

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

_____	)	
In re:	)	Chapter 11
	)	
PATRIOT COAL CORPORATION, et al.,	)	Case No. 12-12900 (SCC)
	)	
Debtors.	)	
	)	Jointly Administered
_____	)	

DECLARATION OF MICHEAL BUCKNER

IN SUPPORT OF OMNIBUS REPLY TO THE UNITED MINE WORKERS OF AMERICA  
TO OBJECTIONS TO MOTION OF THE UNITED MINE WORKERS OF AMERICA TO  
TRANSFER THE CASE TO THE SOUTHERN DISTRICT OF WEST VIRGINIA

I, Micheal Buckner, based upon my own personal knowledge, do hereby declare as follows:

1. I am currently serving on the unsecured creditors' committee in the Patriot bankruptcy proceeding as the representative of the United Mine Workers of America ("UMWA"). Since January 2005, I have served as a Trustee on the UMWA 1974 Pension Plan, a multiemployer pension plan organized under the provisions of the Taft-Hartley Act and ERISA. I continue to serve as a consultant to the UMWA. Previously, I was continuously employed by the UMWA from 1978 through 2004. My most recent position with the UMWA was as its Director of Research. My job required that I be familiar with pension and benefit issues arising under the National Bituminous Coal Wage Agreements ("NBCWA"), including those that concern the various UMWA Health and Retirement Funds and the other plans

covering working and retired coal miners. My job also required that I assist the UMWA in its negotiations with the Bituminous Coal Operators' Association, Inc. ("BCOA"), a multiemployer bargaining association representing employers in the bituminous coal industry, on pension and benefits issues. In this capacity, I participated in the negotiations that led to the 1984, 1988, 1993, 1998 and 2002 NBCWAs. I also provided support for the UMWA during its negotiations for the 2007 and 2011 NBCWAs. In addition to my involvement with negotiations for the various NBCWAs, I have participated in bargaining for contracts covering UMWA members working for employers who are not members of the BCOA.

2. The UMWA's procedure for negotiating and ratifying collective bargaining agreements covering its members is set forth in the Union's Constitution. It provides a number of provisions enabling the membership's involvement in developing the Union's bargaining proposals and tentative collective-bargaining agreements are submitted to the membership for ratification by secret ballot vote. Under our Constitution, the membership makes the final decision whether to accept or reject the negotiated terms. In particular and for purposes of the instant matter, Article 19 of the UMWA Constitution dictates the procedures that would apply for negotiations concerning the modification of any contractual terms and conditions for the employees of Patriot:

ARTICLE 19  
NEGOTIATIONS AND STRIKES

SECTION 1. For each collective agreement covering members in two or more Districts, there shall be established a Negotiating Committee. The International President shall chair the Negotiating Committee and select the persons to serve on the Committee and conduct negotiations.

SECTION 2. Prior to the beginning of negotiations for an agreement, the International District Vice President shall convene a District Conference

including elected representatives from all Local Unions in the District having members covered by that Agreement. The purpose of the District Conference shall include obtaining suggestions, views and recommendations reflecting the desires of the members as to what demands should be made and what priorities should be set in the negotiations. Recommendations made by District Conferences shall be advisory and shall not be binding on the Negotiating Committee.

SECTION 3. The Negotiating Committee shall decide the demands to be made in negotiations and the policies and priorities to be followed in negotiations. When the Negotiating Committee arrives at what it believes is the most favorable proposed agreement which can be reached, it shall submit that proposed agreement to a ratification vote by all members covered by the proposed agreement.

SECTION 4. All International Executive Board Members, International Representatives, District Representatives and any other members of the Negotiating Committee shall be obligated to use their best efforts to explain to the members the agreement recommended by the Negotiating Committee. Where practicable, the International District Vice President shall reconvene the District Conference to explain the agreement. Members of the Negotiating Committee, International Representatives, District Representatives shall attend any Local Union Meeting where the proposed agreement is being discussed for the purpose of explaining it.

SECTION 5. For each collective agreement covering members in only one District, the International President shall chair the Negotiating Committee, and together with the elected District officials, headed by the International District Vice President for that District and elected rank and file Negotiating Committee members, shall negotiate contract agreements. Any agreements recommended by the Negotiating Committee shall be subject to a ratification vote by all members covered by this Agreement.

SECTION 6. Ratification votes shall be held in each Local Union which has members covered by the agreement, and shall be conducted no less than 48 hours following a full explanation of the proposed agreement and full opportunity for discussion and debate. Only working members, or working members who have been sick or temporarily disabled, or members who are unemployed and on the mine panel or recall list at the time of the vote, shall be eligible to vote. Voting shall be by secret ballot and shall be held at such times and places as to make it convenient for all eligible working members to vote. No agreement shall be effective until it has been approved by a majority vote of all the valid ballots cast by participating members. If a majority fails to approve a proposed agreement, the International President is authorized to call a strike. To

the extent that there is no conflict with Article 19, Section 4, the International Union shall not use Union money in a campaign of paid advertisements such as television, radio or newspapers to try and sell the proposed contract to the rank and file....

I am attaching to this declaration, and incorporating as Attachment A, the pertinent sections of the UMWA Constitution.

The UMWA Constitution also provides in Article 19, at Section 7: "the rule of no contract, no work...." Id. Any strikes involving Patriot would occur at its active union operations, all but one of which are in West Virginia.

3. Given its public pronouncements as well as its filings in this proceeding, we understand that Patriot intends to seek changes in its current collective-bargaining agreements covering UMWA members. Consequently, UMWA International President Cecil Roberts has designated certain Union officials to serve on the Union's bargaining team to negotiate with Patriot when it seeks modifications to the current contracts. In addition to President Roberts, who will serve as the Chairman of the bargaining team, three International District Vice Presidents who have active Patriot mines within their jurisdictions will be involved in negotiations with Patriot. They are: International District 17 Vice President Joe Carter, International District 31 Vice President Mike Caputo, and International District 12 Vice President Steve Earle.

4. International Union President Cecil Roberts, a fifth generation coal miner and longtime member of the UMWA is a West Virginia resident. He has held national office since 1982, when he was elected Vice President of the International UMWA, the office he held until becoming the UMWA President in December 1995. First as Vice President and now as

President of the UMWA, President Roberts has been the chief Union spokesperson during numerous collective bargaining negotiations, including for the National Bituminous Coal Wage Agreements of 1993, 1998, 2002, 2007, and 2011. Before each of these negotiations, he conducted membership meetings in the coalfields to confer with the affected members about their primary areas of concern. Since 2005, he has also served on the Executive Committee of the AFL-CIO's Executive Council. Although President Roberts generally works out of the UMWA headquarters' office in Triangle Virginia, he spent most of the last few months working out of the UMWA's Charleston office to be close to his widowed mother who is elderly and in poor health; Mrs. Roberts lives in the family home in Cabin Creek, WV, and that is where he has been staying.

5. International District 17 Vice President Joe Carter is a fourth generation coal miner, works out of the UMWA offices in Charleston and Beckley, WV and is a resident of Stanaford, WV. He has served as an officer on the UMWA International Executive Board since 2004. Within District 17's jurisdiction, there are seven active Local Unions and six retiree Local Unions directly affected by this bankruptcy action and at least another three Local Unions with retired members for whom Patriot currently provides benefits. The members of all of these Local Unions could be adversely affected by this bankruptcy. The active Locals include over 1,200 working coal miners in: Local 1503 (representing employees of Black Oak, Gateway Eagle and Gateway Farley Eagle); Local 781 (Wells Complex); Local 6426 (Big Mountain); Local 9177 (Rock Lick Prep Plant); Local 2286 (Hobet Mining Co.'s Beth Station Plant, Hobet 021 Surface, and Hillfork Surface); Local 5958 (Apogee's Guyan Mine); and Local 5850 (Apogee's Fanco). The retiree locals include over 4,000 retirees in: Local 7604

(Eastern Associated's Kopperston #1 and #2 Mines); Local 1340 (Sunnyhill, in New Lexington OH); Local 1766 (Cedar Coal and Chelyan Dock); Local 2935 (Arch's Sharples); Local 9781 (Eastern Associated in Herndon WV); and Local 6196 (Eastern Associated's Keystone Mine). Further, Local Union Nos. 5770, 7086, and 6608 all include retired members for whom Patriot now provides benefits.

6. International District 31 Vice President Mike Caputo is a third generation coal miner who works out of the UMWA office in Fairmont, WV and resides in Rivesville, WV. He has been an officer on the International Executive Board of the UMWA since 2009 and served as an International Representative for the UMWA for over 20 years prior to that time. Within UMWA District 31's jurisdiction lies Patriot's Federal 2 mine, a large active underground coal mine. There are also three retiree Local Unions within the jurisdiction of District 31 that include retirees whose medical benefits could be adversely affected by this matter: Local 1949 (Martinka mine); Local 4047 (Eastern Associated); and Local 1188 (Simco strip mine).

7. International District 12 Vice President Steve Earle works out of the UMWA office in Madisonville, KY and is a resident of Depoy, KY. He has been an officer on the International Executive Board of the UMWA since 2008. The Highland mine, which is an active Patriot mine in Kentucky, lies within District 12's jurisdiction. There are also approximately 4,000 retired members in Local Unions in Illinois, Indiana, and Western Kentucky, all within the jurisdiction of District 12; these members and their dependents would all be adversely affected by any reductions to the existing benefits.

8. For each of the three UMWA Districts most directly affected by this bankruptcy proceeding, UMWA Districts 17, 31, and 12, the elected leadership and appointed District staff

personnel have maintained constant communication with their memberships. The District leadership teams have been in regular contact with the membership of active operations by visiting mine sites before and after their work shifts, and with the retired and active members by attending Local Union membership meetings. Patriot's stated intention to reduce the operational costs associated with the current collective bargaining agreements and retiree benefits are a significant concern to all of these members. Consequently, our members have repeatedly raised questions and concerns about the continuation of their contractual and medical benefits. The District Vice Presidents, as well as their staff personnel, are in daily contact with our members about these issues.

9. In July, the International UMWA leadership traveled to the coalfields in West Virginia to meet with the leaders of all affected Local Unions to review this matter and discussed the potential impact on our active and retired members and their families. This week the UMWA held mass membership meetings in both Evansville, IN and Charleston, WV for its active and retired members and their dependents to review the legal developments to date and to provide information.

10. In the event there are hearings in this case involving the modification of the collective bargaining agreements with the UMWA and/or retiree health benefits, the UMWA will present workers and retirees, most of whom live in or near Southern West Virginia, as witnesses. In addition, workers and retirees who are not called as witnesses but who would be affected by any modifications to their wages and benefits have an interest in attending and observing any such hearings. It would impose a hardship on these workers and retirees if the hearings would be held in New York City.

I have read this Declaration of Micheal Buckner in its entirety. Pursuant to 28 U.S.C.  
sec. 1746, I declare under penalty of perjury that the foregoing is true and correct to the  
best of my knowledge.

  
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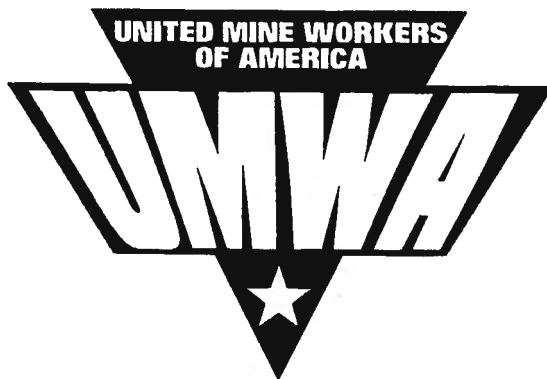
Dated this <sup>30<sup>th</sup></sup> day of August, 2012



# **Attachment A**

***THE FIGHT OF OUR  
LIVES***

***CONSTITUTION  
of the  
INTERNATIONAL UNION  
UNITED MINE WORKERS  
OF AMERICA***



***Effective July 29, 2010  
Pursuant to the International  
Convention of 2010  
July 26-29, 2010***

*Articles 18-19*

poses set forth in Section 1 of this Article require immediate intervention before a hearing can be held and a decision by the International Executive Board can be made, the International President may appoint a temporary Administrator with such authority as may be necessary, until a hearing can be held and a decision made, but such an appointment shall not be effective for more than sixty days. Action taken by the International President under this Section may be appealed to the International Executive Board on the grounds that it is unwarranted and is a clear abuse of power. Such an appeal shall be heard and decided by the International Executive Board within ten (10) calendar days after the appeal has been filed.

**ARTICLE 19**

**NEGOTIATIONS AND STRIKES**

**SECTION 1.** For each collective agreement covering members in two or more Districts, there shall be established a Negotiating Committee. The International President shall chair the Negotiating Committee and select the persons to serve on the Committee and conduct negotiations.

*Article 19*

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*Article 19*

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explanation of the proposed agreement and full opportunity for discussion and debate. Only working members, or working members who have been sick or temporarily disabled, or members who are unemployed and on the mine panel or recall list at the time of the vote, shall be eligible to vote. Voting shall be by secret ballot and shall be held at such times and places as to make it convenient for all eligible working members to vote. No agreement shall be effective until it has been approved by a majority vote of all the valid ballots cast by participating members. If a majority fails to approve a proposed agreement, the International President is authorized to call a strike. To the extent that there is no conflict with Article 19, Section 4, the International Union shall not use Union money in a campaign of paid advertisements such as television, radio or newspapers to try and sell the proposed contract to the rank and file.

**STRIKES**

**SECTION 7.** Only the International President can call or authorize a strike. When a contract expires, the rule of no contract, no work shall prevail unless otherwise ordered by the International President. Where appro-