



**DRUMMOND
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COURT RULES FOR DRUMMOND IN COLOMBIAN CASES

In two rulings on Monday, a federal district court in Birmingham, Alabama dismissed the latest efforts by Colombian plaintiffs, backed by the United Steelworkers and Colombian labor unions, to hold Drummond Company Inc., Drummond Ltd. and certain of their employees liable for paramilitary violence in Colombia.

Three related lawsuits have been filed against the company in recent years. An initial lawsuit, brought by heirs of three murdered union leaders and other workers who claimed to have been threatened by paramilitaries, was tried to a jury in July 2007 and resulted in a complete vindication of the defendants. That judgment was affirmed by the United States Court of Appeals in December 2008.

A few months later, a number of plaintiffs backed by the United Steelworkers and Colombian labor unions filed two new lawsuits making similar allegations. The first, Baloco v. Drummond Company Inc., was brought by heirs of the deceased union leaders who claimed they were not bound by the judgment in the earlier trial. The Court in its ruling on Monday found this argument to be “disingenuous,” and dismissed the lawsuit in its entirety on the grounds that plaintiffs either were bound by the prior judgment or lacked standing to bring suit for the injuries they claimed.

The third lawsuit, Doe v. Drummond Company Inc., was brought by relatives of victims of paramilitary violence who alleged that the company enlisted paramilitaries to pacify the area of Colombia where Drummond mines and transports coal. The Company moved to dismiss the lawsuit on several grounds, including the lack of a basis to find that the defendants conspired with or aided and abetted paramilitaries in acts of violence, and the lack of a basis to find that these acts were “war crimes” as claimed by the plaintiffs. The Court in its ruling on Monday agreed, finding the motion to dismiss “has clear merit.” The Court stopped short of dismissing the case in its entirety because plaintiffs had requested leave to amend their complaint, and the Court decided to allow them that opportunity before a final ruling. However, the Court dismissed plaintiffs’ wrongful death claims based on Colombian law.

Drummond Company Inc., Drummond Ltd. and their officials in the United States and Colombia welcome this latest vindication in what is now a seven-year effort by the unions and their supporters to bring false and unfounded claims that the companies have collaborated with paramilitaries in acts of violence against union leaders and others.