

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported):  
June 28, 2012**

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**United States Steel Corporation**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**1-16811**  
(Commission  
File Number)

**25-1897152**  
(IRS Employer  
Identification No.)

**600 Grant Street, Pittsburgh, PA**  
(Address of principal executive offices)

**15219-2800**  
(Zip Code)

**(412) 433-1121**  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

(c) On July 2, 2012, United States Steel Corporation issued a press release announcing that Mr. Mario Longhi was elected, on June 28, 2012, to be Executive Vice President and Chief Operating Officer, effective July 2, 2012. The full text of the press release is filed herewith as Exhibit 99.1.

Prior to his election, Mr. Longhi, age 58, served as President from 2005 to 2006, and President and Chief Executive Officer from 2006 to 2011, of Gerdau Ameristeel Corporation, a producer of long steel products. Prior to joining Gerdau Ameristeel Corporation, Mr. Longhi served in a variety of senior management positions with Alcoa Inc., a producer of aluminum products.

On June 28, 2012, the Compensation & Organization Committee (the Committee) of the Board of Directors approved the terms of an offer letter to Mr. Longhi. Pursuant to the offer letter, he will receive a base annual salary of \$820,000 and will be entitled to participate in the Corporation's Annual Incentive Compensation Program at the target rate of 100 percent of his base annual salary. Additionally, the offer letter provides that Mr. Longhi will participate in the Long-Term Incentive Compensation Program (LTIP). The Committee determined that Mr. Longhi's 2012 LTIP award will be valued at \$2,101,500 on the date of grant, which will be July 3, with 40 percent of the value received in the form of performance awards, 30 percent of the value in the form of stock options and 30 percent of the value in the form of restricted stock units (RSUs). For retention purposes, Mr. Longhi will also receive an additional long-term incentive award valued at \$400,000 on the date of grant, which is also July 3, 2012, and which will be divided equally between retention performance awards and retention RSUs. These retention awards will be subject to terms and conditions similar to those applicable to other retention grants, except that in the event of an involuntary termination without cause, the awards will vest in full immediately upon termination, subject to achievement of the relevant performance goals. Additionally, the retention awards do not provide for pro-rata vesting upon termination other than in the case of death or disability.

The offer letter also provides that Mr. Longhi will be entitled to participate in the Corporation's qualified 401(k) plan and two non-qualified retirement plans (the United States Steel Corporation Supplemental Thrift Program and the United States Steel Corporation Non Tax-Qualified Retirement Account Program), which (non-qualified programs) restore the matching contributions and retirement account contributions that are not permitted to be provided under the qualified 401(k) plan because of limits established under, or required by, the Internal Revenue Code. In addition, the Corporation will establish a Supplemental Account to provide Mr. Longhi with a non tax-qualified pension benefit with respect to the compensation paid to him under the Corporation's Annual Incentive Compensation Program (and/or similar incentive plans or programs). Under the Supplemental Account, Mr. Longhi will be eligible for book accruals equal to 8.5% of the awards paid (or payable) to him under the Corporation's Annual Incentive Compensation Program, subject to vesting requirements.

The other provisions of the offer letter set forth benefits that are typically provided to newly hired executives, including health and welfare benefits, tax and financial planning, reasonable relocation expenses, gross-up on the relocation expenses, loss on sale of his primary residence (maximum limited to an amount to be determined by the Corporation), change in control agreement (similar in form to the agreement currently in effect for Mr. Surma, which does not include an excise tax gross-up provision, except that the severance multiple for Mr. Longhi is 2.5 times his base and bonus), and a severance agreement. The severance agreement provides that, if the Corporation terminates his employment, other than for cause, within three years and if he is not entitled to any payment under the change in control agreement, Mr. Longhi will be entitled to receive a lump sum payment equal to the sum of 12 months of base salary and one year of his target bonus under the Annual Incentive Compensation Program.

The foregoing summary of the offer letter is qualified in its entirety by reference to the form of the offer letter, which is filed herewith as Exhibit 10.1, and is incorporated herein by reference.

Other agreements, plans and arrangements contemplated by, discussed in, and/or attached to the offer letter that

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will need to be filed, but have not been filed previously, are filed herewith, including Exhibit A to the offer letter setting forth the benefit under the Supplemental Account (Exhibit 10.2), the Non Tax-Qualified Retirement Account Program (Exhibit 10.3), the Form of Non-Compete Agreement attached to the offer letter (Exhibit 10.4), and the Form of the Retention Performance Award Grant Agreement (Exhibit 10.5) under the Long-Term Incentive Compensation Program.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

- 10.1 Form of Offer Letter to Mr. Longhi
- 10.2 Exhibit A to Offer Letter – Supplemental Account
- 10.3 Non Tax-Qualified Retirement Account Program
- 10.4 Form of Non-Compete Agreement attached to Offer Letter
- 10.5 Form of Retention Performance Award Grant Agreement
- 99.1 Press Release dated July 2, 2012, titled “Mario Longhi Joins U. S. Steel As Executive Vice President And Chief Operating Officer; Babcoke, Matthews And Williams Named To Executive Management Committee”

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SIGNATURE

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 hereunto duly authorized.

UNITED STATES STEEL CORPORATION

By /s/ Gregory A. Zovko  
Gregory A. Zovko  
Vice President & Controller

Dated: July 2, 2012



United States Steel Corporation  
600 Grant Street  
Pittsburgh, PA 15219-2800  
412 433 1148  
Fax: 412 433 6219  
smsuver@uss.com

**Susan M. Suver**  
Vice President-Human Resources

June 28, 2012

Mr. Mario Longhi  
16609 Villalenda de Avila  
Tampa, FL 33613

Dear Mario:

On behalf of United States Steel Corporation (USS or the Company), I am pleased to offer you an opportunity for employment as Executive Vice President and Chief Operating Officer, currently located in Pittsburgh, Pennsylvania, at a base salary of \$820,000 annually (\$68,333 per month) effective July 2, 2012. Upon joining the Company, you will report to the Chairman of the Board of Directors and Chief Executive Officer and will become a member of the Executive Management Committee.

Hiring Incentives - The Company will provide you with a hiring grant of restricted stock units with a value of \$200,000 based upon the value on the relevant grant date, which is the next business day following your date of hire, subject to 3-year cliff vesting from the date of the grant conditioned upon your continued employment with the Company. In addition, the Company will provide you with a hiring grant of performance awards with a value of \$200,000 based upon the value on the relevant grant date, which is the next business day following your date of hire, contingent upon achievement of the performance measures applicable to other 2012 performance award grants over the same approximate three-year performance period. These hiring grants will be subject to terms and conditions similar to those applicable to our retention grants.

Short-Term and Long-Term Compensation - As part of your employment, you will be eligible to participate in the Executive Management Annual Incentive Compensation Program (Annual Incentive Compensation Program) targeted this year at 100% of your base salary earnings, with a maximum incentive opportunity of up to 215% of your target based on a number of Company performance factors and influenced by your individual performance. Since your employment with USS would begin in the middle of the current performance period under the Annual Incentive Compensation Program, any payments under the terms of that program for the 2012 performance period would be prorated based upon the number of full months worked during the performance period. (Technically, if you are determined to be a "covered employee," as that term is defined under Section 162(m) of the Internal Revenue Code, any payments for the 2012 performance period will be made as a separate bonus outside of the Annual Incentive Compensation Program, subject to the same performance conditions and negative discretion.) You will also be eligible to participate in the Long-Term Incentive Compensation Program this year on a basis reasonably comparable to that of other executive officers. Under the current executive program, our executive officers receive a mix of the long-term incentive compensation value in the form of stock options, restricted stock units, and performance awards. The amount, mix, and the terms and conditions of your equity awards will be determined by our Compensation Committee.

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As an Executive, you will be subject to stock ownership and retention guidelines as approved by our Board of Directors. The ownership requirement is currently defined as a multiple of salary midpoint, and for Executives at your level, the multiple is three (3) times your salary midpoint. Until the required ownership is achieved, you will be required to retain shares equal to 100% of the after-tax value of shares received in connection with the vesting of restricted stock units and performance awards, and at least 25% of the net value received from the exercise of stock options. Once the ownership requirement is satisfied, 25% of the net value received from future vestings and exercises must be retained in the form of shares. Further details regarding this program will be provided with your new hire paperwork.

Employee Benefits - As an employee of USS, you will be eligible to participate in pension, savings, and health and welfare benefit plans, including short-term and long-term disability programs, that are sponsored by USS and generally available to our newly hired USS management employees. Outlined below is a summary of the pension and savings benefits that you will be eligible to receive as an executive of USS. Your eligibility and participation in all of the following plans and programs is determined by the terms and provisions of these plans and programs, as they may be amended from time to time.

- (1) Pension Benefit - You will participate in the Retirement Account under the Savings Fund Plan for Salaried Employees and be eligible for monthly Company contributions in the amount of 8.5% of your base salary. You will participate in a non tax-qualified restoration plan with respect to the portion of the USS contributions to your Retirement Account that cannot be made due to certain Internal Revenue Code limitations.

In addition, you will be eligible to receive a non tax-qualified supplemental executive retirement benefit outlined in Exhibit A (the "Supplemental Account") under which you will be eligible for book accruals in the amount of 8.5% of your incentive compensation received under the Annual Incentive Compensation Program.

By your acceptance of this offer of employment and participation in the Supplemental Account, you agree and acknowledge that you are not eligible to participate in the Supplemental Retirement Account Program (which provides similar benefits to the Supplement Account) and waive any rights with respect thereto. You will vest in your Supplemental Account upon your termination of employment with the Company if such termination is (i) on or after your attainment of age 65, or (ii) with Company consent, or (iii) on account of your death or involuntary termination other than for cause.

- (2) Savings Benefit - You will be eligible to make employee contributions on a pre-tax and/or after-tax basis to the Savings Account under the Savings Fund Plan for Salaried Employees with the sum of the employee contributions not to exceed 16% of your base salary (subject to limitations under the Internal Revenue Code ("IRC")). You will also be eligible for Company contributions that match your employee contributions up to 6.0% of your base salary (subject to IRC limitations). You will participate in a non tax-qualified restoration plan with respect to the portion of the Company contributions to your Savings Account that cannot be made due to certain IRC limitations.

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Attached for your information are copies of the two non tax-qualified restoration plans (the “Non Tax-Qualified Retirement Account Program” and the “Supplemental Thrift Program”) applicable to you.

Executive Physical Program - You will be eligible to participate in the Annual Physical Program for Executive Management Employees, which provides you with the opportunity to receive a comprehensive health examination to promote wellness and disease prevention.

Tax and Financial Planning - You will receive, for the term of your employment with the Company, the tax preparation and financial planning services that USS provides to its executives through a third party vendor.

Change in Control Agreement - As the Executive Vice President and Chief Operating Officer, you will be eligible for a change in control agreement at 2.5 times your salary and bonus, in the form provided by the Company. As more specifically detailed in the agreement, your coverage under the change in control agreement will continue while you remain in this role, or in another eligible role, until December 31, 2013; provided, however, that commencing on December 31, 2012 and each December 31 thereafter, the term of the agreement shall automatically be extended for one additional year unless, not later than September 1 of that year, the Company provides notice that it does not wish to extend the agreement. However, such agreement automatically is extended for a stated period of time if a Change in Control or Potential Change in Control of the Company occurs during the original or extended term of the agreement. As further outlined in the agreement, a Change in Control includes (1) a change that would have to be reported in response to Item 6(e) of Schedule 14A of the Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended, as well as (2) certain other specified circumstances involving (a) the beneficial ownership of the securities of the Company, or (b) the membership of the Incumbent Board of Directors, or (c) the merger or consolidation of the Company or any direct or indirect subsidiary thereof with other corporations, or (d) certain other circumstances.

Severance Provision - If (a) the Company terminates your employment within three (3) years of your first day of employment with the Company other than for cause (as defined below), and (b) you are not entitled to any payment under your change in control agreement referenced above, you will be entitled to a lump sum payment equal to the sum of (i) twelve (12) months of your base salary, and (ii) the equivalent of one year of your target bonus as that amount would be calculated under the Annual Incentive Compensation Program. This benefit is in lieu of any layoff benefit that may otherwise be payable under the Layoff Benefit Program. For purposes of this severance provision, termination by the Company of your employment for “cause” shall mean termination upon (i) the willful and continued failure by you to substantially perform your duties with the Company (other than any such failure resulting from your incapacity due to physical or mental illness), (ii) the willful engaging by you in conduct which is demonstrably and materially injurious to the Company, monetarily or otherwise, (iii) your conviction of a felony or conviction of a misdemeanor which impairs your ability substantially to perform your duties with the Company, or (iv) the material breach by you of the Company’s Code of Ethical Business Conduct. Under this definition of “cause”, no act, or failure to act, on your part shall be deemed “willful” unless done, or omitted to be done, by you not in good faith and without reasonable belief that your action or omission was in the best interest of the Company. Such payment shall be made on the 30th day following your separation from service within the

meaning of Internal Revenue Code (Code) section 409A (or, if such day is not a business day, on the next succeeding business day); provided, however, that no such payment may be made to you until the first business day following the six (6) month anniversary of your separation from service if you are a "specified employee" under Code section 409A at the time of your separation from service. In addition, if the Company terminates your employment within three (3) years of your first day of employment with the Company other than for cause (as defined below), (a) the hiring grant of restricted stock units will vest in full immediately upon such termination and (b) the hiring grant of performance awards will vest at 100% of the rate of vesting determined by the Company's performance for the 2012 performance award grant at the end of the approximate three-year performance period (in May 2015) on the date when our Compensation Committee certifies achievement of such performance. Distribution and/or payment of such restricted stock units and performance awards shall be made pursuant to the terms of the respective award agreements. The foregoing severance payments are conditioned upon and subject to your execution of (within 60 days following your separation from service), and compliance with the terms of, a general release and waiver of all claims you may have against the Company and its directors, officers and affiliates, in the form presented by the Company, and a non-disclosure and non-compete agreement in the form presented by the Company, which current form is attached hereto. These severance provisions are not subject to renewal or renegotiation at any time.

Relocation Benefits - This employment offer includes reimbursement of the actual costs you incur (from the date of this letter and during your term of employment) for the reasonable expense of:

- (1) transportation of your household goods in connection with relocation of your current permanent residence to the Greater Pittsburgh area;
- (2) standard real estate closing costs that, in the case of the sale of your current permanent residence, are customarily allocated in the Tampa, Florida metropolitan area to the seller and that, in the case of the purchase of a new permanent residence, are customarily allocated in the Greater Pittsburgh area to the purchaser;
- (3) rental expense for temporary lodging in the Greater Pittsburgh area for up to one hundred twenty (120) days; and,
- (4) transportation for (a) you to travel to and from Florida up to twice a month during the one hundred twenty (120) day period, and (b) your immediate family to travel to Pittsburgh twice during that same period.

To be eligible for reimbursement, you will be required to provide advance estimates of these expenses to the Company for its review and authorization prior to your actually incurring such costs. In addition, you will be eligible to receive a lump sum payment for the loss on sale of your primary residence, up to a maximum to be determined by the Company.

Any of the above relocation expenses that are taxable to you will be grossed-up for Federal, state and local income tax purposes. The gross-up payment will be made as soon as practicable after the reimbursement is made, but in no event later than the end of your taxable year next following your taxable year in which the related taxes are remitted to the taxing authorities or, in the case of a tax audit or litigation addressing the existence or amount of a tax liability, by the end of your



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taxable year following your taxable year in which the taxes that are the subject of audit or litigation are remitted to the taxing authority (or where as a result of such audit or litigation no taxes are remitted, the end of your taxable year following your taxable year in which the audit is completed or there is a final and nonappealable settlement or other resolution of the litigation).

In accordance with Code section 409A, reimbursement of the amount of eligible relocation expenses or tax preparation and financial planning services provided or incurred within a particular year shall be made no later than the end of your taxable year following the taxable year in which the expense was incurred. The amount of reimbursable expenses incurred in one taxable year shall not affect the amount of reimbursable expenses in a different taxable year, and such reimbursement shall not be subject to liquidation or exchange for another benefit.

Obligation to Repay the Company - If you voluntarily terminate your employment or are terminated for cause (as defined above under the severance provision) within two (2) years of your employment date with the Company, you agree to repay all relocation benefits, including related tax gross-ups and any loss on sale of your primary residence as approved by the Company in advance, accepted by you. Such repayment must be made within thirty (30) days of the effective date of the voluntary termination or termination for cause and (except as may be prohibited by law) you hereby authorize immediate repayment by payroll deduction from any earnings, and by setoff against any other amounts, that may then be due to you by the Company.

Company Policies - You will be subject to all Company policies including without limitation the Executive Management Recoupment Policy pursuant to which incentive awards may be recouped from you in certain circumstances, as such policies may be amended from time to time.

The terms and conditions of this letter and the offer of employment that it contains shall be construed under the laws of, and the place of its acceptance shall be deemed to be, the Commonwealth of Pennsylvania.

This offer of employment is, of course, contingent upon your successful completion of a background check, verification of work authorization and a pre-placement physical examination, including laboratory work. As a condition of your employment, you will also be required to execute non-disclosure and non-compete agreements, copies of which are attached.

If you accept this offer of employment, you will be an employee-at-will, meaning that either you or the Company may terminate the employment relationship at any time for any reason, with or without cause. Any statements to the contrary that may have been made to you, or that may be made to you, by the Company, its agents or representatives are superseded by this offer letter. Nothing will change the at-will status of your employment except for a written agreement signed by yourself and an appropriate officer of the Company.

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To indicate your acceptance of this employment offer, please sign below and return to me; we look forward to working with you at United States Steel Corporation.

Very truly yours,

/s/ S. M. Suver

Susan M. Suver  
Vice President, Human Resources

Attachments

Accepted by:

/s/ Mario Longhi  
Mario Longhi

June 28, 2012  
Date

**SUPPLEMENTAL ACCOUNT****1. Purpose**

United States Steel Corporation established the Supplemental Account to provide a pension benefit for Mario Longhi (the "Participant") with respect to compensation paid to him under the incentive compensation plans maintained by United States Steel Corporation, its subsidiaries, and its joint ventures.

Except as otherwise provided in this document, (1) the term "Code" means the Internal Revenue Code of 1986, as amended; (2) the terms "surviving spouse" and "Subsidiary Company" as used herein mean surviving spouse and subsidiary company as determined under (or, in the case of "subsidiary company", as defined in) the United States Steel 1994 Salaried Pension Rules adopted under the United States Steel Corporation Plan for Employee Pension Benefits (Revision of 2003) (the "Pension Plan"); and the term "continuous service" as used herein means continuous service as determined under the United States Steel Corporation Savings Fund Plan for Salaried Employees.

**2. Vesting**

The Participant will vest in his Supplemental Account upon his termination of employment with the Corporation; provided, that such termination is either (i) on or after his attainment of age 65, or (ii) with the Corporation's consent, or (iii) on account of his death or involuntary termination other than for cause.

**3. Amount of Benefit**

The benefit accrued under the Supplemental Account shall be equal to the amount of Corporation contributions and investment earnings credited to the Participant's Supplemental Account.

**a. Corporation Contributions to the Supplemental Account**

The Participant's Supplemental Account shall be credited with Corporation contributions equal to the bonus awards paid (or payable) to the Participant pursuant to the United States Steel Corporation 2005 Annual Incentive Compensation Plan (and/or under similar incentive plans or under profit sharing plans, if the employing entity has a profit sharing plan rather than an incentive plan) multiplied by 8.5%. The crediting of Corporation contributions shall occur on the date the applicable Incentive Compensation is paid to the Participant.

**b. Investment Earnings in the Supplemental Account**

The Participant's Supplemental Account shall be credited with investment earnings in the same manner as if the balance in the Account had been invested in the United States Steel Corporation Savings Plan for Salaried Employees ("Savings Fund Plan") and had been invested in the Fidelity Freedom 2020 Fund (individuals born between 1951 and 1960). The number of shares to be credited to the Participant's Supplemental Account (book entry only) will be calculated using the amount of contribution and the net asset value of the applicable Investment Option at markets close on the processing date.

4. **Form of Benefit and Timing of Distribution**

The Supplemental Account shall be payable in the form of a lump sum distribution to the Participant on the first business day of the seventh month following the date of the Participant's termination of employment (or, if earlier, the last business day of the calendar month following the month of the Participant's death). The term "termination of employment", when used in the context of a condition to payment hereunder, shall mean a "separation from service" as that term is used under section 409A(a)(2)(A)(i) of the Code. During this six-month delay period, earnings will accrue and be payable, on the date specified in the preceding sentence, on the balance due in the same manner as if the balance in the Account had been invested as provided in section 3.b. above.

In the event the Participant dies prior to termination of employment, the Supplemental Account shall be paid to the Participant's surviving spouse (or to the Participant's estate, if there is no surviving spouse) in the form of a lump sum distribution. The payment date shall be on the last business day of the calendar month following the month in which such death occurred.

In the event the Participant dies after termination of employment but prior to receiving the benefits credited to his Supplemental Account, the Benefits shall be paid to the Participant's surviving spouse (or to the Participant's estate, if there is no surviving spouse) in the form of a lump sum distribution on the scheduled payment date (i.e., the last business day of the calendar month following the month of the Participant's death).

Any lump sum distribution payable as described above following termination of employment or death shall represent full and final settlement of all benefits provided under the Supplemental Account.

5. **General Provisions**

a. **Administration**

The Vice President - Administration, United States Steel and Carnegie Pension Fund, is responsible for the administration of the Supplement Account. The administrator shall decide all questions arising out of and relating to the administration of the Supplemental Account. The decision of the administrator shall be final and conclusive as to all questions of interpretations and application of the Supplemental Account.

b. **Amendment or Termination of Supplemental Account**

The Corporation reserves the right to make any changes in this Supplemental Account or to terminate it, but in no event shall such amendment or termination adversely affect the vested or non-vested benefits accrued hereunder prior to the effective date of such amendment or termination. If the Supplemental Account is terminated, the Participant will continue to accrue eligibility service under the Supplemental Account for purposes

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of satisfying the age 65 requirement, as long as he remains employed with the Corporation, his participating employer, or any member of the controlled group that includes the Corporation. Any amendment to this Supplemental Account which changes this Supplemental Account (including any amendment which increases, reduces or alters the benefits) or any action which terminates the Supplement Account for the Participant shall be made by a resolution of the Corporation's Board of Directors (or any authorized committee of such Board) adopted in accordance with the bylaws of the Corporation and the corporation law of the state of Delaware.

c. No Guarantee of Employment

Neither the creation of this Supplement Account nor anything contained herein shall be construed as giving the Participant any right to remain in the employ of the Corporation.

d. Nonalienation

No benefits payable under this Supplemental Account shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution, or encumbrance of any kind by operation of law or otherwise. However, this section shall not apply to portions of benefits applied to satisfy (i) obligations for the withholding of taxes, or (ii) obligations under a qualified domestic relations order.

e. No Requirement to Fund

Except to the extent provided otherwise in this paragraph, benefits provided by this Supplemental Account shall be paid out of general assets of the Corporation. No provisions in this Supplemental Account, either directly or indirectly, shall be construed to require the Corporation to reserve, or otherwise set aside, funds for the payment of benefits hereunder.

f. Controlling Law

To the extent not preempted by the laws of the United States of America, the laws of the Commonwealth of Pennsylvania shall be the controlling state law in all matters relating to this Supplemental Account.

g. Severability

If any provisions of this Supplemental Account shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts of this Supplemental Account, but this Supplemental Account shall be construed and enforced as if said illegal or invalid provision had never been included herein.

h. Exclusive Provisions

The provisions contained herein constitute the complete and exclusive statement of the terms of this Supplemental Account. There are no written or oral representations, promises, statements or commitments, other than those expressly set forth herein, with respect to benefits provided by this Supplemental Account. All reliance by any individual concerning the subject matter of this Supplemental Account shall be solely upon the provisions set forth in this document.

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i. Code Section 409A

This Supplemental Account shall be interpreted and administered in accordance with Section 409A of the Code and the regulations and interpretations that may be promulgated thereunder.

**United States Steel Corporation**  
**Non Tax-Qualified Retirement Account Program**  
**Effective December 31, 2006, Amended as of February 21, 2011**

**1. History and Purpose**

United States Steel Corporation established the United States Steel Corporation Non Tax-Qualified Retirement Account Program (the "Program"), and hereby amends and restates the Program effective February 21, 2011. The Program was previously amended to comply with section 409A of the Internal Revenue Code of 1986, as amended (the "Code").

The purpose of this Program is to compensate individuals for the loss of Retirement Account contributions under the United States Steel Corporation Savings Fund Plan for Salaried Employees ("Savings Fund Plan") or the Tubular Services Savings Plan ("Tubular Plan") (collectively, "Savings Plans") that occurs due to certain limits established under the Code or that are required under the Code. The term "Corporation" shall mean United States Steel Corporation and any other company that is a participating employer in the Savings Plans.

**2. Eligibility**

Except as otherwise provided herein, an individual is a "Member" of the Program if he or she is an employee of the Corporation who was hired on or after July 1, 2003, is eligible to participate in the Savings Plans, and is not permitted to receive Retirement Account contributions to the Savings Plans at least equal to the maximum rate of Retirement Account contributions applicable to his or her age because of the limitations of the Code.

Subject to the consent requirement outlined below, a Member shall be eligible to receive a distribution of the value of the Member's benefit accrued under the Program if the Member retires or otherwise terminates employment from the Corporation after completing three years of continuous service as defined in the Savings Plans. For terminations of employment prior to February 21, 2011, benefits shall not be payable under this Program with respect to a Member who terminates employment with the Corporation prior to age 60, unless the Corporation consents to the termination of employment; provided, however, that such consent is not required for terminations on account of: (a) death, or (b) involuntary termination, other than for cause.

**3. Amount of Benefits**

The benefit accrued under the Program for a Member shall be equal to the amount of Corporation contributions and investment earnings credited to the Member's Non Tax-Qualified Retirement Account ("Account") established under the Program.

a. Corporation Contributions to the Non Tax-Qualified Retirement Account

With respect to a month in which a Member's ability to receive the full Retirement Account contributions applicable to his or her age is restricted by law (including the limitations under Code sections 401(a)(17) and 415(c)) the full Retirement Account contribution which would otherwise have been deposited into the Savings Plans on behalf of the Member will be credited for such month to the Member's account under the Program. The amount to be credited shall be equal to the greater of:

- the product of the Member's monthly base salary that, on a year-to-date basis, is in excess of the Code section 401(a)(17) annual compensation limit for the year, multiplied by the applicable age-weighted crediting rate in effect for the Member, as shown below:

Participants in the Savings Fund Plan

<u>Age at Beginning of Month</u>	<u>Crediting Rate under Program</u>
Less than 35 years	4.75%
35 to less than 40	6.00%
40 to less than 45	7.25%
45 and above	8.50%

Participants in the Tubular Plan - Crediting Rate is 4%

- the amount of Retirement Account contribution which could not be contributed to the Savings Plans as a result of the applicable limit under Code section 415(c).

Any amount credited to a Member's Account will be subject to the requirements and limitations of Code section 409A and the Treasury Regulations thereunder. Effective July 1, 2009, when calculating the amount to be credited for a month to a Member's account, the amount of the Member's monthly base salary shall be deemed to be not less than his or her monthly base salary in effect on June 30, 2009, to the extent necessary to avoid the adverse effects of the temporary reduction in base salary effective July 1, 2009.

b. Investment Earnings in the Non Tax-Qualified Retirement Account

A Member's Account shall be credited with investment earnings in the same manner as if the balance in the Account had been invested in the Savings Plans and had been invested in the applicable Investment Option listed below that is closest to the year the Member will attain age 65 based on the year of the Member's birth:

- Fidelity Freedom 2010 Fund (Members born between 1941 and 1950)
- Fidelity Freedom 2020 Fund (Members born between 1951 and 1960)
- Fidelity Freedom 2030 Fund (Members born between 1961 and 1970)
- Fidelity Freedom 2040 Fund (Members born between 1971 and 1980)
- Fidelity Freedom 2050 Fund (Members born between 1981 and 1990)

The number of shares to be credited to a Member's Account in the Program (book entry only) will be calculated using the amount of contribution and the net asset value of the applicable Investment Option at markets close on the processing date.

4. Form of Benefit and Timing of Distribution

a. Lump Sum Distribution

Subject to section 4.b. below, a Member shall receive, upon the Member's termination of employment from the Corporation, a lump sum distribution of the benefits payable to him or her under the Program. The term "termination of employment", when used in the context of a condition to, or time of, payment hereunder, shall mean a "separation from



service” as that term is used under section 409A(a)(2)(A)(i) of the Code and the regulations thereunder. The payment date shall be on the last business day of the calendar month following the month in which such termination of employment occurred.

In the event a Member dies prior to retirement, the Benefits shall be paid to the Member’s surviving spouse (or to the Member’s estate, if there is no surviving spouse) in the form of a lump sum distribution. The payment date shall be on the last business day of the calendar month following the month in which such death occurred.

In the event a Member dies after retirement but prior to receiving the benefits credited to his or her account under the Program, the Benefits shall be paid to the Member’s surviving spouse (or to the Member’s estate, if there is no surviving spouse) in the form of a lump sum distribution on the scheduled payment date (i.e., the last business day of the calendar month following the month in which the Member’s termination of employment occurred).

Any lump sum distribution payable as described above following termination of employment or death shall represent full and final settlement of all benefits provided under the Program.

b. Delay in Payment to Specified Employees

In the case of any Member who is determined by the administrator to be a “specified employee” (as defined in Code section 409A(a)(2)(B)(i) and the regulations thereunder), no amount of such Member’s lump sum distribution shall be distributed as described in section 4.a. above, but rather shall be payable on the first business day of the seventh month following the date of the Member’s termination of employment (or, if earlier, the last business day of the calendar month following the month of the Member’s death). During this six-month delay period, earnings will accrue and be payable, on the date specified in the preceding sentence, on the balance due in the same manner as if the balance in the Account had been invested as provided in section 3.b. above

5. General Provisions

a. Administration

The Vice President - Administration, United States Steel and Carnegie Pension Fund, is responsible for the administration of this Program. The administrator shall decide all questions arising out of and relating to the administration of this Program. The decision of the administrator shall be final and conclusive as to all questions of interpretations and application of the Program.

b. Amendment or Termination of Program

The Corporation reserves the right to make any changes in this Program or to terminate this Program as to any or all groups of employees covered under this Program, but in no event shall such amendment or termination adversely affect the vested or non-vested benefits accrued hereunder prior to the effective date of such amendment or termination. If the Program is terminated, employees who are (or were) covered under this Program will continue to accrue eligibility service under the Program for purposes of satisfying the age 60 requirement that was in effect for terminations of employment prior to February 21, 2011, and/or the three-year service requirement as long as they remain employed with the Corporation, their participating employer, or any member of the controlled group that includes the Corporation. Any amendment to this Program which changes this Program (including

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any amendment which increases, reduces or alters the benefits of this Program) or any action which terminates this Program to any or all groups shall be made by a resolution of the United States Steel Corporation Board of Directors (or any authorized committee of such Board) adopted in accordance with the bylaws of United States Steel Corporation and the corporation law of the state of Delaware.

c. No Guarantee of Employment

Neither the creation of this Program nor anything contained herein shall be construed as giving an individual hereunder any right to remain in the employ of the Corporation.

d. Nonalienation

No benefits payable under this Program shall be subject in any way to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution, or encumbrance of any kind by operation of law or otherwise. However, this section shall not apply to portions of benefits applied to satisfy (i) obligations for withholding of employment taxes, or (ii) obligations under a qualified domestic relations order.

e. No Requirement to Fund

Benefits provided by this Program shall be paid out of general assets of the Corporation. No provisions in this Program, either directly or indirectly, shall be construed to require the Corporation to reserve, or otherwise set aside, funds for the payment of benefits hereunder.

f. Controlling Law

To the extent not preempted by the laws of the United States of America, the laws of the Commonwealth of Pennsylvania shall be the controlling state law in all matters relating to this Program.

g. Severability

If any provisions of this Program shall be held illegal or invalid for any reason, said illegality or invalidity shall not affect the remaining parts of this Program, but this Program shall be construed and enforced as if such illegal or invalid provision had never been included herein.

h. Exclusive Provisions of Program

The provisions contained herein constitute the complete and exclusive statement of the terms of this Program. There are no written or oral representations, promises, statements or commitments, other than those expressly set forth herein, with respect to benefits provided by this Program. All reliance by any individual concerning the subject matter of this Program shall be solely upon the provisions set forth in this document.

i. Code Section 409A

This Program shall be interpreted and administered in accordance with section 409A of the Code and the regulations and interpretations that may be promulgated thereunder.



United States Steel Corporation  
600 Grant Street  
Pittsburgh, PA 15219-2800  
412 433 1148  
Fax: 412 433 6219  
smsuver@uss.com

**Susan M. Suver**  
Vice President-Human Resources

June 28, 2012

Mr. Mario Longhi  
16609 Villalenda de Avila  
Tampa, FL 33613

Dear Mario:

In connection with the commencement of your employment with United States Steel Corporation (hereinafter "the Company"), and in consideration of such employment, you acknowledge and agree that during your employment and, should your employment with the Company terminate for any reason, for a period of twelve (12) months immediately following such termination, you shall not, unless acting pursuant to the prior written consent of the Company's Board of Directors, directly or indirectly (a) own, manage, operate, finance, join, control or participate in the ownership, operation, management, financing or control of, or be connected as an officer, director, employee, partner, principal, agent, representative, consultant or otherwise with, or use or permit your name to be used in connection with any Competing Business, (b) solicit or divert to any Competing Business any individual or entity which is then a customer, or was a customer of the Company at any time during the twelve (12) months preceding your termination, or (c) employ, attempt to employ, solicit or assist any business or enterprise in employing any employee of the Company or advise or recommend to any other person or entity that he or it employ or solicit for employment any employee of the Company. Notwithstanding the foregoing, ownership of 1% or less of any class of outstanding securities of a Competing Business shall not be deemed a violation of this paragraph. The term "Competing Business" shall mean any business or enterprise engaged in the manufacture or sale of flat-rolled or tubular steel products within (i) any state of the United States or the District of Columbia or (ii) any foreign country in which the Company has engaged in any such business within twelve (12) months prior to, or within the twelve (12) month period immediately following, the termination of your employment. In the event that the provisions of this agreement should ever be adjudicated to exceed the time, geographic, product or other limitations permitted by applicable law in any jurisdiction, then such provisions shall be deemed reformed in such jurisdiction to the maximum time, geographic, product or other limitations permitted by applicable law. You acknowledge the reasonableness of the duration and scope of these non-competition and non-solicitation periods and agree that you would be able to obtain employment and will remain able to obtain employment other than as limited herein. You further acknowledge and agree that your employment with the Company will create a relationship of confidence and trust between you and the Company with respect to confidential Company information, and that you will maintain the confidentiality of all such information, which includes any and all confidential and/or proprietary information and data of the Company, whether expressed in writing or

June 28, 2012

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otherwise, relating to or concerning the Company or its finances, products, technology, business, customers and properties, including any projections, plans or prospects relating thereto. The Company's standard provisions relating to confidential information are incorporated by reference, as if fully set forth herein, and you expressly agree that those restrictions will remain in full force and effect during and post-termination of your employment in accordance with their terms.

Please acknowledge your agreement with the above by signing below.

**United States Steel Corporation**

By: /s/ S. M. Suver

Date: June 28, 2012

/s/ Mario Longhi

Mario Longhi

Date: June 28, 2012

**THIS DOCUMENT CONSTITUTES PART OF A PROSPECTUS COVERING SECURITIES THAT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933.**

**Performance Award Grant Agreement  
(Long-Term Incentive Compensation Program under the 2005 Stock Incentive Plan)**

United States Steel Corporation, a Delaware Corporation, herein called the Corporation, grants to the undersigned employee of the employing company identified below (the "Grantee") a Performance Award representing the right to receive a specified number of shares of the common stock of the Corporation ("Shares") set forth below, which right, if payable, shall be paid in Shares:

<b>Name of Grantee:</b>	<b>PARTICIPANT NAME</b>
<b>Name of Employing Company on Date Hereof:</b>	<b>(the company recognized by the Corporation as employing the Grantee on the date hereof)</b>
<b>Target Number of Shares Subject to Award:</b>	<b># SHARES</b>
<b>Maximum Number of Shares Subject to Award:</b>	<b>(two times the Target Number of Shares Subject to Award)</b>
<b>Performance Period</b>	<b>The approximately three-year period identified by the Compensation Committee in writing at the time of Grant</b>
<b>Performance Goals</b>	<b>(see Exhibit A, attached)</b>
<b>Date of This Award:</b>	<b>GRANT DATE</b>

By my acceptance, I agree that the above-listed Performance Award is granted under and governed by the terms and conditions of the Corporation's 2005 Stock Incentive Plan, as amended and restated (the "Plan"), the Corporation's Administrative Regulations for the Long-Term Incentive Compensation Program (the "Administrative Regulations"), and the Grant Terms and Conditions contained herein (the "Agreement") including the special provisions for my country of residence, if any, attached hereto as Exhibit B, as well as such amendments to the Plan and/or the Administrative Regulations as the Compensation & Organization Committee, or its successor committee (the "Committee"), may adopt from time to time.

United States Steel Corporation

By \_\_\_\_\_  
Authorized Officer

Accepted as of the above date: **ACCEPTANCE DATE**

By \_\_\_\_\_  
**PARTICIPANT ES**  
Signature of Grantee

**Terms and Conditions**

1. **Grant of Performance Award:** The Performance Period for purposes of determining whether the Performance Goal has been met shall be the approximately three-year period determined in accordance with the Administrative Regulations by the Compensation Committee in writing at the time of Grant. The Performance Goal for purposes of determining whether, and the extent to which, the Performance Award will vest is set forth in Exhibit A to this Agreement. The Peer Group for purposes of determining whether the Performance Goal has been achieved is the Peer Group identified by the Compensation Committee in writing at the time of Grant. The Peer Group is subject to adjustment as described in the Administrative Regulations and as the Committee, in its discretion, may additionally set forth at the commencement of the Performance Period in accordance with Section 162(m) of the U.S. Internal Revenue Code. Exhibit A is incorporated by reference herein. Subject to the Administrative Regulations and the provisions of this Agreement, the Performance Award shall become payable, if vested, following the Committee's determination and certification after the end of the Performance Period, as to whether and the extent to which the Performance Goal has been achieved; provided that the Committee retains no discretion to reduce or increase Performance Awards that become payable as a result of performance measured against the Performance Goals.

2. **Payment of Award:** If the Performance Award is payable, the Corporation shall cause a stock certificate to be issued in the Grantee's name, for no cash consideration, for the number of shares of common stock of the Corporation determined by the Committee to be payable pursuant to paragraph 1 hereof. Payment shall be made following the end of the Performance Period, and in no event more than two and one-half months following the end of the calendar year in which the Performance Period ends. In the event that any payment to a U.S. tax-payer with respect to a Performance Award is considered to be based upon separation from service, and not compensation the Grantee could receive without separating from service, then such amounts may not be paid until the first business day of the seventh month following the date of the Grantee's termination if the Grantee is a "specified employee" under Section 409A of the Code upon his separation from service.

3. **Transferability:** The Grantee shall not sell, transfer, assign, pledge or otherwise encumber or dispose of any portion of the Performance Award and the right to receive Shares, and any attempt to sell, transfer, assign, pledge or encumber any portion of the Shares prior to the payment, if at all, of a stock certificate in the name of the Grantee shall have no effect, regardless of whether voluntary, involuntary, by operation of law or otherwise.

4. **Change of Control:** Notwithstanding anything to the contrary stated herein, in the case of a Change of Control of the Corporation, (a) the Performance Period shall automatically end, (b) the actual performance for the abbreviated Performance Period shall be measured against the established Performance Goals, the performance criteria shall be deemed satisfied only to the extent the actual performance was achieved (the "Achieved Performance Award"), and the balance of the Performance Award, if any, shall be forfeited, and (c) the Achieved Performance Award shall remain subject to forfeiture until the third anniversary of the Grant of this Performance Award if the Grantee's employment is terminated after the Change of Control but before the third anniversary of the date of Grant; provided, however, notwithstanding Section 5, (i) if the Grantee's employment is terminated, other than for Cause or a voluntary termination other than, in the case of participants designated as executive management at the time of the Change of Control, for Good Reason, within 24 months following a Change of Control, then the Achieved Performance Award shall not be forfeited upon such termination; rather, the Achieved Performance Award shall vest immediately upon the termination, (ii) if the Grantee's employment is terminated by reason of death or Disability, then the Achieved Performance Award shall not be forfeited upon such death or Disability; rather, the Achieved Performance Award shall vest immediately upon the Grantee's death during employment or termination of employment by reason of Disability; and (iii) if the Grantee's employment is terminated by reason of Retirement or Termination with Consent, then a prorated portion of the Achieved Performance Award will vest, based upon the number of complete months worked during the original Performance Period in relation to the number of whole months in the original Performance Period and the remainder shall be forfeited.

5. **Termination of Employment:** Unless otherwise determined by the Committee, (a) the Performance Award is forfeited if the Grantee's employment is terminated with the employing company identified above or the Corporation, its Subsidiaries or affiliates (each an "Employing Company") during the Performance Period due to Retirement, a Termination without Consent or Termination for Cause, (b) the Performance Award will vest if the Grantee's employment is terminated during the Performance Period due to a Termination with Consent, and (c) a prorated value of the Performance Award will vest based upon the schedule contained within the Administrative Regulations in the event of a Grantee's termination of employment during the Performance Period by reason of Death or Disability, in any case to be calculated and delivered following the end of the relevant Performance Period in accordance with paragraph 2 hereof, provided that the relevant Performance Goal for the Performance Period is achieved. The remaining value of the Performance Award is forfeited immediately upon the Grantee's termination of employment without consideration or further action being required of the Corporation or the Employing Company. Any and all forfeitures shall be evidenced by written notice to the Grantee.

6. **Vesting:** Subject to Sections 4 and 5, the Grantee must continue as an active employee of an Employing Company during the Performance Period and through the date on which the Committee certifies whether the Performance Goal relating to the Performance Period has been achieved, subject to the Employing Company's right to terminate the Grantee's employment at any time, performing such duties consistent with his capabilities.

Except as provided in Section 5 of this Agreement, notwithstanding any other terms or conditions of the Plan, the Administrative Regulations or this Agreement to the contrary, in the event of the Grantee's termination of employment (whether or not in breach of local labor laws), the Grantee's rights under this Agreement will terminate effective as of the date that the Grantee is no longer actively employed by an Employing Company and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when the Grantee is no longer actively employed for purposes of the Performance Award.

7. Adjustments and Recoupment: The Target and Maximum number of Shares are subject to adjustment as provided in Section 8 of the Plan. The Grantee shall be notified of such adjustment and such adjustment shall be binding upon the Corporation and the Grantee. Consistent with Section 8 of this Agreement, this grant shall be administered in accordance with, and is subject to, any recoupment policies and provisions prescribed by the Plan and/or the Administrative Regulations at the time of such grant; notwithstanding the foregoing, this grant shall be subject to all recoupment provisions required by law from time to time. In its sole discretion, the Committee shall have the authority to amend, waive or apply the terms of any recoupment policies or provisions not required by law, in whole or in part, to the extent necessary or advisable to comply with applicable local laws, as determined by the Committee.

8. Interpretation and Amendments: This Grant and the issuance, vesting and delivery of Shares are subject to, and shall be administered in accordance with, the provisions of the Plan and the Administrative Regulations, as the same may be amended by the Committee from time to time, provided that no amendment may, without the consent of the Grantee, affect the rights of the Grantee under this Grant in a materially adverse manner. For purposes of the foregoing sentence, an amendment that affects the tax treatment of the Performance Award shall not be considered as affecting the Grantee's rights in a materially adverse manner. All capitalized terms not otherwise defined herein shall have the meaning assigned to such terms in the Plan or the Administrative Regulations. In the event of a conflict between the Plan and the Administrative Regulations, unless this Grant specifies otherwise, the Plan shall control.

RETENTION PERFORMANCE AWARD GRANT FORM – May 2012

9. **Compliance with Laws:** The obligations of the Corporation and the rights of the Grantee are subject to all applicable laws, rules and regulations including, without limitation, the U.S. Securities Exchange Act of 1934, as amended; the U.S. Securities Act of 1933, as amended; the U.S. Internal Revenue Code of 1986, as amended; and any other applicable laws. No Shares will be issued or delivered to the Grantee under the Plan unless and until there has been compliance with such applicable laws.

10. **Acceptance of Grant:** The Grant shall not be payable unless it is accepted by the Grantee and notice of such acceptance is received by the Stock Plan Officer.

11. **Withholding Taxes:** The Grantee acknowledges that, regardless of any action taken by the Corporation or the Employing Company, the ultimate liability for any or all income tax, social security, payroll tax, payment on account or other tax-related withholding ("Tax-Related Items") is and remains his or her responsibility and may exceed the amount withheld by the Corporation or the Employing Company. Furthermore, the Grantee acknowledges that the Corporation and/or the Employing Company (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Award, including the grant, vesting, or settlement of the Performance Award or the subsequent sale of Shares; and (b) do not commit to and are under no obligation to structure the terms of the grant of the Performance Award or any aspect of the Grantee's participation in the Plan to reduce or eliminate his or her liability for Tax-Related Items or to achieve any particular tax result. Further, if the Grantee has become subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable event, the Grantee acknowledges that the Corporation and/or the Employing Company (or former Employing Company, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable event, the Grantee shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employing Company to satisfy all Tax-Related Items of the Corporation and/or the Employing Company. In this regard, the Grantee shall pay any Tax-Related Items directly to the Corporation or the Employing Company in cash upon request. In addition, the Grantee authorizes the Corporation and/or the Employing Company, or their respective agents, at their discretion, to satisfy the obligations with regard to all applicable Tax-Related Items by one or a combination of the following methods: (1) withholding from Grantee's wages or other cash compensation paid to Grantee by the Corporation and/or the Employing Company; (2) withholding from proceeds of the sale of Shares issued upon payment of the Performance Award either through a voluntary sale or through a mandatory sale arranged by the Corporation (on the Grantee's behalf pursuant to this authorization) through such means as the Corporation may determine in its sole discretion (whether through a broker or otherwise); or (3) withholding in Shares to be issued upon payment of the Performance Award. If the Corporation gives the Grantee the power to choose the withholding method, and the Grantee does not make a choice, then the Corporation will withhold in Shares as stated in alternative (3) herein.

To avoid negative accounting treatment, the Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the Corporation withholds at a rate other than the minimum statutory rate, such as the maximum withholding rate, then the refund of any over-withheld amount shall be paid in cash and the Grantee will have no entitlement to the Common Stock equivalent. If the Tax-Related Items are satisfied by withholding in Shares issuable upon vesting of the Performance Award, for tax purposes, the Grantee is deemed to have been issued the full number of Shares subject to the Performance Award, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. Finally, the Grantee shall pay to the Corporation or the Employing Company any amount of Tax-Related Items due as a result of any aspect of the Grantee's participation in the Plan. The Grantee understands that no Shares or proceeds from the sale of Shares shall be delivered to Grantee, notwithstanding the vesting of the Performance Award, unless and until the Grantee shall have satisfied any obligation for Tax-Related Items with respect thereto.

Notwithstanding anything in this Section 11 to the contrary, if the Performance Award is considered nonqualified deferred compensation, the fair market value of the shares withheld together with the amount of cash withheld may not exceed the liability for Tax-Related Items.

12. **Nature of the Grant:** Nothing herein shall be construed as giving Grantee any right to be retained in the employ of an Employing Company or affect any right that the Employing Company may have to terminate the employment of such Grantee. Further, by accepting this Performance Award, the Grantee acknowledges that:

- a) the Plan and the Administrative Regulations are established voluntarily by the Corporation, they are discretionary in nature and may be modified, amended, suspended or terminated by the Corporation at any time, to the extent permitted by their terms;
- b) the grant of the Performance Award is voluntary and occasional and does not create any contractual or other right to receive future Performance Awards, or benefits in lieu of Performance Awards, even if Performance Awards have been granted in the past;
- c) all decisions with respect to future Performance Award grants, if any, will be at the sole discretion of the Committee;
- d) the Grantee is voluntarily participating in the Plan;
- e) the Performance Award and the Shares subject to the Performance Award are extraordinary items which do not constitute compensation of any kind for services of any kind rendered to the Corporation or to the Employing Company, and which are outside the scope of the Grantee's employment contract, if any;
- f) the Performance Award and the Shares subject to the Performance Award are not part of normal or expected compensation or salary for purposes of calculating any severance, resignation, termination, dismissal, redundancy, end-of-service payments, bonuses, long-service awards, pension or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Corporation or the Employing Company or any Subsidiary or affiliate of the Corporation;
- g) the Performance Award and the Shares subject to the Performance Award are not intended to replace any pension rights or compensation;
- h) the grant of the Performance Award will not be interpreted to form an employment contract or relationship with the Corporation, the Employing Company or any Subsidiary or affiliate of the Corporation;
- i) the future value of the Shares underlying the Performance Award is unknown, indeterminable and cannot be predicted with certainty;
- j) no claim or entitlement to compensation or damages arises from forfeiture of the Performance Award resulting from termination of the Grantee's employment by the Corporation or the Employing Company (for any reason whether or not in breach of applicable labor laws), and in consideration of the grant of the Performance Award to which the Grantee is not otherwise entitled, the Grantee irrevocably agrees never to institute any claim against the Corporation or the Employing Company, waives his or her ability, if any, to bring any such claim, and releases the Corporation and the Employing Company from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Grantee shall be deemed irrevocably to have agreed not to pursue such claim and agreed to execute any and all documents necessary to request dismissal or withdrawal of such claim;
- k) it is the Grantee's sole responsibility to investigate and comply with any applicable exchange control laws in connection with the issuance and delivery of Shares pursuant to the vesting of the Performance Award;
- l) the Corporation and the Employing Company are not providing any tax, legal or financial advice, nor are the Corporation or the Employing Company making any recommendations regarding the Grantee's participation in the Plan or the Grantee's acquisition or sale of the Shares underlying the Performance Award;
- m) the Grantee is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan;
- n) unless otherwise provided in the Plan, Administrative Regulations or by the Corporation in its discretion, the Performance Award and the benefits evidenced by this Agreement do not create any entitlement to have the Performance Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares of the Corporation; and
- o) the following provisions apply only if the Grantee is providing services outside the United States:
  - i) the Performance Award and Shares underlying the Performance Award are not part of normal or expected compensation for any purpose; and
  - ii) the Grantee acknowledges and agrees that neither the Corporation nor the Employing Company shall be liable for any foreign exchange rate fluctuation between the local currency and the United States Dollar that may affect the value of the Performance Award or of any amounts due to the Grantee pursuant to the settlement of the Performance Award or the subsequent sale of any Shares acquired upon settlement.

13. **Data Privacy:** *The Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of his or her personal data as described in this document by and among, as applicable, any Employing Company and the Corporation for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan.*

*The Grantee understands that the Employing Company and the Corporation hold certain personal information about the Grantee, including, but not limited to, Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any Shares or directorships held in the Corporation, details of all Performance Awards or any other entitlement to Shares awarded, canceled, vested, unvested or outstanding in Grantee's favor, as the Employing Company and/or the Corporation deems necessary for the purpose of implementing, administering and managing the Plan ("Data"). The Grantee acknowledges and understands that Data may be transferred to any broker as designated by the Corporation and any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the Grantee's country or elsewhere (and outside the European Economic Area), and that the recipient's country may have different data privacy laws and protections than the Grantee's country. The Grantee understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting the Grantee's local human resources representative. The Grantee authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Grantee's participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Grantee may elect to deposit any Shares acquired upon vesting of the Performance Award. The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee understands that if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. The Grantee further understands that he or she is providing the consents herein on a purely voluntary basis. If the Grantee does not consent, or if the Grantee later seeks to revoke consent, the Grantee's employment status or service and career with the Employing Company will not be adversely affected. The Grantee understands, however, that refusing or withdrawing his or her consent may affect his or her ability to realize benefits from the Performance Award or otherwise participate in the Plan. For more information on the consequences of his or her refusal to consent or withdrawal of consent, the Grantee understands that he or she may contact his or her local human resources representative.*

14. **Electronic Delivery:** The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means or request the Grantee's consent to participate in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Corporation or another third party designated by the Corporation.

15. **Severability:** In the event that any provision in this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Agreement.

16. **Language:** If the Grantee has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

17. **Governing Law and Venue:** This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania, without regard to the conflicts of laws thereof. For purposes of litigating any dispute that arises under this grant or this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the Commonwealth of Pennsylvania, and agree that such litigation shall be conducted in the courts of Allegheny County, Pennsylvania, or the federal courts for the United States for the Western District of Pennsylvania, where this grant is made and/or to be performed.

18. **Exhibit B.** Notwithstanding any provisions in this Agreement, the Performance Award shall be subject to any special terms and conditions set forth in Exhibit B to this Agreement for the Grantee's country. Moreover, if the Grantee relocates to one of the countries included in Exhibit B, the special terms and conditions for such country will apply to the Grantee, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. Exhibit B constitutes part of this Agreement.

19. **Imposition of Other Requirements:** The Corporation reserves the right to impose other requirements on the Grantee's participation in the Plan, on the Performance Award and on any Shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable in order to comply with local law, and to require the Grantee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

20. **Headings:** Headings of paragraphs and sections used in this Agreement are for convenience only and are not part of this Agreement, and must not be used in construing it.

21. **Waiver:** The Grantee acknowledges that a waiver by the Corporation of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Grantee.



EXHIBIT A

Performance Goals\* for Performance Period

<u>Performance Goal</u>	<u>U. S. Steel TSR Performance Relative to Peer Group</u>	<u>&lt; 25<sup>th</sup> Percentile</u>	<u>25<sup>th</sup> Percentile</u>	<u>50<sup>th</sup> Percentile</u>	<u>75<sup>th</sup> Percentile or Greater</u>
<b>Payment Levels</b>	<b>% of Target Shares Vested</b>	<b>0%</b>	<b>50%</b>	<b>100%</b>	<b>200%</b>

- The Performance Goal for this Performance Award grant shall be the Target percentile determined by the Committee comparing United States Steel Corporation's Total Shareholder Return to the Total Shareholder Returns of the Peer Group companies. The payout shall be calculated in accordance with the Administrative Regulations (the "Administrative Regulations") for the Long-Term Incentive Compensation Program under the 2005 Stock Incentive Plan, as amended and restated.

**Notes:**

- Amounts for performance between the 25<sup>th</sup> and 50<sup>th</sup> and between the 50<sup>th</sup> and 75<sup>th</sup> percentiles will be interpolated.
- Total Shareholder Return (TSR) is calculated in accordance with the Administrative Regulations.
- Peer Group – As determined by the Compensation Committee at the time of grant.

RETENTION PERFORMANCE AWARD GRANT FORM – May 2012

**EXHIBIT B**

**Additional Terms and Conditions of the  
United States Steel Corporation 2005 Stock Incentive Plan  
Performance Award Grant Agreement**

**TERMS AND CONDITIONS**

This Exhibit B includes additional terms and conditions that govern the Performance Award granted to the Grantee under the Plan if he or she resides in one of the countries listed below. If the Grantee is a citizen or resident of a country other than that in which the Grantee is currently working or transfers employment to another country after the Performance Award is granted, the Corporation shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to the Grantee. Certain capitalized terms used but not defined in this Exhibit B have the meanings set forth in the Plan, the Administrative Regulations and/or the Agreement.

**NOTIFICATIONS**

This Exhibit B also includes information regarding exchange controls and certain other issues of which the Grantee should be aware with respect to participation in the Plan. The information is based on the laws in effect in the applicable countries as of April 2012. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that the Grantee not rely on the information in this Exhibit B as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time that the Grantee vests in the Performance Award or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Grantee's particular situation, and the Corporation is not in a position to assure the Grantee of a particular result. Accordingly, the Grantee is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to the Grantee's situation.

Finally, if the Grantee is a citizen or resident of a country other than that in which the Grantee is currently working or transfers employment to another country after the Performance Award is granted, the information contained herein may not be applicable.

**CANADA**

**TERMS AND CONDITIONS**

**Performance Award Payable Only in Shares.** Notwithstanding any discretion in the Plan or anything to the contrary in the Agreement, the grant of the Performance Award does not provide any right for the Grantee to receive a cash payment in settlement of the Performance Award and the Performance Award is payable in Shares only.

**Securities Law Commitment on Sale of Shares.** As a condition of the grant of the Performance Award and the issuance of any Shares upon vesting of the Performance Award, the Grantee undertakes to only sell, trade or otherwise dispose of any Shares issued to the Grantee under the Plan in accordance with applicable Canadian securities laws. Under current laws, this means that the Grantee will need to sell any Shares issued under the Plan using the services of a broker or dealer that is registered under Canadian provincial or territorial securities legislation. The Grantee will not be permitted to sell, trade or otherwise dispose of his or her Shares through the Company's designated U.S. plan broker, Fidelity Investments, unless such sale, trade or disposal can be executed in accordance with applicable securities laws. As legal requirements may be subject to change, Grantees are encouraged to seek specific advice about their individual situation before taking any action with respect to Shares issued to them under the Plan.

By accepting this Performance Award, the Grantee expressly agrees that he or she will consult with a personal legal advisor to address any questions that may arise regarding compliance with this requirement. The Grantee understands and agrees that he or she will be liable for any failure to comply with the foregoing provision.

**SERBIA**

**NOTIFICATIONS**

**Exchange Control Information.** Pursuant to the Law on Foreign Exchange Transactions (effective July 27, 2006), Serbian residents may freely acquire Shares under the Plan, however, the National Bank of Serbia generally requires reporting of the acquisition of such Shares, the value of the Shares at payment and, on a quarterly basis, any changes in the value of the underlying Shares. The Grantee is advised to consult with a personal legal advisor to determine his or her reporting obligations upon the acquisition of Shares under the Plan as such obligations are subject to change based on the interpretation of applicable regulations by the National Bank of Serbia. The Corporation reserves the right to require the Grantee to report details of the sale of his or her Shares to the Corporation or to follow such other procedures as may be established by the Corporation to comply with applicable exchange control regulations.

**SLOVAK REPUBLIC**

There are no country-specific provisions.

RETENTION PERFORMANCE AWARD GRANT FORM – May 2012

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

News



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**MARIO LONGHI JOINS U. S. STEEL AS EXECUTIVE VICE PRESIDENT AND CHIEF OPERATING OFFICER; BABCOKE, MATTHEWS AND WILLIAMS NAMED TO EXECUTIVE MANAGEMENT COMMITTEE**

PITTSBURGH, July 2, 2012 – United States Steel Corporation Chairman and Chief Executive Officer John P. Surma today announced that the company’s Board of Directors has elected Mario Longhi to the position of executive vice president and chief operating officer. He will report to U. S. Steel Chairman and Chief Executive Officer John P. Surma and will be based at U. S. Steel’s corporate headquarters in Pittsburgh. The company also announced the appointments of George F. Babcoke, Douglas R. Matthews and Michael S. Williams to the company’s executive management committee.

Longhi, 58, will be responsible for U. S. Steel’s North American Flat-Rolled, Tubular and Central European operations, as well as global operations services. “The global steel sector is facing one of the most complex and dynamic economic environments in recent decades, which places increasing strategic and operating demands on our company as we continue to execute our longer term business strategy while remaining flexible in the near term,” said Surma. “Mario joins our already strong and experienced operating executive leadership team of George Babcoke, Doug Matthews and Mike Williams who, collectively, have 100 years of steel and metals manufacturing experience.”

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Most recently, Longhi spent six years at Gerdau Ameristeel Corporation, serving first as president from 2005 through 2006 and then additionally in the role of chief executive officer from 2006 until 2011. Prior to his tenure at Gerdau Ameristeel, Longhi spent 23 years at Alcoa, where he advanced through increasingly responsible positions in his native Brazil, the United States and Switzerland, including president – Alcoa Wheels International, president – Alcoa Forgings Division, president and chief executive officer – Howmet Castings, and Alcoa vice president and group president – Global Extrusions.

“Mario is a seasoned strategic leader of operationally intensive, international metals businesses, and is well known and highly regarded within the steel industry,” said Surma. “His demonstrated track record in leading businesses with a focus on safety, quality, customer service excellence, continuous improvement, growth and results are an excellent match with the core values and results-oriented culture of U. S. Steel.”

Babcoke, senior vice president – Europe and global operations services, Matthews, senior vice president – Tubular Operations, and Williams, senior vice president – North American Flat-Rolled Operations, will report directly to Longhi.

Previously, Longhi served as chairman, director and executive committee member of the Steel Manufacturers Association and director of the American Iron and Steel Institute.

A native of Tatui, state of São Paulo, Brazil, Longhi earned a bachelor’s degree in metallurgical engineering from the Institute Mauá de Tecnológica in São Paulo. He became an American citizen in 2007.

Longhi and his wife, Maria Helena, will be relocating to Pittsburgh.

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For more information about U. S. Steel, visit [www.ussteel.com](http://www.ussteel.com).