

*Settlement Offer Not Admissible in Court Proceedings Under Minn. R. Evid. 408*

**STATE OF MINNESOTA  
MINNESOTA POLLUTION CONTROL AGENCY**

**IN THE MATTER OF:                    Northshore Mining Co. - Silver Bay                    STIPULATION AGREEMENT**

**Part 1.    PARTIES.** This Stipulation Agreement (“Agreement”) applies to and is binding upon the following parties:

- a. Northshore Mining Company; and
- b. The Minnesota Pollution Control Agency (“MPCA”), which is authorized to enter into this Agreement under Minn. Stat. chs. 115 and 116.

Unless specified otherwise in this Agreement, where this Agreement identifies actions to be taken by the MPCA, the Commissioner or the Commissioner’s designees shall act on the MPCA's behalf. The term “Regulated Party” applies to Northshore Mining Company.

**Part 2.    PURPOSE AND SCOPE OF STIPULATION AGREEMENT.** The purpose of this Agreement is to resolve the alleged violations set out in Part 6 of this Agreement by specifying actions the Regulated Party agrees to undertake. By entering into this Agreement, the Regulated Party is settling a disputed matter between itself and the MPCA and does not admit that the alleged violations set out in Part 6 of this Agreement occurred. However, the Regulated Party agrees that the MPCA may rely upon the alleged violations set out in Part 6 as provided in Part 12 of this Agreement. Except for the purposes of implementing and enforcing this Agreement, nothing in this Agreement constitutes an admission by any Party, or creates rights, substantive or procedural, that can be asserted or enforced with respect to any claim of or legal action brought by a person who is not a party to this Agreement. All citations are to the latest codification of the cited material unless otherwise indicated.

**Part 3.    AUTHORITY.** This Agreement is entered under the authority vested in the MPCA by Minn. Stat. chs. 115 and 116.

**Part 4.    DEFINITIONS.** Unless otherwise explicitly stated, the definitions in Minn. Stat. chs. 115, 115A, 115B, 115C, 116, 116B and in Minn. R. chs. 7000 to 7151 apply, as appropriate, to the terms used in this Agreement.

**Part 5.    BACKGROUND.** The following is the background of this Agreement:

a. The Northshore Mining Company is a Delaware corporation and operates a taconite processing facility located at 10 Outer Drive, Silver Bay, Minnesota, hereafter the "Facility." Northshore Mining Company is a wholly owned subsidiary of Cleveland-Cliffs Inc. Cleveland-Cliffs Inc., is an Ohio corporation.

b. Until August 28, 2025, the Regulated Party had coverage under National Pollutant Discharge Elimination System (NPDES)/State Disposal System (SDS) Permit No. MN0055301 issued December 2, 2005, and expired September 30, 2008. The Regulated Party was lawfully operating under the expired permit.

c. On May 29, 2024, MPCA staff conducted a routine inspection of the Facility. An associated file review was included as part of the routine inspection. Noncompliance was identified in this review process.

d. On August 29, 2024, the MPCA sent a copy of the Industrial Wastewater (IWW) Routine Inspection Report and Alleged Violations Letter (AVL) to the Regulated Party.

e. On September 27, 2024, the Regulated Party provided the AVL 30-day Response.

f. On December 9, 2024, the MPCA contacted Northshore Mining Company via phone call to inform them that the MPCA is working on enforcement following the AVL.

g. On August 28, 2025, the MPCA reissued NPDES/SDS Permit No. MN0055301 for the Facility to Northshore Mining Company. The reissued NPDES/SDS permit was effective as of August 28, 2025, except that limits and monitoring requirements were effective on September 1, 2025.

**Part 6. ALLEGED VIOLATIONS.** The MPCA alleges that the Regulated Party has violated the following requirements of state statute, rule, and/or permit condition:

**1. Minn. R. 7060.0600, subp. 2, PROHIBITION AGAINST DISCHARGE INTO UNSATURATED ZONE.**

No sewage, industrial waste, other waste, or other pollutants shall be allowed to be discharged to the unsaturated zone or deposited in such place, manner, or quantity that the effluent or residue therefrom, upon reaching the water table, may actually or potentially preclude or limit the use of the underground waters as a potable water supply, nor shall any such discharge or deposit be allowed which may pollute the underground waters. All such possible sources of pollutants shall be monitored at the discharger's expense as directed by the agency.

During a May 29, 2024 inspection and subsequent file review, the MPCA documented the Regulated Party reported multiple spills of process water to the surface. Two of these spills were in such place, manner, or quantity that the effluent or residue therefrom, upon reaching the water table, may potentially pollute the underground waters see Table 1 below. MPCA does not have and is not aware of any evidence showing these discharges reached the underground waters or otherwise caused pollution to the underground waters.

**Table 1**

#	Duty Officer Report Number	Date/Time of Discovery	Date/Time of Reporting	Approx Lapsed Reporting Time (minutes)	Material (quantity)	Media impacted	Root Cause
1	212028	3/27/2023 12:55	3/27/2023 13:22	27	Process water (1000 gallons)	Soil/stormwater collection system	Equipment failure
2	221561	7/1/2024 12:40	7/1/2024 12:59	19	Process water (200 gallons)	Soil/stormwater collection system	Equipment failure

**2. Minn. R. 7001.0030, PERMIT REQUIRED.**

Except as provided under Minnesota Statutes, section 115.07, subdivisions 1 and 3, no person required by statute or rule to obtain a permit may construct, install, modify, or operate the facility to be permitted, nor shall a person commence an activity for which a permit is required by statute or rule until the agency has issued a written permit for the facility or activity.

**NPDES/SDS Permit No. MN0055301 (Issued December 2, 2005)**

**Chapter 10. Industrial Storm Wastewater, NPDES/SDS**

**Part 2.1. Prohibited Discharges.**

This permit does not authorize the discharge of sewage, spills, oil, hazardous substances, nor equipment/vehicle cleaning and maintenance wastewaters to ditches, wetlands nor other surface waters of the state.

**NPDES/SDS Permit No. MN0055301 (Issued August 28, 2025)**

**Industrial Process Wastewater**

**Part 5.38.84. Prohibited Discharges.**

This permit does not authorize the discharge of sewage, wash water, scrubber water, spills, oil, hazardous substances, or equipment/vehicle cleaning and maintenance wastewaters to ditches, wetlands or other surface waters of the state.

During a May 29, 2024 inspection and subsequent file review, the MPCA documented the Regulated Party reported multiple spills to waters of the state, see Table 2 below. Chapter 10 Part 2.1 of NPDES/SDS Permit No. MN0055301 (2005) and Part 5.38.84 of NPDES/SDS Permit No. MN0055301 (2025) specify that discharges are not allowed to ditches, wetlands or other surface waters of the state. These releases to waters of the state are not authorized by NPDES/SDS Permit No. MN0055301, nor does the Regulated Party have a permit that authorizes discharges to the environment.

**Table 2**

#	Duty Officer Report Number	Date/Time of Discovery	Date/Time of Reporting	Approx Lapsed Reporting Time (minutes)	Material (quantity)	Media impacted	Root Cause	Applicable Permit
1	26087, 216677	9/29/2023 8:45	9/29/2023 8:58	13	Reclaim water (12,500 gallons)	Soil, wetlands, Beaver River	Equipment failure	NPDES/SDS Permit No. MN0055301 (2005)
2	219353	3/13/2024 11:35	3/13/2024 11:36	1	Reclaim water (396,474 gallons)	Channel, Pond, Beaver River	Equipment failure	NPDES/SDS Permit No. MN0055301 (2005)
3	219921	4/17/2024 14:41	4/17/2024 15:10	29	Process water (21,190 gallons)	Unnamed creek	Equipment failure	NPDES/SDS Permit No. MN0055301 (2005)
4	220143	4/30/2024 13:15	4/30/2024 14:00	45	Reclaim water (750 gallons)	Wetland	Equipment failure	NPDES/SDS Permit No. MN0055301 (2005)
5	224307	12/8/2024 2:30 PM	12/8/2024 2:51 PM	21	Reclaim water (no estimate)	Soil, pumphouse 2 tailings pond	Equipment failure	NPDES/SDS Permit No. MN0055301 (2005)
6	227798	7/7/2025 5:17 PM	7/7/2025 6:11 PM	54	Reclaim water (160 gallons)	Soil, borrow pit wetland	Equipment failure	NPDES/SDS Permit No. MN0055301 (2005)
7	229464	9/30/2025 10:00 AM	9/30/2025 10:27 AM	27	Reclaim water (2925 gallons)	Borrow area wetlands	Equipment failure	NPDES/SDS Permit No. MN0055301 (2025)
8	229797	10/22/2025 8:27 AM	10/22/2025 10:22 AM	115	Reclaim water (75 gallons)	Soil, wetland	Equipment failure	NPDES/SDS Permit No. MN0055301 (2025)
9	230019	11/5/2025 8:57 AM	11/5/2025 10:45 AM	108	MP7 water (1000 gallons)	Soil, wetland	Equipment failure	NPDES/SDS Permit No. MN0055301 (2025)

**3. NPDES/SDS Permit No. MN0055301 (Issued December 2, 2005)**

**Chapter 11. Total Facility Requirements**

Part 13.1 states: The Permittee shall properly operate and maintain the systems used to achieve permit compliance. Proper operation and maintenance include effective performance, adequate funding, adequate staffing and training, and adequate process and laboratory controls, including appropriate quality assurance procedures.

**NPDES/SDS Permit No. MN0055301 (Issued December 2, 2005)**

**Chapter 11. Total Facility Requirements**

Part 13.2 states: The Permittee is responsible for insuring system reliability and shall install adequate backup or support systems to achieve permit compliance and prevent the discharge of untreated or inadequately treated waste. These systems may include alternative power sources, auxiliary treatment works and sufficient storage volume for untreated wastes.

**NPDES/SDS Permit No. MN0055301 (Issued August 28, 2025)**

**Operation and Maintenance**

Part 5.45.387

The Permittee shall at all times properly operate and maintain the facilities and systems of treatment and control, and the appurtenances related to them which are installed or used by the Permittee to achieve compliance with the conditions of the permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. The Permittee shall install and maintain appropriate backup or auxiliary facilities if they are necessary to achieve compliance with the conditions of the permit and, for all permits other than hazardous waste facility permits, if these backup or auxiliary facilities are technically and economically feasible.

During a May 29, 2024 inspection and subsequent file review, the MPCA documented the reported root cause for each unauthorized discharge in Table 1 and Table 2 within violation numbers one and two is associated with equipment failure. Therefore, the Regulated Party failed to ensure systems reliability and failed to properly operate and maintain the facilities and systems of control and the appurtenances related to them which are installed or used by the Regulated Party to achieve compliance with the conditions of the permit resulting in multiple unauthorized discharges.

**4. Minn. R. 7050.0210, GENERAL STANDARDS FOR WATERS OF THE STATE.**

Subp. 13. **Pollution Prohibited.** No sewage, industrial waste, or other wastes shall be discharged from either a point or a nonpoint source into the waters of the state in such quantity or in such manner alone or in combination with other substances as to cause pollution as defined by law.

During a May 29, 2024 inspection, and subsequent file review, the MPCA documented unauthorized releases from the Regulated Party's operations. Table 2 release/spill number 2 documents the discharge of industrial wastes from Regulated Party's operations that caused water pollution as defined by Minn. Stat. § 115.01, subd. 13.

**Part 7. CIVIL PENALTY.**

The Regulated Party agrees to pay \$19,000.00 to the MPCA as a civil penalty for the violations alleged in Part 6 within 30 days of receipt of an invoice from the MPCA. An invoice for the civil penalty will be sent to the Regulated Party upon the effective date of the Agreement. Payment of the penalty amount of \$19,000.00 is to be by check payable to the Minnesota Pollution Control Agency and should not be submitted until an invoice from the MPCA is received.

The check should reference "Northshore Mining Co - Silver Bay" in the memo line and must be mailed to MPCA, P.O. Box 64893, St. Paul, Minnesota, 55164-0893. To pay with Visa, MasterCard, American Express, or electronic check, visit <https://www.pca.state.mn.us/data/e-services>. To make an Automated Clearing House or wire transfer payment, contact MPCA Fiscal Services at 651-757-2182.

If the Regulated Party fails to make the required payment within 30 days after receipt of the above-referenced invoice, the Regulated Party agrees to pay a late payment charge in an amount equal to ten percent of the unpaid civil penalty. Sixty days after receipt of the above-referenced invoice, the Regulated Party agrees to pay an additional late charge in an amount equal to 20 percent of the unpaid civil penalty. If the payment, including late charges, is not received by the MPCA within 60 days after receipt of the above-referenced invoice, the MPCA may immediately exercise any and all administrative and judicial remedies available to it to collect the amount due. The Regulated Party agrees to pay and shall also be indebted to the MPCA for its attorneys' fees and cost incurred by the MPCA in connection with its collection of the amounts owed pursuant to this Agreement.

**Part 8. REGULATED PARTY REQUIREMENTS.** The Regulated Party agrees to the following requirements:

1. Within 30 days of the Effective Date of this Agreement, submit a Spill Prevention Report (Report). At a minimum, the Report shall identify:
  - a. Detailed actions taken or to be taken to prevent unauthorized discharges resulting from equipment failure. Include an estimated timeline for any actions to be taken. Additionally, include an inspection and maintenance plan for specific equipment that contributed to the unauthorized discharges, within the past three years, cited in this document.
  - b. Detailed actions taken or to be taken to reduce wastewater spill volumes. Include an estimated timeline for any actions to be taken.
  - c. Detailed actions taken or to be taken to train applicable staff on any updated or newly developed procedures as a result of this corrective action. Include an estimated timeline for any actions to be taken.

....This requirement has been completed.

2. Within 30 days of the Effective Date of this Agreement, submit a description of how the Northshore Mining Company complies with Department of Natural Resources (DNR) restoration standards. Identify which releases from Table 1 were found to impact waters of the state and the scope of remedial actions taken (for each release) to address DNR standards.

....This requirement has been completed.

3. The Regulated Party shall replace more than 8,000 feet of reclaim line between January 1, 2025 and December 31, 2026.
4. Within 180 days of the Effective Date of this Agreement, the Regulated Party shall implement a piping integrity plan for the tailings and reclaim lines which includes requirements for restoring integrity of any piping found to have defects allowing either infiltration or exfiltration of water.

....This requirement is considered completed through permit requirements included in the August 28, 2025 Permit No. MN0055301.

**Part 9. PENALTIES FOR VIOLATIONS OF THIS AGREEMENT.**

a. If the Regulated Party fails to comply with requirements of Part 8 of this Agreement, the Regulated Party shall pay to the MPCA a penalty in the amount of \$500.00 per requirement for each day of failure.

b. Penalties for failure to comply with requirements of Part 8 of this Agreement shall accrue from the date the Regulated Party was to have fulfilled the requirement until the Regulated Party fulfills the requirement. Penalties shall not accrue while the MPCA considers a timely extension request under Part 15 or during dispute resolution under Part 13, unless the MPCA determines that the Regulated Party filed the request or initiated dispute resolution solely for purposes of delay. If the Regulated Party does not pursue dispute resolution under Part 13 for denial of a timely extension request, penalties shall accrue from the date the extension request is denied by the MPCA Case Contact. If the Regulated Party pursues dispute resolution for denial of an extension request and does not file a timely challenge in a court of competent jurisdiction as provided by Part 13, penalties shall accrue from the date of a Commissioner's dispute resolution decision against the Regulated Party until the Regulated Party fulfills the requirement that is the subject of the extension request.

c. The Regulated Party shall pay a penalty under this Part within 30 days after receiving written notice from the MPCA that the penalty is due, unless the Regulated Party has challenged the factual basis of a penalty asserted under this Part under the dispute resolution provision of Part 13, in which case the penalty, if still applicable, shall be due within 30 days of final resolution of the dispute under Part 13. The written notice shall specify the provision of the Agreement that the Regulated Party has not fulfilled and indicate the date penalties began to accrue. If the Regulated Party fails to make timely payment, the Regulated Party agrees to pay a late payment charge, in addition to the stipulated penalty, to be assessed as follows. Thirty days after receipt of written notice, the Regulated Party shall be obligated to pay a late charge in an amount equal to 10 percent of the unpaid stipulated penalty. Sixty days after receipt of written notice, the Regulated Party shall be obligated to pay an additional late charge in an amount equal to 20 percent of the unpaid stipulated penalty.

d. In dispute resolution before the Commissioner under Part 13, the Regulated Party can contest the factual basis for the MPCA's determination that the Regulated Party has not fulfilled a requirement of this Agreement covered by this Part. However, the Regulated Party waives its right to challenge, on legal grounds, the requirement that it pays penalties under this Part.

e. The Regulated Party shall not be liable for payment of penalties for failure to comply with requirements of Part 8 of this Agreement covered by this Part if it has submitted to the MPCA a timely request for an extension of schedule under Part 15 and the MPCA has granted the request. The MPCA's grant of an extension of schedule waives the payment of penalties covered by this Part only on the requirements for which the MPCA granted an extension of schedule and only for the time period specified by the MPCA in the grant of an extension. An extension of schedule for one requirement of Part 8 does not extend the schedule for any other requirement of Part 8.

f. Any requirement of this Agreement may be enforced as provided in Minn. Stat. § 115.071. Payment of a stipulated penalty does not relieve the Regulated Party of its obligation to fulfill and complete requirements under the Agreement and to otherwise comply with the terms and conditions of the Agreement.

**Part 10. REIMBURSEMENT OF OVERSIGHT COSTS.** The Regulated Party agrees to reimburse the MPCA for all oversight costs associated with implementing the Agreement if the MPCA's costs exceed \$25,000.00. Oversight costs may include but are not limited to any costs associated with inspections, sampling, monitoring, modeling, risk assessment, permit writing, engineering review, economic analysis and review, and other record or document review. At this time, the MPCA estimates that its anticipated oversight costs may be under \$25,000.00. The MPCA agrees to periodically update its estimate, but no estimate limits the MPCA's oversight costs or its ability to recover the full amount of its actual oversight costs. The MPCA will invoice the Regulated Party for payment of oversight costs once those costs exceed \$25,000.00, and the Regulated Party shall pay any such invoice within 30 days of receipt.

**Part 11. COVENANT NOT TO SUE AND RESERVATION OF REMEDIES.** With respect to the Regulated Party, the MPCA agrees not to exercise any administrative, legal or equitable remedies available to the MPCA to address the violations alleged and described in Part 6, as long as the Regulated Party performs according to and has complied with the terms and conditions contained in this Agreement.

The MPCA reserves the right to enforce this Agreement or take any action authorized by law, if the Regulated Party fails to comply with the terms and conditions of this Agreement.

Further, the MPCA reserves the right to seek to enjoin violations of this Agreement and to exercise its emergency powers pursuant to Minn. Stat. § 116.11 in the event conditions or the Regulated Party's conduct warrant such action. Nothing in this Agreement shall prevent the MPCA from exercising these rights and nothing in this Agreement constitutes a waiver of these rights.

The MPCA reserves the right to pursue recovery for Natural Resources Damages pursuant to Minn. Stat. § 115.071, Minn. Stat. § 115B.04 or other laws. Nothing in this Agreement shall prevent the MPCA from exercising these rights and nothing in this Agreement constitutes a waiver of these rights.

The Regulated Party agrees to waive all claims it may now have, as of the effective date of this Agreement, under Minn. Stat. § 15.472 for fees and expenses arising out of matters leading up to and addressed in this Agreement.

**Part 12. REPEAT VIOLATIONS.** Federal and state environmental programs establish harsher penalties for violations of environmental laws or rules that constitute repeat violations. In a proceeding to resolve alleged violations by the Regulated Party, if any, occurring after the date of the alleged violations set out in Part 6 of this Agreement, the Regulated Party may argue about the extent to which the violations alleged in Part 6 of this Agreement should affect the penalty amount for the later violations, but waives the right: (1) to contend that the violations alleged in Part 6 of this Agreement did not occur as alleged and (2) to require the MPCA to prove the violations alleged in Part 6 of this Agreement.

**Part 13. RESOLUTION OF DISPUTES.** The parties to this Agreement shall resolve disputes that arise as to any part of the Agreement as follows:

a. The Regulated Party, acting through its Case Contact (as named in Part 16 below), may initiate dispute resolution by providing to the MPCA's Case Contact a written statement setting forth the matter in dispute, the position of the party, and the information the party is relying upon to support its position.

b. Within ten days, the parties must meet and confer to determine whether a resolution can be reached. By joint agreement, the parties may waive the need to meet and confer if the meeting is unlikely to resolve the issues raised by the Regulated Party. If the parties do not reach a resolution of the dispute and reduce such resolution to writing in a form agreed upon by the parties within 21 calendar days after the MPCA receives the statement of position from the Regulated Party, the Commissioner shall issue a written decision resolving the dispute. The written decision may address stipulated penalties assessed pursuant to Part 9. The Commissioner's decision shall be considered a final decision of the MPCA for purposes of judicial review.

c. The Commissioner's decision shall become an integral and enforceable part of this Agreement unless the Regulated Party timely challenges the decision in a court of competent jurisdiction. Failure to timely challenge means the Regulated Party agrees to comply with the MPCA Commissioner's decision on the matter in dispute and to pay any penalties that accrue pursuant to Part 9 for failure to fulfill requirements of this Agreement that are the subject of the dispute resolution. Further, if the Commissioner's decision assesses penalties pursuant to Part 9 of this Agreement, the Regulated Party agrees to and shall pay the amount of penalty determined by the Commissioner within 60 days after receiving the Commissioner's decision.

d. Throughout any dispute resolution, the Regulated Party shall comply with all portions of the Agreement.

**Part 14. VENUE.** Actions brought by the MPCA to enforce requirements and terms of this Agreement shall be venued in Ramsey County District Court.

**Part 15. EXTENSION OF SCHEDULES.** If the Regulated Party wants an extension of a deadline included in any schedule under this Agreement, including schedules established by approved submittals, the Regulated Party must request the extension in writing at least ten days before the scheduled deadline, or as soon as possible before that date if the reason for the extension request arises less than ten days before the deadline.

Each deadline extension request shall separately specify the reason why the extension is needed. No requested extension shall be effective until approved in writing by the MPCA, acting through the MPCA Case Contact or the Commissioner.

The MPCA shall grant an extension only for the period of time the MPCA determines is reasonable under the circumstances. The written approval or grant of an extension request shall be considered an enforceable part of the Agreement.

The Regulated Party has the burden of demonstrating to the satisfaction of the MPCA that the request for the extension is timely, and that good cause exists for granting the extension. Good cause can include, but is not limited to, the following:

- a. An act of god; and
- b. Delays caused by the MPCA in reviewing timely submittals required by this Agreement, submitted by the Regulated Party in complete and approvable form, which make it not feasible for the Regulated Party to meet the required schedules.

An “act of god” is defined as an unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight.

If the Regulated Party shows good cause through the occurrence of an “act of god,” such a showing does not excuse the Regulated Party from compliance. An “act of god” constitutes good cause solely for the purpose of demonstrating that the Regulated Party is entitled to an extension of the disputed deadline.

Good cause does not include unanticipated costs; increases in the cost to comply with Agreement requirements, permit conditions, or federal or state rules; or delays in MPCA review of submittals when the submittals are not in complete and approvable form.

The Regulated Party may challenge a decision by the MPCA to deny a request for an extension under this Part.

**Part 16. CASE CONTACT.** The MPCA and the Regulated Party shall each designate a Case Contact for the purpose of overseeing the implementation of this Agreement. The MPCA Case Contact is Justin Barrick. The address, telephone number, and email address of the MPCA’s Case Contact is: 7678 College Road, Suite 105, Baxter, Minnesota 56425, 218-820-7336, and [justin.barrick@state.mn.us](mailto:justin.barrick@state.mn.us). Northshore Mining Company’s Case Contact is Rita Gabrielson. The address, telephone number, and email address of Northshore Mining Company’s Case Contact is: Northshore Mining, 10 Outer Drive, Silver Bay, Minnesota 55614, 218-226-6056, [rita.gabrielson@clevelandcliffs.com](mailto:rita.gabrielson@clevelandcliffs.com). Any party may change its designated Case Contact by notifying the other parties in writing, within five days of the change. To the extent possible, communications between the Regulated Party and the MPCA concerning the terms and conditions of this Agreement shall be directed through the Case Contacts.

**Part 17. APPLICABLE LAWS AND PERMITS.** This Agreement does not relieve the Regulated Party of the duty to comply with the requirements of all applicable federal, state and local laws and regulations, including without limitation in the Regulated Party’s undertaking actions to comply with this Agreement. Except when the MPCA has specifically authorized a different compliance method in Part 8, the Regulated Party must also comply with all applicable permits, orders, stipulation agreements and schedules of compliance. Nothing in this Agreement exempts or relieves the Regulated Party of its obligation to comply with local governmental requirements.

**Part 18. OTHER CLAIMS.** Nothing herein shall release the Regulated Party from any claims, causes of action or demands in law or equity by any person, firm, partnership or corporation not a signatory to this Agreement for any liability they may have arising out of or relating to the release of any pollutant or contaminant from its operations or from a facility. Neither the Regulated Party nor the MPCA shall be held as a party to any contract entered into by the other party to implement the requirements of this Agreement.

**Part 19. HOLD HARMLESS AGREEMENT.** The Regulated Party agrees to indemnify, save and hold the MPCA, its agents and employees harmless from any and all claims or causes of action arising from or on account of acts or omissions of the Regulated Party, its officers, employees, agents, or contractors in implementing the activities conducted pursuant to this Agreement; provided, however, that the Regulated Party shall not indemnify the MPCA or save or hold its employees and agents harmless from any claims or causes of action arising out of the acts or omissions of the MPCA, or its employees and agents.

When the Regulated Party is required to hold the MPCA harmless, the MPCA shall give the Regulated Party notice of any claim or cause of action subject to this Part and the Regulated Party has the right to participate in the defense against any claim or cause of action. No settlement shall be effective against the Regulated Party unless the Regulated Party agrees to the settlement. Nothing herein waives or modifies the provisions of the Minnesota Tort Claims Act, Minn. Stat. §§ 3.732, et seq., and other applicable law.

**Part 20. SUCCESSORS, AGENTS AND CONTRACTORS.** This Agreement shall be binding upon the Regulated Party and its successors and assigns and upon the MPCA, its successors and assigns. If the Regulated Party sells or otherwise conveys or assigns any of its right, title or interest in the Facility, the conveyance shall not release the Regulated Party from any obligation imposed by this Agreement, unless the party to whom the right, title or interest has been transferred or assigned agrees in writing to fulfill the obligations of this Agreement and the MPCA approves the transfer or assignment. The Regulated Party shall ensure that the Regulated Party's agents, contractors and subsidiaries comply with the terms and conditions of this Agreement.

**Part 21. AMENDMENTS.** Except with respect to extensions of schedules granted under Part 15 and approved submittals under Part 8, this Agreement may be amended only by written agreement between the parties.

**Part 22. EFFECTIVE DATE.** This Agreement shall be effective on the date it is signed by the MPCA.

**Part 23. TERMINATION.** The provisions of this Agreement shall be deemed satisfied and terminated when the Regulated Party receives written notice from the MPCA that [the](#) Regulated Party has demonstrated, to the satisfaction of the MPCA, that all terms of the Agreement have been completed. Termination of this Agreement does not release the Regulated Party from any duty to comply with any state statutes, rules or permit conditions, whether or not they are cited in this Agreement. The Regulated Party agrees that it shall retain all records related to this Agreement for three years following its termination. Termination of this Agreement does not release the Party from Parts 11 (Covenant Not To Sue And Reservation Of Remedies), 12 (Repeat Violations) and 19 (Hold Harmless Agreement), which terms shall survive the termination of this Agreement.

**BY THEIR SIGNATURES BELOW, THE UNDERSIGNED REPRESENT THAT THEY HAVE AUTHORITY TO BIND  
THE PARTIES THEY REPRESENT**

**Northshore Mining Co - Silver Bay**

**STATE OF MINNESOTA  
POLLUTION CONTROL AGENCY**

By: Nickolas Beukema

By: Theresa M Haugen

Name: Nickolas Beukema

Theresa Haugen  
Manager  
Industrial Division

Title: General Manager

Date: 1/8/2026

Date: 1/9/2026