

CANADIAN PACIFIC RAILWAY LTD/CN  
Form 6-K  
September 30, 2008

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 6-K

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of

the Securities Exchange Act of 1934

For the month of September, 2008

CANADIAN PACIFIC RAILWAY LIMITED  
(Commission File No. 1-01342)  
CANADIAN PACIFIC RAILWAY COMPANY  
(Commission File No. 1-15272)  
(translation of each Registrant's name into English)

Suite 500, Gulf Canada Square, 401 9th Avenue, S.W., Calgary, Alberta, Canada, T2P 4Z4  
(address of principal executive offices)

Indicate by check mark whether the registrants file or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F  Form 40-F

Indicate by check mark whether the registrants by furnishing the information contained in this Form are also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):  
82-\_\_\_\_\_

This Report furnished on Form 6-K shall be incorporated by reference into each of the following Registration Statements under the Securities Act of 1933 of the registrant: Form S-8 No. 333-140955 (Canadian Pacific Railway Limited), Form S-8 No. 333-127943 (Canadian Pacific Railway Limited), and Form S-8 No. 333-13962 (Canadian Pacific Railway Limited).

SIGNATURES

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

CANADIAN PACIFIC RAILWAY LIMITED  
CANADIAN PACIFIC RAILWAY COMPANY  
(Registrants)

Date: September 30, 2008

By: Signed: G. A. Feigel

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Name: G. A. Feigel

Title: Assistant Corporate Secretary

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**Release: Immediate, September 30, 2008**

**CANADIAN PACIFIC WELCOMES STB APPROVAL**

CALGARY Canadian Pacific Railway Limited (TSX/NYSE: CP) announced today that it has received regulatory approval from the US Surface Transportation Board (STB) to acquire control of the Dakota, Minnesota & Eastern Railroad Corporation and its subsidiaries: Iowa, Chicago & Eastern Railroad and Cedar American Rail Holdings. The STB denied all requests for conditions other than those agreed to voluntarily by CP. The official effective date of the final decision is October 30, 2008.

The DM&E is an excellent fit for Canadian Pacific making this a strategic end-to-end addition to our network, said Fred Grrder-left-width: 1; border-right-width: 1; border-bottom-width: 1">1.Title of Security

(Instr. 3)2. Transaction Date (Month/Day/Year)2A. Deemed Execution Date, if any (Month/Day/Year)3. Transaction Code

(Instr. 8)4. Securities Acquired (A) or Disposed of (D)

(Instr. 3, 4 and 5)5. Amount of Securities Beneficially Owned Following Reported Transaction(s)

(Instr. 3 and 4)6. Ownership Form: Direct (D) or Indirect (I)

(Instr. 4)7. Nature of Indirect Beneficial Ownership

(Instr. 4)CodeVAmount(A) or (D)Price Class A Common Stock05/21/2015 C 42,000 A \$ 0 42,000 D Class A Common

Stock05/21/2015 S<sup>(1)</sup> 42,000 D \$ 27.9026 <sup>(2)</sup> 0 D Class A Common Stock05/22/2015 C 42,000 A \$ 0 42,000 D

Class A Common Stock05/22/2015 S<sup>(1)</sup> 42,000 D \$ 27.9626 <sup>(3)</sup> 0 D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. P	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Class B Common Stock	(4)	05/21/2015		C	42,000	(4)	(4)	Class A Common Stock	42,000
Class B Common Stock	(4)	05/22/2015		C	42,000	(4)	(4)	Class A Common Stock	42,000

**Reporting Owners**

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Wallach Matthew J  
 C/O VEEVA SYSTEMS INC.  
 4637 CHABOT DRIVE, SUITE 210  
 PLEASANTON, CA 94588

President

## Signatures

Meaghan Nelson,  
 attorney-in-fact

05/26/2015

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The sales reported on this Form 4 were effected pursuant to Rule 10b5-1 trading plans adopted by the Reporting Person.
- The reported price in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$27.7300 to \$27.9850 per share, inclusive. The Reporting Person undertakes to provide to the Issuer, any security holder of the Issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote (2).
- (2) The reported price in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from \$27.7600 to \$28.2700 per share, inclusive. The Reporting Person undertakes to provide to the Issuer, any security holder of the Issuer, or the staff of the Securities and Exchange Commission, upon request, full information regarding the number of shares sold at each separate price within the range set forth in this footnote (3).
- (3) Each share of Class B Common Stock is convertible, at any time at the option of the holder, into one (1) share of Class A Common Stock and has no expiration date. In addition, each share of Class B Common Stock will convert automatically into one (1) share of Class A Common Stock upon any transfer, whether or not for value, which occurs after the closing of the IPO, except for certain permitted transfers described in, and transfers to any "permitted transferee" as defined in, the Issuer's restated certificate of incorporation. All shares of Class A and Class B Common Stock will convert automatically into shares of a single class of Common Stock upon the earliest to occur of the following: (a) upon the election by the holders of a majority of the then outstanding shares of Class B Common Stock or (b) October 15, 2023.
- (4) Represents (i) 900,000 shares of Class B Common Stock held by the Reporting Person and Cristina Wallach as joint tenants with right of survivorship and (ii) 791,143 shares of Class B Common Stock held directly by the Reporting Person.
- (5) Represents (i) 900,000 shares of Class B Common Stock held by the Reporting Person and Cristina Wallach as joint tenants with right of survivorship and (ii) 749,143 shares of Class B Common Stock held directly by the Reporting Person.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

NOWRAP VALIGN="bottom" STYLE="BORDER-BOTTOM:1px solid #000000"> - \$886,856

- (1) Awards were made pursuant to the Short-Term Plan under the Executive Annual Incentive Plan.
- (2) These columns report the number of CONSOL Stock Units that may be earned pursuant to the awards granted under the Plan. The amounts reflect target (100%) and maximum (150%) performance levels. No threshold amount is shown because if the ending stock price does not equal or exceed the beginning stock price (target), no amount of the award will be earned (even if the other performance condition (ROCE) is achieved).
- (3) The values set forth in this column reflect awards of CONSOL Stock Units (at target), and are based on the aggregate grant date fair value of the awards computed in accordance with FASB ASC Top 718 (disregarding the impact of estimated forfeitures related to service-based vesting conditions). A discussion of the relevant assumptions made in the valuation of these awards is provided in Note 19 of the 2013 Annual Report. The values do not correspond to the

actual values that will be recognized by the named executives.

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***UNDERSTANDING OUR SUMMARY COMPENSATION AND GRANTS OF PLAN-BASED AWARDS TABLES***

***Executive Summary of CONSOL Plans and Agreements with Named Executives***

In addition to their base salaries, our executive officers receive a mix of at-risk compensation, both short- and long-term, for their services. Pursuant to various plans which have been adopted by the Corporation, our executive officers are eligible to receive annual cash incentive awards based on the achievement of certain performance targets, stock options, restricted stock units, CONSOL Stock Units and/or performance share units. Executive officers are also entitled to use of the Corporation's owned and chartered aircraft, subject to certain terms and conditions set forth below. Each of these elements of compensation and the plans under which they are awarded are discussed below in greater detail.

***Employment Agreement with our Chief Executive Officer***

Mr. Harvey entered into an employment agreement with CONSOL on June 3, 2005, and was amended and restated on December 2, 2008. Under the Employment Agreement, Mr. Harvey is entitled to receive an annual base salary of \$1,000,000. The Employment Agreement further provides that Mr. Harvey is eligible to participate in an annual bonus plan on terms established from time to time by the Board. His annual target bonus under that plan will not be less than 100% of his then current base salary. During the term of the Employment Agreement, Mr. Harvey is also eligible to participate in any Corporation long-term incentive plan, and in all employee benefit and fringe benefit plans and arrangements made available by the Corporation to its executives and key management employees upon the terms and subject to the conditions set forth in the applicable plan or arrangement.

The Employment Agreement provides, among other matters, that if our Chief Executive Officer resigns for good reason (as defined in the Employment Agreement) or is terminated without cause (as defined in the Employment Agreement) and in each such case has delivered a signed release of claims reasonably satisfactory to the Corporation within thirty (30) days of the date of his termination and not revoked such release within the seven-day revocation period provided for in such release, he is entitled to receive, among other severance payments and benefits, an amount equal to two times his then current base salary and two times the target annual bonus amount (subject to his compliance with the confidentiality, non-competition and non-solicitation restrictions set forth in the Employment Agreement). The confidentiality provisions survive the termination of his employment with us indefinitely and the non-competition and non-solicitation provisions survive for a period of two years following termination of his employment.

Additionally, the Employment Agreement provides our Chief Executive Officer with service credit for eleven additional years of service under the CONSOL Employee Retirement Plan and our retiree medical plan, which benefits represent his years of service at PacifiCorp Energy Inc. and its affiliates; provided, however, that if this credit cannot be provided under the CONSOL Employee Retirement Plan, CONSOL will provide these benefits under a supplemental retirement plan. The amount of unreduced retirement benefits payable to Mr. Harvey (i.e., amount owed to him at normal retirement age) from PacifiCorp Energy Inc. will be deducted from benefits paid by the Corporation to Mr. Harvey under the CONSOL Retirement Restoration Plan or the CONSOL Supplemental Retirement Plan, as applicable. Credited service was negotiated and agreed to with our Chief Executive Officer in 1997, as an inducement for him to leave PacifiCorp Energy Inc. and join our Corporation as its Chief Executive Officer and was re-affirmed in his Employment Agreement.

In connection with Mr. Harvey becoming the Executive Chairman immediately after the Annual Meeting, we amended his Employment Agreement; the principal amendments are as follows: (i) a revised employment period commencing upon the conclusion of the Annual Meeting until the later to occur of May 7, 2015 or the date of the annual shareholders' meeting in 2015, with an option for the Board and Mr. Harvey to extend the term for an additional year; (ii) reduced minimum annual base salary of \$750,000; (iii) a minimum target annual bonus opportunity remaining at its current level of 175% of his base salary; and (iv) at the discretion of the Compensation Committee and the Board, participation in the long-term equity incentive compensation plan maintained by the Corporation in 2015. The amended Employment Agreement will be effective on May 7, 2014.

For more information regarding Mr. Harvey's Employment Agreement, see *Understanding our Change in Control and Employment Termination Tables* on page 72.

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### ***Short-Term Incentive Compensation Plan***

To be eligible to receive an annual award under the Short-Term Plan, a named executive must be an active, full-time employee on December 31 of the year in which the award was granted, have worked for at least three months of that same year and be an active employee on the date the annual award is paid out unless the named executive is an early, normal or incapacity retiree in which case the named executive must only be an active, full-time employee on December 31 of the year in which the award was granted. For more information on the Short-Term Plan, see *Compensation Discussion and Analysis* on page 31.

### ***Stock Options***

Our Plan permits the granting of options, both incentive stock options and non-qualified stock options, to purchase shares of CONSOL common stock. Our Compensation Committee establishes the exercise price at the time each option is granted. The Plan provides that the option exercise price for each share covered by an option, including incentive and non-qualified options, must equal or exceed the fair market value of a share of CONSOL common stock on the date the option is granted, and that the term of the option may not exceed ten years from the grant date. Accordingly, options are intended to be excepted from coverage under Section 409A of the Code.

### ***Restricted Stock Units***

Restricted stock units are also granted under our Plan. Our Compensation Committee determines the number of restricted stock units to be granted to each participant, the duration of such awards, the conditions under which the restricted stock units may be forfeited to CONSOL, and the other terms and conditions of such awards. Restricted stock units are structured to comply with Section 409A of the Code. Accordingly, distributions shall be made only upon a permissible distribution event, including upon separation from service. The timing and implementation of deferral elections must occur as prescribed by Section 409A of the Code.

### ***Performance Share Units***

The performance share unit awards, including the CONSOL Stock Unit awards, represent a contingent right to receive shares of CONSOL common stock to the extent such units are earned and become payable pursuant to the terms of the Plan and related award documents. For more information on the performance share unit awards, see *Compensation Discussion and Analysis* on page 31.

### ***Aircraft Policy***

We have a policy titled the *Use of Corporate-Owned or -Leased or Chartered Aircraft* (the *Aircraft Policy*). To best utilize the time of directors, executive officers and members of management and to address potential security concerns, we own, lease and charter aircraft for use by our directors, executives, members of management and their spouses in connection with business travel. To comply with applicable laws and prevent any abuse of this aircraft by having it used for personal reasons, we have instituted the Aircraft Policy. The policy sets forth detailed procedures by which a person may use CONSOL-owned or -leased aircraft and chartered aircraft including, without limitation, the requirement that the user complete a request form which details such person's trip and a description of the business activities, accompanying persons and, in the case of CONSOL-owned or -leased aircraft, the prior approval of our Chief Executive Officer on trips for which he is not present. In the case of flights on which our Chief Executive Officer is present, the flight manifest is approved by our Chief Financial Officer and Chief Legal Officer. The Aircraft Policy also informs any user of CONSOL-owned or -leased or chartered aircraft that such use could result in imputed income, as a taxable employee benefit, to the director(s), executive(s) or member(s) of management under federal tax regulations relating to the non-business use of aircraft.

### ***Time Sharing Agreement***

On May 1, 2007, the Corporation entered into a Time Sharing Agreement (the *Time Sharing Agreement*) with Mr. Harvey. The Time Sharing Agreement provides that CONSOL will, from time to time, lease its Gulfstream Aerospace G-II59 aircraft (the *Aircraft*) to Mr. Harvey with a flight crew for the operation thereof, as and when

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required by Mr. Harvey, so long as the Aircraft is not otherwise employed on behalf of the Corporation. Mr. Harvey's use of the aircraft will constitute a non-exclusive lease and the Time Sharing Agreement will only be applicable in instances in which the Corporation seeks partial reimbursement of Aircraft-related costs. Pursuant to the Time Sharing Agreement, Mr. Harvey has agreed that the rates to be charged for any particular flight (round-trip between Pittsburgh, Pennsylvania and Toronto, Canada) will be \$1,500 per round-trip flight unless otherwise modified by the Chairman of the Compensation Committee in compliance with the Time Sharing Agreement and applicable law. The Corporation has the right to charge Mr. Harvey on a flight-by-flight basis up to an amount which equals the cost of: (i) fuel, oil, lubricants, and other additives; (ii) travel expenses of the crew; (iii) hangar and tie-down costs away from the Aircraft's base of operation; (iv) insurance obtained for the specific flight; (v) landing fees, airport taxes, and similar assessments; (vi) customs, foreign permit, and similar fees directly related to the flight, if applicable; (vii) in-flight food and beverages; (viii) passenger ground transportation; (ix) flight planning and weather contract services; and (x) an additional charge equal to 100% of the expenses listed in (i) above.

CONSOL is also obligated to provide and maintain aircraft third party aviation legal liability insurance under the Time Sharing Agreement, naming Mr. Harvey as an additional insured and to indemnify and agree to hold Mr. Harvey harmless from and against any and all liabilities, claims, demands, suits, judgments, damages, losses, costs and expenses (including reasonable legal expenses and attorneys' fees) arising in connection with the Aircraft. The Corporation and Mr. Harvey will both have the right to terminate the Time Sharing Agreement with immediate effect upon written notice to the other party and the Time Sharing Agreement will automatically terminate upon the cessation of Mr. Harvey's employment with us.

**Table of Contents****OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END - 2013**

The following table sets forth all unexercised options, and unvested restricted stock unit, performance share unit and CONSOL Stock Unit awards that have been awarded to our named executives by CONSOL and were outstanding as of December 31, 2013.

Name	Option Awards					Stock Awards		Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(14)</sup>	Equity Incentive Plan Awards: Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(13)</sup>
	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested <sup>(13)</sup> (\$)		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
J.Brett Harvey	120,936 <sup>(2)</sup>	-	-	22.750	5/03/2015	-	-	-	-
	42,354 <sup>(4)</sup>	-	-	32.785	2/24/2016	-	-	-	-
	131,318 <sup>(5)</sup>	-	-	44.100	5/02/2016	-	-	-	-
	41,163 <sup>(6)</sup>	-	-	34.850	2/20/2017	-	-	-	-
	136,352 <sup>(7)</sup>	-	-	34.850	2/20/2017	-	-	-	-
	89,885 <sup>(8)</sup>	-	-	78.650	2/19/2018	-	-	-	-
	211,566 <sup>(9)</sup>	-	-	27.900	2/17/2019	-	-	-	-
	132,373 <sup>(10)</sup>	-	-	49.910	2/19/2020	-	-	-	-
	152,045 <sup>(17)</sup>	91,228 <sup>(18)</sup>	-	45.050	6/15/2020	-	-	-	-
	50,632 <sup>(19)</sup>	25,317 <sup>(19)</sup>	-	48.610	2/23/2021	-	-	-	-
	-	-	-	-	-	227,902 <sup>(15)</sup>	8,669,392	-	-
	-	-	-	-	-	62,880 <sup>(16)</sup>	2,391,955	-	-
	-	-	-	-	-	-	-	786,951	29,935,616
David M. Khani	2,495 <sup>(21)</sup>	4,992 <sup>(21)</sup>	-	35.820	3/01/2022	-	-	-	-
	-	-	-	-	-	4,169 <sup>(12)</sup>	158,589	-	-
	-	-	-	-	-	-	-	23,449	892,000
Nicholas J. DeJuliis	48,072 <sup>(9)</sup>	-	-	27.900	2/17/2019	-	-	-	-
	35,589 <sup>(10)</sup>	-	-	50.500	2/16/2020	-	-	-	-
	95,027 <sup>(17)</sup>	57,019 <sup>(18)</sup>	-	45.050	6/15/2020	-	-	-	-
	22,784 <sup>(19)</sup>	11,393 <sup>(19)</sup>	-	48.610	2/23/2021	-	-	-	-
	17,626 <sup>(21)</sup>	35,253 <sup>(21)</sup>	-	35.820	3/01/2022	-	-	-	-
	-	-	-	-	-	18,925 <sup>(12)</sup>	719,907	-	-
	-	-	-	-	-	40,342 <sup>(15)</sup>	1,534,610	-	-
	-	-	-	-	-	-	-	210,754	8,017,082
Stephen W. Johnson	18,806 <sup>(9)</sup>	-	-	27.900	2/17/2019	-	-	-	-
	12,193 <sup>(10)</sup>	-	-	50.500	2/16/2020	-	-	-	-
	38,010 <sup>(17)</sup>	22,809 <sup>(18)</sup>	-	45.050	6/15/2020	-	-	-	-
	9,146 <sup>(19)</sup>	4,576 <sup>(19)</sup>	-	48.610	2/23/2021	-	-	-	-
	6,739 <sup>(21)</sup>	13,480 <sup>(21)</sup>	-	35.820	3/01/2022	-	-	-	-
	-	-	-	-	-	7,324 <sup>(12)</sup>	278,605	-	-
	-	-	-	-	-	8,091 <sup>(15)</sup>	307,782	-	-
	-	-	-	-	-	-	-	47,686	1,813,975

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Name (a)	Option Awards					Stock Awards		Equity Incentive Plan Awards: Number of Unearned Shares, Units or Rights That Have Not Vested <sup>(14)</sup>	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Rights That Have Not Vested <sup>(13)</sup>
	Number of Securities Underlying Unexercised Options  (#)	Number of Securities Underlying Options  (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options  (#)	Option Exercise Price  (\$)	Option Expiration Date  (f)	Number of Shares or Units of Stock That Have Not Vested  (#)	Market Value of Shares or Units of Stock That Have Not Vested <sup>(13)</sup>  (\$)	(#)	(\$)
	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
	(Exercisable)	(Unexercisable)							
James C. Grech	2,625 <sup>(1)</sup>	-	-	15.390	4/27/2014	-	-	-	-
	2,464 <sup>(2)</sup>	-	-	22.750	5/03/2015	-	-	-	-
	2,174 <sup>(5)</sup>	-	-	44.100	5/02/2016	-	-	-	-
	3,566 <sup>(7)</sup>	-	-	34.850	2/20/2017	-	-	-	-
	1,437 <sup>(8)</sup>	-	-	78.650	2/19/2018	-	-	-	-
	2,932 <sup>(9)</sup>	-	-	27.900	2/17/2019	-	-	-	-
	2,172 <sup>(10)</sup>	-	-	50.500	2/16/2020	-	-	-	-
	654 <sup>(11)</sup>	-	-	43.940	6/01/2020	-	-	-	-
	1,602 <sup>(19)</sup>	803 <sup>(19)</sup>	-	48.610	2/23/2021	-	-	-	-
	2,838 <sup>(21)</sup>	1,420 <sup>(21)</sup>	-	35.820	3/01/2022	-	-	-	-
	-	-	-	-	-	1,075 <sup>(12)</sup>	40,893	-	-
	-	-	-	-	-	-	-	10,640	404,746
William J. Lyons	22,416 <sup>(2)</sup>	-	-	22.750	5/03/2015	-	-	-	-
	32,256 <sup>(5)</sup>	-	-	44.100	5/02/2016	-	-	-	-
	28,071 <sup>(7)</sup>	-	-	34.850	2/20/2017	-	-	-	-
	13,828 <sup>(8)</sup>	-	-	78.650	2/19/2018	-	-	-	-
	29,971 <sup>(9)</sup>	-	-	27.900	2/17/2019	-	-	-	-
	21,338 <sup>(10)</sup>	-	-	50.500	2/16/2020	-	-	-	-
	60,817 <sup>(17)</sup>	36,492 <sup>(18)</sup>	-	45.050	6/15/2020	-	-	-	-
	25,983 <sup>(19)</sup>	-	-	48.610	2/23/2021	-	-	-	-
	38,603 <sup>(21)</sup>	-	-	35.820	3/01/2022	-	-	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	15,332 <sup>(15)</sup>	583,229	-	-
	-	-	-	-	-	-	-	90,874	3,456,828
P. Jerome Richey	8,204 <sup>(5)</sup>	-	-	44.100	5/02/2016	-	-	-	-
	9,519 <sup>(7)</sup>	-	-	34.850	2/20/2017	-	-	-	-
	4,609 <sup>(8)</sup>	-	-	78.650	2/19/2018	-	-	-	-
	10,144 <sup>(9)</sup>	-	-	27.900	2/17/2019	-	-	-	-
	11,008 <sup>(10)</sup>	-	-	50.500	2/16/2020	-	-	-	-
	38,010 <sup>(17)</sup>	22,809 <sup>(18)</sup>	-	45.050	6/15/2020	-	-	-	-
	13,165 <sup>(19)</sup>	-	-	48.610	2/23/2021	-	-	-	-
	20,219 <sup>(21)</sup>	-	-	35.820	3/01/2022	-	-	-	-
	-	-	-	-	-	7,765 <sup>(15)</sup>	295,381	-	-
	-	-	-	-	-	-	-	47,596	1,810,552
Robert F. Pusateri	2,346 <sup>(2)</sup>	-	-	22.750	5/03/2015	-	-	-	-
	1,778 <sup>(3)</sup>	-	-	26.005	6/09/2015	-	-	-	-
	3,658 <sup>(5)</sup>	-	-	44.100	5/02/2016	-	-	-	-
	6,003 <sup>(7)</sup>	-	-	34.850	2/20/2017	-	-	-	-
	4,321 <sup>(8)</sup>	-	-	78.650	2/19/2018	-	-	-	-
	7,715 <sup>(9)</sup>	-	-	27.900	2/17/2019	-	-	-	-
	6,447 <sup>(10)</sup>	-	-	50.500	2/16/2020	-	-	-	-
	38,010 <sup>(17)</sup>	22,809 <sup>(18)</sup>	-	45.050	6/15/2020	-	-	-	-
	9,688 <sup>(19)</sup>	-	-	48.610	2/23/2021	-	-	-	-
	3,638 <sup>(20)</sup>	-	-	45.110	11/08/2021	-	-	-	-

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19,671 <sup>(21)</sup>	-	-	35.820	3/01/2022	-	-	-	-
-	-	-	-	-	5,713 <sup>(15)</sup>	217,323	-	-
-	-	-	-	-	-	-	46,022	1,750,658

- (1) Options granted April 27, 2004 that vested and became exercisable in four equal annual installments (subject to rounding) beginning on the first anniversary of the grant date, except for 200 shares, which vested and became exercisable on the first anniversary of the grant date.

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- (2) Options granted May 3, 2005 that vested and became exercisable in four equal annual installments (subject to rounding) beginning on the first anniversary of the grant date, except for 200 shares, which vested and became exercisable in their entirety six months after the grant date.
- (3) Options granted June 9, 2005 that vested and became exercisable in four equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (4) Options granted February 24, 2006 that vested and became exercisable in four equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (5) Options granted May 2, 2006 that vested and became exercisable in four equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (6) Options granted on February 20, 2007 that vested and became exercisable in three equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (7) Options granted February 20, 2007 that vested and became exercisable in three equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (8) Options granted February 19, 2008 that vested and became exercisable in three equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (9) Options granted February 17, 2009 that vested and became exercisable in three equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (10) Options granted February 16, 2010 and February 19, 2010 that vested and became exercisable in three equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (11) Options granted June 1, 2010 that vested and became exercisable in three equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (12) Restricted stock units granted on February 23, 2011 and February 29, 2012 vest in three equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (13) The market value for restricted stock units and performance share units was determined by multiplying the closing market price for CONSOL common stock on December 31, 2013 (\$38.04) by the number of shares underlying the restricted stock unit and performance share unit awards.
- (14) This column shows the aggregate number of unvested performance share units and CONSOL Stock Units as of December 31, 2013. The performance period for the performance share unit awards granted in 2012 is January 1, 2012 through December 31, 2014 and for the CONSOL Stock Unit awards granted in 2013 is January 1, 2013 through December 31, 2015. The performance share unit amounts presented for the 2012 performance share unit awards are based on achieving performance goals at the maximum level for 2012, and at the target level for the 2013 CONSOL Stock Unit awards.
- (15) The performance period for these performance share unit awards was January 1, 2011 through December 31, 2013. These awards vested on January 31, 2014. The share amounts are based on actual pay-outs based on performance results for the period.

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- (16) The performance period for this performance share unit award was January 1, 2012 through December 31, 2013. The award vested on January 31, 2014. The share amount is based on actual pay-outs based on performance results for the period.
  
- (17) Represents 62.5% of the shares underlying the Performance Options that were granted on June 15, 2010, which shares were determined to be vested on February 10, 2011 by the Compensation Committee (and on February 23, 2011 for Mr. Harvey) for the performance period ending December 31, 2010, on February 16, 2012 by the Compensation Committee (and on February 28, 2012 for Mr. Harvey) for the performance period ending December 31, 2011, and on January 28, 2013 by the Compensation Committee for the period ending December 31, 2012.
  
- (18) Represents 37.5% of the shares underlying the Performance Options that were granted on June 15, 2010, which shares were determined to be vested on January 28, 2014 by the Compensation Committee for the performance period ending December 31, 2013.
  
- (19) Options granted February 23, 2011 vest and become exercisable in three equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.

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- (20) Options granted November 8, 2011 vest and become exercisable in three equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.
- (21) Options granted February 29, 2012 vest and become exercisable in three equal annual installments (subject to rounding) beginning on the first anniversary of the grant date.

**OPTION EXERCISES AND STOCK VESTED TABLE - 2013**

The following table sets forth information concerning each exercise of CONSOL stock options and the vesting of restricted stock units and performance share units of CONSOL during the 2013 fiscal year.

Name	Option Awards		Stock Awards <sup>(1)(2)</sup>	
	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
	(#)	(\$)	(#)	(\$)
J. Brett Harvey	-	-	108,294	\$ 3,415,098
David M. Khani	-	-	3,155	\$ 107,023
Nicholas J. DeIuliis	-	-	37,333	\$ 1,180,529
Stephen W. Johnson	-	-	13,337	\$ 421,325
James C. Grech	-	-	1,490	\$ 47,808
William J. Lyons	-	-	37,873	\$ 1,209,463
P. Jerome Richey	4,445	\$ 66,631	19,583	\$ 625,407
Robert F. Pusateri	-	-	16,063	\$ 513,269

- (1) Values include vesting of performance share unit awards granted in 2010 and restricted stock unit awards granted in each of 2010, 2011 and 2012.
- (2) With respect to Messrs. Lyons, Richey and Pusateri, their values include the items in footnote (1) above, and the acceleration of the vesting of restricted stock units.

**PENSION BENEFITS TABLE - 2013**

The following table provides information with respect to each plan that provides for specified retirement payments or benefits, or payments or benefits that will be provided primarily following retirement, including tax-qualified defined benefit plans and non-qualified defined benefit plans (which we refer to as the Supplemental Retirement Plan and the New Restoration Plan), but excluding defined contribution plans.

Name	CONSOL Plan Name	Number of Years Credited Service	Present Value of Accumulated Benefit <sup>(1)</sup>	Payments During Last Fiscal Year
		(#)	(\$)	(\$)
J. Brett Harvey	Employee Retirement Plan	16	\$ 463,009	-
	Retirement Restoration Plan	20 <sup>(2)</sup>	\$ 5,872,204	-
	Supplemental Retirement Plan	20 <sup>(2)</sup>	\$ 15,273,082	-
David M. Khani	Employee Retirement Plan	2	\$ 16,745	-
	Supplemental Retirement Plan	0.25	\$ 12,595	-
	New Restoration Plan	2	\$ 78,909	-
Nicholas J. DeIuliis	Employee Retirement Plan	23	\$ 351,987	-

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	Retirement Restoration Plan	16	-	-
	Supplemental Retirement Plan	20	\$ 3,699,996	-
Stephen W. Johnson	Employee Retirement Plan	6	\$ 55,877	-
	Supplemental Retirement Plan	8	\$ 1,003,063	-
James C. Grech	Employee Retirement Plan	12	\$ 172,824	-
	Retirement Restoration Plan	5	\$ 34,290	-
	Supplemental Retirement Plan	10	\$ 425,359	-
	New Restoration Plan	2	\$ 45,276	-

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Name	CONSOL Plan Name	Number of Years Credited Service	Present Value of Accumulated Benefit <sup>(1)</sup>	Payments During Last Fiscal Year
		(#)	(\$)	(\$)
William J. Lyons	Employee Retirement Plan	37	\$ 336,935	\$ 1,403,642
	Retirement Restoration Plan	31	\$ 0	\$ 3,435,840
	Supplemental Retirement Plan	20	\$ 3,216,403	\$ 195,179
P. Jerome Richey	Employee Retirement Plan	7	\$ 101,987	\$ 5,247
	Retirement Restoration Plan	1	\$ 0	\$ 7,846
	Supplemental Retirement Plan	8	\$ 1,845,461	\$ 111,552
Robert F. Pusateri	Employee Retirement Plan	37	\$ 376,234	\$ 1,435,997
	Retirement Restoration Plan	31	\$ 0	\$ 1,287,772
	Supplemental Retirement Plan	20	\$ 2,553,897	\$ 152,425

(1) The accumulated benefits included in this column were computed through December 31, 2013 using the assumptions stated in the financial statements included in the 2013 Annual Report (Note 16).

(2) The Employment Agreement provides service credit for eleven additional years of service for purposes of our supplemental retirement plans (up to a maximum of twenty years under the CONSOL Supplemental Retirement Plan), which represent his years of service at PacifiCorp Energy Inc. and its affiliates. Of the amounts shown above, \$3,263,214 and \$1,266,969 represent the benefit resulting from service credit provided to Mr. Harvey for his service at PacifiCorp Energy Inc. under the CONSOL Restoration Plan and CONSOL Supplemental Retirement Plan, respectively. The amount of unreduced retirement benefits payable to Mr. Harvey (i.e., the amount owed to him at normal retirement age) from PacifiCorp Energy Inc. and its affiliates will be deducted from benefits paid by CONSOL to Mr. Harvey under the CONSOL Retirement Restoration Plan and the CONSOL Supplemental Retirement Plan. Amounts shown have been reduced by amounts payable to Mr. Harvey by PacifiCorp Energy Inc. and its affiliates.

**UNDERSTANDING OUR PENSION BENEFITS TABLE**

This section provides information regarding the Corporation's retirement programs, which include the following:

Employee Retirement Plan;

Retirement Restoration Plan;

Supplemental Retirement Plan; and

New Restoration Plan

***Employee Retirement Plan (the Pension Plan)***

The Pension Plan is a defined benefit plan that pays retirement benefits based on years of service and compensation. It is a qualified plan, meaning that it is subject to a variety of IRS rules. These rules contain various requirements on coverage, funding, vesting and the amount of compensation that can be taken into account in calculating benefits. The Pension Plan has a fairly broad application across the employee population and forms a part of the general retirement benefit program available to employees.

***Eligibility***

The Pension Plan covers employees of the Corporation and affiliated participating companies that are classified as regular, full-time employees or that complete 1,000 hours of service during a specified twelve-month period. The Pension Plan does not include other categories of individuals, such as leased employees, independent contractors and employees covered by a collective bargaining agreement that does not

provide for participation in the Pension Plan.

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### *Incapacity Retirement*

Employees who have attained age 40 with at least ten years of service who are deemed disabled and consequently receive a Social Security disability award (proving the disability occurred while employed by the Corporation or a participating affiliated company) are eligible for an incapacity retirement resulting in an unreduced benefit, payable in the form of an annuity, commencing the month following termination. Messrs. Harvey, DeIuliis and Grech have satisfied the age and service conditions necessary to be eligible for incapacity retirement under the Pension Plan as of December 31, 2013, if they had incurred a qualifying disability on that date.

### *Separation Retirement*

Employees who terminate employment with five or more years of service prior to attaining age 50, or who have attained age 50 but have fewer than ten years of service upon termination, qualify for separation retirement. Payment of the accrued vested benefit is payable at an amount reduced for payments commencing prior to age 65, or the full benefit may be paid at age 65. As of December 31, 2013, Messrs. DeIuliis and Johnson were eligible for separation retirement under the Pension Plan; however, Mr. DeIuliis would not be entitled to payment until he attained age 50. Mr. Richey commenced separation retirement under the Pension Plan upon his retirement from the Corporation on February 28, 2013.

### *Early Retirement*

Employees who have completed ten or more years of service and are age 50 or older upon termination are eligible for early retirement. Under early retirement, an employee may elect to defer payment to age 65 or elect to begin receiving payment the first of any month up to age 65, subject to a reduction for age. Payments commencing prior to age 65 are reduced based on various early reduction schedules depending upon age at the payment commencement date and years of service at the time of termination. As of December 31, 2013, Messrs. Harvey and Grech were eligible for early retirement under the Pension Plan. Messrs. Lyons and Pusateri commenced early retirement under the Pension Plan upon their retirement from the Corporation on February 28, 2013.

### *Normal Retirement*

Employees who terminate employment and have attained age 65 qualify for normal retirement. Payment of the full benefit commences the month following termination. None of the named executives qualify for normal retirement under the Pension Plan as of December 31, 2013.

### *Form of Payment*

The portion of accrued pension benefits earned under the Pension Plan as of December 31, 2005 may be, upon the election of the participant, paid in the form of a lump-sum payment except in the case of an incapacity retirement as discussed above. Pension benefits earned after January 1, 2006 are payable in the form of a single life annuity, 50% joint and survivor annuity, 75% joint and survivor annuity or 100% joint and survivor annuity.

### *Calculation of Benefits*

Pension benefits are based on an employee's years of service and average monthly pay during the employee's five highest-paid years. Average monthly pay for this purpose excludes compensation in excess of limits imposed by the Code (up to \$255,000). Such covered compensation is reflected in the Salary column of the Summary Compensation Table. Prior to January 1, 2006, pension benefits were calculated based on the average monthly pay during the employee's three highest-paid years and included annual amounts payable under the Corporation's Short-Term Plan, again excluding compensation in excess of limits imposed by the Code.

### ***Retirement Restoration Plan (the Restoration Plan)***

The Restoration Plan is an unfunded deferred compensation plan maintained by the Corporation for the benefit of employees whose eligible compensation under the Pension Plan exceeded limits imposed by the federal income tax

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laws. The Corporation established this plan in order to attract and retain persons that the Corporation considered to be important to its success by providing retirement benefits that are not restricted by the statutory limitations imposed by the Code.

In December 2006, the Board authorized amendments to the Restoration Plan which froze the plan effective December 31, 2006 for CONSOL employees and December 31, 2005 for CNX Gas employees. After the applicable date, no existing participant accrues benefits and no compensation or service is counted for purposes of the Restoration Plan. A participant's benefit is calculated as of the applicable date with reference to the participant's benefits under the Pension Plan as of that date.

To comply with Section 409A of the federal income tax laws, the Restoration Plan was further amended to provide that all distributions of benefits accrued and vested under the plan as of December 31, 2006, and through December 31, 2005 for CNX Gas employees, will be paid in a lump sum, which will be paid no later than 30 days following the later to occur of the end of the month following the month in which the participant turns age 50 or the end of the month following the month in which the participant incurs a separation of service. The benefit will be calculated and actuarially reduced, as necessary (using assumptions specified in the Pension Plan), based on a participant's benefit being initially expressed as a single life annuity payable commencing on such participant's normal retirement date.

Payment under the plan may not commence prior to age 50, except in the event of an incapacity retirement or under a termination due to a change in control. Payments commencing prior to age 65 are reduced based on various early reduction schedules depending upon age at the payment commencement date and years of service at the time of termination. Benefits under the Restoration Plan are paid in the form of a lump sum. As of December 31, 2013, Messrs. Harvey and Grech were eligible for early retirement under the Restoration Plan. Messrs. Lyons and Pusateri commenced early retirement under the Restoration Plan upon their retirement from the Corporation on February 28, 2013. Mr. Richey commenced separation retirement under the Restoration Plan upon his retirement from the Corporation on February 28, 2013. In addition, CNX Gas employee participants were also eligible to elect to receive in 2007 lump sum payments of accrued benefits. Mr. DeIuliis made this election and is no longer entitled to any other benefits under the Restoration Plan.

### ***Supplemental Retirement Plan***

On December 5, 2006, the Board approved and adopted the Supplemental Retirement Plan, effective January 1, 2007. Certain modifications were made to the Supplemental Retirement Plan which became effective December 4, 2007. The CONSOL Supplemental Retirement Plan is designed primarily for the purpose of providing benefits for a select group of management and highly compensated employees of the Corporation and its subsidiaries and is intended to qualify as a top hat plan under the Employee Retirement Income Security Act of 1974, as amended. The CONSOL Supplemental Retirement Plan is an unfunded, unsecured obligation of the Corporation, the benefits of which will be paid from its general assets. CNX Gas employees did not participate in the Supplemental Retirement Plan.

The named executives and other eligible individuals are participants in the Supplemental Retirement Plan. On September 9, 2009, the Board adopted amendments to the Supplemental Retirement Plan to include certain employees of CNX Gas and to give service credit under the plan for service with CNX Gas to all participants in the plan who are or were employees of CNX Gas, including Messrs. DeIuliis and Johnson. The amendments to the plan are consistent with the Corporation's assumption of CNX Gas compensatory arrangements as part of the management reorganization which occurred in January 2009.

In September 2011, the Board also authorized amendments to the Supplemental Retirement Plan which froze the plan effective December 31, 2011 for current and future CONSOL employees except for certain officers referred to hereafter as the excepted employees. After the applicable date, no existing participant or future CONSOL employee, other than the excepted employees, accrues benefits and no compensation or service is counted for purposes of calculating benefits under the Supplemental Retirement Plan. Frozen participants years of service will continue to accrue solely for vesting purposes only. Messrs. Harvey, DeIuliis and Johnson are excepted employees and continue to accrue benefits under the Supplemental Retirement Plan. Messrs. Khani and Grech are frozen participants under

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the Supplemental Retirement Plan. We established the Supplemental Retirement Plan in order to attract and maintain persons that we considered to be important to our success by providing benefits that are not restricted by the statutory limitations imposed by the federal income tax laws.

The Compensation Committee has reserved the right to terminate a participant's participation in the Supplemental Retirement Plan at any time. Additionally, if a participant's employment is terminated or if a participant no longer meets the Supplemental Retirement Plan's basic eligibility standards, the participant's participation in the Supplemental Retirement Plan (and such person's right to accrue any benefits thereunder) will terminate automatically with no further action required. Final average compensation and years of service will be determined at such time.

The amount of each participant's benefit under the plan as of age 65 (expressed as an annual amount) will be equal to 50% of final average compensation multiplied by the service fraction as calculated on the participant's date of employment termination with the Corporation. Final average compensation means the average of a participant's five highest consecutive annual compensation amounts (annual base salary plus amounts received under the Short-Term Plan) while employed by the Corporation or its subsidiaries. The service fraction means a fraction with a numerator equal to a participant's number of years of service and with a denominator of 20. The service fraction can never exceed one.

The benefit described above will be reduced by a participant's age 65 vested benefits (including benefits which have been paid or are payable in the future (converted to an annual amount)) under: (i) the Pension Plan; (ii) the Restoration Plan; and (iii) any other plan or arrangement providing retirement-type benefits, including arrangements with prior employers, to the extent service with such other employer or under such arrangement is credited under the Supplemental Retirement Plan.

No benefit will be vested under the Supplemental Retirement Plan until a participant has five years of service with the Corporation or its participating subsidiaries while the participant meets the eligibility standards in the plan. For a description of the effect of employment termination or change in control upon a participant's right to benefits under the Supplemental Retirement Plan, see *Understanding Our Change in Control and Employment Termination Tables* on page 72.

Benefits under the Supplemental Retirement Plan will be paid in the form of a life annuity with a guaranteed term of 20 years (which will be the actuarial equivalent of a single life annuity) commencing in the month following the later to occur of: (a) the end of the month following the month in which the participant turns age 50 or (b) the end of the month following the month in which the employment termination of a participant occurs. In the event the benefits commence prior to the participant's normal retirement age, the benefit will be actuarially reduced as necessary (using assumptions specified in the Pension Plan).

### ***New Restoration Plan***

In September 2011, the Board approved and adopted the New Restoration Plan, effective January 1, 2012. The New Restoration Plan is designed primarily for the purpose of providing benefits for a select group of management and highly compensated employees of the Corporation and its subsidiaries and is intended to qualify as a top hat plan under the Employee Retirement Income Security Act of 1974, as amended. The New Restoration Plan is an unfunded, unsecured obligation of the Corporation, the benefits of which will be paid from its general assets. CONSOL employees who are eligible to participate and accrue benefits in the Supplemental Retirement Plan are ineligible to participate in the New Restoration Plan.

We established the New Restoration Plan upon the freezing of the Supplemental Retirement Plan as to certain employees in order to attract and retain persons that we considered to be important to our success by providing benefits that are not restricted by the statutory limitations imposed by the federal income tax laws. Messrs. Khani and Grech and other eligible individuals are participants in the New Restoration Plan.

The Compensation Committee has reserved the right to terminate a participant's participation in the New Restoration Plan at any time. Additionally, if a participant's employment is terminated or if a participant no longer

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meets the New Restoration Plan's basic eligibility standards, the participant's participation in New Restoration Plan (and such person's right to accrue any benefits thereunder) will terminate automatically with no further action required.

Eligibility for benefits under the New Restoration Plan is determined each calendar year (the Award Period). Participants whose sum of annual base pay as of December 31 and amounts received under the Short-Term Plan or other annual incentive program earned for services rendered by the participant during the Award Period exceed the compensation limits imposed by the Code (up to \$255,000 for 2013) are eligible for benefits under the New Restoration Plan for the Award Period. The amount of each eligible participant's benefit under the plan is equal to 9% times annual base pay as of December 31 including amounts received under the CONSOL Energy Inc. Short-Term Plan or other annual incentive program earned for services rendered by the participant during the Award Period less 6% times the lesser of annual base salary as of December 31 or the compensation limit imposed by the Code for the Award Period (\$255,000 for 2013).

Benefits under the New Restoration Plan will be paid in the form of two hundred forty (240) equal monthly installments which each installment equal to the value of the participant's account at commencement divided by two hundred forty (240). Benefits shall commence in the month immediately following the later to occur of: (i) the month in which the participant turns age 60 or (ii) the month containing the six-month anniversary date of the participant's separation from service.

**NONQUALIFIED DEFERRED COMPENSATION TABLE - 2013**

The following table sets forth information concerning each defined contribution or other plan that provides for the deferral of compensation on a basis that is not tax-qualified.

Name	Executive Contributions	Registrant Contributions	Aggregate Earnings	Aggregate	Aggregate Balance
	in Last FY	in Last FY	in Last FY <sup>(1)</sup>	Withdrawals/Distributions	at Last FYE <sup>(1)</sup>
(a)	(b)	(c)	(d)	(e)	(f)
J. Brett Harvey <sup>(2)</sup>	-	-	\$ (129,794)	-	\$ 877,474
David M. Khani	-	-	-	-	-
Nicholas J. DeIulii	-	-	-	-	-
Stephen W. Johnson	-	-	-	-	-
James C. Grech	-	-	-	-	-
Williams J. Lyons <sup>(3)</sup>	-	-	\$ (300,975)	\$ 834,101	-
P. Jerome Richey <sup>(4)</sup>	-	-	\$ (133,596)	\$ 288,258	-
Robert F. Pusateri	-	-	-	-	-

(1) Under our Plan, in the event the Corporation declares a cash dividend, the number of deferred restricted stock units is automatically increased in connection with the associated dividend equivalent rights. The amounts shown reflect the expense calculated on the dividend equivalent rights based on our closing stock price on the dividend payment date. The dividend amounts for each of the named executives were as follows: \$8,562 (Mr. Harvey), \$6,421 (Mr. Lyons) and \$8,404 (Mr. Richey). The remaining amount consists of stock price appreciation (or depreciation).

(2) Mr. Harvey elected to defer until retirement 50% (or 21,372 restricted stock units) of a restricted stock unit award granted to him on May 2, 2006.

(3) Mr. Lyons elected to defer until retirement 100% (or 10,500 restricted stock units) of a restricted stock unit award granted to him on May 2, 2006 and 50% (or 13,603 restricted stock units) of a restricted stock unit award granted to him on April 27, 2004.

(4) Mr. Richey elected to defer until retirement 100% (or 3,562 restricted stock units) of a restricted stock unit award granted to him on May 2, 2006, 100% (or 3,185 restricted stock units) of a restricted stock unit award granted to him on February 20, 2007 and 100% (or 1,695 restricted stock units) of a restricted

stock unit award granted to him on February 19, 2008.

**Table of Contents****UNDERSTANDING OUR DEFERRED COMPENSATION TABLE**

Our Plan permits the granting of restricted stock units with associated dividend equivalent rights. A person may, prior to December 31 of the calendar year that precedes the beginning of the service period, file a deferral election with us pursuant to which the recipient may elect to defer the annual payout of shares under his or her award. The deferral may be 100% or 50% of each annual installment (i) until 5 years from the grant date, (ii) termination of employment, or (iii) upon a change in control. The dividend equivalent rights associated with our restricted stock unit awards automatically increase the number of shares underlying a restricted stock unit award when we declare and pay a regular cash dividend on our common stock.

**POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL TABLES**

Except as otherwise provided, the following narrative and tables set forth the potential payments and the value of other benefits that would vest or otherwise accelerate vesting at, following, or in connection with any termination, including without limitation resignation, incapacity retirement or a constructive termination of a named executive, or a change in control of CONSOL and/or CNX Gas, in the case of Mr. DeJuliis, or a change in the named executive's responsibilities, as such scenarios are contemplated in the contracts, agreements, plans or arrangements described below.

For each currently employed named executive, the payments and benefits detailed in the tables below are in addition to any payments and benefits under our plans and arrangements that are offered or provided generally to all salaried employees on a non-discriminatory basis and any accumulated vested benefits for each named executive, including those set forth in the Pension Benefits Table 2013 and Nonqualified Deferred Compensation Table 2013, and any stock options vested as of December 31, 2013 (which are set forth in the Outstanding Equity Awards at Fiscal Year-End Table 2013). The tables assume that employment termination and/or the change in control occurred on December 31, 2013 and a valuation of our common stock based on its closing market price on December 31, 2013 of \$38.04 per share.

A description of some elements of the plans, arrangements and agreements covered by the following tables and which provide for payments or benefits in connection with a termination of employment or change in control are also described under *Compensation Discussion and Analysis* on page 31 and *Understanding Our Summary Compensation and Grants of Plan-Based Awards Tables* on page 55. The footnotes to the tables describe the assumptions that were used in calculating the amounts described below.

**J. Brett Harvey\***

Executive Benefits and Payments Upon Termination	Incapacity Retirement (with a social security disability)	Termination for Good Reason or Not for Cause (reduction in force)	Termination For Cause	Death	Disability (without a social security disability)	Change in Control Termination <sup>(1)</sup>
<b>Compensation:</b>						
Base Salary	-	\$ 2,000,000	-	-	-	\$ 3,000,000
Short-Term Incentive <sup>(2)</sup>	-	\$ 1,750,000	-	-	-	\$ 7,890,884
Severance Pay Plan <sup>(3)</sup>	-	-	-	-	-	-
<b>Long-Term Incentive Compensation:<sup>(4)</sup></b>						
Options: Unvested	-	-	-	-	-	-
Restricted Stock Units: Unvested	-	-	-	-	-	-
Performance Share Units: Unvested	-	-	-	-	-	-
CONSOL Stock Units: Unvested	-	-	-	-	-	-
<b>Benefits and Perquisites:</b>						
Outplacement service	-	\$ 25,000	-	-	-	\$ 25,000
Continuation of medical/drug/dental benefits <sup>(5)</sup>	-	\$ 30,740	\$ 30,740	\$ 14,778	\$ 30,740	\$ 46,110
401(k) payment	-	-	-	-	-	\$ 46,500
Restoration Plan	-	-	-	-	-	\$ 200,273
Supplemental Retirement Plan <sup>(6)</sup>	-	-	-	-	-	\$ 9,545,135
280G Tax Gross-up <sup>(7)</sup>	-	-	-	-	-	\$ 17,591,482
<b>Total:</b>	-	\$ 3,805,740	\$ 30,740	\$ 14,778	\$ 30,740	\$ 38,345,384

\* Applicable footnotes follow the last table in this section of the Proxy Statement.

**Table of Contents***David M. Khani\**

Executive Benefits and Payments Upon Termination	Incapacity Retirement (with a social security disability)	Termination Not for Cause (reduction in force)	Termination for Cause	Death	Disability (without a social security disability)	Change in Control Termination <sup>(1)</sup>
<b>Compensation:</b>						
Base Salary	-	-	-	-	-	\$ 960,000
Short-Term Incentive <sup>(2)</sup>	-	-	-	\$ 336,000	-	\$ 545,237
Severance Pay Plan <sup>(3)</sup>	-	\$ 18,461	-	-	-	-
<b>Long-Term Incentive Compensation:<sup>(4)</sup></b>						
Options: Unvested	\$ 16,621	\$ 16,621	-	\$ 16,621	-	\$ 16,621
Restricted Stock Units: Unvested	\$ 195,487	\$ 195,487	-	\$ 195,487	-	\$ 195,487
Performance Share Units: Unvested	\$ 114,044	\$ 114,044	-	\$ 114,044	\$ 76,067	\$ 114,044
CONSOL Stock Units: Unvested	\$ 606,890	\$ 606,890	-	\$ 606,890	\$ 202,094	\$ 606,890
<b>Benefits and Perquisites:</b>						
Outplacement service	-	-	-	-	-	\$ 25,000
Continuation of life/medical/dental benefits <sup>(5)</sup>	-	-	-	-	-	\$ 22,295
401(k) payment	-	-	-	-	-	\$ 31,000
Supplemental Retirement Plan <sup>(6)</sup>	\$ 40,080	-	-	\$ 32,071	\$ 40,080	\$ 38,929
New Restoration Plan	-	-	-	-	-	\$ 74,648
280G Tax Gross-up	-	-	-	-	-	-
<b>Total:</b>	\$ 973,122	\$ 951,503	-	\$ 1,301,113	\$ 318,241	\$ 2,630,151

\* Applicable footnotes follow the last table in this section of the Proxy Statement.

*Nicholas Delulii\**

Executive Benefits and Payments Upon Termination	Incapacity Retirement (with a social security disability)	Termination Not for Cause (reduction in force)	Termination for Cause	Death	Disability (without a social security disability)	Change in Control Termination <sup>(1)</sup>
<b>Compensation:</b>						
Base Salary	-	-	-	-	-	\$ 1,812,500
Short-Term Incentive <sup>(2)</sup>	-	-	-	\$ 797,500	-	\$ 2,951,039
Severance Pay Plan <sup>(3)</sup>	-	\$ 320,673	-	-	-	-
<b>Long-Term Incentive Compensation:<sup>(4)</sup></b>						
Options: Unvested	-	-	-	-	-	-
Restricted Stock Units: Unvested	\$ 719,907	\$ 719,907	-	\$ 719,907	-	\$ 719,907
Performance Share Units: Unvested	\$ 1,612,059	\$ 1,612,059	-	\$ 1,612,059	\$ 1,075,243	\$ 1,612,059
CONSOL Stock Units: Unvested	\$ 3,986,934	\$ 3,986,934	-	\$ 3,986,934	\$ 2,657,304	\$ 3,986,934
<b>Benefits and Perquisites:</b>						
Outplacement service	-	-	-	-	-	\$ 25,000
Continuation of medical/drug/dental benefits <sup>(5)</sup>	-	-	-	-	-	\$ 29,958
401(k) payment	-	-	-	-	-	\$ 38,750
Restoration Plan	-	-	-	-	-	-
Supplemental Retirement Plan <sup>(6)</sup>	-	-	-	-	-	\$ 10,850,907
280G Tax Gross-up <sup>(7)</sup>	-	-	-	-	-	\$ 9,783,182
<b>Total:</b>	\$ 6,318,900	\$ 6,639,573	-	\$ 7,116,400	\$ 3,732,547	\$ 31,810,236

\* Applicable footnotes follow the last table in this section of the Proxy Statement.



**Table of Contents***Stephen W. Johnson\**

Executive Benefits and Payments Upon Termination	Incapacity Retirement (with a social security disability)	Termination Not for Cause (reduction in force)	Termination For Cause	Death	Disability (without a social security disability)	Change in Control Termination <sup>(1)</sup>
<b>Compensation:</b>						
Base Salary	-	-	-	-	-	\$ 900,000
Short-Term Incentive <sup>(2)</sup>	-	-	-	\$ 292,500	-	\$ 810,266
Severance Pay Plan <sup>(3)</sup>	-	\$ 69,231	-	-	-	-
<b>Long-Term Incentive Compensation:<sup>(4)</sup></b>						
Options: Unvested	-	-	-	-	-	-
Restricted Stock Units: Unvested	\$ 278,604	\$ 278,604	-	\$ 278,604	-	\$ 278,604
Performance Share Units: Unvested	\$ 308,124	\$ 308,124	-	\$ 308,124	\$ 205,519	\$ 308,124
CONSOL Stock Units: Unvested	\$ 1,043,665	\$ 1,043,665	-	\$ 1,043,665	\$ 347,541	\$ 1,043,665
<b>Benefits and Perquisites:</b>						
Outplacement service	-	-	-	-	-	\$ 25,000
Continuation of medical/drug/dental benefits <sup>(5)</sup>	-	-	-	-	-	\$ 32,832
401(k) payment	-	-	-	-	-	\$ 31,000
Restoration Plan	-	-	-	-	-	-
Supplemental Retirement Plan <sup>(6)</sup>	-	-	-	-	-	\$ 1,809,332
280G Tax Gross-up	-	-	-	-	-	-
<b>Total:</b>	\$ 1,630,393	\$ 1,699,624	-	\$ 1,922,893	\$ 553,060	\$ 5,238,823

\* Applicable footnotes follow the last table in this section of the Proxy Statement.

*James C. Grech\**

Executive Benefits and Payments Upon Termination	Incapacity Retirement (with a social security disability)	Termination Not for Cause (reduction in force)	Termination For Cause	Death	Disability (without a social security disability)	Change in Control Termination <sup>(1)</sup>
<b>Compensation:</b>						
Base Salary	-	-	-	-	-	\$ 740,000
Short-Term Incentive <sup>(2)</sup>	-	-	-	\$ 222,000	-	\$ 411,838
Severance Pay Plan <sup>(3)</sup>	-	\$ 85,385	-	-	-	-
<b>Long-Term Incentive Compensation:<sup>(4)</sup></b>						
Options: Unvested	\$ 19,734	\$ 19,734	-	\$ 19,734	-	\$ 19,734
Restricted Stock Units: Unvested	\$ 62,043	\$ 62,043	-	\$ 62,043	-	\$ 62,043
Performance Share Units: Unvested	-	-	-	-	-	-
CONSOL Stock Units: Unvested	\$ 404,746	\$ 404,746	-	\$ 404,746	\$ 134,780	\$ 404,746
<b>Benefits and Perquisites:</b>						
Outplacement service	-	-	-	-	-	\$ 25,000
Continuation of medical/drug/dental benefits <sup>(5)</sup>	-	-	-	-	-	\$ 19,486
401(k) payment	-	-	-	-	-	\$ 31,000
Restoration Plan	-	-	-	-	-	\$ 6,680
Supplemental Retirement Plan <sup>(6)</sup>	-	-	-	-	-	\$ 638,979
New Restoration Plan	-	-	-	-	-	\$ 48,909
280G Tax Gross-up	-	-	-	-	-	-
<b>Total:</b>	\$ 486,523	\$ 571,908	-	\$ 708,523	\$ 134,780	\$ 2,408,415

\* Applicable footnotes follow this table.

- (1) If a change in control occurred and the named executive's employment did not terminate, the named executive would be entitled only to the payments and benefits shown under Long-Term Incentive Compensation. The narrative following these tables contains a description of events that constitute a change in control.

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- (2) Using the assumption that a termination occurred at year-end, Mr. Harvey, would have already earned or forfeited the short-term incentive award due to age and service at December 31, 2013, and we have not, therefore, reflected these amounts in the table. In the event of death, Messrs. Khani, DeJuliis, Johnson and Grech would earn the short-term incentive award. In the event of a qualifying termination in connection with a change in control, each named executive, pursuant to his change in control agreement, would be entitled to a pro-rated payment of his short-term incentive compensation based upon the length of service during the year in which the termination occurred. Assuming a target payout for 2013 and a change in control at year-end, each individual would receive, in addition to the amount shown in the table, the amounts set forth in the Grants of Plan-Based Awards Table under the target amounts for non-equity incentive plan awards. In the event of a termination not for cause or a termination for good reason, Mr. Harvey would also be entitled to the pro-rated payment of his short-term incentive compensation for the year in which the termination occurred pursuant to his Employment Agreement, and assuming a target payout for 2013, he would receive the amount set forth in the Grants of Plan-Based Awards Table under the target amount for non-equity incentive plan awards.
- (3) The Severance Pay Plan for Salaried Employees provides one week of severance for every year of service up to a maximum of 25 weeks in the event that employment is involuntarily terminated because of a reduction in workforce. As of December 31, 2013, Messrs. Harvey, Khani, DeJuliis, Johnson and Grech were entitled to 16 weeks, 2 weeks, 23 weeks, 8 weeks and 12 weeks, respectively, of severance.
- (4) If a currently employed named executive is eligible for Early Retirement or Normal Retirement, each as defined by the applicable equity award agreements, that named executive would be entitled to the following amounts for unvested options (including Performance Options), restricted stock units, performance share units and CONSOL Stock Units, respectively, under any termination scenario except termination for cause (in which case, the equity is forfeited): Mr. Harvey (Normal Retirement eligible): \$0; \$0; 7,496,467; \$11,194,449. Messrs. DeJuliis, Johnson, Khani and Grech are not eligible for Early Retirement or Normal Retirement, and as such, they would not receive the value of such equity awards in the event of a Separation Retirement. The values for long-term incentive compensation represent the value of the unvested CONSOL stock options, restricted stock units, performance share units, CONSOL Stock Units and/or Performance Options (as applicable), which would accelerate and vest or would continue to vest according to the vesting schedule, depending on the termination event. The value of the CONSOL unvested options (including Performance Options), restricted stock units and performance share units was calculated using a closing market price of \$38.04 for CONSOL (noting that no value is listed for the options when the strike price exceeds \$38.04 and assumes target payout for the performance share units. For the performance share units granted in 2011 and unvested Performance Options, which both had a performance period ending December 31, 2013, we have not included these amounts since the vesting periods had ended on December 31, 2013.
- (5) In the event of a qualifying termination in connection with a change in control, as of December 31, 2013, Messrs. Harvey and DeJuliis, pursuant to their change in control agreement, would be entitled to the continuation of medical, drug, vision and dental coverage for a period of 36 months and 30 months, respectively and Messrs. Khani, Johnson and Grech would each be entitled to 24 months.
- (6) In the event of a termination for cause, no benefit is payable. Benefits vest immediately in the event of termination due to disability, death or change in control.
- (7) This calculation is an estimate for proxy disclosure purposes only. Payments on an actual change of control may differ based on factors such as transaction price, timing of employment termination and payments, methodology for valuing stock options, changes in compensation, reasonable compensation analyses and the value of the covenant not to compete. Assumptions used in the Proxy Statement include:

Marginal federal, Pennsylvania state and FICA tax rates of 35%, 3.07% and 1.45%, respectively;

Any payments with respect to the 2013 bonus were not contingent on the change in control (and thus, not required to be included in the calculation);

Stock options are assumed to become fully vested and/or exercisable and are valued in accordance with Rev. Proc. 98-34 and Q&A 24(c) of Code Section 280G based on expected life of the option; and

We did not attribute any value to non-competition covenants or take the position that any part of the value of the performance-based equity and long-term incentive plans provided to the applicable named executive was reasonable compensation for services prior to the change of control, which would have reduced the estimated excise tax gross-up payment, if any.

*Mr. Lyons and Mr. Pusateri's Retirement*

On March 1, 2013, we entered into Consulting Agreements with Messrs. Lyons and Pusateri. They agreed to provide consulting services to CONSOL to help ensure the transition of their duties and responsibilities to Messrs. Khani and Grech, respectively, which expired on December 31, 2013. In return, CONSOL made monthly payments to Messrs. Lyons and Pusateri totaling \$474,783 and \$403,950, in the aggregate, respectively. Please refer to the footnotes to the All Other Compensation column of the Summary Compensation Table for the value of the equity awards that accelerated upon retirement for Messrs. Lyons and Pusateri.

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***Mr. Richey's Retirement***

On March 1, 2013, Mr. Richey retired from his position with CONSOL. CONSOL entered into a retirement letter with Mr. Richey in which CONSOL agreed to pay Mr. Richey \$772,000 and his outstanding equity awards continue to vest in accordance with their terms. Mr. Richey agreed to release any claims he has against CONSOL, including any claims under his Offer Letter, dated February 11, 2005, which was terminated in connection with his retirement. Please refer to the footnote to the All Other Compensation column of the Summary Compensation Table for the value of the equity awards that accelerated upon retirement for Mr. Richey.

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**UNDERSTANDING OUR CHANGE IN CONTROL AND EMPLOYMENT TERMINATION TABLES AND INFORMATION**

***Executive Summary Regarding Agreements and/or Programs with Change of Control Termination Provisions***

This section provides information regarding the following Corporation agreements and/or programs which provide for benefits to be paid to named executives in connection with employment termination and/or a change in control of the Corporation or, with respect to Mr. DeLuliis, CNX Gas:

Employment Agreement with our Chief Executive Officer;

Change in Control Agreements;

Stock Option Agreements;

Restricted Stock Unit Agreements;

Performance Share Unit and CONSOL Stock Unit Awards;

Supplemental Retirement Plan; and

Severance Pay Plan for Salaried Employees.

The consulting agreements and severance arrangements with Messrs. Lyons, Pusateri and Richey are described in this Proxy Statement in *Compensation Discussion and Analysis* on page 31.

***Current Employment Agreement with our Chief Executive Officer***

As previously discussed in the *Compensation Discussion and Analysis* on page 31 and *Understanding our Summary Compensation and Grants of Plan-Based Awards Tables* on page 55, Mr. Harvey has an employment agreement with CONSOL.

The terms of the Employment Agreement provide that if Mr. Harvey resigns for good reason (as defined below) or is terminated without cause (as defined below), and in each case he delivers a signed release of claims reasonably satisfactory to the Corporation to the Corporation's General Counsel within thirty (30) days of the date of his termination and does not revoke such release within the seven-day revocation period provided for in the release, he is entitled to receive severance payments in the form of:

his then current base salary through the date of termination and any annual bonus awarded in accordance with the Corporation's bonus program but not yet paid;

an amount equal to two times his then current base salary and two times the target annual bonus amount (provided that Mr. Harvey has not breached the confidentiality, non-competition and non-solicitation restrictions set forth in the employment agreement);

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payment of the pro-rata portion of his target bonus in the year of termination if the relevant performance goals are met;

medical benefits or reimbursements for a maximum period of 24 months;

payment of all accrued but unused vacation time;

payment for reasonable outplacement assistance services actually incurred by him in seeking other employment within 12 months of his termination; and

reimbursement for business expenses incurred prior to such termination.

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Except for the payments relating to the pro-rata portion of Mr. Harvey's target bonus and outplacement services, these amounts are to be paid in a single lump sum payment within 10 days after the date of his termination, provided that no amount will be paid until expiration of the seven day statutory revocation period with respect to the release described above. The pro-rata portion of Mr. Harvey's target bonus is to be paid in accordance with the terms of the applicable plan, subject to the attainment of the performance goals applicable to such bonus award and the payment for outplacement services is to be paid no later than the end of the calendar year following the year in which such expense is incurred by Mr. Harvey. If Mr. Harvey's employment is terminated for good reason or without cause, he and his dependents will continue to receive his medical insurance benefits from the Corporation, on terms substantially comparable to terms of the Corporation's medical plan, for up to 24 months following the termination date.

If Mr. Harvey's employment is terminated due to death or permanent disability, which is defined in accordance with the Corporation's long-term disability plan applicable to Mr. Harvey, he (or his estate, if applicable) will be entitled to receive:

his then current base salary through the date of termination;

a pro-rata portion of his target bonus for the year of termination;

payment for all accrued, but unused vacation time; and

reimbursement for business expenses incurred prior to such termination, with such amounts payable in a single lump sum within 10 days following termination.

If Mr. Harvey's employment is terminated for cause or by Mr. Harvey other than for good reason and not due to death or permanent disability, he will be entitled to receive solely his base salary through the termination date, payment for all accrued but unused vacation time through the termination date, and reimbursement of reimbursable expenses incurred prior to termination.

The employment agreement defines cause as:

gross negligence in the performance of Mr. Harvey's duties which results in material financial harm to the Corporation;

Mr. Harvey's conviction of, or plea of guilty or nolo contendere, to any felony or any misdemeanor involving fraud, embezzlement or theft;

Mr. Harvey's intentional failure or refusal to perform his duties and responsibilities with the Corporation, without the same being corrected within 15 days after being given written notice thereof;

the material breach by Mr. Harvey of any of the covenants contained in the employment agreement discussed below;

Mr. Harvey's willful violation of any material provision of the Corporation's code of conduct for executives and management employees; or

Mr. Harvey's engagement in conduct that is demonstrably and materially injurious to the Corporation, monetarily or otherwise.

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Mr. Harvey may be terminated for cause only by majority vote of all the members of the Board (other than Mr. Harvey), which vote must be communicated to Mr. Harvey in writing.

The Employment Agreement defines good reason as any of the following actions taken by the Corporation without Mr. Harvey's written consent:

the material diminution of Mr. Harvey's duties or responsibilities including the assignment of any duties and responsibilities materially inconsistent with his position;

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a material reduction in Mr. Harvey's base salary;

a material reduction in Mr. Harvey's annual target bonus opportunity (excluding any reduction that is generally applicable to all or substantially all executive officers of the Corporation);

a material reduction in the overall level of employee benefits (including long-term incentive opportunities) provided to Mr. Harvey (excluding any reduction that is generally applicable to all or substantially all executive officers of the Corporation);

the breach of his Employment Agreement by the Corporation caused by the failure to obtain a written assumption of his Employment Agreement by any person acquiring all or substantially all of the assets of the Corporation prior to such acquisition;

the relocation of Mr. Harvey's principal work location to a location more than 50 miles from Pittsburgh, Pennsylvania; or

the Corporation giving Mr. Harvey notice of nonextension of the term of his Employment Agreement at either the end of the initial three year term or the end of the first one year extension of the term;

provided, however, that, notwithstanding the foregoing, Mr. Harvey must give written notice to the Corporation of his intention to terminate his employment for good reason within sixty days after the event or omission which constitutes good reason; the event must remain uncorrected by the Corporation for 30 days following the notice; and the termination must occur within 60 days following the expiration of the notice period. Any failure to give such written notice within such period will result in a waiver of his right to terminate for good reason as a result of such act or omission.

All stock option and restricted stock unit and performance share unit awards contain non-competition provisions which prohibit Mr. Harvey from taking the following actions during the term of his employment and for a period of two years after termination of such employment:

directly or indirectly engaging in any business which is in competition with any line of business conducted by the Corporation or an affiliate of the Corporation and which is in any area where the Corporation or its affiliates do business;

performing or soliciting the performance of services for any customer or client of the Corporation or its affiliates;

inducing any employee of the Corporation or its affiliate to do either of the actions described in the preceding bullet points or terminating such employee's employment with the Corporation or its affiliates or offering employment to any person who was employed by the Corporation or its affiliates unless such person has ceased such employment for a period of at least 12 months; or

directly or indirectly assisting others in any of the above referenced actions.

Further, Mr. Harvey's Employment Agreement contains restrictive covenants relating to confidential information, the terms of which are identical to those set forth in the CONSOL equity award agreements. See "Change in Control and Restrictive Covenant Provisions" CONSOL Stock Options, Restricted Stock Units and Performance Share Units below for a description of these restrictive covenants.

***Change in Control Agreements***

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As of December 31, 2013, Messrs. Harvey, Khani, Johnson and Grech each had change in control severance agreements with CONSOL and Mr. DeIuliis has a change in control severance agreement with CONSOL and CNX Gas (which we refer to collectively as the CIC Agreements ). In connection with Messrs. Lyons , Pusateri s and Richey s voluntary retirements with the Corporation, in the first quarter of 2013, the severance payments and benefits described hereunder will not become payable to them under the CIC Agreements.

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The CIC Agreements provide severance benefits to our named executives if they are terminated (i) after, or in connection with, a CONSOL change in control (as described below) (and/or, in the case of Mr. DeIuliis, a CNX Gas change in control (as described below)), by CONSOL (and/or by CNX Gas, in the case of Mr. DeIuliis) for any reason other than cause (as defined below), death or disability (as defined below), that occurs not more than three months prior to or within two years after, a CONSOL change in control (and/or a CNX Gas change in control, in the case of Mr. DeIuliis), or is requested by a third party initiating the CONSOL change in control (and/or the CNX Gas change in control, in the case of Mr. DeIuliis) or (ii) within the two-year period after a CONSOL change in control (and/or a CNX Gas change in control, in the case of Mr. DeIuliis), if he is constructively terminated (as defined below).

Under the two circumstances described above, as of December 31, 2013, the named executives would be entitled to receive:

a lump sum cash payment equal to a multiple of base pay plus a multiple of incentive pay (the multiple, in each case, for Mr. Harvey, 3.0; for Mr. DeIuliis, 2.5; and for Messrs. Khani, Johnson and Grech, 2.0);

a pro-rated payment of his incentive pay for the year in which his termination of employment occurs;

for a specified period (for Mr. Harvey, 36 months; for Mr. DeIuliis, 30 months; and for Messrs. Khani, Johnson and Grech, 24 months), the continuation of medical and dental coverage (or monthly reimbursements in lieu of continuation);

if he would have been eligible for post-retirement medical benefits had he retired from employment during the applicable period, but is not so eligible due to termination, then at the conclusion of the benefit period, the Corporation (or CNX Gas, in the case of Mr. DeIuliis) will provide him with additional continued group medical coverage comparable to that which would have been available under the Corporation's (or CNX Gas's, in the case of Mr. DeIuliis) post-retirement program for so long as such coverage would have been available under such program, or the Corporation (or CNX Gas, in the case of Mr. DeIuliis) will provide monthly reimbursements to him in lieu of such coverage;

a lump sum cash payment equal to the total amount that the executive would have received under the 401(k) plan as a match if he was eligible to participate in the 401(k) plan for a specified period after his termination date (for Mr. Harvey, 36 months; for Mr. DeIuliis, 30 months; and for Messrs. Khani, Johnson and Grech, 24 months) and he contributed the maximum amount to the plan for the match;

a lump sum cash payment equal to the difference between the present value of his accrued pension benefits at his termination date under the qualified defined benefit plan and (if eligible) any plan or plans providing nonqualified retirement benefits and the present value of the accrued pension benefits to which the executive would have been entitled under the pension plans if he had continued participation in those plans for a specified period after his termination date (for Mr. Harvey, 36 months; for Mr. DeIuliis, 30 months; and for Messrs. Khani, Johnson and Grech, 24 months);

a lump sum cash payment of \$25,000 in order to cover the cost of outplacement assistance services and other expenses associated with seeking other employment; and

any amounts earned, accrued or owing but not yet paid as of his termination date, payable in a lump sum, and any benefits accrued or earned in accordance with the terms of any applicable benefit plans and programs.

In addition, upon a CONSOL change in control (and/or a CNX Gas change in control, in the case of Mr. DeIuliis) all equity awards granted to each of the executives will become fully vested and/or exercisable on the date the change in control occurs and all stock options or stock appreciation rights will remain exercisable for the period set forth in the applicable award agreement. If it is determined that any payment or distribution to an executive or for his benefit would constitute an excess parachute payment within the meaning of Section 280G of the federal

income tax laws, the executives (other than Messrs. Khani and Grech) will be entitled to an additional amount,

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subject to certain limitations, such that the net amount retained by him after deduction of any excise tax imposed under Section 4999 of the federal income tax laws, and any tax imposed upon the gross-up payment, will be equal to the excise tax on the payment.

The CIC Agreements contain confidentiality, non-competition and non-solicitation obligations. The named executives have each agreed not to compete with the business for one year, or to solicit employees for two years, following a termination of employment, when such executive is receiving severance benefits under a CIC Agreement.

No payments are made or benefits provided under the CIC Agreements unless the executive executes, and does not revoke, a written release of any and all claims (other than for entitlements under the terms of the agreement or which may not be released under the law).

Cause is a determination by the Board (or the CNX Gas Board, in the case of Mr. DeJuliis) that the executive has:

(a) been convicted of, or has pleaded guilty or nolo contendere to, any felony or any misdemeanor involving fraud, embezzlement or theft; or

(b) wrongfully disclosed material confidential information of the Corporation or any subsidiary (including CNX Gas), has intentionally violated any material express provision of the Corporation's code of conduct for executives and management employees (as then in effect) or has intentionally failed or refused to perform any of his material assigned duties for the Corporation (or CNX Gas, in the case of Mr. DeJuliis), and any such failure or refusal has been demonstrably and materially harmful to the Corporation (or CNX Gas, in the case of Mr. DeJuliis).

Notwithstanding the foregoing, the executive will not be deemed to have been terminated for cause under clause (b) above unless the majority of the members of the Board (or the CNX Gas Board, in the case of Mr. DeJuliis) plus one member of such board, find that, in its good faith opinion, the executive has committed an act constituting cause, and such resolution is delivered in writing to the executive.

A change in control under the CIC Agreements means the occurrence of any of the following events:

(i) the acquisition by any individual, entity or group of beneficial ownership of more than 25% of the combined voting power of the then outstanding voting stock of the Corporation (or CNX Gas, in the case of Mr. DeJuliis); provided, however, that the following acquisitions will not constitute a change in control: (A) any issuance of voting stock of the Corporation (or CNX Gas, in the case of Mr. DeJuliis) directly from the Corporation (or CNX Gas, in the case of Mr. DeJuliis) that is approved by the then incumbent Board (or incumbent CNX Gas board, in the case of Mr. DeJuliis), (B) any acquisition by the Corporation (or by CNX Gas or any subsidiary of the Corporation or CNX Gas in the case of Mr. DeJuliis) of voting stock of the Corporation (or CNX Gas, in the case of Mr. DeJuliis), (C) any acquisition of voting stock of the Corporation (or CNX Gas, in the case of Mr. DeJuliis) by any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any subsidiary of the Corporation (including CNX Gas), (D) any acquisition of voting stock of the Corporation (or CNX Gas, in the case of Mr. DeJuliis) by an underwriter holding securities of the Corporation (or CNX Gas, in the case of Mr. DeJuliis) in connection with a public offering thereof, or (E) any acquisition of voting stock of the Corporation (or CNX Gas, in the case of Mr. DeJuliis) by any person pursuant to a transaction that complies with clauses (A), (B) and (C) of (iii) below; or

(ii) individuals who constitute the Board as of the agreement date (or in the case of Mr. DeJuliis, individuals who constitute the CNX Gas board other than at a time when the Corporation and/or its subsidiaries beneficially own more than 50% of the total voting stock of CNX Gas) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to such date whose election, or nomination for election by the Corporation's shareholders (or CNX Gas shareholders, in the case of Mr. DeJuliis) was approved by a vote of at least two-thirds of the directors then comprising the incumbent Board (or incumbent CNX Gas Board, in the case of Mr. DeJuliis) are deemed to have then been a member of the incumbent Board (or incumbent

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CNX Gas Board, in the case of Mr. DeIuliis), but excluding any individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board (or the CNX Gas board, in the case of Mr. DeIuliis);

(iii) consummation of a reorganization, merger or consolidation of the Corporation (or CNX Gas, in the case of Mr. DeIuliis) or a direct or indirect wholly owned subsidiary of the Corporation (or a direct or indirect wholly owned subsidiary of CNX Gas, in the case of Mr. DeIuliis), a sale or other disposition of all or substantially all of the assets of the Corporation (or CNX Gas, in the case of Mr. DeIuliis), or other transaction involving the Corporation (or CNX Gas, in the case of Mr. DeIuliis), unless, in each case, immediately following such transaction, (A) all or substantially all of the individuals and entities who were the beneficial owners of voting stock of the Corporation (or CNX Gas, in the case of Mr. DeIuliis) immediately prior to such transaction beneficially own, directly or indirectly, more than 50% of the combined voting power of the then outstanding shares of voting stock of the entity resulting from such transaction or any direct or indirect parent corporation thereof, (B) no person other than the Corporation (or, in the case of Mr. DeIuliis, the Corporation and/or any of its subsidiaries) beneficially owns 25% or more of the combined voting power of the then outstanding shares of voting stock of the entity resulting from such transaction or any direct or indirect parent corporation thereof and (C) at least a majority of the members of the Board (or the CNX Gas Board, in the case of Mr. DeIuliis, other than at a time when the Corporation and/or its subsidiaries beneficially own more than 50% of the total voting stock of CNX Gas) of the entity resulting from such transaction or any direct or indirect parent corporation thereof were members of the incumbent Board (or the incumbent CNX Gas Board, in the case of Mr. DeIuliis) at the time of the execution of the initial agreement or of the action of the Board providing for such transaction;

(iv) approval by the shareholders of the Corporation (or CNX Gas, in the case of Mr. DeIuliis) of a complete liquidation or dissolution of the Corporation (or CNX Gas, in the case of Mr. DeIuliis), except pursuant to a transaction that complies with clauses (A), (B) and (C) of (iii) above; or

(v) in the case of Mr. DeIuliis – CIC Agreement, other than a time when CONSOL and/or its subsidiaries beneficially own less than 50% of the total voting stock of CNX Gas, a CONSOL change in control (as described in clauses (i) through (iv) above).

A constructive termination means:

a material adverse change in position;

a material reduction in annual base salary or target bonus or a material reduction in employee benefits;

a material adverse change in circumstances as determined in good faith by the executive, including a material change in the scope of business or other activities for which the executive was responsible for prior to the change in control, which has rendered the executive unable to carry out, has materially hindered his performance of, or has caused him to suffer a material reduction in, any of the authorities, powers, functions, responsibilities or duties attached to the position he held immediately prior to the change in control, as determined by him;

the liquidation, dissolution, merger, consolidation or reorganization of the Corporation (or CNX Gas, in the case of Mr. DeIuliis) or transfer of substantially all of the Corporation's (or CNX Gas, in the case of Mr. DeIuliis) business or assets unless the successor assumes all duties and obligations of the Corporation (or CNX Gas, in the case of Mr. DeIuliis) under the applicable CIC Agreement; or

the relocation of the executive's principal work location to a location that increases his normal commute by 50 miles or more or that requires travel increases by a material amount.



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***Stock Options***

In the event that a named executive's employment with the Corporation (including any affiliate of the Corporation) is terminated for cause (as defined in our Plan) or the named executive breaches non-competition or proprietary information covenants (see description below), then any stock option (whether vested or unvested) that is granted to the named executive will be canceled and forfeited in its entirety on the date of termination of employment or breach of covenant, as applicable. In addition, any stock option exercised during the six month period prior to such termination of employment or breach of covenant, as applicable, will be rescinded, and the named executive will be required to pay to the Corporation within 10 days an amount in cash equal to the gain realized by the exercise of the stock option.

In the event that the named executive's employment terminates voluntarily, due to disability (as defined in our Plan) or by the Corporation without cause (as defined in our Plan), the non-vested portion of any stock option will be deemed cancelled on the termination date and the vested portion, if any, of the stock option as of the date of such termination will remain exercisable for the lesser of a period of 90 days following termination or until the expiration date of the stock option. Notwithstanding the previous sentence, if such termination occurs by reason of an early retirement or incapacity retirement as defined in the Pension Plan (or any successor plan) and as provided in the agreement, then in that event the non-vested portion of the stock option will continue to vest and become exercisable in the ordinary course and will remain exercisable until the stock option's expiration date. If the named executive's employment is terminated by reason of a normal retirement, as defined in the Pension Plan (or any successor plan), the non-vested portion of the stock option will vest in its entirety on the effective date of the named executive's retirement and the stock option will remain exercisable until its expiration date.

In the event that employment with the Corporation (including any affiliate) is terminated by reason of a reduction in force as specified and implemented by the Corporation, the non-vested portion of a stock option will continue to vest and become exercisable in accordance with the vesting schedule set forth above, will remain exercisable until the expiration date, and the non-competition and certain non-solicitation provisions in the agreement will not apply. In the event that the named executive's employment is terminated by reason of death, the non-vested portion of the stock option will vest in its entirety immediately upon the date of death and will remain exercisable for the lesser of a period of three years following death or the expiration date.

***Nonqualified Performance Stock Options***

In the event that a named executive's employment with the Corporation (including any affiliate) is terminated for cause (as defined in our Plan) or the named executive breaches the confidentiality and/or the non-competition obligations set forth in the Performance Option award agreement, such Performance Option (whether vested or unvested) will be cancelled and forfeited in its entirety on the date the named executive's employment is terminated or the covenants are breached. In addition, any Performance Option exercised during the six-month period prior to such termination of employment or breach of covenant, as applicable, will be rescinded. Within 10 days after receiving notice of a rescission, the named executive must pay to the Corporation an amount in cash equal to the gain realized by such person upon exercise of the Performance Option.

Unless otherwise specifically provided in a separate agreement between the Corporation and the named executive, if a named executive's employment with the Corporation (including any affiliate) is terminated by the named executive voluntarily or by the Corporation without cause, the non-vested portion of such named executive's Performance Option will be cancelled and forfeited on the date the named executive's employment is terminated and the vested portion, if any, of the Performance Option as of the date of such termination will remain exercisable for the lesser of (i) a period of 90 days following such termination of employment or (ii) until the expiration date.

In the event that a named executive's employment with the Corporation (including any affiliate) is terminated by reason of an early retirement or normal retirement (each as defined and provided in the Performance Option award agreement), the non-vested portion of such named executive's Performance Option will vest to the extent earned as determined at the end of each respective performance period; provided, however, that if a named executive's employment is terminated by reason of an early retirement or a normal retirement before the one-year

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anniversary of the date the Performance Option was granted, the non-vested portion of the named executive's Performance Option will be canceled and forfeited in its entirety on the date of such named executive's termination of employment.

In the event that a named executive's employment with the Corporation (including any affiliate) is terminated by reason of death, incapacity retirement (as defined in the Pension Plan, or any successor plan thereto applicable to the named executive) or disability (as defined in our Plan), the non-vested portion of such named executive's Performance Option will vest to the extent earned as determined at the end of each respective performance period and the Performance Option will remain exercisable until the expiration date.

In the event of an employment termination by reason of a reduction in force as specified and implemented by the Corporation, the non-vested portion of a stock option will continue to vest to the extent earned as determined at the end of each respective performance period or as otherwise provided in the Performance Option award agreement, and will remain exercisable until the expiration date. In the event of such an employment termination by reason of a reduction in force, the named executive will not be subject to the non-competition and certain non-solicitation provisions contained in the award agreement.

### ***Restricted Stock Units***

All shares subject to restricted stock unit awards that are issued under our Plan will vest (i.e., will not be subject to forfeiture as the result of employment termination) upon the occurrence of any of the following events and will be delivered on the termination date, or as soon as administratively practical thereafter (but in no event later than the 15th day of the third month following that date):

termination of employment with the Corporation on or after age 65;

termination of employment with the Corporation on or after age 55 under circumstances which also satisfy the criteria for either early retirement or incapacity retirement under the Pension Plan, as in effect at that time; or

termination of employment with the Corporation by reason of death or as part of a reduction in force as specified and implemented by the Corporation.

In no event will any shares vest in the event employment with the Corporation is terminated for cause as defined in our Plan (see below) or if a named executive leaves the Corporation's employment for any reason other than in connection with one of the special vesting events specified above.

In addition, if employment is terminated for cause or the named executive breaches the non-competition or proprietary information covenants (see below), then, in addition to awards being cancelled with respect to any unvested shares, the named executive will also forfeit all of his right, title and interest in and to any shares which have vested under existing awards and which are held by him at that time or are otherwise subject to deferred issuance. In addition, to the extent a named executive has sold any of his vested shares within the six month period ending with the date of the named executive's termination for cause or breach of the non-competition or proprietary information covenants or at any time thereafter, then the named executive will be required to repay to the Corporation, within 10 days after receipt of written demand from the Corporation, the cash proceeds received upon each such sale, provided the demand is made by the Corporation within one year after the date of that sale.

In the event employment is terminated because of a reduction in force, the named executive will not be subject to the non-competition and certain non-solicitation provisions contained in the award agreement.

### ***Performance Share Unit and CONSOL Stock Unit Awards***

If a named executive's employment with CONSOL or any affiliate is terminated:

on or after the date the named executive has reached the age of 55 by reason of an Early Retirement or Incapacity Retirement;



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by reason of a Normal Retirement;

on account of death or Disability (other than an Incapacity Retirement); or

by reason of a reduction in force as specified and implemented by the Corporation prior to the payment date or the change in control payment date, as applicable, the named executive shall be entitled to retain his or her units and receive payment therefore to the extent earned and payable under the award.

However, in the case of a Disability, the named executive shall only be entitled to retain a prorated portion of the units determined at the end of the performance period and based on the number of complete months that the named executive worked in the performance period. If a named executive's employment with CONSOL or any affiliate is terminated for any other reason, including by the named executive voluntarily, or by CONSOL with or without cause (other than in connection with a reduction in force as explained above), prior to the payment date or the change in control payment date, as applicable, the units awarded to the named executive shall be cancelled and forfeited.

In the event employment is terminated because of a reduction in force, the named executive will not be subject to the non-competition and non-solicitation provisions contained in the award agreement.

### ***Equity Incentive Plan Definitions***

The following definitions and provisions are set forth in our Plan:

Cause is defined, unless otherwise defined in the applicable award agreement, as a determination by the Compensation Committee that a person has committed an act of embezzlement, fraud, dishonesty or breach of fiduciary duty to the Corporation, deliberately and repeatedly violated the rules of the Corporation or the valid instructions of the Board or an authorized officer of the Corporation, made any unauthorized disclosure of any of the material secrets or confidential information of the Corporation, or engaged in any conduct that could reasonably be expected to result in material loss, damage or injury to the Corporation.

Disability is defined, unless otherwise defined in the applicable award agreement, as an award recipient's inability, because of physical or mental incapacity or injury (that has continued for a period of at least 12 consecutive calendar months) to perform for the Corporation or an affiliate of the Corporation substantially the same services as he or she performed prior to incurring the incapacity or injury.

### ***Change in Control and Restrictive Covenant Provisions - CONSOL Stock Options, Restricted Stock Units, Performance Share Units and CONSOL Stock Units***

All stock options (including the Performance Options), restricted stock unit, performance share unit and CONSOL Stock Unit awards, whether or not vested, vest (and at target in the case of performance share unit and CONSOL Stock Unit awards) upon a change in control, which is defined under our Plan as (unless otherwise defined in the applicable award agreement) the earliest to occur of:

any one person (other than the Corporation, any trustee or other fiduciary holding securities under an employee benefit plan of the Corporation, and any corporation owned, directly or indirectly, by the shareholders of the Corporation in substantially the same proportions as their ownership of Corporation stock), or more than one person acting as a group, is or becomes the beneficial owner of shares that, together with the shares held by that person or group, possess more than 50% of the total fair market value or total voting power of the Corporation's shares;

a majority of members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election; or

the sale of all or substantially all of the Corporation's assets.



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However, in the event the accelerated vesting of the awards, either alone or together with any other payments or benefits to which the named executive may otherwise become entitled from the Corporation in connection with the change in control would, in the Corporation's good faith opinion, be deemed to be a parachute payment under Section 280G of the Code (or any successor provision), then, unless any agreement between the named executive and the Corporation provides otherwise, the number of options and restricted stock units which vest on this accelerated basis will be reduced to the extent necessary to assure, in the Corporation's good faith opinion, that no portion of the accelerated award will be considered such a parachute payment.

All stock option and unit awards contain a covenant regarding confidential information and trade secrets, pursuant to which the recipient must agree, at any time during or after his or her employment with the Corporation, not to disclose or use for his or any other person or entity's own benefit or purposes, other than the Corporation and its affiliates, any proprietary confidential information or trade secrets, which are unique to the Corporation and not generally known to the industry or the public. In addition, upon termination with the Corporation for any reason, the award recipient must immediately return all materials relating to the business of the Corporation and its affiliates, excluding personal notes, notebooks and diaries, and may not retain or use for such person's own account at any time any trade names, trademarks or other proprietary business designation used or owned in connection with the business of the Corporation or its affiliates.

### ***Supplemental Retirement Plan***

If a participant's employment with CONSOL or any subsidiary terminates for cause (which is defined to include a violation of any nonsolicitation, noncompetition or nondisclosure provision contained in any agreement entered into by and between a participant and CONSOL or any subsidiary), no benefits will be payable under the Supplemental Retirement Plan. Additionally, each participant will agree by participating in the Supplemental Retirement Plan that within ten (10) days after the date we provide the participant with a notice that there has occurred a termination on account of cause, the participant will pay to us in cash an amount equal to any and all distributions paid to or on behalf of such participant under the plan within the six (6) months prior to the date of the earliest breach. A forfeiture of Supplemental Retirement Plan benefits will also occur for certain cause events even if the event does not occur or is not discovered until after any termination of employment. Benefits under the Supplemental Retirement Plan will immediately vest upon death or disability of a participant or upon a change in control (as described below).

Further, the participant will be entitled to receive the vested benefits in a lump sum payment if the participant's employment is terminated after, or in connection with, a change of control (as defined in the Supplemental Retirement Plan) on account of:

an involuntary termination associated with a change in control within the two year period after the change in control, or

a termination by CONSOL other than for cause or due to the participant's death or disability that (A) occurs not more than three months prior to the date on which a change in control occurs or (B) is required by a third party who initiates a change in control. The benefit will be calculated as if the participant terminated on the date of the change in control, but the participant will be considered only for purposes of applying the appropriate actuarial reduction to have a minimum age of 55 and a minimum of 20 years of credited service. Additional service credit will also be provided for the term of any payments under a participant's CIC Agreement, if any, with the Corporation. See *Understanding our Pension Benefits Table* on page 62 for more information regarding the Supplemental Retirement Plan.

### ***New Restoration Plan***

In the event a participant in the New Restoration Plan terminates employment with the Corporation and its subsidiaries in connection with a change in control (as defined in the New Restoration Plan), the participant is entitled to a contribution to the New Restoration Plan for the year in which the termination occurs. If such termination occurs prior to September 30 of a calendar year, then such contribution will be based upon the participant's base salary and target bonus for the year and, if such termination occurs on or after September 30 of a

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calendar year, such contribution will be based upon the participant's base salary and actual bonus for the year. Notably, the same contribution treatment applies for participants who incur an involuntary termination of employment due to death, disability, incapacity retirement or reduction in force, and the same compensation treatment for terminations that occur on or after September 30 applies to participants who voluntarily resign from employment. If a participant's employment terminates on account of "cause" (as defined in the New Restoration Plan), no benefits will be payable under the plan.

***Severance Pay Plan For Salaried Employees***

Eligible employees of CONSOL are entitled to receive benefits under the Severance Pay Plan immediately upon completion of one year of continuous service with CONSOL. Pursuant to the terms of the Severance Pay Plan, upon an involuntary termination that is part of a workforce reduction, the employee is entitled to one week's compensation for each completed full year of continuous service, up to a maximum of 25 weeks compensation, subject to the Severance Pay Plan's reemployment provisions described below. Benefits under the Severance Pay Plan do not apply where the employee is terminated for "cause" or resigns, or where such employee's employment ends in connection with the sale of stock or all or part of the CONSOL asset and the employee is offered employment by the purchaser (or its affiliate) of the stock or all or part of the CONSOL asset.

Calculation of the one week's compensation is made on the basis of straight time pay (excluding any bonus or overtime compensation) for such employee's permanently assigned position. In addition to severance benefits, employees are granted any vacation pay to which they are entitled. Employees with less than one year of service are paid only up to and including the date of termination.

In the event that the terminated employee is re-employed as a full-time employee before the severance pay period has expired, the employee shall reimburse CONSOL for the amount of severance benefits which relate to the unexpired period. If the employee was granted vacation pay, the employee may, at his or her option, remit the vacation pay to CONSOL and schedule a later vacation at a time mutually agreed upon with CONSOL.

Employees will not be entitled to severance under this plan unless and until such employee executes, and does not revoke, a release, deemed satisfactory by the Corporation, waiving any and all claims against the Corporation, its affiliates and subsidiaries and all related parties.

**ACCOUNTANTS AND AUDIT COMMITTEE**

**AUDIT COMMITTEE REPORT**

The Audit Committee has reviewed and discussed with management of CONSOL and Ernst & Young LLP (E&Y), the independent registered public accounting firm serving as the independent auditor of the Corporation for the fiscal year ended December 31, 2013, the audited financial statements of the Corporation for the fiscal year ended December 31, 2013 (the "Audited Financial Statements"). In addition, we have discussed with E&Y the matters required to be discussed relating to the conduct of the audit under the auditing standards of the Public Company Accounting Oversight Board (PCAOB) (Auditing Standard No. 16 relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of the registered public accountant's activities or access to requested information and any significant disagreements with management).

The Audit Committee also has received the written disclosures and the letter from Ernst & Young LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence and has discussed with that firm its independence from the Corporation and its subsidiaries. The committee also discussed with management of the Corporation and E&Y such other matters and received such assurances from them as we deemed appropriate.

Management is responsible for the Corporation's internal controls and the financial reporting process. E&Y is responsible for performing an independent audit of CONSOL's financial statements and of its internal control over financial reporting in accordance with generally accepted auditing standards and issuing reports thereon. The Audit Committee's responsibility is to monitor and oversee these processes.

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Based on the foregoing review and discussions with management and a review of the report of E&Y with respect to the Audited Financial Statements and the other matters described above, and relying thereon, the Audit Committee has recommended to the Board the inclusion of the Audited Financial Statements in the Corporation's Annual Report on Form 10-K for the year ended December 31, 2013 for filing with the SEC.

Members of the Audit Committee:

Raj K. Gupta, Chairman  
Philip W. Baxter  
John T. Mills

*The foregoing Audit Committee Report does not constitute soliciting material and should not be deemed filed or incorporated by reference into any other filing of CONSOL under the Securities Act of 1933 or the Exchange Act, except to the extent that the Corporation specifically incorporates the Report by reference therein.*

**Table of Contents****INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

E&Y was the independent registered public accounting firm selected by the Corporation's Audit Committee as the independent auditor for the fiscal years ended December 31, 2013 and December 31, 2012.

The following table presents fees billed for professional audit services rendered by E&Y in connection with its audits of CONSOL's annual financial statements for the years ended December 31, 2013 and December 31, 2012 and fees for other services rendered by E&Y during those periods.

	2013 (E&Y Fees)	2012 (E&Y Fees)
Audit Fees	\$ 2,499,388	\$ 2,399,210
Audit-Related Fees	\$ 1,006,275	\$ 39,000
Tax Fees	\$ 213,201	\$ -
All Other Fees	\$ 1,995	\$ 1,995
<b>Total</b>	<b>\$ 3,720,859</b>	<b>\$ 2,440,205</b>

As used in the table above, the following terms have the meanings set forth below:

***Audit Fees***

The fees for professional services rendered in connection with the audit of CONSOL's annual financial statements, for Sarbanes-Oxley attestation procedures, for the review of the financial statements included in CONSOL's Quarterly Reports on Form 10-Q and for services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements.

***Audit-Related Fees***

The fees for assurance and related services that are reasonably related to the performance of the audit or review of CONSOL's financial statements, and for work performed in 2013 relating to the Murray Transaction.

***Tax Fees***

The fees for professional services rendered for tax compliance, tax advice and tax planning in 2012, and in 2013, for work performed in connection with the Murray Transaction and a tax basis project.

***All Other Fees***

The fees for products and services provided, other than for the services reported under the headings Audit Fees, Audit-Related Fees and Tax Fees. These fees were for a subscription to E&Y's GAAIT service, an electronic accounting and research tool offered by E&Y.

***Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services***

The Audit Committee pre-approves all audit and permissible non-audit services provided by the independent registered public accounting firm. These services may include audit services, audit-related services, tax services and other services. The Audit Committee has adopted a policy for the pre-approval of services provided by the independent registered public accounting firm. All of the services performed by E&Y in 2013 and 2012 were pre-approved in accordance with the pre-approval policy and procedures adopted by the Audit Committee. Proposed services may require specific pre-approval by the Audit Committee (e.g., annual financial statement audit services) or alternatively, may be pre-approved without consideration of specific case-by-case services (e.g., audit related and tax services). In either case, the Audit Committee must consider whether such services are consistent with SEC rules on auditor independence.

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**PROPOSAL NO. 2 - RATIFICATION OF ANTICIPATED APPOINTMENT OF INDEPENDENT AUDITOR**

The Audit Committee anticipates appointing Ernst & Young LLP as the independent registered public accounting firm to serve as the independent auditor for CONSOL in respect of the fiscal year ended December 31, 2014. The Audit Committee recommends that the shareholders of CONSOL ratify this anticipated appointment.

If the shareholders of CONSOL do not ratify the anticipated appointment of Ernst & Young LLP, the appointment of an independent registered public accounting firm to serve as the independent auditor for the fiscal year ending December 31, 2014 will be reconsidered by the Audit Committee.

Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting and will have an opportunity to address the meeting and respond to appropriate questions.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE  
RATIFICATION OF THE ANTICIPATED APPOINTMENT OF ERNST & YOUNG LLP AS INDEPENDENT  
AUDITOR FOR THE FISCAL YEAR ENDING DECEMBER 31, 2014.**

**PROPOSAL NO. 3 - APPROVAL OF CONSOL'S EXECUTIVE COMPENSATION**

Pursuant to Section 14A of the Exchange Act, the Corporation is required to provide its shareholders with the opportunity to cast a non-binding advisory vote on compensation paid to our named executives. At our 2011 annual meeting of shareholders, our shareholders voted to conduct this advisory vote on an annual basis.

As described in detail in the *Compensation Discussion and Analysis*, our executive compensation program is designed to attract, motivate and retain key executives who drive our success and industry leadership. We achieve these objectives through compensation that:

links a significant portion of total compensation to performance which we believe will create long-term shareholder value;

consists primarily of stock-based compensation, which encourages our named executives to act as owners of the Corporation;

is tied to both overall corporate performance as well as individual performance (annual and long-term);

enhances retention in a highly competitive market by subjecting a significant portion of total compensation to multi-year vesting or performance conditions;

discourages unnecessary and excessive risk-taking; and

provides a competitive total pay opportunity.

The Compensation Committee continually reviews the compensation programs for our executive officers to ensure they achieve the desired goals of aligning our executive compensation structure with our shareholders' interests and current market practices. Please read *Compensation Discussion and Analysis* beginning on page 31, which describes the Corporation's executive compensation program and the decisions made by the Compensation Committee in 2013 in more detail, including information about the fiscal year 2013 compensation paid to our named executives and how we responded to shareholder concerns.

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CONSOL has had a consistent record of delivering solid financial results for our shareholders. For a discussion of the Corporation's significant achievements in 2013, see *Compensation Discussion and Analysis - Executive Summary*. We believe that our executive compensation programs have played a material role in our ability (i) to drive the strong financial results described in *Compensation Discussion and Analysis* and (ii) to attract and retain a highly experienced, successful team to manage the Corporation.

We are asking our shareholders to indicate their support for the compensation paid to our named executives in 2013 as described in this Proxy Statement (including the Compensation Discussion and Analysis, the compensation tables

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and other related compensation disclosures required by Regulation S-K Item 402 and contained herein). This proposal is intended to give our shareholders the opportunity to express their views on the compensation paid to our named executives in 2013. This vote is not intended to address any specific item of compensation, but rather the overall compensation paid to our named executives, and the philosophy, policies and practices described in this Proxy Statement.

Accordingly, we ask our shareholders to vote **FOR**, on an advisory basis, the compensation paid to our named executives in 2013, as disclosed in this Proxy Statement pursuant to the compensation disclosure rules of the SEC, and to adopt the following resolution at the Annual Meeting:

**RESOLVED**, that the compensation paid to the Corporation's named executives, as disclosed pursuant to Item 402 of Regulation S-K, including the *Compensation Discussion and Analysis*, compensation tables and narrative discussion, is hereby **APPROVED**.

As an advisory vote, your vote will not be binding on the Corporation, the Board or the Compensation Committee. However, our Board and our Compensation Committee, which is responsible for designing and administering the Corporation's executive compensation program, value the opinions of our shareholders and to the extent there is any significant vote against the compensation paid to our named executives in 2013, we will consider our shareholders' concerns and the Compensation Committee will evaluate whether any actions are necessary to address those concerns.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE COMPENSATION PAID TO OUR NAMED EXECUTIVES IN 2013, AS DISCLOSED IN THIS PROXY STATEMENT, PURSUANT TO THE COMPENSATION DISCLOSURE RULES OF THE SECURITIES AND EXCHANGE COMMISSION.**

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER CONSOL ENERGY****EQUITY COMPENSATION PLAN**

The following table summarizes the Corporation's equity compensation plan information as of December 31, 2013.

Plan Category	Equity Compensation Plan Information		Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	
Equity compensation plans approved by security holders as of 12/31/13	9,140,866 <sup>(1)</sup>	\$ 38.12 <sup>(2)</sup>	6,072,413
Equity compensation plans not approved by security holders	-	-	-
<b>Total</b>	<b>9,140,866</b>	<b>\$ 38.12</b>	<b>6,072,413</b>

(1) Of this total, 4,777,266 are outstanding stock options, 802,804 are Performance Options, 881,570 are restricted stock units, 2,444 are deferred stock units, 2,676,782 are performance share units and CONSOL Stock Units (earned at maximum level).

(2) The weighted-average exercise price does not take into account the restricted stock units, deferred stock units, performance share units or cash-settled phantom stock units.

The Plan was approved prior to CONSOL's initial public offering by its then shareholders. In May 2005, the shareholders approved an amendment to the Plan, including an increase in the total number of shares of common stock that can be covered by grants, to 9,100,000 shares. In May 2006, there was a 2-for-1 stock split bringing the total number of shares of common stock that can be covered by grants to 18,200,000

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shares and in April 2009, the shareholders approved an amendment to the Plan, including an increase in the total number of shares issuable under the Plan to 23,800,000, and in May 2012, the shareholders approved an amendment to the Plan, including an increase in the total number of shares issuable under the Plan to 31,800,000.

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**PROPOSAL NO. 4 - SHAREHOLDER PROPOSAL REGARDING POLITICAL CONTRIBUTIONS**

We have been notified of the intention to present the following resolution, reproduced verbatim, at the Annual Meeting by the Comptroller of the State of New York, Thomas P. DiNapoli, as trustee of the New York State Common Retirement Fund (the Fund) and the administrative head of the New York State and Local Employees Retirement System and the New York State Police and Fire Retirement System, 633 Third Avenue 31st Floor, New York, New York 10017. The Fund is the holder of 971,740 shares of our common stock. The Board and CONSOL accept no responsibility for the proposed resolution and supporting statement. A shareholder submitting a proposal must appear personally or by proxy at the meeting to move the proposal for consideration. As required by SEC rules, the resolution and supporting statement are printed below:

**Resolved**, that the shareholders of **Consol Energy**, ( Company ) hereby request that the Company provide a report, updated semiannually, disclosing the Company s:

1. Policies and procedures for making, with corporate funds or assets, contributions and expenditures (direct or indirect) to (a) participate or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office, or (b) influence the general public, or any segment thereof, with respect to an election or referendum.
2. Monetary and non-monetary contributions and expenditures (direct and indirect) used in the manner described in section 1 above, including:
  - (a) The identity of the recipient as well as the amount paid to each; and
  - (b) The title(s) of the person(s) in the Company responsible for decision-making.

The report shall be presented to the board of directors or relevant board committee and posted on the Company s website.

**Stockholder Supporting Statement**

As long-term shareholders of Consol Energy, we support transparency and accountability in corporate spending on political activities. These include any activities considered intervention in any political campaign under the Internal Revenue Code, such as direct and indirect contributions to political candidates, parties, or organizations; independent expenditures; or electioneering communications on behalf of federal, state or local candidates.

Disclosure is in the best interest of the company and its shareholders and critical for compliance with federal ethics laws. Moreover, the Supreme Court s Citizens United decision recognized the importance of political spending disclosure for shareholders when it said, [D]isclosure permits citizens and shareholders to react to the speech of corporate entities in a proper way. This transparency enables the electorate to make informed decisions and give proper weight to different speakers and messages. Gaps in transparency and accountability may expose the company to reputational and business risks that could threaten long-term shareholder value.

Consol Energy contributed at least \$2,777,383 in corporate funds since the 2003 election cycle. (CQ: <http://moneyline.cq.com> and National Institute on Money in State Politics: <http://followthemoney.org>)

However, relying on publicly available data does not provide a complete picture of the Company s political spending. For example, the Company s payments to trade associations used for political activities are undisclosed and unknown. In some cases, even management does not know how trade associations use their company s money politically. The proposal asks the Company to disclose all of its political spending, including payments to trade associations and other tax exempt organizations used for political purposes. This would bring our Company in line with a growing number of leading companies, including Qualcomm, Exelon, Merck and Microsoft that support political disclosure and accountability and present this information on their websites.

The Company s Board and its shareholders need comprehensive disclosure to be able to fully evaluate the political use of corporate assets. We urge your support for this critical governance reform.

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END OF SHAREHOLDER PROPOSAL

**CONSOL S STATEMENT IN OPPOSITION TO THE SHAREHOLDER PROPOSAL NO. 4**

Your Board of Directors carefully considered this proposal and believes that it is not in the best interests of the Corporation or our shareholders at this time to prepare and publish a report containing the information in the form and manner requested by the proposal. The Board recommends a vote AGAINST this proposal for the following reasons:

*The shareholders wisely defeated this same proposal last year.* The proponent made a virtually identical proposal last year and our shareholders, for essentially the reasons we set forth below, overwhelmingly defeated it with only 16.5% of votes cast for the proposal.

*CONSOL needs to be an effective participant in the legislative and regulatory process.*

i CONSOL s gas and coal businesses are subject to extensive regulation and, as discussed in our Form 10-K at pages 33 and 36-38, the possibility exists that additional regulations could be adopted relating to greenhouse gases, carbon sequestration, emissions from coal-fired power plants, among others, which could adversely affect our business.

i We believe it is the best interests of our shareholders to make corporate political contributions to candidates and political organizations when such contributions are consistent with business objectives and are permitted by federal, state and local laws.

i We do this by contributing prudently to state and local candidates and by contributing to political organizations and trade associations when we believe such contributions advance CONSOL s business objectives and the interests of our shareholders, and we disclose these contributions in accordance with applicable law. Federal campaign contributions cannot be made from corporate funds, but rather can only be given from employee funds contributed to CONSOL s corporate PAC. The PAC s receipts and disbursements are regularly reported and disclosed on the Federal Election Commission s website.

*CONSOL has already adopted a policy regarding the reporting of political expenditures, which includes public disclosure and the involvement of the Board of Directors.*

i CONSOL s Board of Directors has adopted a Code of Employee Business Conduct and Ethics, a copy of which is posted on our website that applies to all employees of CONSOL. Section 9 (Political Contributions) provides that no employee shall make a contribution of CONSOL funds, property or services to any political party or committee or to any candidate except for lawful contributions to support or oppose public referenda or similar ballot issues or lawful political contributions unless they have been reviewed by appropriate officers of CONSOL, who will advise the Board.

i CONSOL s PAC disbursements are publicly available at [www.fec.gov](http://www.fec.gov) and CONSOL s corporate political contributions are publicly available and easily accessible on the internet from state campaign finance reporting agencies.

i Significant public information about our contributions is already publicly available, as demonstrated by the proponent s references to publicly available amounts of contributions made by CONSOL.

*Political contributions are an insignificant portion of CONSOL s revenues as well as of CONSOL s expenditures.*

i In each of the last three fiscal years, both CONSOL s revenues and its total expenses have been in excess of \$3 billion.

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- i The amount of CONSOL's political contributions represents an insignificant portion of its total annual revenues as well as of its total annual costs.
- i In making political contributions, CONSOL is committed to complying with all applicable federal, state and local campaign finance and lobbying laws, including laws requiring public disclosure of political contributions and lobbying expenses to state and federal agencies.

*CONSOL's contribution reporting policy includes disclosure of aggregate political expenditures through trade associations.*

- i We participate in certain industry trade and similar organizations with purposes that include, but are not limited to, enhancement of the public image of the gas and coal industries, education about these industries and issues which affect them and industry best practices and standards. On some occasions, one or more of these organizations may choose to exercise its right to engage in political activity.
- i Consistent with CONSOL's contribution policy, the aggregate amount of dues to major trade associations used to participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office will be published in our annual Corporate Responsibility Report. Thus, we do not believe additional disclosures requested by the Proposal are in the best interests of our shareholders.

**IN CONCLUSION, WE AGAIN DO NOT BELIEVE IT TO BE IN THE SHAREHOLDERS' BEST INTERESTS TO EXPEND CORPORATE FUNDS AND TIME TO COMPILE THE ADDITIONAL REQUESTED DISCLOSURES. IF IT IS PROPERLY PRESENTED AT THE ANNUAL MEETING, THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE AGAINST THE SHAREHOLDER PROPOSAL AND WILL SO VOTE PROXIES RECEIVED THAT DO NOT OTHERWISE SPECIFY.**

**PROPOSAL NO. 5 - SHAREHOLDER PROPOSAL REGARDING CLIMATE CHANGE REPORT**

We have been notified of the intention to present the following resolution, reproduced verbatim, at the Annual Meeting by Mr. Andrew Behar, care of the As You Sow Foundation, 311 California Street, Suite 510, San Francisco, CA 94104. Mr. Behar is the beneficial holder of 85 shares of our common stock. The Board and CONSOL accept no responsibility for the proposed resolution and supporting statement. A shareholder submitting a proposal must appear personally or by proxy at the meeting to move the proposal for consideration. As required by SEC rules, the resolution and supporting statement are printed below:

Carbon Asset Risk

**WHEREAS:**

In recognition of the need to address climate change and minimize global temperature rise, nearly every national government has agreed that deep cuts in greenhouse gas emissions (GHG) are required; and that the increase in global temperature should be below 2 degrees Celsius.

The International Energy Agency (IEA) states that No more than one-third of proven reserves of fossil fuels can be consumed prior to 2050 if the world is to achieve the 2 degrees Celsius goal, unless carbon capture and storage technology is widely deployed.

To achieve a 66 percent probability of not exceeding a global temperature rise above 2 degrees Celsius, the Intergovernmental Panel on Climate Change estimates that approximately 987 gigatons of carbon dioxide can be emitted through 2100. The IEA states that total proven reserves of coal, oil, and natural gas, represent approximately 2,860 gigatons of potential CO<sub>2</sub> emissions.

Goldman Sachs states most thermal coal growth projects will struggle to earn a positive return for their owners and finds that even when carbon prices are low, the downside risks of future regulation can offset the cost advantage of thermal coal relative to alternative energy sources.



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HSBC indicates that declining coal demand after 2020, due in part to efforts to address climate change, could reduce the current discounted cash flow valuation of coal producers by 44%.

The World Bank and European Investment Bank have recently placed restrictions on the financing of coal projects.

Given the growing public concern about climate change, investors are concerned that actions to significantly reduce GHG emissions could reduce the value of CONSOL Energy's coal and gas reserves and/or related infrastructure before the end of their expected useful life.

Investors require additional information on how CONSOL is preparing for potential scenarios in which demand for coal and gas is greatly reduced due to regulation or other climate-associated drivers. Without additional disclosure, shareholders are unable to determine whether CONSOL is adequately managing these risks or seizing related opportunities.

### **RESOLVED:**

Shareholders request CONSOL to prepare a report by September 2014, omitting proprietary information and prepared at reasonable cost, on the company's goals and plans to address global concerns regarding fossil fuels and their contribution to climate change, including analysis of long and short term financial and operational risks to the company.

### **SUPPORTING STATEMENT:**

We recommend the report include:

Risks and opportunities associated with various low-carbon scenarios, including reducing GHG emissions by 80 percent by 2050, as well as a scenario in which global coal demand declines due to evolving policy, technology, or consumer responses to address climate change;

Whether and how the company's capital allocation plans account for the risks and opportunities in these scenarios;

Plans to manage these risks, such as diversifying its business by investing in lower-carbon energy sources, or returning capital to shareholders;

Assumptions regarding deployment of CCS;

The Board of Directors' role in overseeing capital allocation and climate risk reduction strategies.

END OF SHAREHOLDER PROPOSAL

### **CONSOL'S STATEMENT IN OPPOSITION TO THE SHAREHOLDER PROPOSAL NO. 5**

Your Board of Directors carefully considered this proposal and believes that it is not in the best interests of the Corporation or our shareholders at this time to prepare and publish a report containing the information in the form and manner requested by the proposal. The Board recommends a vote AGAINST this proposal for the following reasons:

*Although As You Sow claims it wants a report on the risks of being a fossil fuel producer, it is an advocate for divesting fossil fuel stocks.*

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- i Among other matters, As You Sow has created a Coal Divestment Toolkit: Moving Endowments Beyond Coal for student organizers to use to persuade their universities to divest coal company investments and reinvest.

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- i In addition, As You Sow’s website proclaims [w]e are proud to be collaborating with the following groups to support fossil fuel divestment and responsible re-investment

***Our shareholders defeated a substantially similar proposal last year.*** The proponent made a substantially similar proposal last year and our shareholders, for essentially what we believe are the reasons we set forth below, overwhelmingly defeated it with only 16.2% approval of the votes cast for the proposal.

***We practice responsible use of our land and other natural resources which is reflected in our Environmental Management System ( EMS ), in our research and development ( R&D ) and numerous other environmental projects.***

- i Our EMS addresses our goal to operate in an environmentally sound, reliable and efficient manner. There are three core principles of our EMS to avoid impacts, minimize impacts, and mitigate impacts.

- i CONSOL maintains the largest private research and development facility in the U.S. coal and gas industry that is devoted exclusively to coal and energy utilization and improving energy efficiency and reducing pollution. The activities of the R&D facility include coal-fueled power plant emissions reduction, GHG emissions reduction, and ambient air quality.

- i In 2013, CONSOL was a founding member of the Center for Sustainable Shale Development, a collaboration of environmental organizations, philanthropic foundations, and energy companies from across the Appalachian Basin. The aim of this organization is to ensure the safe and environmentally responsible development of abundant shale resources. Through the development of rigorous performance standards, coupled with third-party evaluation to certify companies that achieve and maintain these standards, we aim to further increase stakeholder acceptance of natural gas production. We are committed to achieving certification of all performance standards in 2014. Our participation in this effort builds upon the high expectations we set for ourselves.

***We already publish a Corporate Responsibility report and provide extensive public disclosures in our Form 10-K regarding our plans to address concerns regarding climate change and related risks and the long- and short-term financial and operational risks to the company of concerns regarding CONSOL’s operations and potential climate change consequences.***

- i CONSOL has produced the 2012 Corporate Responsibility Report (the CRR ) which is publicly available on our website at [www.consolenergy.com](http://www.consolenergy.com). The CRR provides detailed information directly responsive to the proposal with regard to CONSOL’s goals and plans to address global concerns regarding fossil fuels (specifically related to our coal and natural gas operations) and their contribution to climate change. In addition to emphasizing that air and GHG emissions are material concerns for CONSOL, the Environment at CONSOL Energy section of the CRR outlines specific initiatives undertaken by CONSOL to reduce its own carbon footprint as well as to assist our customers with these issues.

- i Our Form 10-K contains numerous disclosures on GHG including the following:

- Ø Regulation of greenhouse gas emissions as well as uncertainty concerning such regulation could adversely impact the market for natural gas and coal and the regulation of greenhouse gas emissions may increase our operating costs and reduce the value of our natural gas and coal assets on page 33 of our Form 10-K.

- Ø

The characteristics of coal may make it costly for electric power generators and other coal users to comply with various environmental standards regarding the emissions of impurities released when coal is burned which could cause utilities to replace coal-fired power plants with alternative fuels. In addition, various incentives have been proposed to

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encourage the generation of electricity from renewable energy sources. A reduction in the use of coal for electric power generation could decrease the volume of our coal sales and adversely affect our results of operation on page 32 of our Form 10-K.

Ø For drilling and mining operations, CONSOL Energy must obtain, maintain, and renew governmental permits and approvals which if we cannot obtain in a timely manner would reduce our production, cash flow and results of operations on page 35 of our Form 10-K.

Ø Existing and future government laws, regulations and other legal requirements relating to protection of the environment, and others that govern our business may increase our costs of doing business for coal and may restrict our coal operations on pages 35-36 of our Form 10-K.

*The proposal has already been implemented through compliance with applicable laws and regulations.*

i CONSOL is engaged in a highly regulated business which regulations are described in significant detail on pages 24-28 of the Form 10-K. We are also subject to extensive disclosure requirements pursuant to the rules and regulations of the SEC.

i The proposal requests that CONSOL provide an analysis of long and short term financial and operational risks to the company related to global concerns regarding fossil fuels and their contribution to climate change. Among other disclosure requirements, SEC Regulation S-K, Items 101 (Description of Business), 103 (Legal Proceedings), 303 (Management's Discussion and Analysis of Financial Condition and Results of Operations) and 503(c) (Risk Factors) require CONSOL to provide disclosure in its public filings with the SEC that is substantially similar to the information requested in the proposal.

i In Commission Guidance Regarding Disclosure Related to Climate Change, Exchange Act Release No. 61469 (Feb. 2, 2010), the SEC underscored the possible need to include climate change disclosure to the Regulation S-K items referenced above. Accordingly, CONSOL has already addressed and publicly disclosed the matters sought by the proposal regarding financial and operational risks to the Company in its public filings.

*The proposal is overreaching, unnecessary and unlikely to be prepared at a reasonable cost.*

i While the proposal is couched with the words prepared at reasonable cost, we believe that it would require the Corporation to engage in pure speculation on a variety of matters outside of its control and would not be prepared at a reasonable cost. Speculative elements include, for example, (i) determining future possible restrictions on carbon emissions, (ii) allocating these future possible restrictions to geographic regions in which our customers reside and (iii) if regulations on carbon emissions were enacted and if such regulations were in geographic areas in which our customers reside, the reaction and conduct of our customers in response to any such regulations on carbon emissions. We do not see any clear path, let alone one involving only reasonable cost, for creating risks and opportunities associated with various low carbon scenarios based on what political bodies such as the United States Congress, state legislatures or foreign governments are likely to do in the future, nor to predict future administrative actions or the validity of future administrative actions regarding climate change and fossil fuels. For example, European leaders have scrapped per-nation caps on carbon emissions and there are reports that they may be retreating from green energy mandates. See Europe Starts to Run, Not Walk, Away from Green Economics in Investors Business Daily Editorial dated February 5, 2014 <http://news.investors.com/ibd-editorials/020514-689033-europe-finds-anti-co2-policies-are-destroying-the-economy.htm>



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i The International Energy Agency issued a special report in June 2013 entitled *Redrawing the Energy-Climate Map*. It identified four pragmatic measures – improving efficiency, limiting the construction of and use of the least-efficient coal-fired power plants, minimizing methane emissions in upstream oil and gas, and reforming the fossil fuel subsidies that could halt the increase of emissions by 2020 without harming economic growth. Energy efficiency was identified as the largest, untapped potential for minimizing climate emissions – some two-thirds of the potential.

i Thus, it is not a certainty that there will be a long-term substantial diminution in the demand for coal and natural gas and the future may hold more promise for coal and natural gas than risk. The requested report would require considerable guessing and speculation about the future of not just coal, but all fossil fuels and not just their use in the U.S., but globally. Thus we believe that such a speculative study would not be a good use of CONSOL’s resources nor of benefit to our shareholders.

**IN CONCLUSION, WE AGAIN DO NOT BELIEVE IT TO BE IN THE SHAREHOLDERS’ BEST INTERESTS TO EXPEND CORPORATE FUNDS AND TIME ENGAGING IN SUCH VARIED SPECULATIVE SCENARIOS. IF IT IS PROPERLY PRESENTED AT THE ANNUAL MEETING, THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE AGAINST THE SHAREHOLDER PROPOSAL AND WILL SO VOTE PROXIES RECEIVED THAT DO NOT OTHERWISE SPECIFY.**

**PROPOSAL NO. 6 - SHAREHOLDER PROPOSAL REGARDING AN INDEPENDENT BOARD CHAIR**

We have been notified of the intention to present the following resolution, reproduced verbatim, at the Annual Meeting by the Comptroller of New York City, John C. Liu, 1 Centre Street, New York, New York, as trustee of the New York City Employees’ Retirement System, the New York City Fire Department Pension Fund, the New York City Teachers’ Retirement System, and the New York City Police Pension Fund, and as custodian of the New York City Board of Education Retirement System (collectively, the Funds). The Funds are the holders of an aggregate 530,726 shares of our common stock. The Board and CONSOL accept no responsibility for the proposed resolution and supporting statement. A shareholder submitting a proposal must appear personally or by proxy at the meeting to move the proposal for consideration. As required by SEC rules, the resolution and supporting statement are printed below:

Independent Board Chair

Submitted by John C. Liu, Comptroller, New York City, on behalf of the New York City Pension Funds

RESOLVED:

Shareholders of **Consol Energy, Inc.** request that the Board of Directors adopt a policy that the Chair of the Board of Directors shall be an independent director who is not a current or former employee of the company, and whose only nontrivial professional, familial or financial connection to the corporation or its CEO is the directorship. The policy should be implemented so as not to violate existing agreements and should allow for departure under extraordinary circumstances such as the unexpected resignation of the chair.

SUPPORTING STATEMENT

The role of the CEO is to run the company. The role of the board of directors is to provide independent oversight of management and the CEO.

At present, the Company’s CEO also serves as chairman of the board, a conflict of interest that we believe can result in excessive management influence on the board and weaken the board’s independent oversight of management. The consequences can include higher executive compensation, lower shareholder returns, more aggressive risk-taking, and ultimately less sustainable companies for the long-term.

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According to a June 2012 study of 180 North American companies with market capitalization over \$20 billion ( The Costs of a Combined Chair/CEO, GMI Ratings), shareholders pay out more when there is a non-independent chair at the helm. The median total compensation paid to a combined chair/CEO was \$16.1 million, 73% more than the \$9.3 million paid in total to the positions of CEO and an independent chair.

Companies with a separate chair (independent or non-independent) and CEO also appear to perform better and to be more sustainable over the longer term, according to the GMI study. The 5-year total shareholder return was found to be 28% higher, and the GMI risk ratings lower, at these companies.

Board leadership structure in the U.S. is trending towards an independent chair. Twenty-one percent of S&P 500 companies now have an independent chair compared to 9% in 2003 (Spencer Stuart Board Index). Approximately 73% of directors on boards with an independent chair believe that their companies benefited from the split (Survey, 2008 Public US National Association of Corporate Directors) and more than 88% of senior financial executives believe the positions should be separated (Grant Thornton, 2009 Survey).

Despite these strides, the U.S. lags the rest of the world in adopting this best practice. Companies with independent board chairs comprise 76% of FTSE 100 index in the United Kingdom, 55% of the Toronto Stock Exchange 60, and 50% for German DAX 30 index, according to findings by Deloitte (Board Leadership: A Global Perspective, 2011).

We urge shareholders to support this proposal for an independent board chairman.

END OF STOCKHOLDER PROPOSAL

## **CONSOL S STATEMENT IN OPPOSITION TO THE SHAREHOLDER PROPOSAL NO. 6**

The Board of Directors recommends that shareholders vote AGAINST this proposal for the following reasons:

### *One size does not fit all companies.*

- i CONSOL s Board believes that it is in the best position to continue to make the decision on whether or not to have a non-executive chairman based on then existing circumstances and experience.
- i We believe that inflexibly mandating these future determinations, as advocated by the proponent, would inadvisably limit Board discretion and permanently disqualify current or former executives from serving as Chairman, potentially depriving the Board of the most qualified and appropriate person to lead the Board as Chairman.

### *CONSOL s Board leadership structure already provides the independent oversight over management that is sought by the proposal.*

- i The central tenet of this shareholder proposal is to require oversight of management and the CEO by an independent director. Our Board is structured such that 75% of our current Directors are independent under the listing standards of the New York Stock Exchange, including our Lead Independent Director.
- i All members of our Audit Committee, Compensation Committee and Nominating and Governance Committee are independent. This means that oversight of critical matters such as the integrity of CONSOL s financial statements, capital structure, executive compensation, the nomination of Directors, and evaluation of the Board and key Committees is entrusted to independent Directors. Additionally, each Committee has unfettered access to management, as well as the authority to retain independent legal, accounting and other experts to advise the Board. The Committee Chairs, all of whom are independent, approve agendas and materials for their Committee meetings.



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***Our Lead Independent Director provides independent Board leadership. Among other things, he:***

- i Acts as a liaison between the Chairman and CEO and the independent Directors;
- i Presides at all meetings of the Board at which the Chairman and CEO is not present, including executive sessions of the independent Directors;
- i Reviews Board meeting agendas and schedules;
- i Reviews Board meeting materials and considers whether there are any particular risks on which the Board should focus at meetings;
- i Is authorized to direct the Chairman and CEO or Corporate Secretary to call a special meeting of the independent Directors;
- i Authorized to consult directly with major stockholders, when requested and appropriate to do so; and
- i Will perform other duties as directed by the Board.

***Our Lead Independent Director in accordance with NYSE standards has no professional, familial or financial connection to CONSOL other than in connection with his Directorship and satisfies the proponent's request for a leader that is an independent director whose only nontrivial professional, familial or financial connection to the corporation or its CEO is the directorship (quoting from the Proponent's resolution).***

***The proponent's supporting data does not tell the whole story; instead, the proponent cites broad statistics that are not tailored to CONSOL's business and operations.***

- i Proponent's statistics related to higher shareholder returns include companies with *non-independent* chairs. The proponent in arguing for a separate, independent chair points to studies on higher shareholder return. However, the proponent admits that the statistics it cites include companies with non-independent chairs. It is unclear how this supports implementing an independent chair.
- i CONSOL's lack of a rigid policy with respect to separating the Chairman and CEO positions is in line with the vast majority of S&P 500 companies. The proponent cites data indicating that 21% of S&P 500 companies now have an independent chair. However, only 4% of S&P 500 companies report having the same type of formal policy being advocated by the proponent (*2013 Spencer Stuart Board Index*). We also note that at approximately 69% of the 100 largest public companies in America (*Shearman & Sterling, 2013 Corporate Governance of the Largest US Public Companies*) the same person served as Chief Executive Officer and Chairman. As discussed above, our Board does not believe that implementing a strict policy requiring the separation of the Chairman and CEO roles would be good business judgment.

Our Board has determined that the most effective leadership model for CONSOL currently is that Mr. Harvey should serve as both Chairman and Chief Executive Officer. We respectfully believe that, in fact and theory, the proponent's inflexible one-size-fits-all formulaic approach to corporate governance is not in CONSOL's best interests. Rather, we believe that the better and more reasoned approach to corporate governance

and oversight is to exercise prudent business judgment by assessing what is the ideal board and management structure for a company based on the facts and circumstances relevant at any given time which is exactly what our Board has done.

**IN CONCLUSION, WE AGAIN DO NOT BELIEVE IT TO BE IN THE SHAREHOLDERS' BEST INTERESTS TO IMPLEMENT A ONE-SIZE-FITS ALL FORMULAIC APPROACH TO CORPORATE GOVERNANCE THAT REQUIRES AN INDEPENDENT CHAIRMAN. IF IT IS PROPERLY PRESENTED AT THE ANNUAL MEETING, THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE AGAINST THE SHAREHOLDER PROPOSAL AND WILL SO VOTE PROXIES RECEIVED THAT DO NOT OTHERWISE SPECIFY.**

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**ADDITIONAL MATTERS**

***Shareholder Proposals for Inclusion in Next Year's Proxy Statement or Presentation at Next Year's Annual Meeting***

Any proposal submitted by a shareholder for inclusion in the next Annual Meeting Proxy Statement must (a) conform to the requirements of Rule 14a-8 promulgated under the Exchange Act and (b) be received by the Corporate Secretary of CONSOL at our principal executive offices no later than November 28, 2014. Any such proposal should be addressed to the Corporate Secretary, CONSOL Energy Inc., 1000 CONSOL Energy Drive, Canonsburg, PA 15317. There is more information below regarding the content of proposals.

CONSOL's Amended and Restated Bylaws require that all shareholder proposals to be submitted at the Annual Meeting, but not included in the Corporation's Proxy Statement, be received by the Corporate Secretary of CONSOL as written notice no later than the close of business on the 90<sup>th</sup> day nor earlier than the close of business on the 120<sup>th</sup> day prior to the first anniversary of the preceding year's Annual Meeting, together with certain information specified in the Amended and Restated Bylaws. If the date of the Annual Meeting is more than 30 days before or more than 60 days after the anniversary date, notice by the shareholder must be delivered not earlier than the close of business on the 120<sup>th</sup> day prior to the Annual Meeting and not later than the close of business on the later of the 90<sup>th</sup> day prior to the Annual Meeting or the 10<sup>th</sup> day following the day on which public announcement of the date of the meeting is first made by CONSOL.

***General Information Regarding the Requirements for Shareholder Nominations of Directors***

Shareholders who intend to nominate a person for election as a Director must submit a notice disclosing certain information regarding the nominee, including the principal occupations or employment of such person during the past five years and evidence of the nominating shareholder's ownership of CONSOL stock including, among other things:

the name and address of the shareholder as it appears on CONSOL's books, and of such beneficial owner;

the class and number of shares of CONSOL and of any derivative instruments thereof which are owned beneficially and of record by the shareholder;

any other information relating to the shareholder or beneficial owner, if any, that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitation of proxies for, as applicable, the proposal and/or for the election of directors in a contested election;

a representation that such owner intends to appear in person or by proxy at the meeting to propose such nomination; and

a representation whether the shareholder or beneficial owner, if any, intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of CONSOL's outstanding capital stock required to elect the nominee and/or (b) otherwise solicit proxies from shareholders in support of such nomination.

In addition, the notice must be accompanied by a statement of the nominee indicating his or her willingness to serve if elected, and a questionnaire, representation and agreement as described in the Corporation's Amended and Restated Bylaws.

***Householding of Proxy Materials***

The SEC has adopted rules that permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements with respect to two or more shareholders sharing the same address and the same last name by delivering a single proxy statement addressed to those shareholders. This process, which is commonly referred to as householding, potentially provides extra convenience for shareholders and cost savings for



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companies. The Corporation and some brokers household proxy materials, delivering a single proxy statement to multiple shareholders sharing an address unless contrary instructions have been received from the affected shareholders. Once shareholders have received notice from their broker or the Corporation that materials will be sent in the householding manner to the shareholder's address, householding will continue until otherwise notified or until the shareholder revokes such consent. If, at any time, shareholders no longer wish to participate in householding and would prefer to receive a separate proxy statement, they should notify their broker if shares are held in a brokerage account or the Corporation if holding registered shares. The Corporation will deliver promptly upon written or oral request a separate copy of the annual report or proxy statement, as applicable, to a shareholder at a shared address to which a single copy of the documents was delivered. Any such notice should be addressed to the Investor Relations department of CONSOL Energy Inc., 1000 CONSOL Energy Drive, Canonsburg, PA 15317, or notice may be given by calling CONSOL at (724) 485-8800:

to receive a separate copy of an annual report or proxy statement for this meeting;

to receive separate copies of those materials for future meetings; or

if the shareholder shares an address and wishes to request delivery of a single copy of annual reports or proxy statements if now receiving multiple copies of annual reports or proxy statements.

***Other***

The Board knows of no other proposals that may properly be presented for consideration at the Annual Meeting but, if other matters do properly come before the Annual Meeting, the persons named in the proxy will vote your shares according to their best judgment.

By the Order of the Board of

Directors of CONSOL Energy Inc.

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**APPENDIX A**

We define EBITDA as earnings before deducting net interest expense (interest expense less interest income), income taxes and depreciation, depletion and amortization.

*Reconciliations for the 2013 Performance Period of the Short-Term Plan Awards*

Target EBITDA (2013). Our annual EBITDA goal for the 2013 performance period was 50% of \$913,358,000 which was calculated as follows: Net Income (\$99,089,000), plus net interest expense (\$204,448,000), minus income taxes (\$31,555,000), plus DD&A (\$641,376,000).

EBITDA (2013) Adjusted per STIC. Pursuant to the STIC program document for the 2013 performance period, certain specified adjustments are permitted to be made to the final EBITDA calculation. An adjustment for expenses associated with reorganizations and/or restructuring programs was made to the EBITDA calculation. Accordingly, the initial adjusted EBITDA for the 2013 performance period of \$1,851,074,000 (see below) was increased by \$4,731,000 to \$1,855,805,000 for purposes of the performance condition.

EBITDA (2013). For information on the calculation of our EBITDA for 2013 of \$1,851,074,000, please refer to the *EBIT and EBITDA Table* on page A-3.

Net Income (2013) Adjusted per STIC. Pursuant to the STIC program document for the 2013 performance period, certain specified adjustments are permitted to be made to the final Net Income calculation. An adjustment for expenses associated with reorganizations and/or restructuring programs was made to the Net Income calculation. Accordingly, the initial Net Income for the 2013 performance period of \$660,442,000 was increased by \$2,838,600 (net of tax) to \$663,280,600 for purposes of the performance condition.

*Reconciliations for the 2012-2013 Performance Period of the 2012-2013 Special Performance Share Unit ( PSU ) Award*

Target EBITDA (2012-2013). Our three-year EBITDA goal for the 2012-2013 performance period was 50% of \$3,238,347,000 which was calculated as follows: Net Income (\$1,059,385,000), plus net interest (\$435,184,000), plus income taxes (\$345,527,000), plus DD&A (\$1,398,251,000).

EBITDA (2012-2013) Adjusted Per PSU. Pursuant to the PSU program document for the 2012-2013 performance period, certain specified adjustments are permitted to be made to the final EBITDA calculation. For the 2012-2013 performance period, EBITDA was \$3,162,648,000. See *EBIT and EBITDA Table* on page A-3 for reconciliation. The following formulaic adjustments were then made to the EBITDA calculation: (i) fluctuations in natural gas prices and (ii) expenses associated with reorganizations. These adjustments are made on an annual basis and are consistently applied year-to-year. Accordingly, the initial adjusted EBITDA for the 2012-2013 performance period of \$3,162,648,000 was increased by \$467,430,890 to \$3,630,078,890 for purposes of the performance condition.

Net Income (2013) Adjusted per PSU. Pursuant to the PSU program document for the 2012-2013 performance period, certain specified adjustments are permitted to be made to the final Net Income calculation. The following formulaic adjustments were then made to the Net Income calculation: (i) fluctuations in natural gas prices and (ii) expense associated with reorganizations. Accordingly, the initial adjusted Net Income for the 2012-2013 performance period of \$1,048,912,000 was increased by \$280,458,534 (net of tax) to \$1,329,370,534 for purposes of the performance condition.



**Table of Contents***Reconciliations for the 2011-2013 Performance Period of the 2011-2013 Long-Term Incentive Program ( LTIP ) Awards*

Target EBITDA (2011-2013). Our three-year EBITDA goal for the 2011-2013 performance period was 50% of \$5,409,386,000 which was calculated as follows: Net Income (\$1,599,380,000), plus net interest (\$884,994,000), plus income taxes (\$508,880,000), plus DD&A (\$2,416,132,000).

EBITDA (2011-2013) Adjusted Per LTIP. Pursuant to the LTIP program document for the 2011-13 performance period, certain specified adjustments are permitted to be made to the final EBITDA calculation. The first adjustments add back any charges incurred for loss on debt extinguishment and impairment of long-lived assets. For the 2011-2013 performance period, the initially adjusted EBITDA was \$4,940,330,000. See *EBIT and EBITDA Table* on page A-3 for reconciliation. The following formulaic adjustments were then made to the EBITDA calculation: (i) fluctuations in natural gas prices and (ii) expenses associated with reorganizations. These adjustments are made on an annual basis and are consistently applied year-to-year. Accordingly, the initial adjusted EBITDA for the 2011-2013 performance period of \$4,940,330,000 was increased by \$513,313,004 to \$5,453,643,004 for purposes of the performance condition.

Net Income (2011-2013) Adjusted Per LTIP. Pursuant to the LTIP program document for the 2011-2013 performance period, certain specified adjustments are permitted to be made to the final Net Income calculation. Accordingly, Net Income for the 2011-2013 performance period was increased from \$1,681,409,000 to \$1,989,396,802. This increase to Net Income was attributable to the following formulaic adjustments, which are permitted by the terms of the program document: (i) fluctuations in natural gas prices and (ii) expenses associated with reorganizations. These adjustments are made on an annual basis and are consistently applied year-to-year.

ROCE (2011-2013). ROCE calculated at 13.86%

	2011	2012	2013
	(000 Omitted, except percentages)		
Total Assets	12,298,155	12,598,305	12,032,288
Less: Total Current Liabilities	1,526,591	1,387,748	1,253,535
Add: Current Portion of Debt	264,737	48,548	43,930
Less: Long-Term Liabilities	7,498,115	7,428,242	6,298,734
Add: Long-Term Portion of Debt	3,181,781	3,176,005	3,169,074
<b>Total Capital Employed</b>	<b>6,719,967</b>	<b>7,006,867</b>	<b>7,693,023</b>
Net Income	632,497	388,073	659,056
Income Tax Expense (Benefit)	155,456	109,201	356,704
Marginal Tax Rate	19.73%	21.96%	35.12%
Financing Costs:			
Interest on Third-Party Debt	252,378	246,831	251,971
All Other Financing Costs	41,780	21,854	26,201
Total Financing Costs	294,158	268,685	278,172
Total Financing Costs (After-Tax)	236,123	209,682	180,486
Add: Adjustment for Flux in gas prices	36,830	160,934	166,412
Add: Adjustment for reorganizations			3,070
Add: Adjustment for Unusual, Infrequent, or Non-recurring items	134,513	76,740	82,677
<b>Earnings Excluding Financing Costs</b>	<b>1,039,963</b>	<b>835,429</b>	<b>1,091,701</b>
Average Capital Employed	6,719,967	7,006,867	7,693,023
<b>YTD ROCE</b>	<b>15.48%</b>	<b>11.92%</b>	<b>14.19%</b>

**Table of Contents****EBIT AND EBITDA TABLE****(000 OMITTED, EXCEPT PER SHARE DATA)**

	<b>2011</b>	<b>2012</b>	<b>2013</b>
Net Income Attributable to CONSOL Energy Inc. Shareholders	\$ 632,497	\$ 388,470	\$ 660,442
Less: Income (Loss) from Discontinued Operations	\$ 49,178	(\$ 70,114)	(\$ 579,792)
Add: Interest Expense	\$ 248,344	\$ 220,042	\$ 219,198
Less: Interest Income	(\$ 8,919)	(\$ 28,937)	(\$ 15,889)
Add: Income Taxes	\$ 191,251	\$ 88,728	(\$ 33,189)
Add: Loss on Debt Extinguishment	\$ 16,090		
Earnings Before Interest & Taxes (EBIT) from Continuing Operations	\$ 1,128,441	\$ 598,189	\$ 250,770
Income (Loss) from Discontinued Operations	(\$ 49,178)	\$ 70,114	\$ 579,792
Add: Interest Expense from Discontinued Operations		\$ 18	\$ 3
Add: Income Taxes from Discontinued Operations	(\$ 35,795)	\$ 20,473	\$ 389,893
Add: Abandonment of Long-Lived Assets	\$ 115,817		
Earnings Before Interest & Taxes (EBIT) from Discontinued Operations	\$ 30,844	\$ 90,605	\$ 969,688
<b>Earnings Before Interest &amp; Taxes (EBIT)</b>	<b>\$ 1,159,285</b>	<b>\$ 688,794</b>	<b>\$ 1,220,458</b>
Earnings Before Interest & Taxes (EBIT) from Continuing Operations	\$ 1,128,441	\$ 598,189	\$ 250,770
Add: Depreciation, Depletion & Amortization (DD&A)	\$ 430,577	\$ 427,115	\$ 461,122
Earnings Before Interest, Taxes and DD&A (EBITDA) from Continuing Operations	\$ 1,559,018	\$ 1,025,304	\$ 711,892
Earnings Before Interest & Taxes (EBIT) from Discontinued Operations	\$ 30,844	\$ 90,605	\$ 969,688
Add: Depreciation, Depletion & Amortization from Discontinued Operations	\$ 187,820	\$ 195,665	\$ 169,494
Earnings Before Interest, Taxes and DD&A (EBITDA) from Discontinued Operations	\$ 218,664	\$ 286,270	\$ 1,139,182
<b>Earnings Before Interest, Taxes and DD&amp;A (EBITDA)</b>	<b>\$ 1,777,682</b>	<b>\$ 1,311,574</b>	<b>\$ 1,851,074</b>

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**CONSOL Energy Inc.**

**IMPORTANT ANNUAL MEETING INFORMATION**

**Electronic Voting Instructions**

**Available 24 hours a day, 7 days a week!**

Instead of mailing your proxy, you may choose one of the voting methods outlined below to vote your proxy.

VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

**Proxies submitted by the Internet or telephone must be received by 1:00 a.m., Central Time, on May 7, 2014.**

**Vote by Internet**

Go to [www.envisionreports.com/CNX](http://www.envisionreports.com/CNX)  
Or scan the QR code with your smartphone  
Follow the steps outlined on the secure website

**Vote by telephone**

Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada on a touch tone telephone

Follow the instructions provided by the recorded message

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas. **X**

q IF YOU HAVE NOT VOTED VIA THE INTERNET **OR** TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q

**Proposals**

**1. The Board recommends a vote FOR all nominees.**

Election of Directors: 01 - J. Brett Harvey    02 - Nicholas J. Deluliis    03 - Philip W. Baxter    04 - James E. Altmeyer, Sr.    05 - Alvin R. Carpenter  
06 - William E. Davis    07 - Raj K. Gupta    08 - David C. Hardesty, Jr.    09 - Maureen E. Lally-Green    10 - John T. Mills  
11 - William P. Powell    12 - Joseph T. Williams

\*\* Mark here to vote FOR all nominees      \*\* Mark here to WITHHOLD vote from all nominees

	01	02	03	04	05	06	07	08	09	10	11	12
** <b>For All EXCEPT</b> - To withhold a vote for one or more nominees, mark the box to the left and the corresponding numbered box(es) to the right.	..	..	..	..	..	..	..	..	..	..	..	..

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2. The Board recommends a vote **FOR** Proposal 2.

Ratification of Anticipated Selection of Independent Auditor: Ernst & Young LLP.

**For Against Abstain**

.. .. ..

3. The Board recommends a vote **FOR** Proposal 3.

Approval of Compensation Paid in 2013 to CONSOL Energy Inc.'s Named Executives.

**For Against Abstain**

.. .. ..

4. The Board recommends a vote **AGAINST** Proposal 4.

A Shareholder Proposal Regarding Political Contributions.

**For Against Abstain**

.. .. ..

5. The Board recommends a vote **AGAINST** Proposal 5.

A Shareholder Proposal Regarding a Climate Change Report.

**For Against Abstain**

.. .. ..

6. The Board recommends a vote **AGAINST** Proposal 6.

A Shareholder Proposal Regarding an Independent Board Chairman.

**For Against Abstain**

.. .. ..

PLEASE DATE, SIGN AND RETURN THE PROXY CARD PROMPTLY, USING THE ENCLOSED ENVELOPE.

**Table of Contents**

**YOUR VOTE IS IMPORTANT**

Please sign and date this proxy card and return it promptly in the enclosed postage-paid envelope so your shares may be represented at the Annual Meeting. If you vote your proxy by Internet or by telephone, you do NOT need to mail back your proxy card.

q IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q

**Proxy CONSOL Energy Inc.**



**PROXY FOR ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 7, 2014**

**PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

The undersigned hereby appoints J. Brett Harvey, Stephen W. Johnson and Stephanie L. Gill, and each of them, proxies with power of substitution to vote on behalf of the undersigned all shares, on all matters designated on the reverse side or otherwise properly presented at the Annual Meeting of Shareholders of CONSOL Energy Inc., as the undersigned may be entitled to vote at the Annual Meeting of Shareholders of CONSOL Energy Inc. to be held on May 7, 2014 at 10:00 a.m., Eastern Time, at the Hyatt Regency Pittsburgh International Airport, Wright Room, 1111 Airport Boulevard, Pittsburgh, Pennsylvania 15231, and any postponement or adjournment thereof, with all powers that the undersigned would possess if personally present.

This Proxy when properly executed will be voted in the manner directed herein. **If no direction is made, this Proxy will be voted FOR the election of nominees in proposal 1, FOR ratification of Ernst & Young LLP in proposal 2, FOR the approval of compensation paid in 2013 to CONSOL Energy Inc. s named executives in proposal 3, AGAINST the shareholder proposal regarding political contributions in proposal 4, AGAINST the shareholder proposal regarding a climate change report in proposal 5, and AGAINST the shareholder proposal regarding an independent board chairman in proposal 6, and the proxies are authorized, in accordance with their judgment, to vote upon such other matters as may properly come before the meeting and any postponement or adjournment thereof.**

**B Non-Voting Items**

**Change of Address** Please print new address below.

**Meeting Attendance**  
Mark box to the right if ..  
you plan to attend the  
Annual Meeting.

**C Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below**

**NOTE:** Please sign exactly as name appears hereon. Joint owners should each sign. When signing as attorney, executor, trustee, administrator or guardian, please give full title as such.

Date (mm/dd/yyyy) Please print date below.

Signature 1 Please keep signature within the box.

Signature 2 Please keep signature within the box.

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**CONSOL Energy Inc.**

**IMPORTANT ANNUAL MEETING INFORMATION**

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas. **X**

**Annual Meeting Proxy Card**

PLEASE FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.

**Proposals**

**1. The Board recommends a vote FOR all nominees.**

Election of Directors: 01 - J. Brett Harvey 02 - Nicholas J. Deluliis 03 - Philip W. Baxter 04 - James E. Altmeyer, Sr. 05 - Alvin R. Carpenter  
 06 - William E. Davis 07 - Raj K. Gupta 08 - David C. Hardesty, Jr. 09 - Maureen E. Lally-Green 10 - John T. Mills  
 11 - William P. Powell 12 - Joseph T. Williams

\*\* Mark here to vote FOR all nominees      \*\* Mark here to WITHHOLD vote from all nominees

01 02 03 04 05 06 07 08 09 10 11 12  
 .. For All **EXCEPT** - To withhold a vote for one or more nominees, mark the box to the left and the corresponding numbered box(es) to the right.      .. .. .. .. .. .. .. .. .. .. .. ..

**2. The Board recommends a vote FOR Proposal 2.**

Ratification of Anticipated Selection of Independent Auditor: Ernst & Young LLP.

**For Against Abstain**

.. .. ..

**3. The Board recommends a vote FOR Proposal 3.**

Approval of Compensation Paid in 2013 to CONSOL Energy Inc.'s Named Executives.

**For Against Abstain**

.. .. ..

**4. The Board recommends a vote AGAINST Proposal 4.**

A Shareholder Proposal Regarding Political Contributions.

**For Against Abstain**

.. .. ..

**5. The Board recommends a vote AGAINST Proposal 5.**

A Shareholder Proposal Regarding a Climate Change Report.

**For Against Abstain**

.. .. ..

**6. The Board recommends a vote AGAINST Proposal 6.**

**For Against Abstain**

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A Shareholder Proposal Regarding an  
Independent Board Chairman.

.. ..

PLEASE DATE, SIGN AND RETURN THE PROXY CARD PROMPTLY, USING THE ENCLOSED ENVELOPE.

**Table of Contents**

**YOUR VOTE IS IMPORTANT**

Please sign and date this proxy card and return it promptly in the enclosed postage-paid envelope so your shares may be represented at the Annual Meeting.

q PLEASE FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. q

**Proxy CONSOL Energy Inc.**



**PROXY FOR ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 7, 2014**

**PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

The undersigned hereby appoints J. Brett Harvey, Stephen W. Johnson and Stephanie L. Gill, and each of them, proxies with power of substitution to vote on behalf of the undersigned all shares, on all matters designated on the reverse side or otherwise properly presented at the Annual Meeting of Shareholders of CONSOL Energy Inc., as the undersigned may be entitled to vote at the Annual Meeting of Shareholders of CONSOL Energy Inc. to be held on May 7, 2014 at 10:00 a.m., Eastern Time, at the Hyatt Regency Pittsburgh International Airport, Wright Room, 1111 Airport Boulevard, Pittsburgh, Pennsylvania 15231, and any postponement or adjournment thereof, with all powers that the undersigned would possess if personally present.

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**B Authorized Signatures** This section must be completed for your vote to be counted. Date and Sign Below

**NOTE: Please sign exactly as name appears hereon. Joint owners should each sign. When signing as attorney, executor, trustee, administrator or guardian, please give full title as such.**

Date (mm/dd/yyyy) Please print date below.

Signature 1 Please keep signature within the box.

Signature 2 Please keep signature within the box.

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