as required or permitted under Standard Letter of Credit Practice applicable to where Issuing Bank has issued, confirmed, advised or negotiated such Letter of Credit, as the case may be;

(xi) honor of a presentation after the expiration date of any U.S. Letter of Credit notwithstanding that a presentation was made prior to such expiration date and dishonored by the applicable U.S. Issuing Bank if subsequently U.S. Issuing Bank or any court or other finder of fact determines such presentation should have been honored;

(xii) dishonor of any presentation that does not strictly comply or that is fraudulent, forged or otherwise not entitled to honor; or

(xiii) honor of a presentation that is subsequently determined by the applicable U.S. Issuing Bank to have been made in violation of international, federal, state or local restrictions on the transaction of business with certain prohibited Persons.

(k) [Reserved.]

(l) U.S. Borrowers shall pay immediately upon demand to Agent for the account of the applicable U.S. Issuing Bank as non-refundable fees, commissions, and charges (it being acknowledged and agreed that any charging of such fees, commissions, and charges to the U.S. Loan Account pursuant to the provisions of Section 2.6(d)(ii) shall be deemed to constitute a demand for payment thereof for the purposes of this Section 2.11(l)): (i) a fronting fee which shall be imposed by the applicable U.S. Issuing Bank upon the issuance of each Letter of Credit of 0.125% per annum of the face amount thereof, which fee shall be payable quarterly in arrears, on the first day of each quarter, and on maturity, *plus* (ii) any and all other customary commissions, fees and charges then in effect imposed by, and any and all reasonable and documented out-of-pocket expenses incurred by, the applicable U.S. Issuing Bank, or by any adviser, confirming institution or entity or other nominated person, relating to U.S. Letters of Credit, which charges shall be paid as and when incurred.

(m) If by reason of (x) any Change in Law, or (y) compliance by any U.S. Issuing Bank or any other member of the Lender Group with any direction, request, or requirement (irrespective of whether having the force of law) of any Governmental Authority or monetary authority including, Regulation D of the Board of Governors as from time to time in effect (and any successor thereto):

(i) any reserve, deposit, or similar requirement is or shall be imposed or modified in respect of any U.S. Letter of Credit issued or caused to be issued hereunder or hereby, or

(ii) there shall be imposed on any U.S. Issuing Bank or any other member of the Lender Group any other condition regarding any U.S. Letter of Credit, or

(iii) there shall be imposed on any member of the Lender Group or Agent any Taxes (other than (A) Indemnified Taxes and (B) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto,

and the result of the foregoing is to increase, directly or indirectly, the cost to any U.S. Issuing Bank or any other member of the Lender Group of issuing, making, participating in, or maintaining any U.S. Letter of Credit or to reduce the amount receivable in respect thereof, then, and in any such case, Agent may, at any time within 180 days after the additional cost is incurred or the amount received is reduced, notify U.S. Borrowers, and U.S. Borrowers shall pay within 30 days after demand therefor, such amounts as Agent may

specify to be necessary to compensate the applicable U.S. Issuing Bank or any other member of the Lender Group for such additional cost or reduced receipt, together with interest on such amount from the date of such demand until payment in full thereof at the rate then applicable to Base Rate Loans hereunder; provided, that (A) U.S. Borrowers shall not be required to provide any compensation pursuant to this Section 2.11(m) for any such amounts incurred more than 180 days prior to the date on which the demand for payment of such amounts is first made to Borrowers, and (B) if an event or circumstance giving rise to such amounts is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof. The determination by Agent of any amount due pursuant to this Section 2.11(m), as set forth in a certificate setting forth the calculation thereof in reasonable detail, shall, in the absence of manifest or demonstrable error, be final and conclusive and binding on all of the parties hereto.

(n) Unless otherwise expressly agreed by the applicable U.S. Issuing Bank and U.S. Borrowers when a U.S. Letter of Credit is issued, (i) the rules of the ISP and the UCP shall apply to each standby U.S. Letter of Credit, and (ii) the rules of the UCP shall apply to each commercial U.S. Letter of Credit.

(o) In the event of a direct conflict between the provisions of this Section 2.11 and any provision contained in any Issuer Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of this Section 2.11 shall control and govern.

2.12 **Australian Letters of Credit.**

(a) Subject to the terms and conditions of this Agreement, upon the request of Australian Borrowers made in accordance herewith, during the period from the Closing Date until the Letter of Credit Expiration Date, each Australian Issuing Bank agrees to issue a requested Australian Letter of Credit for the account of Australian Borrowers and their respective Subsidiaries (it being understood that the Australian Borrowers shall be primarily liable in respect of Australian Letters of Credit Issued for the account of their Subsidiaries). By submitting a request to an Australian Issuing Bank for the issuance of an Australian Letter of Credit, Australian Borrowers shall be deemed to have requested that such Australian Issuing Bank issue the requested Australian Letter of Credit. Each request for the issuance of an Australian Letter of Credit, or the amendment, renewal, or extension of any outstanding Australian Letter of Credit, shall be irrevocable and shall be made in writing by an Authorized Person and delivered to the applicable Australian Issuing Bank via telefacsimile or other electronic method of transmission reasonably acceptable to such Australian Issuing Bank and at least three (3) Business Days (or such shorter period as agreed to by the applicable Australian Issuing Bank) in advance of the requested date of issuance, amendment, renewal, or extension. Each such request shall be in form and substance reasonably satisfactory to such Australian Issuing Bank and (i) shall specify (A) the amount and applicable Agreed Currency of such Australian Letter of Credit, (B) the date of issuance, amendment, renewal, or extension of such Australian Letter of Credit, (C) the proposed expiration date of such Australian Letter of Credit, (D) the name and address of the beneficiary of the Australian Letter of Credit, and (E) such other information (including, the conditions to drawing, and, in the case of an amendment, renewal, or extension, identification of the Australian Letter of Credit to be so amended, renewed, or extended) as shall be reasonably necessary to prepare, amend, renew, or extend such Australian Letter of Credit, and (ii) shall be accompanied by such Issuer Documents as Agent or such Australian Issuing Bank may reasonably request or require, to the extent that such requests or requirements are consistent with the Issuer Documents that such Australian Issuing Bank generally requests for Australian Letters of Credit in similar circumstances. The applicable Australian Issuing Bank's records of the content of any such request will be conclusive, absent manifest error.

(b) No Australian Issuing Bank shall issue an Australian Letter of Credit if any of the following would result after giving effect to the requested issuance:

(vi) the Australian Letter of Credit Usage would exceed the Australian Letter of Credit Sublimit, or

(vii) the Australian Letter of Credit Usage would exceed the Australian Maximum Revolver Amount less the outstanding principal amount of Australian Revolving Loans (including Australian Swing Loans) at such time,

(viii) the Australian Letter of Credit Usage would exceed the Australian Borrowing Base at such time less the outstanding principal amount of Australian Revolving Loans (including Australian Swing Loans) at such time, or

(ix) the expiration date of such requested Australian Letter of Credit would occur after the Letter of Credit Expiration Date, unless such Australian Issuing Bank and the Agent have approved such expiration date (it being understood that the obligation of Australian Revolving Lenders to fund participations in Australian Letters of Credit shall expire immediately following the Maturity Date (for this purpose, pursuant to clause (a) of the definition thereof)).

In addition, no Australian Issuing Bank shall issue or be obligated to issue any Australian Letter of Credit if it has actual knowledge that one or more of the applicable conditions precedent set forth in Section 3 is not satisfied on the requested Funding Date. On the Maturity Date, the Australian Borrowers shall provide Letter of Credit Collateralization to Agent to be held as security for Australian Borrowers' reimbursement obligations in respect of drawings that may subsequently occur under issued and outstanding Australian Letters of Credit.

(c) In the event there is a Defaulting Lender as of the date of any request for the issuance of an Australian Letter of Credit, no Australian Issuing Bank shall be required to issue or arrange for such Australian Letter of Credit to the extent (i) the Defaulting Lender's Australian Letter of Credit Exposure with respect to such Australian Letter of Credit may not be reallocated pursuant to Section 2.3(i)(iii), or (ii) such Australian Issuing Bank has not otherwise entered into arrangements reasonably satisfactory to it and Australian Borrowers to eliminate such Australian Issuing Bank's risk with respect to the participation in such Australian Letter of Credit of the Defaulting Lender, which arrangements may include Australian Borrowers cash collateralizing such Defaulting Lender's Australian Letter of Credit Exposure in accordance with Section 2.3(i)(iii). Additionally, no Australian Issuing Bank shall have any obligation to issue an Australian Letter of Credit if (A) any order, judgment, or decree of any Governmental Authority or arbitrator shall, by its terms, purport to enjoin or restrain such Australian Issuing Bank from issuing such Australian Letter of Credit, or any law applicable to such Australian Issuing Bank or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such Australian Issuing Bank shall prohibit or request that such Australian Issuing Bank refrain from the issuance of letters of credit generally or such Australian Letter of Credit in particular, (B) the issuance of such Australian Letter of Credit would violate one or more policies of such Australian Issuing Bank applicable to letters of credit generally, or (C) if amounts demanded to be paid under any Australian Letter of Credit will or may not be in an Agreed Currency.

(d) Any Australian Issuing Bank (other than Bank of America or any of its Affiliates) shall notify Agent in writing no later than the Business Day immediately following the Business Day on which such Australian Issuing Bank receives a request for issuance of any Letter of Credit. The applicable Australian Issuing Bank will not issue any requested Australian Letter of Credit if it receives written notice from the Agent (with a copy to Parent) that the proposed Australian Letter of Credit would cause an Australian Overadvance to occur. Each Australian Letter of Credit shall be in form and substance reasonably acceptable to the applicable Australian Issuing Bank, including the requirement that the amounts payable thereunder must be payable in an Agreed Currency. If an Australian Issuing Bank makes a payment under an Australian Letter of Credit, Australian Borrowers shall pay to Agent an amount equal to the applicable Letter of Credit Disbursement in the same currency as such Australian Letter of Credit (i) within one Business Day after such Letter of Credit Disbursement in the case of Australian Letters of Credit denominated in U.S. Dollars and (ii)

within two Business Days after such Letter of Credit Disbursement in the case of Australian Letters of Credit denominated in an Agreed Currency other than U.S. Dollars is made and, in the absence of such payment, the amount of the Letter of Credit Disbursement immediately and automatically shall be deemed to be an Australian Revolving Loan hereunder (notwithstanding any failure to satisfy any condition precedent set forth in Section 3) and, initially, shall bear interest at the rate then applicable to Australian Revolving Loans that are Base Rate Loans. If a Letter of Credit Disbursement is deemed to be an Australian Revolving Loan hereunder, Australian Borrowers' obligation to pay the amount of such Letter of Credit Disbursement to the applicable Australian Issuing Bank shall be automatically converted into an obligation to pay the resulting Australian Revolving Loan. Promptly following receipt by Agent of any payment from Australian Borrowers pursuant to this paragraph, Agent shall distribute such payment to the applicable Australian Issuing Bank or, to the extent that Australian Revolving Lenders have made payments pursuant to Section 2.12(e) to reimburse the applicable Australian Issuing Bank, then to such Australian Revolving Lenders and such Australian Issuing Bank as their interests may appear.

(e) Promptly following receipt of a notice of a Letter of Credit Disbursement pursuant to Section 2.12(d), each Australian Revolving Lender agrees to fund its Pro Rata Share of any Australian Revolving Loan deemed made pursuant to Section 2.12(d) on the same terms and conditions as if Australian Borrowers had requested the amount thereof as an Australian Revolving Loan and Agent shall promptly pay to the applicable Australian Issuing Bank the amounts so received by it from the Australian Revolving Lenders. By the issuance of an Australian Letter of Credit (or an amendment, renewal, or extension of an Australian Letter of Credit) and without any further action on the part of any Australian Issuing Bank or the Australian Revolving Lenders, the applicable Australian Issuing Bank shall be deemed to have granted to each Australian Revolving Lender, and each Australian Revolving Lender shall be deemed to have purchased, a participation in each Australian Letter of Credit issued by such Australian Issuing Bank, in an amount equal to its Pro Rata Share of such Australian Letter of Credit, and each such Australian Revolving Lender agrees to pay to Agent, for the account of such Australian Issuing Bank, such Australian Revolving Lender's Pro Rata Share of any Letter of Credit Disbursement made by Australian Issuing Bank under the applicable Australian Letter of Credit. In consideration and in furtherance of the foregoing, each Australian Revolving Lender hereby absolutely and unconditionally agrees to pay to Agent, for the account of the applicable Australian Issuing Bank, such Revolving Lender's Pro Rata Share of each Letter of Credit Disbursement made by such Australian Issuing Bank and not reimbursed by Australian Borrowers on the date due as provided in Section 2.12(d), or of any reimbursement payment that is required to be refunded (or that Agent or the applicable Australian Issuing Bank elects, based upon the advice of counsel, to refund) to Australian Borrowers for any reason. Each Australian Revolving Lender acknowledges and agrees that its obligation to deliver to Agent, for the account of the applicable Australian Issuing Bank, an amount equal to its respective Pro Rata Share of each Letter of Credit Disbursement pursuant to this Section 2.12(e) shall be absolute and unconditional and such remittance shall be made notwithstanding the occurrence or continuation of an Event of Default or Default or the failure to satisfy any condition set forth in Section 3.

(f) Each Australian Borrower agrees to indemnify, defend and hold harmless each member of the Lender Group (including each Australian Issuing Bank and its branches, Affiliates, and correspondents) and each such Person's respective directors, officers, employees, attorneys and agents (each, including each Australian Issuing Bank, an "Australian Letter of Credit Related Person") (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable fees and disbursements of counsel (limited to one primary counsel and one local counsel in each relevant jurisdiction (including Australia) for all Australian Letter of Credit Related Persons taken as a whole, and, solely in the case of an actual or perceived conflict of interest, one additional counsel to each group of Australian Letter of Credit Related Persons taken as a whole) and all other reasonable and documented costs and out-of-pocket expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), which may be incurred by or awarded against any Australian Letter of Credit Related Person (other than any Taxes that are governed by Section 17) (the "Australian Letter of Credit Indemnified Costs"), and which arise out of or in connection with, or as a result of this Agreement, any Australian Letter of Credit, any Issuer Document, or any Drawing Document

referred to in or related to any Australian Letter of Credit, or any action or proceeding arising out of any of the foregoing (whether administrative, judicial or in connection with arbitration); provided, however, that such indemnity shall not be available to any Australian Letter of Credit Related Person claiming indemnification to the extent that such Australian Letter of Credit Indemnified Costs may be finally determined in a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the bad faith, gross negligence or willful misconduct of the Letter of Credit Related Person claiming indemnity. This indemnification provision shall survive termination of this Agreement and all Australian Letters of Credit.

(g) The liability of each Australian Issuing Bank (or any other Australian Letter of Credit Related Person) under, in connection with or arising out of any Australian Letter of Credit (or pre-advice), regardless of the form or legal grounds of the action or proceeding, shall be limited to direct damages suffered by Australian Borrowers that result from such Australian Issuing Bank's bad faith, gross negligence or willful misconduct in (i) honoring a presentation under an Australian Letter of Credit that on its face does not at least substantially comply with the terms and conditions of such Australian Letter of Credit, (ii) failing to honor a presentation under an Australian Letter of Credit that strictly complies with the terms and conditions of such Australian Letter of Credit or (iii) retaining Drawing Documents presented under an Australian Letter of Credit. Each Australian Issuing Bank shall be deemed to have acted with due diligence and reasonable care if such Australian Issuing Bank's conduct is in accordance with Standard Letter of Credit Practice or in accordance with this Agreement. Australian Borrowers' aggregate remedies against each Australian Issuing Bank and any Australian Letter of Credit Related Person for wrongfully honoring a presentation under any Australian Letter of Credit or wrongfully retaining honored Drawing Documents shall in no event exceed the aggregate amount paid by Australian Borrowers to the applicable Australian Issuing Bank in respect of the honored presentation in connection with such Australian Letter of Credit under Section 2.12(d), *plus* interest at the rate then applicable to Base Rate Loans hereunder.

(h) Australian Borrowers are responsible for preparing or approving the final text of the Australian Letter of Credit as issued by any Australian Issuing Bank, irrespective of any assistance such Australian Issuing Bank may provide such as drafting or recommending text or by such Australian Issuing Bank's use or refusal to use text submitted by the Australian Borrowers. Australian Borrowers are solely responsible for the suitability of the Australian Letter of Credit for Australian Borrowers' purposes. With respect to any Australian Letter of Credit containing an "automatic amendment" to extend the expiration date of such Australian Letter of Credit for additional consecutive periods of twelve (12) months (but in no event shall the expiration date extend beyond the Letter of Credit Expiration Date unless such Australian Issuing Bank and the Agent have approved such expiration date (it being understood that the obligation of Australian Revolving Lenders to fund participations in Australian Letters of Credit shall expire immediately following the Maturity Date (for this purpose, pursuant to clause (a) of the definition thereof)), any Australian Issuing Bank, in its sole and absolute discretion, may give notice of nonrenewal of such Australian Letter of Credit and, if Australian Borrowers do not at any time want such Australian Letter of Credit to be renewed, Australian Borrowers will so notify Agent and the applicable Australian Issuing Bank at least 7 Business Days (or such later date as agreed to by the applicable Australian Issuing Bank) before such Australian Issuing Bank is required to notify the beneficiary of such Australian Letter of Credit or any advising bank of such nonrenewal pursuant to the terms of such Australian Letter of Credit.

(i) Australian Borrowers' reimbursement and payment obligations under this Section 2.12 are absolute, unconditional and irrevocable and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever, provided, however, that subject to Section 2.12(g) above, the foregoing shall not release any Australian Issuing Bank from such liability to Australian Borrowers as may be finally determined in a final, non-appealable judgment of a court of competent jurisdiction against such Australian Issuing Bank following reimbursement or payment of the obligations and liabilities, including reimbursement and other payment obligations, of Australian Borrowers to such Australian Issuing Bank arising under, or in connection with, this Section or any Australian Letter of Credit.

(j) Without limiting any other provision of this Agreement, each Australian Issuing Bank and each other Australian Letter of Credit Related Person (if applicable) shall not be responsible to Australian

Borrowers for, and no Australian Issuing Bank's rights and remedies against Australian Borrowers and the obligation of Australian Borrowers to reimburse each Australian Issuing Bank for each drawing under each Australian Letter of Credit shall be impaired by:

(i) honor of a presentation under any Australian Letter of Credit that on its face substantially complies with the terms and conditions of such Australian Letter of Credit, even if the Australian Letter of Credit requires strict compliance by the beneficiary;

(ii) honor of a presentation of any Drawing Document that appears on its face to have been signed, presented or issued (A) by any purported successor or transferee of any beneficiary or other Person required to sign, present or issue such Drawing Document or (B) under a new name of the beneficiary;

(iii) acceptance as a draft of any written or electronic demand or request for payment under an Australian Letter of Credit, even if non-negotiable or not in the form of a draft or notwithstanding any requirement that such draft, demand or request bear any or adequate reference to an Australian Letter of Credit;

(iv) the identity or authority of any presenter or signer of any Drawing Document or the form, accuracy, genuineness or legal effect of any Drawing Document (other than the applicable Australian Issuing Bank's determination that such Drawing Document appears on its face substantially to comply with the terms and conditions of an Australian Letter of Credit);

(v) acting upon any instruction or request relative to an Australian Letter of Credit or requested Australian Letter of Credit that an Australian Issuing Bank in good faith believes to have been given by a Person authorized to give such instruction or request;

(vi) any errors, omissions, interruptions or delays in transmission or delivery of any message, advice or document (regardless of how sent or transmitted) or for errors in interpretation of technical terms or in translation or any delay in giving or failing to give notice to Australian Borrowers;

(vii) any acts, omissions or fraud by, or the insolvency of, any beneficiary, any nominated person or entity or any other Person or any breach of contract between any beneficiary and any Australian Borrower or any of the parties to the underlying transaction to which the Australian Letter of Credit relates;

(viii) assertion or waiver of any provision of the ISP or UCP that primarily benefits an issuer of a letter of credit, including any requirement that any Drawing Document be presented to it at a particular hour or place;

(ix) payment to any paying or negotiating bank (designated or permitted by the terms of the applicable Letter of Credit) claiming that it rightfully honored or is entitled to reimbursement or indemnity under Standard Letter of Credit Practice applicable to it;

(x) acting or failing to act as required or permitted under Standard Letter of Credit Practice applicable to where Issuing Bank has issued, confirmed, advised or negotiated such Letter of Credit, as the case may be;

(xi) honor of a presentation after the expiration date of any Australian Letter of Credit notwithstanding that a presentation was made prior to such expiration date and dishonored by the applicable Australian Issuing Bank if subsequently Australian Issuing Bank or any court or other finder of fact determines such presentation should have been honored;

(xii) dishonor of any presentation that does not strictly comply or that is fraudulent, forged or otherwise not entitled to honor; or

(xiii) honor of a presentation that is subsequently determined by the applicable Australian Issuing Bank to have been made in violation of international, federal, state or local restrictions on the transaction of business with certain prohibited Persons.

(k) [Reserved.]

(l) Australian Borrowers shall pay immediately upon demand to Agent for the account of the applicable Australian Issuing Bank as non-refundable fees, commissions, and charges (it being acknowledged and agreed that any charging of such fees, commissions, and charges to the Australian Loan Account pursuant to the provisions of Section 2.6(d)(iii) shall be deemed to constitute a demand for payment thereof for the purposes of this Section 2.12(l)): (i) a fronting fee which shall be imposed by the applicable Australian Issuing Bank upon the issuance of each Letter of Credit of 0.125% per annum of the face amount thereof, which fee shall be payable monthly in arrears, on the first day of each month, and on maturity, *plus* (ii) any and all other customary commissions, fees and charges then in effect imposed by, and any and all reasonable and documented out-of-pocket expenses incurred by, the applicable Australian Issuing Bank, or by any adviser, confirming institution or entity or other nominated person, relating to Australian Letters of Credit, which charges shall be paid as and when incurred.

(m) If by reason of (x) any Change in Law, or (y) compliance by any Australian Issuing Bank or any other member of the Lender Group with any direction, request, or requirement (irrespective of whether having the force of law) of any Governmental Authority or monetary authority including, Regulation D of the Board of Governors as from time to time in effect (and any successor thereto):

(i) any reserve, deposit, or similar requirement is or shall be imposed or modified in respect of any Australian Letter of Credit issued or caused to be issued hereunder or hereby,

(ii) there shall be imposed on any Australian Issuing Bank or any other member of the Lender Group any other condition regarding any Australian Letter of Credit, or

(iii) there shall be imposed on any member of the Lender Group or Agent any Taxes (other than (A) Indemnified Taxes and (B) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto,

and the result of the foregoing is to increase, directly or indirectly, the cost to any Australian Issuing Bank or any other member of the Lender Group of issuing, making, participating in, or maintaining any Australian Letter of Credit or to reduce the amount receivable in respect thereof, then, and in any such case, Agent may, at any time within a reasonable period after the additional cost is incurred or the amount received is reduced, notify Australian Borrowers, and Australian Borrowers shall pay within 30 days after demand therefor, such amounts as Agent may specify to be reasonably necessary to compensate the applicable Australian Issuing Bank or any other member of the Lender Group for such additional cost or reduced receipt, together with interest on such amount from the date of such demand until payment in full thereof at the rate then applicable to Base Rate Loans hereunder; provided, that (A) Australian Borrowers shall not be required to provide any compensation pursuant to this Section 2.12(m) for any such amounts incurred more than 180 days prior to the date on which the demand for payment of such amounts is first made to Borrowers, and (B) if an event or circumstance giving rise to such amounts is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof. The determination by Agent of any amount due pursuant to this Section 2.12(m), as set forth in a certificate setting forth the calculation thereof in reasonable detail, shall, in the absence of manifest or demonstrable error, be final and conclusive and binding on all of the parties hereto.

(n) Unless otherwise expressly agreed by the applicable Australian Issuing Bank and Australian Borrowers when an Australian Letter of Credit is issued, (i) the rules of the ISP and the UCP shall apply to each standby Australian Letter of Credit, and (ii) the rules of the UCP shall apply to each commercial Australian Letter of Credit.

(o) In the event of a direct conflict between the provisions of this Section 2.12 and any provision contained in any Issuer Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of this Section 2.12 shall control and govern.

2.13 **LIBOR Option.**

(a) **Interest and Interest Payment Dates.** In lieu of having interest charged at the rate based upon the Base Rate, the applicable Borrowers shall have the option, subject to Section 2.13(b) below (the "LIBOR Option") to have interest on all or a portion of the Revolving Loans be charged (whether at the time when made (unless otherwise provided herein), upon conversion from a Base Rate Loan or an Australian Base Rate Loan to a LIBOR Rate Loan, or upon continuation of a LIBOR Rate Loan as a LIBOR Rate Loan) at a rate of interest based upon the LIBOR Rate. Interest on LIBOR Rate Loans shall be payable on the earliest of (%4) the last day of the Interest Period applicable thereto; provided, that, subject to the following clauses (ii) and (iii), in the case of any Interest Period greater than 3 months in duration, interest shall be payable at 3 month intervals after the commencement of the applicable Interest Period and on the last day of such Interest Period), (%4) the date on which all or any portion of the Obligations are accelerated pursuant to the terms hereof, or (iii) the date on which this Agreement is terminated pursuant to the terms hereof. On the last day of each applicable Interest Period, unless Borrowers have properly exercised the LIBOR Option with respect thereto, the interest rate applicable to such LIBOR Rate Loan automatically shall convert to the rate of interest then applicable to Base Rate Loans of the same type hereunder. At any time that an Event of Default has occurred and is continuing, at the written election of the Required Lenders, no Borrower shall have the option to request that any Revolving Loans bear interest at a rate based upon the LIBOR Rate.

(b) **LIBOR Election.**

(i) Borrowers may, at any time and from time to time, so long as no Event of Default has occurred and is continuing, and the Required Lenders have elected pursuant to Section 2.13(a) not to permit LIBOR Rate Loans, elect to exercise the LIBOR Option by notifying Agent prior to 11:00 a.m. at least three (3) Business Days prior to the commencement of the proposed Interest Period (the "LIBOR Deadline"). Notice of Borrowers' election of the LIBOR Option for a permitted portion of the Revolving Loans and an Interest Period pursuant to this Section shall be made by delivery to Agent of a LIBOR Notice received by Agent before the LIBOR Deadline, or by electronic notice received by Agent before the LIBOR Deadline (to be confirmed by delivery to Agent of a LIBOR Notice received by Agent prior to 5:00 p.m. on the same day). Promptly upon its receipt of each such LIBOR Notice, Agent shall provide a copy thereof to each of the affected Lenders. Each LIBOR Notice shall be irrevocable and binding on the applicable Borrowers.

(ii) In connection with each LIBOR Rate Loan, each U.S. Borrower and each Australian Borrower, as applicable, of such U.S. Revolving Loan or Australian Revolving Loan, as applicable, shall indemnify, defend, and hold Agent and the Lenders harmless against any actual loss, cost, or expense incurred by Agent or any Lender as a result of (A) the payment of any principal of any applicable LIBOR Rate Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (B) the conversion of any LIBOR Rate Loan other than on the last day of the Interest Period applicable thereto, or (C) the failure to borrow, convert, continue or prepay any LIBOR Rate Loan on the date specified in any LIBOR Notice delivered pursuant hereto (such losses, costs, or expenses, "Funding Losses"). A certificate of Agent or a Lender delivered to the applicable Borrowers setting forth in reasonable detail any amount or amounts that Agent or such Lender is entitled to receive pursuant to this Section 2.13

shall be conclusive absent manifest error. Such Borrowers shall pay such amount to Agent or the Lender, as applicable, within 30 days of the date of its receipt of such certificate. If a payment of any LIBOR Rate Loan on a day other than the last day of the applicable Interest Period would result in a Funding Loss, Agent may, in its sole discretion at the request of the applicable Borrowers, hold the amount of such payment as cash collateral in support of the Obligations until the last day of such Interest Period and apply such amounts to the payment of the applicable LIBOR Rate Loan on such last day, it being agreed that Agent has no obligation to so defer the application of payments to any LIBOR Rate Loan and that, in the event that Agent does not defer such application, the applicable Borrowers shall be obligated to pay any resulting Funding Losses.

(iii) Unless Agent, in its sole discretion, agrees otherwise, Borrowers shall have not more than seven (7) LIBOR Rate Loans in effect at any given time. Borrowers may only exercise the LIBOR Option for proposed LIBOR Rate Loans of at least $1,000,000 (and integral multiples of $500,000 in excess thereof).

(c) **Conversion.** The applicable Borrowers may convert LIBOR Rate Loans to Base Rate Loans at any time; provided, that in the event that LIBOR Rate Loans are converted or prepaid on any date that is not the last day of the Interest Period applicable thereto, including as a result of any prepayment through the required application by Agent of any payments or proceeds of Collateral in accordance with Section 2.4(b) or for any other reason, including early termination of the term of this Agreement or acceleration of all or any portion of the Obligations pursuant to the terms hereof, each Borrower of such Revolving Loans shall indemnify, defend, and hold Agent and the Lenders and their Participants harmless against any and all Funding Losses in accordance with Section 2.13(b)(ii).

(d) **Special Provisions Applicable to LIBOR Rate.**

(i) The LIBOR Rate may be adjusted by Agent with respect to any Lender on a prospective basis to take into account any additional or increased costs to such Lender of maintaining or obtaining any eurodollar deposits or increased costs, in each case, due to changes in applicable law occurring subsequent to the commencement of the then applicable Interest Period, including any Changes in Law (including any Changes in Laws relating to Taxes, other than Excluded Taxes and Indemnified Taxes, which shall be governed by Section 17) and changes in the reserve requirements imposed by the Board of Governors, which additional or increased costs would increase the cost of funding or maintaining loans bearing interest at the LIBOR Rate. In any such event, the affected Lender shall give Borrowers and Agent notice of such a determination and adjustment and Agent promptly shall transmit the notice to each other Lender and, upon its receipt of the notice from the affected Lender, Borrowers may, by notice to such affected Lender (A) require such Lender to furnish to Borrowers a statement setting forth in reasonable detail the basis for adjusting such LIBOR Rate and the method for determining the amount of such adjustment, or (B) repay the LIBOR Rate Loans of such Lender with respect to which such adjustment is made (together with any amounts due under Section 2.13(b)(ii)).

(ii) If any Lender determines that any applicable law has made it unlawful for any Lender to make, maintain or fund LIBOR Rate Loans, or to determine or charge interest rates based upon the LIBOR Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, U.S. Dollars in the applicable interbank market, then, on notice thereof by such Lender to Parent through Agent, any obligation of such Lender to make or continue LIBOR Rate Loans or to convert Base Rate Loans to LIBOR Rate Loans, shall be suspended until such Lender notifies Agent and Parent that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrowers shall, upon demand from such Lender (with a copy to Agent), prepay or convert all such LIBOR Rate Loans of such Lender to Base Rate Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such LIBOR Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such LIBOR Rate Loans. Upon any such prepayment or conversion, each Borrower shall also pay accrued interest on the amount of Loans so prepaid or converted.

(iii) If the Required Lenders determine that for any reason in connection with any request for a LIBOR Rate Loan or a conversion to or continuation thereof that (a) deposits are not being offered to banks in the applicable offshore interbank market for the applicable amount and Interest Period of such LIBOR Rate Loan, (b) adequate and reasonable means do not exist for determining the LIBOR Rate for any requested Interest Period with respect to a proposed LIBOR Rate Loan, or (c) the LIBOR Rate for any requested Interest Period with respect to a proposed LIBOR Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such LIBOR Rate Loan, Agent will promptly so notify Parent and each Lender. Thereafter, the obligation of the Lenders to make or maintain LIBOR Rate Loans shall be suspended until Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, Parent (on behalf of the Borrowers) may revoke any pending request for a Borrowing of, conversion to or continuation of LIBOR Rate Loans or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

(e) **No Requirement of Matched Funding.** Anything to the contrary contained herein notwithstanding, neither Agent, nor any Lender, nor any of their Participants, is required actually to acquire eurodollar deposits to fund or otherwise match fund any Obligation as to which interest accrues at the LIBOR Rate.

2.14 **Capital Requirements.**

(a) If, after the date hereof, any Issuing Bank or any Lender determines that (i) any Change in Law regarding capital or reserve requirements for banks or bank holding companies, or (ii) compliance by such Issuing Bank or such Lender, or their respective parent bank holding companies, with any guideline, request or directive of any Governmental Authority regarding capital adequacy (whether or not having the force of law), has the effect of reducing the return on such Issuing Bank's, such Lender's, or such holding companies' capital as a consequence of such Issuing Bank's or such Lender's commitments hereunder to a level below that which such Issuing Bank, such Lender, or such holding companies could have achieved but for such Change in Law or compliance (taking into consideration such Issuing Bank's, such Lender's, or such holding companies' then existing policies with respect to capital adequacy and assuming the full utilization of such entity's capital) by any amount deemed by such Issuing Bank or such Lender to be material, then such Issuing Bank or such Lender may notify Borrowers and Agent thereof. Following receipt of such notice, the applicable Borrowers agree to pay such Issuing Bank or such Lender on demand the amount of such reduction of return of capital as and when such reduction is determined, payable within 30 days after presentation by such Issuing Bank or such Lender of a statement in the amount and setting forth in reasonable detail such Issuing Bank's or such Lender's calculation thereof and the assumptions upon which such calculation was based (which statement shall be deemed true and correct absent manifest error). In determining such amount, such Issuing Bank or such Lender may use any reasonable averaging and attribution methods. Failure or delay on the part of such Issuing Bank or any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Issuing Bank's or such Lender's right to demand such compensation; provided that no Borrower shall be required to compensate an Issuing Bank or a Lender pursuant to this Section for any reductions in return incurred more than 180 days prior to the date that such Issuing Bank or such Lender notifies Borrowers of such Change in Law giving rise to such reductions and of such Lender's intention to claim compensation therefor; provided further that if such claim arises by reason of the Change in Law that is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

(b) If Issuing Bank or any Lender requests additional or increased costs referred to in Section 2.11(m), Section 2.12(m), or Section 2.13(d)(i) or amounts under Section 2.14(a) or sends a notice under Section 2.13(d)(ii) relative to changed circumstances (such Issuing Bank or Lender, an " Affected Lender"), then such Affected Lender shall use reasonable efforts to promptly designate a different one of its lending offices or to assign its rights and obligations hereunder to another of its offices or branches, if (i) in the reasonable judgment of such Affected Lender, such designation or assignment would eliminate or reduce amounts payable pursuant to Section 2.11(m), Section 2.12(m), Section 2.13(d)(i) or Section 2.14(a), as applicable, or would eliminate the illegality or impracticality of funding or maintaining LIBOR Rate Loans and

(ii) in the reasonable judgment of such Affected Lender, such designation or assignment would not subject it to any material unreimbursed cost or expense and would not otherwise be materially disadvantageous to it. Borrowers agree to pay all reasonable out-of-pocket costs and expenses incurred by such Affected Lender in connection with any such designation or assignment. If, after such reasonable efforts, such Affected Lender does not so designate a different one of its lending offices or assign its rights to another of its offices or branches so as to eliminate Borrowers' obligation to pay any future amounts to such Affected Lender pursuant to Section 2.11(m), Section 2.12(m), Section 2.13(d)(i) or Section 2.14(a), as applicable, or to enable the applicable Borrowers to obtain LIBOR Rate Loans, then Borrowers (without prejudice to any amounts then due to such Affected Lender under Section 2.11(m), Section 2.12(m), Section 2.13(d)(i) or Section 2.14(a), as applicable) may, unless prior to the effective date of any such assignment the Affected Lender withdraws its request for such additional amounts under Section 2.11(m), Section 2.12(m), Section 2.13(d)(i) or Section 2.14(a), as applicable, or indicates that it is no longer unlawful or impractical to fund or maintain LIBOR Rate Loans, may designate a different Issuing Bank or substitute a Lender, in each case, reasonably acceptable to Agent to purchase the Obligations owed to such Affected Lender and such Affected Lender's commitments hereunder (a "Replacement Lender"), and if such Replacement Lender agrees to such purchase, such Affected Lender shall assign to the Replacement Lender its Obligations and commitments, and upon such purchase by the Replacement Lender, which such Replacement Lender shall be deemed to be "Issuing Bank" or a "Lender" (as the case may be) for purposes of this Agreement and such Affected Lender shall cease to be "Issuing Bank" or a "Lender" (as the case may be) for purposes of this Agreement.

(c) Notwithstanding anything herein to the contrary, the protection of Sections 2.11(m), 2.12(m), 2.13(d), and 2.14 shall be available to each Issuing Bank and each Lender (as applicable) regardless of any possible contention of the invalidity or inapplicability of the law, rule, regulation, judicial ruling, judgment, guideline, treaty or other change or condition which shall have occurred or been imposed, so long as it shall be customary for issuing banks or lenders affected thereby to comply therewith. Notwithstanding any other provision herein, neither any Issuing Bank nor any Lender shall demand compensation pursuant to this Section 2.14 if it shall not at the time be the general policy or practice of such Issuing Bank or such Lender (as the case may be) to demand such compensation in similar circumstances under comparable provisions of other credit agreements, if any.

2.15 **Joint and Several Liability.**

(a) Each U.S. Borrower is accepting joint and several liability for the U.S. Obligations hereunder and under the other Loan Documents in consideration of the financial accommodations to be provided by the Lender Group under this Agreement, for the mutual benefit, directly and indirectly, of each U.S. Borrower and, with respect to Letters of Credit, their Subsidiaries, and in consideration of the undertakings of the other U.S. Borrowers to accept joint and several liability for the U.S. Obligations.

(b) Each U.S. Borrower, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a co-debtor, joint and several liability with the other U.S. Borrowers, with respect to the payment and performance of all of the U.S. Obligations (including any U.S. Obligations arising under this Section 2.15), it being the intention of the parties hereto that all the U.S. Obligations shall be the joint and several obligations of each U.S. Borrower without preferences or distinction among them.

(c) If and to the extent that any U.S. Borrower shall fail to make any payment with respect to any of the U.S. Obligations as and when due or to perform any of the U.S. Obligations in accordance with the terms thereof, then in each such event the other U.S. Borrowers will make such payment with respect to, or perform, such U.S. Obligation until such time as all of the U.S. Obligations are paid in full.

(d) The U.S. Obligations of each U.S. Borrower under the provisions of this Section 2.15 constitute the absolute and unconditional, full recourse U.S. Obligations of each U.S. Borrower enforceable against each U.S. Borrower to the full extent of its properties and assets, irrespective of the validity, regularity

or enforceability of the provisions of this Agreement (other than this Section 2.15(d)) or any other circumstances whatsoever.

(e) Each Borrower is accepting joint and several liability for the Australian Obligations hereunder and under the other Loan Documents in consideration of the financial accommodations to be provided by the Lender Group under this Agreement, for the mutual benefit, directly and indirectly, of each Borrower and, with respect to Letters of Credit, their Subsidiaries, and in consideration of the undertakings of the other Borrowers to accept joint and several liability for the Australian Obligations.

(f) Each Borrower, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a co-debtor, joint and several liability with the other Borrowers, with respect to the payment and performance of all of the Australian Obligations (including any Australian Obligations arising under this Section 2.15), it being the intention of the parties hereto that all the Australian Obligations shall be the joint and several obligations of each Borrower without preferences or distinction among them.

(g) If and to the extent that any Borrower shall fail to make any payment with respect to any of the Australian Obligations as and when due or to perform any of the Australian Obligations in accordance with the terms thereof, then in each such event the other Borrowers will make such payment with respect to, or perform, such Australian Obligation until such time as all of the Australian Obligations are paid in full.

(h) The Australian Obligations of each Borrower under the provisions of this Section 2.15 constitute the absolute and unconditional, full recourse Australian Obligations of each Borrower enforceable against each Borrower to the full extent of its properties and assets, irrespective of the validity, regularity or enforceability of the provisions of this Agreement (other than this Section 2.15(h)) or any other circumstances whatsoever.

(i) Except as otherwise expressly provided in this Agreement, each Borrower hereby waives notice of acceptance of its joint and several liability with respect to a U.S. Borrower, the other Borrowers, and with respect to an Australian Borrower, the other Australian Borrowers, notice of any Revolving Loans or Letters of Credit issued under or pursuant to this Agreement, notice of the occurrence of any Default, Event of Default, or of any demand for any payment under this Agreement, notice of any action at any time taken or omitted by Agent or Lenders under or in respect of any of the Obligations, any requirement of diligence or to mitigate damages and, generally, to the extent permitted by applicable law, all demands, notices and other formalities of every kind in connection with this Agreement (except as otherwise provided in this Agreement). Each Borrower hereby assents to, and waives notice of, any extension or postponement of the time for the payment of any of the Obligations, the acceptance of any payment of any of the Obligations, the acceptance of any partial payment thereon, any waiver, consent or other action or acquiescence by Agent or Lenders at any time or times in respect of any default by any Borrower in the performance or satisfaction of any term, covenant, condition or provision of this Agreement, any and all other indulgences whatsoever by Agent or Lenders in respect of any of the Obligations, and the taking, addition, substitution or release, in whole or in part, at any time or times, of any security for any of the Obligations or the addition, substitution or release, in whole or in part, of any Borrower. Without limiting the generality of the foregoing, each Borrower assents to any other action or delay in acting or failure to act on the part of any Agent or Lender with respect to the failure by any Borrower to comply with any of its respective Obligations, including, without limitation, any failure strictly or diligently to assert any right or to pursue any remedy or to comply fully with applicable laws or regulations thereunder, which might, but for the provisions of this Section 2.15 afford grounds for terminating, discharging or relieving any Borrower, in whole or in part, from any of its Obligations under this Section 2.15, it being the intention of each Borrower that, so long as any of the Obligations hereunder remain unsatisfied, the Obligations of each Borrower under this Section 2.15 shall not be discharged except by performance and then only to the extent of such performance. The Obligations of each Borrower under this Section 2.15 shall not be diminished or rendered unenforceable by any winding

up, reorganization, arrangement, liquidation, reconstruction or similar proceeding with respect to any other Borrower or any Agent or Lender.

(j) Each Borrower represents and warrants to Agent and Lenders that such Borrower is currently informed of the financial condition of Borrowers and of all other circumstances which a diligent inquiry would reveal and which bear upon the risk of nonpayment of the Obligations. Each Borrower further represents and warrants to Agent and Lenders that such Borrower has read and understands the terms and conditions of the Loan Documents. Each Borrower hereby covenants that such Borrower will continue to keep informed of U.S. Borrowers' financial condition and of all other circumstances which bear upon the risk of nonpayment or nonperformance of the U.S. Obligations.

(k) The provisions of this Section 2.15 are made for the benefit of Agent, each member of the Lender Group, each Bank Product Provider, and their respective successors and assigns, and may be enforced by it or them from time to time against any or all Borrowers (to the extent provided in this Section 2.15) as often as occasion therefor may arise and without requirement on the part of Agent, any member of the Lender Group, any Bank Product Provider, or any of their successors or assigns first to marshal any of its or their claims or to exercise any of its or their rights against any Borrower or to exhaust any remedies available to it or them against any Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy. The provisions of this Section 2.15 shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied. If at any time, any payment, or any part thereof, made in respect of any of the Obligations, is rescinded or must otherwise be restored or returned by Agent or any Lender upon the insolvency, bankruptcy or reorganization of any Borrower, or otherwise, the provisions of this Section will forthwith be reinstated in effect, as though such payment had not been made.

(l) Each Borrower hereby agrees that it will not enforce any of its rights of contribution or subrogation against any other Borrower with respect to any liability incurred by it hereunder or under any of the other Loan Documents, any payments made by it to Agent or Lenders with respect to any of the Obligations or any collateral security therefor until such time as all of the Obligations have been paid in full in cash. Any claim which any Borrower may have against any other Borrower with respect to any payments to any Agent or any member of the Lender Group hereunder or under any of the Bank Product Agreements are hereby expressly made subordinate and junior in right of payment, without limitation as to any increases in the Obligations arising hereunder or thereunder, to the prior payment in full in cash of the Obligations and, in the event of any insolvency, bankruptcy, receivership, liquidation, reorganization or other similar proceeding under the laws of any jurisdiction relating to any Borrower, its debts or its assets, whether voluntary or involuntary, all such Obligations shall be paid in full in cash before any payment or distribution of any character, whether in cash, securities or other property, shall be made to any other Borrower therefor.

(m) Each U.S. Borrower hereby agrees that after the occurrence and during the continuance of any Event of Default, upon notice from the Agent, such U.S. Borrower will not demand, sue for or otherwise attempt to collect any indebtedness of any other Borrower owing to such U.S. Borrower until the Obligations shall have been paid in full in cash. If, notwithstanding the foregoing sentence, such U.S. Borrower shall collect, enforce or receive any amounts in respect of such indebtedness, such amounts shall be collected, enforced and received by such U.S. Borrower as trustee for Agent, and such U.S. Borrower shall deliver any such amounts to Agent for application to the Obligations in accordance with Section 2.4(b).

(n) Each Australian Borrower hereby agrees that after the occurrence and during the continuance of any Event of Default, upon notice from the Agent such Australian Borrower will not demand, sue for or otherwise attempt to collect any indebtedness of any other Australian Borrower owing to such Australian Borrower until the Australian Obligations shall have been paid in full in cash. If, notwithstanding the foregoing sentence, such Australian Borrower shall collect, enforce or receive any amounts in respect of such indebtedness, such amounts shall be collected, enforced and received by such Australian Borrower as trustee for Agent, and such Australian Borrower shall deliver any such amounts to Agent for application to the Australian Obligations in accordance with Section 2.4(b)

(o) **Separate and Distinct Australian Obligations**. For the avoidance of doubt, the parties hereto acknowledge and agree that, notwithstanding anything to the contrary in this Agreement or any of the other Loan Documents, and notwithstanding that the U.S. Loan Parties each are jointly and severally liable with the Australian Loan Parties for the Australian Obligations, the Obligations of the Australian Loan Parties under this Agreement or any of the other Loan Documents shall be separate and distinct from the Obligations of any U.S. Loan Party including, without limitation, the Parent, and shall be expressly limited to the Australian Obligations. In furtherance of the foregoing, each of the parties hereto acknowledges and agrees that the liability of any Australian Loan Party for the payment and performance of its covenants, representations and warranties set forth in this Agreement and the other Loan Documents shall be several from but not joint with the Obligations of the Parent and any other U.S. Loan Party; the Australian Loan Parties shall not guarantee the U.S. Obligations; and the Collateral of the Australian Loan Parties shall not secure or be applied in satisfaction, by way of payment, prepayment, or otherwise, of all or any portion of the U.S. Obligations of the Parent or any other U.S. Loan Party.

2.16 **Incremental Borrowings**.

(a) The Borrowers may at any time or from time to time after the Closing Date, by notice from the Parent to the Agent (whereupon the Agent shall promptly deliver a copy to each of the Lenders), request one or more incremental Revolver Commitments (each an "Incremental Commitment" and all of them, collectively, the "Incremental Commitments" and any such loans thereunder, the "Incremental Loans"). Each tranche of Incremental Commitments shall be in an aggregate principal amount that is not less than $10,000,000; provided that such amount may be less than $10,000,000 if such amount represents all remaining availability under the limit set forth in the next sentence; provided, further that the allocation of any portion of such increase to the Australian Revolver Commitments shall be determined by the Agent in consultation with the Borrowers, with the approval of each Lender and Additional Lender (if any) agreeing to such increase; provided, further that no allocation of any Incremental Commitment to the Australian Revolver Commitments shall be permitted to the extent the Australian Revolver Commitments would exceed the U.S. Revolver Commitments after giving effect to such Incremental Commitment. Any such increase in Revolver Commitments may increase the U.S. Letter of Credit Sublimit or the Australian Letter of Credit Sublimit subject to the consent of the Agent and the applicable Issuing Bank; provided that any such increase in the U.S. Letter of Credit Sublimit or the Australian Letter of Credit Sublimit shall be provided by an Issuing Bank reasonably acceptable to the Agent and the Parent and the Issuing Bank at the time shall have no obligation to provide such increase. Notwithstanding anything to the contrary herein, the aggregate principal amount of the Incremental Commitments shall not exceed $100,000,000. The Incremental Loans (i) shall, in the case of an Incremental Loan to the U.S. Borrowers, rank *pari passu* in right of payment and of security with the U.S. Loans and, in the case of an Incremental Loan to Australian Borrowers, rank *pari passu* in right of payment and of security with the Australian Loans and (ii) shall be implemented by way of increase of the Revolver Commitments and, except as to arrangement, underwriting or similar fees, shall be on terms identical, including the Applicable Margin and any other pricing matter related to the Revolver Commitments; provided that the OID or up-front fees (if any) applicable to any Incremental Loans will be determined by the Borrowers and the Lenders and/or Additional Lenders providing such Incremental Commitments and Incremental Loans. As a condition precedent to such an increase, (i) no Default or Event of Default shall exist on the date of the effectiveness of any Incremental Amendment, (ii) the representations and warranties contained in the Loan Documents shall be accurate in all material respects before and after the effectiveness of any Incremental Amendment referred to below; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; provided, further, that, any representation and warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates, (iii) all fees and expenses owing in respect of any such Incremental Amendment to the Agent and the Lenders and/or Additional Lenders providing the Incremental Commitments thereunder shall have been paid and (iv) the Borrowers shall have delivered all customary agreements, certificates, opinions and other customary documents reasonably requested by the Agent.

(b) Each notice from the Parent pursuant to this Section 2.16 shall set forth the requested amount and proposed terms of the relevant Incremental Commitments and Incremental Loans. Incremental Commitments and Incremental Loans may be made by any existing Lender (it being understood that no existing Lender will have an obligation to make a portion of any Incremental Commitment or Incremental Loan) or by any Additional Lender that is an Eligible Transferee reasonably acceptable to the Agent and each Issuing Bank (each such consent not to be unreasonably withheld, delayed or conditioned). Incremental Commitments shall become Revolver Commitments under this Agreement pursuant to an amendment (an "Incremental Amendment") to this Agreement and, as appropriate, the other Loan Documents, executed by the Borrowers, each Lender agreeing to provide such Incremental Commitment, if any, each Additional Lender, if any, the Agent and, if applicable, the Issuing Bank. The Incremental Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Agent and the Parent, to effect the provisions of this Section 2.16. The effectiveness of (and, in the case of any Incremental Amendment for an Incremental Loan, the Borrowing under) any Incremental Amendment shall be subject to the satisfaction on the date thereof of each of the conditions set forth in Section 3.2. The Borrowers shall use the proceeds of the Incremental Loans for any purpose not prohibited by this Agreement.

(c) Adjustment of Revolving Loans. Each Revolving Lender that is acquiring an Incremental Commitment on the effective date of any Incremental Amendment shall (i) make a Revolving Loan, the proceeds of which will be used to prepay the Revolving Loans of the other Revolving Lenders immediately prior to such effective date and (ii) automatically and without further act be deemed to have assumed a portion of the other Revolving Lenders' participations hereunder in outstanding Letters of Credit and Swing Loan reimbursement obligations, so that, after giving effect thereto, the Revolving Loans and Letter of Credit and Swing Loan reimbursement obligations outstanding are held by the Revolving Lenders pro rata based on their Revolver Commitments after giving effect to such Incremental Amendment. If there is a new borrowing of Revolving Loans on the effective date of any Incremental Amendment, the Revolving Lenders after giving effect to such Incremental Amendment shall make such Revolving Loans in accordance with Section 2.1.

This Section 2.16 shall supersede any provisions in Section 14.1 to the contrary.

3 CONDITIONS; TERM OF AGREEMENT.

3.1 **Conditions Precedent to the Initial Extension of Credit.** The obligation of each Lender to make the initial extensions of credit provided for hereunder is subject to the fulfillment, to the satisfaction (or waiver) of Agent and each Lender, of each of the conditions precedent set forth on Schedule 3.1 (the making of such initial extensions of credit by a Lender being conclusively deemed to be its satisfaction or waiver of the conditions precedent).

3.2 **Conditions Precedent to all Extensions of Credit.** The obligation of the Lender Group (or any member thereof) to make any Revolving Loans hereunder (or to extend any other credit hereunder) at any time shall be subject to the following conditions precedent:

(q) the representations and warranties of Parent and its Subsidiaries contained in this Agreement or in the other Loan Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) on and as of the date of such extension of credit, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of such earlier date);

(r) no Default or Event of Default shall have occurred and be continuing on the date of such extension of credit, nor shall either immediately result from the making thereof; and

(s) after giving effect to any extension of credit, (i) the U.S. Revolver Usage shall not exceed the U.S. Line Cap and (ii) the Australian Revolver Usage shall not exceed the Australian Line Cap.

Each request for an extension of credit submitted by a Borrower shall be deemed to be a representation and warranty that the conditions specified in this Section 3.2 have been satisfied on and as of the date of the applicable credit extension.

3.3 **Maturity.** This Agreement shall continue in full force and effect for a term ending on the Maturity Date.

3.4 **Effect of Maturity.**

(a) On the Maturity Date, all commitments of the Lender Group to provide additional credit hereunder shall automatically be terminated and all of the Obligations immediately shall become due and payable without notice or demand and (i) U.S. Borrowers shall be required to repay all of the U.S. Obligations in full, and (ii) Australian Borrowers shall be required to repay all of the Australian Obligations in full.

(b) No termination of the obligations of any member of the Lender Group (other than payment in full of the U.S. Obligations and termination of the U.S. Revolver Commitments) shall relieve or discharge any U.S. Loan Party of its duties, obligations, or covenants hereunder or under any other Loan Document. Except as otherwise set forth herein or in the other Loan Documents, Agent's Liens in the Collateral securing the U.S. Obligations shall continue to secure the U.S. Obligations and shall remain in effect until all U.S. Obligations have been paid in full and the U.S. Revolver Commitments have been terminated, at which time Agent will, at Borrowers' sole expense, execute and deliver any termination statements, lien releases, discharges of security interests, and other similar discharge or release documents (and, if applicable, in recordable form) as are reasonably necessary to release, as of record, Agent's or such Lender's, as applicable, Liens in the Collateral securing the U.S. Obligations.

(c) No termination of the obligations of any member of the Lender Group (other than payment in full of the Australian Obligations and termination of the Australian Revolver Commitments) shall relieve or discharge any Australian Loan Party of its duties, obligations, or covenants hereunder or under any other Loan Document. Except as otherwise set forth herein or in the other Loan Documents, Agent's or the Australian Security Trustee's Liens in the Collateral securing the Australian Obligations shall continue to secure the Australian Obligations and shall remain in effect until all Australian Obligations have been paid in full and the Australian Revolver Commitments have been terminated, at which time Agent will, at Borrowers' sole expense, execute and deliver any termination statements, lien releases, discharges of security interests, and other similar discharge or release documents (and, if applicable, in recordable form) as are reasonably necessary to release, as of record, Agent's or the Australian Security Trustee's Liens in the Collateral securing the Australian Obligations.

3.5 **Early Termination by Borrowers.** Borrowers have the option, at any time upon five (5) Business Days prior written notice to Agent, to terminate this Agreement and terminate the Revolver Commitments hereunder by repaying to Agent all of the Obligations in full. The foregoing notwithstanding, (a) Borrowers may rescind termination notices relative to proposed payments in full of the Obligations with the proceeds of third party Indebtedness or other transactions if the closing for such issuance or incurrence or other transaction does not happen on or before the date of the proposed termination (in which case, a new notice shall be required to be sent in connection with any subsequent termination), and (b) Borrowers may extend the date of termination at any time with the consent of Agent (which consent shall not be unreasonably withheld or delayed).

3.6 **Conditions Subsequent.** The obligation of the Lender Group (or any member thereof) to continue to make Revolving Loans (or otherwise extend credit hereunder) is subject to the fulfillment, on or before the date applicable thereto (unless such date is extended, in writing (including via electronic transmission), by Agent, which Agent may do without obtaining the consent of the other members of the Lender Group), of the conditions subsequent set forth on Schedule 3.6 (the failure by Borrowers to so perform or cause to be performed such conditions subsequent as and when required by the terms thereof, shall constitute an Event of Default).

4 REPRESENTATIONS AND WARRANTIES.

In order to induce the Lender Group to enter into this Agreement and to make credit extensions from time to time, each Borrower makes the following representations and warranties to the Lender Group and such representations and warranties shall survive the execution and delivery of this Agreement:

4.1 Due Organization and Qualification; Subsidiaries.

(a) Each Loan Party (i) is duly organized or incorporated and existing and in good standing (where applicable) under the laws of the jurisdiction of its organization or incorporation, (ii) is qualified to do business in any state where the failure to be so qualified would reasonably be expected to result in a Material Adverse Effect, and (iii) has all requisite corporate or other organizational power and authority to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, to enter into the Loan Documents to which it is a party and to carry out the transactions contemplated thereby.

(b) Set forth on Schedule 4.1(b) is a complete and accurate description, as of the Closing Date, of the authorized Equity Interests of each Borrower (other than Parent), by class, and, as of the Closing Date, a description of the number of shares of each such class that are issued and outstanding. No Borrower (other than Parent) is subject to any obligation (contingent or otherwise) to repurchase or otherwise acquire or retire any shares of its Equity Interests or any security convertible into or exchangeable for any of its Equity Interests.

(c) Set forth on Schedule 4.1(c), is, as of the Closing Date, a complete and accurate list of the Loan Parties' direct and indirect Subsidiaries, showing: (i) in the case of direct subsidiaries, the number of shares of each class of common and preferred Equity Interests authorized for each of such Subsidiaries, and (ii) the percentage of the outstanding shares of each such class owned directly or indirectly by Parent. All of the outstanding Equity Interests of each such Subsidiary has been validly issued and is fully paid and non-assessable (to the extent such concept is applicable).

(w) Except as set forth on Schedule 4.1(d), there are no subscriptions, options, warrants, or calls relating to any shares of any Subsidiaries' Equity Interests, including any right of conversion or exchange under any outstanding security or other instrument.

4.2 Due Authorization; No Conflict.

(a) As to each Loan Party, the execution, delivery, and performance by such Loan Party of the Loan Documents to which it is a party have been duly authorized by all necessary corporate or organizational action on the part of such Loan Party.

(b) As to each Loan Party, the execution, delivery, and performance by such Loan Party of the Loan Documents to which it is a party do not and will not (i) violate any material provision of federal, state, or local law or regulation applicable to any Loan Party or its Subsidiaries, the Governing Documents of any Loan Party or its Subsidiaries, or any order, judgment, or decree of any court or other Governmental Authority binding on any Loan Party or its Subsidiaries, (ii) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any Material Contract of any Loan Party or its

Subsidiaries where any such conflict, breach or default would individually or in the aggregate reasonably be expected to have a Material Adverse Effect, (iii) result in or require the creation or imposition of any Lien of any nature whatsoever upon any assets of any Loan Party, other than Permitted Liens, or (iv) require any approval of any holder of Equity Interests of a Loan Party or any approval or consent of any Person under any Material Contract of any Loan Party, other than (x) consents or approvals that have been obtained and that are still in force and effect or (y) except, in the case of a Material Contract, for consents or approvals, the failure to obtain would not individually or in the aggregate reasonably be expected to cause a Material Adverse Effect.

4.3 **Governmental Consents.** The execution, delivery, and performance by each Loan Party of the Loan Documents to which such Loan Party is a party and the consummation of the transactions contemplated by the Loan Documents do not and will not require any registration with, consent, or approval of, or notice to, or other action with or by, any Governmental Authority, except for (i) registrations, consents, approvals, notices, or other actions that have been obtained and that are still in force and effect, and (ii) filings and recordings with respect to the Collateral to be made, or otherwise delivered to Agent for filing or recordation.

4.4 **Binding Obligations; Perfected Liens.**

(a) Each Loan Document has been duly executed and delivered by each Loan Party that is a party thereto and is the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, receivership, administration, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

(b) Subject to Section 3.6 and Section 5.16, Agent's and Australian Security Trustee's Liens in the Collateral (other than, for the avoidance of doubt, Excluded Property) are validly created and perfected, upon the filing of financing statements, the filing of PPSA filings, the filing of as-extracted filings, the recordation of the Copyright Security Agreement, the execution of Control Agreements and the recordation of the Mortgages, in each case, in the appropriate filing offices (and any necessary stamping of the Australian Security Documents for New South Wales stamp duty purposes), and, in the case of ABL Collateral, first priority Liens, subject only to Permitted Liens.

4.5 **Title to Assets; No Encumbrances.** Each of the Loan Parties and its Subsidiaries has (a) good, sufficient and legal title to (in the case of fee interests in Real Property), (b) valid leasehold interests in (in the case of leasehold interests in real or personal property), and (c) good and marketable title to (in the case of all other personal property), all of their respective assets reflected in their most recent financial statements delivered pursuant to Section 5.1, in each case except for assets disposed of since the date of such financial statements to the extent permitted hereby. All of such assets are free and clear of Liens except for Permitted Liens.

4.6 **Litigation.** Except for the Arbitration Award, there are no actions, suits, or proceedings pending or, to the knowledge of any Borrower, threatened in writing against a Loan Party or any of its Subsidiaries that either individually or in the aggregate would reasonably be expected to result in a Material Adverse Effect.

4.7 **Compliance with Laws.** No Loan Party nor any of its Subsidiaries (a) is in violation of any applicable laws, rules, regulations, executive orders, or codes (including Environmental Laws) that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect, or (b) is subject to or in default with respect to any final judgments, writs, injunctions, decrees, rules or regulations of any Governmental Authority, that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect.

4.8 **No Material Adverse Effect.** The audited financial statements relating to the Loan Parties and their Subsidiaries as of December 31, 2012, December 31, 2013 and December 31, 2014 that have been delivered by Borrowers to Agent have been prepared in all material respects in accordance with GAAP (except, in the case of unaudited financial statements, for the lack of footnotes and being subject to year-end audit adjustments) and present fairly in all material respects, the Loan Parties' and their Subsidiaries' consolidated financial condition as of the date thereof and results of operations for the period then ended. Since December 31, 2014, no event, circumstance, or change has occurred that has or would reasonably be expected to result in a Material Adverse Effect with respect to the Loan Parties and their Subsidiaries.

4.9 **Solvency.**

(a) Each Borrower, individually, is Solvent and the Parent and its Subsidiaries, taken as a whole, are Solvent.

(b) No transfer of property is being made by any Loan Party and no obligation is being incurred by any Loan Party in connection with the transactions contemplated by this Agreement or the other Loan Documents with the intent to hinder, delay, or defraud either present or future creditors of such Loan Party.

4.10 **Employee Benefits.**

(a) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) each Loan Party, each of its Subsidiaries and each of their ERISA Affiliates has complied with ERISA, the IRC and all applicable laws regarding each Employee Benefit Plan; (ii) each Employee Benefit Plan is, and has been, maintained in substantial compliance with ERISA, the IRC, all applicable laws and the terms of each such Employee Benefit Plan; (iii) no liability to the PBGC (other than for the payment of current premiums which are not past due) by any Loan Party or its Subsidiaries or the ERISA Affiliates has been incurred or is reasonably expected by any Loan Party or its Subsidiaries or the ERISA Affiliates to be incurred with respect to any Pension Plan; (iv) no Notification Event exists or has occurred in the past six (6) years; and (v) there exists no Unfunded Pension Liability with respect to any Pension Plans.

(b) With respect to any scheme or arrangement mandated by a government other than the United States and with respect to each employee benefit plan maintained or contributed to by any Loan Party that is not subject to United States laws (such schemes, arrangements and employee benefit plans, collectively, "Foreign Plans"), none of the following events or conditions exists and is continuing that, either individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect: (i) non-compliance with its terms and with the requirements of any and all applicable laws, statutes, rules, regulations and orders, (ii) failure to be maintained, where required, in good standing with applicable regulatory authorities, (iii) non-compliance with any obligation of any Loan Party or its Subsidiaries in connection with the termination or partial termination of, or withdrawal from, any such Foreign Plan, (iv) any Lien on the property of any Loan Party or its Subsidiaries in favor of a Governmental Authority as a result of any action or inaction regarding such a Foreign Plan, (v) for each such Foreign Plan which is a funded or insured plan, failure to be funded or insured on an ongoing basis to the extent required by applicable non-U.S. law (using actuarial methods and assumptions which are consistent with the valuations last filed with the applicable Governmental Authorities) or (vi) any pending or threatened disputes that, to the knowledge of the Loan Party or any of its Subsidiaries, would reasonably be expected to result in liability to any Loan Party or any Subsidiaries.

4.11 **Environmental Condition.** Except as set forth on Schedule 4.11 or for any matters that, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect, (a) to each Borrower's knowledge, no Loan Party's nor any of its Subsidiaries' properties or assets has ever been used by a Loan Party, its Subsidiaries, or by previous owners or operators in the disposal of, or to produce, store, handle, treat, release, or transport, any Hazardous Materials, where such disposal, production, storage,

handling, treatment, release or transport was in violation of any applicable Environmental Law, (b) to each Borrower's knowledge, no Loan Party's nor any of its Subsidiaries' properties or assets has ever been designated or identified in any manner pursuant to any Environmental Law as a Hazardous Materials disposal site and (c) no Loan Party nor any of its Subsidiaries nor any of their respective facilities or operations is subject to any Environmental Liability or to any outstanding written order, consent decree, negotiated agreements or settlement agreement with any Person relating to any violation of Environmental Law or Environmental Liability.

4.12 **Complete Disclosure.** All factual information taken as a whole (other than forward-looking information and projections and information of a general economic nature and general information about Borrowers' industry) furnished by or on behalf of a Loan Party or its Subsidiaries in writing to Agent or any Lender (including all information contained in the Schedules hereto or in the other Loan Documents) for purposes of or in connection with this Agreement or the other Loan Documents, and all other such factual information taken as a whole (other than forward-looking information and projections and information of a general economic nature and general information about Borrowers' industry) hereafter furnished by or on behalf of a Loan Party or its Subsidiaries in writing to Agent or any Lender will be, true and accurate, in all material respects, on the date as of which such information is dated or certified and not incomplete by omitting to state any material fact necessary to make such information (taken as a whole) not misleading in any material respect at such time in light of the circumstances under which such information was provided. The Projections delivered to Agent on February 19, 2015 represent, and as of the date on which any other Projections are delivered to Agent, such additional Projections, were prepared in good faith on the basis of the assumptions stated therein, which assumptions were believed to be reasonable by the Parent at the time made and at the time so furnished (it being understood that such Projections are subject to significant uncertainties and contingencies, many of which are beyond the control of the Loan Parties and their Subsidiaries, and no assurances can be given that such Projections will be realized, and although reflecting Borrowers' good faith estimate, projections or forecasts based on methods and assumptions which Borrowers believed to be reasonable at the time such Projections were prepared, are not to be viewed as facts, and that actual results during the period or periods covered by the Projections may differ materially from projected or estimated results).

4.13 **Sanctions, PATRIOT Act, and FCPA .** To the extent applicable, each Loan Party and each Subsidiary of a Loan Party is in compliance, in all material respects, with the (a) Trading with the Enemy Act, as amended, the International Emergency Economic Powers Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (b) Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT Act of 2001) (the " Patriot Act "), and (c) anti-corruption laws applicable to such Loan Party or such Subsidiary, including the United States Foreign Corrupt Practices Act of 1977, as amended ("FCPA").

4.14 [Reserved.]

4.15 **Payment of Taxes.** Except as otherwise permitted under Section 5.5, all material tax returns and reports of each Loan Party and its Subsidiaries required to be filed by any of them have been timely filed, and all material taxes due and payable and all material assessments, fees and other governmental charges upon a Loan Party and its Subsidiaries and upon their respective assets, income, businesses and franchises that are due and payable have been paid when due and payable, except to the extent such taxes or assessments are being contested by such Loan Party or such Subsidiary diligently, in good faith, and by appropriate proceedings, and provided adequate provisions in accordance with GAAP has been made therefor. No Loan Party knows of any proposed material tax assessment against a Loan Party or any of its Subsidiaries.

4.16 **Margin Stock.** No Loan Party or any of its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No part of the proceeds of the loans made to Borrowers will be used to purchase or carry

any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock or for any purpose that violates the provisions of Regulation T, U or X of the Board of Governors.

4.17 **Governmental Regulation.** No Loan Party or any of its Subsidiaries is subject to regulation under the Federal Power Act or the Investment Company Act of 1940 or under any other federal or state statute or regulation which may limit its ability to incur Indebtedness or which may otherwise render all or any portion of the Obligations unenforceable. No Loan Party or any of its Subsidiaries is a "registered investment company" or a company "controlled" by a "registered investment company" or a "principal underwriter" of a "registered investment company" as such terms are defined in the Investment Company Act of 1940.

4.18 **OFAC.** No Loan Party or any of its Subsidiaries is in violation in any material respect of any of the country or list based economic and trade sanctions administered and enforced by OFAC. No Loan Party nor any of its Subsidiaries, nor to the knowledge of any Loan Party, any director, officer, employee, agent, or affiliate of any Loan Party or their Subsidiaries, (a) is, or is owned or controlled by Persons that are, Sanctioned Persons or Sanctioned Entities, (b) has its assets located in Sanctioned Entities, or (c) derives revenues from investments in, or transactions with Sanctioned Persons or Sanctioned Entities.

4.19 **Employee and Labor Matters.** There is (a) no unfair labor practice complaint pending or, to the knowledge of any Loan Party or Subsidiary, threatened against any Loan Party or its Subsidiaries before any Governmental Authority and no grievance or arbitration proceeding pending or threatened against any Loan Party or any of its Subsidiaries which arises out of or under any collective bargaining agreement, (b) no strike, labor dispute, slowdown, stoppage or similar action or grievance pending or threatened in writing against any Loan Party or its Subsidiaries or (c) to the knowledge of any Loan Party or its Subsidiaries no union representation question existing with respect to the employees of any Loan Party or its Subsidiaries and no union organizing activity taking place with respect to any of the employees of Parent or its Subsidiaries, in each case in clause (a) through (c) above, which would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. None of any Loan Party or its Subsidiaries has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act or similar state law, which remains unpaid or unsatisfied and which would reasonably be expected to have a Material Adverse Effect. The hours worked and payments made to employees of any Loan Party and its Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable legal requirements, except to the extent such violations would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. All material payments due from any Loan Party or its Subsidiaries on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of Parent, except where the failure to do so would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

4.20 [Reserved.]

4.21 [Reserved.]

4.22 **Eligible Accounts.** As to each Account that is identified by Borrowers as an Eligible Account in the most recent Borrowing Base Certificate submitted to Agent, such Account is not excluded as ineligible by virtue of one or more of the excluding criteria (other than any Agent-discretionary criteria) set forth in the definition of Eligible Accounts.

4.23 **Eligible Inventory and Eligible Equipment.** As to each item of Inventory that is identified by Borrowers as Eligible Inventory in the most recent Borrowing Base Certificate submitted to Agent and as to each item of Equipment that is identified by Borrowers as Eligible Equipment in the most recent Borrowing Base Certificate submitted to Agent, such Inventory or Equipment (as the case may be) is not excluded as ineligible by virtue of one or more of the excluding criteria (other than any Agent-discretionary criteria) set forth in the definition of Eligible Inventory or Eligible Equipment (as the case may be).

4.24 **Location of Inventory and Equipment.** As to each item of Inventory that is identified by Borrowers as Eligible Inventory in the most recent Borrowing Base Certificate submitted to Agent and as to each item of Equipment that is identified by Borrowers as Eligible Equipment in the most recent Borrowing Base Certificate submitted to Agent, such Inventory or Equipment (as the case may be) (a) is not located on real property leased by a Loan Party from a third party or stored with a bailee, warehouseman, customer or other third party or with one of the Joint Ventures unless (i) Agent has received a Collateral Access Agreement executed by the lessor bailee, warehouseman, customer, Joint Venture or other third party (as applicable) with respect to the applicable location, (ii) to the extent located on leased real property, with a bailee or in a contract warehouse, Landlord Reserves have been imposed with respect to the applicable location, provided, however, that no Landlord Reserves shall be imposed prior to 30 days (or such later date as Agent may agree, not to exceed 60 days) after the Closing Date, or (iii) it is located at either an Eligible Contract Inventory Location or an Australian Mine Site, and (b) is located only at, or in-transit between, the locations in the continental United States or Australia that are identified on Schedule 4.24 (as such Schedule may be updated pursuant to a written notice from Parent to Agent) (such locations, the "Identified Locations").

4.25 **Inventory and Equipment Records.** Each Loan Party keeps correct and accurate records itemizing and describing the type, quality and quantity of its Inventory and Equipment and the book value thereof, in each case, consistent with past practice, except with respect to Inventory of the U.S. Iron Ore Business, which shall be determined on a "first-in, first-out" basis.

4.26 **Tax Consolidation.** Each Australian Loan Party is a member of a Tax Consolidated Group for which the Head Company (as defined in the Income Tax Assessment Act 1997 (Cth) of Australia) is Cliffs Natural Resources Holdings Pty Ltd.

4.27 **Commercial Benefit.** In relation to each Australian Loan Party, the entry into each Loan Document to which it is a party is for such Australian Loan Party's commercial benefit.

4.28 **No Immunity.** No Australian Loan Party has any right of immunity from set-off, legal action, suit or proceeding, attachment or execution or the jurisdiction of any court with respect to the Collateral owned by an Australian Loan Party or its obligations under the Loan Documents.

4.29 [Reserved.]

4.30 **Material Contracts.** Except for matters which, either individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, each Material Contract (other than those that have expired at the end of their normal terms) (a) is in full force and effect and is binding upon and enforceable against the applicable Loan Party or its Subsidiary and, to each Borrower's knowledge, each other Person that is a party thereto in accordance with its terms, and (b) is not in default due to the action or inaction of the applicable Loan Party or its Subsidiary (other than any covenant, indenture or agreement related to the Canadian Existing Indebtedness).

5 AFFIRMATIVE COVENANTS.

Each Borrower covenants and agrees that, until termination of all of the Revolver Commitments and payment in full of the Obligations:

5.1 **Financial Statements, Reports, Certificates.** Borrowers (i) will deliver to Agent (and if so requested by Agent, with copies for each Lender) each of the financial statements, reports, and other items set forth on Schedule 5.1 no later than the times specified therein, (ii) agree that any such financial statements covering periods on or after March 31, 2015 shall have been prepared as though the Canadian Entities are not Subsidiaries, (iii) agree to maintain a system of accounting that enables Borrowers to produce financial statements in accordance with GAAP in all material respects, and (iv) agree that they will, and will cause each other Loan Party to, (A) keep a reporting system that shows all additions, sales, claims, returns, and

allowances with respect to their and their Subsidiaries' sales, and (B) maintain their billing systems and practices substantially as in effect as of the Closing Date and shall only make material modifications thereto with notice to, and with the consent of, Agent. The requirements of this Section 5.1 may be satisfied by notice to the Agent that such documents required to be delivered pursuant to this Section 5.1 (to the extent included on Form 10-K or Form 10-Q) have been filed with the SEC.

5.2 **Reporting.** Borrowers (a) will deliver to Agent (and if so requested by Agent, with copies for each Lender) each of the reports set forth on Schedule 5.2 at the times specified therein (including weekly reporting of the Borrowing Base during an Increased Borrowing Base Reporting Period, as more fully set forth in Schedule 5.2), and (b) agree to use commercially reasonable efforts in cooperation with Agent to facilitate and implement a system of electronic collateral reporting in order to provide electronic reporting of each of the items set forth on Schedule 5.2. All calculations of Availability in any Borrowing Base Certificate shall be made by the Parent and certified by a financial officer of the Parent; provided that the Agent may from time to time review and adjust any such calculation in consultation with the Parent to the extent the calculation is not made in accordance with this Agreement or does not accurately reflect the Reserves.

5.3 **Existence.** Except as otherwise permitted under Section 6.3 or Section 6.4, each Borrower will, and will cause each of its Subsidiaries to, at all times preserve and keep in full force and effect such Person's (a) valid existence and good standing (where applicable) in its jurisdiction of organization or incorporation except with respect to any Subsidiary that is not a Loan Party, as would not reasonably be expected to result in a Material Adverse Effect and, (b) except as would not reasonably be expected to result in a Material Adverse Effect, good standing (where applicable) with respect to all other jurisdictions in which it is qualified to do business and any rights, franchises, permits, licenses, accreditations, authorizations, or other approvals material to their businesses.

5.4 **Maintenance of Properties.** Except as otherwise permitted under Section 6.3 or Section 6.4 or the shutdown, winding down or other similar transaction related to a mine, each Borrower will, and will cause each of its Subsidiaries to, maintain and preserve all of its assets that are necessary in the proper conduct of its business in good working order and condition, ordinary wear, tear, casualty, and condemnation and Permitted Dispositions excepted.

5.5 **Taxes.** Each Loan Party will, and will cause each of its Subsidiaries to, pay in full before delinquency or before the expiration of any extension period all material governmental assessments and taxes imposed, levied, or assessed against it, or any of its assets or in respect of any of its income, businesses, or franchises, except (i) to the extent that the validity of such governmental assessment or tax is the subject of a Permitted Protest and (ii) to the extent such failure to pay would not reasonably be expected to result in a Material Adverse Effect.

5.6 **Insurance.** Each Borrower will, and will cause each of its Subsidiaries to, at Borrowers' expense, (a) maintain insurance respecting each Borrower and its Subsidiaries' assets wherever located, covering liabilities, losses or damages as are customarily insured against by other Persons engaged in same or similar businesses and similarly situated and located. Without limiting the generality of the foregoing, the applicable Borrower will maintain or cause to be maintained flood insurance with respect to each Flood Hazard Property that is located in a community that participates in the National Flood Insurance Program, in each case in compliance with the Flood Insurance Laws. All such policies of insurance shall be with financially sound and reputable insurance companies and in such amounts as is carried generally in accordance with sound business practice by companies in similar businesses similarly situated and located. All property insurance policies covering the Collateral are subject to the Intercreditor Agreement, to be made payable to Agent for the benefit of Agent and the Lenders, as their interests may appear, in case of loss, pursuant to a standard loss payable endorsement with a standard non contributory "lender" or "secured party" clause and are to contain such other provisions as Agent may reasonably require to fully protect the Lenders' interest in the Collateral and to any payments to be made under such policies. All certificates of property and general liability insurance are to be delivered to Agent, with the loss payable (but only in respect of Collateral) or additional insured, as applicable, endorsements (it being understood that Agent shall not

be named an additional insured with respect to liability insurance) in favor of Agent and shall provide for not less than 30 days (10 days in the case of non-payment) prior written notice to Agent of the exercise of any right of cancellation or such other terms reasonably acceptable to the Agent in its Permitted Discretion. If any Borrower or its Subsidiaries fails to maintain such insurance, Agent may arrange for such insurance, but at Borrowers' expense and without any responsibility on Agent's part for obtaining the insurance, the solvency of the insurance companies, the adequacy of the coverage, or the collection of claims. Borrowers shall give Agent prompt notice of any loss of ABL Priority Collateral exceeding $10,000,000 covered by their or their Subsidiaries' casualty or business interruption insurance; provided that during the continuance of an Event of Default or a Cash Dominion Trigger Period, the threshold included in this sentence shall be $2,500,000. Upon the occurrence and during the continuance of an Event of Default, subject to the Intercreditor Agreement, Agent shall have the right to elect to file claims under any property and general liability insurance policies in respect of the Collateral, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies.

5.7 **Inspection.**

(a) Each Borrower will, and will cause each of its Subsidiaries to, permit Agent, any Lender, and each of their respective duly authorized representatives or agents to visit any of its properties and inspect any of its assets or books and records, to examine and make copies of its books and records, and to discuss its affairs, finances, and accounts with its Responsible Officers, at such reasonable times and intervals as Agent or any Lender, as applicable, may designate and, so long as no Event of Default has occurred and is continuing, with reasonable prior notice to Borrowers and during regular business hours, provided that the Loan Parties shall only be obligated to reimburse Agent for one inspection and visit in any Fiscal Year so long as no Event of Default has occurred and is continuing.

(b) Each Borrower will, and will cause each of its Subsidiaries to, permit Agent and each of its duly authorized representatives or agents to conduct field examinations, appraisals and valuations, with expenses for such field examinations, appraisals and valuations being subject to Section 2.10(c), at such reasonable times and intervals as Agent may designate in its Permitted Discretion. So long as no Event of Default has occurred and is continuing, Agent agrees to provide Borrowers with a copy of the report for any inventory or equipment appraisal upon request by Borrowers so long as (i) such report exists, (ii) the third person employed by Agent to perform such valuation consents to such disclosure, and (iii) Borrowers execute and deliver to Agent a non-reliance letter reasonably satisfactory to Agent.

5.8 **Compliance with Laws.** Each Borrower will, and will cause each of its Subsidiaries to, comply with the requirements of all applicable laws, rules, regulations, and orders of any Governmental Authority, other than laws, rules, regulations, and orders the non-compliance with which, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

5.9 **Environmental.** Except as would not reasonably be expected to result in a Material Adverse Effect, each Borrower will, and will cause each of its Subsidiaries to:

(a) comply with Environmental Laws; and

(b) take any Remedial Action required to abate any release of which any Borrower has knowledge of a Hazardous Material in violation of any Environmental Law from or onto property owned or operated by any Borrower or its Subsidiaries or resulting from the business of any Borrower or any of its Subsidiaries, to the extent required by applicable Environmental Law.

5.10 [Reserved.]

5.11 **Formation of Subsidiaries.** Each Borrower will, at the time that any Loan Party forms any direct or indirect Subsidiary (other than any such Subsidiary that is an Excluded Subsidiary) or acquires any direct or indirect Subsidiary after the Closing Date (other than any such Subsidiary that is an Excluded Subsidiary), within 30 days of such formation or acquisition (or such later date as permitted by Agent in its sole discretion) (a) cause such new Subsidiary to provide to Agent a joinder to the Guaranty and Security Agreement and an accession deed to the Australian Security Trust Deed (where applicable), together with such other security agreements (including mortgages with respect to any Real Property (to the extent such Real Property does not constitute Excluded Property) and any applicable U.S. Additional Documents (as defined below)), as well as appropriate financing statements (and with respect to all property subject to a mortgage, fixture filings), all in form and substance reasonably satisfactory to Agent (including being sufficient to grant Agent or Australian Security Trustee (as the case may be) a Lien (subject to Permitted Liens) in and to the assets of such newly formed or acquired Subsidiary (excluding any Excluded Property and provided further that no Subsidiary which is incorporated in Australia shall be required to grant any real property mortgage or mining mortgage)), (b) provide, or cause the applicable Loan Party to provide, to Agent or the Australian Security Trustee a pledge agreement (or an addendum to the Guaranty and Security Agreement or an Australian Security Document) and appropriate certificates and powers or financing statements, pledging all of the direct or beneficial ownership interest in such new Subsidiary to the extent not constituting Excluded Property in form and substance reasonably satisfactory to Agent, provided, that, for the avoidance of doubt, not more than 65% of the total outstanding voting Equity Interest of any first tier Subsidiary of a Loan Party that is a CFC or a FSHCO (but none of the Equity Interest of any Subsidiary of such CFC or FSHCO) shall be required to be pledged, (c) if such new Subsidiary is to be a Borrower, cause such new Subsidiary to provide a joinder to this Agreement in form and substance reasonably satisfactory to Agent, and (d) provide to Agent all other documentation, including one or more opinions of counsel reasonably satisfactory to Agent, which, in its Permitted Discretion, is appropriate with respect to the execution and delivery of the applicable documentation referred to above (including documentation with respect to all Real Property owned in fee and subject to a Mortgage, but not, for the avoidance of doubt, policies of title insurance). Any document, agreement, or instrument executed or issued pursuant to this Section 5.11 shall constitute a Loan Document. Notwithstanding the foregoing, Section 5.12 below or anything contained herein or in any other Loan Document to the contrary, it is understood and agreed that to the extent that the Fixed Asset Priority Collateral Agent is satisfied with or agrees to any deliveries in respect of any asset or property (other than ABL Collateral), Agent shall be deemed to be satisfied with such deliveries to the extent substantially the same as those delivered to the Fixed Asset Priority Collateral Agent and the Loan Parties shall not be required to deliver any Australian Additional Documents or U.S. Additional Documents with respect thereto. So long as the Intercreditor Agreement is in effect, a Loan Party may satisfy its obligations hereunder and under the other Loan Documents to deliver Collateral that constitutes Fixed Asset Priority Collateral to Agent by delivering such Collateral that constitutes Fixed Asset Priority Collateral to the Fixed Asset Priority Collateral Agent or its agent, designee or bailee.

5.12 **Further Assurances.**

(p) U.S. Further Assurances. Each U.S. Borrower will, and will cause each of the other U.S. Loan Parties to, at any time upon the reasonable request of Agent, subject to the terms of the Intercreditor Agreement and Section 5.11 and Section 18, execute or deliver to Agent any and all financing statements, fixture filings, security agreements, pledges, assignments, mortgages, deeds of trust, opinions of counsel and all other documents (the "U.S. Additional Documents") that Agent may reasonably request in form and substance reasonably satisfactory to Agent, to create, perfect, and continue perfected Agent's Liens in all Collateral of each U.S. Loan Party (whether now owned or hereafter arising or acquired, tangible or intangible, real or personal in each case, to the extent not constituting Excluded Property), to create and perfect Liens in favor of Agent in any Real Property acquired by any U.S. Borrower or any other U.S. Loan Party to the extent not constituting Excluded Property. In the event that any U.S. Loan Party acquires any Real Property constituting Real Property Collateral on or after the Closing Date, the U.S. Borrowers shall cause such U.S. Loan Party to satisfy the Real Property Collateral Requirement within 270 days of the date of acquisition of such Real Property Collateral (subject to extensions as the Agent may agree, such agreement not to be unreasonably withheld, delayed or conditioned).

(a) Australian Further Assurances. Each Australian Borrower will, and will cause each of the other Australian Loan Parties to, at the reasonable request of the Australian Security Trustee, do anything:

(i) to ensure any Loan Document (or any security interest (as defined in the Australian PPSA) or other Lien under any Loan Document) is fully effective, enforceable and perfected with the contemplated priority;

(ii) for more satisfactorily assuring or securing to the Lender Group the property the subject of any such security interest or other Lien in a manner consistent with the Loan Documents; or

(iii) for aiding the exercise of any power in any Loan Document,

the Australian Loan Party shall do it promptly at its own cost.

This may include signing documents, getting documents completed and signed and supplying information, delivering documents and evidence of title and executed blank transfers, or otherwise giving possession or control with respect to any property the subject of any security interest or Security.

5.13 **Lender Meetings.** Parent will, within 90 days after the close of each fiscal year of Parent, at the request of Agent or of the Required Lenders and upon reasonable prior notice, hold a meeting (at a mutually agreeable location and time or, at the option of Agent, by conference call) with all Lenders who choose to attend such meeting at which meeting shall be reviewed the financial results of the previous fiscal year and the financial condition of Parent and its Subsidiaries and the projections presented for the current fiscal year of Parent.

5.14 **Location of Inventory and Equipment.** As to each item of Inventory that is identified by Borrowers as Eligible Inventory in the most recently delivered Borrowing Base Certificate submitted to Agent and as to each item of Equipment that is identified by Borrowers as Eligible Equipment in the most recently delivered Borrowing Base Certificate submitted to Agent, so long as such Inventory or Equipment is included in the Borrowing Base Certificate, each Borrower shall keep such Inventory and Equipment only at the Identified Locations or in-transit between such Identified Locations. Notwithstanding the foregoing, Borrowers may amend Schedule 4.24 so long as such amendment occurs by written notice to Agent not less than 5 Business Days prior to the date on which the Inventory or Equipment is moved to such new location or such chief executive office is relocated and so long as such new location is within the continental United States (with respect to the U.S. Borrowers) or Australia (with respect to Australian Borrower).

5.15 **Compliance with ERISA and the IRC.** Each Borrower will, and will cause each of its Subsidiaries to, comply with the provisions of ERISA and the IRC applicable to employee benefit plans as defined in Section 3(3) of ERISA and the laws applicable to any Foreign Plan, except to the extent any failure to comply, individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect.

5.16 **Cash Management**.

(a) U.S. Accounts.

(i) Within 90 days after the Closing Date (or such longer period that Agent may agree in its sole discretion, but in any event not to exceed 120 days after the Closing Date), each U.S. Loan Party shall obtain a U.S. Control Agreement from each lockbox servicer and U.S. Blocked Account bank (in each case, other than with respect to Excluded Accounts), establishing Agent's control over and Lien in the lockbox or U.S. Blocked Account, which may only be exercised by Agent during any Cash Dominion Trigger Period, requiring immediate deposit of all remittances received in the lockbox or U.S. Blocked Account to a U.S. Dominion Account designated by Agent, and waiving offset rights of such servicer or bank, except for customary administrative charges; provided that if such arrangements with respect to all such U.S. Blocked

Accounts are not obtained within 90 days after the Closing Date (or such longer period that the Agent may agree in its sole discretion, but in any event not to exceed 120 days after the Closing Date), each U.S. Loan Party shall immediately transfer all funds in such accounts to a U.S. Blocked Account maintained with Bank of America N.A. or another financial institution reasonably satisfactory to the Agent that has executed a U.S. Control Agreement. If a U.S. Blocked Account is not maintained with Bank of America, Agent may, during any Cash Dominion Trigger Period, require immediate and daily transfer of all funds in such account to a U.S. Blocked Account maintained with Bank of America or to a U.S. Dominion Account.

(b) Australian Accounts.

(i) Each Australian Loan Party shall maintain its ADI Accounts pursuant to lockbox or other arrangements reasonably acceptable to the Agent, it being agreed that, subject to the other obligations following the Closing Date under this Section 5.16(b), the arrangements as of the Closing Date are acceptable, including:

(A) for the period from the Closing Date through the date that is 120 days after the Closing Date, maintenance of the Existing NAB Accounts; and

(B) maintenance of the China Accounts.

(ii) On and from the Closing Date, each Australian Loan Party shall maintain an Australian Concentration Account; provided that prior to the date that is 90 days after the Closing Date (or such longer period that Agent may agree in its sole discretion, but in any event not to exceed 120 days after the Closing Date), the Australian Concentration Accounts may be with Commonwealth Bank of Australia and Westpac Banking Corporation so long as they are subject to Australian Control Agreements pursuant to which the Australian Security Trustee has sole dominion and exclusive control for withdrawal purposes.

(iii) Funds standing to the credit of an Australian Concentration Account may be applied by the relevant Australian Loan Party towards the Australian Obligations then outstanding or otherwise towards funding any other ADI Account of an Australian Loan Party, in each case with the prior written consent of the Australian Security Trustee.

(iv) On and from the Closing Date, each Australian Loan Party will maintain disbursement accounts (other than the Existing NAB Accounts and the China Accounts) with Bank of America, N.A. (Australia Branch); provided that prior to the date that is 90 days after the Closing Date (or such longer period that Agent may agree in its sole discretion, but in any event not to exceed 120 days after the Closing Date), such disbursement accounts may be with Commonwealth Bank of Australia so long as they are subject to an Australian Control Agreement pursuant to which the Australian Security Trustee has springing cash dominion over such disbursement accounts.

(v) Subject to Section 5.16(b)(i)(A) with respect to the Existing NAB Accounts, on and from the date being 120 days from the Closing Date (or such longer period that Agent may agree in its sole discretion, but in any event not to exceed 150 days after the Closing Date), no Australian Loan Party may maintain any Australian Concentration Account, ADI Account, deposit account or disbursement account other than with Bank of America, N.A. (Australia Branch) without the prior written consent of the Agent (other than the China Accounts).

(vi) On and from the Closing Date, no Australian Loan Party may open any new Australian Concentration Account, ADI Account, deposit account or disbursement account other than with Bank of America, N.A. (Australia Branch) without the prior written consent of the Agent (other than the China Accounts).

(c) Proceeds of Collateral.

(i) Within 90 days after the Closing Date (or such longer period that the Agent may agree in its reasonable discretion), each U.S. Loan Party shall request in writing and otherwise take all necessary steps to ensure that all payments on Accounts or otherwise relating to ABL Priority Collateral are made directly to a U.S. Blocked Account (or a lockbox relating to a U.S. Blocked Account). If any U.S. Loan Party receives cash or payment items with respect to any ABL Priority Collateral, it shall hold same in trust for Agent and promptly (not later than three (3) Business Days thereafter) deposit same into a U.S. Blocked Account.

(ii) Each Australian Loan Party shall request in writing and otherwise take all necessary steps to ensure that all payments on Accounts or otherwise relating to Australian ABL Collateral are made directly to an Australian Concentration Account. If any Australian Loan Party receives cash or payment items with respect to any Australian ABL Collateral, it shall hold same in trust for Australian Security Trustee and promptly (not later than three (3) Business Days thereafter) deposit same into an Australian Concentration Account (other than any amount controlled by the Australian Security Trustee under an Australian Control Agreement).

(d) Schedule 5.16(a) sets forth all ADI Accounts maintained by the Australian Loan Parties and their Subsidiaries, as of the Closing Date. Each Australian Loan Party shall take all actions necessary to establish the Australian Security Trustee's control (within the meaning of s341 of the Australian PPSA) over each such ADI Account at all times (other than the Existing NAB Accounts or the China Accounts). Each Australian Loan Party shall be the sole account holder of each ADI Account and shall not allow any other Person (other than the Australian Security Trustee and the applicable depositary bank) to have control over such ADI Account or any deposits therein. Each Australian Loan Party shall promptly notify the Australian Security Trustee of any opening or closing of an ADI Account, and shall not open any ADI Account without the prior written consent of the Australian Security Trustee.

(e) Schedule 5.16(b) sets forth all Deposit Accounts, including all U.S. Dominion Accounts maintained by the U.S. Loan Parties and their Subsidiaries, as of the Closing Date. Each U.S. Loan Party shall take all actions necessary to establish the Agent's control (within the meaning of the Code) over each such Deposit Account (other than Excluded Accounts) at all times. Each U.S. Loan Party shall be the sole account holder of each Deposit Account and shall not allow any other Person (other than the Agent and the applicable depositary bank) to have control over any such Deposit Account (other than Excluded Accounts) or any deposits therein. Each U.S. Loan Party shall promptly notify the Agent of any opening or closing of a Deposit Account (other than an Excluded Account), and shall not open any Deposit Account (other than an Excluded Account) unless such Deposit Account is a U.S. Blocked Account.

6 NEGATIVE COVENANTS.

Each Borrower covenants and agrees that, until termination of all of the Revolver Commitments and payment in full of the Obligations:

6.1 **Indebtedness.** Each Borrower will not, and will not permit any of its Subsidiaries to create, incur, assume, suffer to exist, guarantee, or otherwise become or remain, directly or indirectly, liable with respect to any Indebtedness, except for Permitted Indebtedness.

6.2 **Liens.** Each Borrower will not, and will not permit any of its Subsidiaries to create, incur, assume, or suffer to exist, directly or indirectly, any Lien on or with respect to any of its assets, of any kind, whether now owned or hereafter acquired, or any income or profits therefrom, except for Permitted Liens.

6.3 **Restrictions on Fundamental Changes.** Each Borrower will not, and will not permit any of its Subsidiaries to,

(a) other than in order to consummate a Permitted Acquisition, Permitted Investment or Permitted Disposition, enter into any merger, consolidation, or amalgamation, except for (i) any merger,

consolidation or amalgamation between Loan Parties, provided, that (w) no U.S. Loan Party shall merge, consolidate an amalgamate with an Australian Loan Party (and vice-versa) unless the Parent shall have delivered an updated Borrowing Base Certificate reflecting such transaction, (x) if such transaction involves a Borrower, a Borrower must be the surviving entity of any such transaction, (y) Parent must be the surviving entity of any such transaction to which it is a party and (z) in the case of any transaction involving a U.S. Loan Party, a U.S. Loan Party must be the surviving entity of such transaction, (ii) any merger, consolidation or amalgamation among a Loan Party and a Subsidiary that is not a Loan Party so long a Loan Party is the surviving entity of any such transaction, and (iii) any merger, consolidation or amalgamation among Subsidiaries of any Borrower that are not Loan Parties; or

(b) liquidate, wind up, or dissolve itself (or suffer any liquidation or dissolution), except for (i) the liquidation, winding up or dissolution of any Subsidiary (other than a Borrower) so long as such dissolution, winding up or liquidation, as applicable, would not reasonably be expected to have a Material Adverse Effect, or (ii) the liquidation or dissolution of a Borrower (other than Parent) so long as all of the assets (including any interest in any Equity Interests) of such liquidating or dissolving Borrower are transferred to a Borrower that is not liquidating or dissolving.

6.4 **Disposal of Assets.** Other than Permitted Dispositions, each Borrower will not, and will not permit any of its Subsidiaries to convey, sell, lease, license, assign, transfer, or otherwise dispose of any of its or their assets.

6.5 **Nature of Business.** Each Borrower will not, and will not permit any of its Subsidiaries to change in any material respect the general nature of their business, taken as a whole, from the general nature of the business as of the Closing Date; provided, that the foregoing shall not prevent any Borrower and its Subsidiaries from (i) engaging in any business that is reasonably related, complementary or ancillary thereto or (ii) disposing of any business pursuant to a Permitted Disposition.

6.6 **Prepayments and Amendments.** Each Borrower will not, and will not permit any of its Subsidiaries to:

(a) except in connection with the Transaction or any Refinancing Indebtedness permitted by Section 6.1,

(i) optionally prepay, redeem, defease, purchase, or otherwise acquire any Indebtedness of any Borrower or its Subsidiaries consisting of Indebtedness permitted under clauses (f), (p), (q), (t), (u) or (v), of the definition of Permitted Indebtedness, unless (A) no Default or Event of Default has occurred and is continuing or would result therefrom and (B) for each of the 30 consecutive days immediately preceding such prepayment, redemption, defeasance, purchase or other acquisition, and both before and after giving effect to such prepayment, redemption, defeasance, purchase or other acquisition, no Loans are outstanding; provided that the foregoing conditions shall not be required to be satisfied with respect to prepayments, redemptions, defeasances, purchases or other acquisitions of any such Indebtedness in an aggregate principal amount (for all such prepayments, redemptions, defeasances, purchases or other acquisitions) of up to $25,000,000 during the term of this Agreement, or

(ii) make any payment on account of Indebtedness that has been contractually subordinated in right of payment to the Obligations if such payment is not permitted at such time under the subordination terms and conditions, or

(b) except in connection with the Transaction or any Refinancing Indebtedness permitted by Section 6.1, directly or indirectly, amend, modify, or change any of the terms or provisions of

(i) any agreement, instrument, document, indenture, or other writing evidencing or concerning Permitted Indebtedness permitted under clauses (f), (p), (q), (t), (u) or (v) of the

definition of Permitted Indebtedness if such Indebtedness could not have been incurred on such terms (without limiting clause (ii) below), or

(ii) the Governing Documents of any Loan Party or any of its Subsidiaries or the Existing Senior Notes, the Exchange Notes or the Senior Secured Notes, in each case if the effect thereof, either individually or in the aggregate, would reasonably be expected to be materially adverse to the interests of the Lenders.

6.7 **Restricted Payments.** Each Borrower will not, and will not permit any of its Subsidiaries to make any Restricted Payment; provided, that, so long as it is permitted by law and the Governing Documents of such Borrower or its Subsidiaries,

(a) the Borrowers and their respective Subsidiaries may make Restricted Payments to purchase, redeem or otherwise acquire or retire pursuant to a management or employee benefit plan in an aggregate amount not to exceed $25,000,000 per fiscal year,

(b) Parent and each Subsidiary may declare and make dividend payments or other distributions payable solely in Equity Interests (other than Disqualified Equity Interests),

(c) (i) any Borrower may make Restricted Payments to another Borrower, (ii) any Subsidiary that is not a Borrower may make Restricted Payments to any Borrower or any Guarantor, (iii) any Subsidiary that is not a Loan Party may make Restricted Payments to any other Subsidiary that is not a Loan Party and (iv) any Borrower (other than Parent) or any Subsidiary may make any Restricted Payments to its parent entity,

(d) Parent may declare and pay regularly scheduled cash dividends on preferred stock outstanding as of the date hereof to all of its shareholders of record in accordance with its Governing Documents through February 16, 2016 so long as at the time declared (i) no Default or Event of Default has occurred and is continuing or would result therefrom; (ii) Borrowers' Excess Availability for each of the 30 consecutive days immediately preceding the date of declaration of any such cash dividend, and both immediately before and immediately after giving effect to the payment of any such cash dividend (as if paid on the date of declaration), is in excess of 20% of the Maximum Revolver Amount; and (iii) until such time as such Restricted Payment is made, a Reserve has been established by Agent in an amount equal to the Restricted Payment so declared,

(e) in addition to the foregoing, Parent may make any other Restricted Payments so long as (i) the Payment Conditions are satisfied at the time declared and (ii) until such time as such Restricted Payment is made, a Reserve has been established by Agent in an amount equal to the Restricted Payment so declared, and

(f) Parent may make Restricted Payments of the type described in clauses (b) and (c) of the definition thereof so long as (i) no Default or Event of Default has occurred and is continuing or would result therefrom and (ii) for each of the 30 consecutive days immediately preceding such Restricted Payment, and both before and after giving effect to such Restricted Payment, (A) no Loans are outstanding and (B) Liquidity is not less than $250,000,000.

6.8 **Accounting Methods.** Each Borrower will not, and will not permit any of its Subsidiaries to modify or change its fiscal year or its method of accounting (other than as may be required to conform to GAAP or, except to the extent that such modification or change would impact the calculation of the Fixed Charge Coverage Ratio or the Borrowing Base (or any component definition of any of the foregoing), such modification or change of its method of accounting is permitted by GAAP), or in the case of any Subsidiary or any Borrower (other than Parent), in order to conform the fiscal year of such Subsidiary or Borrower to the fiscal year of the Parent.

6.9 **Investments.** Each Borrower will not, and will not permit any of its Subsidiaries to, directly or indirectly, make or acquire any Investment except for Permitted Investments.

6.10 **Transactions with Affiliates.** Each Borrower will not, and will not permit any of its Subsidiaries to, directly or indirectly, enter into or permit to exist any transaction with any Affiliate of any Borrower or any of its Subsidiaries except for:

(a) transactions between such Borrower or its Subsidiaries, on the one hand, and any Affiliate of such Borrower or its Subsidiaries, on the other hand, so long as such transactions (i) are no less favorable, taken as a whole, to such Borrower or its Subsidiaries, as applicable, than would be obtained in an arm's-length transaction with a non-Affiliate or (ii) have been approved by a majority of the disinterested members of the Parent's board of directors,

(b) so long as it has been approved by such Borrower's or its applicable Subsidiary's board of directors (or comparable governing body) in accordance with applicable law, any indemnity provided for the benefit of directors (or comparable managers) of such Borrower or its applicable Subsidiary,

(c) the payment of reasonable compensation, severance, or employee benefit arrangements to employees, officers, and outside directors of such Borrower and its Subsidiaries in the ordinary course of business,

(d) transactions permitted by Section 6.1, Section 6.3, Section 6.7 or Section 6.9,

(e) the Joint Venture Agreements,

(f) transactions between and among U.S. Loan Parties and between and among Australian Loan Parties, and

(g) transactions between Parent and its Subsidiaries with the Canadian Entities existing on the Closing Date or, to the extent the Payment Conditions are satisfied at the time of, and after giving pro forma effect to, such transactions, otherwise on terms determined in the business judgment of Parent.

6.11 **Use of Proceeds.** (a) Each Borrower will not, and will not permit any of its Subsidiaries to use the proceeds of any loan made hereunder for any purpose other than (a) on the Closing Date, (i) to repay, in full, the outstanding principal, accrued interest, and accrued fees and expenses owing under or in connection with the Existing Credit Facility, and (ii) to pay the fees, costs, and expenses incurred in connection with this Agreement, the other Loan Documents and the other Transactions, and (b) thereafter, to provide for working capital and general corporate purposes to the extent not prohibited by the terms hereof (other than the refinancing of any commercial paper), for their lawful and permitted purposes (including that no part of the proceeds of the loans made to Borrowers will be used to purchase or carry any such Margin Stock or to extend credit to others for the purpose of purchasing or carrying any such Margin Stock or for any purpose that violates the provisions of Regulation T, U or X of the Board of Governors).

(b) No part of the proceeds of the loans made hereunder will be used by any Loan Party or any of their Affiliates, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the FCPA or any other applicable anti-corruption laws.

(c) No proceeds of any loan made hereunder will be used, directly or indirectly, by any Loan Party or Subsidiary thereof to fund any operations in or with, finance any investments or activities in or with, or make any payments to, a Sanctioned Person or a Sanctioned Entity.

7 FINANCIAL COVENANT.

Each Borrower covenants and agrees that, until termination of all of the Revolver Commitments and payment in full of the Obligations, commencing on the date on which a Financial Covenant Period begins and measured as of the end of the fiscal quarter immediately preceding the date on which a Financial Covenant Period first begins and as of each fiscal quarter end thereafter during such Financial Covenant Period, the Parent and its Subsidiaries on a consolidated basis will have a Fixed Charge Coverage Ratio, measured on a quarter-end basis, of at least 1.00:1.00 for the 12-month period ending as of the end of each fiscal quarter.

8 EVENTS OF DEFAULT.

Any one or more of the following events shall constitute an event of default (each, an " Event of Default") under this Agreement:

8.1 **Payments.** If Borrowers (or any of them) fail to pay when due and payable, or when declared due and payable, (a) all or any portion of the Obligations consisting of interest, fees, or charges due the Lender Group, reimbursement of Lender Group Expenses, or other amounts (other than any portion thereof constituting principal) constituting Obligations (including any portion thereof that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), and such failure continues for a period of five (5) calendar days, (b) all or any portion of the principal of the Loans, or (c) any amount payable to any Issuing Bank in reimbursement of any drawing under a Letter of Credit;

8.2 **Covenants.** If any Loan Party or any of its Subsidiaries:

(a) fails to perform or observe any covenant or other agreement contained in any of (%4) Sections 3.6, 5.1, 5.2, 5.3 (solely if any Borrower is not validly existing or in good standing (to the extent such concept is applicable) in its jurisdiction of organization or incorporation), Section 5.6, Section 5.7(a), Section 5.11, Section 5.12, Section 5.13, or Section 5.16 of this Agreement, (%4) Section 6 of this Agreement or (%4) Section 7 of this Agreement;

(b) fails to perform or observe any covenant or other agreement contained in this Agreement, or in any of the other Loan Documents, in each case, other than any such covenant or agreement that is the subject of another provision of this Section 8 (in which event such other provision of this Section 8 shall govern), and such failure continues for a period of 30 days after the earlier of (i) the date on which such failure shall first become known to any Responsible Officer of any Borrower or (ii) the date on which written notice thereof is given to Borrowers by Agent;

8.3 **Judgments.** If one or more judgments, orders, or awards for the payment of money (other than in respect of the Arbitration Award) involving an aggregate amount of $75,000,000 or more (except to the extent covered by insurance pursuant to which the insurer has not denied coverage) is entered or filed against a Loan Party or any of its Subsidiaries, or with respect to any of their respective assets, and either (a) there is a period of 60 consecutive days at any time after the entry of any such judgment, order, or award during which (1) the same is not discharged, satisfied, vacated, or bonded pending appeal, or (2) a stay of enforcement thereof is not in effect, or (b) enforcement proceedings are commenced upon such judgment, order, or award; provided that at any time that Liquidity is less than $250,000,000, the threshold included in this Section 8.3 shall be $25,000,000 (which shall apply to all judgments, orders or awards then outstanding, whether entered before or after the date Liquidity was less than $250,000,000).

8.4 **Voluntary Bankruptcy, etc.** If an Insolvency Proceeding is commenced by a Loan Party or any of its Material Subsidiaries or an Australian Loan Party is or is presumed or deemed (under the

Corporations Act) to be unable or admits inability to pay its debts as they fall due or suspends making payments on any of its debts;

8.5 **Involuntary Bankruptcy, etc.** If an Insolvency Proceeding is commenced against a Loan Party or any of its Material Subsidiaries and any of the following events occur: (a) such Loan Party or such Material Subsidiary consents to the institution of such Insolvency Proceeding against it, (b) the petition commencing the Insolvency Proceeding is not timely controverted, (c) the petition commencing the Insolvency Proceeding is not dismissed within 60 calendar days of the date of the filing thereof, (d) with respect to an Australian Loan Party, an application is not made to the court disputing the petition commencing the Insolvency Proceeding within 15 Business Days of the date of the filing thereof, (e) an interim trustee is appointed to take possession of all or any substantial portion of the properties or assets of, or to operate all or any substantial portion of the business of, such Loan Party or its Material Subsidiary, or (f) an order for relief shall have been issued or entered therein;

8.6 **Default Under Other Agreements.** If there is a default in one or more agreements to which a Loan Party or any of its Subsidiaries is a party with one or more third Persons relative to a Loan Party's or any of its Subsidiaries' Indebtedness (other than (i) Canadian Existing Indebtedness and (ii) any letter of credit fully secured by cash or Cash Equivalents) involving an aggregate amount of $75,000,000 or more, and such default (a) occurs at the final maturity of the obligations thereunder, or (b) results in a right by such third Person, irrespective of whether exercised, to accelerate the maturity of such Loan Party's or its Subsidiary's obligations thereunder; provided that at any time that Liquidity is less than $250,000,000, the threshold included in this Section 8.6 shall be $25,000,000 (which shall apply to any and all such defaults under all such agreements, whether entered before or after the date Liquidity was less than $250,000,000);

8.7 **Representations, etc.** If any warranty, representation, certificate, statement, or Record made herein or in any other Loan Document or delivered in writing to Agent or any Lender in connection with this Agreement or any other Loan Document proves to be untrue in any material respect (except that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof) as of the date of issuance or making or deemed making thereof;

8.8 **Security Documents.** If the Guaranty and Security Agreement, any Australian Security Document, or any other Loan Document that purports to create a Lien, shall, for any reason, fail or cease to create a valid and perfected Lien on a material portion of the Collateral covered thereby (or a Loan Party shall so assert), except for a failure or cessation (a) pursuant to the terms hereof or thereof or (b) as the result of an action or failure to act on the part of Agent or the Australian Security Trustee (as the case may be);

8.9 **Loan Documents.** The validity or enforceability of any Loan Document shall at any time for any reason (other than solely as the result of an action or failure to act on the part of Agent or the Australian Security Trustee) be declared to be null and void, or a proceeding shall be commenced by a Loan Party or its Subsidiaries, or by any Governmental Authority having jurisdiction over a Loan Party, seeking to establish the invalidity or unenforceability thereof, or a Loan Party shall deny that such Loan Party has any liability or obligation purported to be created under any Loan Document;

8.10 **Change in Control.** A Change in Control shall occur, whether directly or indirectly;

8.11 **ERISA and Australian Pension Events.** The occurrence of any of the following events: (a) any Loan Party or any of its Subsidiaries or the ERISA Affiliates fails to make full payment within 30 days when due of all amounts which any Loan Party or any of its Subsidiaries or the ERISA Affiliates is required to pay as contributions, installments, or otherwise to or with respect to a Pension Plan or Multiemployer Plan, and such failure, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect, (b) an accumulated funding deficiency or funding shortfall occurs or exists, whether or not waived, with respect to any Pension Plan, that, individually or in the aggregate, would reasonably be expected to

result in a Material Adverse Effect, (c) a Notification Event, which, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect, (d) any Loan Party or any of its Subsidiaries or their ERISA Affiliates completely or partially withdraws from one or more Multiemployer Plans and (i) incurs Withdrawal Liability, (ii) requires payment in any one calendar year, or (iii) fails to make any Withdrawal Liability payment when due, which in each case of (i), (ii) and (iii), individually or in the aggregate would reasonably be expected to result in a Material Adverse Effect, or (e) the existence of any facts or circumstances with respect to the Employee Benefit Plans in the aggregate that results in or is likely to result in a Material Adverse Effect; or

8.12 **Expropriation, etc.** If any expropriation, attachment, sequestration, distress or execution affects any assets or assets of an Australian Loan Party where the value of those assets exceeds $10,000,000.

9 RIGHTS AND REMEDIES.

9.1 **Rights and Remedies.** Upon the occurrence and during the continuation of an Event of Default, Agent (or the Australian Security Trustee, as the case may be) may, and, at the instruction of the Required Lenders, shall (in each case under clauses (a) or (b) by written notice to Borrowers), in addition to any other rights or remedies provided for hereunder or under any other Loan Document or by applicable law, do any one or more of the following:

(a) (i) declare the principal of, and any and all accrued and unpaid interest and fees in respect of, the Loans and all other Obligations (other than the Bank Product Obligations), whether evidenced by this Agreement or by any of the other Loan Documents to be immediately due and payable, whereupon the same shall become and be immediately due and payable and (x) U.S. Borrowers shall be obligated to repay all of such Obligations in full, without presentment, demand, protest, or further notice or other requirements of any kind, all of which are hereby expressly waived by each U.S. Borrower, and (y) Australian Borrowers shall be obligated to repay all of such Australian Obligations in full, without presentment, demand, protest, or further notice or other requirements of any kind, all of which are hereby expressly waived by Australian Borrowers, and (ii) direct Borrowers to provide (and Borrowers agree that upon receipt of such notice Borrowers will provide) Letter of Credit Collateralization to Agent (or the Australian Security Trustee, as the case may be) to be held as security for Borrowers' reimbursement obligations for drawings that may subsequently occur under issued and outstanding Letters of Credit;

(b) declare the Revolver Commitments terminated, whereupon the Revolver Commitments shall immediately be terminated together with (i) any obligation of any Revolving Lender to make Revolving Loans, (ii) the obligation of any Swing Lender to make Swing Loans, and (iii) the obligation of any Issuing Bank to issue Letters of Credit; and

(c) exercise (and the Australian Security Trustee may exercise, as the case may be) all other rights and remedies available to Agent, the Australian Security Trustee or the Lenders under the Loan Documents, under applicable law, or in equity.

The foregoing to the contrary notwithstanding, upon the occurrence of any Event of Default described in Section 8.4 or Section 8.5, in addition to the remedies set forth above, without any notice to Borrowers or any other Person or any act by the Lender Group, the Revolver Commitments shall automatically terminate and the Obligations (other than the Bank Product Obligations), inclusive of the principal of, and any and all accrued and unpaid interest and fees in respect of, the Loans and all other Obligations (other than the Bank Product Obligations), whether evidenced by this Agreement or by any of the other Loan Documents, shall automatically become and be immediately due and payable and (x) U.S. Borrowers shall be obligated to repay all of such Obligations in full, and (y) Australian Borrowers shall be obligated to repay all of such Australian Obligations in full (including Borrowers being obligated to provide (and Borrowers agree that they will provide) (1) Letter of Credit Collateralization to Agent to be held as security for Borrowers' reimbursement obligations in respect of drawings that may subsequently occur under issued and outstanding Letters of

Credit and (2) Bank Product Collateralization to be held as security for Borrowers' or their Subsidiaries' obligations in respect of outstanding Bank Products), without presentment, demand, protest, or notice or other requirements of any kind, all of which are expressly waived by each Borrower.

9.2 **Remedies Cumulative.** The rights and remedies of the Lender Group under this Agreement, the other Loan Documents, and all other agreements shall be cumulative. The Lender Group shall have all other rights and remedies not inconsistent herewith as provided under the Code, the Corporations Act by law, or in equity. No exercise by the Lender Group of one right or remedy shall be deemed an election, and no waiver by the Lender Group of any Event of Default shall be deemed a continuing waiver. No delay by the Lender Group shall constitute a waiver, election, or acquiescence by it.

10 WAIVERS; INDEMNIFICATION.

10.1 **Demand; Protest; etc.** Each Borrower waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, nonpayment at maturity, release, compromise, settlement, extension, or renewal of documents, instruments, chattel paper, and guarantees at any time held by the Lender Group on which any Borrower may in any way be liable.

10.2 **The Lender Group's Liability for Collateral.** Each Borrower hereby agrees that: (a) so long as Agent complies with its obligations, if any, under the Code, the Lender Group shall not in any way or manner be liable or responsible for: (i) the safekeeping of the Collateral, (ii) any loss or damage thereto occurring or arising in any manner or fashion from any cause, (iii) any diminution in the value thereof, or (iv) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other Person, and (b) all risk of loss, damage, or destruction of the Collateral shall be borne by Borrowers.

10.3 **Indemnification.** Subject to Section 2.15 (including Section 2.15(o)), each Borrower shall pay, indemnify, defend, and hold the Agent-Related Persons and the Lender-Related Persons (each, an "Indemnified Person") harmless (to the fullest extent permitted by law) from and against any and all claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, and damages, and all reasonable and documented fees and disbursements of counsel (limited to one primary counsel and one local counsel in each relevant jurisdiction (including Australia) for all Indemnified Persons, taken as a whole, and, solely in the case of an actual or perceived conflict of interest, one additional counsel to each group of Indemnified Persons similarly situated) and one environmental consultant and all other reasonable and documented out-of-pocket costs and expenses actually incurred in connection therewith or in connection with the enforcement of this indemnification (as and when they are incurred and irrespective of whether suit is brought), at any time asserted against, imposed upon, or incurred by any of them (a) in connection with or as a result of or related to the execution and delivery (provided that Borrowers shall not be liable for costs and expenses (including attorneys' fees) of any Lender (other than Bank of America) incurred in advising, structuring, drafting, reviewing, administering or syndicating the Loan Documents), enforcement, performance, or administration (including any restructuring or workout with respect hereto) of this Agreement, any of the other Loan Documents, or the transactions contemplated hereby or thereby or the monitoring of Parent's and its Subsidiaries' compliance with the terms of the Loan Documents (provided, that the indemnification in this clause (a) shall not extend to (i) disputes solely between or among the Lenders that do not involve any acts or omissions of any Loan Party, or (ii) disputes solely between or among the Lenders and their respective Affiliates that do not involve any acts or omissions of any Loan Party; it being understood and agreed that the indemnification in this clause (a) shall extend to Agent (but not the Lenders) relative to disputes between or among Agent on the one hand, and one or more Lenders, or one or more of their Affiliates, on the other hand, or (iii) any Taxes or any costs attributable to Taxes that are governed by Section 17), (b) with respect to any actual or prospective investigation, litigation, or proceeding related to this Agreement, any other Loan Document, the making of any Loans or issuance of any Letters of Credit hereunder, or the use of the proceeds of the Loans or the Letters of Credit provided hereunder (irrespective of whether any Indemnified Person is a party thereto), or any act, omission, event, or circumstance in any manner related thereto, and (c) in connection with or arising out of any presence or release of Hazardous

Materials giving rise to liability or for which any Lender is required to incur costs at, on, under, to or from the business or any assets or properties owned, leased or operated by any Borrower or any of its Subsidiaries or any Environmental Actions, Environmental Liabilities or Remedial Actions related in any way to the Borrowers or any of their Subsidiaries or the business or any such assets or properties of any Borrower or any of its Subsidiaries (each and all of the foregoing, the "Indemnified Liabilities"). The foregoing to the contrary notwithstanding, no Borrower shall have any obligation to any Indemnified Person under this Section 10.3 with respect to any Indemnified Liability that a court of competent jurisdiction finally determines to have resulted from the bad faith, gross negligence or willful misconduct of, by such Indemnified Person or its officers, directors, employees, attorneys, or agents. This provision shall survive the termination of this Agreement and the repayment in full of the Obligations. If any Indemnified Person makes any payment to any other Indemnified Person with respect to an Indemnified Liability as to which Borrowers were required to indemnify the Indemnified Person receiving such payment, the Indemnified Person making such payment is entitled to be indemnified and reimbursed by Borrowers with respect thereto. WITHOUT LIMITATION, THE FOREGOING INDEMNITY SHALL APPLY TO EACH INDEMNIFIED PERSON WITH RESPECT TO INDEMNIFIED LIABILITIES WHICH IN WHOLE OR IN PART ARE CAUSED BY OR ARISE OUT OF ANY NEGLIGENT ACT OR OMISSION (OTHER THAN A GROSSLY NEGLIGENT ACT OR OMISSION OR TO THE EXTENT CONSTITUTING BAD FAITH OR WILLFUL MISCONDUCT) OF SUCH INDEMNIFIED PERSON OR OF ANY OTHER PERSON. The indemnity in this clause from the Australian Borrowers applies only to the extent such claims, demands, suits, actions, investigations, proceedings, liabilities, fines, costs, penalties, damages, fees and disbursements of counsel and other out-of-pocket expenses relate to the Australian Obligations.

11 **NOTICES.**

Unless otherwise provided in this Agreement, all notices or demands relating to this Agreement or any other Loan Document shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by registered or certified mail (postage prepaid, return receipt requested), overnight courier, electronic mail (at such email addresses as a party may designate in accordance herewith), or telefacsimile. In the case of notices or demands to any Borrower or Agent, as the case may be, they shall be sent to the respective address set forth below:

If to any Borrower: c/o **CLIFFS NATURAL RESOURCES INC.**
200 Public Square #3300
Cleveland, Ohio 44114
Attn: James Graham
Fax No. 216-694-6509
Email: james.graham@cliffsnr.com

With a copy to:

Cliffs Natural Resources Inc.
200 Public Square #3300
Cleveland, Ohio 44114
Attn: Dwayne M. Petish
Fax No. 216-694-6509
Email: dwayne.petish@cliffsnr.com

If to Agent: **BANK OF AMERICA, N.A.**
135 S. LaSalle Street; Suite 925
Chicago, IL 60603
Attn: Peter Walther

Tel No.: 312-904-8225
Fax No.: 312-453-5555
Email: peter.walther@baml.com

If to Issuing Bank: To Agent

Any party hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other party. Each notice shall be effective only (a) if given by facsimile transmission, when transmitted to the applicable facsimile number, if confirmation of receipt is received; (b) if given by mail, three Business Days after deposit in the mail, with first-class postage pre-paid, addressed to the applicable address; or (c) if given by personal delivery, when duly delivered to the notice address with receipt acknowledged. Any written communication that is not sent in conformity with the foregoing provisions shall nevertheless be effective on the date actually received by the noticed party. Any notice received by Parent shall be deemed received by all Borrowers. Electronic communications (including e-mail, messaging and websites) may be used only in a manner reasonably acceptable to Agent and, unless otherwise agreed by Agent, only for routine communications, such as delivery of administrative matters and distribution of Loan Documents. Agent makes no assurance as to the privacy or security of electronic communications. Voice mail shall not be effective notices under the Loan Documents.

12 **CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER; JUDICIAL REFERENCE PROVISION.**

(a) THE VALIDITY OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO, AND ANY CLAIMS, CONTROVERSIES OR DISPUTES ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(b) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE TRIED AND LITIGATED ONLY IN THE STATE AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK; PROVIDED, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT AGENT'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE AGENT ELECTS TO BRING SUCH ACTION OR WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. EACH BORROWER AND EACH MEMBER OF THE LENDER GROUP WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 12(b).

(c) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH BORROWER AND EACH MEMBER OF THE LENDER GROUP HEREBY WAIVE THEIR RESPECTIVE RIGHTS, IF ANY, TO A JURY TRIAL OF ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS (EACH A "CLAIM"). EACH BORROWER AND EACH MEMBER OF THE LENDER GROUP REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(d) EACH BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK AND THE STATE OF NEW YORK, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENTS, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT AGENT MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST ANY LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(e) NO CLAIM MAY BE MADE BY ANY PARTY HERETO AGAINST ANY LOAN PARTY, THE AGENT, THE SWING LENDER, ANY OTHER LENDER, ISSUING BANK, OR ANY AFFILIATE, DIRECTOR, OFFICER, EMPLOYEE, COUNSEL, REPRESENTATIVE, AGENT, OR ATTORNEY-IN-FACT OF ANY OF THEM FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES OR LOSSES IN RESPECT OF ANY CLAIM FOR BREACH OF CONTRACT OR ANY OTHER THEORY OF LIABILITY ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR ANY ACT, OMISSION, OR EVENT OCCURRING IN CONNECTION THEREWITH, AND EACH LOAN PARTY HEREBY WAIVES, RELEASES, AND AGREES NOT TO SUE UPON ANY CLAIM FOR SUCH DAMAGES, WHETHER OR NOT ACCRUED AND WHETHER OR NOT KNOWN OR SUSPECTED TO EXIST IN ITS FAVOR; PROVIDED THAT NOTHING HEREIN SHALL LIMIT THE BORROWERS' OBLIGATIONS TO INDEMNIFY THE AGENT-RELATED PERSONS AND THE LENDER-RELATED PERSONS AS REQUIRED UNDER, AND SUBJECT TO, SECTION 10.3.

13 **ASSIGNMENTS AND PARTICIPATIONS; SUCCESSORS.**

13.1 **Assignments and Participations.**

(a) (i) Subject to the conditions set forth in clause (a)(ii) below, any Lender may assign and delegate all or any portion of its rights and duties under the Loan Documents (including the Obligations owed to it and its Revolver Commitments) to one or more assignees so long as such prospective assignee is an Eligible Transferee (each, an "Assignee"), with the prior written consent (such consent not be unreasonably withheld or delayed) of:

(A) Borrowers; provided, that no consent of Borrowers shall be required (1) if an Event of Default has occurred and is continuing, or (2) in connection with an assignment to a Person that is a Lender or an Affiliate (other than natural persons) of a Lender; provided further, that Borrowers shall be deemed to have consented to a proposed assignment unless they object thereto by written notice to Agent within 5 Business Days after having received notice thereof; and

(B) Agent and each Issuing Bank; provided, that no consent of Agent or any Issuing Bank shall be required in connection with an assignment to a Person that is a Lender or an Affiliate (other than natural persons) of a Lender.

(ii) Assignments shall be subject to the following additional conditions:

(A) [Reserved,]

(B) no assignment may be made, (i) to a Competitor, or (ii) to a natural person,

(C) no assignment may be made to a Loan Party or an Affiliate of a Loan Party or an Offshore Associate of an Australian Loan Party,

(D) the amount of the Revolver Commitments and the other rights and obligations of the assigning Lender hereunder and under the other Loan Documents subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to Agent) shall be in a minimum amount (unless waived by Agent) of $5,000,000 (except such minimum amount shall not apply to (%7) an assignment or delegation by any Lender to any other Lender, an Affiliate of any Lender, or a Related Fund of such Lender or (%7) a group of new Lenders, each of which is an Affiliate of each other or a Related Fund of such new Lender to the extent that the aggregate amount to be assigned to all such new Lenders is at least $5,000,000) or (3) in the case of an assignment of the entire remaining amount of the assigning Lender's Revolver Commitment and/or Obligations at the time owing it,

(E) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement,

(F) the parties to each assignment shall execute and deliver to Agent an Assignment and Acceptance; provided, that Borrowers and Agent may continue to deal solely and directly with the assigning Lender in connection with the interest so assigned to an Assignee until written notice of such assignment, together with payment instructions, addresses, and related information with respect to the Assignee, have been given to Borrowers and Agent by such Lender and the Assignee,

(G) unless waived by Agent, the assigning Lender or Assignee has paid to Agent, for Agent's separate account, a processing fee in the amount of $3,500, and

(H) the assignee, if it is not a Lender, shall deliver to Agent an administrative questionnaire in a form approved by Agent (the "Administrative Questionnaire").

(b) From and after the date that Agent receives the executed Assignment and Acceptance, records it in the Register, and if applicable, receives payment of the required processing fee, (i) the Assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, subject to Agent's recording of the Assignment and Acceptance in the Register as required by Section 13.1(h), shall be a "Lender" and shall have the rights and obligations of a Lender under the Loan Documents, and (ii) the assigning Lender shall, to the extent that rights and obligations hereunder and under the other Loan Documents have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights (except with respect to Section 10.3) and be released from any future obligations under this Agreement (and in the case of an Assignment and Acceptance covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement and the other Loan Documents, such Lender shall cease to be a party hereto and thereto); provided, that nothing contained herein shall release any assigning Lender from obligations that survive the termination of this Agreement, including such assigning Lender's obligations under Section 15 and Section 18.9(a).

(c) By executing and delivering an Assignment and Acceptance, the assigning Lender thereunder and the Assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Acceptance, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other Loan Document furnished pursuant hereto, (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Borrower or the performance or observance by any Borrower of any of its obligations under this Agreement or any other Loan Document furnished pursuant hereto, (iii) such Assignee confirms that it has received a copy of this Agreement, together with such other documents and information

as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance, (iv) such Assignee will, independently and without reliance upon Agent, such assigning Lender or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement, (v) such Assignee appoints and authorizes Agent to take such actions and to exercise such powers under this Agreement and the other Loan Documents as are delegated to Agent, by the terms hereof and thereof, together with such powers as are reasonably incidental thereto, and (vi) such Assignee agrees that it will perform all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(d) Immediately upon Agent's receipt of the required processing fee, if applicable, and delivery of notice to the assigning Lender pursuant to Section 13.1(b), this Agreement shall be deemed to be amended to the extent, but only to the extent, necessary to reflect the addition of the Assignee and the resulting adjustment of the Revolver Commitments arising therefrom. The Revolver Commitment allocated to each Assignee shall reduce such Revolver Commitments of the assigning Lender pro tanto.

(e) Any Lender may at any time sell to one or more commercial banks, financial institutions, or other Persons that is an Eligible Transferee and is not a Competitor (a "Participant") participating interests in all or any portion of its Obligations, its Revolver Commitment, and the other rights and interests of that Lender (the "Originating Lender") hereunder and under the other Loan Documents; provided, that (i) the Originating Lender shall remain a " Lender" for all purposes of this Agreement and the other Loan Documents and the Participant receiving the participating interest in the Obligations, the Revolver Commitments, and the other rights and interests of the Originating Lender hereunder shall not constitute a "Lender" hereunder or under the other Loan Documents and the Originating Lender's obligations under this Agreement shall remain unchanged, (ii) the Originating Lender shall remain solely responsible for the performance of such obligations, (iii) Borrowers, Agent, and the Lenders shall continue to deal solely and directly with the Originating Lender in connection with the Originating Lender's rights and obligations under this Agreement and the other Loan Documents (it being understood that the documentation required under Section 17.2 shall be delivered to the participating Lender), (iv) no Lender shall transfer or grant any participating interest under which the Participant has the right to approve any amendment to, or any consent or waiver with respect to, this Agreement or any other Loan Document, except to the extent such amendment to, or consent or waiver with respect to this Agreement or of any other Loan Document would (A) extend the final maturity date of the Obligations hereunder in which such Participant is participating, (B) reduce the interest rate applicable to the Obligations hereunder in which such Participant is participating (excluding the imposition of the Default Rate), (C) release all or substantially all of the Collateral or guaranties (except to the extent expressly provided herein or in any of the Loan Documents) supporting the Obligations hereunder in which such Participant is participating, (D) postpone the payment of, or reduce the amount of, the interest or fees payable to such Participant through such Lender (other than a waiver of default interest), or (E) decreases the amount or postpones the due dates of scheduled principal repayments or prepayments payable to such Participant through such Lender, (v) no participation shall be sold to a natural person, (vi) no participation shall be sold to a Loan Party or an Affiliate of a Loan Party, and (vii) all amounts payable by Borrowers hereunder shall be determined as if such Lender had not sold such participation. The rights of any Participant only shall be derivative through the Originating Lender with whom such Participant participates and no Participant shall have any rights under this Agreement or the other Loan Documents or any direct rights as to the other Lenders, Agent, Borrowers, the Collateral, or otherwise in respect of the Obligations. Notwithstanding the preceding sentence, the Borrower agrees that each Participant shall be entitled to the benefits of Section 17 (Withholding Taxes) (subject to the requirements and limitations therein, including the requirements under Section 17.2 (Exemptions) (it being understood that the documentation required under Section 17.2 shall be delivered to the Lender granting the participation only) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (a) of this Section 13.1; provided that such Participant (A) agrees to be subject to the provisions of Sections 14.2 (Replacement of Certain Lenders) as if it were an assignee under paragraph (a) of this Section 13.1; and (B) shall not be entitled to receive any greater payment under Section 17 (Withholding Taxes), with respect to any participation, than its Originating Lender would have been entitled to receive, except to the extent such entitlement to receive

a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. No Participant shall have the right to participate directly in the making of decisions by the Lenders among themselves.

(f) In connection with any such assignment or participation or proposed assignment or participation or any grant of a security interest in, or pledge of, its rights under and interest in this Agreement, a Lender may, subject to the provisions of Section 18.9, disclose all documents and information which it now or hereafter may have relating to any Borrower and its Subsidiaries and their respective businesses.

(g) Any other provision in this Agreement notwithstanding, any Lender may at any time create a security interest in, or pledge, all or any portion of its rights under and interest in this Agreement in favor of any Federal Reserve Bank in accordance with Regulation A of the Federal Reserve Bank or U.S. Treasury Regulation 31 CFR §203.24, and such Federal Reserve Bank may enforce such pledge or security interest in any manner permitted under applicable law.

(h) Agent (as a non-fiduciary agent on behalf of Borrowers) shall maintain, or cause to be maintained, a register (the " Register") on which it enters the name and address of each Lender as the registered owner of the Loans (and the principal amount thereof and stated interest thereon) held by such Lender (each, a "Registered Loan"). A Registered Loan (and the registered note, if any, evidencing the same) may be assigned or sold in whole or in part only by registration of such assignment or sale on the Register (and each registered note shall expressly so provide) and any assignment or sale of all or part of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by registration of such assignment or sale on the Register, together with the surrender of the registered note, if any, evidencing the same duly endorsed by (or accompanied by a written instrument of assignment or sale duly executed by) the holder of such registered note, whereupon, at the request of the designated assignee(s) or transferee(s), one or more new registered notes in the same aggregate principal amount shall be issued to the designated assignee(s) or transferee(s). Prior to the registration of assignment or sale of any Registered Loan (and the registered note, if any evidencing the same), Borrowers shall treat the Person in whose name such Registered Loan (and the registered note, if any, evidencing the same) is registered as the owner thereof for the purpose of receiving all payments thereon and for all other purposes, notwithstanding notice to the contrary.

(i) In the event that a Lender sells participations in the Registered Loan, such Lender, as a non-fiduciary agent on behalf of Borrowers, shall maintain (or cause to be maintained) a register on which it enters the name and address of all participants in the Registered Loans held by it (and the principal amount (and stated interest thereon) of the portion of such Registered Loans that is subject to such participations) (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans or participations in Letters of Credit and Swing Loans or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan or participation in a Letter of Credit or Swing Loan is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. A Registered Loan (and the registered note, if any, evidencing the same) may be participated in whole or in part only by registration of such participation on the Participant Register (and each registered note shall expressly so provide). Any participation of such Registered Loan (and the registered note, if any, evidencing the same) may be effected only by the registration of such participation on the Participant Register.

(j) Agent shall make a copy of the Register (and each Lender shall make a copy of its Participant Register in the extent it has one) available for review by Borrowers from time to time as Borrowers may reasonably request.

13.2 **Successors.** This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties; provided, that no Borrower may assign this Agreement or any rights or duties hereunder without the Lenders' prior written consent and any prohibited assignment shall be absolutely

void ab initio. No consent to assignment by the Lenders shall release any Borrower from its Obligations. A Lender may assign this Agreement and the other Loan Documents and its rights and duties hereunder and thereunder pursuant to Section 13.1 and, except as expressly required pursuant to Section 13.1, no consent or approval by any Borrower is required in connection with any such assignment.

14 **AMENDMENTS; WAIVERS.**

14.1 **Amendments and Waivers.**

(a) No amendment, waiver or other modification of any provision of this Agreement or any other Loan Document (other than Bank Product Agreements or the Fee Letter), and no consent with respect to any departure by any Borrower therefrom, shall be effective unless the same shall be in writing and signed by the Required Lenders (or by Agent at the written request of the Required Lenders) and the Loan Parties that are party thereto and then any such waiver or consent shall be effective, but only in the specific instance and for the specific purpose for which given; provided, that no such waiver, amendment, or consent shall, unless in writing and signed by all of the Lenders directly affected thereby and all of the Loan Parties that are party thereto, do any of the following:

(i) increase the amount of or extend the expiration date of any Revolver Commitment of any Lender or amend, modify, or eliminate the last sentence of Section 2.4(c)(i) or Section 2.4(c)(ii),

(ii) postpone or delay any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees, or other amounts due hereunder or under any other Loan Document,

(iii) reduce the principal of, or the rate of interest on, any loan or other extension of credit hereunder, or reduce any fees or other amounts payable hereunder or under any other Loan Document (except in connection with the waiver of applicability of Section 2.6(c) (which waiver shall be effective with the written consent of the Required Lenders)),

(iv) amend, modify, or eliminate this Section or any provision of this Agreement providing for consent or other action by all Lenders,

(v) amend, modify, or eliminate Section 3.1 or 3.2,

(vi) amend, modify, or eliminate Section 15.9 or 15.10,

(vii) other than as permitted by Section 15.9, release Agent's Lien in and to all or substantially all of the Collateral,

(viii) amend, modify, or eliminate the definitions of " Required Lenders", "Supermajority Lenders" or "Pro Rata Share", or amend or modify the percentage set forth in any other provision of any Loan Document (including this Section 14.1) specifying the number or percentage of Lenders required to waive, amend or modify any rights thereunder or make any determination or grant any consent thereunder,

(ix) contractually subordinate any of Agent's Liens,

(x) other than in connection with a merger, liquidation, dissolution or sale of such Person expressly permitted by the terms hereof or the other Loan Documents, or if such Person constitutes an Excluded Subsidiary, release any Borrower or any Guarantor from any obligation for the payment of money or consent to the assignment or transfer by any Borrower or any Guarantor of any of its

rights or duties under this Agreement or the other Loan Documents if such release would release all or substantially all of the guarantees provided thereunder,

(xi) amend, modify, or eliminate any of the provisions of Section 2.4(b)(i), (ii), (iii), (iv) or (v) or Section 2.4(e) or (f), or

(xii) amend, modify, or eliminate any of the provisions of Section 13.1 (1) with respect to assignments to, or participations with, Persons who are Loan Parties or their Affiliates or (2) in a manner which further restricts assignments by Lenders thereunder.

(b) No amendment, waiver, modification, or consent shall amend, modify, waive, or eliminate,

(i) the definition of, or any of the terms or provisions of, the Fee Letter, without the written consent of Agent and Borrowers (and shall not require the written consent of any of the Lenders),

(ii) any provision of Section 15 pertaining to Agent, or any other rights or duties of Agent under this Agreement or the other Loan Documents, without the written consent of Agent, Borrowers, and the Required Lenders;

(c) No amendment, waiver, modification, elimination, or consent shall amend, modify, or eliminate (i) the definition of U.S. Borrowing Base (or any of the defined terms (including the definitions of Eligible Accounts, Eligible Inventory, and Eligible Equipment) that are used in such definition) to the extent that any such change results in more credit being made available to U.S. Borrowers based upon the U.S. Borrowing Base, but not otherwise, the last paragraph of Section 2.1(a), (ii) the definition of U.S. Maximum Revolver Amount, (iii) the definition of "ABL Priority Collateral" contained in the Intercreditor Agreement or (iv) Section 4.01 of the Intercreditor Agreement, in each case, without the written consent of Agent, Borrowers, and the Supermajority Lenders;

(d) No amendment, waiver, modification, elimination, or consent shall amend, modify, or eliminate the definition of Australian Borrowing Base (or any of the defined terms (including the definitions of Eligible Accounts, Eligible Inventory, In-Transit Inventory, and Eligible Equipment) that are used in such definition) to the extent that any such change results in more credit being made available to Australian Borrowers based upon the Australian Borrowing Base, but not otherwise, the last paragraph of Section 2.1(b), or the definition of Australian Maximum Revolver Amount, in each case, without the written consent of Agent, Borrowers, and the Supermajority Lenders;

(e) No amendment, waiver, modification, elimination, or consent shall amend, modify, or waive any provision of this Agreement or the other Loan Documents pertaining to any Issuing Bank, or any other rights or duties of any Issuing Bank under this Agreement or the other Loan Documents, without the written consent of such Issuing Bank, Agent, Borrowers, and the Required Lenders;

(f) No amendment, waiver, modification, elimination, or consent shall amend, modify, or waive any provision of this Agreement or the other Loan Documents pertaining to any Swing Lender, or any other rights or duties of any Swing Lender under this Agreement or the other Loan Documents, without the written consent of such Swing Lender, Agent, Borrowers, and the Required Lenders; and

(g) Anything in this Section 14.1 to the contrary notwithstanding, (%4) any amendment, modification, elimination, waiver, consent, termination, or release of, or with respect to, any provision of this Agreement or any other Loan Document that relates only to the relationship of the Lender Group among themselves, and that does not affect the rights or obligations of any Borrower, shall not require consent by or the agreement of any Loan Party, (%4) any amendment, waiver, modification, elimination, or consent of or with respect to any provision of this Agreement or any other Loan Document may be entered into without the consent of, or over the objection of, any Defaulting Lender other than any of the matters governed by

Section 14.1(a)(i) through (iv) that affect such Lender and (iii) Agent and Parent shall be permitted to amend any provision of this Agreement or any other Loan Document (and such amendment shall become effective without any further action or consent of any other party to any Loan Document) if Agent and Parent shall have jointly identified an obvious error or any error or omission of a technical or immaterial nature in any such provision.

(h) Notwithstanding the foregoing, the Agent and the Borrowers may enter into an Incremental Amendment in accordance with Section 2.16 and such document shall be effective to amend the terms of this Agreement and the other applicable Loan Documents, in each case without any further action or consent of any other party to any Loan Documents except as otherwise required by such Section.

14.2 **Replacement of Certain Lenders.**

(a) If (i) any action to be taken by the Lender Group or Agent hereunder requires the consent, authorization, or agreement of all Lenders or all Lenders affected thereby and if such action has received the consent, authorization, or agreement of the Required Lenders but not of all Lenders or all Lenders affected thereby, or (ii) any Lender makes a claim for compensation under Section 17, then Borrowers, at their sole cost and expense (including any assignment fees), upon at least five Business Days prior irrevocable notice, may permanently replace any Lender that failed to give its consent, authorization, or agreement (a "Non-Consenting Lender") or any Lender that made a claim for compensation (a " Tax Lender") with one or more Replacement Lenders, and the Non-Consenting Lender or Tax Lender, as applicable, shall have no right to refuse to be replaced hereunder. Such notice to replace the Non-Consenting Lender or Tax Lender, as applicable, shall specify an effective date for such replacement, which date shall not be later than 15 Business Days after the date such notice is given.

(b) Prior to the effective date of such replacement, the Non-Consenting Lender or Tax Lender, as applicable, and each Replacement Lender shall execute and deliver an Assignment and Acceptance, subject only to the Non-Consenting Lender or Tax Lender, as applicable, being repaid in full its share of the outstanding Obligations (without any premium or penalty of any kind whatsoever, but including (%4) all interest, fees and other amounts that may be due in payable in respect thereof, and (%4) an assumption of its Pro Rata Share of participations in the Letters of Credit). If the Non-Consenting Lender or Tax Lender, as applicable, shall refuse or fail to execute and deliver any such Assignment and Acceptance prior to the effective date of such replacement, Agent may, but shall not be required to, execute and deliver such Assignment and Acceptance in the name or and on behalf of the Non-Consenting Lender or Tax Lender, as applicable, and irrespective of whether Agent executes and delivers such Assignment and Acceptance, the Non-Consenting Lender or Tax Lender, as applicable, shall be deemed to have executed and delivered such Assignment and Acceptance. The replacement of any Non-Consenting Lender or Tax Lender, as applicable, shall be made in accordance with the terms of Section 13.1. Until such time as one or more Replacement Lenders shall have acquired all of the Obligations, the Revolver Commitments, and the other rights and obligations of the Non-Consenting Lender or Tax Lender, as applicable, hereunder and under the other Loan Documents, the Non-Consenting Lender or Tax Lender, as applicable, shall remain obligated to make the Non-Consenting Lender's or Tax Lender's, as applicable, Pro Rata Share of Revolving Loans and to purchase a participation in each Letter of Credit, in an amount equal to its Pro Rata Share of participations in such Letters of Credit.

14.3 **No Waivers; Cumulative Remedies.** No failure by Agent or any Lender to exercise any right, remedy, or option under this Agreement or any other Loan Document, or delay by Agent or any Lender in exercising the same, will operate as a waiver thereof. No waiver by Agent or any Lender will be effective unless it is in writing, and then only to the extent specifically stated. No waiver by Agent or any Lender on any occasion shall affect or diminish Agent's and each Lender's rights thereafter to require strict performance by Parent and Borrowers of any provision of this Agreement. Agent's and each Lender's rights under this Agreement and the other Loan Documents will be cumulative and not exclusive of any other right or remedy that Agent or any Lender may have.

15 **AGENT AND AUSTRALIAN SECURITY TRUSTEE.**

15.1 **Appointment, Authority and Duties of Agent .**

(a) Appointment and Authority . Each Lender appoints and designates Bank of America as Agent and Australian Security Trustee under all Loan Documents. Agent and Australian Security Trustee may, and each Lender authorizes Agent and Australian Security Trustee to, enter into all Loan Documents to which Agent or Australian Security Trustee is intended to be a party and accept the Guaranty and Security Agreement and all Australian Security Documents. Any action taken by Agent and Australian Security Trustee in accordance with the provisions of the Loan Documents, and the exercise by Agent and Australian Security Trustee of any rights or remedies set forth therein, together with all other powers reasonably incidental thereto, shall be authorized by and binding upon all Lenders (an Bank Product Providers). Without limiting the generality of the foregoing, Agent and Australian Security Trustee, as applicable, shall have the sole and exclusive authority to (a) act as the disbursing and collecting agent for Lenders with respect to all payments and collections arising in connection with the Loan Documents; (b) execute and deliver as Agent and Australian Security Trustee, as applicable, each Loan Document, including any intercreditor or subordination agreement, and accept delivery of each Loan Document; (c) act as collateral agent and security trustee for the Lenders for purposes of perfecting and administering Liens under the Loan Documents, and for all other purposes stated therein; (d) manage, supervise or otherwise deal with Collateral; and (e) take any Enforcement Action or otherwise exercise any rights or remedies with respect to any Collateral or under any Loan Documents, applicable law or otherwise. Agent alone shall be authorized to determine eligibility and applicable advance rates under the U.S. Borrowing Base and the Australian Borrowing Base, whether to impose or release any reserve, or whether any conditions to funding or issuance of a Letter of Credit have been satisfied, which determinations and judgments, if exercised in good faith, shall exonerate Agent from liability to any Lender, Bank Product Provider or other Person for any error in judgment.

(b) **Duties.** The titles of "Agent" and "Security Trustee" are used solely as a matter of market custom and the duties of Agent and Australian Security Trustee are administrative in nature only. Neither Agent nor, to the extent permitted by law, Australian Security Trustee have any duties except those expressly set forth in the Loan Documents, and in no event does Agent or Australian Security Trustee have any agency, fiduciary or implied duty to or relationship with any Lender, Bank Product Provider or other Person by reason of any Loan Document or related transaction. The conferral upon Agent and Australian Security Trustee of any right shall not imply a duty to exercise such right, unless instructed to do so by Lenders in accordance with this Agreement.

(c) **Agent Professionals**. Each of Agent and Australian Security Trustee may perform its duties through agents and employees. Each of Agent and Australian Security Trustee may consult with and employ Agent Professionals, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by an Agent Professional. Neither Agent nor Australian Security Trustee shall be responsible for the negligence or misconduct of any agents, employees or Agent Professionals selected by it with reasonable care.

(d) **Instructions of Required Lenders**. The rights and remedies conferred upon Agent and Australian Security Trustee under the Loan Documents may be exercised without the necessity of joining any other party, unless required by applicable law. In determining compliance with a condition for any action hereunder, including satisfaction of any condition in Section 3, Agent may presume that the condition is satisfactory to a Lender and Bank Product Provider unless Agent has received written notice to the contrary from such Lender or Bank Product Provider before Agent takes the action. Agent and Australian Security Trustee may request instructions from Required Lenders or other Lenders or Bank Product Providers with respect to any act (including the failure to act) in connection with any Loan Documents or Collateral, and may seek assurances to its reasonable satisfaction from Lenders or Bank Product Providers of their indemnification obligations against Claims that could be incurred by Agent or Australian Security Trustee. Agent and Australian Security Trustee may refrain from any act until it has received such instructions or assurances, and shall not incur liability to any Person by reason of so refraining. Instructions of Required

Lenders shall be binding upon all Lenders (and Bank Product Providers), and no Lender (or Bank Product Provider) shall have any right of action whatsoever against Agent or Australian Security Trustee as a result of Agent or Australian Security Trustee acting or refraining from acting pursuant to instructions of Required Lenders. Notwithstanding the foregoing, instructions by and consent of specific parties shall be required to the extent provided in Section 14.1. In no event shall Agent or Australian Security Trustee be required to take any action that it determines in its discretion is contrary to applicable law or any Loan Documents or could subject any Agent-Related Person to liability.

15.2 **Liability of Agent and Australian Security Trustee.** Neither Agent nor Australian Security Trustee shall be liable to any Lender or Bank Product Provider for any action taken or omitted to be taken under the Loan Documents, except for losses directly and solely caused by its bad faith, gross negligence or willful misconduct. Neither Agent nor Australian Security Trustee assume any responsibility for any failure or delay in performance or any breach by any Loan Party, Lender or Bank Product Provider of any obligations under the Loan Documents. Neither Agent nor Australian Security Trustee make any express or implied representation, warranty or guarantee to Lenders or Bank Product Providers with respect to any Obligations, Collateral, Liens, Loan Documents or Loan Party. No Agent-Related Person shall be responsible to Lender (and Bank Product Providers) for any recitals, statements, information, representations or warranties contained in any Loan Documents or Borrower Materials; the execution, validity, genuineness, effectiveness or enforceability of any Loan Documents; the genuineness, enforceability, collectability, value, sufficiency, location or existence of any Collateral, or the validity, extent, perfection or priority of any Lien therein; the validity, enforceability or collectability of any Obligations; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Loan Party or Account Debtor. No Agent-Related Person shall have any obligation to any Lender or Bank Product Provider to ascertain or inquire into the existence of any Default or Event of Default, the observance by any Loan Party of any terms of the Loan Documents, or the satisfaction of any conditions precedent contained in any Loan Documents.

15.3 **Reliance by Agent.** Each of the Agent and the Australian Security Trustee shall be entitled to rely, and shall be fully protected in relying, upon any certification, notice or other communication (including those by telephone, telex, telegram, telecopy or e-mail) believed by it to be genuine and correct and to have been signed, sent or made by the proper Person. Each of the Agent and the Australian Security Trustee shall have a reasonable and practicable amount of time to act upon any instruction, notice or other communication under any Loan Document, and shall not be liable for any delay in acting.

15.4 **Notice of Default or Event of Default.** Agent shall not be deemed to have knowledge of any Default or Event of Default, or of any failure to satisfy any conditions in Section 3, unless it has received written notice from a Borrower or Required Lenders specifying the occurrence and nature thereof. If any Lender acquires knowledge of a Default, Event of Default or failure of such conditions, it shall promptly notify Agent and the other Lenders thereof in writing. Each Lender (and Bank Product Provider) agrees that, except as otherwise provided in any Loan Documents or with the written consent of Agent and Required Lenders, it will not take any Enforcement Action, accelerate Obligations (other than Bank Product Obligations) or assert any rights relating to any Collateral.

15.5 **Due Diligence and Non-Reliance.** Each Lender acknowledges and agrees that it has, independently and without reliance upon Agent, Australian Security Trustee or any other Lenders, and based upon such documents, information and analyses as it has deemed appropriate, made its own credit analysis of each Loan Party and its own decision to enter into this Agreement and to fund Loans and participate in Letters of Credit hereunder. Each Lender (and Bank Product Provider) has made such inquiries as it feels necessary concerning the Loan Documents, Collateral and Loan Parties. Each Lender (and Bank Product Provider) acknowledges and agrees that the other Lenders (and Bank Product Providers) have made no representations or warranties concerning any Loan Party, any Collateral or the legality, validity, sufficiency or enforceability of any Loan Documents or Obligations. Each Lender (and Bank Product Provider) will, independently and without reliance upon any other Lender (or Bank Product Provider), and based upon such financial statements, documents and information as it deems appropriate at the time, continue to make and rely upon its own credit decisions in making Loans and participating in Letters of Credit, and in taking or

refraining from any action under any Loan Documents. Except for notices, reports and other information expressly requested by a Lender, Agent shall have no duty or responsibility to provide any Lender (or Bank Product Provider) with any notices, reports or certificates furnished to Agent by any Loan Party or any credit or other information concerning the affairs, financial condition, business or properties of any Loan Party (or any of its Affiliates) which may come into possession of any Agent-Related Person.

15.6 **Indemnification**. **EACH LENDER (AND BANK PRODUCT PROVIDER) SHALL INDEMNIFY AND HOLD HARMLESS AGENT-RELATED PERSONS AND ISSUING BANK INDEMNITEES, TO THE EXTENT NOT REIMBURSED BY LOAN PARTIES (AND WITHOUT LIMITING THEIR OBLIGATION TO DO SO), ON A PRO RATA BASIS, AGAINST ALL CLAIMS THAT MAY BE INCURRED BY OR ASSERTED AGAINST ANY SUCH INDEMNIFIED PERSON, PROVIDED THAT ANY CLAIM AGAINST AN AGENT-RELATED PERSON RELATES TO OR ARISES FROM ITS ACTING AS OR FOR AGENT (IN THE CAPACITY OF AGENT); PROVIDED THAT NO LENDER SHALL BE REQUIRED TO INDEMNIFY ANY AGENT-RELATED PERSON OR ISSUING BANK INDEMNITEE FOR CLAIMS THAT A COURT OF COMPETENT JURISDICTION HAS FINALLY DETERMINED TO HAVE RESULTED FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH AGENT-RELATED PERSON OR ISSUING BANK INDEMNITEE.** In Agent's discretion, it may reserve for any Claims made against an Agent-Related Person or Issuing Bank Indemnitee, and may satisfy any judgment, order or settlement relating thereto, from proceeds of Collateral prior to making any distribution of Collateral proceeds to Lenders (and Bank Product Providers). If Agent or Australian Security Trustee is sued by any receiver, trustee or other Person for any alleged preference or fraudulent transfer, then any monies paid by Agent or Australian Security Trustee in settlement or satisfaction of such proceeding, together with all interest, costs and expenses (including attorneys' fees) incurred in the defense of same, shall be promptly reimbursed to Agent or Australian Security Trustee, as applicable, by each Lender (and Bank Product Provider) to the extent of its Pro Rata Share.

15.7 **Individual Capacities.** As a Lender, Bank of America shall have the same rights and remedies under the Loan Documents as any other Lender, and the terms "Lenders," "Required Lenders" or any similar term shall include Bank of America in its capacity as a Lender. Agent, Lenders, Australian Security Trustee and their Affiliates may accept deposits from, lend money to, provide Bank Products to, act as financial or other advisor to, and generally engage in any kind of business with, Loan Parties and their Affiliates, as if they were not Agent, Australian Security Trustee or Lenders hereunder, without any duty to account therefor to any Lender (or Bank Product Provider). In their individual capacities, Agent, Australian Security Trustee, Lenders and their Affiliates may receive information regarding Loan Parties, their Affiliates and their Account Debtors (including information subject to confidentiality obligations), and shall have no obligation to provide such information to any Lender (or Bank Product Provider).

15.8 **Successor Agent.**

(a) Resignation; Successor Agent. Agent may resign at any time by giving at least 30 days written notice thereof to Lenders and Borrowers. Required Lenders may appoint a successor to replace the resigning Agent, which successor shall be (a) a Lender or an Affiliate of a Lender; or (b) a financial institution reasonably acceptable to Required Lenders and, in either case, provided no Event of Default exists, reasonably acceptable to Borrowers. If no successor agent is appointed prior to the effective date of Agent's resignation, then Agent may appoint a successor agent that is a financial institution acceptable to it (which shall be a Lender unless no Lender accepts the role) or in the absence of such appointment, Required Lenders shall on such date assume all rights and duties of Agent hereunder, provided that Agent shall consult with Parent prior to such appointment. Upon acceptance by any successor Agent of its appointment hereunder, such successor Agent shall thereupon succeed to and become vested with all the powers and duties of the retiring Agent without further act. On the effective date of its resignation, the retiring Agent shall be discharged from its duties and obligations hereunder in its capacity as Agent but shall continue to have all rights and protections under the Loan Documents with respect to actions taken or omitted to be taken by it while Agent, including the indemnification set forth in Sections 15.6 and 10.3, and all rights and protections under this Section 15. Any successor to Bank of America by merger or acquisition of stock or

this loan shall continue to be Agent hereunder without further act on the part of any Lender (or Bank Product Provider) or Loan Party.

(b) Co-Collateral Agent. If appropriate under applicable law, Agent may appoint a Person to serve as a co-collateral agent or separate collateral agent under any Loan Document. Each right, remedy and protection intended to be available to Agent under the Loan Documents shall also be vested in such agent. Lenders (and Bank Product Providers) shall execute and deliver any instrument or agreement that Agent may request to effect such appointment. If any such agent shall die, dissolve, become incapable of acting, resign or be removed, then all the rights and remedies of the agent, to the extent permitted by applicable law, shall vest in and be exercised by Agent until appointment of a new agent.

15.9 **Agreements Regarding Collateral and Borrower Materials.**

(a) Lien Releases; Care of Collateral. Lenders (and Bank Product Providers) authorize Agent and Australian Security Trustee, as applicable, to release any Lien with respect to any Collateral (a) upon payment in full of the Obligations (other than unasserted contingent obligations); (b) that is the subject of a disposition or Lien that Borrowers certify in writing is a Permitted Disposition or any other disposition permitted by the Loan Documents or a Permitted Lien entitled to priority over Agent's or Australian Security Trustee's Liens (and Agent and Australian Security Trustee may rely conclusively on any such certificate without further inquiry); (c) that does not constitute a material part of the Collateral; (d) that is owned by a Loan Party if such Loan Party becomes an Excluded Subsidiary; (e) if required or permitted under the terms of any other Loan Documents, including any intercreditor agreement, or (f) subject to Section 14.1, with the consent of Required Lenders. Lenders (and Bank Product Providers) authorize Agent and Australian Security Trustee, as applicable, to subordinate its Liens to any Permitted Purchase Money Indebtedness or other Lien entitled to priority hereunder. Neither Agent nor Australian Security Trustee have any obligation to assure that any Collateral exists or is owned by a Loan Party, or is cared for, protected or insured, nor to assure that Agent's or Australian Security Trustee's Liens have been properly created, perfected or enforced, or are entitled to any particular priority, nor to exercise any duty of care with respect to any Collateral.

(b) Possession of Collateral. Agent, the Australian Security Trustee, Lenders and Bank Product Providers appoint each Lender as agent (for the benefit of Lender (and Bank Product Providers)) for the purpose of perfecting Liens in any Collateral held or controlled by such Lender, to the extent such Liens are perfected by possession or control. If any Lender obtains possession or control of any Collateral, it shall notify Agent thereof and, promptly upon Agent's request, deliver such Collateral to Agent or otherwise deal with it in accordance with Agent's instructions.

(c) Agent shall promptly provide to Lenders, when complete, any field examination, audit, appraisal report or valuation prepared for Agent with respect to any Loan Party or Collateral ("Report") and other Borrower Materials received pursuant to Schedule 5.1 or 5.2. Reports and other Borrower Materials may be made available to Lenders by providing access to them on the Platform, but Agent shall not be responsible for system failures or access issues that may occur from time to time. Each Lender agrees (a) that Reports are not intended to be comprehensive audits or examinations, and that Agent or any other Person performing an audit or examination will inspect only limited information and will rely significantly upon Borrowers' books, records and representations; (b) that Agent makes no representation or warranty as to the accuracy or completeness of any Borrower Materials and shall not be liable for any information contained in or omitted from any Borrower Materials, including any Report; and (c) to keep all Borrower Materials confidential and strictly for such Lender's internal use, not to distribute any Report or other Borrower Materials (or the contents thereof) to any Person (except to such Lender's Participants, attorneys and accountants on a confidential basis), and to use all Borrower Materials solely for administration of the Obligations. Each Lender shall indemnify and hold harmless Agent and any other Person preparing a Report from any action such Lender may take as a result of or any conclusion it may draw from any Borrower Materials, as well as from any Claims arising as a direct or indirect result of Agent furnishing same to such Lender, via the Platform or otherwise.

15.10 **Ratable Sharing.**

(a) If any Lender obtains any payment or reduction of any Obligation, whether through set-off or otherwise, in excess of its ratable share of such Obligation, such Lender shall forthwith purchase from Lenders (and Bank Product Providers) participations in the affected Obligation as are necessary to share the excess payment or reduction on a pro rata basis or in accordance with Sections 2.4(b)(iv) or 2.4(b)(v), as applicable. If any of such payment or reduction is thereafter recovered from the purchasing Lender, the purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest. Notwithstanding the foregoing, if a Defaulting Lender obtains a payment or reduction of any Obligation, it shall immediately turn over the full amount thereof to Agent for application under Section 2.3(i) and it shall provide a written statement to Agent describing the Obligation affected by such payment or reduction. No Lender shall set off against an Agent Account without Agent's prior consent.

15.11 **Remittance of Payments and Collections.**

(a) Remittances Generally. All payments by any Lender to Agent shall be made by the time and on the day set forth in this Agreement, in immediately available funds. If no time for payment is specified or if payment is due on demand by Agent and request for payment is made by Agent by 1:00 p.m. on a Business Day, payment shall be made by Lender not later than 3:00 p.m. on such day, and if request is made after 1:00 p.m., then payment shall be made by 11:00 a.m. on the next Business Day. Payment by Agent to any Lender (or Bank Product Provider) shall be made by wire transfer, in the type of funds received by Agent. Any such payment shall be subject to Agent's right of offset for any amounts due from such payee under the Loan Documents.

(b) Failure to Pay. If any Lender (or Bank Product Provider) fails to pay any amount when due by it to Agent pursuant to the terms hereof, such amount shall bear interest, from the due date until paid in full, at the greater of the Federal Funds Rate or the rate determined by Agent as customary for interbank compensation for two Business Days and thereafter at the Default Rate for Base Rate Loans. In no event shall Borrowers be entitled to credit for any interest paid by a Lender (or Bank Product Provider) to Agent, nor shall a Defaulting Lender be entitled to interest on amounts held by Agent pursuant to Section 2.3(i).

(c) Recovery of Payments. If Agent pays an amount to a Lender (or Bank Product Provider) in the expectation that a related payment will be received by Agent from a Loan Party and such related payment is not received, then Agent may recover such amount from the Lender (or Bank Product Provider). If Agent determines that an amount received by it must be returned or paid to a Loan Party or other Person pursuant to applicable law or otherwise, then Agent shall not be required to distribute such amount to any Lender (or Bank Product Provider). If any amounts received and applied by Agent to Obligations held by a Lender (or Bank Product Provider) are later required to be returned by Agent pursuant to applicable law, such Lender (or Bank Product Provider) shall pay to Agent, on demand, its share of the amounts required to be returned.

15.12 **Titles.** Each Lender, other than Bank of America, that is designated in connection with this credit facility as a "Joint Lead Arranger" or "Joint Bookrunner" of any kind shall have no right or duty under any Loan Documents other than those applicable to all Lenders, and shall in no event have any fiduciary duty to any Lender (or any Bank Product Provider).

15.13 **Bank of Product Providers**. Each U.S. Bank Product Provider and Australian Bank Product Provider, by delivery of a notice to Agent of a Bank Product, agrees to be bound by the Loan Documents, including Sections 2.4(b)(iv) or 2.4(b)(v), as applicable, Section 18.9(c) and Section 15. Each Bank Product Provider shall indemnify and hold harmless Agent-Related Persons, to the extent not reimbursed by Loan Parties, against all Claims that may be incurred by or asserted against any Agent-Related Person in connection with such provider's Bank Product Obligations.

15.14 **Australian Security Trustee.**

(a) In this Agreement, any rights and remedies exercisable by, any documents to be delivered to, or any other indemnities or obligations in favor of Agent shall be, as the case may be, exercisable by, delivered to, or be indemnities or other obligations in favor of Agent (or any other Person acting in such capacity) in its capacity as Australian Security Trustee to the extent that the rights, remedies, deliveries, indemnities or other obligations relate to the Australian Security Documents or the security thereby created. Any obligations of Agent (or any other Person acting in such capacity) in this Agreement shall be obligations of Agent in its capacity as Australian Security Trustee to the extent that the obligations relate to any Australian Security Document or the security thereby created. Additionally, in its capacity as Australian Security Trustee, Agent (or any other Person acting in such capacity) shall have:

(i) all the rights, remedies and benefits in favor of Agent contained in the provisions of the whole of this Section 15.14;

(ii) all the powers of an absolute owner of the security constituted by the Australian Security Documents; and

(iii) all the rights, remedies and powers granted to it and be subject to all the obligations and duties owed by it under the Australian Security Documents.

(b) Each Australian Bank Product Provider, Australian Issuing Bank, Australian Revolving Lender, Australian Swing Lender, Australian Hedge Provider and the Agent (the "Australian Secured Creditors") appoint Australian Security Trustee under and pursuant to the terms of the Australian Security Trust Deed to act as its trustee under and in relation to the Australian Security Documents and any other Loan Document which the Australian Security Trustee may enter into from time to time and each Australian Secured Creditor (and each Australian Bank Product Provider shall be deemed to) authorize Australian Security Trustee under the terms of the Australian Security Trust Deed to exercise such rights, remedies, powers and discretions as are specifically delegated to Australian Security Trustee by the terms of the Australian Security Trust Deed and the Loan Documents together with all such rights, remedies, powers and discretions as are reasonably incidental thereto and Australian Security Trustee accepts that appointment.

(c) Each Australian Secured Creditor hereby (and each Australian Bank Product Provider by entering into a Bank Product Provider Agreement is deemed to):

(i) acknowledges that they are aware of, and consent to, the terms of the Australian Security Trust Deed; and

(ii) agrees to comply with and be bound by the Australian Security Trust Deed as a Beneficiary (as that term is defined in the Australian Security Trust Deed);

(iii) acknowledges that it has received a copy of the Australian Security Trust Deed together with the other information which it has required in connection with the Australian Security Trust Deed, the Australian Security Documents and the other Loan Documents to which the Australian Security Trustee is a party;

(iv) without limiting the general application of paragraph (i) above, acknowledges and agrees as specified in Section 7.12 of the Australian Security Trust Deed and provides the indemnities as specified in Section 10.3 of the Australian Security Trust Deed; and

(v) without limiting the general application of paragraph (i) above, for consideration received, irrevocably appoints as its attorney each person who under the terms of the Australian

Security Trust Deed is appointed an attorney of a Beneficiary (as defined in the Australian Security Trust Deed) on the same terms and for the same purposes as contained in the Australian Security Trust Deed.

This clause is executed as a deed poll in favor of Australian Security Trustee and each Beneficiary (as defined in the Australian Security Trust Deed) from time to time.

(d) The Australian Secured Creditors (and each Australian Bank Product Provider by entering into a Bank Product Provider Agreement is deemed to) agree that at any time that the Australian Security Trustee shall be a Person other than Agent, such other Person shall have the rights, remedies, benefits and powers granted to the Agent in its capacity as Australian Security Trustee in this Agreement.

15.15 **No Third Party Beneficiaries**. This Section 15 is an agreement solely among Lender (and Bank Product Providers), Agent and Australian Security Trustee, and shall survive payment in full of the Obligations. This Section 15 does not confer any rights or benefits upon Borrowers or any other Person. As between Borrowers, Agent and Australian Security Trustee, any action that Agent or Australian Security Trustee may take under any Loan Documents or with respect to any Obligations shall be conclusively presumed to have been authorized and directed by Lenders (and Bank Product Providers).

16 **COLLECTION ALLOCATION MECHANISM.**

(a) On the CAM Exchange Date, (i) the Revolver Commitments shall automatically and without further act be terminated as provided in Section 8, (ii) each Lender shall become obligated to fund, within one Business Day, all participations in outstanding Swing Loans held by it (it being agreed that the CAM Exchange shall not result in a reallocation of such funding obligations, but only of the funded participations resulting therefrom) and (iii) the Lenders shall automatically and without further act be deemed to have made reciprocal purchases of interests in the Designated Obligations such that, in lieu of the interests of each Lender in the particular Designated Obligations that it shall own as of such date and immediately prior to the CAM Exchange, such Lender shall own an interest equal to such Lender's CAM Percentage in such Designated Obligations. Each Lender, each person acquiring a participation from any Lender as contemplated by Section 13.1 and each Borrower hereby consents and agrees to the CAM Exchange. Each Borrower and each Lender agrees from time to time to execute and deliver to the Agent all such promissory notes and other instruments and documents as the Agent shall reasonably request to evidence and confirm the respective interests and obligations of the Lenders after giving effect to the CAM Exchange, and each Lender agrees to surrender any promissory notes originally received by it hereunder to the Agent against delivery of any promissory notes so executed and delivered; provided that the failure of any Borrower to execute or deliver or of any Lender to accept any such promissory note, instrument or document shall not affect the validity or effectiveness of the CAM Exchange.

(b) As a result of the CAM Exchange, on and after the CAM Exchange Date, each payment received by the Agent pursuant to any Loan Document in respect of the Designated Obligations shall be distributed to the Lenders pro rata in accordance with their respective CAM Percentages (to be redetermined as of each such date of payment or distribution to the extent required by clause (c) below), but giving effect to assignments after the CAM Exchange Date, it being understood that nothing herein shall be construed to prohibit the assignment of a proportionate part of all an assigning Lender's rights and obligations in respect of a single class of Revolver Commitments or Loans.

(c) In the event that, after the CAM Exchange, the aggregate amount of the Designated Obligations shall change as a result of the making of a Letter of Credit Disbursement by an Issuing Bank that is not reimbursed by the applicable Borrower, then (a) each U.S. Revolving Lender or Australian Revolving Lender, as applicable, shall, in accordance with Section 2.11(e) or Section 2.12(e), as applicable, promptly purchase from the applicable Issuing Bank a participation in such Letter of Credit Disbursement in the amount equal to its Pro Rata Share of such Letter of Credit Disbursement (without giving effect to the CAM Exchange), (b) the Agent shall redetermine the CAM Percentages after giving effect to such Letter of Credit Disbursement and the purchase of participations therein by the applicable Lenders, and the Lenders

shall automatically and without further act be deemed to have made reciprocal purchases of interests in the Designated Obligations such that each Lender shall own an interest equal to such Lender's CAM Percentage in each of the Designated Obligations and (c) in the event distributions shall have been made in accordance with the preceding paragraph, the Lenders shall make such payments to one another as shall be necessary in order that the amounts received by them shall be equal to the amounts they would have received had each Letter of Credit Disbursement been outstanding immediately prior to the CAM Exchange. Each such redetermination shall be binding on each of the Lenders and their successors and assigns and shall be conclusive absent manifest error.

17 **WITHHOLDING TAXES.**

17.1 **Payments.** All payments made by any Loan Party hereunder or under any note or other Loan Document will be made without setoff, counterclaim, or other defense. In addition, all such payments will be made free and clear of, and without deduction or withholding for, any present or future Taxes, except as required by applicable law. If any applicable law requires any deduction or withholding of an Indemnified Tax, then the applicable Loan Party agrees (subject to Section 2.15 of this Agreement, including Section 2.15(o)) to pay the full amount of such Indemnified Taxes and such additional amounts as may be necessary so that every payment of all amounts due under this Agreement, any note, or Loan Document, including any amount paid pursuant to this Section 17.1 after withholding or deduction for or on account of any Indemnified Taxes, will not be less than the amount provided for herein. The applicable Loan Party will furnish to Agent as promptly as possible after the date the payment of any Indemnified Tax is due pursuant to applicable law, certified copies of tax receipts evidencing such payment by the applicable Loan Party. The applicable Loan Party agrees to timely pay any present or future stamp, value added or documentary taxes or any other excise or property taxes, charges, or similar levies that arise from any payment made hereunder or from the execution, delivery, performance, recordation, or filing of, or otherwise with respect to this Agreement or any other Loan Document in accordance with applicable law.

17.2 **Exemptions.**

(a) If a Lender or Participant is entitled to claim an exemption or reduction from United States withholding tax, such Lender or Participant agrees with and in favor of Agent and Parent, to deliver to Agent and Parent (or, in the case of a Participant, to the Lender granting the participation only) the following at the time or times prescribed by applicable law and at the time or times reasonably requested by Agent or Parent:

(i) if such Lender or Participant is entitled to claim an exemption from United States withholding tax pursuant to the portfolio interest exception, (A) a statement of the Lender or Participant, signed under penalty of perjury, that it is not (1) a "bank" as described in Section 881(c)(3)(A) of the IRC, (2) a 10 percent shareholder of Parent (within the meaning of Section 881(c)(3)(B) of the IRC), or (3) a controlled foreign corporation related to Borrowers within the meaning of Section 881(c)(3)(C) of the IRC, and (B) a properly completed and executed IRS Form W-8BEN or W-8BEN-E, as applicable, or Form W-8IMY (with proper attachments);

(ii) if such Lender or Participant is entitled to claim an exemption from, or a reduction of, withholding tax under a United States tax treaty, a properly completed and executed copy of IRS Form W-8BEN or W-8BEN-E, as applicable;

(iii) if such Lender or Participant is entitled to claim that interest paid under this Agreement is exempt from United States withholding Tax because it is effectively connected with a United States trade or business of such Lender, a properly completed and executed copy of IRS Form W-8ECI;

(iv) if such Lender or Participant is entitled to claim that interest paid under this Agreement is exempt from United States withholding Tax because such Lender or Participant serves as an intermediary, a properly completed and executed copy of IRS Form W-8IMY (with proper attachments); or

(v) a properly completed and executed copy of any other form or forms, including IRS Form W-9, as may be required under the IRC or other laws of the United States as a condition to exemption from, or reduction of, United States withholding or backup withholding Tax.

(b) Each Lender or Participant shall provide new forms (or successor forms) upon the expiration or obsolescence of any previously delivered forms and to notify promptly Agent and Parent (or, in the case of a Participant, to the Lender granting the participation only) of any change in circumstances which would modify or render invalid any claimed exemption or reduction.

(c) If a Lender or Participant claims an exemption from withholding Tax imposed by a jurisdiction other than the United States, such Lender or such Participant agrees with and in favor of Agent and Parent, to deliver to Agent and Parent (or, in the case of a Participant, to the Lender granting the participation only) any form or forms that may be required under the laws of such jurisdiction as a condition to exemption from, or reduction of, foreign withholding or backup withholding Tax at the time or times prescribed by applicable law and at the time or times reasonably requested by Agent or Parent. Notwithstanding anything to the contrary in the preceding sentence, the completion, execution and submission of the documentation described in the preceding sentence shall not be required if in the Lender's or the Participant's reasonable judgment such completion, execution or submission would subject such Lender or Participant to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender or Participant. Each Lender and each Participant shall provide new forms (or successor forms) upon the expiration or obsolescence of any previously delivered forms and to promptly notify Agent and Parent (or, in the case of a Participant, to the Lender granting the participation only) of any change in circumstances which would modify or render invalid any claimed exemption or reduction.

(d) If a payment made to a Lender or Participant under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender or Participant were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the IRC, as applicable), such Lender shall deliver to Parent and the Agent, or, in the case of a Participant, to the Lender granting the participation, at the time or times prescribed by law and at such time or times reasonably requested by Parent or the Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the IRC) and such additional documentation reasonably requested by Parent or the Agent as may be necessary for Parent and the Agent to comply with their obligations under FATCA and to determine that such Lender or Participant has complied with its obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (d), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

17.3 **Reductions.**

(a) If a Lender or a Participant is subject to an applicable withholding tax, Borrowers or Agent (or, in the case of a Participant, the Lender granting the participation) may withhold from any payment to such Lender or such Participant an amount equivalent to the applicable withholding tax. If the forms or other documentation required by Section 17.2(a) or 17.2(c) are not delivered to Agent and Parent (or, in the case of a Participant, to the Lender granting the participation), then Agent or Borrowers (or, in the case of a Participant, to the Lender granting the participation) may withhold from any payment to such Lender or such Participant not providing such forms or other documentation an amount equivalent to the applicable withholding tax.

(b) Each Loan Party shall (subject to Section 2.15 of this Agreement, including Section 2.15(o)) indemnify Lender or Agent, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 17) payable or paid by such Lender or Agent or required to be withheld or deducted from a payment to such Lender or Agent and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant

Governmental Authority. A certificate as to the amount of such payment or liability delivered to the applicable Loan Party by such Lender (with a copy to Agent), or by the Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(c) Each Lender shall severally indemnify Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 13.1(i) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by Agent shall be conclusive absent manifest error. Each Lender hereby authorizes Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by Agent to the Lender from any other source against any amount due to the Agent under this paragraph (c).

17.4 **Refunds.** If Agent or a Lender determines, in its sole discretion, that it has received a refund of any Indemnified Taxes for which it has received additional amounts pursuant to this Section 17, so long as no Default or Event of Default has occurred and is continuing, it shall pay over such refund to the applicable Loan Party (but only to the extent of payments made, or additional amounts paid, by the applicable Loan Party under this Section 17 with respect to Indemnified Taxes giving rise to such a refund), net of all out-of-pocket expenses of Agent or such Lender and without interest (other than any interest paid by the applicable Governmental Authority with respect to such a refund); provided, that the applicable Loan Party, upon the request of Agent or such Lender, agrees to repay the amount paid over to the applicable Loan Party (*plus* any penalties, interest or other charges imposed by the applicable Governmental Authority, other than such penalties, interest or other charges imposed as a result of the bad faith, willful misconduct or gross negligence of Agent hereunder) to Agent or such Lender in the event Agent or such Lender is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 17.4, in no event will the Agent or Lender be required to pay any amount to a Loan Party pursuant to this Section 17.4 the payment of which would place Agent or Lender in a less favorable net after-Tax position than the Lender or Agent would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. Notwithstanding anything in this Agreement to the contrary, this Section 17.4 shall not be construed to require Agent or any Lender to make available its tax returns (or any other information which it deems confidential) to the applicable Loan Party or any other Person.

18 GENERAL PROVISIONS.

18.1 **Effectiveness.** This Agreement shall be binding and deemed effective when executed by each Borrower, Agent, the Australian Security Trustee and each Lender whose signature is provided for on the signature pages hereof.

18.2 **Section Headings.** Headings and numbers have been set forth herein for convenience only. Unless the contrary is compelled by the context, everything contained in each Section applies equally to this entire Agreement.

18.3 **Interpretation.** Neither this Agreement nor any uncertainty or ambiguity herein shall be construed against the Lender Group or any Borrower, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to accomplish fairly the purposes and intentions of all parties hereto.

18.4 **Severability of Provisions.** Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

18.5 **Bank Product Providers.** Each Bank Product Provider in its capacity as such shall be deemed a third party beneficiary hereof and of the provisions of the other Loan Documents for purposes of any reference in a Loan Document to the parties for whom Agent is acting. Agent hereby agrees to act as agent for such Bank Product Providers and, by virtue of entering into a Bank Product Agreement, the applicable Bank Product Provider shall be automatically deemed to have appointed Agent as its agent and to have accepted the benefits of the Loan Documents. It is understood and agreed that the rights and benefits of each Bank Product Provider under the Loan Documents consist exclusively of such Bank Product Provider's being a beneficiary of the Liens and security interests (and, if applicable, guarantees) granted to Agent and the Australian Security Trustee and the right to share in payments and collections out of the Collateral as more fully set forth herein. In addition, each Bank Product Provider, by virtue of entering into a Bank Product Agreement, shall be automatically deemed to have agreed that Agent shall have the right, but shall have no obligation, to establish, maintain, relax, or release reserves in respect of the Bank Product Obligations and that if reserves are established there is no obligation on the part of Agent to determine or insure whether the amount of any such reserve is appropriate or not. In connection with any such distribution of payments or proceeds of Collateral, Agent shall be entitled to assume no amounts are due or owing to any Bank Product Provider unless such Bank Product Provider has provided a written certification (setting forth a reasonably detailed calculation) to Agent as to the amounts that are due and owing to it and such written certification is received by Agent a reasonable period of time prior to the making of such distribution. Agent shall have no obligation to calculate the amount due and payable with respect to any Bank Products, but may rely upon the written certification of the amount due and payable from the applicable Bank Product Provider. In the absence of an updated certification, Agent shall be entitled to assume that the amount due and payable to the applicable Bank Product Provider is the amount last certified to Agent by such Bank Product Provider as being due and payable (less any distributions made to such Bank Product Provider on account thereof). Borrowers may obtain Bank Products from any Bank Product Provider, although Borrowers are not required to do so. Each Borrower acknowledges and agrees that no Bank Product Provider has committed to provide any Bank Products and that the providing of Bank Products by any Bank Product Provider is in the sole and absolute discretion of such Bank Product Provider. Notwithstanding anything to the contrary in this Agreement or any other Loan Document, no provider or holder of any Bank Product shall have any voting or approval rights hereunder (or be deemed a Lender) solely by virtue of its status as the provider or holder of such agreements or products or the Obligations owing thereunder, nor shall the consent of any such provider or holder be required (other than in their capacities as Lenders, to the extent applicable) for any matter hereunder or under any of the other Loan Documents, including as to any matter relating to the Collateral or the release of Collateral or Guarantors.

18.6 **Debtor-Creditor Relationship.** The relationship between the Lenders and Agent, on the one hand, and the Loan Parties, on the other hand, is solely that of creditor and debtor. No member of the Lender Group has (or shall be deemed to have) any fiduciary relationship or duty to any Loan Party arising out of or in connection with the Loan Documents or the transactions contemplated thereby, and there is no agency or joint venture relationship between the members of the Lender Group, on the one hand, and the Loan Parties, on the other hand, by virtue of any Loan Document or any transaction contemplated therein.

18.7 **Counterparts; Electronic Execution.** This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission also shall deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement. The foregoing shall apply to each other Loan Document mutatis mutandis.

18.8 **Revival and Reinstatement of Obligations; Certain Waivers.** If any member of the Lender Group or any Bank Product Provider repays, refunds, restores, or returns in whole or in part, any payment or property (including any proceeds of Collateral) previously paid or transferred to such member of the Lender Group or such Bank Product Provider in full or partial satisfaction of any Obligation or on account of any other obligation of any Loan Party under any Loan Document or any Bank Product Agreement, because the payment, transfer, or the incurrence of the obligation so satisfied is asserted or declared to be void, voidable, or otherwise recoverable under any applicable law relating to creditors' rights, including provisions of the Bankruptcy Code relating to fraudulent transfers, preferences, or other voidable or recoverable obligations or transfers (each, a "Voidable Transfer"), or because such member of the Lender Group or Bank Product Provider elects to do so on the reasonable advice of its counsel in connection with a claim that the payment, transfer, or incurrence is or may be a Voidable Transfer, then, as to any such Voidable Transfer, or the amount thereof that such member of the Lender Group or Bank Product Provider elects to repay, restore, or return (including pursuant to a settlement of any claim in respect thereof), and as to all reasonable costs, expenses, and attorneys' fees of such member of the Lender Group or Bank Product Provider related thereto, (i) the liability of the Loan Parties with respect to the amount or property paid, refunded, restored, or returned will automatically and immediately be revived, reinstated, and restored and will exist and (ii) Agent's and Australian Security Trustee's Liens securing such liability shall be effective, revived, and remain in full force and effect, in each case, as fully as if such Voidable Transfer had never been made. If, prior to any of the foregoing, (A) Agent's and Australian Security Trustee's Liens shall have been released or terminated or (B) any provision of this Agreement shall have been terminated or cancelled, Agent's and Australian Security Trustee's Liens, or such provision of this Agreement, shall be reinstated in full force and effect and such prior release, termination, cancellation or surrender shall not diminish, release, discharge, impair or otherwise affect the obligation of any Loan Party in respect of such liability or any Collateral securing such liability.

18.9 **Confidentiality.**

(a) Agent and Lenders each individually (and not jointly or jointly and severally) agree that material, non-public information regarding Parent and its Subsidiaries, their operations, assets, and existing and contemplated business plans ("Confidential Information") shall be treated by Agent and the Lenders in a confidential manner, and shall not be disclosed by Agent and the Lenders to Persons who are not parties to this Agreement, except: (i) to attorneys for and other advisors, accountants, auditors, and consultants to any member of the Lender Group and to employees, directors and officers of any member of the Lender Group (the Persons in this clause (i), "Lender Group Representatives") on a "need to know" basis in connection with this Agreement and the transactions contemplated hereby and on a confidential basis, (ii) to Subsidiaries and Affiliates of any member of the Lender Group (including the Bank Product Providers), provided that any such Subsidiary or Affiliate shall have agreed to receive such information hereunder subject to the terms of this Section 18.9, (iii) as may be required by regulatory authorities so long as such authorities are informed of the confidential nature of such information, (iv) as may be required by statute, decision, or judicial or administrative order, rule, or regulation; provided that (x) prior to any disclosure under this clause (iv), the disclosing party agrees to provide Borrowers with prior notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior notice to Borrowers pursuant to the terms of the applicable statute, decision, or judicial or administrative order, rule, or regulation and (y) any disclosure under this clause (iv) shall be limited to the portion of the Confidential Information as may be required by such statute, decision, or judicial or administrative order, rule, or regulation, (v) as may be agreed to in advance in writing by Borrowers, (vi) as requested or required by any Governmental Authority pursuant to any subpoena or other legal process, provided, that, (x) prior to any disclosure under this clause (vi) the disclosing party agrees to provide Borrowers with prior written notice thereof, to the extent that it is practicable to do so and to the extent that the disclosing party is permitted to provide such prior written notice to Borrowers pursuant to the terms of the subpoena or other legal process and (y) any disclosure under this clause (vi) shall be limited to the portion of the Confidential Information as may be required by such Governmental Authority pursuant to such subpoena or other legal process, (vii) as to any such information that is or becomes generally available to the public (other than as a result of prohibited disclosure by Agent or the Lenders or the Lender Group Representatives), (viii) in connection with any assignment, participation or pledge of any Lender's interest under this Agreement, provided that prior to receipt of

Confidential Information any such assignee, participant, or pledgee shall have agreed in writing to receive such Confidential Information either subject to the terms of this Section 18.9 or pursuant to confidentiality requirements substantially similar to those contained in this Section 18.9 (and such Person may disclose such Confidential Information to Persons employed or engaged by them as described in clause (i) above), (ix) in connection with any litigation or other adversary proceeding involving parties hereto which such litigation or adversary proceeding involves claims related to the rights or duties of such parties under this Agreement or the other Loan Documents; provided, that, prior to any disclosure to any Person (other than any Loan Party, Agent, any Lender, any of their respective Affiliates, or their respective counsel) under this clause (ix) with respect to litigation involving any Person (other than any Borrower, Agent, any Lender, any of their respective Affiliates, or their respective counsel), the disclosing party agrees to provide Borrowers with prior written notice thereof, and (x) in connection with, and to the extent reasonably necessary for, the exercise of any secured creditor remedy under this Agreement or under any other Loan Document.

(b) Anything in this Agreement to the contrary notwithstanding, Agent may disclose customary information concerning the terms and conditions of this Agreement and the other Loan Documents to loan syndication and pricing reporting services or in its marketing or promotional materials, with such information to consist of deal terms and other information customarily found in such publications or marketing or promotional materials and may otherwise use the name, logos, and other insignia of any Borrower or the other Loan Parties and the Revolver Commitments provided hereunder in any "tombstone" or other advertisements, on its website or in other marketing materials of the Agent.

(c) The Loan Parties hereby acknowledge that Agent or its Affiliates may make available to the Lenders materials or information provided by or on behalf of Borrowers hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on IntraLinks, SyndTrak or another similar electronic system (the "Platform") and certain of the Lenders may be " public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Loan Parties or their securities) (each, a "Public Lender"). The Loan Parties shall be deemed to have authorized Agent and its Affiliates and the Lenders to treat Borrower Materials marked "PUBLIC" or otherwise at any time filed with the SEC as not containing any material non-public information with respect to the Loan Parties or their securities for purposes of United States federal and state securities laws. All Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Investor" (or another similar term). Agent and its Affiliates and the Lenders shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" or that are not at any time filed with the SEC as being suitable only for posting on a portion of the Platform not marked as "Public Investor" (or such other similar term).

18.10 **Survival.** All representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that Agent, Issuing Bank, or any Lender may have had notice or knowledge of any Default or Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of, or any accrued interest on, any Loan or any fee or any other amount payable under this Agreement is outstanding or unpaid or any Letter of Credit is outstanding and so long as the Revolver Commitments have not expired or been terminated.

18.11 **Patriot Act.** Each Lender that is subject to the requirements of the Patriot Act hereby notifies Borrowers that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies each Borrower, which information includes the name and address of each Borrower and other information that will allow such Lender to identify each Borrower in accordance with the Patriot Act. In addition, if Agent is required by law or regulation or internal policies to do so, it shall have the right to periodically conduct (a) Patriot Act searches, OFAC/PEP searches, and customary individual background checks for the Loan Parties and (b) OFAC/PEP searches and customary individual background checks for the Loan Parties' senior management and key principals, and each Borrower agrees to cooperate in respect

of the conduct of such searches and further agrees that the reasonable costs and charges for such searches shall constitute Lender Group Expenses hereunder and be for the account of Borrowers.

18.12 **Integration.** This Agreement, together with the other Loan Documents, reflects the entire understanding of the parties with respect to the transactions contemplated hereby and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof. The foregoing to the contrary notwithstanding, all Bank Product Agreements, if any, are independent agreements governed by the written provisions of such Bank Product Agreements, which will remain in full force and effect, unaffected by any repayment, prepayments, acceleration, reduction, increase, or change in the terms of any credit extended hereunder, except as otherwise expressly provided in such Bank Product Agreement.

18.13 **Parent as Agent for Borrowers.** Each Borrower hereby irrevocably appoints Parent as the borrowing agent and attorney-in-fact for all Borrowers (the "Administrative Borrower") which appointment shall remain in full force and effect unless and until Agent shall have received prior written notice signed by each Borrower that such appointment has been revoked and that another Borrower has been appointed Administrative Borrower. Each Borrower hereby irrevocably appoints and authorizes the Administrative Borrower (%3) to provide Agent with all notices with respect to Revolving Loans and Letters of Credit obtained for the benefit of any Borrower and all other notices and instructions under this Agreement and the other Loan Documents (and any notice or instruction provided by Administrative Borrower shall be deemed to be given by Borrowers hereunder and shall bind each Borrower), (%3) to receive notices and instructions from members of the Lender Group (and any notice or instruction provided by any member of the Lender Group to the Administrative Borrower in accordance with the terms hereof shall be deemed to have been given to each Borrower), (%3) to take such action as the Administrative Borrower deems appropriate on its behalf to obtain Revolving Loans and Letters of Credit and to exercise such other powers as are reasonably incidental thereto to carry out the purposes of this Agreement and (d) execute and deliver any amendments, consents, waivers or other instruments related to this Agreement and the other Loan Documents on behalf of such Borrower and any such amendment, consent, waiver or other instrument shall be binding upon and enforceable against such other Borrower to the same extent as if made directly by such Borrower (but Agent shall be entitled to require execution thereof by all Borrowers). It is understood that the handling of the U.S. Loan Accounts and the Australian Loan Accounts and Collateral in a combined fashion, as more fully set forth herein (and subject to the terms herein), is done solely as an accommodation to the applicable Borrowers in order to utilize the collective borrowing powers of the applicable Borrowers in the most efficient and economical manner and at their request, and that Lender Group shall not incur liability to any Borrower as a result hereof. Each Borrower expects to derive benefit, directly or indirectly, from the handling of the U.S. Loan Accounts and the Australian Loan Accounts and the Collateral in a combined fashion, as more fully set forth herein (and subject to the terms herein), since the successful operation of each Borrower is dependent on the continued successful performance of the integrated group. To induce the Lender Group to do so, and in consideration thereof, (x) each U.S. Borrower hereby jointly and severally agrees to indemnify each member of the Lender Group and holds each member of the Lender Group harmless against any and all liability, expense, loss or claim of damage or injury, made against the Lender Group by any U.S. Borrower or by any third party whosoever, arising from or incurred by reason of (i) the handling of the U.S. Loan Account and Collateral securing the U.S. Obligations as herein provided, or (ii) the Lender Group's relying on any instructions of the Administrative Borrower, except that U.S. Borrowers will have no liability to the relevant Agent-Related Person or Lender-Related Person under this Section 18.13 with respect to any liability that has been finally determined by a court of competent jurisdiction to have resulted solely from the bad faith, gross negligence or willful misconduct of such Agent-Related Person or Lender-Related Person, as the case may be, and (y) Australian Borrowers hereby agree to indemnify each member of the Lender Group and holds each member of the Lender Group harmless against any and all liability, expense, loss or claim of damage or injury, made against the Lender Group by Australian Borrowers or by any third party whosoever, arising from or incurred by reason of (i) the handling of the Australian Loan Account and Collateral securing the Australian Obligations as herein provided, or (ii) the Lender Group's relying on any instructions of the Administrative Borrower, except that Australian Borrowers will have no liability to the relevant Agent-Related Person or Lender-Related Person under this Section with respect to any liability that has been finally

determined by a court of competent jurisdiction to have resulted solely from the bad faith, gross negligence or willful misconduct of such Agent-Related Person or Lender-Related Person, as the case may be.

18.14 **Public Offer Representations.**

(a) Merrill Lynch, Pierce, Fenner & Smith Incorporated in its capacity as Joint Lead Arranger (" Lead Left Arranger ") makes the following representations, warranties and agreements:

(i) on behalf of the Borrowers, such Lead Left Arranger has made invitations to become a Lender under this Agreement to at least ten parties (each of whom has been disclosed to the Parent);

(ii) at least ten of the parties to whom such Lead Left Arranger has made invitations pursuant to clause (i) above are not, as at the date the invitations were made, to the knowledge of the relevant officers of such Lead Left Arranger and in reliance on the representations made by the Borrowers to it, Associates of any of the others of those ten invitees;

(iii) such Lead Left Arranger has not made and will not make offers of invitations referred to in clause (i) above to parties whom any Borrower have notified it, are Offshore Associates of a Borrower; and

(iv) such Lead Left Arranger will provide to the Borrowers, when reasonably requested, any factual information in its possession or which it is reasonably able to provide to assist the Borrowers to demonstrate (based upon tax advice received by the Borrowers) that s128F of the Australian Tax Act has been satisfied, solely to the extent where doing so will not, in such Lead Left Arranger's reasonable opinion, breach any law or regulation or any duty of confidence applicable to it.

(b) Each of the Lenders as of the Closing Date make the following representations, warranties and agreements:

(i) at the time such Lender received the invitation (if any) as contemplated by clause (a)(i) above, it was carrying on the business of providing finance, or investing or dealing in securities, in the course of operating in financial markets; and

(ii) such Lender will provide to the Borrowers, when reasonably requested, any factual information in its possession or which it is reasonably able to provide to assist the Borrowers to demonstrate (based upon tax advice received by the Borrowers) that s128F of the Australian Tax Act has been satisfied, solely to the extent where doing so will not, in such Lender's reasonable opinion, breach any law or regulation or any duty of confidence applicable to it; and

(iii) such Lender will not assign or transfer rights hereunder that relate to an Australian Borrower to a person whom the officers of the relevant existing Lender involved on a day to day basis in the administration of the Lender's participation hereunder know to be an Offshore Associate of the relevant Australian Borrower.

(c) The Borrowers confirm that none of the potential invitees whose names were disclosed to it by the Lead Left Arranger before the date of this Agreement were known or suspected by it to be an Offshore Associate of any Borrower and that at least ten of these potential invitees disclosed to it by the Lead Left Arranger before the date of this Agreement were not known or suspected by it to be an Associate of any of the others of those ten invitees.

(d) If for any reason, the requirements of section 128F of the Australian Tax Act have not been satisfied in relation to interest payable on Loans (except to an Offshore Associate of any Borrower),

then on request by an Agent, a Joint Lead Arranger or any Borrower, such Borrower and the Agent shall co-operate and take steps reasonably requested with a view to satisfying those requirements:

(i) where the Lead Left Arranger breached Section 18.14(a) or where a Lender breached Section 18.14(b), at the costs of the Lead Left Arranger or Lender (as relevant); or

(ii) in all other cases, at the cost of such Borrower.

19 **INTERCREDITOR AGREEMENT**

The terms of this Agreement and the other Loan Documents (other than the Intercreditor Agreement), any Lien granted to the Agent pursuant to any Loan Document and the exercise of any right or remedy by the Agent hereunder are subject to the provisions of the Intercreditor Agreement. In the event of any inconsistency between the provisions of this Agreement and the Loan Documents (other than the Intercreditor Agreement), on the one hand, and the Intercreditor Agreement, on the other, the provisions of the Intercreditor Agreement shall supersede the provisions of this Agreement and the Loan Documents (other than the Intercreditor Agreement). Without limiting the generality of the foregoing, and notwithstanding anything herein to the contrary, all rights and remedies of the Agent (and the Lender Group) shall be subject to the terms of the Intercreditor Agreement, and until the Discharge of Fixed Asset Obligations (as defined in the Intercreditor Agreement), (i) except for express requirements of this Agreement, no Loan Party shall be required hereunder or under any other Loan Document to take any action in respect of the Fixed Asset Priority Collateral that is inconsistent with such Loan Party's obligations under the Senior Secured Notes Documents except if otherwise provided in the Intercreditor Agreement and (ii) any obligation of any Loan Party hereunder or under any other Loan Document with respect to the delivery or control of any Fixed Asset Priority Collateral, the novation of any lien on any certificate of title, bill of lading or other document, the giving of any notice to any bailee or other Person, the provision of voting rights or the obtaining of any consent of any Person, in each case in respect of any Fixed Asset Priority Collateral shall be deemed to be satisfied if such Loan Party complies with the requirements of the similar provision of the applicable Senior Secured Notes Document.

[Signature pages to follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered as of the date first above written.

U.S. BORROWERS

CLIFFS NATURAL RESOURCES INC.

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Executive Vice President and Chief Financial Officer

CLIFFS NORTH AMERICAN COAL LLC
LAKE SUPERIOR & ISHPEMING RAILROAD COMPANY
NORTHSHORE MINING COMPANY
OAK GROVE RESOURCES LLC
PINNACLE MINING COMPANY, LLC
UNITED TACONITE LLC

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Vice President and Treasurer

THE CLEVELAND-CLIFFS IRON COMPANY

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Treasurer

CLIFFS MINING COMPANY

By: /s/ Terrance M. Paradie
Name: Terrance M. Paradie
Title: Executive Vice President, Chief Financial Officer and Treasurer

Executed by CLIFFS ASIA PACIFIC IRON ORE PTY LTD ACN 001 892 995 in accordance with section 127 of the *Corporations Act 2001:*

/s/ Stuart Taylor	/s/ Jason Grace
Director/Company Secretary	Director
Stuart Taylor	Jason Grace
Name of director/company secretary (BLOCK LETTERS)	Name of director (BLOCK LETTERS)

Executed by CLIFFS NATURAL RESOURCES PTY LTD ACN 112 437 180 in accordance with section 127 of the *Corporations Act 2001:*

/s/ Stuart Taylor	/s/ Jason Grace
Director/Company Secretary	Director
Stuart Taylor	Jason Grace
Name of director/company secretary (BLOCK LETTERS)	Name of director (BLOCK LETTERS)

BANK OF AMERICA, N.A., as Agent, as Australian Security Trustee, as Joint Lead Arranger, as Joint Book Runner, and as a Lender

By: /s/ Peter M. Walther

Name: Peter M. Walther

Title: Senior Vice President

[*Signature Page to Syndicated Facility Agreement*]

PNC Bank, National Association, as a Lender

By: /s/ Brian Rujawitz
Name: Brian Rujawitz
Title: SVP

If second signatures is needed:

By: _____
Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH, as a Lender

By: /s/ Marcus M. Tarkington
Name: Marcus M. Tarkington
Title: Director

If second signatures is needed:

By: /s/ Michael Winters
Name: Michael Winters
Title: Vice President

Citizens Bank of Pennsylvania, as a Lender

By: /s/ Debra L. McAllonis
Name: Debra L. McAllonis
Title: Senior Vice President

REGIONS BANK, as a Lender

By: /s/ David L. Coody
Name: David L. Coody
Title: Senior Vice President

If second signatures is needed:

By: /s/ Marianne Cordora
Name: Marianne Cordora
Title: Managing Director

Credit Suisse AG, Cayman Islands Branch, as a Lender

By: /s/ Vipul Dhadda
Name: Vipul Dhadda
Title: Authorized Signatory

If second signatures is needed:

By: /s/ Samuel Miller
Name: Samuel Miller
Title: Authorized Signatory

Siemens Financial Services, Inc. as a Lender

By: /s/ John Finore
Name: John Finore
Title: Vice President

If second signatures is needed:

By: /s/ April Greaves-Bryan
Name: April Greaves-Bryan
Title: Vice President

CRÉDIT AGRICOLE CORPORATE AND
INVESTMENT BANK, as a Lender

By: /s/ Blake Wright
Name: Blake Wright
Title: Managing Director

If second signatures is needed:

By: /s/ James Austin
Name: James Austin
Title: Director

The Huntington National Bank, as a Lender

By: /s/ Paul Weybrecht
Name: Paul Weybrecht
Title: Vice President

Jefferies Finance LLC

By: /s/ Brian Buoye
Name: Brian Buoye
Title: Managing Director

SCHEDULE 1.1

As used in the Agreement, the following terms shall have the following definitions:

"ABL Collateral" means, collectively, ABL Priority Collateral and Australian ABL Collateral.

"ABL Priority Collateral" has the meaning specified therefor in the Intercreditor Agreement.

"Account" means an account (as that term is defined in the Code or the Australian PPSA).

"Account Debtor" means any Person who is obligated on an Account, chattel paper, or a general intangible.

"Accounting Change" means any change in accounting principles required or permitted by the promulgation of any rule, regulation, pronouncement or opinion by the Financial Accounting Standards Board of the American Institute of Certified Public Accountants (or successor thereto or any agency with similar functions).

"Acquired Indebtedness" means Indebtedness of a Person whose assets or Equity Interests are acquired by Parent or any of its Subsidiaries in a Permitted Acquisition; provided, that such Indebtedness (a) is either purchase money Indebtedness or a Capital Lease with respect to Equipment or mortgage financing with respect to Real Property, (b) was in existence prior to the date of such Permitted Acquisition, and (c) was not incurred in connection with, or in contemplation of, such Permitted Acquisition.

"Acquisition" means (a) the purchase or other acquisition by a Person or its Subsidiaries of all or substantially all of the assets of (or any division or business line of) any other Person (other than of a Subsidiary or a Canadian Entity), or (b) the purchase or other acquisition (whether by means of a merger, consolidation, or otherwise) by a Person or its Subsidiaries of all or substantially all of the Equity Interests of any other Person (other than of a Subsidiary or a Canadian Entity).

"Additional Lender" means, at any time, any bank, other financial institution or institutional investor that, in any case, is not an existing Lender, that is an Eligible Transferee and that agrees to provide any portion of any Incremental Commitments in accordance with Section 2.16; provided that each Additional Lender shall be subject to the approval of the Agent and each Issuing Bank (such approval not to be unreasonably withheld, delayed or conditioned), in each case to the extent any such consent would be required from the Agent and such Issuing Bank, as applicable, under Section 13.1 for an assignment of Revolver Commitments to such Additional Lender.

"ADI Account" shall have the meaning provided in Section 10 of the Australian PPSA.

"Administrative Borrower" has the meaning specified therefor in Section 18.13 of the Agreement.

"Administrative Questionnaire" has the meaning specified therefor in Section 13.1(a) of this Agreement.

"Affected Lender" has the meaning specified therefor in Section 2.14(b) of the Agreement.

"Affiliate" means, as applied to any Person, any other Person who controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" means the possession, directly or indirectly through one or more intermediaries, of the power to direct the management and policies of a Person, whether through the ownership of Equity Interests, by contract, or otherwise; provided, that, for purposes of the definition of Eligible Accounts and Section 6.10 of the Agreement: (a) any Person which owns directly or indirectly 10% or more of the Equity Interests having ordinary voting power for the election of directors or other members of the governing body of a Person or 10% or more of the partnership or other

ownership interests of a Person (other than as a limited partner of such Person) shall be deemed an Affiliate of such Person, (b) each director (or comparable manager) of a Person shall be deemed to be an Affiliate of such Person, and (c) each partnership in which a Person is a general partner shall be deemed an Affiliate of such Person.

"Agent" has the meaning specified therefor in the preamble to the Agreement.

"Agent Professionals" attorneys, accountants, appraisers, auditors, business valuation experts, environmental engineers or consultants, turnaround consultants, and other professionals and experts retained by Agent and Australian Security Trustee.

"Agent-Related Persons" means Agent, Australian Security Trustee together with their respective Affiliates, officers, directors, employees, attorneys, and agents.

"Agent's Account" means the Deposit Account of Agent identified on Schedule A-1 to this Agreement (or such other Deposit Account of Agent that has been designated as such, in writing, by Agent to Borrowers and the Lenders).

"Agent's Liens" means the Liens granted by any Loan Party to Agent under the Loan Documents and securing the Obligations (or any portion thereof).

"Agreed Currency" means (a) Dollars, (b) Australian Dollars, (c) Canadian Dollars, (d) Pounds Sterling, (e) Euros, (f) Japanese Yen, (g) New Zealand Dollars, (h) Swiss Francs and (i) any other currency approved in writing by the Agent and the applicable Issuing Bank that is freely traded and exchangeable into U.S. Dollars.

"Agreed Currency Equivalent" means, at any time, with respect to any amount denominated in an Agreed Currency other than Dollars, the equivalent amount thereof in the applicable Agreed Currency, as determined by Agent on the basis of the Spot Rate for the purchase of such Agreed Currency with Dollars.

"Agreement" means the Syndicated Facility Agreement to which this Schedule 1.1 is attached.

"Allocated U.S. Availability" means any portion of the U.S. Excess Availability (which shall be calculated without reference to the U.S. Revolver Commitments in effect at such time) designated by the Parent to the Agent in writing to be allocated to the Australian Borrowing Base in accordance with the definition thereof.

"Applicable Margin" means, as of any date of determination and with respect to Base Rate Loans, LIBOR Rate Loans and Australian Base Rate Loans, as applicable, the applicable margin set forth in the following table that corresponds to the average daily Excess Availability for the most recently ended fiscal quarter; provided, that for the period from the Closing Date through the end of the second full fiscal quarter of the Borrowers ending after the Closing Date, the Applicable Margin shall be no less than the margin in the row styled "Level II":

Level	Average Daily Aggregate Excess Availability	Applicable Margin Relative to Base Rate Loans (the "Base Rate Margin")	Applicable Margin Relative to LIBOR Rate Loans (the "LIBOR Rate Margin") and Australian Base Rate Loans (the "Australian Base Rate Margin")
I	≥ 66 2/3 of the Line Cap	0.75%	1.75%
II	≥33 1/3% of the Line Cap and < 66 2/3% of Line Cap	1.00%	2.00%
III	< 33 1/3% of Line Cap	1.25%	2.25%

Except as set forth in the foregoing proviso, the Applicable Margin shall be re-determined quarterly on the first day of the month following the date of delivery to Agent of the certified calculation of Excess Availability pursuant to Section 5.1 of the Agreement. In the event that the information contained in any Borrowing Base Certificate is shown to be inaccurate, and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any period (an "Applicable Period") than the Applicable Margin actually applied for such Applicable Period, then (i) Borrowers shall immediately deliver to Agent a correct Borrowing Base Certificate for such Applicable Period, (ii) the Applicable Margin shall be determined as if the correct Applicable Margin (as set forth in the table above) were applicable for such Applicable Period, and (iii) the applicable Borrowers shall immediately deliver to Agent full payment in respect of the accrued additional interest as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly applied by Agent to the affected Obligations. If Borrowers fail to provide such certification when such certification is due, the Applicable Margin shall be set at the margin in the row styled "Level III" as of the first day of the month following the date on which the certification was required to be delivered until the date on which such certification is delivered (on which date (but not retroactively), without constituting a waiver of any Default or Event of Default occasioned by the failure to timely deliver such certification, the Applicable Margin shall be set at the margin based upon the calculations disclosed by such certification.

"Applicable Australian Unused Line Fee Percentage" means, as of any date of determination, the applicable percentage set forth in the following table that corresponds to the Average Australian Revolver Usage of Australian Borrowers for the most recently completed quarter; provided, that for the period from the Closing Date through and including September 30, 2015, the Applicable Australian Unused Line Fee Percentage shall be set at the rate in the row styled "Level II":

Level	Average Australian Revolver Usage	Applicable Australian Unused Line Fee Percentage
I	≥ 50% of the Australian Maximum Revolver Amount	0.250 percentage points
II	< 50% of the Australian Maximum Revolver Amount	0.375 percentage points

The Applicable Australian Unused Line Fee Percentage shall be re-determined on the first day of each quarter by Agent.

"Applicable U.S. Unused Line Fee Percentage" means, as of any date of determination, the applicable percentage set forth in the following table that corresponds to the Average U.S. Revolver Usage of U.S. Borrowers for the most recently completed quarter; provided, that for the period from the Closing Date through

and including September 30, 2015, the Applicable U.S. Unused Line Fee Percentage shall be set at the rate in the row styled " Level II":

Level	Average U.S. Revolver Usage	Applicable U.S. Unused Line Fee Percentage
I	≥ 50% of the U.S. Maximum Revolver Amount	0.250 percentage points
II	< 50% of the U.S. Maximum Revolver Amount	0.375 percentage points

The Applicable U.S. Unused Line Fee Percentage shall be re-determined on the first day of each quarter by Agent.

"Application Event" means the occurrence of (a) a failure by Borrowers (or any of them) to repay all of the Obligations in full on the Maturity Date, (b) an exercise by Agent or the Required Lenders of the remedies set forth in Section 9.1(a) or Section 9.1(b) or (c) an Event of Default and the election by the Required Lenders to require that payments and proceeds of Collateral be applied pursuant to Section 2.4(b)(iv) or Section 2.4(b)(v) of the Agreement.

"Arbitration Award" means that certain arbitration award granted pursuant to Case No. 18209/VRO/AGF/ZF by the ICC International Court of Arbitration in favor of Worldlink Resources Limited against Cliffs Quebec Iron Mining ULC, The Bloom Lake Iron Ore Mine Limited Partnership and Bloom Lake General Partner Limited.

"Assignee" has the meaning specified therefor in Section 13.1(a) of the Agreement.

"Assignment and Acceptance" means an Assignment and Acceptance Agreement substantially in the form of Exhibit A-1 to the Agreement.

"Associate" shall have the meaning given to it in section 128F(9) of the Australian Tax Act.

"Australia" means the Commonwealth of Australia.

"Australian ABL Collateral" has the meaning given to ABL Priority Collateral in the Australian Security Document described in paragraph (b) of that definition.

"Australian Additional Documents" has the meaning specified therefor in Section 5.12(b) of the Agreement.

"Australian Bank Product" means any one or more of the following financial products or accommodations extended to Australian Borrowers or their respective Subsidiaries by an Australian Bank Product Provider: (a) credit cards (including commercial cards (including so-called "purchase cards", "procurement cards" or "p-cards")), (b) credit card processing services, (c) debit cards, (d) stored value cards, (e) supply chain financing, (f) Cash Management Services, or (g) transactions under Hedge Agreements.

"Australian Bank Product Agreements" means those agreements entered into from time to time by Australian Borrowers or their respective Subsidiaries with an Australian Bank Product Provider in connection with the obtaining of any of the Australian Bank Products.

"Australian Bank Product Obligations" means (a) all obligations, liabilities, reimbursement obligations, fees, or expenses owing by Australian Borrowers and their respective Subsidiaries to any Australian Bank Product Provider pursuant to or evidenced by an Australian Bank Product Agreement and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or

to become due, now existing or hereafter arising, (b) all Australian Hedge Obligations, and (c) all amounts that Agent or any Australian Revolving Lender is obligated to pay to an Australian Bank Product Provider as a result of Agent or such Australian Revolving Lender purchasing participations from, or executing guarantees or indemnities or reimbursement obligations to, an Australian Bank Product Provider with respect to the Australian Bank Products provided by such Australian Bank Product Provider to Australian Borrowers or their respective Subsidiaries; provided that in order for any item described in clauses (a) (b), or (c) above, as applicable, to constitute "Australian Bank Product Obligations", if the applicable Australian Bank Product Provider is any Person other than Bank of America or its Affiliates, then the applicable Australian Bank Product must have been provided on or after the Closing Date and Agent shall have received a Bank Product Provider Agreement within 10 days (or such later date as Agent and Parent may agree) after the date of the provision of the applicable Australian Bank Product to Australian Borrowers or their respective Subsidiaries; provided further that the Australian Bank Product Obligations shall not include any Excluded Swap Obligations.

"Australian Bank Product Provider" means any Australian Revolving Lender or any of its Affiliates, including each of the foregoing in its capacity, if applicable, as an Australian Hedge Provider; provided, that no such Person (other than Bank of America or its Affiliates) shall constitute an Australian Bank Product Provider with respect to an Australian Bank Product unless and until Agent receives a Bank Product Provider Agreement from such Person and with respect to the applicable Australian Bank Product within 10 days (or such later date as Agent and Parent may agree) after the provision of such Australian Bank Product to Australian Borrowers or their respective Subsidiaries; provided further, that if, at any time, an Australian Revolving Lender ceases to be a Lender under the Agreement, then, from and after the date on which it ceases to be a Lender thereunder, neither it nor any of its Affiliates shall constitute Australian Bank Product Providers and the obligations with respect to Australian Bank Products provided by such former Australian Revolving Lender or any of its Affiliates shall no longer constitute Australian Bank Product Obligations.

"Australian Bank Product Reserves" means, as of any date of determination, those reserves that Agent deems necessary or appropriate to establish (based upon the Australian Bank Product Providers' determination of the liabilities and obligations of Australian Borrowers and their respective Subsidiaries in respect of Australian Bank Product Obligations) in respect of Australian Bank Products then provided or outstanding.

"Australian Base Rate" shall mean, with respect to U.S. Dollars funded outside the U.S., LIBOR as of 11.00 a.m. on the first Business Day in each month for a one month period, provided that to the extent a comparable or successor rate is approved by the Agent in connection herewith, the approved rate shall be applied in a manner consistent with market practice; provided, further that to the extent such market practice is not administratively feasible for the Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Agent in consultation with Parent. Any change in such rate shall take effect at the opening of business on the day of such change.

"Australian Base Rate Loan" shall mean each Revolving Loan which is designated or deemed designated as an Australian Base Rate Loan by the Parent at the time of the incurrence thereof or conversion thereto.

"Australian Base Rate Margin" has the meaning set forth in the definition of Applicable Margin.

"Australian Borrowers" means Cliffs Asia Pacific Iron Ore Pty Ltd ACN 001 892 995, a company incorporated under the laws of Australia, Cliffs Natural Resources Pty Ltd, ACN 112 437 180, a company incorporated under the laws of Australia, all Australian Subsidiaries of Parent whose assets comprise a portion of the Australian Borrowing Base, and shall include, as applicable, any Subsidiary of Parent incorporated under the laws of Australia that becomes a Borrower after the Closing Date pursuant to Section 5.11 of the Agreement.

"Australian Borrowing Base" means, as of any date of determination, the sum of:

(a) 85% of the amount of Eligible Accounts of Australian Borrowers, *plus*

(b) the lesser of (i) the product of 80% multiplied by the value (calculated at the lower of cost or market on a basis consistent with Borrowers' historical accounting practices) of Eligible Inventory of the Australian Borrowers at such time, and (ii) the product of 85% multiplied by the Net Orderly Liquidation Value of Eligible Inventory of Australian Borrowers at such time, *plus*

(c) the lesser of (i) 100% of the Net Book Value of Eligible Equipment of Australian Borrowers at such time, and (ii) 85% multiplied by the Net Orderly Liquidation Value of Eligible Equipment of Australian Borrowers at such time; provided that this clause (c) of the Australian Borrowing Base shall not account for more than 35% of the availability created by the Australian Borrowing Base, *plus*

(d) at the Parent's election, the Allocated U.S. Availability (if any) at the time of determination, *minus*

(e) the aggregate amount of reserves, if any, established by Agent under Section 2.1(b) of the Agreement.

Notwithstanding the foregoing, the Australian Borrowing Base shall not exceed 25% of the sum of the U.S. Borrowing Base and the Australian Borrowing Base.

"Australian Borrowing Base Deficiency" occurs if at any time the Australian Revolving Loan Exposures exceeds the Australian Borrowing Base then in effect at such time.

"Australian Concentration Account" shall mean, subject to the proviso in Section 5.16(b)(ii), a special concentration account established and maintained by an Australian Loan Party with Bank of America, N.A. (Australia Branch) (or if Bank of America is not Agent, such other financial institution reasonably acceptable to Agent and Parent) over which the Australian Security Trustee has sole dominion and exclusive control for withdrawal purposes and which, if required by Agent, is subject to an Australian Control Agreement.

"Australian Control Agreement" means, with respect to any applicable bank account established and maintained by an Australian Loan Party, an agreement, in form and substance reasonably satisfactory to the Agent, establishing "control" (as defined in section 341 of the Australian PPSA) of such an account by the Australian Security Trustee and whereby the Person maintaining such account agrees to comply only with the instructions originated by the Australian Security Trustee without the further consent of any Australian Loan Party.

"Australian Designated Account" means the Deposit Account of Australian Borrowers identified on Schedule D-2 to the Agreement (or such other Deposit Account of Australian Borrowers located at Australian Designated Account Bank that has been designated as such, in writing, by Borrowers to Agent).

"Australian Designated Account Bank" has the meaning specified therefor in Schedule D-2 to the Agreement (or such other bank that is located within the United States or Australia that has been designated as such, in writing, by Borrowers to Agent).

"Australian Dilution Percent" means the percent, determined as of the end of the Australian Loan Parties' most recent field examination, equal to (a) bad debt write-downs or write-offs, discounts, returns, promotions, credits, credit memos and other dilutive items with respect to active Accounts of the Australian Loan Parties, divided by (b) active gross sales.

"Australian Dilution Percentage" means at any time, one percentage point (or fraction thereof) for each percentage point (or fraction thereof) by which the Australian Dilution Percent for the Australian Loan Parties exceeds five percent (5.0%).

"Australian Dilution Reserve" means a reserve equal to the product of (x) the Australian Dilution Percentage times (y) the value of all Eligible Accounts of the Australian Loan Parties at such time.

"Australian Dollars" or "A$" means the lawful currency of Australia as in effect from time to time.

"Australian Equipment" means any Equipment of an Australian Loan Party located on any Australian Mine Site.

"Australian Excess Availability" means, as of any date of determination, (i) the Australian Line Cap, *minus* (ii) the outstanding Australian Revolver Usage.

"Australian Extraordinary Advances" has the meaning specified therefor in Section 2.3(f)(vi) of the Agreement.

"Australian Featherweight Collateral" has the meaning given to Featherweight Collateral in the Australian Security Document described in paragraph (b) of that definition.

"Australian General Security Deed and Guarantee" means the general security deed and guarantee, dated as of even date with the Agreement, among the Australian Security Trustee and each Australian Loan Party.

"Australian Hedge Obligations" means any and all obligations or liabilities, whether absolute or contingent, due or to become due, now existing or hereafter arising, of Australian Borrowers and their respective Subsidiaries arising under, owing pursuant to, or existing in respect of Hedge Agreements entered into with one or more of the Australian Hedge Providers; provided, however that the Australian Hedge Obligations shall not include any Excluded Swap Obligations.

"Australian Hedge Provider" means any Australian Revolving Lender or any of its Affiliates; provided, that no such Person (other than Bank of America or its Affiliates) shall constitute an Australian Hedge Provider unless and until Agent receives a Bank Product Provider Agreement from such Person and with respect to the applicable Hedge Agreement within 10 days (or such later date as Agent and Parent may agree) after the execution and delivery of such Hedge Agreement with Australian Borrowers or their respective Subsidiaries; provided further, that if, at any time, an Australian Revolving Lender ceases to be an Australian Revolving Lender under the Agreement, then, from and after the date on which it ceases to be an Australian Revolving Lender thereunder, neither it nor any of its Affiliates shall constitute Australian Hedge Providers and the obligations with respect to Hedge Agreements entered into with such former Australian Revolving Lender or any of its Affiliates shall no longer constitute Australian Hedge Obligations.

"Australian Hedge Reserves" means, as of any date of determination, those reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to the last paragraph of Section 2.1(b), to establish and maintain with respect to the Australian Hedge Obligations of Australian Borrowers.

"Australian In-Transit Inventory" means Inventory of the Australian Borrowers which is in-transit from the Australian Mine Site to a Designated Port located in Australia.

"Australian Inventory/Equipment Reserves" means, as of any date of determination, (a) Landlord Reserves for locations of Australian Borrowers, (b) those reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to the last paragraph of Section 2.1(b), to establish and maintain (including reserves for slow-moving Inventory and Inventory shrinkage) with respect to Eligible Inventory of Australian Borrowers or the Australian Maximum Revolver Amount, and (c) with respect to Australian In-Transit Inventory, those reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to the last paragraph of Section 2.1(b), to establish and maintain with respect to Australian In-Transit Inventory of Australian Borrowers that is Eligible Inventory or the Australian Maximum Revolver Amount (i) for the estimated costs relating to unpaid freight charges, warehousing or storage

charges, taxes, duties, and other similar unpaid costs associated with the acquisition of such Australian In-Transit Inventory, *plus* (ii) for the estimated reclamation claims of unpaid sellers of such Australian In-Transit Inventory.

"Australian Issuing Bank" means Bank of America (or any of its Affiliates) and each other Australian Revolving Lender appointed by Parent and agreed by the Agent and such Australian Revolving Lender, in their sole discretion, to become an Australian Issuing Bank for the purpose of issuing Australian Letters of Credit pursuant to Section 2.12 of the Agreement.

"Australian Letter of Credit" means a letter of credit (as that term is defined in the Code) issued or any standby, documentary, bankers acceptance, foreign guarantee, indemnity or bank guarantee by an Australian Issuing Bank for the account of an Australian Borrower pursuant to the Agreement.

"Australian Letter of Credit Exposure" means, as of any date of determination with respect to any Australian Lender, such Australian Lender's Pro Rata Share of the Australian Letter of Credit Usage on such date.

"Australian Letter of Credit Fee" has the meaning specified therefor in Section 2.6(b)(ii) of the Agreement.

"Australian Letter of Credit Indemnified Costs" has the meaning specified therefor in Section 2.12(f) of the Agreement.

"Australian Letter of Credit Related Person" has the meaning specified therefor in Section 2.12(f) of the Agreement.

"Australian Letter of Credit Sublimit" means an amount equal to $50,000,000.

"Australian Letter of Credit Usage" means, as of any date of determination, the aggregate undrawn amount of all outstanding Australian Letters of Credit.

"Australian Line Cap" means, as of any date of determination, the lesser of (a) the Australian Maximum Revolver Amount and (b) the Australian Borrowing Base as of such date.

"Australian Loan Account" has the meaning specified therefor in Section 2.9(b) of the Agreement.

"Australian Loan Party" means any Australian Borrower or any other guarantor of the Australian Obligations (other than a U.S. Loan Party).

"Australian Maximum Revolver Amount" means $100,000,000, as the same may be decreased by the amount of reductions in the Australian Revolver Commitments made in accordance with Section 2.4(c)(ii) of the Agreement, and as the same may be increased pursuant to Section 2.16 or increased or decreased pursuant to Section 2.2.

"Australian Mine Site" means any land in Australia which is the subject of a statutory mining lease or similar mineral tenement granted by a Governmental Authority in favor of an Australian Loan Party.

"Australian Obligations" means (a) all loans (including the Australian Revolving Loans (inclusive of Australian Extraordinary Advances and Australian Swing Loans)), debts, principal, interest (including any interest that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), reimbursement or indemnification obligations with respect to Australian Letters of Credit (irrespective of whether contingent), premiums, liabilities (including all amounts charged to the Australian Loan Account pursuant to the Agreement), obligations (including indemnification obligations), fees, Lender Group Expenses (including any

fees or expenses that accrue after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), guaranties, and all covenants and duties of any other kind and description owing by any Australian Loan Party arising out of, under, pursuant to, in connection with, or evidenced by the Agreement or any of the other Loan Documents and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including all interest not paid when due and all other expenses or other amounts that the Australian Loan Parties are required to pay or reimburse by the Loan Documents or by law or otherwise in connection with the Loan Documents, and (b) all Australian Bank Product Obligations. Without limiting the generality of the foregoing, the Australian Obligations of the Australian Loan Parties under the Loan Documents include the obligation to pay (i) the principal of the Australian Revolving Loans, (ii) interest accrued on the Australian Revolving Loans, (iii) the amount necessary to reimburse any Australian Issuing Bank for amounts paid or payable pursuant to Australian Letters of Credit, (iv) Australian Letter of Credit commissions, fees (including fronting fees) and charges, (v) Lender Group Expenses, (vi) fees payable under the Agreement or any of the other Loan Documents, and (vii) indemnities and other amounts payable by any Australian Loan Party under any Loan Document. Any reference in the Agreement or in the Loan Documents to the Australian Obligations shall include all or any portion thereof and any extensions, modifications, renewals, or alterations thereof, both prior and subsequent to any Insolvency Proceeding.

"Australian Overadvance" means, as of any date of determination, that the Australian Revolver Usage is greater than any of the limitations set forth in Section 2.1(b) or Section 2.12, subject to Section 1.7(d).

"Australian Overadvance Loan" shall mean an Australian Revolving Loan that is a Base Rate Loan or an Australian Base Rate Loan made when an Australian Overadvance exists or is caused by the funding thereof.

"Australian Pension Plan" means a superannuation, retirement benefit or pension fund (whether established by deed or under any statute of Australia or any state or territory of Australia) contributed to by, or to which there is or may be an obligation to contribute by, any Loan Party in respect of its Australian employees and officers or former employees and officers.

"Australian PPS Law" means: (a) the Australian PPSA; (b) regulations made under the Australian PPSA; or (c) any amendment made at any time to any other legislation as a consequence of an Australian PPSA Law referred to in clauses (a) and (b) of this definition, including amendments to the Corporations Act.

"Australian PPSA" means the Personal Property Securities Act 2009 (Cth) of Australia.

"Australian Priority Payables Reserve" means those reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to the last paragraph of Section 2.1(b) with respect to amounts secured by any Liens, choate or inchoate, or any rights, whether imposed by applicable Law in Australia or elsewhere (and including rights to the payment or reimbursement of any costs, charges or other amounts in connection with any Insolvency Proceeding), which rank or are capable of ranking in priority to the Liens on the Australian ABL Collateral in favor of Agent or the Australian Security Trustee of and/or for amounts which may represent costs relating to the enforcement of Agent's and/or the Australian Security Trustee's Liens including, without limitation, to the extent applicable by operation of law, any such amounts due or which may become due and not paid for wages, long service leave, retrenchment, payment in lieu of notice, or vacation pay (including in all respects amounts protected by or payable pursuant to the Fair Work Act 2009 (Cth)), any preferential claims as set out in the Corporations Act, amounts due or which may become due and not paid under any legislation relating to workers' compensation or to employment insurance, all amounts deducted or withheld and not paid and remitted when due under the Taxation Administration Act 1953 (Cth) (but excluding Pay as You Go income withholding tax) and amounts in the future, currently or past due and not contributed, remitted or paid in respect of any Australian Pension Plan, together with any

charges which may be levied by a Governmental Authority as a result of any default in payment obligations in respect of any Australian Pension Plan.

"Australian Protective Advances" has the meaning specified therefor in Section 2.3(f)(iv) of the Agreement.

"Australian Receivable Reserves" means, as of any date of determination, those reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to the last paragraph of Section 2.1(b), to establish and maintain (including reserves for rebates, discounts, warranty claims, and returns) with respect to the Eligible Accounts of Australian Borrowers or the Australian Maximum Revolver Amount.

"Australian Revolver Commitment" means, with respect to each Australian Revolving Lender, its Australian Revolver Commitment, and, with respect to all Australian Revolving Lenders, their Australian Revolver Commitments, in each case as such Dollar amounts are set forth beside such Australian Revolving Lender's name under the applicable heading on Schedule C-1 to the Agreement or in the Assignment and Acceptance pursuant to which such Australian Revolving Lender became an Australian Revolving Lender under the Agreement, as such amounts may be reduced or increased from time to time pursuant to assignments made in accordance with the provisions of Section 13.1 of the Agreement.

"Australian Revolver Usage" means, as of any date of determination, the sum of (a) the amount of outstanding Australian Revolving Loans (inclusive of Australian Swing Loans and Australian Protective Advances), *plus* (b) the amount of the Australian Letter of Credit Usage.

"Australian Revolving Lender" means a Lender that has an Australian Revolver Commitment or that has an outstanding Australian Revolving Loan and includes each Australian Issuing Bank if the concept so requires.

"Australian Revolving Loan Exposure" means, with respect to any Australian Revolving Lender, as of any date of determination (a) prior to the termination of the Australian Revolver Commitments, the amount of such Australian Revolving Lender's Australian Revolver Commitments, and (b) after the termination of the Australian Revolver Commitments, the aggregate outstanding principal amount of the Australian Revolving Loans of such Australian Revolving Lender.

"Australian Revolving Loans" has the meaning specified therefor in Section 2.1(b) of the Agreement and includes Australian Letter of Credit Disbursements pursuant to Section 2.12(d).

"Australian Secured Creditors" has the meaning specified therefor in Section 15.14(b) of the Agreement.

"Australian Security Documents" means (a) the Australian Security Trust Deed, (b) the Australian General Security Deed and Guarantee, (c) any other documents which are incidental, collateral or supplementary to the security documents referred to in clauses (a) and (b) reasonably required by Agent, including for purposes of payment of stamp duty and registration and any accession deed to the Australian Security Trust Deed, (d) any deed of priority or similar document entered into by the Australian Security Trustee relating to any other Australian Security Document, (e) each other security agreement or other instrument or document executed and delivered by any Australian Loan Party to the Australian Security Trustee pursuant to the Agreement or any other Loan Document granting a Lien on assets of any Australian Loan Party as security for the Australian Obligations, and (f) any other document designated as such by the Australian Security Trustee and Parent.

"Australian Security Trust Deed" means the security trust deed, dated as of even date with the Agreement, between, amongst others, the Australian Security Trustee and each Australian Loan Party;

"Australian Security Trustee" has the meaning specified therefor in the preamble to the Agreement.

"Australian Swing Lender" means Bank of America or any other Australian Revolving Lender that, at the request of Borrowers and with the consent of Agent agrees, in such Australian Revolving Lender's sole discretion, to become the Australian Swing Lender under Section 2.3(d) of the Agreement.

"Australian Swing Loan" has the meaning specified therefor in Section 2.3(d) of the Agreement.

"Australian Tax Act" shall mean the Income Tax Assessment Act 1936 of Australia.

"Australian Unused Line Fee" has the meaning specified therefor in Section 2.10(b)(ii) of the Agreement.

"Authorized Person" means any one of the individuals identified on Schedule A-2 to the Agreement, as such schedule is updated from time to time by written notice from Borrowers to Agent.

"Availability" means, as of any date of determination, the amount that Borrowers are entitled to borrow as Revolving Loans under Section 2.1 of the Agreement (after giving effect to the then outstanding Revolver Usage).

"Bank of America" means Bank of America, N.A., a national banking association.

"Bank Product" means any U.S. Bank Product or any Australian Bank Product.

"Bank Product Agreements" means the U.S. Bank Product Agreements and the Australian Bank Product Agreements.

"Bank Product Collateralization" means providing cash collateral (pursuant to documentation reasonably satisfactory to Agent) to be held by Agent for the benefit of the applicable Bank Product Providers (other than the Hedge Providers) in an amount reasonably determined by Agent in its Permitted Discretion as sufficient to satisfy the reasonably estimated credit exposure with respect to the then existing Bank Product Obligations owed to such Bank Product Providers (other than Hedge Obligations).

"Bank Product Obligations" means the U.S. Bank Product Obligations and the Australian Bank Product Obligations; provided that Bank Product Obligations shall not include any Excluded Swap Obligations.

"Bank Product Provider" means any U.S. Bank Product Provider or any Australian Bank Product Provider.

"Bank Product Provider Agreement" means an agreement in substantially the form attached hereto as Exhibit B-3 to the Agreement or otherwise in form and substance reasonably satisfactory to Agent, duly executed by the applicable Bank Product Provider, the applicable Borrowers, and Agent.

"Bankruptcy Code" means title 11 of the United States Code, as in effect from time to time.

"Base Rate" means the greatest of (a) the Federal Funds Rate *plus* ½%, (b) the LIBOR Rate (which rate shall be calculated based upon an Interest Period of 1 month and shall be determined on a daily basis), *plus* 1.00%, and (c) the Prime Rate. Any change in the Base Rate due to a change in the Prime Rate, the Federal Funds Rate or the LIBOR Rate, as the case may be, shall be effective from and including the effective date of such change in the Prime Rate, the Federal Funds Rate or the LIBOR Rate, as the case may be.

"Base Rate Loan" means each portion of the Loans that bears interest at a rate determined by reference to the Base Rate.

"Base Rate Margin" has the meaning set forth in the definition of Applicable Margin.

"Benefit Plan" means an employee benefit plan as defined in Section 3(3) of ERISA (other than a Pension Plan or Multiemployer Plan) to which any Loan Party incurs or otherwise has any obligation or liability, contingent or otherwise.

"Board of Directors" means, as to any Person, the board of directors (or comparable managers) of such Person, or any committee thereof duly authorized to act on behalf of the board of directors (or comparable managers).

"Board of Governors" means the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Borrower" and "Borrowers" have the respective meanings specified therefor in the preamble to the Agreement.

"Borrower Materials" has the meaning specified therefor in Section 18.9(c) of the Agreement.

"Borrowing" means a borrowing consisting of Revolving Loans made on the same day by Lenders (or Agent on behalf thereof), or by a Swing Lender in the case of a Swing Loan, or by Agent in the case of an Extraordinary Advance.

"Borrowing Base Certificate" means a certificate substantially in the form of Exhibit B-1.

"Business Day" means any day except Saturday, Sunday, or other day on which banks are authorized or required to close in the states of California or New York, except that (a) if a determination of a Business Day shall relate to a LIBOR Rate Loan, the term "Business Day" also shall exclude any day on which banks are closed for dealings in Dollar deposits in the London interbank market, and (b) if a determination of a Business Day shall relate to any Loan to or Letter of Credit issued for the account of the Australian Borrowers, the term "Business Day" also shall exclude any day on which banks are authorized or required to be closed in any of Sydney or Melbourne, Australia or Hong Kong.

"CAM" means the mechanism for the allocation and exchange of interests in the U.S. Revolver Commitments and the Australian Revolver Commitments and the collections thereunder established under Section 16.

"CAM Exchange" means the exchange of the Lenders' interests provided for in Section 16.

"CAM Exchange Date" means the date on which (a) any event referred to in Section 8.4 or Section 8.5 shall occur with respect to any Borrower or (b) any remedy set forth in Section 9.1(a) or 9.1(b) is exercised.

"CAM Percentage" means, as to each Lender, a fraction, expressed as a decimal, of which (a) the numerator shall be the sum of the Dollar Equivalents (determined on the basis of Spot Rates prevailing on the CAM Exchange Date) of the Designated Obligations owed to such Lender (whether or not at the time due and payable) immediately prior to the CAM Exchange and (b) the denominator shall be the sum of the Dollar Equivalents (as so determined) of the Designated Obligations owed to all the Lenders (whether or not at the time due and payable) immediately prior to the CAM Exchange.

"Canadian Dollars" means the lawful currency of Canada as in effect from time to time.

"Canadian Entities" means the CCAA Entities and the Other Canadian Entities.

"Canadian Existing Indebtedness" means any Indebtedness of the applicable Canadian Entities and the Parent under (x) that certain Master Loan and Security Agreement, dated as of September 27, 2013, among Key Equipment Finance Inc., as lender and as administrative agent, The Bloom Lake Iron Ore Mine Limited Partnership, a limited partnership formed under the laws of the Province of Ontario, Wabush Mines,

an unincorporated joint venture of Wabush Iron Co. Limited and Wabush Resources Inc., by its managing agent, Cliffs Mining Company and each other person designated as a borrower from time to time pursuant to the terms thereof, and the other Account Documentation referred to in such Master Loan and Security Agreement, including all loan schedules thereto, as the same may be amended, restated, supplemented or otherwise modified from time to time, and (y) the Corporate Guaranty dated September 27, 2013 provided by the Parent in respect thereof, as it may be amended, restated, supplemented or otherwise modified from time to time.

"Canadian Restructuring" means all or any part of the transaction or event or series of transactions or events described to Agent and the Lenders in that certain letter agreement, dated March 30, 2015, addressed to Agent and the Lenders and acknowledged by Agent, delivered by the Company on March 30, 2015, together with such changes, modifications and supplements thereto that are reasonably acceptable to Agent.

"Canadian Restructuring Commencement Date" means, (i) with respect to the CCAA Entities, January 27, 2015, and (ii) with respect to the Other Canadian Entities, the earliest date on which any of the transactions or events in the definition of Canadian Restructuring is initiated (it being understood that, in the case of any Other Canadian Entity, its Canadian Restructuring Commencement Date shall be the earliest date on which any of the transactions or events in the definition of Canadian Restructuring is initiated with respect to such Canadian Entity).

"Capital Expenditures" means, with respect to any Person for any period, the amount of all expenditures by such Person and its Subsidiaries during such period that are capital expenditures as determined in accordance with GAAP, unless such expenditures are financed with Indebtedness incurred after the Closing Date that is not Loans.

"Capitalized Lease Obligation" means that portion of the obligations under a Capital Lease that is required to be capitalized in accordance with GAAP.

"Capital Lease" means a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

"Cash Collateral Account" means a blocked, non-interest bearing deposit account at Bank of America or a financial institution selected by the Agent, in the name of the Parent and under the sole dominion and control of the Agent, and otherwise established in a manner reasonably satisfactory to the Agent.

"Cash Collateralize" means to pledge and deposit with or deliver to the Agent, for the benefit of the Agent, each applicable Issuing Bank, the applicable Swing Lender or the Revolving Lenders, as collateral or other credit support for Letter of Credit Obligations, Obligations in respect of Swing Loans or obligations of Revolving Lenders to fund participations in respect of either thereof (as the context may require), (a) cash or deposit account balances or (b) if the applicable Swing Lender or the applicable Issuing Bank benefiting from such collateral shall agree in its sole discretion, other credit support, in each case pursuant to documentation in form and substance satisfactory to the Agent and the Swing Lender or the applicable Issuing Bank, as applicable. "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Dominion Trigger Event" means (a) the occurrence and continuance of any Specified Event of Default or (b) the failure of the U.S. Borrowers to maintain U.S. Excess Availability of at least the greater of (x) $62,500,000 and (y) 12.5% of the U.S. Line Cap.

"Cash Dominion Release Event" means U.S. Excess Availability is at least the greater of (a) $62,500,000 and (b) 12.5% of the U.S. Line Cap for thirty (30) consecutive days and no Specified Event of Default is outstanding during such thirty (30) consecutive day period.

"Cash Dominion Trigger Period" means the period commencing with a Cash Dominion Trigger Event and ending with a Cash Dominion Release Event.

"Cash Equivalents" means (a) Domestic Cash Equivalents; and (b) Foreign Cash Equivalents.

"Cash Management Services" means any cash management or related services including treasury, depository, return items, overdraft, controlled disbursement, merchant store value cards, e-payables services, electronic funds transfer, interstate depository network, automatic clearing house transfer (including the Automated Clearing House processing of electronic funds transfers through the direct Federal Reserve Fedline system) and other customary cash management arrangements.

"CCAA Entities" means Bloom Lake General Partner Limited Partnership, an Ontario corporation, Quinto Mining Corporation, 8568391 Canada Limited, Cliffs Quebec Iron Mining ULC (f/k/a Cliffs Quebec Iron Mining Limited), an unlimited liability company organized under the laws of British Columbia, Canada, The Bloom Lake Iron Ore Mine Limited Partnership, a limited partnership formed under the laws of Ontario, and Bloom Lake Railway Company Limited.

"CFC" means a controlled foreign corporation (as that term is defined in the IRC).

"Change in Control" means that:

(a) any "person" or "group" (as those terms are used in Section 13(d)(3) of the Exchange Act, it being agreed that an employee of the Parent or any of its Subsidiaries for whom shares are held under an employee stock ownership, employee retirement, employee savings or similar plan and whose shares are voted in accordance with the instructions of such employee shall not be a member of a "group" (as that term is used in Section 13(d)(3) of the Exchange Act) solely because such employee's shares are held by a trustee under said plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of Equity Interests of Parent (or other securities convertible into such Equity Interests) representing 50% or more of the combined voting power of all Equity Interests of Parent entitled (without regard to the occurrence of any contingency) to vote for the election of members of the Board of Directors of Parent;

(b) except in connection with a transaction permitted by Section 6.3 or 6.4, Borrowers fail to own and control, directly or indirectly, 100% of the Equity Interests of each other Loan Party (or if such Subsidiary becomes a Loan Party after the Closing Date, the amount owned and controlled, directly or indirectly, as of the date such Subsidiary becomes a Loan Party);

(c) a majority of the members of the board of directors of Parent or the board of directors of any of Parent's direct or indirect parent companies are not Continuing Directors; or

(d) the occurrence of any "Change in Control" (or any similar or like term) as defined in the Senior Secured Notes Indenture, any Exchange Notes Indenture, any Existing Senior Notes Indenture or any indenture, agreement, note or similar document governing or evidencing Indebtedness that is outstanding in an aggregate principal amount of $25,000,000 or more.

"Change in Law" means the occurrence after the date of the Agreement of: (a) the adoption or effectiveness of any law, rule, regulation, judicial ruling, judgment or treaty, (b) any change in any law, rule, regulation, judicial ruling, judgment or treaty or in the administration, interpretation, implementation or application by any Governmental Authority of any law, rule, regulation, guideline or treaty, or (c) the making or issuance by any Governmental Authority of any request, rule, guideline or directive, whether or not having the force of law; provided that notwithstanding anything in the Agreement to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives concerning capital adequacy promulgated by the Bank for International Settlements, the Basel Committee on Banking

Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities shall, in each case, be deemed to be a " Change in Law," regardless of the date enacted, adopted or issued.

"China Accounts" means bank accounts of Cliffs Asia Pacific Iron Ore Pty Ltd in the People's Republic of China for the purposes of paying operating expenses associated with its representative office located in the People's Republic of China, provided the aggregate credit balance in such accounts does not at any time exceed $600,000 (or its Dollar Equivalent in any other currency or currencies).

"Claims" means all claims, liabilities, obligations, losses, damages, penalties, judgments, proceedings, interest, costs and expenses of any kind (including remedial response costs, reasonable and documented attorneys' fees and Lender Group Expenses) at any time (including after payment in full of the Obligations or replacement of Agent or any Lender) incurred by any Indemnified Person or asserted against any Indemnified Person by any Loan Party or other Person, in any way relating to (a) any Loans, Letters of Credit, Loan Documents, Borrower Materials, or the use thereof or transactions relating thereto, (b) any action taken or omitted in connection with any Loan Documents, (c) the existence or perfection of any Liens, or realization upon any Collateral, (d) exercise of any rights or remedies under any Loan Documents or applicable law, or (e) failure by any Loan Party to perform or observe any terms of any Loan Document, in each case including all costs and expenses relating to any investigation, litigation, arbitration or other proceeding (including an Insolvency Proceeding or appellate proceedings), whether or not the applicable Indemnified Person is a party thereto.

"Closing Date" means the date of the making of the initial Revolving Loan (or other extension of credit) under the Agreement or the date on which Agent sends Borrowers a written notice that each of the conditions precedent set forth on Schedule 3.1 either have been satisfied or have been waived.

"Code" means the New York Uniform Commercial Code, as in effect from time to time; provided, however, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, priority, or remedies with respect to Agent's Lien on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies.

"Collateral" means all assets and interests in assets and proceeds thereof now owned or hereafter acquired by any Loan Party in or upon which a Lien is granted by such Person in favor of Agent, the Australian Security Trustee, or the Lenders under any of the Loan Documents.

"Collateral Access Agreement" means a landlord waiver, bailee letter, carrier agreement or acknowledgement agreement of any lessor, warehouseman, processor, carrier, consignee, or other Person (including any Joint Venture) in possession of, having a Lien upon, or having rights or interests in any Loan Parties' books and records, Equipment, or Inventory, in each case, in form and substance reasonably satisfactory to Agent.

"Commitment Allocation Notice" has the meaning assigned to such term in Section 2.2(a).

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Competitor" means any Person which is a direct competitor of Borrowers or their Subsidiaries and is named on Schedule A-3 and such Person's parent entities, affiliates and subsidiaries, in each case, that are readily identifiable as such by virtue of their names; provided, that in connection with any assignment or participation, the Assignee or Participant with respect to such proposed assignment or participation that is an investment bank, a commercial bank, a finance company, a fund, or other Person which merely has an economic interest in any such direct competitor, and is not itself such a direct competitor of Borrowers or their Subsidiaries, shall not be deemed to be a direct competitor for the purposes of this definition.

"Compliance Certificate" means a certificate substantially in the form of Exhibit C-1 to the Agreement delivered by the chief financial officer or other senior financial officer of Parent to Agent.

"Confidential Information" has the meaning specified therefor in Section 18.9(a) of the Agreement.

"Consolidated Net Tangible Assets" means the aggregate amount of assets (less applicable reserves and other properly deductible items) after deducting therefrom (a) all current liabilities (excluding any Indebtedness for money borrowed having a maturity of less than 12 months from the date of the most recent consolidated balance sheet of Parent but which by its terms is renewable or extendable beyond 12 months from such date at the option of Parent) and (b) all goodwill, trade names, patents, unamortized debt discount and expense and any other like intangibles, in each case as set forth on the most recent consolidated balance sheet of Parent and computed in accordance with GAAP.

"Consolidated Total Assets" means, as to any Person as of any date of determination, all amounts that would, in conformity with GAAP, be set forth opposite the caption "total assets" (or any like caption) on a consolidated balance sheet of such Person as of such date of determination.

"Continuing Director" means, as of any date of determination, any member of the applicable board of directors who: (1) was a member of such board of directors on the Closing Date or (2) was nominated for election, elected or appointed to such board of directors with the approval of a majority of the Continuing Directors who were members of such board of directors at the time of such nomination, election or appointment (either by a specific vote or by approval of a proxy statement in which such member was named as a nominee for election as a director).

"Control Agreement" means an Australian Control Agreement or a U.S. Control Agreement.

"Copyright Security Agreement" has the meaning specified therefor in the Guaranty and Security Agreement.

"Corporations Act" means the Corporations Act 2001 (Cth) of Australia.

"Default" means an event, condition, or default that, with the giving of notice, the passage of time, or both, would be an Event of Default.

"Defaulting Lender" means any Lender that (a) has failed to fund any amounts required to be funded by it under the Agreement within 2 Business Days of the date that it is required to do so under the Agreement (including the failure to make available to Agent amounts required pursuant to a Settlement or to make a required payment in connection with a Letter of Credit Disbursement), (b) notified Borrowers, Agent, or any Lender in writing that it does not intend to comply with all or any portion of its funding obligations under the Agreement, (c) has made a public statement to the effect that it does not intend to comply with its funding obligations under the Agreement or under other agreements generally (as reasonably determined by Agent) under which it has committed to extend credit, (d) failed, within 3 Business Days after written request by Agent, to confirm that it will comply with the terms of the Agreement relating to its obligations to fund any amounts required to be funded by it under the Agreement, (e) otherwise failed to pay over to Agent or any other Lender any other amount required to be paid by it under the Agreement within 2 Business Days of the date that it is required to do so under the Agreement, or (f) (i) becomes or is insolvent or has a parent company that has become or is insolvent or (ii) becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, or custodian or appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment; provided, however that a Lender shall not be a Defaulting Lender solely by virtue of a Governmental Authority's ownership of an equity interest in such Lender or parent company unless the ownership provides immunity

for such Lender from jurisdiction of courts within the United States or from enforcement of judgments or writs of attachment on its assets, or permits such Lender or Governmental Authority to repudiate or otherwise to reject such Lender's agreements; provided, further, that a Lender shall not be deemed to be a Defaulting Lender under clauses (a), (b) or (c) if it has notified Agent and Parent in writing that it will not make a funding because a condition to funding (specifically identified in the notice) is not or cannot be satisfied.

"Defaulting Lender Rate" means (a) for the first 3 days from and after the date the relevant payment is due, the Base Rate, and (b) thereafter, the interest rate then applicable to Revolving Loans that are Base Rate Loans (inclusive of the Base Rate Margin applicable thereto).

"Deposit Account" means any deposit account (as that term is defined in the Code) or any ADI Account.

"Designated Obligations" means all obligations of the Borrowers with respect to (a) principal of and interest on the Revolving Loans, (b) participations in Swing Loans funded (or required to be funded as provided in Section 16) by the U.S. Revolver Lenders or the Australian Revolver Lenders, as applicable, (c) participations in undrawn Letters of Credit, (d) unreimbursed Letter of Credit Disbursements and interest thereon and (e) all facility fees and Letter of Credit participation fees.

"Designated Non-Cash Consideration" means the fair market value of non-cash consideration received by any Loan Party in connection with a Permitted Disposition that is so designated as Designated Non-Cash Consideration pursuant to an officer's certificate delivered by Parent to Agent at least 5 Business Days prior to the consummation of such Permitted Disposition (which certificate will set forth the basis for such valuation), less the amount of cash or Cash Equivalents, received in connection with a subsequent sale of or collection on such Designated Non-Cash Consideration.

"Designated Port" means each port, dock, marine terminal or similar location that is an Identified Location.

"Discretionary Commitment Allocation Notice" has the meaning assigned to such term in Section 2.2(b).

"Discretionary Commitment Reallocation" has the meaning assigned to such term in Section 2.2(b).

"Disqualified Equity Interests" means any Equity Interest that, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Revolver Commitments), (b) is redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests), in whole or in part, (c) provides for the scheduled payments of dividends in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is 181 days after the Maturity Date.

"Dollar Equivalent" means, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any currency other than Dollars, the equivalent amount thereof in Dollars, as determined by Agent on the basis of the Spot Rate for the purchase of Dollars with such currency.

"Dollars" or "$" means United States dollars.

"Domestic Cash Equivalents" means (a) marketable direct obligations issued by, or unconditionally guaranteed by, the United States or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within 1 year from the date of acquisition thereof, (b) marketable direct obligations issued or fully guaranteed by any state of the United States or any political subdivision of any such state or any public instrumentality thereof maturing within 1 year from the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from either Standard & Poor's Rating Group ("S&P") or Moody's Investors Service, Inc. ("Moody's"), (c) commercial paper maturing no more than 270 days from the date of creation thereof and, at the time of acquisition, having a rating of at least A-1 from S&P or at least P-1 from Moody's, (d) certificates of deposit, time deposits, overnight bank deposits or bankers' acceptances maturing within 1 year from the date of acquisition thereof issued by any Lender or any other bank organized under the laws of the United States or any state thereof or the District of Columbia or any United States branch of a foreign bank having at the date of acquisition thereof combined capital and surplus of not less than $1,000,000,000, (e) Deposit Accounts maintained with (i) any bank that satisfies the criteria described in clause (d) above, or (ii) any other bank organized under the laws of the United States or any state thereof so long as the full amount maintained with any such other bank is insured by the Federal Deposit Insurance Corporation, (f) repurchase obligations of any commercial bank satisfying the requirements of clause (d) of this definition or recognized securities dealer having combined capital and sur*plus* of not less than $1,000,000,000, having a term of not more than seven days, with respect to securities satisfying the criteria in clauses (a) or (d) above, (g) debt securities with maturities of six months or less from the date of acquisition backed by standby letters of credit issued by any commercial bank satisfying the criteria described in clause (d) above, (h) Investments in money market funds substantially all of whose assets are invested in the types of assets described in clauses (a) through (g) above and (i) Investments of the type described in the "Investment Policy" of Parent, dated as of February 8, 2010, or the draft "Cash Investment Policy" of Parent in the form provided to Agent on or before the Closing Date, in each case, together with any modifications thereto reasonably acceptable to the Agent.

"Drawing Document" means any Letter of Credit or other document presented for purposes of drawing under any Letter of Credit.

"EBITDA" means, with respect to any fiscal period:

(a) Parent's consolidated net earnings (or loss),

minus

(b) without duplication, the sum of the following amounts of Parent for such period to the extent included in determining consolidated net earnings (or loss) for such period:

(i) any extraordinary, unusual, or non-recurring gains,

(ii) interest income,

(iii) exchange, translation or performance gains relating to any hedging transactions or foreign currency fluctuations, and

(iv) income arising by reason of the application of FAS 141R,

plus

(c) without duplication, the sum of the following amounts of Parent for such period to the extent included in determining consolidated net earnings (or loss) for such period:

(i) any non-cash extraordinary, unusual, or non-recurring losses,

(ii) Interest Expense,

(iii) tax expense based on income, profits or capital, including federal, foreign, state, franchise and similar taxes (and for the avoidance of doubt, specifically excluding any sales taxes or any other taxes held in trust for a Governmental Authority),

(iv) depreciation and amortization for such period,

(v) with respect to any Permitted Acquisition after the Closing Date, costs, fees, charges, or expenses consisting of out-of-pocket expenses owed by Parent or any of its Subsidiaries to any Person for services performed by such Person in connection with such Permitted Acquisition incurred within 180 days of the consummation of such Permitted Acquisition, up to an aggregate amount (for all such items in this clause (v)) for such Permitted Acquisition not to exceed the greater of (A) $2,500,000 and (B) 2.50% of the Purchase Price of such Permitted Acquisition,

(vi) with respect to any Permitted Acquisitions after the Closing Date: (A) purchase accounting adjustments, including, without limitation, a dollar for dollar adjustment for that portion of revenue that would have been recorded in the relevant period had the balance of deferred revenue (unearned income) recorded on the closing balance sheet and before application of purchase accounting not been adjusted downward to fair value to be recorded on the opening balance sheet in accordance with GAAP purchase accounting rules; and (B) non-cash adjustments in accordance with GAAP purchase accounting rules under FASB Statement No. 141 and EITF Issue No. 01-3, in the event that such an adjustment is required by Parent's independent auditors, in each case, as determined in accordance with GAAP,

(vii) costs and expenses incurred during such period in connection with the Canadian Restructuring in an aggregate amount for all such costs and expenses incurred after the Closing Date not to exceed $25,000,000,

(viii) non-cash compensation expense (including deferred non-cash compensation expense), or other non-cash expenses or charges, arising from the sale or issuance of Equity Interests, the granting of stock options, and the granting of stock appreciation rights and similar arrangements (including any repricing, amendment, modification, substitution, or change of any such Equity Interests, stock option, stock appreciation rights, or similar arrangements) *minus* the amount of any such expenses or charges when paid in cash to the extent not deducted in the computation of net earnings (or loss),

(ix) one-time non-cash restructuring charges,

(x) non-cash exchange, translation, or performance losses relating to any hedging transactions or foreign currency fluctuations,

(xi) non-cash losses on sales of fixed assets or write-downs of fixed or intangible assets (excluding ABL Collateral), and

(xii) any non-cash loss, charge or expense (but only to the extent not relating to the ABL Collateral),

in each case, determined on a consolidated basis in accordance with GAAP.

"Eligible Accounts" means those Accounts created by a Borrower in the ordinary course of its business, that arise out of such Borrower's sale of goods or rendition of services, that comply with each of the representations and warranties respecting Eligible Accounts made in the Loan Documents, and that are not excluded as ineligible by virtue of one or more of the excluding criteria set forth below; provided, that such criteria may be revised from time to time by Agent in Agent's Permitted Discretion to address the results of any field examination performed by (or on behalf of) Agent from time to time after the Closing Date. In

determining the amount to be included, Eligible Accounts shall be calculated net of customer deposits, unapplied cash, taxes, discounts, credits, allowances, and rebates. Eligible Accounts shall not include the following:

(a) Accounts that (i) the Account Debtor has failed to pay within 120 days of original invoice date or (ii) are more than 60 days past due,

(b) Accounts owed by an Account Debtor (or its Affiliates) where 50% or more of all Accounts owed by that Account Debtor (or its Affiliates) are deemed ineligible under clause (a) above,

(c) Accounts with respect to which the Account Debtor is an Affiliate of any Borrower or an employee or agent of any Borrower or any Affiliate of any Borrower; provided that the foregoing shall not apply to Accounts owed by partners in Joint Ventures, Eligible Customers or their respective Affiliates that constitute Affiliates to the extent that such Accounts were generated on terms that are no less favorable, taken as a whole, to such Borrower than would be obtained in an arm's-length transaction with a non-Affiliate,

(d) Accounts arising in a transaction wherein goods are placed on consignment or are sold pursuant to a guaranteed sale, a sale or return, a sale on approval, a bill and hold, or any other terms by reason of which the payment by the Account Debtor may be conditional,

(e) Accounts that are not payable in Dollars (or, with respect to Account Debtors of the Australian Borrowers, Dollars or Australian Dollars),

(f) Accounts with respect to which the Account Debtor either (i) does not maintain its chief executive office in an Eligible Country, (ii) is not organized under the laws of an Eligible Country or any political subdivision thereof, or (iii) is the government of any foreign country or sovereign state, or of any state, province, municipality, or other political subdivision thereof, or of any department, agency, public corporation, or other instrumentality thereof, unless, in each case, either (x) the Account is supported by an irrevocable letter of credit reasonably satisfactory to Agent in its Permitted Discretion (as to form, substance, and issuer or domestic confirming bank) that has been delivered to Agent and is directly drawable by Agent, or (y) the Account is covered by credit insurance in form, substance, and amount, and by an insurer, reasonably satisfactory to Agent in its Permitted Discretion; provided that (i) Accounts whereby Hyundai Motor Company or Posco, or one of their respective subsidiaries organized in South Korea, is the Account Debtor, (ii) Accounts whereby China Steel or one of its subsidiaries orgnanized in Taiwan is the Account Debtor, (iii) up to $10,000,000 of Accounts whereby a Subsidiary of ThyssenKrupp AG organized in Brazil is the Account Debtor and (iii) up to $5,000,000 of Accounts of U.S. Borrowers and Australian Borrowers taken as a whole, in each case may be deemed to be Eligible Accounts if they do not satisfy this clause (f) so long as they satisfy the other eligibility criteria set forth in this definition.

(g) Accounts with respect to which the Account Debtor is either (i) the United States or any department, agency, or instrumentality of the United States (exclusive, however, of Accounts with respect to which Borrowers have complied, to the reasonable satisfaction of Agent, with the Assignment of Claims Act, 31 U.S.C. §3727), or (ii) any state or municipality of the United States,

(h) Accounts with respect to which the Account Debtor is a creditor of a Borrower, has or has asserted a right of recoupment or setoff, or has disputed its obligation to pay all or any portion of the Account, to the extent of such claim, right of recoupment or setoff, or dispute,

(i) with respect to Account Debtors of U.S. Borrowers, Accounts with respect to an Account Debtor whose total obligations owing to U.S. Borrowers exceed $75,000,000 (such amount, as applied to a particular Account Debtor, being subject to reduction by Agent in its Permitted Discretion if the creditworthiness of such Account Debtor deteriorates), to the extent of the obligations owing by such Account Debtor in excess of such amount; provided, that, in each case, the amount of Eligible Accounts that are excluded because they exceed the foregoing amount shall be determined by Agent based on all of the

otherwise Eligible Accounts prior to giving effect to any eliminations based upon the foregoing concentration limit,

(j) with respect to Account Debtors of Australian Borrowers, Accounts with respect to an Account Debtor whose total obligations owing to Australian Borrowers exceed $25,000,000 (such amount, as applied to a particular Account Debtor, being subject to reduction by Agent in its Permitted Discretion if the creditworthiness of such Account Debtor deteriorates), to the extent of the obligations owing by such Account Debtor in excess of such amount; provided, that, in each case, the amount of Eligible Accounts that are excluded because they exceed the foregoing amount shall be determined by Agent based on all of the otherwise Eligible Accounts prior to giving effect to any eliminations based upon the foregoing concentration limit,

(k) Accounts with respect to which the Account Debtor is subject to an Insolvency Proceeding, is not, in the reasonable determination of Parent, Solvent, has gone out of business, or as to which any Borrower has received notice of an imminent Insolvency Proceeding or a material impairment of the financial condition of such Account Debtor,

(l) Accounts, the collection of which, Agent, in its Permitted Discretion, believes to be doubtful, including by reason of the Account Debtor's financial condition,

(m) Accounts that are not subject to a valid and perfected first priority Agent's Lien (or, with respect to Accounts owned by Australian Borrowers, a valid and perfected first priority Lien granted in favor of the Australian Security Trustee), including accounts that arose from the sale of coal, iron ore or other as-extracted collateral (as defined in the Code) in the United States, if an as-extracted collateral filing in the applicable jurisdiction has not been filed for the benefit of the Agent with respect to the location of the mining operation and/or mineheads from which such coal, iron ore or other as-extracted collateral was extracted; provided that, in the event that any as-extracted collateral filing is not made within 30 days after the the date of acquisition of an interest in the applicable location or minehead, any such Account covered by such filing shall not constitute an Eligible Account until the day that is 91 days after such as-extracted collateral filing is made,

(n) Accounts with respect to which (i) the goods giving rise to such Account have not been shipped and billed to the Account Debtor, or (ii) the services giving rise to such Account have not been performed and billed to the Account Debtor, provided that up to $25,000,000 of unbilled Accounts may be deemed to be Eligible Accounts if (x) any such Account has not been unbilled for more than 15 days, (y) the applicable goods have been shipped or the applicable services have been performed, as applicable, and (z) such Accounts satisfy the other eligibility criteria set forth in this definition,

(o) Accounts with respect to which the Account Debtor is a Sanctioned Person or Sanctioned Entity,

(p) Accounts that represent the right to receive progress payments or other advance billings that are due prior to the completion of performance by the applicable Borrower of the subject contract for goods or services,

(q) Accounts owned by a target acquired in connection with a Permitted Acquisition, until the completion of an appraisal and field examination with respect to such target, in each case, reasonably satisfactory to Agent (which appraisal and field examination may be conducted prior to the closing of such Permitted Acquisition), or

(r) Accounts sold pursuant to the Purchase and Sale Agreement dated as of April 22, 2014 among certain Loan Parties party thereto, as sellers, Parent, as servicer, and CNR Receivables LLC.

"Eligible Contract" means a contract among a U.S. Borrower, as seller, and one or more Eligible Customers, as buyer, relating to the sale of iron ore in the United States (i) whereby the applicable U.S. Borrower retains title to the applicable iron ore Inventory until payment is made by the Eligible Customer in respect of such iron ore Inventory and (ii) that provides for minimum purchases annually or a requirements contract of a quality of iron ore that is customized to the requirements of such Eligible Customer .

"Eligible Contract Inventory Location" means a location owned, leased or operated by an Eligible Customer where iron ore Inventory of a U.S. Borrower is held prior to the passage of title of such Inventory from such U.S. Borrower to the Eligible Customer pursuant to an Eligible Contract.

"Eligible Country" means each of the United States, Australia, Canada, the United Kingdom, Germany, Italy, Japan, the Netherlands, Singapore, Switzerland, Austria, any other member state of the European Union prior to May 1, 2014 and any other country approved by the Required Lenders in their sole discretion; provided, however, that upon fifteen (15) days' notice to Parent, Agent may, at its sole discretion, remove as an Eligible Country any country that does not have foreign currency ratings of "A" or better by S&P and "A2" or better by Moody's.

"Eligible Customer" means Ispat Inland Inc., International Steel Group Inc., ISG Cleveland Inc., ISG Indiana Harbor Inc., Severstal North America, Inc., AK Steel Corporation, ArcelorMittal Dofasco Inc., Algoma Steel Inc. and their respective Subsidiaries and any other Person (including successors-in-interest of the foregoing) approved by the Agent in its Permitted Discretion.

"Eligible Equipment" means Equipment of a Borrower that is Mobile Equipment, that complies with each of the representations and warranties respecting Eligible Equipment made in the Loan Documents, and that is not excluded as ineligible by virtue of one or more of the excluding criteria set forth below; provided, that such criteria may be revised from time to time by Agent in Agent's Permitted Discretion to address the results of any field examination or appraisal performed by Agent from time to time after the Closing Date. An item of Equipment shall not be included in Eligible Equipment if:

(a) a Borrower does not have good, valid, and marketable title thereto,

(b) other than with respect to Australian Equipment, a Borrower does not have actual and exclusive possession thereof (either directly or through a bailee or agent of a Borrower),

(c) it is not located at one of the locations in the continental United States set forth on Schedule 4.24 to the Agreement (or in-transit from one such location in the continental United States to another such location in the continental United States) (or with respect to Equipment of Australian Borrowers, one of the locations in Australia set forth on Schedule 4.24 to the Agreement (or in-transit from one such location in Australia to another such location in Australia)),

(d) it is in-transit to or from a location of a Borrower (other than (i) with respect to Equipment of U.S. Borrowers in-transit from one location in the continental United States set forth on Schedule 4.24 to the Agreement to another location in the continental United States set forth on Schedule 4.24 to the Agreement, or (ii) with respect to Equipment of Australian Borrowers in-transit from one location in Australia set forth on Schedule 4.24 to the Agreement to another location in Australia set forth on Schedule 4.24 to the Agreement),

(e) it is located on real property leased by a Loan Party from a third party (other than any Australian Mine Site) or with a bailee, in a contract warehouse or at the location of a Joint Venture, customer or other third party, in each case, unless (A) it is subject to a Collateral Access Agreement executed by the lessor, bailee, warehouseman, Joint Venture, customer or other third party, as the case may be, (B) with respect to Equipment located on leased real property, with a bailee or in a contract warehouse, it is the subject of Landlord Reserves, or (C) in respect of a bailee of Australian Equipment, the relevant Australian Borrower who is the owner of such Australian Equipment has perfected a purchase money security interest

as bailor against the applicable bailee in accordance with the Australian PPSA covering the relevant Australian Equipment in the possession of such bailee, provided, however, that no Landlord Reserves shall be imposed prior to 30 days (or such later date as Agent may agree, not to exceed 60 days) after the Closing Date,

(f) it is not subject to a valid and perfected first priority Agent's Lien (or with respect to Equipment owned by Australian Borrowers, a valid and perfected first priority Lien in favor of the Australian Security Trustee),

(g) it (i) is not in good repair and normal operating condition, ordinary wear and tear excepted, in accordance with its intended use in the business of the Loan Parties, (ii) is out for repair, (iii) does not meet in all material respects all standards imposed by any Governmental Authority having regulatory authority over such Equipment, (iv) is substantially worn, damaged, defective or obsolete, or (v) constitutes furnishings, real property or fixtures,

(h) it constitutes spare parts inventory or "surplus" equipment,

(i) it is "subject to" (within the meaning of Section 9-311 of the Code) any certificate of title or comparable statute,

(j) it was acquired in connection with a Permitted Acquisition, until the completion of an appraisal and field examination of such Inventory, in each case, reasonably satisfactory to Agent (which appraisal and field examination may be conducted prior to the closing of such Permitted Acquisition),

(k) in relation to Equipment owned by the Australian Borrowers, the Australian Borrowers have not provided the Australian Security Trustee with such Equipment's serial number and such other information necessary to make an effective serial numbered collateral registration with respect to such Equipment under the Australian PPSA, or

(l) in relation to Australian Equipment, such Australian Equipment is located on an Australian Mine Site over which a registered mining mortgage has been granted unless a Collateral Access Agreement has been executed by the mortgagee.

"Eligible Inventory" means Inventory of a Borrower that consists of goods held for sale in the ordinary course of such Borrower's business and that complies with each of the representations and warranties respecting Eligible Inventory made in the Loan Documents, and that is not excluded as ineligible by virtue of one or more of the excluding criteria set forth below; provided, that such criteria may be revised from time to time by Agent in Agent's Permitted Discretion to address the results of any field examination or appraisal performed by Agent from time to time after the Closing Date. In determining the amount to be so included, Inventory shall be valued at the lower of cost or market on a monthly basis in connection with delivery of each monthly Borrowing Base Certificate and a basis consistent with Borrowers' historical accounting practices. An item of Inventory shall not be included in Eligible Inventory if:

(a) a Borrower does not have good, valid, and marketable title thereto,

(b) a Borrower does not have ownership thereof,

(c) it is not located at one of the locations in the continental United States set forth on Schedule 4.24 to the Agreement (or in-transit from one such location in the continental United States to another such location in the continental United States) (or with respect to Inventory of Australian Borrowers, one of the locations in Australia set forth on Schedule 4.24 to the Agreement (or in-transit from one such location in Australia to another such location in Australia)),

(d) [reserved],

(e) it is located on real property leased by a Loan Party from a third party (other than any Australian Mine Site) or with a bailee or in a contract warehouse or at the location of a Joint Venture, customer or other third party, in each case, unless (i) either (A) it is subject to a Collateral Access Agreement executed by the lessor, bailee, warehouseman, Joint Venture, customer or other third party, as the case may be, (B) with respect to Inventory located on leased real property, with a bailee or in a contract warehouse, it is the subject of Landlord Reserves, provided, however, that no Landlord Reserves shall be imposed prior to 30 days (or such later date as Agent may agree, not to exceed 60 days) after the Closing Date, or (C) it is located at an Eligible Contract Inventory Location, and (ii) other than with respect to Inventory at a location of a Joint Venture or customer or at an Eligible Contract Inventory Location or a Designated Port located in the United States, it is segregated or otherwise separately identifiable from goods of others, if any, on the premises,

(f) it is in-transit to a Designated Port on a carrier not owned by one of the Loan Parties unless Agent has received a Collateral Access Agreement with the applicable carrier with respect thereto,

(g) it is the subject of a bill of lading or other document of title other than those delivered to Agent as to goods in-transit as set forth in clauses (c), (e) or (f) above,

(h) it is not subject to a valid and perfected first priority Agent's Lien (or with respect to Inventory owned by Australian Borrowers, a valid and perfected first priority Lien in favor of the Australian Security Trustee),

(i) it consists of goods returned or rejected by a Borrower's customers,

(j) it consists of goods that are obsolete or slow moving, restrictive or custom items, packaging and shipping materials, bill and hold goods, defective goods, "seconds," or Inventory acquired on consignment,

(k) it is subject to third party trademark, licensing or other proprietary rights, unless Agent is satisfied in its Permitted Discretion that such Inventory can be freely sold by Agent on and after the occurrence of an Event of a Default despite such third party rights,

(l) it was acquired in connection with a Permitted Acquisition, until the completion of an appraisal and field examination of such Inventory, in each case, reasonably satisfactory to Agent (which appraisal and field examination may be conducted prior to the closing of such Permitted Acquisition),

(m) it was acquired from a Sanctioned Person or Sanctioned Entity, or it does not meet all standards imposed by any Governmental Authority or constitutes Hazardous Materials,

(n) it constitutes work-in process, raw material or supplies, other than (i) in the case of iron ore located in the United States, work-in-process that has been converted into concentrate, (ii) in the case of coal located in the United States, work-in-process and raw material, and (iii) in the case of iron ore located in Australia, work-in-process and raw material,

(o) it constitutes coal, iron ore or other as-extracted collateral (as defined in the UCC) in the United States, unless an as-extracted collateral filing in the applicable jurisdiction has been filed for the benefit of the Agent with respect to the location of the mining operation and/or mineheads from which such coal, iron ore or other as-extracted collateral was extracted; provided that, in the event that any as-extracted collateral filing is not made within 30 days after the Closing Date, any such Inventory covered by such filing shall not constitute Eligible Inventory until the day that is 91 days after such as-extracted collateral filing is made, or

(p) in relation to Inventory owned by Australian Loan Parties, such Inventory is located on an Australian Mine Site over which a registered mining mortgage has been granted unless a Collateral Access Agreement has been executed by the mortgagee.

"Eligible Transferee" means (a) any Lender (other than a Defaulting Lender), any Affiliate of any Lender and any Related Fund of any Lender; (b) (i) a commercial bank organized under the laws of the United States or any state thereof, and having total assets in excess of $1,000,000,000; (ii) a savings and loan association or savings bank organized under the laws of the United States or any state thereof, and having total assets in excess of $1,000,000,000; (iii) a commercial bank organized under the laws of any other country or a political subdivision thereof; provided that (A) (x) such bank is acting through a branch or agency located in the United States or (y) such bank is organized under the laws of a country that is a member of the Organization for Economic Cooperation and Development or a political subdivision of such country, and (B) such bank has total assets in excess of $1,000,000,000; (c) any other entity (other than a natural person, Loan Party or an Affiliate of a Loan Party) that is an "accredited investor" (as defined in Regulation D under the Securities Act) that extends credit or buys loans as one of its businesses including insurance companies, investment or mutual funds and lease financing companies, and having total assets in excess of $1,000,000,000; and (d) any other Person (other than a natural person, Loan Party or Affiliate of a Loan Party) approved by Agent, each Issuing Bank and, so long as no Event of Default is continuing, Parent.

"Employee Benefit Plan" means any Benefit Plan, Multiemployer Plan or Pension Plan.

"Enforcement Action" any action to enforce any Obligations (other than Bank Product Obligations) or Loan Documents or to exercise any rights or remedies relating to any Collateral (whether by judicial action, self-help, notification of Account Debtors, setoff or recoupment, credit bid, action in a Loan Party's Insolvency Proceeding or otherwise) while an Event of Default exists.

"Environmental Action" means any written complaint, summons, citation, notice, directive, order, claim, litigation, investigation, judicial or administrative proceeding, judgment, letter, or other written communication from any Governmental Authority, or any third party involving violations of Environmental Laws or releases of Hazardous Materials (a) from any assets, properties, or businesses of any Borrower, any Subsidiary of any Borrower, or, to the extent potentially giving rise to liability to any Borrower or any of their respective Subsidiaries, any of their predecessors in interest, (b) from adjoining properties or businesses, or (c) from or onto any facilities which received Hazardous Materials generated by any Borrower, any Subsidiary of any Borrower, or, to the extent potentially giving rise to liability to any Borrower or any of their respective Subsidiaries, any of their predecessors in interest.

"Environmental Law" means any applicable federal, state, provincial, foreign or local statute, law, rule, regulation, ordinance, code, binding and enforceable guideline, binding and enforceable written policy, or rule of common law now or hereafter in effect and in each case as amended, or any judicial or administrative order, consent decree or judgment, in each case, to the extent binding on any Borrower or its Subsidiaries, relating to protection of the environment, the generation, handling, storage, treatment, release or disposal of, or exposure to, hazardous or toxic materials, or the effect of the environment on human health, in each case as amended from time to time.

"Environmental Liabilities" means all liabilities, monetary obligations, losses, damages, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts, or consultants, and costs of investigation and feasibility studies), fines, penalties, sanctions, and interest incurred or arising under any Environmental Law or as a result of any claim or demand, or Remedial Action required, by any Governmental Authority or any third party.

"Equipment" means equipment (as that term is defined in the Code).

"Equity Interest" means, with respect to a Person, all of the shares, options, warrants, interests, participations, or other equivalents (regardless of how designated) of or in such Person, whether voting or nonvoting, including capital stock (or other ownership or profit interests or units), preferred stock, or any other "equity security" (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the SEC under the Exchange Act).

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any successor statutes, and all regulations and guidance promulgated thereunder. Any reference to a specific section of ERISA shall be deemed to be a reference to such section of ERISA and any successor statutes, and all regulations and guidance promulgated thereunder.

"ERISA Affiliate" means (a) any Person subject to ERISA whose employees are treated as employed by the same employer as the employees of any Loan Party under IRC Section 414(b), (b) any trade or business subject to ERISA whose employees are treated as employed by the same employer as the employees of any Loan Party under IRC Section 414(c), (c) solely for purposes of Section 302 of ERISA and Section 412 of the IRC, any organization subject to ERISA that is a member of an affiliated service group of which any Loan Party is a member under IRC Section 414(m), or (d) solely for purposes of Section 302 of ERISA and Section 412 of the IRC, any Person subject to ERISA that is a party to an arrangement with any Loan Party and whose employees are aggregated with the employees of any Loan Party under IRC Section 414(o).

"Euro" means the single currency of the Participating Member States.

"Event of Default" has the meaning specified therefor in Section 8 of the Agreement.

"Excess Availability" means, as of any date of determination, the amount equal to the sum of the U.S. Excess Availability and the Australian Excess Availability.

"Exchange Act" means the Securities Exchange Act of 1934, as in effect from time to time.

"Exchange Notes" means those certain 7.75% Senior Secured Notes due 2020 issued by Parent on March 30, 2015 in the initial aggregate principal amount of $544,156,000.

"Exchange Notes Documents" means the Exchange Notes, each Exchange Notes Indenture, and all agreements, documents and instruments entered into now or in the future in connection with the Exchange Notes or any Exchange Notes Indenture.

"Exchange Notes Indenture" means the Indenture, dated March 30, 2015, governing the Exchange Notes, by and among Parent, as issuer, the guarantors from time to time party thereto, and U.S. Bank National Association, as trustee and collateral agent.

"Excluded Accounts" has the meaning specified in the Guaranty and Security Agreement.

"Excluded Property" has the meaning specified therefor in the Guaranty and Security Agreement.

"Excluded Subsidiary" means (i) any direct or indirect Foreign Subsidiary of Parent (other than an Australian Subsidiary formed or acquired after the Closing Date but solely with respect to the Australian Obligations), (ii) any non-Foreign Subsidiary that is treated as a disregarded entity for U.S. income tax purposes if substantially all of its assets consist of the Voting Stock of one or more direct or indirect Foreign Subsidiaries of Parent, (iii) any non-Foreign Subsidiary of a Foreign Subsidiary, (iv) any Subsidiary that is an Immaterial Subsidiary, (v) any non-Wholly Owned Subsidiary, to the extent, and for so long as, a guarantee by such Subsidiary of the obligations of the U.S. Borrowers under the Loan Documents would be prohibited by the terms of any organizational document, joint venture agreement or shareholder's agreement applicable to such Subsidiary, provided that such prohibition existed on the Closing Date or, with respect to any

Subsidiary formed or acquired after the Closing Date (and, in the case of any Subsidiary acquired after the Closing Date, for so long as such prohibition was not incurred in contemplation of such acquisition), on the date such Subsidiary is so formed or acquired, (vi) any parent entity of any non-Wholly Owned Subsidiary, to the extent, and for so long as, a guarantee by such Subsidiary, of the obligations of the U.S. Borrowers under the Loan Documents would be prohibited by the terms of any organizational document, joint venture agreement or shareholder's agreement applicable to the non Wholly Owned Subsidiary to which such Subsidiary is a parent, provided that (A) such prohibition existed on the Closing Date or, with respect to any Subsidiary formed or acquired after the Closing Date (and, in the case of any Subsidiary acquired after the Closing Date, for so long as such prohibition was not incurred in contemplation of such acquisition), on the date such Subsidiary is so formed or acquired and (B) a direct or indirect parent company of such parent entity (1) shall be a Guarantor and (2) shall be a holding company not engaged in any business activities or having any assets or liabilities other than (x) its ownership and acquisition of the Equity Interest of the applicable joint venture (or any other entity holding an ownership interest in such joint venture), together with activities directly related thereto, (y) actions required by law to maintain its existence and (z) activities incidental to its maintenance and continuance and to the foregoing activities, (vii) Cleveland-Cliffs International Holding Company, so long as substantially all of its assets consist of equity interests in one or more Foreign Subsidiaries, (viii) Wabush Iron Co. Limited and (ix) any Subsidiary of a Person described in the foregoing clauses (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii), provided in each case that such Subsidiary has not guaranteed any Obligations of U.S. Borrowers or guarantors under (x) the First Lien Notes Documents or (y) the Exchange Notes Documents.

"Excluded Swap Obligations" means with respect to any Loan Party, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty Obligations of such Person of, or the grant by such Person of a security interest to secure, such Swap Obligation (or any Guaranty Obligation thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof). If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guaranty Obligation or security interest is or becomes illegal.

"Excluded Taxes" means (i) any tax imposed on the net income or net profits of any Lender or any Participant, franchise Taxes and branch profits Taxes, in each case, (A) imposed as a result of such Lender or such Participant being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision or taxing authority thereof) or (B) imposed as a result of a present or former connection between such Lender or such Participant and the jurisdiction or taxing authority imposing the Tax (other than any such connection arising solely from such Lender or such Participant having executed, delivered or performed its obligations or received payment under, or enforced its rights or remedies under this Agreement or any other Loan Document); (ii) Taxes resulting from a Lender's or a Participant's failure to comply with the requirements of Section 17.2 of this Agreement, (iii) any United States federal or Australian withholding Taxes that would be imposed on amounts payable to a Lender pursuant to a law in effect at the time such Lender becomes a party to this Agreement (or designates a new lending office), except for (A) any amount that such Lender (or its assignor, if any) was previously entitled to receive pursuant to Section 17.1 of this Agreement, if any, with respect to such withholding Tax at the time such Lender became a party to this Agreement (or designated a new lending office), and (B) additional withholding Taxes that may be imposed after the time such Lender became a party to this Agreement (or designated a new lending office), as a result of a change in law, rule, regulation, order or other decision with respect to any of the foregoing by any Governmental Authority, and (iv) any United States federal withholding Taxes imposed under FATCA.

"Existing Credit Facility" means the credit facility evidenced by certain Amended and Restated Multicurrency Credit Agreement dated as of August 11, 2011, as amended by that certain Amendment No. 1 to Amended and Restated Multicurrency Credit Agreement dated as of October 16, 2012, that certain Amendment No. 2 to Amended and Restated Multicurrency Credit Agreement dated as of February 8, 2013, that certain Amendment No. 3 to Amended and Restated Multicurrency Credit Agreement dated as of June

30, 2014, that certain Amendment No. 4 to Amended and Restated Multicurrency Credit Agreement dated as of September 9, 2014, that certain Amendment No. 5 to Amended and Restated Multicurrency Credit Agreement dated as of October 24, 2014 and that certain Amendment No. 6 to Amended and Restated Multicurrency Credit Agreement dated as of January 22, 2015, each among Parent, certain foreign subsidiaries of Parent from time to time party thereto, various lenders from time to time party thereto, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer (each as defined therein), JPMorgan Chase Bank, N.A., as Syndication Agent and L/C Issuer (each as defined therein), Merrill Lynch, Pierce, Fenner & Smith Incorporated, J.P. Morgan Securities LLC, Citigroup Global Markets Inc., PNC Capital Markets Inc. and U.S. Bank National Association, as joint lead arrangers and joint book managers, and Fifth Third Bank and RBS Citizens, N.A., as co-documentation agents, as may further be amended, restated, supplemented or otherwise modified from time to time.

"Existing Debt" means (a) the Existing Senior Notes, (b) the Senior Secured Notes, (c) the Exchange Notes and (d) any other agreement, indenture or other instrument with respect to indebtedness for borrowed money (excluding capital leases) of the Loan Parties of more than $15,000,000 with a scheduled maturity prior to the date that is five years from the Closing Date.

"Existing Hedge Obligations" means the obligations or liabilities arising under, owing pursuant to, or existing in respect of the Hedge Agreements set forth on Schedule E-1, but only for so long as the counterpart constitutes a Hedge Provider hereunder.

"Existing Letters of Credit" means the letters of credit set forth on Schedule E-2.

"Existing NAB Accounts" means the existing bank accounts held by Cliffs Asia Pacific Iron Ore Pty Ltd and Cliffs Natural Resources Pty Ltd with National Australia Bank Limited with account numbers 73-129-3759 and 828095409 related to bank guarantees or other contingent instruments issued by National Australia Bank Limited at the request of Australian Loan Parties, provided the aggregate credit balance in such accounts does not at any time exceed A$3,000,000 (or its Dollar Equivalent in other currencies).

"Existing Senior Notes" means collectively (a) those certain 5.900% Senior Notes due 2020 issued by Parent in the initial aggregate principal amount of $400,000,000; (b) those certain 4.80% Senior Notes due 2020 issued by Parent in the initial aggregate principal amount of $500,000,000; (c) those certain 6.25% Senior Notes due 2040 issued by Parent in the initial aggregate principal amount of $500,000,000; (d) those certain 4.875% Senior Notes due 2021 issued by Parent in the initial aggregate principal amount of $700,000,000; and (e) those certain 3.95% Senior Notes due 2018 issued by Parent in the initial aggregate principal amount of $500,000,000.

"Existing Senior Notes Documents" means the Existing Senior Notes, each Existing Senior Notes Indenture, and all other agreements, documents and instruments entered into now or in the future in connection with the Existing Senior Notes or any Existing Senior Notes Indenture.

"Existing Senior Notes Indenture" means any indenture governing any of the Existing Senior Notes.

"Extraordinary Advances" has the meaning specified therefor in Section 2.3(f)(vi) of the Agreement.

"FATCA" means Sections 1471 through 1474 of the IRC, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the IRC.

"FCPA" has the meaning assigned to such term in Section 4.13

"Fee Letter" means that certain fee letter, dated as of March 13, 2015 between Parent and Agent.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal to, for each day during such period, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by Agent from three Federal funds brokers of recognized standing selected by it.

"Field Examination/Appraisal Triggering Event" means any date on which Excess Availability is less than the greater of (a) 17.5% of the Line Cap, and (b) $100,000,000.

"Financial Covenant Period" means a period which shall commence on any date of determination on which (x)(a) Liquidity is less than the greater of (i) 10% of the Maximum Revolver Amount and (ii) $75,000,000 or (b) Excess Availability is less than $50,000,000, and shall continue until (y)(a) Liquidity is not less than the greater of (i) 10% of the Maximum Revolver Amount and (ii) $75,000,000 and (b) Excess Availability is not less than $50,000,000, in each case with respect to clauses (a) and (b) of this clause (y), for a period of 60 consecutive days.

"Fixed Asset Priority Collateral" has the meaning specified therefor in the Intercreditor Agreement.

"Fixed Asset Priority Collateral Agent" has the meaning specified therefor in the Intercreditor Agreement.

"Fixed Charges" means, with respect to any fiscal period and with respect to Parent determined on a consolidated basis in accordance with GAAP, the sum, without duplication, of (a) Interest Expense accrued (other than interest paid-in-kind, amortization of financing fees, and other non-cash Interest Expense) during such period to the extent required to be paid in cash, (b) scheduled principal payments in respect of Funded Indebtedness that are required to be paid in cash during such period (excluding, for the avoidance of doubt, any mandatory or voluntary prepayments or any payments made in connection with the Transaction or any Refinancing of such Funded Indebtedness) and (c) all Restricted Payments paid in cash pursuant to Section 6.7(a), (d) or (e) during such period.

"Fixed Charge Coverage Ratio" means, with respect to any fiscal period and with respect to Parent determined on a consolidated basis in accordance with GAAP, the ratio of (a) EBITDA for such period *minus* Capital Expenditures made (to the extent not already incurred in a prior period) or incurred during such period *minus* federal, state, and local income taxes paid in cash during such period, to (b) Fixed Charges for such period.

"Flood Hazard Property" means improved real property with buildings or other improvements located within such Special Flood Hazard Area pursuant to a standard flood hazard determination form ordered and received by the Agent.

"Flood Insurance Laws" means, collectively, (i) the National Flood Insurance Act of 1968 as now or hereafter in effect or any successor statute thereto, (ii) the Flood Disaster Protection Act of 1973 as now or hereafter in effect or any successor statute thereto, (iii) the National Flood Insurance Reform Act of 1994 as now or hereafter in effect or any successor statute thereto and (iv) the Flood Insurance Reform Act of 2004, and any regulations promulgated thereunder, as now or hereafter in effect or any successor statute or regulations thereto.

"Flow of Funds Agreement" means a flow of funds agreement, dated as of even date herewith, in form and substance reasonably satisfactory to Agent, executed and delivered by each Loan Party and Agent.

"Foreign Benefit Event" shall mean, with respect to any Foreign Plan, (a) the existence of unfunded liabilities in excess of the amount permitted under any applicable law, (b) the failure to make the required contributions or payments, under any applicable law, on or before the due date for such contributions or

payments, (c) the receipt of a notice by a Governmental Authority relating to the intention to terminate any such Foreign Plan or to appoint a trustee or similar official to administer any such Foreign Plan, or alleging the insolvency of any such Foreign Plan, (d) the incurrence of any liability by any Loan Party or any Subsidiary under applicable law on account of the complete or partial termination of such Foreign Plan or the complete or partial withdrawal of any participating employer therein, or (e) the occurrence of any transaction that is prohibited under any applicable law and that could reasonably be expected to result in the incurrence of any liability by any Loan Party or any of its Subsidiaries, or the imposition on any Loan Party or any of its Subsidiaries of any fine, excise tax or penalty resulting from any noncompliance with any applicable law.

"Foreign Cash Equivalents" means (a) certificates of deposit, bankers' acceptances, or time deposits maturing within 1 year from the date of acquisition thereof, in each case payable in an Agreed Currency and issued by any bank organized under the laws of any Specified State and having at the date of acquisition thereof combined capital and surplus of not less than $1,000,000,000 (calculated at the then applicable Spot Rate), (b) Deposit Accounts maintained with any bank that satisfies the criteria described in clause (a) above, (c) Investments in money market funds substantially all of whose assets are invested in the types of assets described in clauses (a) and (b) above and (d) Investments of the type described in the "Investment Policy" of Parent, dated as of February 8, 2010, or the draft "Cash Investment Policy" of Parent in the form provided to Agent on or before the Closing Date, in each case, together with any modifications thereto reasonably acceptable to the Agent.

"Foreign Plan" has the meaning specified therefor in Section 4.10(b) of the Agreement and shall include an Australian Pension Plan.

"Foreign Subsidiary" means any Subsidiary of Parent that was not formed under the laws of the United States or any state of the United States or the District of Columbia.

"FSHCO" means a Subsidiary that is organized under the laws of the United States, any state thereof or the District of Columbia substantially all of the assets of which consist of Equity Interests of one or more CFCs or FSHCOs. For the avoidance of doubt, Cleveland-Cliffs International Holding Company shall be considered a FSHCO.

"Funded Indebtedness" means, as of any date of determination, all Indebtedness for borrowed money or letters of credit of Parent, determined on a consolidated basis in accordance with GAAP.

"Funding Date" means the date on which a Borrowing occurs.

"Funding Losses" has the meaning specified therefor in Section 2.13(b)(ii) of the Agreement.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States, consistently applied.

"Governing Documents" means, with respect to any Person, the certificate or articles of incorporation, by-laws, articles of association, or other organizational documents of such Person.

"Governmental Authority" means the government of any nation or any political subdivision thereof, whether at the national, state, territorial, provincial, municipal or any other level, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of, or pertaining to, government (including any supra-national bodies such as the European Union or the European Central Bank).

"Guarantor" means (a) each Subsidiary of each Borrower (other than any Excluded Subsidiary), and (b) each other Person that becomes a guarantor after the Closing Date pursuant to Section 5.11 of the Agreement.

"Guaranty and Security Agreement" means a guaranty and security agreement, dated as of even date with the Agreement, in form and substance reasonably satisfactory to Agent, executed and delivered by each of the U.S. Borrowers and each of the U.S. Guarantors to Agent.

"Guaranty Obligations" means as to any Person (without duplication) any obligation of such Person guaranteeing any Indebtedness ("primary Indebtedness") of any other Person (the "primary obligor") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent: (i) to purchase any such primary Indebtedness or any property constituting direct or indirect security therefore; (ii) to advance or supply funds for the purchase or payment of any such primary Indebtedness or to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; (iii) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary Indebtedness of the ability of the primary obligor to make payment of such primary Indebtedness; or (iv) otherwise to assure or hold harmless the owner of such primary Indebtedness against loss in respect thereof, provided, however, that the definition of Guaranty Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guaranty Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary Indebtedness in respect of which such Guaranty Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder).

"Hazardous Materials" means (a) substances that are defined or listed in, or otherwise classified pursuant to, any applicable Environmental Laws as "hazardous substances," "hazardous materials," "hazardous wastes," "toxic substances," or any other formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, reproductive toxicity, or "EP toxicity", (b) oil, petroleum, or petroleum derived substances, natural gas, natural gas liquids or synthetic gas, (c) any explosives or any radioactive materials, and (d) asbestos in any form or electrical equipment that contains any oil or dielectric fluid containing levels of polychlorinated biphenyls in excess of 50 parts per million.

"Hedge Agreement" means a "swap agreement" as that term is defined in Section 101(53B)(A) of the Bankruptcy Code.

"Hedge Obligations" means the U.S. Hedge Obligations and the Australian Hedge Obligations; provided that the Hedge Obligations shall not include any Excluded Swap Obligations.

"Hedge Provider" means any U.S. Hedge Provider or any Australian Hedge Provider.

"Identified Locations" has the meaning specified in Section 4.24.

"Immaterial Subsidiary" means (a) the Persons identified on Schedule I-1 to this Agreement and (b) any other Subsidiary that, together with its Subsidiaries, does not have (i) Consolidated Total Assets in excess of 3.0% of the Consolidated Total Assets of Parent and its Subsidiaries on a consolidated basis as of the date of the most recent consolidated balance sheet of Parent or (ii) consolidated total revenues in excess 3.0% of the consolidated total revenues of Parent and its Subsidiaries on a consolidated basis for the most recently ended four fiscal quarters for which internal financial statements of Parent are available immediately preceding such calculation date; provided that any such Subsidiary, when taken together with all other Immaterial Subsidiaries does not, in each case together with their respective Subsidiaries, have (i) Consolidated Total Assets with a value in excess of 7.5% of the Consolidated Total Assets of Parent and its Subsidiaries on a consolidated basis or (ii) consolidated total revenues in excess of 7.5% of the consolidated total revenues of Parent and its Subsidiaries on a consolidated basis. For the avoidance of doubt, no Borrower shall be an Immaterial Subsidiary.

"Increased Borrowing Base Reporting Period" has the meaning specified in Schedule 5.2.

"Incremental Amendment" has the meaning specified in Section 2.16(b).

"Incremental Commitment" has the meaning specified in Section 2.16(a).

"Incremental Loans" has the meaning specified in Section 2.16(a).

"Indebtedness" as to any Person means (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments and all reimbursement or other obligations in respect of letters of credit, bankers acceptances, or other financial products, (c) all obligations of such Person as a lessee under Capital Leases, (d) all obligations or liabilities of others secured by a Lien on any asset of such Person, irrespective of whether such obligation or liability is assumed, (e) all obligations of such Person to pay the deferred purchase price of assets (other than trade payables incurred in the ordinary course of business), (f) all monetary obligations of such Person owing under Hedge Agreements (which amount shall be calculated based on the amount that would be payable by such Person if the Hedge Agreement were terminated on the date of determination), (g) any Disqualified Equity Interests of such Person, and (h) any obligation of such Person guaranteeing or intended to guarantee (whether directly or indirectly guaranteed, endorsed, co-made, discounted, or sold with recourse) any obligation of any other Person that constitutes Indebtedness under any of clauses (a) through (g) above. For purposes of this definition, (i) the amount of any Indebtedness represented by a guaranty or other similar instrument shall be the lesser of the principal amount of the obligations guaranteed and still outstanding and the maximum amount for which the guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Indebtedness, and (ii) the amount of any Indebtedness which is limited or is non-recourse to a Person or for which recourse is limited to an identified asset shall be valued at the lesser of (A) if applicable, the limited amount of such obligations, and (B) if applicable, the fair market value of such assets securing such obligation.

"Indemnified Liabilities" has the meaning specified therefor in Section 10.3 of the Agreement.

"Indemnified Person" has the meaning specified therefor in Section 10.3 of the Agreement.

"Indemnified Taxes" means, any Taxes other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document.

"Insolvency Proceeding" means with respect to any Person, (a) any proceeding, corporate action, procedure or step commenced or taken by or against that Person under any provision of the Bankruptcy Code, the Corporations Act or under any other state or federal bankruptcy or insolvency law, assignments for the benefit of creditors, formal or informal moratoria, compositions, extensions generally with creditors, or proceedings seeking reorganization, arrangement, or other similar relief, or (b) the appointment of a custodian, trustee, receiver, interim receiver, national receiver, receiver-manager, monitor, liquidator, administrator, judicial manager, administrative receiver, supervisor, compulsory manager, Controller or similar custodian for that Person or for substantially all of its assets.

"Intercompany Subordination Agreement" means an intercompany subordination agreement, dated as of even date with the Agreement, executed and delivered by each of the other Loan Parties and Agent, the form and substance of which is reasonably satisfactory to Agent.

"Intercreditor Agreement" means that certain ABL Intercreditor Agreement, dated as of even date with the Agreement, between Agent and U.S. Bank National Association, as collateral agent in respect of the Senior Secured Notes, and U.S. Bank National Association, as collateral agent in respect of the Exchange Notes and acknowledged and agreed to by the U.S. Loan Parties.

"Interest Expense" means, for any period, the aggregate of the interest expense of Parent for such period, determined on a consolidated basis in accordance with GAAP.

"Interest Period" means, with respect to each LIBOR Rate Loan, a period commencing on the date of the making of such LIBOR Rate Loan (or the continuation of a LIBOR Rate Loan or the conversion of a Base Rate Loan to a LIBOR Rate Loan) and ending 1, 2, 3, or 6 months thereafter or, if agreed to by all Lenders, 12 months thereafter; provided, that (a) interest shall accrue at the applicable rate based upon the LIBOR Rate from and including the first day of each Interest Period to, but excluding, the day on which any Interest Period expires, (b) any Interest Period that would end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day, (c) with respect to an Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period), the Interest Period shall end on the last Business Day of the calendar month that is 1, 2, 3, 6 or 12 months after the date on which the Interest Period began, as applicable, and (d) Borrowers may not elect an Interest Period which will end after the Maturity Date.

"Inventory" means inventory (as that term is defined in the Code or the Australian PPSA).

"Investment" means, with respect to any Person, any investment by such Person in any other Person (including Affiliates) in the form of loans, guarantees, advances, capital contributions (excluding (a) commission, travel, and similar advances to directors, officers and employees of such Person made in the ordinary course of business, and (b) bona fide accounts receivable arising in the ordinary course of business), or acquisitions of Equity Interests, or all or substantially all of the assets of such other Person (or of any division or business line of such other Person), and any other items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. The amount of any Investment shall be the original cost of such Investment *plus* the cost of all additions thereto, without any adjustment for increases or decreases in value, or write-ups, write-downs, or write-offs with respect to such Investment.

"IRC" means the Internal Revenue Code of 1986, as amended.

"ISP" means, with respect to any Letter of Credit, the International Standby Practices 1998 (International Chamber of Commerce Publication No. 590) and any subsequent revision thereof adopted by the International Chamber of Commerce on the date such Letter of Credit is issued.

"Issuer Document" means, with respect to any Letter of Credit, a letter of credit application, a letter of credit agreement, or any other document, agreement or instrument entered into (or to be entered into) by a Borrower in favor of Issuing Bank and relating to such Letter of Credit.

"Issuing Bank" means any U.S. Issuing Bank or any Australian Issuing Bank.

"Issuing Bank Indemnitees" Issuing Bank and its officers, directors, employees, Affiliates, agents and attorneys.

"Joint Book Runners" means Merrill Lynch, Pierce, Fenner & Smith Incorporated, PNC Capital Markets LLC, Deutsche Bank Securities Inc., Citizens Bank, N.A., and Regions Business Capital, a Division of Regions Bank.

"Joint Lead Arrangers" means Merrill Lynch, Pierce, Fenner & Smith Incorporated, PNC Capital Markets LLC, Deutsche Bank Securities Inc., Citizens Bank, N.A. and Regions Business Capital, a division of Regions Bank.

"Joint Ventures" means the joint ventures established pursuant to the Joint Venture Agreements.

"Joint Venture Agreements" means, collectively (and in each case, as amended, restated, supplemented or modified from time to time) (a) that certain Hibbing Taconite Joint Venture Agreement dated as of January 1, 1974, as amended by that certain Amended Joint Venture Agreement dated as of January

1, 1975, that certain Agreement of Amendment dated as of July 31, 1978, that certain Agreement of Amendment dated as of February 1, 1981, that certain Agreement of Amendment dated as of January 1, 1999, that certain Agreement of Amendment dated as of November 3, 2008, and that certain Amendment dated as of February 9, 2011, among ArcelorMittal Hibbing Inc., a Delaware corporation ("ArcelorMittal Hibbing") (as successor in interest to Bethlehem Steel Corporation), Cliffs Mining Holding Sub Company, a Delaware corporation (as successor in interest to Pickands Mather & Co.), Ontario Hibbing Company, a Minnesota corporation ("Ontario Hibbing"), and Hibbing Development Company, a general partnership organized under the Uniform Partnership Act as adopted in the State of Minnesota; (b) that certain Partnership Agreement of Hibbing Development Corporation dated as of July 31, 1978, as amended by that certain Agreement of Amendment dated as of February 1, 1981, that certain Agreement of Amendment dated December 31, 1985, and that certain Agreement of Amendment dated July 18, 2002, among ArcelorMittal Hibbing (as successor in interest to Bethlehem Steel Corporation), Ontario Hibbing (as successor in interest to Republic Hibbing Corporation) and Pickands Hibbing Corporation, a Minnesota corporation (as successor in interest to Pickands Mather & Co.); (c) that certain Restated Empire Iron Ore Mining Partnership Agreement dated as of December 1, 1978, as amended by that certain Amendment to Empire Partnership Agreement dated as of July 1, 1983, that certain Empire Partnership Omnibus Agreement dated as of December 13, 1991, that certain Second Empire Partnership Omnibus Agreement dated as of December 31, 2002, and that certain 2014 Extension Agreement effective as of January 1, 2014, between Cliffs Empire, Inc., a Michigan corporation, and ArcelorMittal Empire Inc., a Delaware corporation (as successors in interest to The Cleveland-Cliffs Iron Company, McLouth Steel Corporation, WSC Empire, Inc. and Inland Steel Company); (d) that certain Operating Agreement of Tilden Mining Company L.C. dated as of June 30, 1995, as amended, restated, supplemented or otherwise modified from time to time, including as amended by that certain Amendment that became effective initially on January 1, 1999 (with certain additional provisions subsequently becoming effective on January 1, 2000), between Cliffs TIOP, Inc., a Michigan corporation, and Ontario Tilden Company, a Michigan corporation (as successors in interest to J&L Cliffs Ore Partnership, Tilden Iron Ore Partnership, Tilden Magnetite Partnership, Cliffs Tilden, Inc., Stelco Coal Company and Cannelton Iron Ore Company), (e) that certain Wabush Mines Joint Venture Agreement and Wabush Mines Supplemental Joint Venture Agreement, each dated January 1, 1967, and as amended by that certain Amendment dated as of January 1, 1999, that certain Amendment to Wabush Mines Project Agreements and Management Agreement dated as of November 5, 2008, and that Wabush Mines Joint Venture Interim Agreement dated as of February 1, 2010 each by and among entered into by and between Wabush Iron Co. Limited and Wabush Resources Inc. or its predecessors in interest, (f) Amended and Restated Limited Partnership Agreement dated July 20, 2009 by and between Bloom Lake General Partner Limited, Cliffs Quebec Iron Mining Limited, Wugang Canada Resources Investment Limited and Minerals Corporation Limited of Wuhan Iron and Steel (Group), as amended, and Shareholders Agreement of Bloom Lake General Partner Limited dated July 20, 2009 by and between Cliffs Quebec Iron Mining Limited and Wugang Canada Resources Investment Limited, as amended, and (g) any other agreement which establishes any corporation, partnership, limited liability company or other entity or organization that has voting Equity Interests directly or indirectly owned by Parent; provided, however, that, notwithstanding clause (g) of this definition, none of the following shall be a Joint Venture hereunder: (i) any wholly-owned Subsidiary and (ii) any trade creditor or customer in which Parent or any of its Subsidiaries has made an Investment pursuant to clause (t) of the definition of Permitted Investments.

"Landlord Reserve" means, as to each location not owned by a Loan Party at which a Borrower has Inventory of a type included in the Borrowing Base, Equipment of a type included in the Borrowing Base or books and records related to Accounts of a type included in the Borrowing Base or any such Inventory or Equipment located and as to which a Collateral Access Agreement has not been received by Agent, a reserve in an amount equal to the greater of (a) the number of months' rent for which the landlord, bailee or warehousemen will have, under applicable law, a Lien in the Inventory or Equipment of such Borrower to secure the payment of rent or other amounts under the lease or other agreement relative to such location, or (b) with respect to a location where Inventory is located, 6 months' rent and charges under the lease or other agreement relative to such location and with respect to a location where Equipment is located, 12 months' rent and charges under the lease or other agreement relative to such location; provided that no

Landlord Reserves shall be imposed prior to 30 days (or such later date as Agent may agree, not to exceed 60 days) after the Closing Date.

"Lead Left Arranger" has the meaning specified therefor in Section 18.14(a) of the Agreement.

"Lender" has the meaning set forth in the preamble to the Agreement, shall include each Issuing Bank and each Swing Lender, and shall also include any other Person made a party to the Agreement pursuant to the provisions of Section 13.1 of the Agreement and "Lenders" means each of the Lenders or any one or more of them. For avoidance of doubt, each Additional Lender is a Lender to the extent any such Person has executed and delivered an Incremental Amendment and to the extent such Incremental Amendment shall have become effective in accordance with the terms hereof and thereof.

"Lender Group" means each of the Lenders (including each Issuing Bank and each Swing Lender), Agent, and the Australian Security Trustee, or any one or more of them.

"Lender Group Expenses" means all (a) reasonable and documented costs and out-of-pocket expenses (including taxes and insurance premiums) required to be paid by any Borrower or its Subsidiaries under any of the Loan Documents that are paid, advanced, or incurred by Agent, (b) reasonable and documented out-of-pocket fees or charges paid or incurred by Agent and Australian Security Trustee in connection with the Lender Group's transactions with each Borrower and its Subsidiaries under any of the Loan Documents, including, photocopying, notarization, couriers and messengers, telecommunication, public record searches, filing fees, recording fees, publication, real estate surveys and environmental audits, (c) Agent's customary fees and charges imposed or incurred in connection with any background checks or OFAC/PEP searches related to any Borrower or its Subsidiaries, (d) Agent's customary fees and charges (as adjusted from time to time) with respect to the disbursement of funds (or the receipt of funds) to or for the account of any Borrower (whether by wire transfer or otherwise), together with any out-of-pocket costs and expenses incurred in connection therewith, (e) customary charges imposed or incurred by Agent resulting from the dishonor of checks payable by or to any Loan Party, (f) reasonable and documented out-of-pocket costs and expenses paid or incurred by Agent or Australian Security Trustee to correct any default or enforce any provision of the Loan Documents, or during the continuance of an Event of Default, in gaining possession of, maintaining, handling, preserving, storing, shipping, selling, preparing for sale, or advertising to sell the Collateral, or any portion thereof, irrespective of whether a sale is consummated, (g) field examination, appraisal, and valuation fees and expenses of Agent related to any field examinations, appraisals, or valuation to the extent of the fees and charges (and up to the amount of any limitation) provided in Section 2.10 of the Agreement, (h) Agent's and Australian Security Trustee's reasonable and documented costs and out-of-pocket expenses (including reasonable documented attorneys' fees and expenses) relative to third party claims or any other lawsuit or adverse proceeding paid or incurred, whether in enforcing or defending the Loan Documents or otherwise in connection with the transactions contemplated by the Loan Documents, Agent's or Australian Security Trustee's Liens in and to the Collateral, or the Lender Group's relationship with any Borrower or any of its Subsidiaries, (i) Agent's and Australian Security Trustee's reasonable and documented costs and out-of-pocket expenses (including reasonable and documented attorneys' fees and due diligence expenses) incurred in advising, structuring, drafting, reviewing, administering (including travel, meals, and lodging), syndicating (including reasonable and documented costs and out-of-pocket expenses relative to CUSIP, DXSyndicate™, SyndTrak or other communication costs incurred in connection with a syndication of the loan facilities), or amending, waiving, or modifying the Loan Documents, and (j) Agent's, Australian Security Trustee's and each Lender's reasonable and documented costs and out-of-pocket expenses (including reasonable and documented attorneys', accountants', consultants', and other advisors' fees and expenses) incurred in terminating, enforcing (including attorneys', accountants', consultants', and other advisors' fees and expenses incurred in connection with a "workout," a "restructuring," or an Insolvency Proceeding concerning any Borrower or any of its Subsidiaries or in exercising rights or remedies under the Loan Documents), or defending the Loan Documents, irrespective of whether a lawsuit or other adverse proceeding is brought, or in taking any Enforcement Action or any Remedial Action with respect to the Collateral.

"Lender Group Representatives" has the meaning specified therefor in Section 18.9 of the Agreement.

"Lender-Related Person" means, with respect to any Lender, such Lender, together with such Lender's Affiliates, officers, directors, employees, attorneys, and agents.

"Letter of Credit" means a letter of credit (as that term is defined in the Code) issued by an Issuing Bank for the account of a Borrower pursuant to the Agreement, including, without limitation, the Existing Letters of Credit.

"Letter of Credit Collateralization" means either (a) providing cash collateral (pursuant to documentation reasonably satisfactory to Agent, including provisions that specify that the Letter of Credit Fees and all commissions, fees, charges and expenses provided for in Section 2.11(l) and Section 2.12(l) of the Agreement (including any fronting fees) will continue to accrue while the Letters of Credit are outstanding) to be held by Agent for the benefit of the applicable Revolving Lenders in an amount equal to the sum of (i) 103% of the then existing Letter of Credit Usage that is denominated in Dollars, and (ii) 103% of the then existing Letter of Credit Usage that is denominated in an Agreed Currency other than Dollars, (b) delivering to Agent documentation executed by all beneficiaries under the Letters of Credit, in form and substance reasonably satisfactory to Agent and Issuing Bank, terminating all of such beneficiaries' rights under the Letters of Credit, or (c) providing Agent with a standby letter of credit, in form and substance reasonably satisfactory to Agent, from a commercial bank acceptable to Agent (in its sole discretion) in an amount equal to the sum of (i) 103% of the then existing Letter of Credit Usage that is denominated in Dollars, and (ii) 103% of the then existing Letter of Credit Usage that is denominated in an Agreed Currency other than Dollars (it being understood that the Letter of Credit Fee and all fronting fees set forth in the Agreement will continue to accrue while the Letters of Credit are outstanding and that any such fees that accrue must be an amount that can be drawn under any such standby letter of credit).

"Letter of Credit Disbursement" means a payment made by any Issuing Bank pursuant to a Letter of Credit.

"Letter of Credit Expiration Date" shall mean the date which is five (5) Business Days prior to the Maturity Date (as determined pursuant to clause (a) of the definition thereof).

"Letter of Credit Fee" has the meaning specified therefor in Section 2.6(b)(ii) of the Agreement.

"Letter of Credit Usage" means, as of any date of determination, the aggregate undrawn amount of all outstanding Letters of Credit.

"LIBOR Deadline" has the meaning specified therefor in Section 2.13(b)(i) of the Agreement.

"LIBOR Notice" means a written notice substantially in the form of Exhibit L-1 to the Agreement.

"LIBOR Option" has the meaning specified therefor in Section 2.13(a) of the Agreement.

"LIBOR Rate" means the per annum rate of interest (rounded up, if necessary, to the nearest 1/8th of 1%) determined by Agent at or about 11:00 a.m. (London time) two Business Days prior to an interest period (but in the case of a LIBOR Rate Loan denominated in Pounds Sterling, Agent may determine LIBOR on the first day of the Interest Period), for a term equivalent to such period, equal to the London Interbank Offered Rate, or comparable or successor rate approved by Agent, as published on the applicable Reuters screen page (or other commercially available source designated by Agent from time to time); provided, that any such comparable or successor rate shall be applied by Agent, if administratively feasible, in a manner consistent with market practice (and, if any such rate is below zero, the LIBOR Rate shall be deemed to be zero).

"LIBOR Rate Loan" means each portion of a Loan that bears interest at a rate determined by reference to the LIBOR Rate.

"LIBOR Rate Margin" has the meaning set forth in the definition of Applicable Margin.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment, charge, deposit arrangement, encumbrance, easement, lien (statutory or other), security interest, or other security arrangement and any other preference, priority, or preferential arrangement of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capital Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

"Line Cap" means, as of any date of determination, the sum of the U.S. Line Cap and the Australian Line Cap.

"Liquidity" means, as of any date of determination, the sum of Excess Availability *plus* Qualified Cash held in an account agreed between Parent and Agent (and any successor account agreed by Parent and Agent) as of such date of determination, which account is subject to the Cash Collateral Account letter agreement between Bank of America and the Parent dated as of the date hereof.

"Loan" means any Revolving Loan, Swing Loan, Incremental Loan or Extraordinary Advance made (or to be made) hereunder.

"Loan Account" means the U.S. Loan Account or the Australian Loan Account, as applicable.

"Loan Documents" means the Agreement, the Control Agreements, the Copyright Security Agreement, any Borrowing Base Certificate, the Fee Letter, the Guaranty and Security Agreement, the Australian Security Documents, the Intercompany Subordination Agreement, the Intercreditor Agreement, any Issuer Documents, the Letters of Credit, the Mortgages, the Patent Security Agreement, the Trademark Security Agreement, any Incremental Amendment, any note or notes executed by Borrowers in connection with the Agreement and payable to any member of the Lender Group, and any other instrument or agreement entered into, now or in the future, by any Borrower or any of its Subsidiaries and any member of the Lender Group in connection with the Agreement.

"Loan Party" means any Borrower or any Guarantor. "Loan Parties" means, collectively, the Borrowers and the Guarantors.

"Margin Stock" as defined in Regulation U of the Board of Governors as in effect from time to time.

"Material Adverse Effect" means (a) a material adverse effect in the business, operations, results of operations, assets, liabilities or financial condition of Borrowers and their Subsidiaries, taken as a whole, (b) a material impairment of Borrowers' and their Subsidiaries' ability, when taken as a whole, to perform their obligations under the Loan Documents to which they are parties or of the Lender Group's ability to enforce the Obligations or realize upon a material portion of the Collateral (other than as a result of as a result of an action taken or not taken that is solely in the control of Agent), or (c) a material impairment of the enforceability or priority of Agent's or Australian Security Trustee's Liens with respect to all or a material portion of the Collateral; provided, however, that in no event shall (x) the Canadian Restructuring or its effect on the Canadian Entities constitute a Material Adverse Effect unless it constitutes a Material Adverse Effect on the Parent and its Subsidiaries, taken as a whole, or (y) the failure of any Canadian Entity to repay any intercompany Indebtedness constitute a Material Adverse Effect.

"Material Contract" means, with respect to any Person, (a) the Joint Venture Agreements, (b) the Senior Secured Notes Documents, (c) the Existing Senior Notes Documents and the Exchange Notes

Documents and (d) any contract or agreement, the loss of which would reasonably be expected to result in a Material Adverse Effect.

"Material Subsidiary" means any Subsidiary that, together with its Subsidiaries, has (i) Consolidated Total Assets in excess of 3.0% of the Consolidated Total Assets of Parent and its Subsidiaries on a consolidated basis as of the date of the most recent consolidated balance sheet of Parent or (ii) consolidated total revenues in excess 3.0% of the consolidated total revenues of Parent and its Subsidiaries on a consolidated basis for the most recently ended four fiscal quarters for which internal financial statements of Parent are available immediately preceding such calculation date; provided that at no time shall any Subsidiary that is not a Material Subsidiary, when taken together with all other Subsidiaries that are not Material Subsidiaries, in each case together with their respective Subsidiaries, have (i) Consolidated Total Assets with a value in excess of 7.5% of the Consolidated Total Assets of Parent and its Subsidiaries on a consolidated basis or (ii) consolidated total revenues in excess of 7.5% of the consolidated total revenues of Parent and its Subsidiaries on a consolidated basis. For the avoidance of doubt, each Loan Party is a Material Subsidiary.

"Maturity Date" means the earlier of (a) March 30, 2020, and (b) the date that is 60 days before the stated maturity date of any portion of the Existing Debt, if (in the case of this clause (b)) on such date the aggregate principal amount of all Existing Debt outstanding that would mature on or before such 60th day exceeds $50,000,000. References in the Agreement to "181 days after the Maturity Date" shall mean the Maturity Date as determined pursuant to clause (a) of this definition.

"Maximum Revolver Amount" means $550,000,000, decreased by the amount of reductions in the Revolver Commitments made in accordance with Section 2.4(c)(i) and Section 2.4(c)(ii) of the Agreement and as may be increased pursuant to Section 2.16.

"Mobile Equipment" means any forklifts, trailers, graders, dump trucks, water trucks, grapple trucks, lift trucks, flatbed trucks, fuel trucks, other trucks, dozers, cranes, loaders, skid steers, excavators, back hoes, shovels, drill crawlers, other drills, scrappers, graders, gondolas, flat cars, ore cars, shuttle cars, jenny cars, conveyors, locomotives, miners, other rail cars, and any other vehicles, mobile equipment and other equipment similar to any of the foregoing.

"Moody's" has the meaning specified therefor in the definition of Domestic Cash Equivalents.

"Mortgages" means, individually and collectively, one or more mortgages, deeds of trust, or deeds to secure debt, executed and delivered by a Borrower or one of its Subsidiaries in favor of Agent or the Australian Security Trustee, in form and substance reasonably satisfactory to Agent, that encumber the Real Property Collateral.

"Multiemployer Plan" means any multiemployer plan within the meaning of Section 3(37) or 4001(a)(3) of ERISA with respect to which any Loan Party or any of its Subsidiaries or their respective ERISA Affiliates has an obligation to contribute or has any liability, contingent or otherwise or could be assessed Withdrawal Liability assuming a complete or partial withdrawal from any such multiemployer plan.

"National Flood Insurance Program" means the program created by the U.S. Congress pursuant to the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973, as revised by the National Flood Insurance Reform Act of 1994, as each may be amended, or any successor statute thereto, that mandates the purchase of flood insurance to cover real property improvements located in Special Flood Hazard Areas in participating communities and provides protection to property owners through a U.S. federal insurance program.

"Net Book Value" means, with respect to Equipment, the net book value under GAAP (but net of delivery charges, sales tax, federal excise tax and other costs incidental to the purchase thereof) as reported by Borrowers to Agent; provided that for purposes of the calculation of the U.S. Borrowing Base or the

Australian Borrowing Base, the Net Book Value of the Equipment shall not include (a) the portion of the value of the Equipment equal to the profit earned by any Affiliate of Parent on the sale thereof to any Loan Party, or (b) write-ups or write-downs in value with respect to currency exchange rates.

"Net Orderly Liquidation Value" means, with respect to Equipment or Inventory, the orderly liquidation value of such Equipment or Inventory determined for each category of such Equipment or Inventory (but net of all associated costs and expenses of such liquidation) as specified in the most recent appraisal received by Agent from an appraisal company reasonably acceptable to Agent in its Permitted Discretion. With respect to Eligible Equipment, the Net Orderly Liquidation Value shall be determined as of the date of each Borrowing Base Certificate giving effect to depreciation and assuming that since the last appraisal the ratio of Net Book Value to Net Orderly Liquidation Value has remained constant.

"Non-Consenting Lender" has the meaning specified therefor in Section 14.2(a) of the Agreement.

"Non-Defaulting Lender" means each Lender other than a Defaulting Lender.

"Notification Event" means (a) the occurrence of a "reportable event" described in Section 4043 of ERISA for which the 30-day notice requirement has not been waived by applicable regulations issued by the PBGC with respect to a Pension Plan, (b) the withdrawal of any Loan Party or ERISA Affiliate from a Pension Plan during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, (c) the termination of a Pension Plan, the filing of a notice of intent to terminate a Pension Plan or the treatment of a Pension Plan amendment as a termination, under Section 4041 of ERISA, if the plan assets are not sufficient to pay all plan liabilities, (d) the institution of proceedings to terminate, or the appointment of a trustee with respect to, any Pension Plan or Multiemployer Plan by the PBGC, (e) any other event or condition that would constitute grounds under Sections 4042(a)(1)-(3) of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, (f) the imposition of a Lien pursuant to the IRC or ERISA in connection with any Employee Benefit Plan or the existence of any facts or circumstances that would reasonably be expected to result in the imposition of a Lien, (g) the partial or complete withdrawal of any Loan Party or ERISA Affiliate from a Multiemployer Plan or the receipt of notification that a partial or complete withdrawal has occurred (other than any withdrawal that would not constitute an Event of Default under Section 8.12), (h) the reorganization or insolvency of a Multiemployer Plan under ERISA, (i) the termination of a Multiemployer Plan under Section 4041A of ERISA or the institution by the PBGC of proceedings to terminate or to appoint a trustee to administer a Multiemployer Plan under ERISA including the filing of a notice of reorganization, insolvency or termination (or treatment of a plan amendment as termination) under Section 4041A of ERISA, (j) any Pension Plan being in "at risk status" within the meaning of IRC Section 430(i), (k) receipt of notification by any Loan Party or ERISA Affiliate that any Multiemployer Plan being in "endangered status" or "critical status" within the meaning of IRC Section 432(b) or the determination that any Multiemployer Plan is insolvent or in reorganization within the meaning of Title IV of ERISA, (l) with respect to any Pension Plan, any Loan Party or ERISA Affiliate incurring a substantial cessation of operations within the meaning of ERISA Section 4062(e), (m) the failure of any Pension Plan to meet the minimum funding standards within the meaning of the IRC or ERISA (including Section 412 or 430 of the IRC or Section 302 of ERISA), in each case, whether or not waived, (n) the filing of an application for a waiver of the minimum funding standards within the meaning of the IRC or ERISA (including Section 412 or 430 of the IRC or Section 302 of ERISA) with respect to any Pension Plan, or (o) any event that results in or would reasonably be expected to result in a liability by a Loan Party pursuant to the excise tax provisions of the IRC relating to Employee Benefit Plans or (p) any Foreign Benefit Event.

"Obligations" means the U.S. Obligations and the Australian Obligations; provided that the Obligations shall not include any Excluded Swap Obligations.

"OFAC" means The Office of Foreign Assets Control of the U.S. Department of the Treasury.

"Offshore Associate" shall mean an Associate (a)(x) which is a non-resident of Australia and does not become a Lender or receive payment in carrying on a business in Australia at or through a permanent

establishment of the Associate in Australia or (y) which is a resident of Australia and which becomes a Lender or receives a payment in carrying on a business in a country outside Australia at or through a permanent establishment of the Associate in that country; and (b) which does not become a Lender and receive payment in the capacity of a clearing house, custodian, funds manager or responsible entity of a registered scheme.

"OID" means original issue discount.

"Originating Lender" has the meaning specified therefor in Section 13.1(e) of the Agreement.

"Other Canadian Entities" means each subsidiary of Parent (other than the CCAA entities) organized under the laws of Canada or any province thereof and Wabush Iron Co. Limited, an Ohio corporation, including, for the avoidance of doubt, Wabush Mines, an unincorporated joint venture and Knoll Lake Minerals Limited, a company organized under the laws of Canada, other than any subsidiary of Cliffs Natural Resources Exploration Inc.

"Overadvance" means, as of any date of determination, that the Revolver Usage is greater than any of the limitations set forth in Section 2.1, Section 2.11, or Section 2.12.

"Parent" has the meaning specified therefor in the preamble to the Agreement.

"Participant" has the meaning specified therefor in Section 13.1(e) of the Agreement.

"Participant Register" has the meaning set forth in Section 13.1(i) of the Agreement.

"Participating Member State" means any member state of the European Union that adopts or has adopted the Euro as its lawful currency in accordance with legislation of the European Union relating to economic and monetary union.

"Patent Security Agreement" has the meaning specified therefor in the Guaranty and Security Agreement.

"Patriot Act" has the meaning specified therefor in Section 4.13 of the Agreement.

"Payment Conditions" means with respect to any proposed transaction, that (1) no Default or Event of Default has occurred and is continuing or would result therefrom; (1) Borrowers' Excess Availability for each of the 30 consecutive days immediately preceding the date of such transaction, and both immediately before and immediately after giving effect to such transaction, is in excess of 20% of the Maximum Revolver Amount; and (1) immediately after giving *pro forma* effect to such transaction, the Fixed Charge Coverage Ratio of Parent and its Subsidiaries is at least 1.10:1.00 as of the 12-month period ending as of the most recently ended fiscal quarter (calculated assuming that such transaction was consummated as of the end of such fiscal quarter).

"PBGC" means the Pension Benefit Guaranty Corporation or any successor agency.

"Pension Plan" means any employee benefit plan, other than a Multiemployer Plan, which is subject to the provisions of Title IV or Section 302 of ERISA or Sections 412 or 430 of the IRC sponsored, maintained, or contributed to by any Loan Party, Subsidiary or their respective ERISA Affiliates or to which any Loan Party, Subsidiary or their respective ERISA Affiliate has any liability, contingent or otherwise.

"Perfection Certificates" means the certificates substantially in the forms of Exhibit P-1 and Exhibit P-2 to the Agreement.

"Permitted Acquisition" means any Acquisition so long as:

(a) no Default or Event of Default shall have occurred and be continuing or would result from the consummation of the proposed Acquisition and the proposed Acquisition is consensual,

(b) for any Permitted Acquisition pursuant to which the aggregate purchase price is greater than $50,000,000, Borrowers have provided Agent with five (5) Business Days' (or such shorter period as Agent may agree) prior notice, and such information, including historical financial statements and projections, as Agent shall have reasonably requested (to the extent available),

(c) for any Permitted Acquisition pursuant to which the aggregate purchase price is greater than $50,000,000, Borrowers have provided Agent with written confirmation, supported by reasonably detailed calculations, that on a pro forma basis (including pro forma adjustments arising out of events which are directly attributable to such proposed Acquisition, are factually supportable, and are expected to have a continuing impact, in each case, determined as if the combination had been accomplished at the beginning of the relevant period; such eliminations and inclusions determined on a basis consistent with Article 11 of Regulation S-X promulgated under the Securities Act and as interpreted by the staff of the SEC) created by adding the historical combined financial statements of Parent (including the combined financial statements of any other Person or assets that were the subject of a prior Permitted Acquisition during the relevant period) to the historical consolidated financial statements of the Person to be acquired (or the historical financial statements related to the assets to be acquired) pursuant to the proposed Acquisition, Parent and its Subsidiaries (i) would have been in compliance with the financial covenant in Section 7 of the Agreement (regardless of whether a Financial Covenant Period is then in effect) for the fiscal quarter ended immediately prior to the proposed date of consummation of such proposed Acquisition and (ii) are projected to be in compliance with the financial covenant in Section 7 of the Agreement (regardless of whether a Financial Covenant Period is then in effect) for each of the four (4) fiscal quarters in the period ended one year after the proposed date of consummation of such proposed Acquisition,

(d) the Payment Conditions will be satisfied, and

(e) the subject assets or Equity Interests, as applicable, are being acquired directly by a Borrower or one of its Subsidiaries that is a Loan Party, and, in connection therewith, the applicable Loan Party shall have complied with Section 5.11 or 5.12 of the Agreement, as applicable.

"Permitted Discretion" means a determination made in good faith based upon the exercise of reasonable (from the perspective of a secured asset-based lender) business judgment.

"Permitted Dispositions" means:

(a) sales, abandonment, or other dispositions of any personal property or Real Property that, in the reasonable judgment of any Borrower or any of its Subsidiaries, has become obsolete, worn out or no longer used or useful or, except with respect to personal property included in the Borrowing Base, has become uneconomic, in each case in the ordinary course of business and (ii) licenses, leases or subleases of Real Property or personal property in the ordinary course of business so long as such licenses, leases or subleases do not individually or in the aggregate interfere in any material respect with the ordinary conduct of the business of Borrowers and their Subsidiaries,

(b) sales of Inventory to buyers in the ordinary course of business,

(c) the use or transfer of money or Cash Equivalents in a manner that is not prohibited by the terms of the Agreement or the other Loan Documents,

(d) the licensing or sublicensing of patents, trademarks, copyrights, and other intellectual property rights in the ordinary course of business,

(e) the granting of Permitted Liens,

(f) the sale or discount, in each case without recourse, of accounts receivable arising in the ordinary course of business, but only in connection with the compromise or collection thereof,

(g) any involuntary loss, damage or destruction of property,

(h) any involuntary condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, or confiscation or requisition of use of property,

(i) the licensing, leasing or subleasing of assets (other than Real Property) of any Borrower or its Subsidiaries in the ordinary course of business,

(j) the sale or issuance of Equity Interests (other than Disqualified Equity Interests) of Parent,

(k) the lapse or abandonment of registered patents, trademarks, copyrights and other intellectual property of any Borrower or any of its Subsidiaries to the extent that, in the reasonable judgment of such Borrower or Subsidiary, such intellectual property is not economically desirable in the conduct of its business,

(l) the making of Restricted Payments (in cash or stock) that are expressly permitted to be made pursuant to the Agreement,

(m) the making of Permitted Investments (in cash) or the consummation of a transaction permitted by Section 6.3,

(n) the sale, transfer, lease or other disposition of assets (i) from any Loan Party to another Loan Party, (ii) from any Subsidiary of any Borrower that is not a Loan Party to any Loan Party or any other Subsidiary of any Borrower, or (iii) from any Loan Party to a Subsidiary that is not a Loan Party, in the case of this clause (iii) only, in an aggregate amount not exceed $10,000,000 during the term of this Agreement,

(o) dispositions of assets acquired by Borrowers and the Subsidiaries pursuant to a Permitted Acquisition consummated within 12 months of the date of the proposed disposition so long as (i) the consideration received for the assets to be so disposed is at least equal to the fair market value of such assets and for at least 75% cash, (ii) the assets to be so disposed are not necessary or economically desirable in connection with the business of Borrowers and their Subsidiaries, (iii) the assets to be so disposed are readily identifiable as assets acquired pursuant to the subject Permitted Acquisition and (iv) if any such assets consist of ABL Collateral that are of a type included in the Borrowing Base and have a fair market value in excess of $5,000,000, the Parent shall have delivered an updated Borrowing Base Certificate reflecting the disposition of those assets,

(p) sales or dispositions set forth on Schedule P-3 to the Agreement,

(q) sales or dispositions of assets not otherwise permitted in clauses (a) through (p) above so long as (i) made at fair market value for at least 75% cash, (ii) if any such assets consist of ABL Collateral that are of a type included in the Borrowing Base and have a fair market value in excess of $5,000,000, the Parent shall have delivered an updated Borrowing Base Certificate reflecting the disposition of those assets and (iii) the aggregate fair market value of all assets disposed of during the term of the Agreement (including the proposed disposition) would not exceed $100,000,000,

(r) sales or dispositions of assets for fair market value and at least 75% cash so long as (i) the Payment Conditions are satisfied and (ii) if any such assets consist of ABL Collateral that are of a type included in the Borrowing Base and have a fair market value in excess of $5,000,000, the Parent shall have delivered an updated Borrowing Base Certificate reflecting the disposition of those assets, and

(s) parting with possession by an Australian Loan Party of goods to any mining contractor in the ordinary course of business where the Australian Loan Party retains ownership of those goods and (if the parting with possession constitutes a security interest under the Australian PPSA) it has perfected an appropriate security interest against the relevant mining contractor in accordance with the Australian PPSA which covers those goods,

provided that (i) for purposes of clauses (o), (q) and (r) above the following shall be deemed cash with respect to the disposition of assets (other than ABL Collateral) (A) the repayment or assumption by the transferee of Indebtedness secured by Liens with a priority to the Liens securing the Obligations (other than Indebtedness incurred in contemplation of such disposition), (B) the repayment or assumption by the transferee of liabilities (as shown on the Parent's most recent balance sheet or in the notes thereto), other than liabilities that are subordinated in right of payment to the Obligations, (C) any securities, notes or other obligations received by any Loan Party that are, within 180 days of the disposition of such assets, converted by such Loan Party into cash or Cash Equivalents and (D) any Designated Non-Cash Consideration received by such Loan Party in such disposition having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this proviso that has at that time not been converted into cash or Cash Equivalents not to exceed the greater of (x) $75.0 million and (y) 2.0% of Consolidated Net Tangible Assets at the time of the receipt of such Designated Non-Cash Consideration (with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value), (ii) in no event shall any disposition of any material portion of the U.S. Iron Ore Business, constitute a Permitted Disposition, (iii) in connection with a disposition of assets (other than ABL Collateral) owned by any Australian Loan Party or the disposition of any Equity Interests of any Australian Loan Party, in each case made pursuant to clause (r) above, clause (C) of the definition of "Payment Conditions" need not be satisfied, (iv) in connection with a sale of any portion of Parent's North American coal operations, (A) clause (C) of the definition of "Payment Conditions need not be satisfied, (B) any 75% cash consideration requirement need not be satisfied and (C) the deemed cash items provided for in clause (i) of this proviso shall also apply to dispositions of ABL Collateral, and (v) in connection with a disposition of assets of any Canadian Entity or the disposition of any Equity Interests of a Canadian Entity made pursuant to clause (r) above, the Payment Conditions need not be satisfied.

"Permitted Indebtedness" means:

(a) Indebtedness evidenced by the Agreement or the other Loan Documents,

(b) Indebtedness set forth on Schedule P-4 to the Agreement and any Refinancing Indebtedness in respect of such Indebtedness,

(c) Permitted Purchase Money Indebtedness and any Refinancing Indebtedness in respect of such Indebtedness; provided, that the aggregate outstanding principal amount of such Indebtedness incurred or guaranteed by the Loan Parties shall not exceed $100,000,000 at any one time,

(d) endorsement of instruments or other payment items for deposit,

(e) Indebtedness (i) incurred in the ordinary course of business in respect of surety and appeal bonds, performance bonds, bid bonds, appeal bonds, reclamation bonds, completion guarantee and similar obligations, or any similar financial assurance obligations under Environmental Laws or worker's compensation laws or with respect to self-insurance obligations and (ii) consisting of guarantees arising with respect to customary indemnification obligations to purchasers in connection with Permitted Dispositions,

(f) (i) Indebtedness of any Borrower that is incurred on the date of the consummation of a Permitted Acquisition solely for the purpose of consummating such Permitted Acquisition so long as (A) no Event of Default has occurred and is continuing or would result therefrom, (B) such Indebtedness is not incurred for working capital purposes, (C) such Indebtedness does not mature prior to the date that is 181 days after the Maturity Date, (D) such Indebtedness does not amortize until 181 days after the Maturity Date,

(E) such Indebtedness does not provide for the payment of interest thereon in cash or Cash Equivalents other than current market interest, as determined by the Parent in its reasonable business judgment, (F) if such Indebtedness is secured (1) the Liens securing such Indebtedness must be *pari passu* with or junior to the Liens securing either the Senior Secured Notes or the Exchange Notes, (2) the Liens securing such Indebtedness are subject to an intercreditor agreement in form and substance reasonably satisfactory to Agent (it being agreed the form and substance of the Intercreditor Agreement is acceptable), (3) such Indebtedness shall not be secured by ABL Collateral and (4) on a pro forma basis after giving effect to such Indebtedness, the Parent's "Consolidated Secured Leverage Ratio" (as defined in the Senior Secured Notes Indenture as of the date hereof) does not exceed 2.50:1.00 and (G) on a pro forma basis after giving effect to such Indebtedness, Parent is in compliance with the financial covenant set forth in Section 7 of this Agreement (regardless of whether a Financial Covenant Period is then in effect), and (ii) any Refinancing Indebtedness in respect of such Indebtedness,

(g) Acquired Indebtedness and any Refinancing Indebtedness in respect thereof in an aggregate principal amount not to exceed $25,000,000 outstanding at any one time,

(h) Indebtedness (i) incurred in the ordinary course of business under performance, surety, statutory, or appeal bonds or guarantees, and completion guarantees (or obligations in respect of letters of credit related thereto in an amount not to exceed $15,000,000 outstanding at any one time) and (ii) in respect of letters of credit which are backstopped or supported by a Letter of Credit issued hereunder,

(i) Indebtedness owed to any Person providing property, casualty, liability, or other insurance to any Borrower or any of its Subsidiaries, so long as the amount of such Indebtedness is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the year in which such Indebtedness is incurred and such Indebtedness is outstanding only during such year,

(j) the incurrence by Parent or any of its Subsidiaries of Indebtedness under Hedge Agreements that are incurred for the bona fide purpose of hedging the interest rate, commodity, or foreign currency risks associated with Parent's and its Subsidiaries' operations and not for speculative purposes,

(k) Indebtedness incurred in the ordinary course of business in respect of credit cards, credit card processing services, debit cards, stored value cards, commercial cards (including so-called "purchase cards", "procurement cards" or "p-cards"), Cash Management Services, or other Bank Products,

(l) Guaranty Obligations in respect of Indebtedness otherwise permitted under this definition; provided that any guaranty by a Loan Party of Indebtedness of a Subsidiary that is not a Loan Party must be permitted by clause (q) of the definition of "Permitted Investment",

(m) contingent liabilities in respect of any indemnification obligation, adjustment of purchase price, non-compete, or similar obligation of any Loan Party incurred in connection with the consummation of one or more Permitted Acquisitions,

(n) Indebtedness composing Permitted Investments (other than clause (u)(i) of the definition thereof),

(o) Indebtedness incurred in respect of netting services, overdraft protection, and other like services, in each case, incurred in the ordinary course of business,

(p) Indebtedness of any Borrower or its Subsidiaries in respect of earn-outs owing to sellers of assets or Equity Interests to such Borrower or its Subsidiaries that is incurred in connection with the consummation of one or more Permitted Acquisitions and any Refinancing Indebtedness in respect of such Indebtedness,

(q) Indebtedness incurred in connection with any sale/leaseback transaction and any Refinancing Indebtedness in respect of such Indebtedness; provided, that such Indebtedness incurred from and after the Closing Date shall be in an aggregate principal amount not to exceed $100,000,000 at any time outstanding,

(r) customer advances for prepayment of ore sales,

(s) accrual of interest, accretion or amortization of original issue discount, or the payment of interest in kind, in each case, on Indebtedness that otherwise constitutes Permitted Indebtedness,

(t) Indebtedness evidenced by the Existing Senior Notes in an aggregate principal amount not to exceed the aggregate principal amount thereof outstanding on the Closing Date (after giving effect to any exchange offers in respect thereof consummated on or before the Closing Date), and any Refinancing Indebtedness in respect thereof,

(u) (i) Indebtedness evidenced by the Senior Secured Notes (and any Refinancing Indebtedness in respect thereof) in an aggregate principal amount not to exceed $540,000,000 at any one time outstanding, (ii) Indebtedness evidenced by the Exchange Notes (and any Refinancing Indebtedness in respect thereof) in an aggregate principal amount not to exceed $1,250,000,000 at any one time outstanding and (iii) Indebtedness that is secured by Liens that are *pari passu* with or junior to the Liens securing either the Senior Secured Notes or the Exchange Notes in an aggregate principal amount not to exceed the greater of (x) an amount equal to (1) $1,250,000,000 minus (2) the principal amount of Indebtedness incurred pursuant to clause (u)(i) above and (y) an amount that, on a pro forma basis upon giving effect the incurrence thereof, would not cause Parent's "Consolidated Secured Leverage Ratio" (as defined in the Senior Secured Notes Indenture as of the date hereof) to exceed 2.50:1.00 (and any Refinancing Indebted in respect of any such Indebtedness), so long as, in the case of this clause (iii), (A) the Liens securing such Indebtedness are subject to an intercreditor agreement in form and substance satisfactory to Agent (it being agreed the form and substance of the Intercreditor Agreement is acceptable), (B) such Indebtedness does not mature prior to the date that is 181 days after the Maturity Date, (C) such Indebtedness does not amortize until 181 days after the Maturity Date, and (D) after giving effect to the incurrence of any such Indebtedness after the Closing Date, Parent is in compliance with the financial covenant set forth in Section 7 of this Agreement (regardless of whether a Financial Covenant Period is then in effect),

(v) any other unsecured Indebtedness incurred by any Borrower or any of its Subsidiaries so long as (i) no Default or Event of Default has occurred and is continuing or would result from the incurrence of such Indebtedness, (ii) such Indebtedness does not mature prior to the date that is 181 days after the Maturity Date, (iii) such Indebtedness does not amortize until 181 days after the Maturity Date and (iv) after giving effect to the incurrence of any such Indebtedness, Parent is in compliance with the financial covenant set forth in Section 7 of this Agreement (regardless of whether a Financial Covenant Period is then in effect); provided that conditions (ii) and (iii) above shall not be required to be satisfied with respect to Indebtedness in an aggregate principal amount not to exceed $25,000,000 during the term of the Agreement,

(w) Indebtedness of Excluded Subsidiaries (i) listed on Schedule E-3 and any Refinancing Indebtedness in respect of such Indebtedness, and (ii) other Indebtedness in an aggregate amount at any time outstanding not to exceed $75,000,000,

(x) Guaranty Obligations of Indebtedness of the Canadian Entities existing as of the Closing Date, and

(y) Permitted Intercompany Advances and Contributions.

"Permitted Intercompany Advances and Contribution " means loans, advances or capital contributions made by (a) a U.S. Loan Party to another U.S. Loan Party, (b) an Australian Loan Party to another Australian Loan Party or a U.S. Loan Party, (c) a Subsidiary of a Borrower that is not a Loan Party

to a Canadian Entity or another Subsidiary of a Borrower that is not a Loan Party, (d) a Subsidiary of a Borrower that is not a Loan Party to a Loan Party, so long as the parties thereto are party to the Intercompany Subordination Agreement, (e) a Loan Party to a Joint Venture so long as such loans, advances or capital contributions are required by and made in accordance with the Joint Venture Agreements as in effect on the date hereof, and (f) a Loan Party to a Subsidiary or Canadian Entity, the sum of which shall not exceed an aggregate amount equal to $150,000,000 at any time outstanding (of which the sum, without duplication, of (1) the aggregate amount of Investments made in, to or on behalf of the Canadian Entities from and after the Canadian Restructuring Commencement Date under this clause (f) and (2) the aggregate amount of payments made by any Loan Party from and after the Closing Date under any "e-payables" program of Parent or any of its Subsidiaries in respect of amounts due to any supplier or vendor of the Canadian Entities, shall not exceed an aggregate amount equal to $100,000,000), provided that with respect to a Canadian Entity, from and after the Canadian Restructuring Commencement Date for such Canadian Entity, any Investments made under clause (f) hereof in or to the Canadian Entities shall be made in the form of intercompany loans that are secured by the assets of the Canadian Entities.

"Permitted Investments" means:

(a) Investments in cash and Cash Equivalents,

(b) Investments in negotiable instruments deposited or to be deposited for collection in the ordinary course of business,

(c) advances made in connection with purchases of goods or services in the ordinary course of business,

(d) Investments received in settlement of amounts due to any Loan Party or any of its Subsidiaries effected in the ordinary course of business or owing to any Loan Party or any of its Subsidiaries as a result of Insolvency Proceedings involving an account debtor or upon the foreclosure or enforcement of any Lien in favor of a Loan Party or its Subsidiaries,

(e) Investments owned by any Loan Party or any of its Subsidiaries on the Closing Date in their respective Subsidiaries and the Canadian Entities and other Investments set forth on Schedule P-1 to the Agreement,

(f) guarantees and other contingent liabilities permitted under the definition of Permitted Indebtedness (other than clause (n) thereof),

(g) Permitted Intercompany Advances and Contributions,

(h) Equity Interests or other securities acquired in connection with the satisfaction or enforcement of Indebtedness or claims due or owing to a Loan Party or its Subsidiaries (in bankruptcy of customers or suppliers or otherwise outside the ordinary course of business) or as security for any such Indebtedness or claims,

(i) deposits of cash made in the ordinary course of business to secure performance of operating leases,

(j) loans and advances to employees, officers, and directors of a Borrower or any of its Subsidiaries for bona fide business purposes in the ordinary course of business,

(k) Permitted Acquisitions,

(l) acquisitions of property, plant and equipment to be used in the ordinary course of business,

(m) Investments so long as the Payment Conditions are satisfied,

(n) Investments resulting from entering into (i) Bank Product Agreements, or (ii) agreements relative to Indebtedness that is permitted under clause (j) of the definition of Permitted Indebtedness,

(o) equity Investments by any Loan Party in any Subsidiary of such Loan Party which is required by law to maintain a minimum net capital requirement or as may be otherwise required by applicable law,

(p) Investments held by a Person acquired in a Permitted Acquisition to the extent that such Investments were not made in contemplation of or in connection with such Permitted Acquisition and were in existence on the date of such Permitted Acquisition,

(q) so long as no Event of Default has occurred and is continuing or would result therefrom, any other Investments in an aggregate amount not to exceed $25,000,000 during the term of the Agreement,

(r) Hedge Obligations incurred in the ordinary course of business and not for speculative purposes,

(s) mergers, consolidations or amalgamations permitted by Section 6.3,

(t) Investments in securities of trade creditors or customers in the ordinary course of business that are received (i) in settlement of bona fide disputes or pursuant to any plan of reorganization or liquidation or similar arrangement upon the bankruptcy or insolvency of such trade creditors or customers or (ii) in the settlement of debts created in the ordinary course of business,

(u) [reserved], and

(v) Investments in Joint Ventures in the United States existing as of the Closing Date for the purpose of financing such entities' (i) operating expenses incurred in the ordinary course of business, (ii) reasonable Capital Expenditures and (iii) other reasonable obligations that are accounted for by the Parent and its Subsidiaries as increases in equity in such Joint Ventures.

"Permitted Liens" means

(a) Liens granted to, or for the benefit of, Agent or the Australian Security Trustee to secure the Obligations or any portion thereof,

(b) Liens for unpaid taxes, assessments, or other governmental charges or levies that either (i) are not yet delinquent by more than 30 days, or (ii) do not have priority over Agent's or the Australian Security Trustee's Liens with respect to the ABL Collateral and the underlying taxes, assessments, or charges or levies are the subject of Permitted Protests,

(c) judgment Liens arising solely as a result of the existence of judgments, orders, or awards that do not constitute an Event of Default under Section 8.3 of the Agreement,

(d) Liens set forth on Schedule P-2 to the Agreement, any continuation or extension thereof; provided, that to qualify as a Permitted Lien, any such Lien described on Schedule P-2 to the Agreement shall only secure the Indebtedness that it secures on the Closing Date and any Refinancing Indebtedness in respect thereof,

(e) the interests of lessors under operating leases and non-exclusive licensors under license agreements,

(f) purchase money Liens or the interests of lessors under Capital Leases to the extent that such Liens or interests secure Permitted Purchase Money Indebtedness and so long as (i) in the case of Permitted Purchase Money Indebtedness described in clauses (a) and (b) of the definition thereof, (A) such Lien attaches only to the asset purchased or acquired and the proceeds thereof, and (B) such Lien only secures the Indebtedness that was incurred to acquire the asset purchased or acquired or any Refinancing Indebtedness in respect thereof, and (ii) in the case of Permitted Purchase Money Indebtedness described in clauses (a) through (c) of the definition thereof, such Lien does not attach to ABL Collateral (other than with respect to Permitted Purchase Money Indebtedness (and Refinancing Indebtedness in respect thereof) in an aggregate principal amount not to exceed $50,000,000 at any time outstanding secured by Mobile Equipment (and not any other ABL Collateral) but only to the extent that Parent shall have delivered a notice to Agent clearly identifying the Mobile Equipment subject to such Lien prior to the granting of such Lien),

(g) Liens arising by operation of law in favor of warehousemen, landlords, carriers, mechanics, materialmen, laborers, or suppliers, incurred in the ordinary course of business and not in connection with the borrowing of money, and which Liens either (i) are for sums not yet delinquent by more than 30 days, or (ii) are the subject of Permitted Protests,

(h) Liens on amounts deposited to secure any Borrower's and its Subsidiaries obligations in connection with worker's compensation or other unemployment insurance,

(i) Liens on amounts deposited to secure any Borrower's and its Subsidiaries obligations in connection with the making or entering into of bids, tenders, or leases in the ordinary course of business and not in connection with the borrowing of money,

(j) Liens on amounts deposited to secure any Borrower's and its Subsidiaries reimbursement obligations with respect to surety or appeal bonds obtained in the ordinary course of business,

(k) with respect to any Real Property, easements, rights of way, and zoning restrictions that do not materially interfere with or impair the use or operation thereof,

(l) non-exclusive licenses of patents, trademarks, copyrights, and other intellectual property rights in the ordinary course of business,

(m) Liens that are replacements of Permitted Liens to the extent that the original Indebtedness is the subject of permitted Refinancing Indebtedness and so long as the replacement Liens only encumber those assets that secured the original Indebtedness,

(n) rights of setoff, bankers' liens and other similar Liens upon deposits of funds in favor of banks or other depository institutions, solely to the extent incurred in connection with the maintenance of such Deposit Accounts in the ordinary course of business,

(o) Liens granted in the ordinary course of business on the unearned portion of insurance premiums securing the financing of insurance premiums to the extent the financing is permitted under the definition of Permitted Indebtedness,

(p) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods,

(q) Liens solely on any cash earnest money deposits made by a Borrower or any of its Subsidiaries in connection with any letter of intent or purchase agreement with respect to a Permitted Acquisition,

(r) Liens assumed by any Borrower or its Subsidiaries in connection with a Permitted Acquisition that secure Acquired Indebtedness,

(s) Liens on the Collateral securing the Senior Secured Notes, the Exchange Notes, and any Indebtedness that is *pari passu* thereto incurred pursuant to clause (f) or (u) of the definition of Permitted Indebtedness and Refinancing Indebtedness in respect thereof, so long as such Liens are subject to the Intercreditor Agreement,

(t) Liens in the nature of royalties, dedications of reserves or similar rights or interests granted, taken subject to or otherwise imposed on properties consistent with normal practices in the mining industry,

(u) leases or subleases of properties, in each case entered into in the ordinary course of business so long as such leases or subleases do not, individually or in the aggregate, (i) interfere in any material respect with the ordinary conduct of the business of Borrowers or their respective Subsidiaries or (ii) materially impair the use or the value of the property subject thereto,

(v) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business in accordance with the past business practices of such Person, and any products or proceeds thereof to the extent covered by such Liens,

(w) the filing of UCC financing statements in connection with operating leases, consignment of goods or bailment agreements,

(x) Liens on assets of a Subsidiary that is not a Loan Party in favor of a Borrower or a Subsidiary of a Borrower,

(y) Liens created solely for the purpose of securing Indebtedness permitted by clause (q) of the definition of "Permitted Indebtedness"; provided that any such Liens attach only to the property being leased or acquired pursuant to such Indebtedness and do not encumber any other property (other than any products or proceeds thereof to the extent covered by such Liens),

(z) Liens on (i) letters of credit securing another standby letter of credit and (ii) cash or Cash Equivalents securing reimbursement or counterindemnity obligations with respect to any standby letter of credit as to which the aggregate amount of the obligations secured thereby does not exceed $15,000,000 at any time outstanding,

(aa) Liens on the assets of Excluded Subsidiaries securing Indebtedness of Excluded Subsidiaries permitted under clause (w) of the definition of "Permitted Indebtedness",

(bb) Liens in the nature of royalties, dedications of reserves or similar rights or interests granted, taken subject to or otherwise imposed on properties consistent with normal practices in the iron ore or coal mining industries,

(cc) an interest that is a security interest by virtue only of the operation of section 12(3) of the Australian PPSA,

(dd) Liens over Australian Featherweight Collateral (other than any registered mining mortgage over any Australian Mine Site upon which any Australian ABL Collateral is located unless a Collateral Access Agreement has been executed by the mortgagee),

(ee) other Liens (other than Liens on ABL Collateral) as to which the aggregate amount of the obligations secured thereby does not exceed $25,000,000 at any time outstanding, and

(ff) Liens over the Existing NAB Accounts in favor of National Australia Bank Limited.

"Permitted Protest" means the right of any Borrower or any of its Subsidiaries to protest any Lien (other than any Lien that secures the Obligations), taxes (other than payroll taxes or taxes that are the subject

of a United States federal tax lien), or rental payment, provided that (a) a reserve with respect to such obligation is established on such Borrower's or its Subsidiaries' books and records in such amount as is required under GAAP, (b) any such protest is instituted by such Borrower or its Subsidiary, as applicable, in good faith, and (c) with respect to any Lien on ABL Collateral, Agent or Australian Security Trustee, as applicable, is satisfied in its Permitted Discretion that, while any such protest is pending, there will be no impairment of the enforceability, validity, or priority of any of Agent's or Australian Security Trustee's Liens on such ABL Collateral.

"Permitted Purchase Money Indebtedness" means, as of any date of determination, (a) purchase money Indebtedness, including any such Indebtedness assumed in connection with a Permitted Acquisition, (b) Capitalized Lease Obligations, including any such obligations assumed in connection with a Permitted Acquisition, and (c) Indebtedness incurred to finance the acquisition, construction or improvement of any fixed or capital assets, including any indebtedness assumed in connection with the acquisition of any such assets or secured by a Lien on such assets before the acquisition thereof, and any Refinancing Indebtedness thereof, provided that, with respect to the Indebtedness described in clause (c) of this definition ("Project Indebtedness"), (w) such Project Indebtedness is incurred before or within 180 days after such acquisition or the completion of such construction or improvement, (x) such Project Indebtedness shall be secured only by the property acquired, constructed or improved in connection with the incurrence of such Project Indebtedness, (y) with respect to such Project Indebtedness assumed in connection with a Permitted Acquisition, the amount of such Project Indebtedness shall not exceed 100% of the total consideration paid in connection with such Permitted Acquisition and (z) with respect to Project Indebtedness incurred to finance the acquisition of any fixed or capital assets, such Project Indebtedness shall constitute not more than 100% of the aggregate consideration paid with respect to such fixed or capital assets; provided, further that Parent shall be in pro forma compliance with the financial covenant set forth in Section 7 of this Agreement (regardless of whether a Financial Covenant Period is then in effect) after giving effect to any such Indebtedness described in clauses (a) through (c) of this definition.

"Person" means natural persons, corporations, limited liability companies, limited partnerships, general partnerships, limited liability partnerships, joint ventures, trusts, land trusts, business trusts, or other organizations, irrespective of whether they are legal entities, and governments and agencies and political subdivisions thereof.

"Platform" has the meaning specified therefor in Section 18.9(c) of the Agreement.

"Pounds Sterling" shall mean British Pounds Sterling or any successor currency in the United Kingdom.

"Prime Rate" the rate of interest announced by Bank of America from time to time as its prime rate. Such rate is set by Bank of America on the basis of various factors, including its costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above or below such rate. Any change in such rate publicly announced by Bank of America shall take effect at the opening of business on the day specified in the announcement.

"Pro Rata Share" means, as of any date of determination:

(a) with respect to a Lender's obligation to make all or a portion of the U.S. Revolving Loans, with respect to such Lender's right to receive payments of interest, fees, and principal with respect to the U.S. Revolving Loans, and with respect to all other computations and other matters related to the U.S. Revolver Commitments or the U.S. Revolving Loans, the percentage obtained by dividing (i) the U.S. Revolving Loan Exposure of such Lender by (ii) the aggregate U.S. Revolving Loan Exposure of all Lenders,

(b) with respect to a Lender's obligation to participate in the U.S. Letters of Credit, with respect to such Lender's obligation to reimburse any U.S. Issuing Bank, and with respect to such Lender's right to receive payments of U.S. Letter of Credit Fees, and with respect to all other computations and other matters

related to the U.S. Letters of Credit, the percentage obtained by dividing (i) the U.S. Revolving Loan Exposure of such Lender by (ii) the aggregate U.S. Revolving Loan Exposure of all Lenders; provided, that if all of the U.S. Revolving Loans have been repaid in full and all U.S. Revolver Commitments have been terminated, but U.S. Letters of Credit remain outstanding, Pro Rata Share under this clause shall be determined as if the U.S. Revolver Commitments had not been terminated and based upon the U.S. Revolver Commitments as they existed immediately prior to their termination,

(c) with respect to a Lender's obligation to make all or a portion of the Australian Revolving Loans, with respect to such Lender's right to receive payments of interest, fees, and principal with respect to the Australian Revolving Loans, and with respect to all other computations and other matters related to the Australian Revolver Commitments or the Australian Revolving Loans, the percentage obtained by dividing (i) the Australian Revolving Loan Exposure of such Lender by (ii) the aggregate Australian Revolving Loan Exposure of all Lenders,

(d) with respect to a Lender's obligation to participate in the Australian Letters of Credit, with respect to such Lender's obligation to reimburse any Australian Issuing Bank, and with respect to such Lender's right to receive payments of Australian Letter of Credit Fees, and with respect to all other computations and other matters related to the Australian Letters of Credit, the percentage obtained by dividing (i) the Australian Revolving Loan Exposure of such Lender by (ii) the aggregate Australian Revolving Loan Exposure of all Lenders; provided, that if all of the Australian Revolving Loans have been repaid in full and all Australian Revolver Commitments have been terminated, but Australian Letters of Credit remain outstanding, Pro Rata Share under this clause shall be determined as if the Australian Revolver Commitments had not been terminated and based upon the Australian Revolver Commitments as they existed immediately prior to their termination, and

(e) with respect to all other matters and for all other matters as to a particular Lender (including the indemnification obligations arising under Section 15.6 of the Agreement), the percentage obtained by dividing (i) the Revolving Loan Exposure of such Lender by (ii) the aggregate Revolving Loan Exposure of all Lenders, in any such case as the applicable percentage may be adjusted by assignments permitted pursuant to Section 13.1; provided, that if all of the Loans have been repaid in full, all Letters of Credit have been made the subject of Letter of Credit Collateralization, and all Revolver Commitments have been terminated, Pro Rata Share under this clause shall be determined as if the Revolving Loan Exposures had not been repaid, collateralized, or terminated and shall be based upon the Revolving Loan Exposures as they existed immediately prior to their repayment, collateralization, or termination.

"Projections" means Parent's forecasted (a) balance sheets, (b) profit and loss statements, and (c) cash flow statements, all prepared on a basis consistent with Parent's historical financial statements, together with appropriate supporting details and a statement of underlying assumptions.

"Protective Advances" has the meaning specified therefor in Section 2.3(f)(iv) of the Agreement.

"Public Lender" has the meaning specified therefor in Section 18.9(c) of the Agreement.

"Purchase Price" means, with respect to any Acquisition, an amount equal to the aggregate consideration, whether cash, property or securities (including the fair market value of any Equity Interests of Parent issued in connection with such Acquisition), paid or delivered by a Borrower or one of its Subsidiaries in connection with such Acquisition (whether paid at the closing thereof or payable thereafter and whether fixed or contingent), but excluding therefrom (a) any cash of the seller and its Affiliates used to fund any portion of such consideration and (b) any cash or Cash Equivalents acquired in connection with such Acquisition.

"Qualified Cash" means, as of any date of determination, the amount of unrestricted cash and Cash Equivalents of the Loan Parties that is not identifiable proceeds of Collateral and that is held by Bank of America in the account referred to in the definition of Liquidity.

"Qualified Equity Interest" means and refers to any Equity Interests issued by Parent (and not by one or more of its Subsidiaries) that is not a Disqualified Equity Interest.

"Real Property" means, collectively, all right, title and interest in and to any and all the parcels of or interests in real property owned or leased by a person or as to which a person otherwise has a possessory interest (including by license or easement), together with, in each case, all easements, hereditaments and appurtenances relating thereto, all improvements and appurtenant fixtures.

"Real Property Collateral" means any Real Property that constitutes "Notes Collateral" as defined in the Senior Secured Notes Indenture. Notwithstanding anything contained in this Agreement to the contrary, the term "Real Property Collateral" shall not include Excluded Property (as defined in the Guaranty and Security Agreement). In addition, the Agent may agree, in its sole discretion, to exclude from this definition of Real Property Collateral any Building (as defined in the applicable Flood Insurance Laws) or Manufactured (Mobile) Home (as defined in the applicable Flood Insurance Laws). In such event, notwithstanding any provision in this Agreement, any Mortgage, or any other Loan Document to the contrary, such Building or Manufactured (Mobile) Home shall not be included in this definition of Real Property Collateral and such Building or Manufactured (Mobile) Home shall not be encumbered by any Mortgage.

"Real Property Collateral Requirement" means in the case of Real Property Collateral in which a Loan Party owns an interest, the Borrower shall, and cause each Loan Party to, provide the Agent with, (a) a Mortgage for each Real Property Collateral, duly executed by the appropriate Loan Party, together with evidence that (1) counterparts of the Mortgages have been (i) duly executed, acknowledged and delivered and (ii) properly filed in all filing or recording offices that the Agent reasonably deems necessary or desirable in accordance with customary practices for real property interests of such type and for such location in order to create a valid third priority (subject to Permitted Liens) and subsisting Lien on the property described therein in favor of the Agent for the benefit of the Lenders and (2) all filing, documentary, stamp, intangible and recording taxes and fees have been paid, the delivery of a copy of a recorded Mortgage being sufficient evidence to satisfy the requirements of this clause (a), (b) with respect to any Building (as defined in the applicable Flood Insurance Laws) or Manufactured (Mobile) Home (as defined in the applicable Flood Insurance Laws) comprising part of a Real Property Collateral that is a Flood Hazard Property, (1) the Parent's written acknowledgement of receipt of written notification from the Agent as to the fact that such asset is a Flood Hazard Property and as to whether the community in which such Real Property Collateral is located is participating in a National Flood Insurance Program and (2) evidence of flood insurance in form and substance reasonably satisfactory to the Agent not to exceed the maximum amount available under the Flood Insurance Laws, and (c) customary opinions of counsel to the Loan Party mortgagor with respect to the extent applicable to the perfection, enforceability, due authorization, execution and delivery of the applicable Mortgages and any related fixture filings in form and substance reasonably satisfactory to the Agent.

"Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

"Refinancing Indebtedness" means refinancings, renewals, or extensions of Indebtedness so long as:

(a) such refinancings, renewals, or extensions do not result in an increase in the principal amount of the Indebtedness so refinanced, renewed, or extended, other than by the amount of premiums paid thereon and the fees and expenses incurred in connection therewith and by the amount of unfunded commitments with respect thereto,

(b) such refinancings, renewals, or extensions do not result in a shortening of the average weighted maturity (measured as of the refinancing, renewal, or extension) of the Indebtedness so refinanced, renewed, or extended, nor are they on terms or conditions that, taken as a whole, (i) are more burdensome in any material respect to the Parent or any of its Subsidiaries than the Indebtedness being refinanced as

determined by Parent in its reasonable business judgment or (ii) are or could be expected to be materially adverse to the interests of the Lenders; provided that Existing Senior Notes may be refinanced on substantially the same terms as the terms of the Exchange Notes,

(c) if the Indebtedness that is refinanced, renewed, or extended was subordinated in right of payment to the Obligations, then the terms and conditions of the refinancing, renewal, or extension must include subordination terms and conditions that, when taken as a whole, as determined by Parent in its reasonable business judgment, are at least as favorable to the Lender Group as those that were applicable to the refinanced, renewed, or extended Indebtedness, and

(d) the Indebtedness that is refinanced, renewed, or extended is not recourse to any Person that is liable on account of the Obligations other than those Persons which were obligated with respect to the Indebtedness that was refinanced, renewed, or extended; provided that Existing Senior Notes may be refinanced on substantially the same terms as the terms of the Exchange Notes,

(e) such Refinancing Indebtedness in respect of any Existing Senior Notes does not mature prior to the Maturity Date of the Exchange Notes,

(f) if such Refinancing Indebtedness in respect of any Existing Senior Notes is secured, such Refinancing Indebtedness shall be subject to an intercreditor agreement in form and substance reasonably acceptable to the Agent, it being agreed the form and substance of the Intercreditor Agreement is acceptable; provided that other than the Existing Senior Notes no unsecured Indebtedness may be refinanced with secured Indebtedness.

"Register" has the meaning set forth in Section 13.1(h) of the Agreement.

"Registered Loan" has the meaning set forth in Section 13.1(h) of the Agreement.

"Related Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Remedial Action" means all actions required by Environmental Laws or a Governmental Authority taken to (a) clean up, remove, remediate, contain, treat, monitor, assess, evaluate, or in any way address Hazardous Materials in the indoor or outdoor environment, (b) prevent or minimize a release or threatened release of Hazardous Materials so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment, (c) restore or reclaim natural resources or the environment, (d) perform any pre-remedial studies, investigations, or post-remedial operation and maintenance activities, or (e) conduct any other similar response actions with respect to Hazardous Materials required by Environmental Laws or a Governmental Authority.

"Replacement Lender" has the meaning specified therefor in Section 2.14(b) of the Agreement.

"Report" has the meaning specified therefor in Section 15.9(c) of this Agreement.

"Required Lenders" means, at any time, Lenders having or holding more than 50% of the aggregate Revolving Loan Exposure of all Lenders; provided, that the Revolving Loan Exposure of any Defaulting Lender shall be disregarded in the determination of the Required Lenders.

"Reserves" means, as of any date of determination, those reserves without duplication to U.S. Receivable Reserves, Australian Receivable Reserves, U.S. Bank Product Reserves, Australian Bank Product Reserves, Australian Priority Payables Reserves, U.S. Dilution Reserves, Australian Dilution Reserves, U.S. Inventory/Equipment Reserves, Australian Inventory/Equipment Reserves, U.S. Hedge

Reserves and Australian Hedge Reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to the last paragraphs of Section 2.1(a) and Section 2.1(b), to establish and maintain (including reserves with respect to (a) sums that any Borrower or its Subsidiaries are required to pay under any Section of the Agreement or any other Loan Document (such as taxes, assessments, insurance premiums, or, in the case of leased assets, rents or other amounts payable under such leases) and has failed to pay, and (b) amounts owing by any Borrower or its Subsidiaries to any Person to the extent secured by a Lien on, or trust over, any of the ABL Collateral (other than a Permitted Lien), which Lien or trust, in the Permitted Discretion of Agent likely would have a priority superior to the Agent's or Australian Security Trustee's Liens in and to such item of the ABL Collateral) with respect to the U.S. Borrowing Base, the Australian Borrowing Base, the U.S. Maximum Revolver Amount, or the Australian Maximum Revolver Amount.

"Responsible Officer" shall mean any of the President, Chairman, Chief Executive Officer, Chief Operating Officer, Vice Chairman, any Executive Vice President, Chief Financial Officer, General Counsel, Chief Legal Officer, Treasurer or Assistant Treasurer, of Parent.

"Restricted Payment" means to (a) declare or pay any dividend or make any other payment or distribution, directly or indirectly, on account of Equity Interests issued by any Borrower or any of its Subsidiaries or to the direct or indirect holders of Equity Interests issued by such Borrower or such Subsidiary in their capacity as such (other than dividends or distributions payable in Qualified Equity Interests issued by Parent, (b) purchase, redeem, make any sinking fund or similar payment, or otherwise acquire or retire for value (including in connection with any merger or consolidation involving any Borrower or any of its Subsidiaries) any Equity Interests issued by any Borrower or any of its Subsidiaries, and (c) make any payment to retire, or to obtain the surrender of, any outstanding warrants, options, or other rights to acquire Equity Interests of any Borrower or any of its Subsidiaries now or hereafter outstanding.

"Revolver Commitment" means, with respect to each Lender, its U.S. Revolver Commitment or its Australian Revolver Commitment, as the context requires, and, with respect to all Lenders, their U.S. Revolver Commitments or their Australian Revolver Commitments, as the context requires, in each case as such Dollar amounts are set forth beside such Lender's name under the applicable heading on Schedule C-1 to the Agreement or in the Assignment and Acceptance or Incremental Amendment pursuant to which such Lender became a Lender under the Agreement, as such amounts may be reduced or increased from time to time pursuant to Discretionary Commitment Reallocations pursuant to Section 2.2 or assignments made in accordance with the provisions of Section 13.1 of the Agreement.

"Revolver Usage" means, as of any date of determination, the sum of (a) the amount of outstanding Revolving Loans (inclusive of Swing Loans and Protective Advances), *plus* (b) the amount of the Letter of Credit Usage.

"Revolving Lender" means a Lender that has a Revolver Commitment or that has an outstanding Revolving Loan.

"Revolving Loan Exposure" means, with respect to any Revolving Lender, as of any date of determination (a) prior to the termination of the Revolver Commitments, the amount of such Lender's Revolver Commitments, and (b) after the termination of the Revolver Commitments, the aggregate outstanding principal amount of the Revolving Loans of such Lender.

"Revolving Loans" has the meaning specified therefor in Section 2.1(b) of the Agreement and includes any Letter of Credit Disbursement, as provided in Section 2.11(d) and Section 2.12(d).

"Sanctioned Entity" means (a) a country or a government of a country, (b) an agency of the government of a country, (c) an organization directly or indirectly owned or controlled by a country or its government, (d) a Person located, organized, or resident in or determined to be resident in a country, in

each case, that is subject to a country-based sanctions program administered and enforced by OFAC, Her Majesty's Treasury, the European Union, or the United Nations Security Council.

"Sanctioned Person" means a Person named on the Specially Designated Nationals and Blocked Persons List, the Sectoral Sanctions Identification List, and/or the Foreign Sanctions Evaders List maintained by OFAC, Her Majesty's Treasury, the European Union, or the United Nations Security Council, or any Person owned, directly or indirectly, 50% or more by one or more Persons named on any of the foregoing lists.

"S&P" has the meaning specified therefor in the definition of Domestic Cash Equivalents.

"SEC" means the United States Securities and Exchange Commission and any successor thereto.

"Securities Account" means a securities account (as that term is defined in the Code).

"Securities Act" means the Securities Act of 1933, as amended from time to time, and any successor statute.

"Senior Secured Notes" means those certain 8.250% Senior Secured Notes due 2020 issued by Parent on March 30, 2015 in the initial aggregate principal amount of $540,000,000.

"Senior Secured Notes Documents" means the Senior Secured Notes, each Senior Secured Notes Indenture, and all other agreements, documents and instruments entered into now or in the future in connection with the Senior Secured Notes or any Senior Secured Notes Indenture.

"Senior Secured Notes Indenture" means the Indenture, dated March 30, 2015, governing the Senior Secured Notes, by and among Parent, as issuer, the guarantors from time to time party thereto, and U.S. Bank National Association, as trustee and collateral agent.

"Settlement" has the meaning specified therefor in Section 2.3(g)(i)(A) of the Agreement.

"Settlement Date" has the meaning specified therefor in Section 2.3(g)(i) of the Agreement.

"Solvent" means, with respect to any Person as of any date of determination, that (a) at fair valuations, the sum of such Person's debts (including contingent liabilities) is less than all of such Person's assets, (b) such Person is not engaged or about to engage in a business or transaction for which the remaining assets of such Person are unreasonably small in relation to the business or transaction or for which the property remaining with such Person is an unreasonably small capital, and (c) such Person has not incurred and does not intend to incur, or reasonably believe that it will incur, debts beyond its ability to pay such debts as they become due (whether at maturity or otherwise), and (d) such Person is "solvent" or not "insolvent", as applicable within the meaning given those terms and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

"Special Flood Hazard Area" means an area that FEMA's current flood maps indicate has at least a one percent (1%) chance of a flood equal to or exceeding the base flood elevation (a 100-year flood) in any given year.

"Specified Event of Default" shall mean any Event of Default arising under Section 8.1, 8.2 (relating to a failure to deliver a Borrowing Base Certificate when required (after the applicable grace period) or a failure to comply with, Section 5.16 or Section 7), 8.4, 8.5, or 8.7 (relating to misrepresentations related to the U.S. Borrowing Base or the Australian Borrowing Base).

"Specified State" means any one of (a) Australia, (b) Canada, (c) The Netherlands, (d) Luxembourg and (e) the United States of America.

"Spot Rate" means the exchange rate, as determined by Agent, that is applicable to conversion of one currency into another currency, which is (a) the exchange rate reported by Bloomberg (or other commercially available source designated by Agent) as of the end of the preceding business day in the financial market for the first currency; or (b) if such report is unavailable for any reason, the spot rate for the purchase of the first currency with the second currency as in effect during the preceding business day in Agent's principal foreign exchange trading office for the first currency.

"Standard Letter of Credit Practice" means, for any Issuing Bank, any domestic or foreign law or letter of credit practices applicable in the city in which such Issuing Bank issued the applicable Letter of Credit or, for its branch or correspondent, such laws and practices applicable in the city in which it has advised, confirmed or negotiated such Letter of Credit, as the case may be, in each case, (a) which letter of credit practices are of banks that regularly issue letters of credit in the particular city, and (b) which laws or letter of credit practices are required or permitted under ISP or UCP, as chosen in the applicable Letter of Credit.

"Subsidiary" of a Person means a corporation, partnership, limited liability company, or other entity in which that Person directly or indirectly owns or controls the Equity Interests having ordinary voting power to elect a majority of the Board of Directors of such corporation, partnership, limited liability company, or other entity. Notwithstanding the foregoing, as used herein and in the Loan Documents, Subsidiary shall not include the Canadian Entities and none of the Canadian Entities shall be deemed to be a Subsidiary of Parent; provided that, notwithstanding the foregoing, (i) the Canadian Entities shall constitute Subsidiaries for purposes of Section 4.9, Section 4.13, Section 4.18, Section 5.8 (as it relates to compliance with laws referred to in Section 4.13 and Section 4.18) and Section 10.3 and (ii) the Other Canadian Entities shall constitute Subsidiaries for purposes of Section 4.11 and Section 5.8 (as it relates to compliance with laws referred to in Section 4.11).

"Supermajority Lenders" means, at any time, Lenders having or holding more than 66 2/3% of the aggregate Revolving Loan Exposure of all Lenders; provided, that (a) the Revolving Loan Exposure of any Defaulting Lender shall be disregarded in the determination of the Supermajority Lenders, and (b) at any time there are two (2) or more Lenders with Revolving Loan Exposure, "Supermajority Lenders" must include at least two (2) Lenders (who are not Affiliates of one another).

"Swap Obligation" means, with respect to any Loan Party, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Swing Lender" means any U.S. Swing Lender or any Australian Swing Lender.

"Swing Loan" has the meaning specified therefor in Section 2.3(d) of the Agreement.

"Swing Loan Exposure" means, as of any date of determination with respect to any Lender, such Lender's Pro Rata Share of the Swing Loans on such date.

"Taxes" means any taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein, and all interest, penalties or similar liabilities with respect thereto.

"Tax Lender" has the meaning specified therefor in Section 14.2(a) of the Agreement.

"Trademark Security Agreement" has the meaning specified therefor in the Guaranty and Security Agreement.

"Transactions" means (a) the exchange offers for the Existing Senior Notes for up to $1,250,000,000 in aggregate principal amount of Exchange Notes, (b) the offering and issuance of the Senior Secured Notes, (c) the exchange of the Existing Senior Notes validly tendered and accepted for exchange, (d) the occurrence of the Closing Date under the Agreement, (e) the repayment in full in cash of all amounts outstanding under the Existing Credit Facility and the termination of any commitments thereunder, and (f) the payment of fees, costs and expenses incurred in connection with the foregoing transactions.

"Transaction Documents" means the Existing Senior Notes Indenture, the Senior Secured Notes Indenture and the Exchange Notes Indenture, in each case together with all exhibits and schedules thereto.

"UCP" means, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits 2007 Revision, International Chamber of Commerce Publication No. 600 and any subsequent revision thereof adopted by the International Chamber of Commerce on the date such Letter of Credit is issued.

"Unfunded Pension Liability" means, with respect to any Pension Plan at any time, the amount of any of its unfunded benefit liabilities as defined in Section 4001(a)(18) of ERISA.

"United States" and "U.S." mean the United States of America.

"Unused Line Fee" means an Australian Unused Line Fee or a U.S. Unused Line Fee.

"U.S. Additional Documents" has the meaning specified therefor in Section 5.12(a) of the Agreement.

"U.S. Bank Product" means any one or more of the following financial products or accommodations extended to a U.S. Borrower or its Subsidiaries by a U.S. Bank Product Provider: (a) credit cards (including commercial cards (including so-called "purchase cards", "procurement cards" or "p-cards")), (b) credit card processing services, (c) debit cards, (d) stored value cards, (e) Cash Management Services, (f) supply chain financing, or (g) transactions under Hedge Agreements.

"U.S. Bank Product Agreements" means those agreements entered into from time to time by a U.S. Borrower or its Subsidiaries with a U.S. Bank Product Provider in connection with the obtaining of any of the U.S. Bank Products.

"U.S. Bank Product Obligations" means (a) all obligations, liabilities, reimbursement obligations, fees, or expenses owing by U.S. Borrowers and their Subsidiaries to any U.S. Bank Product Provider pursuant to or evidenced by an U.S. Bank Product Agreement and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, (b) all U.S. Hedge Obligations, and (c) all amounts that Agent or any U.S. Revolving Lender is obligated to pay to a U.S. Bank Product Provider as a result of Agent or such U.S. Revolving Lender purchasing participations from, or executing guarantees or indemnities or reimbursement obligations to, a U.S. Bank Product Provider with respect to the U.S. Bank Products provided by such Bank Product Provider to U.S. Borrowers or their Subsidiaries; provided that in order for any item described in clauses (a), (b), or (c) above, as applicable, to constitute "U.S. Bank Product Obligations", if the applicable U.S. Bank Product Provider is any Person other than Bank of America or its Affiliates or any Person holding Existing Hedge Obligations, then the applicable U.S. Bank Product must have been provided on or after the Closing Date and Agent shall have received a Bank Product Provider Agreement within ten (10) days after the date of the provision of the applicable U.S. Bank Product to U.S. Borrowers or their Subsidiaries; provided further that the U.S. Bank Product Obligations shall not include any Excluded Swap Obligations.

"U.S. Bank Product Provider" means any U.S. Revolving Lender or any of its Affiliates, including each of the foregoing in its capacity, if applicable, as a U.S. Hedge Provider; provided, that no such Person (other than Bank of America or its Affiliates) shall constitute a U.S. Bank Product Provider with respect to a U.S. Bank Product unless and until Agent receives a Bank Product Provider Agreement from such Person

and with respect to the applicable U.S. Bank Product within ten (10) days after the provision of such U.S. Bank Product to U.S. Borrowers or their Subsidiaries; provided further, that if, at any time, a U.S. Revolving Lender ceases to be a Lender under the Agreement, then, from and after the date on which it ceases to be a Lender thereunder, neither it nor any of its Affiliates shall constitute U.S. Bank Product Providers and the obligations with respect to U.S. Bank Products provided by such former U.S. Revolving Lender or any of its Affiliates shall no longer constitute U.S. Bank Product Obligations.

"U.S. Bank Product Reserves" means, as of any date of determination, those reserves that Agent deems necessary or appropriate to establish (based upon the U.S. Bank Product Providers' determination of the liabilities and obligations of U.S. Borrowers and their Subsidiaries in respect of U.S. Bank Product Obligations) in respect of U.S. Bank Products then provided or outstanding.

"U.S. Blocked Account" means a deposit account located in the U.S. that is subject to a U.S. Control Agreement.

"U.S. Borrowers" means Cliffs Natural Resources Inc., an Ohio corporation, Lake Superior & Ishpeming Railroad Company, a Michigan corporation, The Cleveland-Cliffs Iron Company, an Ohio corporation, Cliffs Mining Company, a Delaware corporation, Northshore Mining Company, a Delaware corporation, United Taconite LLC, a Delaware limited liability company, Cliffs North American Coal LLC, a Delaware limited liability company, Oak Grove Resources, LLC, a Delaware limited liability company, Pinnacle Mining Company, LLC, a Delaware limited liability company, all domestic Subsidiaries of Parent whose assets comprise a portion of the U.S. Borrowing Base and shall include, as applicable, any Subsidiary of Parent organized under the laws of the United States, any State thereof, or the District of Columbia that becomes a Borrower after the Closing Date pursuant to Section 5.11 of the Agreement.

"U.S. Borrowing Base" means, as of any date of determination, the sum of:

(a) 85% of the amount of Eligible Accounts of U.S. Borrowers, *plus*

(b) the lesser of (i) the product of 80% multiplied by the value (calculated at the lower of cost or market on a basis consistent with Borrowers' historical accounting practices) of Eligible Inventory of the U.S. Borrowers at such time, and (ii) the product of 85% multiplied by the Net Orderly Liquidation Value of Eligible Inventory of U.S. Borrowers at such time, *plus*

(c) *the lesser* of (i) 100% of the Net Book Value of Eligible Equipment of the U.S. Borrowers at such time, and (ii) 85% multiplied by the Net Orderly Liquidation Value of Eligible Equipment of U.S. Borrowers at such time; provided that this clause (c) of the U.S. Borrowing Base shall not account for more than 35% of the availability created by the U.S. Borrowing Base, *minus*

(d) the Allocated U.S. Availability (if any) at the time of determination; *minus*

(e) the aggregate amount of reserves, if any, established by Agent under Section 2.1(a) of the Agreement.

"U.S. Control Agreement" means, with respect to any applicable deposit or securities account established by a U.S. Loan Party, an agreement, in form and substance reasonably satisfactory to the Agent, establishing Control (as defined in the Uniform Commercial Code) of such an account by the Agent and whereby the Person maintaining such account agrees to comply only with the instructions originated by the Agent without the further consent of any U.S. Loan Party.

"U.S. Designated Account" means the Deposit Account of Administrative Borrower identified on Schedule D-1 to the Agreement (or such other Deposit Account of Administrative Borrower located at Designated Account Bank that has been designated as such, in writing, by Borrowers to Agent).

"U.S. Designated Account Bank" has the meaning specified therefor in Schedule D-1 to the Agreement (or such other bank that is located within the United States that has been designated as such, in writing, by Borrowers to Agent).

"U.S. Dilution Percent" means the percent, determined as of the end of the U.S. Loan Parties' most recent field examination, equal to (a) bad debt write-downs or write-offs, discounts, returns, promotions, credits, credit memos and other dilutive items with respect to active Accounts of the U.S. Loan Parties, divided by (b) active gross sales.

"U.S. Dilution Percentage" means at any time, one percentage point (or fraction thereof) for each percentage point (or fraction thereof) by which the U.S. Dilution Percent for the U.S. Loan Parties exceeds five percent (5.0%).

"U.S. Dilution Reserve" means a reserve equal to the product of (x) the U.S. Dilution Percentage times (y) the value of all Eligible Accounts of the U.S. Loan Parties at such time.

"U.S. Dominion Account" a collection account at Bank of America in the United States over which Agent has exclusive control.

"U.S. Excess Availability" means, as of any date of determination, (i) the U.S. Line Cap, *minus* (ii) the outstanding U.S. Revolver Usage.

"U.S. Extraordinary Advances" has the meaning specified therefor in Section 2.3(f)(iii) of the Agreement.

"U.S. Hedge Obligations" means any and all obligations or liabilities, whether absolute or contingent, due or to become due, now existing or hereafter arising, of U.S. Borrowers and their Subsidiaries arising under, owing pursuant to, or existing in respect of Hedge Agreements entered into with one or more of the U.S. Hedge Providers, including without limitation, the Existing Hedge Obligations; provided, however, that the U.S. Hedge Obligations shall not include any Excluded Swap Obligations.

"U.S. Hedge Provider" means any U.S. Revolving Lender or any of its Affiliates; provided, that no such Person (other than Bank of America or its Affiliates) shall constitute a U.S. Hedge Provider unless and until Agent receives a Bank Product Provider Agreement from such Person and with respect to the applicable Hedge Agreement within 10 days after the execution and delivery of such Hedge Agreement with a U.S. Borrower or its Subsidiaries; provided further, that if, at any time, a U.S. Revolving Lender ceases to be a U.S. Revolving Lender under the Agreement, then, from and after the date on which it ceases to be a U.S. Revolving Lender thereunder, neither it nor any of its Affiliates shall constitute U.S. Hedge Providers and the obligations with respect to Hedge Agreements entered into with such former U.S. Revolving Lender or any of its Affiliates shall no longer constitute U.S. Hedge Obligations.

"U.S. Hedge Reserves" means, as of any date of determination, those reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to the last paragraph of Section 2.1(a), to establish and maintain with respect to the U.S. Hedge Obligations of U.S. Borrowers.

"U.S. Inventory/Equipment Reserves" means, as of any date of determination, (a) Landlord Reserves for locations of any U.S. Borrower, and (b) those reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to the last paragraph of Section 2.1(a), to establish and maintain (including reserves for slow moving Inventory and Inventory shrinkage) with respect to Eligible Inventory or Eligible Equipment of U.S. Borrowers or the U.S. Maximum Revolver Amount.

"U.S. Iron Ore Business" means the iron ore mining, processing, distribution and sales operations, and related assets, of the Parent and its Subsidiaries conducted, or located in, the United States, excluding Cliffs Erie L.L.C., a Delaware corporation and its assets.

"U.S. Issuing Bank" means Bank of America (or any of its Affiliates) and each other U.S. Revolving Lender appointed by Parent and agreed by the Agent and such U.S. Revolving Lender, in their sole discretion, to become a U.S. Issuing Bank for the purpose of issuing U.S. Letters of Credit pursuant to Section 2.11 of the Agreement, and U.S. Issuing Bank shall be deemed to be a Lender and a U.S. Revolving Lender.

"U.S. Letter of Credit" means a letter of credit (as that term is defined in the Code) or any standby, documentary, bankers acceptance, foreign guarantee, or indemnity issued by a U.S. Issuing Bank for the account of a U.S. Borrower pursuant to the Agreement.

"U.S. Letter of Credit Exposure" means, as of any date of determination with respect to any U.S. Revolving Lender, such U.S. Revolving Lender's Pro Rata Share of the U.S. Letter of Credit Usage on such date.

"U.S. Letter of Credit Fee" has the meaning specified therefor in Section 2.6(b)(i) of the Agreement.

"U.S. Letter of Credit Indemnified Costs" has the meaning specified therefor in Section 2.11(f) of the Agreement.

"U.S. Letter of Credit Related Person" has the meaning specified therefor in Section 2.11(f) of the Agreement.

"U.S. Letter of Credit Sublimit" means an amount equal to $250,000,000.

"U.S. Letter of Credit Usage" means, as of any date of determination, the aggregate undrawn amount of all outstanding U.S. Letters of Credit.

"U.S. Line Cap" means, as of any date of determination, the lesser of (a) the U.S. Maximum Revolver Amount and (b) the U.S. Borrowing Base as of such date.

"U.S. Loan Account" has the meaning specified therefor in Section 2.9(a) of the Agreement.

"U.S. Loan Party" means any U.S. Borrower or any guarantor of the U.S. Obligations.

"U.S. Maximum Revolver Amount" means $450,000,000, decreased by the amount of reductions in the U.S. Revolver Commitments made in accordance with Section 2.4(c)(i) of the Agreement, and as the same may be increased pursuant to Section 2.16 or increased or decreased pursuant to Section 2.2.

"U.S. Obligations" means (a) all loans (including the U.S. Revolving Loans (inclusive of U.S. Extraordinary Advances and U.S. Swing Loans)), debts, principal, interest (including any interest that accrues after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), reimbursement or indemnification obligations with respect to U.S. Letters of Credit (irrespective of whether contingent), premiums, liabilities (including all amounts charged to the U.S. Loan Account pursuant to the Agreement), obligations (including indemnification obligations), fees, Lender Group Expenses (including any fees or expenses that accrue after the commencement of an Insolvency Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency Proceeding), guaranties, and all covenants and duties of any other kind and description owing by any U.S. Loan Party arising out of, under, pursuant to, in connection with, or evidenced by the Agreement or any of the other Loan Documents and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including all interest not paid when due and all other expenses or other amounts that the U.S. Loan Parties are required to pay or reimburse by the Loan Documents or by law or otherwise in connection with the Loan Documents, and (b) all U.S. Bank Product Obligations; provided, however, that the U.S. Obligations shall not include any Excluded Swap Obligations. Without limiting the generality of the foregoing, the U.S. Obligations of the U.S. Loan Parties under the Loan Documents include the obligation to pay (i) the

principal of the U.S. Revolving Loans, (ii) interest accrued on the U.S. Revolving Loans, (iii) the amount necessary to reimburse any U.S. Issuing Bank for amounts paid or payable pursuant to U.S. Letters of Credit, (iv) U.S. Letter of Credit commissions, fees (including fronting fees) and charges, (v) Lender Group Expenses, (vi) fees payable under the Agreement or any of the other Loan Documents, and (vii) indemnities and other amounts payable by any U.S. Loan Party under any Loan Document. Any reference in the Agreement or in the Loan Documents to the U.S. Obligations shall include all or any portion thereof and any extensions, modifications, renewals, or alterations thereof, both prior and subsequent to any Insolvency Proceeding.

"U.S. Overadvance" means, as of any date of determination, that the U.S. Revolver Usage is greater than any of the limitations set forth in Section 2.1(a) or Section 2.11, in each case subject to Section 1.7(d).

"U.S. Overadvance Loan" shall mean a U.S. Revolving Loan that is a Base Rate Loan or an Australian Base Rate Loan made when a U.S. Overadvance exists or is caused by the funding thereof.

"U.S. Protective Advances" has the meaning specified therefor in Section 2.3(f)(i) of the Agreement.

"U.S. Receivable Reserves" means, as of any date of determination, those reserves that Agent deems necessary or appropriate, in its Permitted Discretion and subject to the last paragraph of Section 2.1(a), to establish and maintain (including reserves for rebates, discounts, warranty claims, and returns) with respect to the Eligible Accounts of U.S. Borrowers or the U.S. Maximum Revolver Amount.

"U.S. Revolver Commitment" means, with respect to each U.S. Revolving Lender, its U.S. Revolver Commitment, and, with respect to all U.S. Revolving Lenders, their U.S. Revolver Commitments, in each case as such Dollar amounts are set forth beside such U.S. Revolving Lender's name under the applicable heading on Schedule C-1 to the Agreement or in the Assignment and Acceptance pursuant to which such U.S. Revolving Lender became a U.S. Revolving Lender under the Agreement, as such amounts may be reduced or increased from time to time pursuant to assignments made in accordance with the provisions of Section 13.1 of the Agreement.

"U.S. Revolver Usage" means, as of any date of determination, the sum of (a) the amount of outstanding U.S. Revolving Loans (inclusive of U.S. Swing Loans and U.S. Protective Advances), *plus* (b) the amount of the U.S. Letter of Credit Usage.

"U.S. Revolving Lender" means a Lender that has a U.S. Revolver Commitment or that has an outstanding U.S. Revolving Loan.

"U.S. Revolving Loan Exposure" means, with respect to any U.S. Revolving Lender, as of any date of determination (a) prior to the termination of the U.S. Revolver Commitments, the amount of such U.S. Revolving Lender's U.S. Revolver Commitments, and (b) after the termination of the U.S. Revolver Commitments, the aggregate outstanding principal amount of the U.S. Revolving Loans of such U.S. Revolving Lender.

"U.S. Revolving Loans" has the meaning specified therefor in Section 2.1(a) of the Agreement and includes U.S. Letter of Credit Disbursements pursuant to Section 2.11(d).

"U.S. Swing Lender" means Bank of America or any other U.S. Revolving Lender that, at the request of Borrowers and with the consent of Agent agrees, in such U.S. Revolving Lender's sole discretion, to become the U.S. Swing Lender under Section 2.3(c) of the Agreement.

"U.S. Swing Loan" has the meaning specified therefor in Section 2.3(c) of the Agreement.

"U.S. Swing Loan Exposure" means, as of any date of determination with respect to any U.S. Revolving Lender, such U.S. Revolving Lender's Pro Rata Share of the U.S. Swing Loans on such date.

"U.S. Unused Line Fee" has the meaning specified therefor in Section 2.10(b)(i) of the Agreement.

"Voidable Transfer" has the meaning specified therefor in Section 18.8 of the Agreement.

"Withdrawal Liability" means liability with respect to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

SCHEDULE A-1

AGENT'S ACCOUNT

BANK OF AMERICA, N.A.
NEW YORK, NY
ABA #0260-0959-3
ACCOUNT NAME: BofA Waukesha Collections
ACCOUNT #
REF: [Insert Client or Company Name]

For International Incoming Wires:
Swift Code: BOFAUS3NXXX
CHIPS Routing Number: 959 Bank of America, N.A. United States

SCHEDULE A-2

AUTHORIZED PERSONS

Terrance Paradie
Dwayne Petish
James Graham
Charles Walker
Denise Caruso

SCHEDULE A-3

COMPETITORS

USIO
Essar Steel Minnesota
AK Steel
ArcelorMittal
Rio Tinto- IOC
US Steel
Magnetation

NAC
Jim Walters Resources
Alpha Coal
Arch Coal
Patriot Coal
Coronado Coal
Consol Energy

APIO
Fortescue Metals Group
BHP
Rio Tinto
Vale
Anglo American

SCHEDULE C-1

Revolver Commitments

Name of Lender	Total Commitment	U.S. Revolver Commitment	Australian Revolver Commitment
Bank of America, N.A.	$90,300,000.00	$73,881,818.19	$16,418,181.81
PNC Bank, National Association	$90,200,000.00	$73,800,000.00	$16,400,000.00
Deutsche Bank AG New York Branch	$67,700,000.00	$55,390,909.09	$12,309,090.91
Citizens Bank of Pennsylvania	$65,000,000.00	$53,181,818.18	$11,818,181.82
Regions Bank	$65,000,000.00	$53,181,818.18	$11,818,181.82
Credit Suisse AG	$45,100,000.00	$36,900,000.00	$8,200,000.00
Siemens Financial Services, Inc.	$50,000,000.00	$40,909,090.91	$9,090,909.09
Credit Agricole Corporate and Investment Bank	$36,100,000.00	$29,536,363.64	$6,563,636.36
The Huntington National Bank	$31,600,000.00	$25,854,545.45	$5,745,454.55
Jefferies Finance LLC	$9,000,000.00	$7,363,636.36	$1,636,363.64
TOTAL	**$550,000,000.00**	**$450,000,000.00**	**$100,000,000.00**

SCHEDULE D-1

U.S. DESIGNATED ACCOUNT

PNC Bank, N.A.
Firstside Center, Mail Stop P7-PFSC-03-W
500 First Avenue, Pittsburgh, PA 15219
ABA:
SWIFT:
Bnf A/C:
Bnf: Cliffs Natural Resource Inc.
200 Public Square, Suite 3300
Cleveland, Ohio 44115

SCHEDULE D-2

AUSTRALIAN DESIGNATED ACCOUNT

Commonwealth Bank of Australia
Level 3, 150 St. Georges Terrace
Perth, Western Australia 6000
SWIFT:
Bnf: Cliffs Natural Resources Pty Ltd.
Level 12, The Quadrant Building
1 William Street, Perth, WA 6000
Acct No.:

SCHEDULE E-1

EXISTING HEDGE OBLIGATIONS

Lenders	Delivery Date	Trade Date	Currency Pairing	Currency Amount
Citizens Bank, N.A., formerly known as RBS Citizens, N.A.	05/05/2015	06/30/2014	USDCAD	$5,100,000
Citizens Bank, N.A., formerly known as RBS Citizens, N.A.	05/19/2015	06/30/2014	USDCAD	$5,100,000
Citizens Bank, N.A., formerly known as RBS Citizens, N.A.	05/26/2015	06/30/2014	USDCAD	$5,100,000
PNC Bank, National Association	09/01/2015	09/26/2014	USDCAD	$4,200,000
PNC Bank, National Association	09/15/2015	09/26/2014	USDCAD	$4,200,000
PNC Bank, National Association	09/22/2015	09/26/2014	USDCAD	$4,200,000
PNC Bank, National Association	09/29/2015	09/26/2014	USDCAD	$4,200,000
Citizens Bank, N.A., formerly known as RBS Citizens, N.A.	05/12/2015	06/30/2014	USDCAD	$5,100,000
PNC Bank, National Association	09/08/2015	09/26/2014	USDCAD	$4,200,000

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SCHEDULE E-2

EXISTING LETTERS OF CREDIT

Account Party	L/C Issuer	Expiry Date	Letter of Credit Amount (USD Value)	Beneficiary
Cliffs North American Coal LLC	Bank of America, N.A.	2/28/15	$500,000.00	Alabama Power Company
Northshore Mining Company	Bank of America, N.A.	10/24/15	$4,000,000.00	Minnesota Pollution Control Agency
EIMP	Bank of America, N.A.	11/05/15	$500,000.00	State of Michigan - Bureau of Worker's Disability Compensation
The Cleveland-Cliffs Iron Company	Bank of America, N.A.	06/30/15	$200,000.00	State of Michigan - Dept of Energy, Labor, Growth
Cliffs Natural Resources Inc.	Bank of America, N.A.	11/19/15	$6,658,929.00	National Union Fire
Cliffs Natural Resources Inc.	Bank of America, N.A.	11/5/15	$1,828,305.00	Northern Natural Gas
Bloom Lake	Bank of America, N.A.	12/1/15	CAD 577,302.00	Montreal/Ministry of Natural Resources
Cliffs Natural Resources Inc.	Bank of America, N.A.	11/24/15	$12,357,352.00	Argonaut Insurance
Cliffs Natural Resources Inc.	Bank of America, N.A.	12/13/15	$23,696,665.15	Chubb Insurance
Cliffs Natural Resources Inc.	Bank of America, N.A.	11/25/15	$46,190,064.77	Travelers Insurance
Bloom Lake	Bank of America, N.A.	12/1/15	$1,540,000.00	Imperial Oil
Cliffs Natural Resources Inc.	Bank of America, N.A.	1/29/16	$1,640,050.00	Bond Safeguard Insurance
Cliffs Natural Resources Inc.	Bank of America, N.A.	12/18/15	$19,099,407.60	The Bank of Nova Scotia
Cliffs Natural Resources Inc.	Bank of America, N.A.	11/2/15	$10,500,000.00	The Bank of Nova Scotia
Cliffs Natural Resources Inc.	Bank of America, N.A.	10/21/15	CAD 1,353,204.30	The Bank of Nova Scotia

SCHEDULE E-3

EXCLUDED SUBSIDIARY INDEBTEDNESS

None.

SCHEDULE I-1

IMMATERIAL SUBSIDIARIES

Cliffs Natural Resources Exploration, Inc.
Cliffs Renewable Energies LLC
Cliffs Reduced Iron Corporation
IronUnits LLC
Cliffs Technical Products LLC
Syracuse Mining Company
Seignelay Resources, Inc.
Cliffs Erie L.L.C.
Cleveland-Cliffs Ore Corporation
Cliffs Marquette, Inc.
The Cleveland-Cliffs Steamship Company
Marquette Iron Mining Partnership
Cliffs Oil Shale Corp.
Northern Conservation, LLC
Republic Wetlands Preserve LLC
Cliffs West Virginia Coal Inc.
Toney's Fork Land, LLC
Cliffs Logan County Coal, LLC
Southern Eagle Land, LLC
Cliffs Logan County Coal Terminals, LLC
Beard Pinnacle, LLC

SCHEDULE P-1

PERMITTED INVESTMENTS

- Intercompany Note (Note 34), between Cliffs Natural Resources Holdings Pty Ltd, as Lender, and Cliffs Australia Holdings Pty Ltd, as Borrower, in a principal amount of AUD $31,693,545.18
- Intercompany Note (Note 78), between Cliffs Natural Resources Luxembourg S.à r.l., as Lender, and Cliffs Natural Resources Holdings Pty Ltd., as Borrower, in the principal amount of AUD $500,000,000.00
- Intercompany Note (Note 61), between Cliffs Natural Resources Pty Ltd, as Lender, and Cliffs Quebec Iron Mining Ltd., as Borrower, in a principal amount of USD $235,837,012.15
- Intercompany Note (Note 76), between Luxembourg S.à r.l., as Lender, and Cliffs Natural Resources Inc., as Borrower, in a principal amount of $80,000,000.00

SCHEDULE P-2

PERMITTED LIENS

Loan Party	Jurisdiction of Filing	Filling Office	Filing Date & UCC-1	Secured Party
Lake Superior & Ishpeming Railroad Company	MI	Department of State	09-27-76 #A782006	National Bank of Detroit
Lake Superior & Ishpeming Railroad Company	MI	Department of State	10-26-78 #B007307	Cleveland Trust Co
Lake Superior & Ishpeming Railroad Company	MI	Department of State	10-26-78 #B007308	Cleveland Trust Co

SCHEDULE P-3

PERMITTED DISPOSITIONS

Cliffs Magnetite Holdings Pty Ltd, a wholly-owned subsidiary of Cliffs Asia Pacific Iron Ore Holdings Pty Ltd ("Cliffs Magnetite"), is party to a Sale and Purchase Agreement, Yerecoin Assets between Radar Iron Ltd, Cliffs Magnetite, Sojitz Mineral Development Pty Ltd and NS Iron Ore Development Pty Ltd dated April 17, 2014. Cliffs Magnetite is selling its interest (60%) in the Project Gunnel mining tenements located in Western Australia and related technical information in its possession.

Sale of all of the membership interests of Cliffs Erie LLC, a wholly owned subsidiary of Cliffs Mining Company, or all or a portion of the assets of Cliffs Erie LLC

SCHEDULE P-4

PERMITTED INDEBTEDNESS

- Intercompany Note (Note 34), between Cliffs Natural Resources Holdings Pty Ltd, as Lender, and Cliffs Australia Holdings Pty Ltd, as Borrower, in an outstanding amount as of the Closing Date equal to AUD $31,693,545.18 **
- Intercompany Note (Note 78), between Cliffs Natural Resources Luxembourg S.à r.l., as Lender, and Cliffs Natural Resources Holdings Pty Ltd., as Borrower, in the principal amount of AUD $500,000,000.00
- Intercompany Note (Note 61), between Cliffs Natural Resources Pty Ltd, as Lender, and Cliffs Quebec Iron Mining Ltd., as Borrower, in an initial principal amount of USD $220,000,000.00**
- Intercompany Note (Note 76), between Luxembourg S.à r.l., as Lender, and Cliffs Natural Resources Inc., as Borrower, in an initial principal amount of $80,000,000.00

**to be pledged

“Portman Limited Facility” means any credit agreement, multi-option facility, facility agreement, loan agreement or other agreements or instruments entered into from time to time under which the applicable lenders or holders of such instruments have agreed to make loans or otherwise extend credit to Cliffs Natural Resources Holdings Pty Ltd or any Subsidiary thereof in an amount not to exceed AUD $ 3,000,000.00.

Existing Letters of Credit:

Account Party	L/C Issuer	Expiry Date	Letter of Credit Amount (USD Value)	Beneficiary
Bloom Lake	The Bank of Nova Scotia	9/20/15	$500,000.00	Ministry of Fish and Oceans
CQIM	The Bank of Nova Scotia	9/21/15	$500,000.00	Hydro Quebec
Wabush Iron Co. Limited	The Bank of Nova Scotia	7/24/15	$111,520.00	Receiver General of Canada
CQIM	The Bank of Nova Scotia	10/02/15	$10,000,000.00	Canadian Iron Ore Railcar Leasing
Cliffs Natural Resources Inc.	The Bank of Nova Scotia	11/18/15	$3,465,000.00	Rockwood Casualty Insurance
WICL	The Bank of Nova Scotia	7/24/15	$143,000.00	Receiver General of Canada
CQIM	The Bank of Nova Scotia	7/29/15	$34,246.00	Receiver General of Canada
Cliffs Natural Resources Inc.	The Bank of Nova Scotia	8/21/15	$1,035,612.00	Northern Natural Gas
Cliffs Natural Resources Inc.	The Bank of Nova Scotia	10/24/14	$13,689,300.00	National Union Fire

SCHEDULE 3.1

The obligation of each Lender to make its initial extension of credit provided for in the Agreement is subject to the fulfillment, to the satisfaction of each Lender (the making of such initial extension of credit by any Lender being conclusively deemed to be its satisfaction or waiver of the following), of each of the following conditions precedent:

(a) the Closing Date shall occur on or before May 31, 2015;

(b) Agent shall have received evidence that appropriate Uniform Commercial Code financing statements, Australian PPSA financing statements and as-extracted collateral filings have been (or, on the Closing Date, will be) duly filed in such office or offices as may be necessary or, in the opinion of Agent, desirable to perfect the Agent's or the Australian Security Trustee's Liens in and to the Collateral, and, in the case of Australian PPSA financing statements, Agent shall have received searches reflecting the filing of all such financing statements;

(c) Agent shall have received each of the following documents, in form and substance satisfactory to Agent, duly executed and delivered, and each such document shall be in full force and effect:

(i) the Australian Security Documents described in clauses (a) and (b) of the definition thereof,

(ii) a completed Borrowing Base Certificate,

(iii) the Australian Control Agreements;

(iv) the Copyright Security Agreement,

(v) the Fee Letter,

(vi) the Flow of Funds Agreement,

(vii) the Guaranty and Security Agreement,

(viii) the Intercompany Subordination Agreement,

(ix) the Intercreditor Agreements,

(x) a completed Perfection Certificate for each of the Loan Parties,

(xi) the Patent Security Agreement,

(xii) the Trademark Security Agreement,

(xiii) a letter, in form and substance reasonably satisfactory to Agent, from Bank of America, N.A., in its capacity as administrative agent under the Existing Credit Facility ("Existing Agent") to Agent respecting the amount necessary to repay in full all of the obligations of Parent and its Subsidiaries owing under the Existing Credit Facility and obtain a release of all of the Liens existing in favor of Existing Agent in and to the assets of Parent and its Subsidiaries, together with termination statements and other documentation evidencing the termination by Existing Agent of its Liens in and to the properties and assets of Parent and its Subsidiaries,

(xiv) this Agreement, and

(xv) the letter agreement referred to in the definition of "Canadian Restructuring".

(d) Agent shall have received a certificate from the Secretary or a director of each Loan Party (i) attesting to the resolutions of such Loan Party's board of directors authorizing its execution, delivery, and performance of the Loan Documents to which it is a party, (ii) authorizing specific officers of such Loan Party to execute the same, and (iii) attesting to the incumbency and signatures of such specific officers of such Loan Party;

(e) Agent shall have received copies of each Loan Party's Governing Documents, as amended, modified, or supplemented to the Closing Date, which Governing Documents shall be (i) certified by the Secretary or a director of such Loan Party, and (ii) with respect to Governing Documents that are charter documents, certified as of a recent date by the appropriate governmental official;

(f) Agent shall have received a certificate of status with respect to each Loan Party (where applicable, or such other customary functionally equivalent certificates, to the extent available in the applicable jurisdiction), such certificate to be issued by the appropriate officer of the jurisdiction of organization of such Loan Party, which certificate shall indicate that such Loan Party is in good standing in such jurisdiction;

(g) Agent shall have received a certificate of insurance, together with the endorsements thereto, as are required by Section 5.6 of the Agreement, the form and substance of which shall be satisfactory to Agent;

(h) Agent shall have received (i) from Jones Day, special New York, Delaware and Ohio counsel to the Loan Parties, an opinion addressed to the Agent and each of the Lenders and dated the Closing Date in form and substance reasonably satisfactory to the Agent, (ii) from Norcross & Judd, special Michigan counsel to Lake Superior & Ishpeming Railroad Company, Cliffs Empire, Inc. and Cliffs TIOP, Inc., each a Michigan corporation, (iii) from DeWitt Ross & Stevans, special Minnesota counsel to Pichands Hibbing Corporation, a Minnesota corporation and (iv) from Norton Rose Fulbright Australia, special Australian counsel to the Agent, an opinion addressed to the Agent and each of the Lenders and dated the Closing Date in form and substance reasonably satisfactory to the Agent;

(i) Borrower shall have Liquidity of at least $600,000,000 after giving effect to the initial extensions of credit under the Agreement, the consummation of the Transactions, and the payment of all fees and expenses required to be paid by Borrowers on the Closing Date under the Loan Documents or otherwise in connection with the Transactions;

(j) Agent shall have completed (i) Patriot Act searches, OFAC/PEP searches and customary individual background checks for each Loan Party, and (ii) OFAC/PEP searches and customary individual background searches for each Loan Party's senior management and key principals, the results of which shall be satisfactory to Agent;

(k) Agent shall have received an appraisal of the Net Orderly Liquidation Value of Borrowers' Inventory and an appraisal of Borrowers' Equipment to be included in Eligible Equipment, the results of which shall be satisfactory to Agent;

(l) Agent shall have received a set of Projections of Borrower for the five year period following the Closing Date (on a year by year basis, and for the year following the Closing Date through December 31, 2015, on a quarter by quarter basis), in form and substance (including as to scope and underlying assumptions) satisfactory to Agent;

(m) Borrowers shall have paid all Lender Group Expenses incurred in connection with the transactions evidenced by the Agreement and the other Loan Documents for which invoices have been presented at least two Business Days prior to the Closing Date;

(n) Agent shall have received copies of each of the material Transaction Documents (other than the Loan Documents), together with a certificate of the Secretary of Parent certifying each such document as being a true, correct, and complete copy thereof;

(o) Agent shall have received evidence in form reasonably satisfactory to it that each of the Transactions shall have been consummated on or prior to the Closing Date or shall be consummated substantially contemporaneously with the Closing Date in accordance with the applicable Transaction Documents and all applicable requirements of law;

(p) each Borrower and each of its Subsidiaries shall have received all governmental and third party approvals (including shareholder approvals) necessary or, in the reasonable opinion of Agent, advisable in connection with the Agreement or the Transactions, which shall all be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority which would restrain, prevent or otherwise impose adverse conditions on this Agreement or the Transactions;

(q) all other documents and legal matters in connection with the transactions contemplated by the Agreement shall have been delivered, executed, or recorded and shall be in form and substance satisfactory to Agent;

(r) the Senior Secured Notes shall have been issued in a minimum aggregate principal amount of $400,000,000 and the Parent shall have consummated or concurrently herewith will be consummating the exchange offer with respect to the Existing Senior Notes, in each case on terms reasonably acceptable to the Agent;

(s) Agent shall have received a signed letter from BGC Contracting Limited in relation to certain Australian security interests (in form and substance satisfactory to Agent); and

(t) Agent shall have received a copy of a deed of release from Westpac Banking Corporation (in form and substance satisfactory to Agent).

SCHEDULE 3.6

(a) Within 180 days of the Closing Date (or such longer period as the Agent shall determine in its sole discretion), the Real Property Collateral Requirements shall be satisfied for all Real Property Collateral as of the Closing Date.

(b) By April 30, 2015, the following utility financing statements (also identified on Schedule P-2 to the Agreement) shall be terminated:

i. utility financing statement filed with the Michigan Department of State (Document Number A782006) on September 27, 1976 in favor of National Bank of Detroit (as amended on January 16, 1978 and February 28, 1980);

ii. utility financing statement filed with the Michigan Department of State (Document Number B007307) on October 26, 1978 in favor of The Cleveland Trust Company (as amended on December 1, 1978); and

iii. utility financing statement filed with the Michigan Department of State (Document Number B007308) on October 26, 1978 in favor of The Cleveland Trust Company.

(c) Within 120 days of the Closing Date (or such longer period as the Agent shall determine in its sole discretion), Parent shall provide evidence (in form and substance satisfactory to the Agent) that the Australian-registered trademarks of the Parent with registration number 1300894 and registration number 1300895 have been updated with IP Australia to reflect the current name of the Parent (being Cliffs Natural Resources Inc.).

(d) Each applicable Australian Loan Party must use its best endeavours to obtain the consent (in form and substance satisfactory to Australian Security Trustee) of Australia Western Railroad Pty Ltd under the Rail Haulage Agreement (as defined in the Australian General Security Deed and Guarantee) to (a) the inclusion of the Rail Haulage Agreement as part of the Collateral (as defined in the Australian General Security Deed and Guarantee) and (b) the grant of a Lien in the Rail Haulage Agreement by the applicable Australian Loan Parties under the Australian General Security Deed and Guarantee.

(e) Each applicable Australian Loan Party must use its best endeavours to obtain the consent (in form and substance satisfactory to Australian Security Trustee) of the Southern Ports Authority – Port of Esperance under the Lease Agreement (as defined in the Australian General Security Deed and Guarantee) to (a) the inclusion of the Storage Facilities and the Sample Preparation Shed (each as defined in the Australian General Security Deed and Guarantee) as part of the Collateral (as defined in the Australian General Security Deed and Guarantee) and (b) the grant of a Lien in the Storage Facilities and the Sample Preparation Shed by the applicable Australian Loan Party under the Australian General Security Deed and Guarantee.

SCHEDULE 4.1(b)

CAPITALIZATION OF BORROWERS

Issuer	Jurisdiction of Organization	Owner of Equity Interest	Percentage Owned	Number of Shares or Units / Percentage of Membership Interest
Cliffs North American Coal LLC	Delaware	CLF PinnOak LLC	100%	N/A
CLF PinnOak LLC	Delaware	Cliffs Mining Company	100%	N/A
Cliffs Pickands Holding, LLC	Delaware	Cliffs Mining Company	100%	100
Cliffs Mining Holding, LLC	Delaware	Cliffs Mining Company	100%	100
Cliffs UTAC Holding LLC	Delaware	Cliffs Minnesota Mining Company	100%	N/A
United Taconite LLC	Delaware	Cliffs Minnesota Mining Company	70%	N/A
Cliffs International Management Company LLC	Delaware	Cliffs Natural Resources Inc.	100%	100% of Membership Interest
Cliffs Mining Company	Delaware	Cliffs Natural Resources Inc.	100%	27,000
Cliffs Mining Services Company	Delaware	Cliffs Natural Resources Inc.	100%	1,000
Cliffs Minnesota Mining Company	Delaware	Cliffs Natural Resources Inc.	100%	1,000
Lake Superior & Ishpeming Railroad Company	Michigan	Cliffs Natural Resources Inc.	100%	107,196
Northshore Mining Company	Delaware	Cliffs Natural Resources Inc.	100%	100
The Cleveland-Cliffs Iron Company	Ohio	Cliffs Natural Resources Inc.	100%	1,000
Oak Grove Land Company, LLC	Delaware	Cliffs North American Coal LLC	100%	100
Oak Grove Resources, LLC	Delaware	Cliffs North American Coal LLC	100%	100
Pinnacle Land Company, LLC	Delaware	Cliffs North American Coal LLC	100%	100
Pinnacle Mining Company, LLC	Delaware	Cliffs North American Coal LLC	100%	100
United Taconite LLC	Delaware	Cliffs UTAC Holding LLC	30%	N/A
Silver Bay Power Company	Delaware	Northshore Mining Company	100%	100
Cliffs TIOP Holding, LLC	Delaware	The Cleveland-Cliffs Iron Company	100%	100
Cliffs Empire Holding, LLC	Delaware	The Cleveland-Cliffs Iron Company	100%	100

Issuer	Jurisdiction of Organization	Owner of Equity Interest	Percentage Owned	Number of Shares or Units / Percentage of Membership Interest
Pickands Hibbing Corporation	Minnesota	Cliffs Pickands Holding, LLC	100%	1,000
Cliffs Mining Holding Sub Company	Delaware	Cliffs Mining Holding, LLC	100%	100
Cliffs Empire, Inc.	Michigan	Cliffs Empire Holding, LLC	100%	500
Cliffs TIOP, Inc.	Michigan	Cliffs TIOP Holding, LLC	100%	500
Cliffs Natural Resources Pty Ltd	Australia	Cliffs Natural Resources Holdings Pty Ltd	100%	N/A
Cliffs Asia Pacific Iron Ore Pty Ltd	Australia	Cliffs Asia Pacific Iron Ore Holdings Pty Ltd	100%	N/A
Cliffs Natural Resources Holdings Pty Ltd	Australia	Cliffs Australia Holdings Pty Ltd	100%	N/A
Cliffs Asia Pacific Iron Ore Holdings Pty Ltd	Australia	Cliffs Natural Resources Holdings Pty Ltd	100%	N/A

SCHEDULE 4.1(c)

CAPITALIZATION OF BORROWERS' SUBSIDIARIES

Issuer	Jurisdiction of Organization	Owner of Equity Interest	Percentage Owned	Number of Shares or Units / Percentage of Membership Interest
Cliffs North American Coal LLC	Delaware	CLF PinnOak LLC	100%	N/A
CLF PinnOak LLC	Delaware	Cliffs Mining Company	100%	N/A
Cliffs Pickands Holding, LLC	Delaware	Cliffs Mining Company	100%	100
Cliffs Mining Holding, LLC	Delaware	Cliffs Mining Company	100%	100
Cliffs Technical Products LLC	Delaware	Cliffs Mining Company	100%	N/A
Syracuse Mining Company	Minnesota	Cliffs Mining Company	100%	500
Seignelay Resources, Inc.	Delaware	Cliffs Mining Company	100%	200
Cliffs Erie L.L.C.	Delaware	Cliffs Mining Company	100%	100% of Membership Interest
Cliffs UTAC Holding LLC	Delaware	Cliffs Minnesota Mining Company	100%	N/A
United Taconite LLC	Delaware	Cliffs Minnesota Mining Company	70%	N/A
Cleveland-Cliffs International Holding Company	Delaware	Cliffs Natural Resources Inc.	100%	650 350
Cliffs International Management Company LLC	Delaware	Cliffs Natural Resources Inc.	100%	100% of Membership Interest
Cliffs Mining Company	Delaware	Cliffs Natural Resources Inc.	100%	27,000
Cliffs Mining Services Company	Delaware	Cliffs Natural Resources Inc.	100%	1,000
Cliffs Minnesota Mining Company	Delaware	Cliffs Natural Resources Inc.	100%	1,000
Lake Superior & Ishpeming Railroad Company	Michigan	Cliffs Natural Resources Inc.	100%	107,196
Northshore Mining Company	Delaware	Cliffs Natural Resources Inc.	100%	100
The Cleveland-Cliffs Iron Company	Ohio	Cliffs Natural Resources Inc.	100%	1,000
Cliffs Natural Resources Exploration Inc.	Delaware	Cliffs Natural Resources Inc.	100%	N/A
Cliffs Reduced Iron Corporation	Delaware	Cliffs Natural Resources Inc.	100%	1,000
Cliffs West Virginia Coal Inc.	Delaware	Cliffs Natural Resources Inc.	100%	100

Issuer	Jurisdiction of Organization	Owner of Equity Interest	Percentage Owned	Number of Shares or Units / Percentage of Membership Interest
Cliffs Renewable Energies LLC	Delaware	Cliffs Natural Resources Inc.	100%	N/A
IronUnits LLC	Delaware	Cliffs Natural Resources Inc.	100%	100% of Membership Interest
Oak Grove Land Company, LLC	Delaware	Cliffs North American Coal LLC	100%	100
Oak Grove Resources, LLC	Delaware	Cliffs North American Coal LLC	100%	100
Pinnacle Land Company, LLC	Delaware	Cliffs North American Coal LLC	100%	100
Pinnacle Mining Company, LLC	Delaware	Cliffs North American Coal LLC	100%	100
Beard Pinnacle, LLC	Oklahoma	Cliffs North American Coal LLC	100%	N/A
United Taconite LLC	Delaware	Cliffs UTAC Holding LLC	30%	N/A
Silver Bay Power Company	Delaware	Northshore Mining Company	100%	100
Cliffs TIOP Holding, LLC	Delaware	The Cleveland-Cliffs Iron Company	100%	100
Cliffs Empire Holding, LLC	Delaware	The Cleveland-Cliffs Iron Company	100%	100
Cleveland-Cliffs Ore Corporation	Ohio	The Cleveland-Cliffs Iron Company	100%	5
Cliffs Marquette, Inc.	Michigan	The Cleveland-Cliffs Iron Company	100%	500
The Cleveland-Cliffs Steamship Company	Delaware	The Cleveland-Cliffs Iron Company	100%	12,000
MABCO Steam Company	Delaware	The Cleveland-Cliffs Iron Company	40.467%	N/A
Pickands Hibbing Corporation	Minnesota	Cliffs Pickands Holding, LLC	100%	1,000
Cliffs Mining Holding Sub Company	Delaware	Cliffs Mining Holding, LLC	100%	100
Hibbing Developmental Company	Minnesota	Pickands Hibbing Corporation	100%	N/A
Hibbing Taconite Company	Minnesota	Cliffs Mining Holding Sub Company	10%	N/A
Cliffs Empire, Inc.	Michigan	Cliffs Empire Holding, LLC	100%	500
Empire Iron Mining Partnership	Michigan	Cliffs Empire, Inc.	79%	N/A
Cliffs TIOP, Inc.	Michigan	Cliffs TIOP Holding, LLC	100%	500
Tilden Mining Company L.C.	Michigan	Cliffs TIOP, Inc.	85%	N/A
Cliffs Australia Coal Pty Ltd	Australia	Cliffs Natural Resources Pty Ltd	100%	N/A

Issuer	Jurisdiction of Organization	Owner of Equity Interest	Percentage Owned	Number of Shares or Units / Percentage of Membership Interest
Cliffs Asia Pacific Iron Ore Holdings Pty Ltd	Australia	Cliffs Natural Resources Pty Ltd	100%	N/A
Cliffs Natural Resources Pty Ltd	Australia	Cliffs Natural Resources Holdings Pty Ltd	100%	N/A
Cliffs Asia Pacific Iron Ore Pty Ltd	Australia	Cliffs Asia Pacific Holdings Pty Ltd	100%	N/A
Cliffs Asia Pacific Iron Ore Management Pty Ltd	Australia	Cliffs Asia Pacific Holdings Pty Ltd	100%	N/A
Cliffs Magnetite Holdings Pty Ltd	Australia	Cliffs Asia Pacific Holdings Pty Ltd	100%	N/A
Cliffs Asia Pacific Iron Ore Investment Pty Ltd	Australia	Cliffs Asia Pacific Holdings Pty Ltd	100%	N/A

SCHEDULE 4.1(d)

SUBSCRIPTIONS, OPTIONS, WARRANTS, CALLS

Cliffs Natural Resources Exploration Inc. holds 1,000,000 warrant certificates in Zenyatta Ventures Ltd.

SCHEDULE 4.11

ENVIRONMENTAL MATTERS

None.

SCHEDULE 4.24

LOCATIONS OF INVENTORY AND EQUIPMENT

Location of Collateral	County	State/Province
Birmingport	Jefferson	Alabama
Oak Grove Mine	Jefferson	Alabama
Alabama State Docks	Mobile	Alabama
ArcelorMittal Indiana Harbor	Lake	Indiana
Port of Escanaba	Delta	Michigan
Empire Mine	Marquette	Michigan
Lake Superior& Ishpeming Railroad	Marquette	Michigan
Tilden Mine	Marquette	Michigan
AK Steel Dearborn Works	Wayne	Michigan
Hibbing Mine	St. Louis	Minnesota
Northshore Mine	St. Louis	Minnesota
Port of Duluth	St. Louis	Minnesota
United Taconite Mine	St. Louis	Minnesota
ArcelorMittal Cleveland	Cuyahoga	Ohio
Cleveland Bulk Terminal, Port of Cleveland	Cuyahoga	Ohio
TORCO Dock, Port of Toledo	Lucas	Ohio
Pier 6, Norfolk International Terminals	N/A	Virginia
Pinnacle Mine	Wyoming and/or McDowell	West Virginia
Koolyanobbing Mine	N/A	Western Australia
Port of Esperance	N/A	Western Australia
Port of Superior	Douglas	Wisconsin

SCHEDULE 5.1

Deliver to Agent (and if so requested by Agent, with copies for each Lender) each of the financial statements, reports, or other items set forth below at the following times in a form reasonably satisfactory to Agent:

within 45 days after the end of each of Parent's fiscal quarters,	(a) an unaudited consolidated balance sheet, income statement, statement of cash flow, and statement of shareholder's equity covering Parent's and its Subsidiaries' operations during such period and compared to the prior period and plan, together with a corresponding discussion and analysis of results from management (or notice to the Administrative Agent that such discussion and analysis is in the Parent's Form 10-Q), and (b) a Compliance Certificate along with the underlying calculations, including the calculations to arrive at EBITDA and Fixed Charge Coverage Ratio.
within 90 days after the end of each of Parent's fiscal years,	(c) consolidated financial statements of Parent and its Subsidiaries for each such fiscal year, audited by independent certified public accountants of national standing or otherwise reasonably acceptable to Agent and accompanied by an unqualified opinion (as defined in Section 1.2 of the Agreement), of such accountants to the effect that such audited financial statements have been prepared in accordance with GAAP (such audited financial statements to include a balance sheet, income statement, statement of cash flow, and statement of shareholder's equity, and, if prepared, such accountants' letter to management), (d) unaudited consolidating financial statements of Parent and the other Loan Parties for each such fiscal year, and (e) a Compliance Certificate along with the underlying calculations, including the calculations to arrive at EBITDA and Fixed Charge Coverage Ratio.
within 60 days after the end of each of Parent's fiscal years,	(f) copies of Parent's Projections, in a form reasonably satisfactory to Agent, in its Permitted Discretion, for the forthcoming 3 years, year by year, and for the forthcoming fiscal year, fiscal quarter by fiscal quarter, certified by the chief financial officer or other senior financial officer of Parent as being prepared in good faith on the basis of the assumptions stated therein, which assumptions were believed to be reasonable by Parent at the time made and at the time so furnished.
if and when filed by Parent,	(g) Form 10-Q quarterly reports, Form 10-K annual reports, and Form 8-K current reports, (h) any other filings made by Parent with the SEC, and (i) any other information that is provided by Parent to its shareholders generally.
within 5 Business Days after any Borrower has knowledge of any event or condition that constitutes a Default or an Event of Default,	(j) notice of such event or condition and a statement of the curative action that Borrowers propose to take with respect thereto.
within 5 Business Days after any Borrower has knowledge thereof,	(k) notice of all actions, suits, or proceedings brought by or against any Borrower or any of its Restricted Subsidiaries before any Governmental Authority which would reasonably be expected to result in a Material Adverse Effect.

promptly and in any event within 30 days after the filing thereof with the United States Department of Labor or other Governmental Authority,	(l) copies of each Schedule SB (Actuarial Information) to the Annual Report (Form 5500 Series) (or any equivalent under Australian law) including, to the extent required, the related financial and actuarial statements and opinions and other supporting statements, certifications, schedules and information with respect to each Pension Plan.
promptly upon the request of Agent,	(m) (i) commencement of any Environmental Action or written notice that an Environmental Action will be filed against a Borrower or its Subsidiaries, in each case, to the extent such Environmental Action would reasonably be expected to result in a Material Adverse Effect, and (ii) written notice of a violation, citation, or other administrative order from a Governmental Authority, to the extent such violation, citation, or other administrative order would reasonably be expected to result in a Material Adverse Effect. (n) any other information reasonably requested relating to the financial condition of any Borrower or its Restricted Subsidiaries.

For the avoidance of doubt, each document described above may be delivered electronically pursuant to the terms of Section 5.1 or Section 11 of the Agreement.

SCHEDULE 5.16(a)

ADI ACCOUNTS

Account Name	Account number	Bank	CNCY		Location
CLIFFS ASIA PACIFIC IRON ORE PTY LTD					
CLIFFS ASIA PACIFIC IRON ORE PTY LTD		National Australia Bank	AUD	Term Deposit	Perth
CLIFFS ASIA PACIFIC IRON ORE PTY LTD		National Australia Bank	AUD	Operating Account	Perth
CLIFFS ASIA PACIFIC IRON ORE PTY LTD		Westpac Bank	USD	USD Currency Account	Perth
CLIFFS ASIA PACIFIC IRON ORE PTY LTD - REPRESENTATIVE OFFICE		Australia and New Zealand Bank	CNY	Operating Account	Beijing
CLIFFS ASIA PACIFIC IRON ORE PTY LTD - REPRESENTATIVE OFFICE		Bank of China	CNY	Operating Account	Beijing
CLIFFS ASIA PACIFIC IRON ORE PTY LTD - REPRESENTATIVE OFFICE		Bank of China	USD	Operating Account	Beijing
CLIFFS ASIA PACIFIC IRON ORE PTY LTD		Commonwealth Bank of Australia	AUD	Operating Account	Perth
CLIFFS NATURAL RESOURCES PTY LTD					
CLIFFS NATURAL RESOURCES PTY LTD		Commonwealth Bank of Australia	USD	Operating Account	Perth
CLIFFS NATURAL RESOURCES PTY LTD		Commonwealth Bank of Australia	AUD	Operating Account	Perth

SCHEDULE 5.16(b)

DEPOSIT ACCOUNTS

	Account Number	Institution	**Type**
CLIFFS NATURAL RESOURCES INC.			
CLIFFS NATURAL RESOURCES INC.		Bank of America Merrill Lynch	Master
CITIBANK NA F/B/O CLIFFS NATURAL RESOURCES INC.		CitiBank N.A.	EURO TIME
CLIFFS NATURAL RESOURCES INC.		Fifth Third Bank	MMDA
CLIFFS NATURAL RESOURCES INC.		Huntington National Bank	MMDA
CLIFFS NATURAL RESOURCES INC. - CDA		PNC Bank N.A.	CDA
CLIFFS NATURAL RESOURCES INC. - DDA		PNC Bank N.A.	Master ZBA
CLIFFS NATURAL RESOURCES INC.		PNC Bank N.A.	MEDICAL BENEFITS
CLIFFS NATURAL RESOURCES INC.		PNC Bank N.A.	MMF
CLIFFS NATURAL RESOURCES INC.		RBS US	MMDA
CLIFFS NATURAL RESOURCES INC.		TREASURY CURVE	TreasuryCurve MMF Portal
CLIFFS NATURAL RESOURCES INC.		WELLS FARGO N.A.	BROKER ACCT
CCI SALARIED		BANK OF NEW YORK MELLON	DB/CCI Salary
CLIFFS NATURAL RESOURCES INC.		FIDELITY INVESTMENTS	DC
CLIFFS NATURAL RESOURCES INC.		KEYBANK N.A.	RABBI AND SUB TRUSTS
CLIFFS NATURAL RESOURCES INC.		KEYBANK N.A.	RABBI AND SUB TRUSTS
THE CLEVELAND-CLIFFS IRON COMPANY			
THE CLEVELAND-CLIFFS IRON COMPANY		PNC Bank N.A.	DDA
Marquette County Community Fund			
CCICo HOURLY		BANK OF NEW YORK MELLON	DB/CCI Salary
CCICo HOURLY		FIDELITY INVESTMENTS	DC
CCICo - EMPIRE		BANK OF NEW YORK MELLON	VEBA
CCICo - TILDEN		BANK OF NEW YORK MELLON	VEBA
CCICo - SHOPS		BANK OF NEW YORK MELLON	VEBA
CCICo		BANK OF NEW YORK MELLON	SUPP UNEMP BENE CCICO
CLIFFS MINING COMPANY			
CLIFFS MINING COMPANY		PNC Bank N.A.	DDA

	MITTAL USA - ONTARIO IRON			
	CLIFFS MINING COMPANY		Bank of Montreal	DDA
	CLIFFS SALES COMPANY		Bank of America Merrill Lynch	
NORTHSHORE MINING COMPANY				
	NORTHSHORE MINING COMPANY		WELLS FARGO N.A.	DDA
	NORTHSHORE MINING COMPANY		WELLS FARGO N.A.	CD
	NORTHSHORE MINING COMPANY		M&T BANK (T ROWE PRICE)	DC
SILVER BAY POWER COMPANY				
	SILVER BAY POWER COMPANY		M&T BANK (T ROWE PRICE)	DC
UNITED TACONITE LLC				
	UNITED TACONITE LLC		WELLS FARGO N.A.	LOCAL WORKING FUND
	UNITED TACONITE LLC		WELLS FARGO N.A.	LOCAL WORKING FUND
	ORE MINING COMPANIES		BANK OF NEW YORK MELLON	Ore Mining (Utac)
	OMC MONEY PURCHASE PLAN		FIDELITY INVESTMENTS	DC
	UNITED TACONITE LLC		BANK OF NEW YORK MELLON	VEBA
	UNITED TACONITE LLC		BANK OF NEW YORK MELLON	SUPP UNEMP BENE UTAC
CLIFFS NORTH AMERICAN COAL LLC				
	CLIFFS NORTH AMERICAN COAL LLC		Bank of America Merrill Lynch	RECEIPTS
PINNACLE MINING COMPANY, LLC				
	PINNACLE MINING COMPANY		BANK OF NEW YORK MELLON	VEBA

SCHEDULE 5.2

Provide Agent (and if so requested by Agent, with copies for each Lender) with each of the documents set forth below at the following times in a form reasonably satisfactory to Agent:

monthly, within 20 days after the end of each fiscal month during each of Parent's fiscal years, or during any Increased Borrowing Base Period (as defined below), weekly (no later than Wednesday of each week as of and for the immediately preceding week),	(a) an executed Borrowing Base Certificate, (b) a detailed aging, by total, of Borrowers' Accounts, together with a reconciliation and supporting documentation for any reconciling items noted, (c) a monthly Account roll-forward, in a format reasonably acceptable to Agent in its Permitted Discretion, tied to the beginning and ending account receivable balances of Borrowers' general ledger, (d) notice of all material claims, offsets, or disputes asserted by Account Debtors with respect to Borrowers' Accounts, (e) Inventory system/perpetual reports specifying the cost and the wholesale market value and Net Orderly Liquidation Value of each Borrower's Inventory, by category, with additional detail showing additions to and deletions therefrom, (f) Equipment reports specifying the Net Book Value and Net Orderly Liquidation Value of each Borrower's Mobile Equipment, with reasonable additional detail showing additions to and deletions therefrom, (g) a detailed calculation of Inventory and Equipment categories that are not eligible for the Borrowing Base, (h) a summary aging, by vendor, of Borrowers' and their Restricted Subsidiaries' accounts payable and any book overdraft and an aging, by vendor, of any held checks, and (i) a detailed report regarding Borrowers' and their Restricted Subsidiaries' cash and Cash Equivalents, including an indication of which amounts constitute Qualified Cash (items (a) - (i) are referred to as the "Borrowing Base Materials").
promptly upon the request of Agent,	(j) other reasonably requested supporting documentation related to the Borrowing Base Materials.
monthly, within 30 days after the end of each fiscal month during each of Parent's fiscal years,	(k) a reconciliation of Accounts, trade accounts payable, Inventory and Mobile Equipment of Borrowers' general ledger accounts to their monthly financial statements including any book reserves related to each category.
quarterly, within 45 days after the end of each fiscal quarter during each of Parent's fiscal years,	(l) a report regarding each Borrower's and its Restricted Subsidiaries' accrued, but unpaid, *ad valorem* taxes. (m) a report setting forth the current location of Borrowers' Inventory and Mobile Equipment included in the most recent U.S. Borrowing Base Certificate.
promptly, upon the reasonable request by Agent (but no more frequently than semi-annually),	(n) copies of material purchase orders and invoices for Inventory and Equipment of any Borrower or its Restricted Subsidiaries and/or corresponding shipping and delivery documents and credit memos, in each case, together with corresponding supporting documentation, and (o) such other reports as to the Collateral or the financial condition of any Borrower and its Restricted Subsidiaries, as Agent may request in its Permitted Discretion, including intra-quarter updates as to the locations of Inventory and Mobile Equipment included in the most recent U.S. Borrowing Base Certificate.

As used herein, "Increased Borrowing Base Reporting Period" means a period which shall commence on any date of determination (the "Commencement Date") on which Excess Availability is less than the greater of (a) 15% of the Line Cap, and (b) $75,000,000, and shall continue until the last day of the first fiscal month ending after the Commencement Date when Liquidity has been greater than or equal to (x) 15% of the Line Cap, and (y) $75,000,000 for a period of 60 consecutive days.

For the avoidance of doubt, each document described above may be delivered electronically, to the extent such an electronic delivery system has been implemented, pursuant to the terms of Section 5.2 or Section 11 of the Agreement.

EXHIBIT A-1

FORM OF ASSIGNMENT AND ACCEPTANCE AGREEMENT

This ASSIGNMENT AND ACCEPTANCE AGREEMENT ("**Assignment Agreement**") is entered into as of [●] between [●] ("**Assignor**") and [●] ("**Assignee**").

Reference is made to the Syndicated Facility Agreement dated as of March 30, 2015 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**"), by and among CLIFFS NATURAL RESOURCES INC., an Ohio corporation, as parent ("**Parent**"), the Subsidiaries of Parent identified on the signature pages thereto (such Subsidiaries, together with Parent, the " **Borrowers**"), the lenders party thereto and BANK OF AMERICA, N.A., a national banking association, as agent for each member of the Lender Group and the Bank Product Providers (the "**Agent**"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Credit Agreement.

1. Assignor hereby assigns to Assignee and Assignee hereby purchases and assumes from Assignor (a) a principal amount of $_____ of Assignor's outstanding Revolving Loans and $_____ of Assignor's participations in Letters of Credit and (b) the amount of $_____ of Assignor's Revolver Commitment (which represents ____% of the total Revolver Commitments) (the foregoing items being, collectively, "Assigned Interest"), together with an interest in the Loan Documents corresponding to the Assigned Interest. This Assignment Agreement shall be effective as of the date ("Effective Date") indicated in the corresponding Assignment Notice attached hereto as Annex I delivered to Agent, provided that such Assignment Notice is executed by Assignor, Assignee and, if applicable, Agent, each Issuing Bank and the Borrowers. From and after the Effective Date, Assignee hereby expressly assumes, and undertakes to perform, all of Assignor's obligations in respect of the Assigned Interest, and all principal, interest, fees and other amounts which would otherwise be payable to or for Assignor's account in respect of the Assigned Interest shall be payable to or for Assignee's account, to the extent such amounts accrue on or after the Effective Date.

2. Assignor (a) represents that as of the date hereof, prior to giving effect to this assignment, its Revolver Commitment is $_____ and the outstanding balance of its Revolving Loans and participations in Letters of Credit is $_____; (b) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document furnished pursuant thereto, other than that Assignor is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; and (c) makes no representation or warranty and assumes no responsibility with respect to the financial condition of Borrowers or the performance by Borrowers of their obligations under the Loan Documents. [Assignor is attaching the promissory note[s] held by it and requests that Agent exchange such note[s] for new promissory notes payable to Assignee [and Assignor].]

3. Assignee (a) represents and warrants that it is legally authorized to enter into this Assignment Agreement; (b) confirms that it has received copies of the Credit Agreement and such other Loan Documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement; (c) agrees that it shall, independently and without reliance upon Assignor and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents; (d) confirms that it is an Eligible Transferee; (e) appoints and authorizes Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement as are delegated to Agent by the terms thereof, together with such powers as are incidental thereto; (f) agrees that it will observe and perform all obligations that are required to be performed by it as a "Lender" under the Loan Documents; (g) represents and warrants that the assignment evidenced hereby will not result in a non-exempt "prohibited transaction" under Section 406 of ERISA; and (h) attaches the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all payments to be made to the Assignee under the Credit Agreement or such other documents as are necessary to indicate that all such payments are subject to such rates at a rate reduced by an applicable tax treaty.

4. This Assignment Agreement shall be governed by the laws of the State of New York. If any provision is found to be invalid under applicable law, it shall be ineffective only to the extent of such invalidity and the remaining provisions of this Assignment Agreement shall remain in full force and effect.

5. Each notice or other communication hereunder shall be in writing, shall be sent by messenger, by telecopy or facsimile transmission, or by first-class mail, shall be deemed given when sent and shall be sent as follows:

(a) If to Assignee, to the following address (or to such other address as Assignee may designate from time to time):

_____
_____
_____

(b) If to Assignor, to the following address (or to such other address as Assignor may designate from time to time):

_____
_____
_____
_____

Payments hereunder shall be made by wire transfer of immediately available Dollars as follows:

If to Assignee, to the following account (or to such other account as Assignee may designate from time to time):

_____
_____
ABA No._____
_____
Account No._____
Reference: _____

If to Assignor, to the following account (or to such other account as Assignor may designate from time to time):

_____
_____
ABA No._____
_____
Account No._____
Reference: _____

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be executed by their respective officers, as of the first date written above.

[NAME OF ASSIGNOR]

as Assignor

By: _____
Name:
Title:

[NAME OF ASSIGNEE]

as Assignee

By: _____
Name:
Title:

ANNEX I TO ASSIGNMENT AND ACCEPTANCE

ASSIGNMENT NOTICE

Reference is made to the Syndicated Facility Agreement dated as of March 30, 2015 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**"), by and among CLIFFS NATURAL RESOURCES INC., an Ohio corporation, as parent ("**Parent**"), the Subsidiaries of Parent identified on the signature pages thereto (such Subsidiaries, together with Parent, the " **Borrowers**"), the lenders party thereto and BANK OF AMERICA, N.A., a national banking association, as agent for each member of the Lender Group and the Bank Product Providers (the "**Agent**"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Credit Agreement.

Assignor hereby notifies Borrowers and Agent of Assignor's intent to assign to Assignee pursuant to the Assignment Agreement (a) a principal amount of $_____ of Assignor's outstanding Revolving Loans and $_____ of Assignor's participations in Letters of Credit and (b) the amount of $_____ of Assignor's Revolver Commitment (which represents ____% of the total Revolver Commitments) (the foregoing items being, collectively, the "Assigned Interest"), together with an interest in the Loan Documents corresponding to the Assigned Interest. This Assignment Agreement shall be effective as of the date ("Effective Date") indicated below, provided this Assignment Notice is executed by Assignor, Assignee and, if applicable, Agent, each Issuing Bank and Borrowers. Pursuant to the Assignment Agreement, Assignee has expressly assumed all of Assignor's obligations under the Credit Agreement to the extent of the Assigned Interest, as of the Effective Date.

For purposes of the Credit Agreement, Agent shall deem Assignor's Revolver Commitment to be reduced by $_____, and Assignee's Revolver Commitment to be increased by $_____.

The address of Assignee to which notices and information are to be sent under the terms of the Credit Agreement is:

_____
_____
_____
_____

The address of Assignee to which payments are to be sent under the terms of the Credit Agreement is shown in the Assignment Agreement.

This Assignment Notice is being delivered to Borrowers and Agent pursuant to Section 13.1 of the Credit Agreement. Please acknowledge your acceptance of this Assignment Notice by executing and returning to Assignee and Assignor a copy of this Assignment Notice.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Notice to be executed by their respective officers, as of the first date written above.

[NAME OF ASSIGNOR]
as Assignor
By: _____
Name:
Title:

[NAME OF ASSIGNEE]
as Assignee
By: _____
Name:
Title:

ACCEPTED AS OF THE DATE FIRST WRITTEN ABOVE

[BANK OF AMERICA, N.A., as Agent] [1]

By: _____
Name:
Title:

[[ISSUING BANK], as Issuing Bank] [2]

By: _____
Name:
Title:

[INSERT BORROWERS' SIGNATURE BLOCKS][3]

[1] Include to the extent required by Section 13(a)(i) of the Credit Agreement.
[2] Include to the extent required by Section 13(a)(i) of the Credit Agreement.
[3] Include to the extent required by Section 13(a)(i) of the Credit Agreement.

EXHIBIT B-1

FORM OF BORROWING BASE CERTIFICATE

[•] [•], 20[•]

Reference is made to that certain Syndicated Facility Agreement, dated as of March 30, 2015 (as amended, restated, amended and restated, supplemented or otherwise modified and in effect on the date hereof, the "Credit Agreement"), by and among CLIFFS NATURAL RESOURCES INC., an Ohio corporation, as parent ("Parent"), the Subsidiaries of Parent identified on the signature pages thereto (such Subsidiaries, together with Parent, the " Borrowers"), the lenders party thereto and BANK OF AMERICA, N.A., a national banking association, as agent for each member of the Lender Group and the Bank Product Providers (the "Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Credit Agreement.

Pursuant to Section 5.2 of the Credit Agreement, the undersigned Responsible Officer of the Parent hereby certifies, solely in his/her capacity as a Responsible Officer and not in any individual capacity, that the items set forth on Schedule I hereto, calculated in accordance with the terms and definitions set forth in the Credit Agreement for such items, are true and correct in all material respects.

For the avoidance of doubt, nothing contained in this Borrowing Base Certificate shall constitute a waiver, modification or limitation in the terms or conditions set forth in the Credit Agreement.

[Remainder of this page intentionally left blank]

In witness whereof, this Borrowing Base Certificate is executed by the undersigned as of the date first written above.

CLIFFS NATURAL RESOURCES INC., an Ohio corporation, as Parent

By: _____

Name:

Title:

Schedule I

[Attached]

Bank of America

CONSOLIDATING AVAILABILITY SCHEDULE

(Use $000's)

Cliffs Natural Resources Inc.		USIO - Trade A/R	USIO - Unbilled A/R	NAC - Trade A/R	NAC - Unbilled A/R	APIO - Trade A/R
Gross Accounts Receivable	-					
Pricing Adjustment and Unsettlement	-					
FX Revaluation to GL Adjustment	-					
Adjusted Accounts Receivable	-					
Ineligible A/R	-					
A/R - Significantly Aged	-					
Aged Credits	-					
Extended Invoices	-					
Credit & Rebill Refreshed	-					
Debit Memo & Chargeback	-					
Finance Charge	-					
Other Invoice Level Ineligible	-					
Bankruptcy / Credit Hold / Other Credit Issues	-					
COD/Cash	-					
Total Combined Foreign Accounts	-					
Foreign Supported by Letter of Credit	-					
Eligible AR not supported by LC's	-					
Government	-					
Intercompany	-					
Guaranteed	-					
Algoma Unbilled - Will Not Pay Until Lawsuits Settled	-					
Cross-Aged	-					
Contra	-					
Concentration Cap	-					
Deferred Revenue Reserve	-					
Debtor with Special Limits	-					
	-					
Total Ineligible A/R	-	-	-	-	-	-
Net Eligible A/R	-	-	-	-	-	-
Advance Rate	0%	85%	85%	85%	85%	85%
Eligible A/R @ Adv %	-	-	-	-	-	-
Less: Dilution Reserve	-	-	-	-	-	-
Less: Other Reserve	-			-		-
Eligible A/R @ Adv %, net of Reserves	-	-	-	-	-	-
Sub Limit	-	-	-	-	-	-
A/R Availability	-	-	-	-	-	-

0.0% Effective Advance Rate

Cliffs Natural Resources Inc.	01/00/00	USIO - Standard & Flux Iron Ore	USIO - Sinter	ISOP - WIP / Concentrates	NAC - Unprocessed Coal (RM)	NAC - Processed Coal (FG)	WIP - Subgrade (APIO)	WIP - Mine & ROM (APIO)	FG Lump (APIO)	FG Fine (APIO)
Gross Inventory	-									
Freight In Inventory	-									
Total Inventory	-									
Ineligible Inventory										
Unexplained Variance in Reconciliation	-									
In-Transit (Marine Cargo on G.Lakes w/o proper documentation)	-									
Inventory located at Quebec Docks	-									
Ineligible Customer Locations	-									
Work In Process Owned by Joint Ventures	-									
Lower of Cost or Market Reserve	-									
Slow Moving/Obsolete Inventory/Unmerchantable	-									
Other	-	-	-	-	-	-	-	-	-	-
	-				-	-	-		-	-
Total Ineligible Inventory	-	-	-	-	-	-	-	-	-	-
Net Eligible Inventory	-	-	-	-	-	-	-	-	-	-
Advance Rates	0%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Eligible Inventory @ Adv %	-	-	-	-	-	-	-	-	-	-
Less: AP to Outside (Port & Freight)	-	-	-	-	-	-	-	-	-	-
Less: Port Fees - Demurrage	-	-	-	-	-	-	-	-	-	-
Less: Other	-	-	-	-	-	-	-	-	-	-
Eligible Inventory @ Adv Rates <A>	-	-	-	-	-	-	-	-	-	-
NOLV % 's per the appraisal		114.9%	114.9%	113.9%	56.2%	84.3%	35.8%	114.9%	149.2%	149.2%
Advance Rates - 85% of NOLV		97.7%	97.7%	96.8%	47.8%	71.7%	30.4%	97.7%	126.8%	126.8%
Availability based on Appraisal <B>	-	-	-	-	-	-	-	-	-	-
Lower of <A> or <B>	-	-	-	-	-	-	-	-	-	-
Individual Sublimit		-	-	-	-	-	-	-	-	-
Inventory Availability before the Subline	-	-	-	-	-	-	-	-	-	-
		-			-		-			
Inventory Subline										
Net Inventory Availability	-									

0.0% Effective Advance Rate

Worksheet: 9A Consolidating Availability
Cliffs BBC Exhibit B-1 Schedule US102756Dv1

Bank of America

CONSOLIDATING AVAILABILITY SCHEDULE

Cliffs Natural Resources Inc.	01/00/00	USIO Supply Inventory	NAC Supply Inventory	APIO Supply Inventory
Supply Inventory	-			
Ineligible Supplies				
Supply Inventory Owned by the Joint Ventures	-			
Other	-			
Other	-			
Total Ineligible Supply Inventory	-	-	-	-
Net Eligible Supply Inventory	-	-	-	-
NOLV % 's per the appraisal		7.2%	11.8%	8.7%
Advance Rates - 85% of NOLV	0.0%	6.1%	10.0%	7.4%
Eligible Supply Inventory @ Adv %	-	-	-	-
Sub Limit	-	-	-	-
Supply Inventory Availability (Capped at 5%)	-	-	-	-
	#DIV/0!	Effective Advance Rate		

Cliffs Natural Resources Inc.	NBV FEB 2015	USIO Machinery & Equipment	NAC Machinery & Equipment	APIO Machinery & Equipment
Beginning NBV Machinery & Equipment	-			
Additions	-			
Disposals and Impairment	-			
Ineligibles	-			
Depreciation	-			
Ending NBV Machinery & Equipment	-	-	-	-
	-	-	-	-
NOLV Ratio		#DIV/0!	#DIV/0!	#DIV/0!
NOLV	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Eligible - 85% NOLV	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	#DIV/0!	Effective Advance Rate		

USIO Royalties	
NAC Royalties	
Redundancy Reserve	
Other Employee Liab. (Wages, Vacation Etc)	
Other Reserves (Royalties GL 2160102)- $14.035M)	
Inv Reserve: AP to Outside (Port & Freight)	
Inv Reserve: Port Fees - Demurrage	
Total Line Reserves	-

		USIO	NAC	APIO	
Gross Availability	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
		#DIV/0!	#DIV/0!	#DIV/0!	
Line Amount	550,000	450,000		100,000	
ADJUSTED GROSS AVAILABILITY	#DIV/0!	#DIV/0!		#DIV/0!	

Revolving Loan Balance including accrued fees & interest	-
Letters of Credit	147,462
Minimum Excess Availability	
Loan Exposures	147,462

NET AVAILABILITY / (SHORTFALL)	#DIV/0!

The company named in the box above labeled "Cliffs Natural Resources Inc." (the "Company"), by its duly authorized officer signing below, hereby certifies that (a) the information set forth in this certificate is true and correct as of the date(s) indicated herein and (b) the Company is in compliance with all terms and provisions contained in (i) the loan or other agreement between the Company and Bank of America NA pursuant to which this certificate is delivered (the "Agreement") and (ii) any and all documents, instruments and agreements evidencing, governing or securing the Agreement or otherwise executed in connection therewith.

Prepared by:_____

Authorized Signature:_____

(1) If this document is being transmitted electronically, the Borrower acknowledges that by entering the name of its duly authorized officer on the Certificate, that officer has reviewed the Certificate and affirmed the representations, warranties and certifications referenced above.

Worksheet: 9A Consolidating Availability
Cliffs BBC Exhibit B-1 Schedule U6702756Dv1

Summary of Availability - FINAL

USIO Machinery & Equipment		
	NBV FEB 2015	
Beginning/NBV Current Month afer appraisal	0	
Additions	0	
Disposals and Impairment	0	
Ineligibles	0	
Depreciation	0	
Net Machinery & Equipment	**0**	
Net Eligible	**0**	
NOLV Ratio	**#DIV/0!**	**Ratio February 2015 Appraisal (NOLV $49,882)**
NOLV	#DIV/0!	
Eligible - 85% NOLV	***#DIV/0!***	

APIO Machinery & Equipment		
	NBV FEB 2015	
Beginning/NBV Current Month afer appraisal		
Additions	0	
Disposals and Impairment	0	
Ineligibles	0	
Depreciation	0	
Net Machinery & Equipment	**0**	
Net Eligible	**0**	
NOLV Ratio	**#DIV/0!**	**Ratio February 2015 Appraisal (NOLV $27,675)**
NOLV	#DIV/0!	
Eligible - 85% NOLV	***#DIV/0!***	

NAC Machinery & Equipment		
	NBV FEB 2015	
Beginning/NBV Current Month afer appraisal		
Additions	0	
Disposals and Impairment	0	
Ineligibles	0	
Depreciation	0	
Net Machinery & Equipment	**0**	
Net Eligible	**0**	
NOLV Ratio	**#DIV/0!**	**Ratio February 2015 Appraisal ($1,471)**
NOLV	#DIV/0!	
Eligible - 85% NOLV	***#DIV/0!***	

NOLV Calculation - February 2015

USIO Machinery & Equipment		Appraisal - NOLV	BBC - NBV	NOLV Factor
Eligible Machinery & Equipment	**2/23/2015** $	49,882		
Ineligible		0	0	
Net Eligible Tractor/Trailer	**$**	**49,882**	**0**	**#DIV/0!**

APIO Machinery & Equipment		Appraisal - NOLV	BBC - NBV	NOLV Factor
Eligible Machinery & Equipment	**2/23/2015** $	27,675		
Ineligible		0	0	
Net Eligible Tractor/Trailer	**$**	**27,675**	**0**	**#DIV/0!**

NAC Machinery & Equipment		Appraisal - NOLV	BBC - NBV	NOLV Factor
Eligible Machinery & Equipment	**2/23/2015** $	1,471		
Ineligible		0	0	
Net Eligible Tractor/Trailer	**$**	**1,471**	**0**	**#DIV/0!**

EXHIBIT B-2

FORM OF COMMITMENT ALLOCATION NOTICE/DISCRETIONARY COMMITMENT ALLOCATION NOTICE

[•] [•], 20[•]

Cliffs Natural Resources Inc., an Ohio corporation (" Parent"), pursuant to Section 2.2 of that certain Syndicated Facility Agreement, dated as of March 30, 2015 (as amended, restated, amended and restated, supplemented or otherwise modified and in effect on the date hereof, the "Credit Agreement"), by and among Parent, the Subsidiaries of Parent identified on the signature pages thereto (such Subsidiaries, together with Parent, the "Borrowers"), the lenders party thereto and Bank of America, N.A., a national banking association, as agent for each member of the Lender Group and the Bank Product Providers (the "Agent") provides this notice (the "Notice") to the Agent to certify the following:

(a) This Notice is a [Discretionary] Commitment Allocation Notice delivered in accordance with, and satisfying the requirements of, Section 2.2[(a)][(b)].

(b) [Pursuant to Section 2.2(a), the amount of the [U.S.][Australian] Revolver Commitments be allocated to support the availability of [Australian][U.S.] Revolving Loan Exposure shall be $[_____].]

(c) [Pursuant to Section 2.2(b), the amount of U.S. Excess Availability to be allocated to the Australian Borrowing Base shall be $[_____].]

(d) After giving effect to such reallocation, the Allocated U.S. [Availability] [Borrowing Base] shall be $[_____].

(e) The reallocation requested by this Notice is requested to occur on [DATE].

(f) No Default or Event of Default has occurred and is continuing on the date hereof, nor will any thereof occur immediately after giving effect to such reallocation.

(g) Immediately after giving effect to such reallocation, the aggregate Australian Revolver Commitments shall not exceed the aggregate U.S. Revolver Commitments.

Unless otherwise defined herein, capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Credit Agreement.

The undersigned certifies that he/she is a Responsible Officer of Parent, and that as such he/she is authorized to execute this certificate on behalf of Parent.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, this Notice is executed by the undersigned as of the date first written above.

CLIFFS NATURAL RESOURCES INC., an Ohio corporation, as Parent

By: _____

Name:

Title:

EXHIBIT B-3

FORM OF BANK PRODUCT PROVIDER AGREEMENT

[•] [•], 20[•]

To: Bank of America, N.A.
135 S. LaSalle Street; Suite 925
Chicago, IL 60603
Attn: Peter Walther
Tel No.: 312-904-8225
Fax No.: 312-453-5555
Email: peter.walther@baml.com

Re: Bank Product Obligations

Reference is made to that certain Syndicated Facility Agreement, dated as of March 30, 2015 (as amended, restated, amended and restated, supplemented or otherwise modified and in effect on the date hereof, the "Credit Agreement"), by and among CLIFFS NATURAL RESOURCES INC., an Ohio corporation, as parent ("Parent"), the Subsidiaries of Parent identified on the signature pages thereto (such Subsidiaries, together with Parent, the " Borrowers"), the lenders party thereto and BANK OF AMERICA, N.A., a national banking association, as agent for each member of the Lender Group and the Bank Product Providers (the "Agent"). Each of the undersigned hereby acknowledge the following as of the date hereof:

The undersigned is [a Lender][an Affiliate of [insert name of Lender], which is a Lender], and is providing to [insert name(s)], which [is a Borrower][are Borrowers][a Subsidiary of a Borrower], the following Bank Product(s) that are permitted under the terms of the Credit Agreement:

[insert description of Bank Product(s)].

The maximum amount to be secured by the Collateral with respect to such Bank Product is $[insert amount]. The methodology to be used in calculating such amount is: [describe].

The undersigned hereby agrees to be bound by the provisions of Sections 15.13 and 18.5 of the Credit Agreement, and the provisions of the Credit Agreement referred to in such Sections, as provided therein.

Upon execution of this letter agreement by the undersigned and acceptance by Agent, the undersigned shall be a Bank Product Provider with regard to the Bank Product Obligations described above (in each case, subject to the terms of the Credit Agreement and the other Loan Documents).

This letter agreement may not be amended or any provision hereof waived or modified except by an instrument in writing signed by each of the parties hereto. This letter agreement may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement. Delivery of an executed counterpart of a signature page of this letter agreement by telecopier, facsimile or other electronic transmission (i.e. a "pdf" or "tiff") shall be effective as delivery of a manually executed counterpart hereof.

Unless otherwise defined herein, capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Credit Agreement.

This letter agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

[Remainder of this page intentionally left blank]

Very truly yours,

[insert name of Bank Product Provider]

By: _____
Name:
Title:

ACKNOWLEDGED AND AGREED TO

THIS ____ DAY OF _____, 20__:

BANK OF AMERICA, N.A.,
as Agent

By: _____
Name:
Title:

EXHIBIT C-1

FORM OF COMPLIANCE CERTIFICATE

[on Parent's letterhead]

To: Bank of America, N.A.
135 S. LaSalle Street; Suite 925
Chicago, IL 60603
Attn: Peter Walther
Tel No.: 312-904-8225
Fax No.: 312-453-5555
Email: peter.walther@baml.com

Re: Compliance Certificate dated [●], 20[●]

Ladies and Gentlemen:

Reference is made to that certain Syndicated Facility Agreement dated as of March 30, 2015 (as amended, restated, supplemented, or otherwise modified from time to time, the "**Credit Agreement**") by and among CLIFFS NATURAL RESOURCES INC., an Ohio corporation, as parent (" **Parent**"), the Subsidiaries of Parent identified on the signature pages thereto (such Subsidiaries, together with Parent, the "**Borrowers**"), the lenders party thereto (the "**Lenders**") and BANK OF AMERICA, N.A., a national banking association (" **Bank of America**"), as agent for each member of the Lender Group and the Bank Product Providers. All initially capitalized terms used herein and in the schedules hereto and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

Pursuant to Section 5.1 and Section 5.2 of the Credit Agreement, the undersigned officer of Parent hereby certifies as of the date hereof that:

1. The financial information of Parent and its Subsidiaries furnished in Schedule 1 attached hereto, has been prepared in accordance with GAAP (except, in the case of unaudited financial statements, for year-end audit adjustments and the lack of footnotes), and fairly presents in all material respects the consolidated financial condition and the results of operations of the Loan Parties and their Subsidiaries as of the date set forth therein.

2. Such officer has reviewed the terms of the Credit Agreement and has made, or caused to be made under his/her supervision, a review in reasonable detail of the transactions and financial condition of Parent and its Subsidiaries during the accounting period covered by the financial statements delivered pursuant to Section 5.1 of the Credit Agreement.

3. Such review has not disclosed the existence on and as of the date hereof, and the undersigned does not have knowledge of the existence as of the date hereof, of any event or condition that constitutes a Default or Event of Default, except for such conditions or events listed on Schedule 2 attached hereto, in each case specifying the nature and period of existence thereof and what action Parent and/or its Subsidiaries have taken, are taking, or propose to take with respect thereto.

4. The financial calculations, analyses and information set forth on Schedule 3 attached hereto are delivered in compliance with the applicable provisions of the Credit Agreement requiring delivery thereof.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, this Compliance Certificate is executed by the undersigned as of the date first written above.

CLIFFS NATURAL RESOURCES INC., an Ohio corporation, as Parent

By: _____

Name:

Title:

SCHEDULE 1

Financial Information

SCHEDULE 2

Default or Event of Default

SCHEDULE 3

Financial Calculations[4]

The information described herein is as of [_____, ____], [5] (the "**Computation Date**") and, except as otherwise indicated below, pertains to the period from [_____, ____][6] to the Computation Date (the "**Relevant Period**").

1. **Fixed Charge Coverage Ratio**

(a)	EBITDA[7] for the Relevant Period ended on the Computation Date	$_____
(b)	Capital Expenditures made (to the extent not already incurred in a prior period) or incurred during the Relevant Period	$_____
(c)	Federal, state and local income taxes paid in cash during the Relevant Period	$_____
(d)	Result of line (a) minus line (b) minus line (c)	$_____
(e)	Fixed Charges Insert amount from line 3(d) below. for the Relevant Period	$_____
(f)	Ratio of line (d) to line (e)	Actual: _____:1.00 Required: ≥ 1.00:1.00[9]

[4] The following set forth in this Schedule are summaries and are qualified in their entirety by reference to the full text of the calculation provided in the Credit Agreement.

[5] Insert the last day of the respective fiscal quarter or fiscal year covered by the financial statements which are required to be accompanied by this Compliance Certificate.

[6] Insert the first day of the most recently completed four consecutive fiscal quarters of the Parent ended on the Computation Date.

[7] Insert amount from line 2(d) below.

[8] Insert amount from line 3(d) below.

[9] Commencing on the date on which a Financial Covenant Period begins and measured as of the end of the fiscal quarter immediately preceding the date on which a Financial Covenant Period first begins and as of each fiscal quarter end thereafter during such Financial Covenant Period, the Parent and its Subsidiaries on a consolidated basis will have a Fixed Charge Coverage Ratio, measured on a quarter-end basis, of at least 1.00:1.00 for the 12-month period ending as of the end of each fiscal quarter.

2. **EBITDA**

(a)	Parent's consolidated net earnings (or loss),	$_____
(b)	*minus* (without duplication) the sum of items (i) through (iv) below of Parent for the Relevant Period to the extent included in determining consolidated net earnings (or loss) for such period:	$_____
	i. any extraordinary, unusual or non-recurring gains,	$_____
	ii. interest income,	$_____
	iii. exchange, translation or performance gains relating to any hedging transactions or foreign currency fluctuations, and	$_____
	iv. income arising by reason of the application of FAS 141R	$_____
(c)	*plus* (without duplication), the sum of the following items (i) through (xii) of Parent for the Relevant Period to the extent included in determining consolidated net earnings (or loss) for such period	$_____
	i. any non-cash extraordinary, unusual, or non-recurring losses,	$_____
	ii. the aggregate of the interest expense of Parent for the Relevant Period, determined on a consolidated basis in accordance with GAAP,	$_____
	iii. tax expense based on income, profits or capital, including federal, foreign, state, franchise and similar taxes (and for the avoidance of doubt, specifically excluding any sales taxes or any other taxes held in trust for a Governmental Authority),	$_____
	iv. depreciation and amortization for such period,	$_____
	v. with respect to any Permitted Acquisition after the Closing Date, costs, fees, charges, or expenses consisting of out-of-pocket expenses owed by Parent or any of its Subsidiaries to any Person for services performed by such Person in connection with such Permitted Acquisition incurred within 180 days of the consummation of such Permitted Acquisition, up to an aggregate amount (for all such items in this clause (v)) for such Permitted Acquisition not to exceed the greater of (A) $2,500,000 and (B) 2.50% of the Purchase Price of such Permitted Acquisition,	$_____
	vi. with respect to any Permitted Acquisitions after the Closing Date: (A) purchase accounting adjustments, including, without limitation, a dollar for dollar adjustment for that portion of revenue that would have been recorded in the relevant period had the balance of deferred revenue (unearned income) recorded on the closing balance sheet and before application of purchase accounting not been adjusted downward to fair value to be recorded on the opening balance sheet in accordance with GAAP purchase accounting rules; and (B) non-cash adjustments in accordance with GAAP purchase accounting rules under FASB Statement No. 141 and EITF Issue No. 01-3, in the event that such an adjustment is required by Parent's independent auditors, in each case, as determined in accordance with GAAP,	$_____

	vii.	costs and expenses incurred during such period in connection with the Canadian Restructuring in an aggregate amount for all such costs and expenses incurred after the Closing Date not to exceed $25,000,000,	$_____
	viii.	non-cash compensation expense (including deferred non-cash compensation expense), or other non-cash expenses or charges, arising from the sale or issuance of Equity Interests, the granting of stock options, and the granting of stock appreciation rights and similar arrangements (including any repricing, amendment, modification, substitution, or change of any such Equity Interests, stock option, stock appreciation rights, or similar arrangements) minus the amount of any such expenses or charges when paid in cash to the extent not deducted in the computation of net earnings (or loss),	$_____
	ix.	one-time non-cash restructuring charges,	$_____
	x.	non-cash exchange, translation, or performance losses relating to any hedging transactions or foreign currency fluctuations,	$_____
	xi.	non-cash losses on sales of fixed assets or write-downs of fixed or intangible assets (excluding ABL Collateral), and	$_____
	xii.	any non-cash loss, charge or expense (but only to the extent not relating to the ABL Collateral)	$_____
(d)		EBITDA: (a) - (b) + (c) =	$_____
3. **Fixed Charges**			
(a)		the aggregate of the interest expense of Parent for the Relevant Period, determined on a consolidated basis in accordance with GAAP ("**Interest Expense**") accrued (other than interest paid-in-kind, amortization of financing fees, and other non-cash Interest Expense) during such period to the extent required to be paid in cash, *plus*	$_____
(b)		Scheduled principal payments in respect of all Indebtedness for borrowed money or letters of credit of Parent, determined on a consolidated basis in accordance with GAAP ("**Funded Indebtedness**") that are required to be paid in cash during such period (excluding, for the avoidance of doubt, any mandatory or voluntary prepayments or any payments made in connection with the Transaction or any Refinancing of Funded Indebtedness), *plus*	$_____
(c)		All Restricted Payments paid in cash pursuant to Section 6.7(a), (d), or (e) during the Relevant Period	$_____
(d)		Fixed Charges: without duplication, the sum of: (a) + (b) + (c)	$_____

EXHIBIT L-1

FORM OF LIBOR NOTICE

Bank of America, N.A., as Agent
under the below referenced Credit Agreement
Waukesha Operations
20975 Swenson Dr. Suite 200
Waukesha, WI 53186

Ladies and Gentlemen:

Reference hereby is made to that certain Syndicated Facility Agreement dated as of March 30, 2015 (as amended, restated, supplemented, or otherwise modified from time to time, the "**Credit Agreement**") by and among CLIFFS NATURAL RESOURCES INC., an Ohio corporation, as parent (" **Parent**"), the Subsidiaries of Parent identified on the signature pages thereto (such Subsidiaries, together with Parent, the "**Borrowers**"), the lenders party thereto (the "**Lenders**") and BANK OF AMERICA, N.A., as agent for each member of the Lender Group and the Bank Product Providers (the " **Agent**"). All initially capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

This LIBOR Notice represents Borrowers' request to elect the LIBOR Option with respect to outstanding [U.S. Revolving Loans] [Australian Revolving Loans] in the amount of $[●][10] (the "**LIBOR Rate Advance**")[, and is a written confirmation of the electronic notice of such election given to Agent].

The LIBOR Rate Advance will have an Interest Period of [1, 2, 3, 6, [or 12]] month(s) commencing on [●].[11]

This LIBOR Notice further confirms Borrowers' acceptance, for purposes of determining the rate of interest based on the LIBOR Rate under the Credit Agreement, of the LIBOR Rate as determined pursuant to the Credit Agreement.

Each Borrower represents and warrants that no Default or Event of Default has occurred and is continuing on the date hereof, nor will any thereof occur immediately after giving effect to the request above.

[Remainder of this page intentionally left blank]

[10] Borrowers may only exercise the LIBOR Option for proposed LIBOR Rate Loans of at least $1,000,000 (and integral multiples of $500,000 in excess thereof).

[11] Unless Agent, in its sole discretion, agrees otherwise, Borrowers shall have not more than seven (7) LIBOR Rate Loans in effect at any given time.

Dated:

CLIFFS NATURAL RESOURCES INC., an Ohio corporation, as Parent

By: _____

Name:

Title:

Acknowledged by:

BANK OF AMERICA, N.A., as Agent

By: _____

Name:

Title:

EXHIBIT P-1

FORM OF U.S. PERFECTION CERTIFICATE

[_____], 20[__]

Reference is hereby made to (i) that certain U.S. Guaranty and Security Agreement (the " ABL Guaranty and Security Agreement "), among Cliffs Natural Resources Inc., an Ohio corporation (the "Parent"), the other grantors party thereto (collectively, the " Grantors") and Bank of America, N.A., in its capacity as agent for each member of the Lender Group and the Bank Product Providers (in such capacity, together with its successors and assigns, if any, in such capacity, "ABL Agent"), (ii) the Syndicated Facility Agreement, among Parent, certain Subsidiaries of Parent identified on the signature pages thereto, the lenders party thereto and ABL Agent (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), (iii) that certain Security Agreement (First Lien) (the " Security Agreement (First Lien) "), among the Grantors and U.S. Bank National Association, in its capacity as collateral agent for the First Lien Notes Secured Parties (in such capacity, together with its successors and assigns, if any, in such capacity, "First Lien Notes Collateral Agent "), (iv) that certain Security Agreement (Second Lien) (the " Security Agreement (Second Lien) "), among the Grantors and U.S. National Bank Association, in its capacity as collateral agent for the Second Lien Notes Secured Parties (in such capacity, together with its successors and assigns, if any, in such capacity, "Second Lien Notes Collateral Agent "; and, together with the ABL Agent and the First Lien Notes Collateral Agent, collectively the "Agents" and each individually an "Agent"), (v) the Indenture (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "First Lien Indenture"), among Parent, as issuer, certain Subsidiaries of Parent identified on the signature pages thereto and the First Lien Notes Collateral Agent and (vi) the Indenture (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "Second Lien Indenture"; and, together with the ABL Guaranty and Security Agreement, the Credit Agreement, the Security Agreement (First Lien), the Security Agreement (Second Lien) and the First Lien Indenture, collectively the "Agreements"), among Parent, as issuer, certain Subsidiaries of Parent identified on the signature pages thereto and the Second Lien Notes Collateral Agent.

Capitalized terms used but not defined herein have the meanings assigned in the Agreements, as applicable. Any terms (whether capitalized or lower case) used in this Perfection Certificate that are defined in the Code shall be construed and defined as set forth in the Code unless otherwise defined herein or in the Agreements; provided that to the extent that the Code is used to define any term used herein and if such term is defined differently in different Articles of the Code, the definition of such term contained in Article 9 of the Code shall govern. As used herein, the term "Code" shall mean the "Code" as that term is defined in the ABL Guaranty and Security Agreement, Security Agreement (First Lien) or Security Agreement (Second Lien), as applicable.

As used herein, the term "Company" shall mean each of Cliffs Natural Resources Inc. and the other Grantors, individually, and the term " Companies" shall mean Cliffs Natural Resources Inc. and the other Grantors, collectively.

The undersigned hereby certify to the Agents as follows:

1. Names. (a) The exact legal name of each Company, as such name appears in its respective certificate of incorporation or any other organizational document, is set forth in Schedule 1(a). Each Company is (i) the type of entity disclosed next to its name in Schedule 1(a) and (ii) a registered organization except to the extent disclosed in Schedule 1(a). Also set forth in Schedule 1(a) is the organizational identification number and tax identification number, if any, of each Company that is a registered organization and the jurisdiction of formation or incorporation of each Company.

(b) Set forth in Schedule 1(b) hereto is any other corporate or organizational names each Company has had in the past five years, together with the date of the relevant change.

(c) Set forth in Schedule 1(c) is a list of all other names (including trade names or similar appellations) used by each Company, or any other business or organization to which each Company became the successor by merger, consolidation, acquisition, change in form, nature or jurisdiction of formation or incorporation or otherwise, at any time in the past five years. Also set forth in Schedule 1(c) is the information required by Section 1(a) of this certificate for any other business or organization to which each Company became the successor by merger, consolidation, acquisition, change in form, nature or jurisdiction of organization or otherwise, at any time in the past five years. Except as set forth in Schedule 1(c), no Company has changed its jurisdiction of organization at any time during the past four months.

2. Current Locations. (a) The chief executive office of each Company is located at the address set forth in Schedule 2(a) hereto.

(b) Set forth in Schedule 2(b) are all locations where each Company maintains any material books or records relating to any Collateral.

(c) Set forth in Schedule 2(c) hereto are all the other places of material business of each Company.

(d) Set forth in Schedule 2(d) hereto are all other locations where each Company maintains any of the Collateral consisting of (i) inventory in excess of $1,500,000 per location or (ii) equipment that is included in the U.S. Borrowing Base not identified above.

(e) Set forth in Schedule 2(e) hereto are the names and locations of all persons or entities other than each Company, such as lessors, consignees, bailees or warehouseman which have possession of any of the Collateral consisting of (i) inventory in excess of $1,500,000 per location or (ii) equipment that is included in the U.S. Borrowing Base, or instruments and chattel paper executed in connection therewith.

3. Prior Locations. (a) Set forth in Schedule 3 is the information required by Schedule 2(a), Schedule 2(b) or Schedule 2(c) with respect to each location or place of material business previously maintained by each Company at any time during the past four months.

(b) Set forth in Schedule 3(b) is the information required by Schedule 2(d) or Schedule 2(e) with respect to each other location at which, or other person or entity with which, any of the Collateral consisting of (i) inventory in excess of $1,500,000 per location or (ii) equipment that is included in the U.S. Borrowing Base has been previously held at any time during the past twelve months.

4. Real Estate. Attached hereto as Schedule 4 is a chart of (a) all real property (owned and leased) of each Company, including mineral interests, (b) legal (or other) descriptions, approximate acreages and (where applicable) lessors thereof, and (c) other information relating thereto contemplated by such Schedule.

5. Extraordinary Transactions. Except for those purchases, mergers, acquisitions, consolidations, and other transactions described in Schedule 5 attached hereto, during the prior five years, all of the Collateral constituting ABL Priority Collateral with a value in excess of $10,000,000 in the aggregate has been originated by each Company in the ordinary course of business or consists of goods which have been acquired by such Company in the ordinary course of business from a person in the business of selling goods of that kind.

6. Stock Ownership and Other Equity Interests. Attached hereto as Schedule 6 is a true and correct list of all of the authorized, and the issued and outstanding, Equity Interests owned by each Grantor and the record and beneficial owners of such Equity Interests. Also set forth in Schedule 6 is a true and correct organizational chart of Parent and its subsidiaries. Set forth on Schedule 6 is each equity investment of each Company that represents 50% or less of the equity of the entity in which such investment was made.

7. Instruments and Chattel Paper. Attached hereto as Schedule 7 is a true and correct list of all promissory notes, instruments (other than checks to be deposited in the ordinary course of business), tangible chattel paper, electronic chattel paper, and other evidence of indebtedness held by each Company as of the date hereof including all intercompany notes between or among any two or more Companies, in each case, having an individual value of $5,000,000.00 or more.

8. Intellectual Property. Schedule 8 provides a complete and correct list of all United States registered Copyrights (as defined in the ABL Guaranty and Security Agreement, the Security Agreement (First Lien) or the Security Agreement (Second Lien), as applicable) owned by any Company and all United States applications for registration of Copyrights owned by any Company, in each case, material to the business of the Companies, taken as a whole. Schedule 8 provides a complete and correct list of all United States Patents (as defined in the ABL Guaranty and Security Agreement, the Security Agreement (First Lien) or the Security Agreement (Second Lien), as applicable) owned by any Company and all applications for United States Patents owned by any Company, in each case, material to the business of the Companies, taken as a whole. Schedule 8 provides a complete and correct list of all United States registered Trademarks (as defined in the ABL Guaranty and Security Agreement, the Security Agreement (First Lien) or the Security Agreement (Second Lien), as applicable) owned by any Company and all United States applications for registration of Trademarks owned by any Company, in each case, material to the business of the Companies, taken as a whole.

9. Commercial Tort Claims. Attached hereto as Schedule 9 is a true and correct list of all commercial tort claims that, in the reasonable judgment of the Parent, are reasonably expected to result in proceeds in excess of $5,000,000 held by each Company, including a brief description thereof.

10. Deposit Accounts and Securities Accounts. Attached hereto as Schedule 10 is a true and complete list of all Deposit Accounts, Securities Accounts and Commodities Accounts (each as defined in the ABL Guaranty and Security Agreement, the Security Agreement (First Lien) or the Security Agreement (Second Lien), as applicable) maintained by each Company, including the name of each institution where each such account is held, the name of each such account and the name of each entity that holds each account.

11. Letter-of-Credit Rights. Attached hereto as Schedule 11 is a true and correct list of all Letters of Credit issued in favor of each Company, as beneficiary thereunder, with a face amount in excess of $5,000,000.

12. Other Assets. A Company owns the following kinds of assets:

Aircraft:	Yes ____ No ____
Vessels, boats or ships:	Yes ____ No ____
Railroad rolling stock:	Yes ____ No ____
Assets subject to a certificate of title or other registration statute of the United States:	Yes ____ No ____

If the answer is yes to any of these other types of assets, other than immaterial assets, please describe on Schedule 12.

[The remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, we have hereunto signed this Perfection Certificate as of the date first above written.

[Signature Blocks to Come]

SCHEDULE 1(a)
TO PERFECTION CERTIFICATE

Legal Names, etc.

Legal Name	Type of Entity	Registered Organization (Yes/No)	Charter Number	Jurisdiction of Formation or Incorporation	Tax ID Number

SCHEDULE 1(b)
TO PERFECTION CERTIFICATE

Prior Organizational Names

Company/Subsidiary	Prior Name	Date of Change

SCHEDULE 1(c)
TO PERFECTION CERTIFICATE

Changes in Corporate Identity: Other Names

Company/Subsidiary	Corporate Name of Entity	Action	Date of Prior Name Usage	Jurisdiction of Formation or Incorporation	List of Names used During the Past Five Years

SCHEDULE 2(a)
TO PERFECTION CERTIFICATE

Chief Executive Offices

Entity Name	Address	County	State

SCHEDULE 2(b)
TO PERFECTION CERTIFICATE

Location of Books

Company/Subsidiary	Address	County	State

SCHEDULE 2(c)
TO PERFECTION CERTIFICATE

Other Places of Business

Company/Subsidiary	Address	County	State

SCHEDULE 2(d)
TO PERFECTION CERTIFICATE

Additional Locations of Equipment and Inventory

Company/Subsidiary	Address	County	State

SCHEDULE 2(e)
TO PERFECTION CERTIFICATE

Locations of Collateral in Possession of Persons Other Than Any Company

Company/Subsidiary	Name of Entity in Possession of Collateral	Location of Collateral	County	State/Province

SCHEDULE 3(a)
TO PERFECTION CERTIFICATE

Prior Locations

Chief Executive Offices

Entity Name	Address	County	State

Location of Books

Company/Subsidiary	Address	County	State

Other Places of Business

Company/Subsidiary	Address	County	State

SCHEDULE 3(b)
TO PERFECTION CERTIFICATE

Prior Locations/Other Entities

Company/Subsidiary	Prior Locations of Collateral: Address Including County	Other Entities in Possession of Collateral/Capacity	Address of Such Other Entity Including County

SCHEDULE 4
TO PERFECTION CERTIFICATE

Real Property

SCHEDULE 5
TO PERFECTION CERTIFICATE

Transactions Other Than in the Ordinary Course of Business

Company/Subsidiary	Description of Transaction Including Parties Thereto	Date of Transaction

SCHEDULE 6
TO PERFECTION CERTIFICATE

Equity Interests of Companies and Subsidiaries

Issuer	Jurisdiction of Organization	Owner of Equity Interest	Percentage Owned	Percentage Pledged	Number of Shares or Units / Percentage of Membership Interest	Cert No.

Organizational Chart

Other Equity Interests

Issuer	Jurisdiction of Organization	Owner of Equity Interest	Percentage Owned	Percentage Pledged	Number of Shares or Units	Cert No.

SCHEDULE 7
TO PERFECTION CERTIFICATE

Instruments and Chattel Paper

Promissory Notes:

Chattel Paper:

SCHEDULE 8
TO PERFECTION CERTIFICATE

Copyrights, Patents and Trademarks

UNITED STATES COPYRIGHTS:

Title	Regn No.	Regn Date	Company

UNITED STATES PATENTS:

Title	Appln. No	Filed	Patent No.	Grant Date	Current Owner

UNITED STATES TRADEMARKS:

Mark	Appln. No.	Filed	Regn. No.	Regn. Date	Company	Status

SCHEDULE 9
TO PERFECTION CERTIFICATE

Commercial Tort Claims

SCHEDULE 10
TO PERFECTION CERTIFICATE

Deposit Accounts and Securities Accounts

SCHEDULE 11
TO PERFECTION CERTIFICATE

Letter of Credit Rights

SCHEDULE 12
TO PERFECTION CERTIFICATE

Other Assets

FORM OF SUPPLEMENT TO PERFECTION CERTIFICATE

Supplement (this "Supplement"), dated as of ____, 20__, to the Perfection Certificate, dated as of March 30, 2015 (as amended, restated, supplemented or otherwise modified from time to time, the "Perfection Certificate") by each of the parties listed on the signature pages hereto.

Reference is hereby made to (i) that certain U.S. Guaranty and Security Agreement (the " ABL Guaranty and Security Agreement "), among Cliffs Natural Resources Inc., an Ohio corporation (the "Parent"), the other grantors party thereto (collectively, the " Grantors") and Bank of America, N.A., in its capacity as agent for each member of the Lender Group and the Bank Product Providers (in such capacity, together with its successors and assigns, if any, in such capacity, "ABL Agent"), (ii) the Syndicated Facility Agreement, among Parent, certain Subsidiaries of Parent identified on the signature pages thereto, the lenders party thereto and ABL Agent (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), (iii) that certain Security Agreement (First Lien) (the " Security Agreement (First Lien) "), among the Grantors and U.S. Bank National Association, in its capacity as collateral agent for the First Lien Notes Secured Parties (in such capacity, together with its successors and assigns, if any, in such capacity, "First Lien Notes Collateral Agent "), (iv) that certain Security Agreement (Second Lien) (the " Security Agreement (Second Lien) "), among the Grantors and U.S. National Bank Association, in its capacity as collateral agent for the Second Lien Notes Secured Parties (in such capacity, together with its successors and assigns, if any, in such capacity, "Second Lien Notes Collateral Agent "; and, together with the ABL Agent and the First Lien Notes Collateral Agent, collectively the "Agents" and each individually an "Agent"), (v) the Indenture (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "First Lien Indenture"), among Parent, as issuer, certain Subsidiaries of Parent identified on the signature pages thereto and the First Lien Notes Collateral Agent and (vi) the Indenture (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "Second Lien Indenture"; and, together with the ABL Guaranty and Security Agreement, the Credit Agreement, the Security Agreement (First Lien), the Security Agreement (Second Lien) and the First Lien Indenture, collectively the "Agreements"), among Parent, as issuer, certain Subsidiaries of Parent identified on the signature pages thereto and the Second Lien Notes Collateral Agent.

All initially capitalized terms used herein without definition shall have the meanings ascribed thereto in the Agreements, as applicable. Any terms (whether capitalized or lower case) used in this Perfection Certificate that are defined in the Code shall be construed and defined as set forth in the Code unless otherwise defined herein or in the Agreements; provided that to the extent that the Code is used to define any term used herein and if such term is defined differently in different Articles of the Code, the definition of such term contained in Article 9 of the Code shall govern. As used herein, the term "Code" shall mean the "Code" as that term is defined in the ABL Guaranty and Security Agreement, Security Agreement (First Lien) or Security Agreement (Second Lien), as applicable.

WHEREAS, the signatories hereto must execute and deliver a Perfection Certificate and the execution and delivery of the Perfection Certificate may be accomplished by the execution of this Supplement in favor of Agents, for the benefit of the applicable secured parties;

The undersigned, the _____ of _____, hereby certify (in my capacity as _____ and not in my individual capacity) to Agents and each of the secured parties as follows as of _____, 20__: [the information in the Perfection Certificate delivered on or prior to the Closing Date is true, correct, and complete on and as of the date hereof.] [Schedule 1(a), "Legal Names, Etc.", Schedule 1(b), "Prior Organization Names", Schedule 1(c), "Changes in Corporate Identity; Other Names", Schedule 2(a), "Chief Executive Offices", Schedule 2(b), "Location of Books", Schedule 2(c), "Other Prior Business", Schedule 2(d), "Additional Locations of Equipment and Inventory", Schedule 2(e), "Locations of Collateral in Possession of Persons Other Than Any Company", Schedule 3(a), "Prior Locations", Schedule 3(b), "Prior Locations/Other Entities", Schedule 4, "Real Property", Schedule 5, "Transactions Other Than in the

Ordinary Course of Business", Schedule 6, "Equity Interests", Schedule 7, "Instruments and Chattel Paper", Schedule 8, "Copyrights, Patents and Trademarks", Schedule 9, "Commercial Tort Claims", Schedule 10, "Deposit Accounts and Securities Accounts", Schedule 11, "Letter-of-Credit Rights", and Schedule 12, "Other Assets" attached hereto supplement Schedule 1(a), Schedule (1(b), Schedule 1(c), Schedule 2(a), Schedule 2(b), Schedule 2(c), Schedule 2(d), Schedule 2(e), Schedule 3(a), Schedule 3(b), Schedule 4, Schedule 5, Schedule 6, Schedule 7, Schedule 8, Schedule 9, Schedule 10, Schedule 11, and Schedule 12 respectively, to the Perfection Certificate and shall be deemed a part thereof for all purposes of the Perfection Certificate.]

The undersigned officers of each of the entities party hereto hereby certify as of the date hereof on behalf of such entities in their capacity as officers of such entities and not in their individual capacities that no additional filings or actions are required to create, preserve or perfect the security interests in the Collateral granted, assigned or pledged to Agents pursuant to the Agreements.

Except as expressly supplemented hereby, the Perfection Certificate shall remain in full force and effect.

IN WITNESS WHEREOF, we have hereunto signed this Supplement to Perfection Certificate as of this ____ day of _____, 20__.

[Signature Blocks to Come]

SCHEDULE 1(a)
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Legal Names, etc.

Legal Name	Type of Entity	Registered Organization (Yes/No)	Charter Number	Jurisdiction of Formation or Incorporation	Tax ID Number

SCHEDULE 1(b)
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Prior Organizational Names

Company/Subsidiary	Prior Name	Date of Change

SCHEDULE 1(c)
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Changes in Corporate Identity: Other Names

Company/Subsidiary	Corporate Name of Entity	Action	Date of Prior Name Usage	Jurisdiction of Formation or Incorporation	List of Names used During the Past Five Years

SCHEDULE 2(a)
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Chief Executive Offices

Entity Name	Address	County	State

SCHEDULE 2(b)
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Location of Books

Company/Subsidiary	Address	County	State

SCHEDULE 2(c)
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Other Places of Business

Company/Subsidiary	Address	County	State

SCHEDULE 2(d)
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Additional Locations of Equipment and Inventory

Company/Subsidiary	Address	County	State

SCHEDULE 2(e)
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Locations of Collateral in Possession of Persons Other Than Any Company

Company/Subsidiary	Name of Entity in Possession of Collateral/Capacity of such Entity	Address/Location of Collateral	County	State

SCHEDULE 3(a)
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Prior Locations

Chief Executive Offices

Entity Name	Address	County	State

Location of Books

Company/Subsidiary	Address	County	State

Other Places of Business

Company/Subsidiary	Address	County	State

SCHEDULE 3(b)
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Prior Locations/Other Entities

Company/Subsidiary	Prior Locations of Collateral: Address Including County	Other Entities in Possession of Collateral/Capacity	Address of Such Other Entity Including County

Real Property

SCHEDULE 5
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Transactions Other Than in the Ordinary Course of Business

Company/Subsidiary	Description of Transaction Including Parties Thereto	Date of Transaction

SCHEDULE 6
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Equity Interests of Companies and Subsidiaries

Current Legal Entities Owned	Record Owner	Certificate No.	No. Shares/Interest	Percent Pledged

Organizational Chart

SCHEDULE 7
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Instruments and Chattel Paper

Promissory Notes:

Chattel Paper:

SCHEDULE 8
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Copyrights, Patents and Trademarks

UNITED STATES COPYRIGHTS:
Registrations:

OWNER	TITLE	REGISTRATION NUMBER

Applications:

OWNER	APPLICATION NUMBER

UNITED STATES PATENTS:
Registrations:

OWNER	REGISTRATION NUMBER	DESCRIPTION

Applications:

OWNER	APPLICATION NUMBER	DESCRIPTION

UNITED STATES TRADEMARKS:

Registrations:

OWNER	REGISTRATION NUMBER	TRADEMARK

Applications:

OWNER	APPLICATION NUMBER	TRADEMARK

SCHEDULE 9
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Commercial Tort Claims

SCHEDULE 10
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Deposit Accounts and Securities Accounts

SCHEDULE 11
TO SUPPLEMENTAL PERFECTION CERTIFICATE

Letter of Credit Rights

Other Assets

EXHIBIT P-2

FORM OF PERFECTION CERTIFICATE (AUSTRALIA)

[_____], 20[__]

Reference is hereby made to:

(i) the general security deed and guarantee dated March 30, 2015 (the " General Security Deed"), among the Australian Companies (as defined below) and Bank of America, N.A., a national banking association ("Bank of America "), in its capacity as Australian security trustee for the Beneficiaries (as defined therein) ("Australian Security Trustee"), and

(ii) the Credit Agreement dated March 30, 2015, among Cliffs Natural Resources Inc. (the " Parent"), certain Subsidiaries of the Parent identified on the signature pages thereto, the lenders party thereto as "Lenders" and Bank of America in its capacity as agent for each member of the Lender Group and the Bank Product Providers (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement").

Capitalized terms used but not defined herein have the meanings assigned in the General Security Deed or the Credit Agreement. Any terms (whether capitalized or lower case) used in this Perfection Certificate that are defined in the PPSA shall be construed and defined as set forth in the PPSA unless otherwise defined herein or in the Credit Agreement or General Security Deed. As used herein, the term "PPSA" shall mean the "PPSA" as that term is defined in the General Security Deed.

As used herein, the term "Australian Company" shall mean each of Cliffs Asia Pacific Iron Ore Holdings Pty Ltd, Cliffs Asia Pacific Iron Ore Pty Ltd, Cliffs Natural Resources Holdings Pty Ltd and Cliffs Natural Resources Pty Ltd, individually, and the term "Australian Companies" shall mean each Australian Company, collectively.

Each of the undersigned hereby certifies to the Agent as follows:

1. Names. (a) The exact legal name of each Australian Company, as such name appears in its respective certificate of incorporation, its constitution and at the Australian Securities Investment Commission, is set forth in Schedule 1(a). Also set forth in Schedule 1(a) is the ACN and ABN, if any, of each Australian Company, and the state of registration of each Australian Company.

(b) Set forth in Schedule 1(b) hereto is each other company name that an Australian Company has had.

2. Current Locations. (a) The registered office of each Australian Company is located at the address set forth in Schedule 2(a) hereto.

(b) Set forth in Schedule 2(b) are all locations where each Australian Company maintains any material books or records relating to any Collateral.

(c) Set forth in Schedule 2(c) hereto are all the other places of material business of each Australian Company.

3. Equity Interests. Attached hereto as Schedule 3 is a true and correct list of all of the authorized, issued and outstanding Equity Interests of each Australian Company and its [Material] Subsidiaries and the registered and beneficial owners of such Equity Interests.

4. Instruments and Chattel Paper. Attached hereto as Schedule 4 is a true and correct list of all promissory notes, instruments (other than checks to be deposited in the ordinary course of business),

tangible chattel paper, electronic chattel paper, and other evidence of indebtedness held by each Australian Company as of the date hereof including all intercompany notes between or among any two or more Loan Parties, in each case, having an individual value of $5,000,000 or more.

5. Litigation. Attached hereto as Schedule 5 is a true and correct list of all current litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency to which any Australian Company with a value in excess of $5,000,000 in the aggregate is a party to, including a brief description thereof.

6. Deposit Accounts and Marketable Securities. Attached hereto as Schedule 6 is a true and complete list of all Deposit Accounts maintained by each Australian Company, including the name of each institution where each such account is held, the name of each such account and the name of each entity that holds each account and all Marketable Securities of each Australian Company.

7. Letter-of-Credit Rights. Attached hereto as Schedule 7 is a true and correct list of all Letters of Credit issued in favor of each Australian Company, as beneficiary thereunder, with a face amount in excess of $5,000,000.

8. Serial Numbered Collateral. Attached hereto as Schedule 8 is a true and correct list of all (a) Serial Numbered Collateral subject to the General Security Deed.

[The remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, we have hereunto signed this Perfection Certificate as of the date first above written.

[Signature Blocks to Come]

SCHEDULE 1(a)
TO PERFECTION CERTIFICATE (AUSTRALIA)

Legal Names, etc.

Legal Name of Australian Company	ACN	ABN	State of registration

SCHEDULE 1(b)
TO PERFECTION CERTIFICATE (AUSTRALIA)

Prior Corporate Names

Australian Company	Prior Name	

SCHEDULE 1(c)
TO PERFECTION CERTIFICATE (AUSTRALIA)

Changes in Corporate Identity: Other Names

Australian Company	Corporate Name of Entity	Action	Date of Prior Name Usage	Jurisdiction of Formation or Incorporation	List of Names used During the Past Five Years

SCHEDULE 2(a)
TO PERFECTION CERTIFICATE (AUSTRALIA)

Registered Offices

Australian Company	Address	State

SCHEDULE 2(b)
TO PERFECTION CERTIFICATE (AUSTRALIA)

Location of Books

Australian Company	Address	State

SCHEDULE 2(c)
TO PERFECTION CERTIFICATE (AUSTRALIA)

Other Places of Business

Australian Company	Address	State

SCHEDULE 2(d)
TO PERFECTION CERTIFICATE (AUSTRALIA)

Additional Locations of Equipment and Inventory

Australian Company	Address	County	State

SCHEDULE 2(e)
TO PERFECTION CERTIFICATE (AUSTRALIA)

Locations of Collateral in Possession of Persons Other Than Any Australian Company

Australian Company	Name of Entity in Possession of Collateral/Capacity of such Entity	Address/Location of Collateral	County	State

Equity Interests of Companies and Subsidiaries

Current Legal Entities Owned	Registered Owner / Beneficial Owner	Description of Equity Interests	No. Shares/Interest	Percent Pledged

SCHEDULE 4
TO PERFECTION CERTIFICATE (AUSTRALIA)

Instruments and Chattel Paper

Promissory Notes:

Chattel Paper:

SCHEDULE 5
TO PERFECTION CERTIFICATE (AUSTRALIA)

Litigation

SCHEDULE 6
TO PERFECTION CERTIFICATE (AUSTRALIA)

Deposit Accounts and Marketable Securities

Letter of Credit Rights

Serial Numbered Collateral

FORM OF SUPPLEMENT TO PERFECTION CERTIFICATE (AUSTRALIA)

Supplement (this "Supplement"), dated ____, 20__, to the Perfection Certificate, dated March 30, 2015 (as amended, restated, supplemented or otherwise modified from time to time, the "Perfection Certificate") by each of the parties listed on the signature pages thereto.

Reference is hereby made to:

(i) the general security deed and guarantee dated March 30, 2015 (the " General Security Deed"), among the Australian Companies (as defined below) and Bank of America, N.A., a national banking association ("Bank of America"), in its capacity as Australian security trustee for the Beneficiaries (as defined therein) ("Australian Security Trustee"), and

(ii) the Syndicated Facility Agreement dated March 30, 2015, among Cliffs Natural Resources Inc. (the " Parent"), certain Subsidiaries of the Parent identified on the signature pages thereto, the lenders party thereto as "Lenders", Bank of America in its capacity as agent for each member of the Lender Group and the Bank Product Providers and the Australian Security Trustee (as the same may be amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement").

Capitalized terms used but not defined herein have the meanings assigned in the General Security Deed or the Credit Agreement. Any terms (whether capitalized or lower case) used in this Supplement are defined in the PPSA shall be construed and defined as set forth in the PPSA unless otherwise defined herein or in the Credit Agreement or General Security Deed. As used herein, the term "PPSA" shall mean the "PPSA" as that term is defined in the General Security Deed.

As used herein, the term "Australian Company" shall mean each of Cliffs Asia Pacific Iron Ore Holdings Pty Ltd, Cliffs Asia Pacific Iron Ore Pty Ltd, Cliffs Natural Resources Holdings Pty Ltd and Cliffs Natural Resources Pty Ltd, individually, and the term "Australian Companies" shall mean each Australian Company, collectively.

WHEREAS, pursuant to Section 3.1 of the Credit Agreement, the Australian Companies must execute and deliver a Perfection Certificate and the execution and delivery of the Perfection Certificate may be accomplished by the execution of this Supplement in favor of Agent, for the benefit of each member of the Lender Group and the Bank Product Providers;

In accordance with Section 3.1 of the Credit Agreement, the undersigned, the _____ of _____, hereby certify (in my capacity as _____ and not in my individual capacity) to Agent and each of the other members of the Lender Group and the Bank Product Providers as follows as of _____, 20__: [the information in the Perfection Certificate delivered on or prior to the Closing Date is true, correct, and complete on and as of the date hereof.] [Schedule 1(a), "Legal Names, Etc.", Schedule 1(b), "Prior Corporate Names", Schedule 1(c), "Changes in Corporate Identity: Other Names", Schedule 2(a), "Registered Offices", Schedule 2(b), "Location of Books", Schedule 2(c), "Other Places of Business", Schedule 2(d), "Additional Locations of Equipment and Inventory", Schedule 2(e), "Locations of Collateral in Possession of Persons Other Than Any Australian Company", Schedule 3, "Equity Interests", Schedule 4, "Instruments and Chattel Paper", Schedule 5 "Litigation", Schedule 6, "Deposit Accounts and Marketable Securities", Schedule 7, "Letter of Credit Rights", and Schedule 8, "Serial Numbered Collateral" attached hereto supplement Schedule 1(a), Schedule 1(b), Schedule 1(c), Schedule 2(a), Schedule 2(b), Schedule 2(c), Schedule 2(d), Schedule 2(e), Schedule 3, Schedule 4, Schedule 5, Schedule 6, Schedule 7 and Schedule 8 respectively, to the Perfection Certificate and shall be deemed a part thereof for all purposes of the Perfection Certificate.]

Except as expressly supplemented hereby, the Perfection Certificate shall remain in full force and effect.

IN WITNESS WHEREOF, we have hereunto signed this Supplement to Perfection Certificate as of this ____ day of _____, 20__.

[Signature Blocks to Come]

SCHEDULE 1(a)
TO SUPPLEMENTAL PERFECTION CERTIFICATE (AUSTRALIA)

Legal Names, etc.

Legal Name of Australian Company	ACN	ABN	State of registration

SCHEDULE 1(b)
TO SUPPLEMENTAL PERFECTION CERTIFICATE (AUSTRALIA)

Prior Corporate Names

Australian Company	Prior Name	

SCHEDULE 2(a)
TO SUPPLEMENTAL PERFECTION CERTIFICATE (AUSTRALIA)

Registered Offices

Australian Company	Address	State

SCHEDULE 2(b)
TO SUPPLEMENTAL PERFECTION CERTIFICATE (AUSTRALIA)

Location of Books

Australian Company	Address	State

SCHEDULE 2(c)
TO SUPPLEMENTAL PERFECTION CERTIFICATE (AUSTRALIA)

Other Places of Business

Australian Company	Address	State

SCHEDULE 3
TO SUPPLEMENTAL PERFECTION CERTIFICATE (AUSTRALIA)

Equity Interests of Companies and Subsidiaries

Current Legal Entities Owned	Registered Owner / Beneficial Owner	Description of Equity Interests	No. Shares/Interest	Percent Pledged

Instruments and Chattel Paper

Promissory Notes:

Chattel Paper:

SCHEDULE 5
TO SUPPLEMENTAL PERFECTION CERTIFICATE (AUSTRALIA)

Litigation

SCHEDULE 6
TO SUPPLEMENTAL PERFECTION CERTIFICATE (AUSTRALIA)

Deposit Accounts and Marketable Securities

Letter of Credit Rights

SCHEDULE 8
TO SUPPLEMENTAL PERFECTION CERTIFICATE (AUSTRALIA)

Serial Numbered Collateral

EXHIBIT 10.3

2015 CHANGE IN CONTROL
SEVERANCE AGREEMENT

This 2015 CHANGE IN CONTROL SEVERANCE AGREEMENT (this " Agreement"), dated and effective as of this __ of _____, 20__ (the "Effective Date") is made and entered into by and between Cliffs Natural Resources Inc., an Ohio corporation (the " Company"), and _____ (the "Executive").

RECITALS:

WHEREAS, the Executive is a key employee of the Company or one or more of its Subsidiaries who has made and is expected to make major contributions to the short- and long-term profitability, growth and financial strength of the Company;

WHEREAS, the Company recognizes that the possibility of a Change in Control (as defined below) exists and that such possibility, and the uncertainty it may create among management, may result in the distraction or departure of management personnel, to the detriment of the Company and its stockholders;

WHEREAS, the Company desires to assure itself of both present and future continuity of management and desires to establish certain minimum severance benefits for certain of its executives, including the Executive, applicable in the event of a Change in Control;

WHEREAS, the Company wishes to ensure that its executives are not distracted from discharging their duties in respect of the possibility of a Change in Control; and

WHEREAS, the Company desires to provide additional inducement for the Executive to continue to remain in the employ of the Company [; and]

[WHEREAS, the Company and the Executive previously entered into the Change in Control Severance Agreement dated as of _____ __, 201_ (the "Prior Agreement"); and

WHEREAS, the Company and the Executive now desire to amend and restate the Prior Agreement as hereinafter provided].

NOW, THEREFORE, the Company and the Executive agree as follows:

1. **Certain Defined Terms**. In addition to terms defined elsewhere herein, the following terms have the following meanings when used in this Agreement with initial capital letters:

(a) "Accounting Firm" means such nationally recognized certified public accounting firm mutually agreeable to both the Executive and the Company.

(b) "Agreement Payment" means a Payment paid or payable pursuant to this Agreement (disregarding Section 11).

(c) "Base Pay" means the Executive's annual base salary rate as in effect from time to time.

(d) "Board" means the Board of Directors of the Company.

(e) "Cause" means that, prior to any termination of employment, the Executive shall have committed:

(i) and been convicted of a criminal violation involving fraud, embezzlement or theft in connection with his duties or in the course of his employment with the Company or any Subsidiary;

(ii) intentional wrongful damage to property of the Company or any Subsidiary;

(iii) intentional wrongful disclosure of secret processes or confidential information of the Company or any Subsidiary; or

(iv) intentional wrongful engagement in any Competitive Activity;

and any such act shall have been demonstrably and materially harmful to the Company or any Subsidiary. For purposes of this Agreement, no act or failure to act on the part of the Executive shall be deemed "intentional" if it was due primarily to an error in judgment or negligence, but shall be deemed "intentional" only if done or omitted to be done by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company or Subsidiary, as applicable. Notwithstanding the foregoing, the Executive shall not be deemed to have been terminated for "Cause" hereunder unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than three quarters of the Board then in office at a meeting of the Board called and held for such purpose, after reasonable notice to the Executive and an opportunity for the Executive, together with the Executive's counsel (if the Executive chooses to have counsel present at such meeting), to be heard before the Board, finding that, in the good faith opinion of the Board, the Executive had committed an act constituting "Cause" as herein defined and specifying the particulars thereof in detail. Nothing herein will limit the right of the Executive or his beneficiaries to contest the validity or propriety of any such determination.

(f) "Change in Control" means:

(i) any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a " Person") becomes the beneficial owner (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 35% or more of either (x) the then-outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or () the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that, for purposes of this definition, the following acquisitions shall not constitute a Change in Control: (A) any acquisition directly from the Company, (B) any acquisition by the Company, (C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Affiliate or (D) any acquisition pursuant to a transaction that complies with Sections (1)(f)(iii)(A), (1)(f)(iii)(B) and (1)(f)(iii)(C), below;

(ii) individuals who, as of the date hereof, constitute the Board (the " Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such individual is named as a nominee for director, without objection to such nomination) shall be considered as though such individual was a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect

to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(iii) consummation of a reorganization, merger, statutory share exchange or consolidation or similar transaction involving the Company or any of its subsidiaries, a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or securities of another entity by the Company or any of its subsidiaries (each, a "Business Combination"), in each case unless, following such Business Combination, (A) all or substantially all of the individuals and entities that were the beneficial owners of the Outstanding Company Common Stock and the Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock (or, for a non-corporate entity, equivalent securities) and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors (or, for a non-corporate entity, equivalent governing body), as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership immediately prior to such Business Combination of the Outstanding Company Common Stock and the Outstanding Company Voting Securities, as the case may be, and (B) no Person (excluding any entity resulting from Business from such Combination or any employee benefit plan (or related trust) of the Company or such entity resulting from such Business Combination) beneficially owns directly or indirectly, 35% or more of, respectively, the then outstanding shares of common stock (or for a non-corporate entity, equivalent securities) of the entity resulting from such Business Combination or the Combined Voting power of the then outstanding voting securities of such entity, except to the extent that such ownership existed prior to the Business Combination, and (C) at least a majority of the members of the board of directors (or, for a non-corporate entity, equivalent governing body) of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination; or

(iv) approval by the shareholders of a complete liquidation or dissolution of the Company.

Notwithstanding the foregoing, with respect to any compensation hereunder (i) that is subject to Code Section 409A and (ii) for which a Change in Control would accelerate the timing of payment thereunder, the term "Change in Control" shall mean a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company, each as defined in Code Section 409A and authoritative guidance thereunder, but only to the extent inconsistent with the above definition and as determined by the Company to be necessary to avoid the incurrence of tax penalties under Code Section 409A.

(g) "Code" shall mean the Internal Revenue Code of 1986 and regulations thereunder, both as amended from time to time.

(h) "Competitive Activity" means the Executive's participation, without the written consent of an officer of the Company, in the management of any business enterprise if such enterprise engages in substantial and direct competition with the Company and such enterprise's sales of any product or service competitive with any product or service of the Company amounted to at least 10% of the Company's net sales for its most recently completed fiscal year. "Competitive Activity" will not include (i) the ownership of less than 5% of the securities in

any such enterprise and/or the exercise of rights appurtenant thereto or (ii) participation in the management of any such enterprise other than in connection with the competitive operations of such enterprise.

(i) "Controlled Group" means the Company and all other persons or entities that would be considered a single employer under Code Section 414(b) and/or 414(c) provided that in such Code Sections "50%" shall be used wherever "80%" appears, but only during the periods any such corporation, business organization or member would be so considered under Code Section 414(b) and/or 414(c).

(j) "Continuation Period" means the **[---]** period commencing on the date of the Executive's Separation from Service.

(k) "Disability" means the Executive becomes permanently disabled within the meaning of, and begins actually to receive disability benefits pursuant to, the long-term disability plan in effect for, or applicable to, the Executive immediately prior to the Change in Control.

(l) "Employee Benefits" means the perquisites, benefits and service credit for benefits as provided under any and all employee retirement income, incentive compensation and/or welfare benefit policies, plans, programs or arrangements in which the Executive is entitled to participate, including without limitation any savings, pension, supplemental executive retirement, or other retirement income or welfare benefit, deferred compensation, incentive compensation, group or other life, health, medical/hospital or other insurance (whether funded by actual insurance or self-insured by the Company or a Subsidiary), disability, salary continuation, expense reimbursement and other employee benefit policies, plans, programs or arrangements that may now exist or any equivalent successor policies, plans, programs or arrangements that may be adopted hereafter by the Company or a Subsidiary, providing perquisites, benefits and service credit for benefits at least as great in value in the aggregate as are payable thereunder prior to a Change in Control.

(m) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(n) "Good Reason" means the initial occurrence, without the Executive's consent, of one or more of the following events:

(i) a material diminution in his Base Pay;

(ii) a material diminution in his authority, duties or responsibilities;

(iii) a material change in the geographic location at which he must perform services;

(iv) a material reduction in his Incentive Pay opportunity; and

(v) any other action or inaction that constitutes a material breach by his employer of the employment agreement, if any, under which he provides services;

provided, however, that "Good Reason" shall not be deemed to exist unless:

(A) the Executive has provided notice to his employer of the existence of one or more of the conditions listed in (i) through (v) above within 90 days after the initial occurrence of such condition or conditions;

(B) such condition or conditions have not been cured by his employer within 30 days after receipt of such notice, and

(C) the Executive actually terminates his employment with his employer within 60 days after his employer's receipt of such notice.

(o) "Incentive Pay" means an annual bonus, incentive or other payment of compensation, in addition to Base Pay, made or to be made in regard to services rendered in any year or other period pursuant to any bonus, incentive, profit-sharing, performance, discretionary pay or similar agreement, policy, plan, program or arrangement (whether or not funded) of the Company or a Subsidiary, or any successor thereto.

(p) "Net After-Tax Receipt " means the present value of a Payment net of all taxes imposed on the Executive with respect thereto under Code Sections 1 and 4999 and under applicable state and local laws, determined by applying the highest marginal rate under Code Section 1 and under state and local laws which applied to the Executive's taxable income for the immediately preceding taxable year, or such other rate(s) as the Executive shall certify, in the Executive's sole discretion, as likely to apply to the Executive in the relevant tax year(s).

(q) "Parent" shall mean the entity that owns at least 50% of the total fair market value and total voting power of the Controlled Group member that employs the Executive.

(r) "Payment" means any payment or distribution in the nature of compensation (within the meaning of Code Section 280G(b)(2)) to or for the benefit of the Executive, whether paid or payable pursuant to this Agreement or otherwise.

(s) "Protection Period" means the period of time commencing on the date of the first occurrence of a Change in Control and continuing until the earlier of (i) the second anniversary of the occurrence of the Change in Control, or (ii) the Executive's death.

(t) "Qualifying Termination" has the meaning given to it in Section 3.

(u) "Reduced Amount" means the amount of Agreement Payments that (i) has a present value that is less than the present value of all Agreement Payments and (ii) results in aggregate Net After-Tax Receipts for all Payments that are greater than the Net After-Tax Receipts for all Payments that would result if the aggregate present value of Agreement Payments were any other amount that is less than the present value of all Agreement Payments.

(v) "Retirement Plans" means the Company defined benefit pension plan, supplemental executive retirement, excess benefits and retiree medical, life and similar benefit plans providing retirement perquisites, benefits and service credit for benefits at least as great in value in the aggregate as are payable thereunder prior to a Change in Control.

(w) "Separation from Service" means the Executive's separation from service within the meaning of Code Section 409A with the Company and all members of the Controlled Group, for any reason, including without limitation, quit, discharge, or retirement, or a leave of absence (including military leave, sick leave, or other bona fide leave of absence such as temporary employment by the government if the period of such leave exceeds the greater of six months or the period for which the Executive's right to reemployment is provided either by statute or by contract). "Separation from Service" also means the permanent decrease in the Executive's service for the Company and all Controlled Group members to a level that is no more than 20% of its prior level. For this purpose, whether a Separation from Service has occurred is determined based on whether it is reasonably anticipated that no further services as an employee will be performed by the Executive after a certain date or that the level of bona fide services the Executive will perform after such date (whether as an employee or as an independent contractor) would permanently decrease to no more than 20% of the

average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding 36-month period (or the full period of services if the Executive has been providing services less than 36 months).

(x) "Severance Compensation" means the severance pay and other benefits provided by Sections 4(a) and (b).

(y) "Subsidiary" means an entity in which the Company directly or indirectly beneficially owns 50% or more of the outstanding capital or profits interests or Voting Stock.

(z) "Supplemental Retirement Plan" or "SERP" means the Cliffs Natural Resources Inc. Supplemental Retirement Benefit Plan (as Amended and Restated as of December 1, 2006), as it may be amended prior to a Change in Control, and modified as provided in Annex A.

(aa) "Term" means the period commencing as of _____ __, 20__ and expiring as of the later of (i) the close of business on December 31, 20 __, or (ii) the expiration of the Protection Period; provided, however, that (A) on January 1, 20__, and each January 1 thereafter, the Term will automatically be extended for one additional year unless, not later than 90 days prior to the date of any such extension, the Company or the Executive shall have given notice that it or the Executive, as the case may be, does not wish to have the Term extended and (B) if, prior to a Change in Control, the Executive ceases for any reason to be an Officer of the Company and any Subsidiary, thereupon without further action the Term shall be deemed to have expired and this Agreement will immediately terminate upon such cessation and be of no further effect.

(bb) "Voting Stock" means securities of the Company entitled to vote generally in the election of directors.

2. **Right to Severance Compensation**. Subject to Sections 8 and 11, the Executive shall be entitled to receive the Severance Compensation from the Company in accordance with Section 4, if (i) there has been a Change in Control of the Company and (ii) following the occurrence of the Change in Control, the Executive incurs a Qualifying Termination during the Protection Period.

3. **Qualifying Termination**.

(a) A Qualifying Termination shall be the occurrence of either one of the following events:

(i) The Executive's employment is terminated by the Company or any Subsidiary without Cause during the Protection Period; or

(ii) The Executive terminates employment with the Company or any Subsidiary for Good Reason during the Protection Period.

(b) For purposes of this Agreement, a Qualifying Termination shall not include the Executive's termination of employment by reason of death or Disability, the Executive's voluntary termination of employment other than pursuant to Section 3(a)(ii), or a termination of the Executive's employment by the Company or any Subsidiary for Cause.

(c) The Executive's Qualifying Termination will not affect any rights that the Executive may have pursuant to any agreement, policy, plan, program or arrangement of the Company or Subsidiary providing Employee Benefits, which rights shall be governed by the terms thereof, except for any rights to severance compensation to which the Executive may be entitled upon Separation from Service under any severance pay policy, plan, program or

arrangement of the Company, which rights shall, during the Protection Period, be superseded by this Agreement.

4. **Severance Compensation**.

(a) If, following the occurrence of a Change in Control, the Executive incurs a Qualifying Termination during the Protection Period, the Company will pay or provide to the Executive the payments and other benefits described in Annex A at the times and in the manner described therein.

(b) Without limiting the rights of the Executive at law or in equity, if the Company fails to make any payment or provide any benefit required to be made or provided hereunder on a timely basis, the Company will pay interest on the amount or value thereof at an annualized rate of interest equal to the so-called composite "prime rate" as quoted from time to time during the relevant period in the Midwest Edition of *The Wall Street Journal*, plus 2%. Such interest will be payable as it accrues on demand, but in all cases shall be paid within 2-1/2 months after the end of the Executive's taxable year in which it accrues. Any change in such prime rate will be effective on and as of the date of such change.

(c) Notwithstanding any provision of this Agreement to the contrary, the parties' respective rights and obligations under this Section 4 and under Sections 5, 6, 7, 8, 10, 11 and Annex A, and any other provision of this Agreement that by its terms applies following any termination or expiration of this Agreement or the Executive's Separation from Service following a Change in Control, will survive any termination or expiration of this Agreement or the Executive's Separation from Service following a Change in Control for any reason whatsoever.

(d) No Mitigation Obligation. The Company hereby acknowledges that it will be difficult and may be impossible for the Executive to find reasonably comparable employment following his Separation from Service and that the non-competition covenant contained in Section 7 will further limit the employment opportunities for the Executive. In addition, the Company acknowledges that its severance pay plans applicable in general to its salaried employees do not provide for mitigation, offset or reduction of any severance payment received thereunder. Accordingly, the payment of the Severance Compensation by the Company to the Executive in accordance with the terms of this Agreement is hereby acknowledged by the Company to be reasonable, and the Executive will not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise, nor will any profits, income, earnings or other benefits from any source whatsoever create any mitigation, offset, reduction or any other obligation on the part of the Executive hereunder or otherwise, except as expressly provided in Paragraph (2) of Annex A.

5. **Payments Not Considered for Other Benefits**. Payments made pursuant to Paragraphs (1) and (6) of Annex A will be counted for purposes of determining benefits under the SERP, but will not be counted for purposes of any other employee benefit plan. All other payments under this Agreement, including the legal fee and expense reimbursement provided under Section 6 and reimbursements for outplacement counseling provided under Paragraph (9) of Annex A will not be counted for any purpose under any employee benefit plan of the Company. Such payments and payments of severance pay will not be made from any benefit plan funds, and shall constitute an unfunded unsecured obligation of the Company.

6. **Indemnification of Legal Fees and Expenses: Security for Payment**.

(a) It is the intent of the Company that the Executive not be required to incur legal fees and the related expenses associated with the interpretation, enforcement or defense of the Executive's rights under this Agreement by litigation or otherwise because the cost and

expense thereof would substantially detract from the benefits intended to be extended to the Executive hereunder. Accordingly, if it should appear to the Executive that the Company has failed to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to deny, or to recover from, the Executive the benefits provided or intended to be provided to the Executive hereunder, the Company irrevocably authorizes the Executive from time to time to retain counsel of the Executive's choice, at the expense of the Company as hereafter provided, to advise and represent the Executive in connection with any such interpretation, enforcement or defense, including without limitation the initiation or defense of any litigation or other legal action, whether by or against the Company or any Director, officer, stockholder or other person affiliated with the Company, in any jurisdiction. Notwithstanding any existing or prior attorney-client relationship between the Company and such counsel, the Company irrevocably consents to the Executive's entering into an attorney-client relationship with such counsel, and in that connection the Company and the Executive agree that a confidential relationship shall exist between the Executive and such counsel. Without respect to whether the Executive prevails, in whole or in part, in connection with any of the foregoing, the Company will pay and be solely financially responsible for any and all attorneys' and related fees and expenses incurred by the Executive in connection with any of the foregoing, which fees shall be paid within 5 days of the day the Executive submits to the Company an invoice from such counsel for the fees and expenses, which invoice shall be submitted no later than 5 days prior to the end of the taxable year of the Executive following the year in which the expenses were incurred. Notwithstanding any provision to the contrary, this Section 6(a) shall only apply in the event that a Change in Control occurs.

(b) To ensure that the provisions of this Agreement can be enforced by the Executive, certain trust arrangements (" Trusts") have been established between KeyBank National Association, as Trustee ("Trustee"), and the Company. Each of Trust Agreement No. 1 (Amended and Restated Effective June 1, 1997, as amended) ("Trust Agreement No. 1"), Amended and Restated Trust Agreement No. 2 (Effective October 15, 2002, as amended) ("Trust Agreement No. 2"), and Trust Agreement No. 7 dated April 9, 1991, as amended (" Trust Agreement No. 7"), as it may be subsequently amended and/or restated, between the Trustee and the Company, sets forth the terms and conditions relating to payment from Trust Agreement No. 1 of compensation, pension benefits and other benefits pursuant to the Agreement owed by the Company, payment from Trust Agreement No. 2 for attorneys' fees and related fees and expenses pursuant to Section 6(a) hereof owed by the Company, and payment from Trust Agreement No. 7 of pension benefits owed by the Company. The Executive shall make demand on the Company for any payments due the Executive pursuant to Section 6(a) hereof prior to making demand therefor on the Trustee under Trust Agreement No. 2.

(c) Upon the earlier to occur of (i) a Change in Control or (ii) a declaration by the Board that a Change in Control is imminent, the Company shall promptly to the extent it has not previously done so, and in any event within 5 business days:

(A) transfer to the Trustee to be added to the principal of the Trust under Trust Agreement No. 1 a sum equal to (I) the present value on the date of the Change in Control (or on such fifth business day if the Board has declared a Change in Control to be imminent) of the payments to be made to the Executive under the provisions of Annex A, such present value to be computed using the assumptions set forth in Annex A hereof less (II) the balance in the Executive's accounts provided for in Trust Agreement No. 1 as of the most recent completed valuation thereof, as certified by the Trustee under Trust Agreement No. 1 less (III) the balance in the Executive's accounts provided for in Trust Agreement No. 7 as of the most recently completed

valuation thereof, as certified by the Trustee under Trust Agreement No. 7; provided, however, that if the Trustee under Trust Agreement No. 1 and/or Trust Agreement No. 7 does not so certify by the end of the fourth business day after the earlier of such Change in Control or declaration, then the balance of such respective account shall be deemed to be zero. Any payments of compensation, pension or other benefits by the Trustee pursuant to Trust Agreement No. 1 or Trust Agreement No. 7 shall, to the extent thereof, correspondingly discharge the Company's obligation to pay compensation, pension and other benefits hereunder; and

(B) transfer to the Trustee to be added to the principal of the Trust under Trust Agreement No. 2 the sum of TWO HUNDRED FIFTY THOUSAND DOLLARS ($250,000) less any principal in such Trust on such fifth business day. Any payments of the Executive's attorneys' and related fees and expenses by the Trustee pursuant to Trust Agreement No. 2 shall, to the extent thereof, correspondingly discharge the Company's obligation hereunder. The Executive understands and acknowledges that the entire corpus of the Trust under Trust Agreement No. 2 will be $250,000 and that said amount will be available to discharge not only the obligations of the Company to the Executive under Section 6(a) hereof, but also similar obligations of the Company to other executives and employees under similar provisions of other agreements and plans.

7. **Competitive Activity; Confidentiality; Non-solicitation**.

(a) During the Term and for the duration of the Continuation Period, if the Executive shall have received or shall be receiving benefits under Section 4, the Executive shall not, without the prior written consent of the Company, engage in any Competitive Activity.

(b) During the Term, the Company agrees that it will disclose to the Executive its confidential or proprietary information (as defined in this Section 7(b)) to the extent necessary for the Executive to carry out his obligations to the Company. The Executive hereby covenants and agrees that he will not, without the prior written consent of the Company, during the Term or thereafter disclose to any person not employed by the Company, or use in connection with engaging in competition with the Company, any confidential or proprietary information of the Company. For purposes of this Agreement, the term "confidential or proprietary information" will include all information of any nature and in any form that is owned by the Company and that is not publicly available (other than by the Executive's breach of this Section 7(b)) or generally known to persons engaged in businesses similar or related to those of the Company. Confidential or proprietary information will include, without limitation, the Company's financial matters, customers, employees, industry contracts, strategic business plans, product development (or other proprietary product data), marketing plans, and all other secrets and all other information of a confidential or proprietary nature. For purposes of the preceding two sentences, the term "Company" will also include any Subsidiary (collectively, the " Restricted Group"). The foregoing obligations imposed by this Section 7(b) will not apply (i) during the Term, in the course of the business of and for the benefit of the Company, (ii) if such confidential or proprietary information will have become, through no fault of the Executive, generally known to the public or (iii) if the Executive is required by law to make disclosure (after giving the Company notice and an opportunity to contest such requirement).

(c) The Executive hereby covenants and agrees that during the Term and for the duration of the Continuation Period, the Executive will not, without the prior written consent of the Company, on behalf of the Executive or on behalf of any person, firm or company, directly or indirectly, attempt to influence, persuade or induce, or assist any other person in so

persuading or inducing, any employee of the Restricted Group to give up, or to not commence, employment or a business relationship with the Restricted Group.

(d) The Executive further agrees that he shall return, within 10 days of the effective date of his termination as an employee of the Company and any Subsidiary, in good condition, all property of the Company and any Subsidiary then in his possession, including, without limitation, whether in hard copy or in media (i) property, documents and/or all other materials (including copies, reproductions, summaries and/or analyses) which constitute, refer or relate to confidential or proprietary information of the Company or any Subsidiary, (ii) keys to property of the Company or any Subsidiary, (iii) files and (iv) blueprints or other drawings.

(e) The Executive further acknowledges and agrees that his obligation of confidentiality shall survive until and unless such confidential or proprietary information of the Company or any Subsidiary shall have become, through no fault of the Executive, generally known to the public or the Executive is required by law (after providing the Company with notice and opportunity to contest such requirement) to make disclosure. The Executive's obligations under this Section are in addition to, and not in limitation or preemption of, all other obligations of confidentiality which the Executive may have to the Company and any Subsidiary under general legal or equitable principles or statutes.

(f) During the term and for the duration of the Continuation Period, the Executive further agrees that he will not, directly or indirectly:

(i) induce or attempt to induce customers, business relations or accounts of the Company or any of the Subsidiaries to relinquish their contracts or relationships with the Company or any of the Subsidiaries; or

(ii) solicit, entice, assist or induce other employees, agents or independent contractors to leave the employ of the Company or any of the Subsidiaries or to terminate their engagements with the Company and/or any of the Subsidiaries or assist any competitors of the Company or any of the Subsidiaries in securing the services of such employees, agents or independent contractors.

8. **Release**. Receipt of Severance Compensation and other benefits or amounts by the Executive under this Agreement, to the extent representing new or additional amounts and/or rights, is conditioned upon the Executive executing and delivering to the Company a release substantially in the form provided in Exhibit A. Such release must be executed and delivered by no later than the fifth day following the expiration of the 21-day period referred to in Paragraph 5(c) of Exhibit A, and no payment of any Severance Compensation will be made until the expiration of the 7-day revocation period referred to in Paragraph 5(d) of Exhibit A.

9. **Employment Rights**. Nothing expressed or implied in this Agreement shall create any right or duty on the part of the Company, a Subsidiary or the Executive to have the Executive remain in the employment of the Company or a Subsidiary at any time prior to or following a Change in Control.

10. **Withholding of Taxes**. The Company may withhold from any amounts payable under this Agreement all federal, state, city or other taxes as the Company is required to withhold pursuant to any applicable law, regulation or ruling.

11. **Code Section 280G**.

(a) Anything in this Agreement to the contrary notwithstanding, in the event that the Accounting Firm shall determine that receipt of all Payments would subject the Executive to tax under

Code Section 4999, the Accounting Firm shall determine whether some amount of Agreement Payments meets the definition of Reduced Amount. If the Accounting Firm determines that there is a Reduced Amount, then the aggregate Agreement Payments shall be reduced to such Reduced Amount.

(b) If the Accounting Firm determines that the aggregate Agreement Payments should be reduced to the Reduced Amount, the Company shall promptly give the Executive notice to that effect and a copy of the detailed calculation thereof, and the Executive may then elect, in his or her sole discretion, which and how much of the Agreement Payments shall be eliminated or reduced (as long as after such election the present value of the aggregate Agreement Payments equals the Reduced Amount); provided, that the Executive shall not be permitted to elect to reduce any Agreement Payment that constitutes "nonqualified deferred compensation" for purposes of Code Section 409A, and shall advise the Company in writing of his or her election within 10 days of his or her receipt of notice. If no such election is made by the Executive within such 10-day period, the Company shall reduce the Agreement Payments in the following order: (1) Agreement Payments which do not constitute "nonqualified deferred compensation" subject to Code Section 409A shall be reduced first; and (2) all other Agreement Payments shall then be reduced, in each case as follows: (i) cash payments shall be reduced before non-cash payments and (ii) payments to be made on a later payment date shall be reduced before payments to be made on an earlier payment date. All determinations made by the Accounting Firm under this Section 11 shall be binding upon the Company and the Executive and shall be made within 60 days of the Executive's Separation from Service. In connection with making determinations under this Section 11, the Accounting Firm shall take into account the value of any reasonable compensation for services to be rendered by the Executive before or after the Change in Control, including any non-competition provisions that may apply to the Executive and the Company shall cooperate in the valuation of any such services, including any non-competition provisions.

(c) As a result of the uncertainty in the application of Code Section 4999 at the time of the initial determination by the Accounting Firm hereunder, it is possible that amounts will have been paid or distributed by the Company to or for the benefit of the Executive pursuant to this Agreement which should not have been so paid or distributed (each, an "Overpayment") or that additional amounts which will have not been paid or distributed by the Company to or for the benefit of the Executive pursuant to this Agreement could have been so paid or distributed (each, an "Underpayment"), in each case, consistent with the calculation of the Reduced Amount hereunder. In the event that the Accounting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against either the Company or the Executive which the Accounting Firm believes has a high probability of success determines that an Overpayment has been made, any such Overpayment paid or distributed by the Company to or for the benefit of the Executive shall be repaid by the Executive to the Company together with interest at the applicable federal rate provided for in Code Section 7872(f)(2); provided, however, that no such repayment shall be required if and to the extent such deemed repayment would not either reduce the amount on which the Executive is subject to tax under Code Section 1 and Code Section 4999 or generate a refund of such taxes. In the event that the Accounting Firm, based upon controlling precedent or substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive together with interest at the applicable federal rate provided for in Code Section 7872(f)(2).

(d) All fees and expenses of the Accounting Firm in implementing the provisions of this Section 11 shall be borne by the Company.

12. **Successors; Binding Agreement; Entire Agreement**.

(a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all of the business or assets of the Company, by agreement in form and substance reasonably satisfactory to the Executive, expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Agreement will be binding upon and inure to the benefit of the Company and any successor to the Company, including without limitation any persons acquiring directly or indirectly all or substantially all of the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise (and such successor shall thereafter be deemed the "Company" for the purposes of this Agreement), but will not otherwise be assignable, transferable or delegable by the Company.

(b) This Agreement will inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees and legatees.

(c) This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign, transfer or delegate this Agreement or any rights or obligations hereunder except as expressly provided in Sections 12(a) and 12(b). Without limiting the generality or effect of the foregoing, the Executive's right to receive Severance Compensation and other benefits hereunder will not be assignable, transferable or delegable, whether by pledge, creation of a security interest, or otherwise, other than by a transfer by the Executive's will or by the laws of descent and distribution and, in the event of any attempted assignment or transfer contrary to this Section 12(c), the Company shall have no liability to pay any amount so attempted to be assigned, transferred or delegated.

(d) The obligation of the Company to provide Severance Compensation and other benefits hereunder shall represent an unsecured obligation of the Company.

(e) The Company recognizes that each Executive will have no adequate remedy at law for breach by the Company of any of the agreements contained herein and, in the event of any such breach, the Company hereby agrees and consents that each Executive shall be entitled to a decree of specific performance, mandamus or other appropriate remedy to enforce performance of obligations of the Company under this Agreement.

(f) This Agreement contains the entire understanding of the Company and the Executive with respect to the subject matter hereof [and amends and restates the Prior Agreement, which Prior Agreement shall, without further action, be superseded and without further effect as of the Effective Date].

13. **Notices**. For all purposes of this Agreement, all communications, including without limitation notices, consents, requests or approvals, required or permitted to be given hereunder will be in writing and will be deemed to have been duly given when hand delivered or dispatched by electronic facsimile transmission (with receipt thereof orally confirmed), or 5 business days after having been mailed by United States registered or certified mail, return receipt requested, postage prepaid, or 3 business days after having been sent by a nationally recognized overnight courier service such as FedEx, DHL or UPS, addressed to the Company (to the attention of the Executive Vice President, Human Resources of the Company) at its principal executive office and to the Executive at his last known address on the Company's books and records, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of changes of address shall be effective only upon receipt.

14. **Governing Law**. The validity, interpretation, construction and performance of this Agreement will be governed by and construed in accordance with the substantive laws of the State of Ohio, without giving effect to the principles of conflict of laws of such State.

15. **Validity**. If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other person or circumstances will not be affected, and the provision so held to be invalid, unenforceable or otherwise illegal will be reformed to the extent (and only to the extent) necessary to make it enforceable, valid or legal.

16. **Administration of This Agreement**.

(a) In General. This Agreement shall be administered by the Company.

(b) Delegation of Duties. The Company may delegate any of its administrative duties, including, without limitation, duties with respect to the processing, review, investigation, approval and payment of Severance Compensation under this Agreement, and any severance pay generally, to named administrator or administrators.

(c) Regulations. The Company shall promulgate any rules and regulations it deems necessary in order to carry out the purposes of this Agreement or to interpret the terms and conditions of this Agreement; provided, however, that no rule, regulation or interpretation shall be contrary to the provisions of this Agreement.

(d) Claims Procedure. The Company shall determine the rights of any claimant to any Severance Compensation hereunder. Any claimant who believes that he has not received any benefit under this Agreement to which he believes he is entitled, may file a claim in writing with the Executive Vice President, Human Resources. The Company shall, no later than 90 days after the receipt of a claim, either allow or deny the claim by written notice to the claimant. If a claimant does not receive written notice of the Company's decision on his claim within such 90-day period, the claim shall be deemed to have been denied in full.

A denial of a claim by the Company, wholly or partially, shall be written in a manner calculated to be understood by the claimant and shall include:

(i) the specific reason or reasons for the denial;

(ii) specific reference to pertinent provisions of this Agreement on which the denial is based;

(iii) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and

(iv) an explanation of the claim review procedure.

A claimant whose claim is denied (or his duly authorized representative) may, within 30 days after receipt of denial of his claim, request a review of such denial by the Company by filing with the Secretary of the Company a written request for review of his claim. If the claimant does not file a request for review with the Company within such 30-day period, the claimant shall be deemed to have acquiesced in the original decision of the Company on his claim. If a written request for review is so filed within such 30-day period, the Company shall conduct a full and fair review of such claim. During such full review, the claimant shall be given the opportunity to review documents that are pertinent to his claim and to submit issues and

comments in writing. The Company shall notify the claimant of its decision on review within 60 days after receipt of a request for review. Notice of the decision on review shall be in writing. If the decision on review is not furnished to the claimant within such 60-day period, the claim shall be deemed to have been denied on review.

(e) Revocability of Action. Any action taken by the Company with respect to the rights or benefits under this Agreement of the Executive shall be revocable by the Company as to payments or distributions not yet made to such person, and acceptance of Severance Compensation under this Agreement constitutes acceptance of and agreement to the Company making any appropriate adjustments in future payments or distributions to such person to offset any excess or underpayment previously made to him.

(f) Requirement of Receipt. Upon receipt of any Severance Compensation hereunder, the Company reserves the right to require any Executive to execute a receipt evidencing the amount and payment of such Severance Compensation.

17. **Amendment and Termination**. The Company reserves the right, except as hereinafter provided, at any time and from time to time, to amend, modify, change or terminate this Agreement and/or any action by the Compensation and Organization Committee of the Company's Board of Directors relating thereto, including any Annex or Exhibit thereto; provided, however, that any such amendment, modification, change or termination that adversely affects the rights of the Executive under this Agreement may not be made without the written consent of the Executive; and provided further that any such amendment or termination shall be made only if permitted in accordance with the requirements of Code Section 409A.

18. **Conflicting Agreements**. If the terms of this Agreement are inconsistent with the provisions of any other plan, program, contract or arrangement of the Company or any Subsidiary, to the extent such plan, program, contract or arrangement may be amended by the Company or a Subsidiary, the terms of this Agreement will be deemed to so amend such plan, program, contract or arrangement, and the terms of this Agreement will govern.

19. **Construction**. The masculine gender, when used in this Agreement, shall be deemed to include the feminine gender and the singular number shall include the plural, unless the context clearly indicates to the contrary.

20. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement.

21. **Code Section 409A**.

(a) General. The amounts payable under this Agreement are intended to be exempt or excluded from the application of Code Section 409A, or are otherwise intended to avoid the incurrence of tax penalties under Code Section 409A and, with respect to amounts payable under this Agreement that are subject to Code Section 409A, this Agreement shall in all respects be administered in accordance with Code Section 409A. Each payment under this Agreement shall be treated as a separate payment for purposes of Code Section 409A. In no event may the Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement. Prior to the Change in Control but within the time period permitted by the applicable Treasury Regulations (or such later time as may be permitted under Code Section 409A or any IRS or Department of Treasury rules or other guidance issued thereunder), the Company may, in consultation with the Executive, modify the Agreement, in the least restrictive manner necessary and without any diminution in the value

of the payments to the Executive, in order to avoid the incurrence of tax penalties under Code Section 409A.

(b) Separation from Service; Specified Employee. For clarity, the amounts payable under this Agreement shall only be paid following the Executive's Separation from Service. If a termination of the Executive's employment does not constitute a Separation from Service, any amounts payable under this Agreement shall be delayed until after the date Executive incurs a Separation from Service. For clarity, the foregoing provision shall not cause any forfeiture of the payments due to the Executive under this Agreement, but shall only act as a delay until such time as Executive incurs a Separation from Service. Notwithstanding anything herein to the contrary, in the event that the Executive is a "specified employee" within the meaning of Code Section 409A (as determined in accordance with the methodology established by the Company as in effect on the Separation from Service) (a "Specified Employee"), amounts and benefits that constitute "nonqualified deferred compensation" within the meaning of Code Section 409A that would otherwise be payable and or provided under this Agreement during the six-month period immediately following the Separation from Service shall instead be paid, with interest determined as of the Separation from Service, or provided, on the first business day after the date that is six months following the Executive's Separation from Service (the "Delayed Payment Date"). If the Executive dies following the Separation from Service and prior to the payment of any amounts delayed to the Delayed Payment Date on account of Code Section 409A, such amounts shall be paid to the personal representative of the Executive's estate within 30 days after the date of the Executive's death.

(c) Reimbursements and In-Kind Benefits. All reimbursements and in-kind benefits provided under this Agreement that constitute "nonqualified deferred compensation" within the meaning of Code Section 409A shall be made or provided in accordance with Code Section 409A, including, without limitation, that (i) in no event shall reimbursements by the Company under this Agreement be made later than the end of the calendar year next following the calendar year in which the applicable fees and expenses were incurred, provided, that the Executive shall have submitted an invoice for such fees and expenses at least 10 days before the end of the calendar year next following the calendar year in which such fees and expenses were incurred; (ii) the amount of in-kind benefits that the Company is obligated to pay or provide in any given calendar year (other than medical reimbursements described in Treas. Reg. § 1.409A-3(i)(1)(iv)(B)) shall not affect the in-kind benefits that the Company is obligated to pay or provide in any other calendar year; (iii) the Executive's right to have the Company pay or provide such reimbursements and in-kind benefits may not be liquidated or exchanged for any other benefit; and (iv) in no event shall the Company's obligations to make such reimbursements or to provide such in-kind benefits apply later than the Executive's remaining lifetime (or if longer, through the 20th anniversary of the Effective Date). Prior to the Change in Control but within the time period permitted by the applicable Treasury Regulations (or such later time as may be permitted under Code Section 409A or any IRS or Department of Treasury rules or other guidance issued thereunder), the Company may, in consultation with the Executive, modify the Agreement, in the least restrictive manner necessary and without any diminution in the value of the payments to the Executive, in order to avoid the incurrence of tax penalties under Code Section 409A.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered as of the date first above written.

CLIFFS NATURAL RESOURCES INC.

By:_____ Date

_____
EXECUTIVE Date

CLIFFS NATURAL RESOURCES INC.

2015 CHANGE IN CONTROL SEVERANCE AGREEMENT

ANNEX A

Severance Compensation

(1) A lump sum payment in an amount equal to the number of years in the Continuation Period multiplied by the sum of (A) Base Pay (at the highest rate in effect during the 5-year period prior to the Executive's Separation from Service), plus (B) Incentive Pay (in an amount equal to not less than the greatest of (i) the target bonus and/or target award opportunity for the fiscal year immediately preceding the year in which the Change in Control occurs, (ii) the target bonus and/or target award opportunity for the fiscal year in which the Change in Control occurs or (iii) the target bonus and/or target award opportunity for the fiscal year in which the Executive's Separation from Service occurs). Such payment shall be made by the later of 10 business days after the Executive's Separation from Service or the end of the 7-day revocation period described in Paragraph 5(d) of Exhibit A.

(2) During the Continuation Period, the Company will arrange to provide the Executive with medical, dental, and vision benefits that are the same as those that the Executive was receiving or entitled to receive immediately prior to the Executive's Separation from Service (or, if greater, immediately prior to the Change in Control); provided, however, that if such medical, dental, and vision benefits are subject to income tax, the reimbursement of an eligible expense shall be made on or before the last day of the Executive's taxable year following the taxable year in which the medical, dental, or vision expense was incurred. Without otherwise limiting the purposes or effect of Section 4(d) of the Agreement, the medical, dental, and vision benefits otherwise receivable by the Executive pursuant to this Paragraph 2 will be reduced to the extent comparable medical, dental, and vision benefits are actually received by the Executive from another employer during the Continuation Period following the Executive's Separation from Service, and any such benefits actually received by the Executive shall be reported by the Executive to the Company.

(3) If and to the extent that any benefit described in Paragraph (2) is not or cannot be paid or provided under a policy, plan, program or arrangement of the Company or any Subsidiary, as the case may be, then the Company will itself pay or provide for the payment to the Executive, his dependents and beneficiaries, of such Employee Benefits.

(4) A payment or series of payments under the SERP in an amount equal to the actuarial equivalent of the Executive's accrued benefit under the SERP as of the date of his Separation from Service (the "Accrued SERP Payment") payable commencing as provided under the terms of the SERP, but no sooner than the beginning of the seventh month after his Separation from Service. In determining such lump sum payment, any benefit under the SERP attributable to the "final average pay" formula of the Pension Plan shall be converted to a lump sum actuarial equivalent as described below and any benefit under the SERP attributable to the "cash balance" formula of the Pension Plan shall be based on the amount that would be the Executive's account balance under the cash balance formula of the SERP.

(5) A lump sum payment (the " Non-accrued SERP Payment") payable within the first 5 days of the seventh month after the Executive's Separation from Service in an amount equal to the actuarial equivalent of the future pension benefits which the Executive would have been entitled to accrue under the SERP during the Continuation Period, (including Base Salary and Incentive Pay), if the Executive had remained in the full-time employment of the Company for the entire Continuation Period. The "cash balance" benefit formula of the Pension Plan shall be based on the amount that would be the Executive's account balance under the cash balance formula of the SERP.

(6) The calculation of the SERP Payments and its actuarial equivalence shall be made as of the date 6 months after Executive's Separation from Service using the assumptions and factors used in the salaried pension plan for similar calculations. Any payment attributable to the "final average pay" formula under the salaried pension plan shall be discounted from the date the Executive would have been eligible to receive an unreduced benefit under such formula (using as his "continuous service" for this purpose the sum of his actual continuous service and the continuous service he would have had during the Continuation Period) to the date of payment using the discount rate specified in the salaried pension plan.

The Company hereby waives the discretionary right, at any time subsequent to the date of a Change in Control, to amend or terminate the SERP as to the Executive as provided in Paragraph 7 thereof or to terminate the rights of the Executive or his beneficiary under the SERP in the event the Executive engages in a competitive business as provided in any plan or arrangement between the Company and the Executive or applicable to the Executive.

This Paragraph (7) shall constitute a "Supplemental Agreement" as defined in Paragraph 1.J of the SERP. The terms of the Agreement and this Annex A shall not replace the SERP with respect to the Executive, but shall take precedence to the extent they are contrary to provisions contained in the SERP.

Payment of the SERP Payment by the Company shall be deemed to be a satisfaction of all obligations of the Company to the Executive under the SERP.

(7) A lump sum amount equal to

(A) any accrued but unpaid Base Pay through the Executive's Separation from Service, plus

(B) unless otherwise expressly provided by the applicable policy, plan, program or agreement, the value of any annual bonus or long-term incentive pay (including, without limitation, incentive-based annual cash bonuses, performance units, and retention units but not including any equity-based compensation or compensation provided under a plan intended to be qualified under Code Sections 401(a) and 501(a) or any other plan included in the definition of "qualified plan" for purposes of Code Section 409A): (i) earned but unpaid relating to performance periods ending prior to the date on which the Separation from Service occurred; and (ii) earned or granted with respect to the Executive's service during the performance periods or retention periods that include the date on which the Executive's Separation from Service occurred, disregarding any applicable vesting requirements. Amounts payable pursuant to (i) shall be calculated at actual performance, and amounts payable pursuant to (ii) shall be calculated at the plan target rate.

Such payment shall be made by the later of 10 business days after the Executive's Separation from Service or the end of the 7-day revocation period described in Paragraph 5(d) of Exhibit A.

(8) Reasonable outplacement services by a firm selected by the Executive, at the expense of the Company in an amount up to 15% of the Executive's Base Pay. Such outplacement services shall be provided within a period ending no later than the end of the second taxable year of the Executive following the year in which the Executive's Separation from Service occurred and the fees for such services shall be paid by the Company within 5 days of receipt of an invoice from the outplacement provider for its services or within 5 days of the time the Executive presents the provider's invoice for such services to the Company, provided in either case that the invoice shall be submitted no later than 5 days prior to the end of the third taxable year of the Executive following the year in which his Separation from Service occurred.

(9) Post-retirement medical, hospital, surgical and prescription drug coverage for the lifetime of the Executive, his spouse and any eligible dependents that are the same as that which would have been furnished on the day prior to the Change in Control to the Executive if he had retired on such date with full eligibility for such benefits. Such retiree medical coverage shall have a level of employer subsidy, if any, as the Executive would have had upon his retirement or Separation from Service as of the end of the Continuation Period determined in accordance with the terms of the post-retirement medical, hospital, surgical and prescription drug coverage in effect immediately prior to the Change in Control. Such retiree medical coverage will not start until after the end of the Continuation Period during which he will be provided with active employee medical coverage pursuant to Paragraph (2) above; provided, however, that if such retiree medical coverage is subject to income tax, the payment of an eligible retiree medical expense amount shall be made on or before the last day of the Executive's taxable year following the taxable year in which that retiree medical expense was incurred.

CLIFFS NATURAL RESOURCES INC.

2015 CHANGE IN CONTROL SEVERANCE AGREEMENT

EXHIBIT A

Form of Release

WHEREAS, the Executive's employment has been terminated in accordance with Section 3 of the 2015 Change in Control Severance Agreement (the "Agreement") dated as of _____ __, 20__ by and between the Executive and Cliffs Natural Resources Inc.; and

WHEREAS, the Executive is required to sign this Release in order to receive the Severance Compensation (as such term is defined in the Agreement) and other benefits or amounts by the Executive provided under the Agreement, to the extent representing new or additional amounts and/or rights;

NOW, THEREFORE, in consideration of the promises and agreements contained herein and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, the Executive agrees as follows:

1. This Release is effective on the date hereof and will continue in effect as provided herein.

2. In consideration of the payments to be made and the benefits to be received by the Executive pursuant to the Agreement, which the Executive acknowledges are in addition to payments and benefits which the Executive would be entitled to receive absent the Agreement (other than severance pay and benefits under any other severance plan, policy, program or arrangement sponsored by Cliffs Natural Resources Inc.), the Executive, for himself and his dependents, successors, assigns, heirs, executors and administrators (and his and their legal representatives of every kind), hereby releases, dismisses, remises and forever discharges Cliffs Natural Resources Inc., its predecessors, parents, subsidiaries, divisions, related or affiliated companies, officers, directors, stockholders, members, employees, heirs, successors, assigns, representatives, agents and counsel (the "Company") from any and all arbitrations, claims, including claims for attorney's fees, demands, damages, suits, proceedings, actions and/or causes of action of any kind and every description, whether known or unknown, which the Executive now has or may have had for, upon, or by reason of any cause whatsoever ("claims"), against the Company, including but not limited to:

   (a) any and all claims arising out of or relating to the Executive's employment by or service with the Company and his termination from the Company other than any claims arising under the Agreement or under any employee benefit programs or executive compensation programs not specifically addressed in the Agreement;

   (b) any and all claims of discrimination, including but not limited to claims of discrimination on the basis of sex, race, age, national origin, marital status, religion or handicap, including, specifically, but without limiting the generality of the foregoing, any claims under the Age Discrimination in Employment Act, as amended, Title VII of the Civil Rights Act of 1964, as amended, the Americans with Disabilities Act, Ohio Revised Code Section 4101.17 and Ohio Revised Code Chapter 4112, including Sections 4112.02 and 4112.99 thereof; and

   (c) any and all claims of wrongful or unjust discharge or breach of any contract or promise, express or implied.

3. The Executive hereby gives up any and all rights or claims to be a class representative or otherwise participate in any class action on behalf of any employee benefit plan of the Company or any Subsidiary.

4. The Executive understands and acknowledges that the Company does not admit any violation of law, liability or invasion of any of his rights and that any such violation, liability or invasion is expressly denied. The consideration provided for this Release is made for the purpose of settling and extinguishing all claims and rights (and every other similar or dissimilar matter) that the Executive ever had or now may have against the Company to the extent provided in this Release. The Executive further agrees and acknowledges that no representations, promises or inducements have been made by the Company other than as appear in the Agreement.

5. The Executive further agrees and acknowledges that:

   (a) The release provided for herein releases claims to and including the date of this Release;

   (b) He has been advised by the Company to consult with legal counsel prior to executing this Release, has had an opportunity to consult with and to be advised by legal counsel of his choice, fully understands the terms of this Release, and enters into this Release freely, voluntarily and intending to be bound;

   (c) He has been given a period of 21 days, commencing on the day after his Separation from Service, to review and consider the terms of this Release, prior to its execution and that he may use as much of the 21-day period as he desires; and

   (d) He may, within 7 days after execution, revoke this Release. Revocation shall be made by delivering a written notice of revocation to the Executive Vice President, Human Resources at the Company. For such revocation to be effective, written notice must be actually received by the Executive Vice President, Human Resources at the Company no later than the close of business on the seventh day after the Executive executes this Release. If Executive does exercise his right to revoke this Release, all of the terms and conditions of the Release shall be of no force and effect and the Company shall not have any obligation to make payments or provide benefits to the Executive otherwise required as a result of the Agreement.

6. The Executive agrees that he will never file a lawsuit or other complaint asserting any claim that is released in this Release.

7. The Executive waives and releases any claim that he has or may have to reemployment after _____ __, 20__.

IN WITNESS WHEREOF, the Executive has executed and delivered this Release on the date set forth below.

Dated:

EXECUTIVE

By: _____

Name:

EXHIBIT 10.4

SEVERANCE AGREEMENT AND RELEASE

BEFORE SIGNING THIS SEVERANCE AGREEMENT AND RELEASE, YOU ARE ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO EXECUTING THIS RELEASE. YOUR SIGNATURE MUST BE NOTARIZED.

This Severance Agreement and Release (the "Release") is entered into knowingly and voluntarily by and between Terrance M. Paradie ("Employee") and Cliffs Natural Resources Inc. and its affiliates identified in Section III.A., below (collectively the "Company"). Employee and the Company may be collectively referred to as the "Parties."

RECITALS

A. Employee has decided to voluntarily terminate his employment with the Company and the Company has decided to accept Employee's voluntary termination of employment effective April 1, 2015 (the "Termination Date").

B. The Company agrees to pay Employee all wages and other compensation earned through the Termination Date.

C. Employee and the Company desire to establish the terms for an amicable separation of Employee's employment on the Termination Date, to facilitate an appropriate transition of Employee's responsibilities to the Company and to settle fully and finally any and all differences between them which have arisen, or may arise, out of the employment relationship and/or the termination of that relationship.

D. The Company desires to offer Employee the payments and benefits described herein in connection with Employee's termination of employment.

E. Receipt of the payments and benefits described herein requires: (1) execution and notarization; (2) delivery to the Company; and (3) non-revocation of this Release, all within the time frames specified in Section VI.

AGREEMENT

I. TERMINATION, SEVERANCE PAYMENTS AND BENEFITS

A. On the Termination Date, Employee's employment with the Company shall cease, he shall cease to be the Executive Vice President – Chief Financial Officer of the Company, and he shall resign from any other positions that he then holds with the Company as of the Termination Date. Employee further agrees to execute any further documents required to effectuate such resignations as may be requested by the Company. As of the Termination Date, Employee shall be released from his duties with the Company and cease to have any authority to conduct business on behalf of the Company.

B. Subject to Section I.C., Employee shall receive the following payments (collectively, the "Payments") and benefits (collectively, the "Benefits") if Employee (i) signs, notarizes and delivers this Release no earlier than the calendar day following the Termination Date and no later than the day after the end of the time period described in Section VI.A.; and (ii) does not revoke the Release prior to the "Effective Date" (as defined in Section VI.D. of the Release):

1. A lump sum cash payment equal to ($73,192), which is equal to one (1) month Base Pay ($43,250) plus three (3) weeks of pay representing any accrued and unused vacation, equal to ($29,942), paid, **less** appropriate federal, State of Ohio and local withholdings and

deductions, in a lump sum within fifteen (15) days after the Effective Date (the "Payment Date").

2. Employee shall continue to be covered by any provision for indemnification by the Company in effect on the date of the execution of this Release for so long as it provides such indemnification for its active senior executives. In addition, the Company shall continue to maintain D&O coverage that covers past executives to the same extent that it covers present executives. Finally, in the event of a change in control in which the Company is not the survivor, the Company shall use its reasonable best efforts to require as part of such transaction that the surviving company provide indemnification and D&O coverage that covers the past executives of the Company.

3. Employee shall receive continued tax support services through April 30, 2015, including the filing of the Employee's 2014 tax return.

C. Should Employee breach any of the covenants contained in Sections VII (relating to the covenant of confidentiality), IX (relating to covenant to cooperate with the Company), XI (relating to the covenant not to disparage the Company), and XII (relating to the covenant not to solicit employees) of this Release, Employee shall be required to return the Payments and the value of the Benefits already received under this Release in excess of one (1) week Base Pay within seven (7) days of demand by the Company, and shall receive no further Payments or Benefits under this Release.

D. Subject to Section I.C., should Employee die prior to receipt of the Payments or Benefits set forth in Section I.B., then the Payments will be payable to Employee's estate or otherwise inure to the benefit of his/her heirs.

E. The term "Base Pay" shall mean Employee's rate of annual base salary in effect as of the Termination Date. Base Pay does not include pension contributions made by the Company, welfare or other fringe benefits paid for by the Company, expense reimbursements, overtime pay, bonuses, commissions, incentive pay, or any other special compensation.

II. REPRESENTATIONS AND WARRANTIES

Employee understands, acknowledges and agrees that:

- Employee has the sole right and exclusive authority to execute this Release.
- The Company and the Plan are not obligated to pay, and will not pay, to Employee any Payment or Benefits until this Release has become effective.
- Employee signs this Release knowingly and voluntarily, in order to induce Company to provide the Payments and Benefits.
- Employee has not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in this Release.
- No other person or entity has an interest in the claims, demands, obligations or causes of action referred to in this Release.
- The Payments and Benefits that Employee will receive in exchange for signing this Release are in addition to anything of value to which Employee is already entitled.
- The Payments and Benefits provided for in this Release are the only consideration that Employee ever will receive from the Company or any Released Parties (as defined below) for any and all claims, demands, obligations or causes of action released in this Release.

- The Payments and Benefits provided for in this Release are not intended to be provided in addition to any payments or benefits that may now be due or in the future become due or payable to Employee under the Worker Adjustment and Retraining Notification ("WARN") Act (if applicable). Therefore, if WARN Act payments are or become due to Employee, any Payment made under this Release in excess of one Month's Base Pay, up to the full amount necessary to satisfy such obligation, shall be treated as having been paid in satisfaction of any such obligation, and the rest of the Benefits shall be treated as having been given in exchange for the other terms and obligations of this Release.
- This Release and its terms shall not be construed as an admission of any liability whatsoever on the part of the Company or any other Released Parties described in this Release, by which/whom any liability is and always has been expressly denied.
- As of the date of execution of this Release, Employee has not filed any administrative charges or lawsuits arising out of or relating to his employment with the Company or the separation of that employment.
- As of the date of execution of this Release, Employee has no work-related injury and is medically stationary with no impairment of earning capacity.

III. RELEASE

A. Employee, for himself, and his marital community (if any), agents, heirs, executors, administrators, and assigns, hereby knowingly and voluntarily fully releases and forever discharges from any and all agreements, debts, claims, demands, actions, judgments, causes of action, and liabilities of every kind or nature, known or unknown, that Employee, individually or as a member of a class, ever had or now has, the following (referred to as the "Released Parties"):

- Cliffs Natural Resources Inc.;
- Cliffs North American Coal LLC;
- Pinnacle Mining Company, LLC;
- Oak Grove Resources, LLC;
- Cliffs Logan County Coal LLC;
- Cliffs Quebec Iron Mining Limited;
- The Bloom Lake Iron Ore Mine Limited Partnership;
- Cliffs Canadian Shared Services Inc.;
- Northshore Mining Company;
- Silver Bay Power Company;
- Tilden Mining Company LC;
- Empire Iron Mining Partnership;
- Cliffs Mining Company;
- Hibbing Taconite Company Joint Venture;
- United Taconite LLC;
- The Cleveland-Cliffs Iron Company;
- Cliffs Mining Services Company;
- Lake Superior & Ishpeming Railroad Company;
- Wabush Iron Co. Ltd.;
- Wabush Mines Joint Venture;

- Cliffs International Management Company LLC;
- Cliffs Sales Company;
- Cliffs Natural Resources Exploration Ltda.;
- Cliffs Natural Resources Pty Ltd;
- Cliffs Chromite Ontario Inc.;
- All affiliates of Cliffs Natural Resources Inc. not already listed above, including any corporation or other entity which is controlled by or under common control with Cliffs Natural Resources Inc., or which is in the same affiliated service group or otherwise required to be aggregated with Cliffs Natural Resources Inc. under Sections 414 or 1563 of the Internal Revenue Code;
- All current or former owners, officers, directors, shareholders, members, employees, managers, agents, attorneys, partners and insurers of the above entities; and
- The predecessors, successors, and assigns of the above entities and individuals and the spouses, children, and family members of the individuals.

B. Without limiting the generality of this Release, Employee acknowledges and agrees that this Release is intended to bar every claim, demand, and cause of action, including without limitation any and all claims arising under:

- The federal Civil Rights Acts of 1866, 1871, 1964 and 1991 and all similar state civil rights statutes;
- The Employee Retirement Income Security Act of 1974;
- The Fair Labor Standards Act;
- The Rehabilitation Act of 1973;
- The Occupational Safety and Health Act;
- The Mine Safety and Health Act;
- The Health Insurance Portability and Accountability Act;
- The Age Discrimination in Employment Act;
- The Older Workers Benefit Protection Act;
- The Americans with Disabilities Act;
- The National Labor Relations Act;
- The Family and Medical Leave Act;
- The Equal Pay Act;
- The Worker Adjustment and Retraining Notification Act;
- The Lilly Ledbetter Fair Pay Act;
- The Ohio Civil Rights Act;
- State wage payment statutes;
- State wage and hour statutes;
- State employment statutes;
- Any statutes regarding the making and enforcing of contracts;
- Any whistleblower statute; and
- All similar provisions under all other federal, state and local laws.

C. Without limiting the generality of this Release, Employee further acknowledges and agrees that this Release is intended to bar all equitable claims and all common law claims, including without limitation claims of or for:

- Breach of an express or an implied contract;
- Breach of the covenant of good faith and fair dealing;
- Unpaid wages, salary, commissions, vacation or other employee benefits;

- Unjust enrichment;
- Negligent or intentional interference with contractual relations;
- Negligent or intentional interference with prospective economic relations;
- Estoppel;
- Fraud;
- Negligence;
- Negligent or intentional misrepresentation;
- Personal injury;
- Slander;
- Libel;
- Defamation;
- False light;
- Injurious falsehood;
- Invasion of privacy;
- Wrongful discharge;
- Failure to hire;
- Retaliatory discharge;
- Constructive discharge;
- Negligent or intentional infliction of emotional distress;
- Negligent hiring, supervision or retention;
- Loss of consortium; and
- Any claims that may relate to drug and/or alcohol testing.

D. **Employee further understands, acknowledges and agrees that this Release is a general release, and that Employee further waives and assumes the risk of any and all claims which exist as of this date, including those of which Employee does not know or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise, and which, if known, would materially affect Employee's decision to sign this Release.**

E. Without limiting the generality of the Release provided for above, Employee expressly waives and releases any right, claim or entitlement to any payments or benefits under any agreement entered into by and between the Company and Employee that provides for the provision of any severance payments or benefits upon the termination of his employment by the Company beyond what is expressly provided for in this Agreement, including without limitation that certain Change in Control Severance Agreement effective January 1, 2014 (the "CIC Agreement"). The Parties further agree that the CIC Agreement is hereby terminated effective April 1, 2015 in its entirety notwithstanding any survivorship provisions of the CIC Agreement.

F. Without limiting the generality of the Release provided for above, Employee expressly waives and releases any right, claim or entitlement to any outstanding vested, unvested, earned and unearned grant or award made to him during his employment for shares of stock, Restricted Share Units, and Performance Shares, whether made under the Amended and Restated 2007 Cliffs Incentive Equity Plan, as amended; the 2012 Incentive Equity Plan, as amended; the Amended and Restated 2012 Incentive Equity Plan; or otherwise. This includes, without limitation, the grants made to Employee as part of the 2014 Long Term Incentive ("LTI") program. The Parties further agree that any outstanding grants or awards previously provided to Employee are hereby cancelled effective April 1, 2015.

G. Employee further understands, acknowledges and agrees that this Release waives any right Employee has to recover damages in any lawsuit brought by Employee as well as in any lawsuit brought on his behalf by any other person or entity, including without limitation by the Equal Employment Opportunity Commission (EEOC) or any similar state agency. Employee is not, however, waiving the right to file a charge with the EEOC or any similar state agency.

H. This Release shall not be interpreted to release or require the release of the Company or the Released Parties from any:

- Claims for Payments or Benefits under this Release;
  or
- Claims for benefits under any pension plan of the Company;
  or
- Claims arising out of acts or practices which occur after the execution of this Release.

IV. REPRESENTATION OF UNDERSTANDING OF RELEASE

Employee acknowledges that Employee has had the opportunity to consult an attorney of Employee's own choosing before entering into this Release. Employee represents and warrants that Employee has read all of the terms of this Release; and that Employee fully understands and voluntarily accepts these terms. Employee further acknowledges and agrees that Employee has been given a reasonable period of time within which to consider this Release.

V. FEDERAL AGE DISCRIMINATION CLAIMS

Employee understands and agrees that a waiver of claims under the Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act, (29 U.S.C. § 621, et seq.) (the "ADEA") is not effective unless it is "knowing and voluntary," and that the ADEA imposes certain minimum requirements for a waiver to be knowing and voluntary. Employee acknowledges and agrees that Employee is knowingly and voluntarily giving up any rights or claims for relief Employee may have under the ADEA regarding the Company's conduct or the conduct of any Released Parties. However, Employee acknowledges and agrees that Employee is not giving up the right to challenge the validity of this Release under the ADEA.

VI. TIME TO CONSIDER AND CANCEL RELEASE; EFFECTIVE DATE

A. Employee acknowledges and agrees that he has been given a period of at least twenty-one (21) calendar days from the receipt of this Release to decide whether to sign it and is advised to consult with an attorney before doing so. Employee is not to sign this Release unless Employee understands its provisions and is doing so voluntarily.

B. This Release shall be signed and notarized no earlier than the calendar day following Employee's Termination Date, but no later than twenty-one (21) calendar days following the Employee's Termination Date. Further, this Release shall be delivered to (or postmarked for delivery to) Kurt Holland, Director of Compensation and Benefits, Cliffs Natural Resources Inc., 200 Public Square, Suite 3300, Cleveland, Ohio 44114, no later than twenty-one (21) calendar days after Employee's Termination Date.

C. After Employee has signed this Release, Employee has seven (7) calendar days to change his mind and notify the Company in writing that Employee has canceled this Release. If Employee so cancels this Release, this Release will be null and void, and will have no force or effect. Written notice of a cancellation of this Release must actually be received by the Company at the following address and must be postmarked within the time frame described above in order to be effective: Kurt Holland, Director of Compensation and Benefits, Cliffs Natural Resources Inc., 200 Public Square, Suite 3300, Cleveland, Ohio 44114

D. If Employee (1) signs, notarizes and delivers this Release within the time frames and in accordance with the provisions of Section VI.B; and (2) does not cancel or revoke the Release within the time frames and in accordance with the provisions of Section VI.C, this Release shall become effective on the eighth calendar day after Employee signed it (the "Effective Date").

E. Employee understands that if he revokes this Release, it shall not be effective or enforceable and Employee will not become a Participant in the Plan and will not receive any Payments or Benefits.

VII. CONFIDENTIAL INFORMATION AND COVENANTS

A. The Parties agree that this Release is confidential and agree not to disclose its terms to anyone other than, in the case of Employee, his spouse, attorney, or financial advisor and, in the case of the Company, its officers, directors, or employees who need to know in order to execute the various provisions of this Agreement. However, the Parties agree that this Release may be disclosed if required to do so by a Court of competent jurisdiction.

B. The Parties agree not to make any public statement regarding the termination of Employee's employment without first obtaining the written consent of the other Party. However, the Company shall be permitted to submit any filings required by the Securities and Exchange Commission regarding Employee's departure.

C. Employee represents that, during Employee's employment with the Company, Employee has not breached any confidentiality agreement to which Employee is a party. Employee further represents and warrants that Employee will continue to abide by the terms of any confidentiality agreement applicable to Employee after the Termination Date.

VIII. RETURN OF COMPANY PROPERTY

A. Employee agrees to return to the Company all originals and copies of the Company's property, documents and information in Employee's possession, regardless of the form on which such information has been maintained or stored, including without limitation, computer disks, tapes or other forms of electronic storage, Company credit cards (including telephone credit cards), tools, equipment, keys, identification, software, computer access codes, disks and instructional manuals, Company issued IPhone and all other property prepared by, or for, or belonging to the Company. Employee further agrees that he will not retain any documents or other property belonging to Company.

B. By signing this Release, Employee affirms that Employee either (1) has no Company property remaining in his possession or control or, (2) if Employee does have any such property in his possession or control, Employee has provided the Company a list of such property, the reason why Employee has been unable to return it to the Company, and the date by which Employee intends to return such property to the Company.

IX. COOPERATION

Employee shall cooperate with the Company in effecting a smooth transition, and shall timely provide such information as the Company may reasonably request regarding operations and information within Employee's knowledge while Employee was employed by the Company. Employee shall cooperate with the Company regarding litigation in which he is a witness, named defendant or decision maker while serving in his role as the Executive Vice President – Chief Financial Officer for the Company.

X. RE-EMPLOYMENT

Employee hereby forever gives up, waives and releases any right to be hired, employed, recalled or reinstated by the Company or any affiliate of the Company.

XI. NON-DISPARAGEMENT

A. Employee shall not voluntarily make any negative statements orally or in writing about Employee's employment with the Company, about the Company or its affiliates or any of its employees or products, to anyone other than to the EEOC or any similar state agency, Employee's immediate family, and Employee's legal representatives or financial advisors. Nothing herein shall prevent Employee from testifying truthfully in a legal proceeding or governmental administrative proceeding. Employee may indicate on employment applications that Employee was employed by the Company, Employee's duties, length of employment, and salary.

B. The Company's officers and directors shall not voluntarily make any negative statements orally or in writing about Employee or about Employee's employment with the Company to anyone other than to the EEOC or any similar state agency and the Company's legal representatives. Nothing herein shall prevent the Company's officers and directors from testifying truthfully in a legal proceeding or governmental administrative proceeding.

XII. NON-SOLICITATION

Employee agrees that, during his period of employment and the period beginning on his Termination Date and ending twelve (12) months following the Termination Date, Employee shall not directly or indirectly contact, approach or solicit for the purpose of offering employment to, or directly or indirectly actually hire, any person employed by the Company or its affiliates (or who was employed by the Company or its affiliates

during the six (6) month period immediately prior to such solicitation or hire), without the prior written consent of the Company; provided, however, that this Section XII shall not preclude Employee from soliciting for employment (but shall, for the avoidance of doubt, prohibit hiring) any such person who responds to a general solicitation through a public medium that is not targeted at such person.

XIII. SEVERABILITY

In the event that any provision(s) of this Release is found to be unenforceable for any reason whatsoever, the unenforceable provision shall be considered to be severable, and the remainder of this Release shall continue in full force and effect.

XIV. BINDING EFFECT

This Release shall be binding upon and operate to the benefit of Employee, the Company, the Released Parties, and their successors and assigns.

XV. WAIVER

No waiver of any of the terms of this Release shall constitute a waiver of any other terms, whether or not similar, nor shall any waiver be a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver. The Company or Employee may waive any provision of this Release intended for its/his/her benefit, but such waiver shall in no way excuse the other from the performance of any of its/his/her other obligations under this Release.

XVI. GOVERNING LAW

This Release shall be governed by and construed in accordance with the laws of the State of Ohio, without regard to the principles of conflicts of law, except to the extent those laws are preempted by federal law.

XVII. SUBSEQUENT MODIFICATIONS

The terms of this Release may be altered or amended, in whole or in part, only upon the signed written agreement of all Parties to this Release. No oral agreement may modify any term of this Release.

XVIII. ENTIRE AGREEMENT

This Release constitutes the sole and entire agreement of the Parties with respect to the subject matter hereof, and supersedes any and all prior and contemporaneous agreements, promises, representations, negotiations, and understandings of the Parties, whether written or oral. There are no agreements of any nature whatsoever among the parties except as expressly stated herein.

XIX. ATTORNEYS' FEES AND COSTS

This Section XIX shall not apply to any litigation arising out of a challenge to the validity of this Release under the ADEA, or any litigation in which the validity of this Release under the ADEA is an issue. In the event of litigation arising out of any other alleged breach of this Release, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs.

XX. SECTION 409A

The Parties acknowledge that Employee shall incur a "separation from service," within the meaning of Section 409A of the Code ("Section 409A"), no later than the Termination Date. Notwithstanding anything in this Release to the contrary, if Employee is considered a "specified employee" (as defined in Section 409A), any amounts paid or provided under this Release shall, to the extent necessary in order to avoid the imposition of a penalty tax on Employee under Section 409A, be delayed for six months after Employee's "separation from service" within the meaning of Section 409A, and the accumulated amounts shall be paid in a lump sum within ten (10) calendar days after the end of the six (6)-month period. If Employee dies during the six-month postponement period prior to the payment of such accumulated amounts, the payments which are deferred on account of Section 409A shall be paid to the personal representative of Employee's estate within 60 calendar days after the date of Employee's death. For purposes of this Release, each amount to be paid or benefit to be provided to Employee pursuant to this Release shall be construed as a separate identified

payment for purposes of Section 409A. All reimbursements and in-kind benefits provided under this Release shall be made or provided in accordance with the requirements of Section 409A to the extent applicable, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during the period of time specified in this Release, (ii) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during a calendar year may not affect the expenses eligible for reimbursement, or in kind benefits to be provided, in any other calendar year, (iii) the reimbursement of an eligible expense will be made no later than the last calendar day of the calendar year following the year in which the expense is incurred, and (iv) the right to reimbursement or in kind benefits is not subject to liquidation or exchange for another benefit.

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CLIFFS NATURAL RESOURCES INC.

/s/ Maurice D. Harapiak

Maurice D. Harapiak
Executive Vice President, Human Resources

Dated: 4/14/2015

/s/ Terrance M. Paradie

Terrance M. Paradie

Exhibit 31.1

CERTIFICATION

I, Lourenco Goncalves, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cliffs Natural Resources Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2015

By: /s/ Lourenco Goncalves
Lourenco Goncalves
Chairman, President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, P. Kelly Tompkins, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cliffs Natural Resources Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2015

By: /s/ P. Kelly Tompkins
P. Kelly Tompkins
Executive Vice President & Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Cliffs Natural Resources Inc. (the "Company") on Form 10-Q for the period ended March 31, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), I, Lourenco Goncalves, Chairman, President and Chief Executive Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

(1) The Form 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Form 10-Q.

Date: May 6, 2015

By: /s/ Lourenco Goncalves
Lourenco Goncalves
Chairman, President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Cliffs Natural Resources Inc. (the "Company") on Form 10-Q for the period ended March 31, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), I, P. Kelly Tompkins, Executive Vice President & Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

(1) The Form 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Form 10-Q.

Date: May 6, 2015

By: /s/ P. Kelly Tompkins
P. Kelly Tompkins
Executive Vice President & Chief Financial Officer

Exhibit 95

Mine Safety Disclosures

The operation of our mines located in the United States is subject to regulation by MSHA under the FMSH Act. MSHA inspects these mines on a regular basis and issues various citations and orders when it believes a violation has occurred under the FMSH Act. We present information below regarding certain mining safety and health citations that MSHA has issued with respect to our mining operations. In evaluating this information, consideration should be given to factors such as: (i) the number of citations and orders will vary depending on the size of the mine; (ii) the number of citations issued will vary from inspector to inspector and mine to mine, and (iii) citations and orders can be contested and appealed and, in that process, are often reduced in severity and amount, and are sometimes dismissed.

Under the Dodd-Frank Act, each operator of a coal or other mine is required to include certain mine safety results within its periodic reports filed with the SEC. As required by the reporting requirements included in §1503(a) of the Dodd-Frank Act, we present the following items regarding certain mining safety and health matters, for the period presented, for each of our mine locations that are covered under the scope of the Dodd-Frank Act:

(A) The total number of violations of mandatory health or safety standards that could significantly and substantially contribute to the cause and effect of a coal or other mine safety or health hazard under section 104 of the FMSH Act (30 U.S.C. 814) for which the operator received a citation from MSHA;

(B) The total number of orders issued under section 104(b) of the FMSH Act (30 U.S.C. 814(b));

(C) The total number of citations and orders for unwarrantable failure of the mine operator to comply with mandatory health or safety standards under section 104(d) of the FMSH Act (30 U.S.C. 814(d));

(D) The total number of imminent danger orders issued under section 107(a) of the FMSH Act (30 U.S.C. 817(a));

(E) The total dollar value of proposed assessments from MSHA under the FMSH Act (30 U.S.C. 801 et seq.);

(F) Legal actions pending before the Federal Mine Safety and Health Review Commission involving such coal or other mine as of the last day of the period;

(G) Legal actions initiated before the Federal Mine Safety and Health Review Commission involving such coal or other mine during the period; and

(H) Legal actions resolved before the Federal Mine Safety and Health Review Commission involving such coal or other mine during the period.

During the three months ended March 31, 2015, our U.S. mine locations did not receive any flagrant violations under section 110(b)(2) of the FMSH Act or any written notices of a pattern of violations, or the potential to have such a pattern of violations, under section 104(e) of the FMSH Act. In addition, there were no mining-related fatalities at any of our U.S. mine locations during this same period.

Following is a summary of the information listed above for the three months ended March 31, 2015:

		Three Months Ended March 31, 2015								
		(A)	(B)	(C)	(D)	(E)	(F)		(G)	(H)
Mine Name/ MSHA ID No.	Operation	Section 104 S&S Citations	Section 104(b) Orders	Section 104(d) Citations & Orders	Section 107(a) Orders	Total Dollar Value of MSHA Proposed Assessments (1)	Legal Actions Pending as of Last Day of Period		Legal Actions Initiated During Period	Legal Actions Resolved During Period
Pinnacle Mine / 4601816	Coal	15	1	—	—	$ 31,059	6	(2)	1	16
Pinnacle Plant / 4605868	Coal	—	—	—	—	—	—		—	—
Green Ridge #1 / 4609030	Coal	—	—	—	—	—	—		—	—
Green Ridge #2 / 4609222	Coal	—	—	—	—	—	—		—	—
Oak Grove / 0100851	Coal	20	—	—	—	24,457	31	(3)	11	5
Concord Plant / 0100329	Coal	—	—	—	—	300	—		—	—
Tilden / 2000422	Iron Ore	35	—	—	—	25,006	10	(4)	1	—
Empire / 2001012	Iron Ore	39	—	—	—	12,270	10	(5)	—	—
Northshore Plant / 2100831	Iron Ore	10	—	—	—	58,982	12	(6)	1	—
Northshore Mine / 2100209	Iron Ore	—	—	—	—	704	—		—	—
Hibbing / 2101600	Iron Ore	14	—	—	—	65,817	45	(7)	20	—
United Taconite Plant / 2103404	Iron Ore	18	—	—	—	125,918	10	(8)	—	2
United Taconite Mine / 2103403	Iron Ore	6	—	3	—	4,173	2	(9)	1	—

(1) Amounts included under the heading “Total Dollar Value of MSHA Proposed Assessments” are the total dollar amounts for proposed assessments received from MSHA on or before March 31, 2015.

(2) This number consists of 6 pending legal actions related to contests of proposed penalties referenced in Subpart C of FMSH Act's procedural rules.

(3) This number consists of 27 pending legal actions related to contests of proposed penalties referenced in Subpart C of FMSH Act's procedural rules, 3 pending legal actions related to contests of citations and orders referenced in Subpart B of FMSH Act's procedural rules and 1 appeal of judges' decisions or orders to the Federal Mine Safety and Health Review Commission referenced in Subpart H of FMSH Act's procedural rules.

(4) This number consists of 8 pending legal actions related to contests of proposed penalties referenced in Subpart C of FMSH Act's procedural rules, 1 appeal of judges' decisions or orders to the Federal Mine Safety and Health Review Commission referenced in Subpart H of FMSH Act's procedural rules, and 1 pending legal action related to complaints of discharge, discrimination, or interference referenced in Subpart E of FMSH Act's procedural rules.

(5) This number consists of 9 pending legal actions related to contests of proposed penalties referenced in Subpart C of FMSH Act's procedural rules and 1 pending legal action related to complaints of discharge, discrimination, or interference referenced in Subpart E of FMSH Act's procedural rules.

(6) This number consists of 12 pending legal actions related to contests of proposed penalties referenced in Subpart C of FMSH Act's procedural rules.

(7) This number consists of 8 pending legal actions related to contests of proposed penalties referenced in Subpart C of FMSH Act's procedural rules, 33 pending legal actions related to contests of citations and orders referenced in Subpart B of FMSH Act's procedural rules, and 4 appeals of judges' decisions or orders to the Federal Mine Safety and Health Review Commission referenced in Subpart H of FMSH Act's procedural rules.

(8) This number consists of 2 pending legal actions related to contests of proposed penalties referenced in Subpart C of FMSH Act's procedural rules and 8 pending legal actions related to contests of citations and orders referenced in Subpart B of FMSH Act's procedural rules.

(9) This number consists of 1 pending legal action related to contests of proposed penalties referenced in Subpart C of FMSH Act's procedural rules and 1 pending legal action related to complaints of discharge, discrimination, or interference referenced in Subpart E of FMSH Act's procedural rules.