

NATURAL RESOURCE PARTNERS LP
 Form 4
 February 13, 2014

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 WALL KEVIN F

2. Issuer Name and Ticker or Trading Symbol
 NATURAL RESOURCE PARTNERS LP [NRP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 5260 IRWIN ROAD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/11/2014

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Executive VP-Operations

HUNTINGTON, WV 25705

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

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)
				(A) or (D)	Price		
Common Units ⁽¹⁾	02/11/2014		M	8,000	A	11,500	D
Common Units ⁽¹⁾	02/11/2014		D	8,000	D	\$ 15.81 ⁽¹⁾	D
Common Units						500	I

By
 Brittany Wall,
 Daughter ⁽²⁾

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

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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 Security (Instr. 3 and 4)		
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Phantom Units ⁽³⁾	<u>6</u>	02/11/2014		M	8,000	02/11/2014 02/11/2014	Common Units	8,000	
Phantom Units ⁽³⁾	<u>(4)</u> <u>(5)</u>					02/10/2015 02/10/2015	Common Units	9,000	
Phantom Units ⁽³⁾	<u>(4)</u> <u>(5)</u>					02/14/2016 02/14/2016	Common Units	10,000	
Phantom Units ⁽³⁾	<u>(4)</u> <u>(5)</u>					02/13/2017 02/13/2017	Common Units	10,000	
Phantom Units ⁽³⁾	<u>(4)</u> <u>(5)</u>	02/12/2014		A	10,500	02/12/2018 02/12/2018	Common Units	10,500	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WALL KEVIN F 5260 IRWIN ROAD HUNTINGTON, WV 25705			Executive VP-Operations	

Signatures

Kevin F. Wall 02/13/2014

 **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)

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The common units were deemed to have been purchased and sold on the date of vesting of the phantom units listed in Table II, which were paid in cash on a one for one basis based on the average closing price of the common units for the 20 trading days immediately preceding the date of vesting.

- (2) Mr. Wall disclaims beneficial ownership of these securities.
- (3) The phantom units were originally granted to the reporting person under the issuer's long term incentive plan.
- (4) The phantom units will be paid in cash based on the average closing price of the common units for the 20 trading days immediately preceding the date of vesting.
- (5) Award includes tandem distribution equivalent rights pursuant to which the quarterly distributions paid by the partnership on each unit will be accrued over the vesting period and paid on vesting.
- (6) As described in Footnote 1, upon vesting, the phantom units were paid in cash on a one for one basis based on the average closing price of the common units for the 20 trading days immediately preceding the date of vesting.

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. sideration of the Board s position on these issues.

Very truly yours,

Attachment

Hewitt Associates LLC
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Norwalk, CT 06850
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www.hewitt.com

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Portugal
Puerto Rico
Singapore
Slovenia
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United Kingdom
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Venezuela

April 19, 2004

Mr. Robert A. Toohey
Verizon Communications Inc.
1095 Avenue of the Americas
New York, NY 10036

Dear Mr. Toohey:

Subject: Senior Management Retirement Benefits

This letter responds to your request for information concerning the shareholder proposal about the Income Deferral Plan (IDP). Specifically, the shareholder proposal claims that IDP provides retirement benefits to senior managers that far exceed the benefits provided to other managers. Based on our analysis, we conclude that Verizon currently provides retirement benefits to senior managers comparable to the benefits provided to other managers retiring today. The rest of this letter provides background and analysis concerning our conclusion.

Background

Verizon employees participate in a qualified pension plan up to the IRS imposed pay limit, currently set at \$205,000 (the IRS Limit). This benefit is based on the greater of a 4%-7% Cash Balance formula or a Highest Average Pay (HAP) formula for participants who had at least 10 years of service at January 1, 2002. Senior managers who earn in excess of the IRS limit receive a benefit on such excess amount under the IDP. This plan provides an individual account based benefit with annual credits representing 32% of base salary that exceeds the IRS limit plus 32% of incentive awards.

Non-senior managers who earn base salary plus incentive awards over the IRS limit are eligible for an excess plan benefit. This is a pure restoration plan which uses the same formulas as the qualified pension plan without limiting pay.

Historically, Verizon and its predecessors have targeted pay replacements of 40-45% for full career employees.

Income Deferral Plan

The IDP was designed to target the benefits provided under the HAP formula at age 60 by using an account balance accumulation feature. The pay credits provided by IDP cannot simply be compared to the pay credits provided by Cash Balance, since the IDP was not designed to replace a cash balance-only benefit design. It is important to recognize that approximately 53% of the Verizon management population will receive the greater of the HAP formula or Cash Balance.

Mr. Robert A. Toohey

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In 2008, the management HAP formula will be modified, decreasing the future rate of benefit accrual. For participants retiring from Verizon, benefits under the HAP formula are still expected to be greater than benefits under the Cash Balance formula. Therefore, the IDP will continue to be measured against the HAP formula in order to determine its ability to replace a competitive percent of a senior manager's salary.

Pay Replacement Analysis

Following are graphs which display the pay replacements available under the formulas described above. We've illustrated pension benefits of Verizon's average senior manager based on current demographics: age 49 with 20 years of service. The red line (with circles) shows the pay replacement for a non-senior manager under the HAP formula. The blue line (with x's) shows the pay replacement for a senior manager. The green and black lines show the components that make up this senior manager's benefits in the blue line.

The graph below shows the pay replacement for a senior manager who is promoted at age 49 to senior management without a current benefit under the Excess Plan. The senior manager's compensation prior to promotion has always been under the IRS limit. This senior manager needs to work to 60 to receive a pay replacement greater than he/she would have received prior to promotion.

49/20 Senior Manager Promoted with no IDP Conversion

Mr. Robert A. Toohey

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Because many individuals who are promoted to senior management are earning in excess of the IRS limit, the next graph shows a similar senior manager. We've now assumed he/she had a \$50,000 excess benefit at conversion. This starting balance enables the senior manager to equal the non-senior management pay replacement a few years earlier. The greater the opening balance at promotion, the higher the projected pay replacement.

49/20 Senior Manager Promoted with IDP Conversion of \$50,000

Every individual participant's situation will be different. Senior managers who are promoted early in their career will have a longer time to accumulate value, leading to greater pay replacements. The extent to which a senior manager's pay exceeds the IRS limit will also impact the opening IDP balance and its future growth. The value of the HAP formula will also change depending on the individual participant's age and service relative to the formula change in 2008.

Mr. Robert A. Toohey

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Certain senior managers had their prior SERP benefits under historical plans converted to an opening balance in IDP in the past. The graph below illustrates the potential value available to such a senior manager under the IDP. The IDP benefits are comparable to those provided to non-senior managers at Verizon's average retirement age of 56.

49/20 Senior Manager with Prior SERP IDP Conversion

We studied the expected pay replacements for the current base of 280 senior managers. This analysis showed that the average pay replacement at age 55 is expected to be 32%, growing to 44% by age 60. These are generally in line with those provided to non-senior managers retiring today, particularly those who retire near Verizon's average retirement age of 56.

Assumptions

We included the following assumptions in our pay replacement analysis:

7% IDP Investment Return: To the extent that actual returns exceed this rate, pay replacements for senior managers will be greater, and lower returns will lead to lower pay replacements.

Mr. Robert A. Toohey

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6% Annuity Conversion Rate: This rate was used to convert the IDP balance to an annuity for the pay replacement calculation. To the extent that the actual conversion rate is higher, pay replacements for senior managers will increase, just as lower rates will lead to lower pay replacements.

4% Salary Scale: This rate was used to project the future rate of growth of base salary and incentive awards. Pay replacements for senior managers will be lower to the extent actual salary increases exceed this assumption, and greater to the extent they are lower than the assumption.

Additional Features of IDP

There are several additional features of the IDP plan that are noteworthy in any analysis of its value:

The IDP formula accumulates to greater pay replacements over longer periods of time. Verizon purposefully designed the formula this way in order to retain top senior management talent rather than losing them to retirement when the HAP formula reaches a milestone retirement age.

Each annual pay credit vests over three years for non-retirement eligible employees. Therefore, senior managers need to work until retirement eligibility or forfeit the 32% pay credits they received in the previous three years.

The portion of the IDP credit based on the incentive award helps drive Verizon's pay for performance philosophy. The IDP account will grow much slower for a senior manager who receives incentives below target.

IDP benefits are payable from general assets of the company, and are not backed by the same guarantee as a qualified pension trust.

Mr. Robert A. Toohey

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Final Thoughts

Verizon currently provides consistent pay replacement value to senior managers as it does to non-senior managers retiring today. The retirement benefit for any given senior manager will depend on any number of variables, including but not limited to, age, years of service, length of time in IDP, future salary growth, performance-based bonus amount, investment return and converted balance.

Let us know if you have any questions.

Sincerely,

Hewitt Associates LLC

Elizabeth M. Dolan

EMD:sc

Via e-mail

cc: Mr. Marc Reed, Verizon Communications Inc.