SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For fiscal year ended December 31, 1995
OR
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____.

COMMISSION FILE NUMBER: 1-8944

CLEVELAND-CLIFFS INC
(Exact name of registrant as specified in its charter)

<TABLE>
<S> <C>

OHIO 34-1464672
(STATE OR OTHER JURISDICTION OF INCORPORATION) (I.R.S. EMPLOYER IDENTIFICATION NO.)

1100 Superior Avenue, Cleveland, Ohio 44114-2589
(Address of principal executive offices) (Zip Code)
Registrant's telephone number, including area code: (216) 694-5700

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class	Name of Each Exchange on Which Registered
Common Shares - par value $1.00 per share	New York Stock Exchange and Chicago Stock Exchange

</TABLE>

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: NONE

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES X NO
--- ---

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of the Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

As of March 18, 1996, the aggregate market value of the voting stock held by non-affiliates of the registrant, based on the closing price of $43.50 per share as reported on the New York Stock Exchange - Composite Index was $497,695,375 (excluded from this figure is the voting stock beneficially owned by the registrant's officers and directors).

The number of shares outstanding of the registrant's $1.00 par value common stock was 11,832,767 as of March 18, 1996.

DOCUMENTS INCORPORATED BY REFERENCE

1. Portions of registrant's 1995 Annual Report to Shareholders are filed as Exhibits 13(a) through 13(j) and are incorporated by reference into Parts I, II and IV.
2. Portions of registrant's Proxy Statement for the Annual Meeting of Shareholders scheduled to be held May 14, 1996 are incorporated by reference into Part III.

PART I

ITEMS 1 AND 2. BUSINESS AND PROPERTIES.

INTRODUCTION

Cleveland-Cliffs Inc (including its consolidated subsidiaries, the

"Company") is the successor to business enterprises whose beginnings can be traced to earlier than 1850. The Company's headquarters are at 1100 Superior Avenue, Cleveland, Ohio 44114-2589, and its telephone number is (216) 694-5700.

BUSINESS

The Company owns, directly or indirectly, four major operating subsidiaries, The Cleveland-Cliffs Iron Company ("CCIC"), Cliffs Mining Company ("CMC") (formerly known as Pickands Mather & Co.), Northshore Mining Company ("Northshore"), and Pickands Mather & Co. International ("PMI"). CCIC and CMC hold interests in various independent iron ore mining ventures ("mining ventures") and act as managing agent. The operations of Northshore and PMI are entirely owned by the Company. CCIC, CMC, Northshore, and PMI's business during 1995 was the production and sale of iron ore, principally iron ore pellets. Collectively, CCIC, CMC, Northshore, and PMI control, develop, and lease reserves to mine owners; manage and own interests in mines; sell iron ore; and provide ancillary services to the mines. The operations of each mine are independent of the other mines. Iron ore production activities are conducted in the United States, Canada and Australia. Iron ore is marketed by the subsidiaries in the United States, Canada, Europe, Asia and Australia.

For information on the iron ore business, including royalties and management fees for the years 1993-1995, see Note C in the Notes to the Company's Consolidated Financial Statements in the Company's Annual Report to Security Holders for the year ended December 31, 1995, which Note C is contained in Exhibit 13(g) and incorporated herein by reference and made a part hereof. For information subsequent to the issuance of the Company's Consolidated Financial Statements for the year ended December 31, 1995, see discussion of events occurring on March 15, 1996 with respect to McLouth Steel Products Company in paragraph three on page four and in Management's Discussion and Analysis of Financial Condition and Results of Operations.

For information concerning operations of the Company, see material under the heading "Summary of Financial and Other Statistical Data" in the Company's Annual Report to Security Holders for the year ended December 31, 1995, which Summary of Financial and Other Statistical Data is contained in Exhibit 13(j) and incorporated herein by reference and made a part hereof.

NORTH AMERICA. CCIC owns or holds long-term leasehold interests in active North American properties containing approximately 1.6 billion tons of crude iron ore reserves. CCIC, CMC and Northshore manage six active mines in North America with a total rated annual capacity of 41.1 million tons and own equity interests in five of these mines (see Table on page 5).

CCIC, CMC and Northshore's United States properties are located on the Marquette Range of the Upper Peninsula of Michigan, which has two active open-pit mines and pellet plants, and the Mesabi Range in Minnesota, which has three active open-pit mines and pellet plants. CMC acts only in the capacity of manager at one of the Mesabi Range facilities. Two railroads, one of which is 99.5% owned by a subsidiary of the Company, link the Marquette Range with Lake Michigan at the loading port of Escanaba and with Lake Superior at the loading port of Marquette. From the Mesabi Range, pellets are transported by rail to shiploading ports at Superior, Wisconsin and Taconite Harbor, Minnesota. At Northshore, crude ore is shipped by rail from the mine to the processing facilities at Silver Bay, Minnesota, which is also the upper lakes port of shipment. In addition, in

Canada, there is an open-pit mine and concentrator at Wabush, Labrador, Newfoundland and a pellet plant and dock facility at Pointe Noire, Quebec. At Wabush Mines, concentrates are shipped by rail from the Scully Mine at Wabush to Pointe Noire, Quebec, where they are pelletized for shipment via vessel to Canada, United States and Europe or shipped as concentrates for sinter feed to Europe.

CCIC leases or subleases its reserves to certain mining ventures which pay royalties to CCIC on such reserves based on the tonnage and the iron content of iron ore produced. The royalty rates on leased or subleased reserves per ton are subject to periodic adjustments based on changes in the Bureau of Labor Statistics producer price index for all commodities or on certain iron ore and steel price indices. The mining ventures, except for LTV Steel Mining Company which is wholly-owned by LTV Steel Company, include as participants CCIC or CMC and steel producers (who are "participants" either directly or through subsidiaries).

CCIC and CMC, pursuant to management agreements with the participants having operating interests in the mining ventures, manage the development, construction and operation of iron ore mines and concentrating and pelletizing plants to produce iron ore pellets for steel producers. CCIC and CMC are reimbursed by the participants of the mining ventures for substantially all expenses incurred by CCIC and CMC in operating the mines and mining ventures. In addition, CCIC and CMC are paid management fees based on the tonnage of iron

ore produced. A substantial portion of such fees is subject to escalation adjustments in a manner similar to the royalty adjustments.

With respect to the active mines in which CCIC and CMC have an equity interest, such interests range from 7.7% to 40.0% (see Table on page 5). Pursuant to certain operating agreements at each mine, each participant is generally obligated to take its share of production for its own use. CCIC and CMC's share of production is resold to steel manufacturers pursuant to multi-year contracts, usually with price escalation provisions, or one-year contracts. Pursuant to operating agreements at each mine, each participant is entitled to nominate the amount of iron ore which will be produced for its account for that year. During the year, such nomination generally may be increased (subject to capacity availability) or decreased (subject to certain minimum production levels) by a specified amount. During 1995, the North American mines operated at or near capacity levels.

In February, 1994, CCIC reached agreement with Algoma Steel, Inc. ("Algoma") and Stelco Inc. ("Stelco") to restructure and simplify the Tilden Mine operating agreement effective January 1, 1994. The principal terms of the new agreement are: (1) the participants' tonnage entitlements and cost-sharing are based on a 6 million ton target normal production level instead of the previous 4 million ton base production level; (2) CCIC's interest in Tilden has increased from 33.3% to 40.0% with an associated increase in CCIC's obligation for its share of mine costs; (3) CCIC is receiving a higher royalty; (4) CCIC has the right to supply any additional iron ore pellet requirements of Algoma from Tilden or from CCIC; and (5) any partner may take additional production with payment of certain fees to Tilden. The parties implemented the general agreement effective January 1, 1994 and finalized the detailed provisions of the definitive agreement on September 30, 1995, which included the combining of all of the assets and liabilities of Tilden Magnetite Partnership and the Tilden Mining Company Joint Venture (entities in which CCIC, Algoma and Stelco had ownership interests in the Tilden Mine) into the Tilden Mining Company L.C., a Michigan limited liability company. The agreement has not had a material effect on the Company's Consolidated Financial Statements.

On September 30, 1994, Cliffs Minnesota Minerals Company, a subsidiary of the Company, completed a stock acquisition of Cyprus Amax Minerals Company's ("Cyprus Amax") iron ore operation ("Northshore") and power plant (Silver Bay Power Company ("Silver Bay Power")) in Minnesota for $66 million, plus net working capital of $28 million. The principal assets acquired were 4 million annual tons of active capacity for production of standard pellets (equivalent to 3.5 million tons of flux pellet capacity), supported

by 6 million tons of active concentrate capacity, a 115 megawatt power generation plant, and an estimated 1.2 billion tons of magnetite crude iron ore reserves, leased mainly from the Mesabi Trust. Additional payments to Cyprus Amax are required as a result of certain favorable expansion conditions which payments would not be material in any year. In June, 1995, a $6 million pellet expansion project at Northshore, which involved the re-commissioning of an idled pelletizing unit, was completed. On an annualized basis, the expansion added approximately 900,000 tons of pellets, a 23% expansion of Northshore capacity. Production in 1995 was 3.8 million tons of standard and flux pellets.

In 1992, the Company purchased $1.0 million worth of steel from LCG Funding Corporation, an entity owned by the principal owner of Sharon Steel Corporation ("Sharon"), which had filed for protection under Chapter 11 of the U.S. Bankruptcy laws, and affiliated with Castle Harlan, Inc. In connection with the transaction, LCG Funding Corporation agreed to indemnify the Company for any loss incurred upon resale of the steel. Following ultimate resale of the steel, LCG Funding Corporation and Castle Harlan, Inc. refused to honor that commitment, and in 1995, the Company filed suit against Castle Harlan, Inc. and LCG Funding Corporation in Federal District Court. During 1995, the Company, Castle Harlan, Inc. and LCG Funding Corporation settled the legal proceedings out of court with full payment of the loss expected to be made to the Company in 1996.

On June 28, 1993, LTV Steel Company, Inc., a significant partner of the Company, and its parent corporation, The LTV Corporation ("LTV Corp") emerged from Chapter 11 bankruptcy. In final settlement of its $200 million allowed claim, the Company received 2.3 million shares of LTV Corp Common Stock and 4.4 million Contingent Value Rights, which were issued by the Pension Benefit Guaranty Corporation. On July 13, 1993, the Company distributed to its shareholders a special dividend consisting of 1.5 million shares of LTV Corp Common Stock and $12.0 million ($1.00 per share) cash.

On September 29, 1995, McLouth Steel Products Company ("McLouth"), a significant customer, petitioned for protection under Chapter 11 of the U.S. Bankruptcy laws. At the time of the filing, the Company had an unreserved receivable from McLouth of $5.0 million, secured by liens on certain McLouth fixed assets. A $2.7 million reserve against the receivable was recorded in

September, 1995, resulting in a $1.8 million after-tax charge. The Company's total shipments in 1995 were not affected by McLouth's bankruptcy filing. Pellet sales to McLouth were 1.3 million tons in 1995 which represented 12.5% of the Company's sales volume and accounted for 11% of the Company's total revenues. The Company included in its December 31, 1995 inventory .1 million tons of pellets consigned to McLouth in accordance with long-standing practice. The Company provided certain additional credit to McLouth since the bankruptcy filing, and unreserved amounts are secured by liens on McLouth's assets. Until March 15, 1996, McLouth had maintained operations and the Company continued pellet shipments. On March 15, 1996, McLouth announced that it has begun a shutdown of its operations due to inadequate funds and that discussions with potential buyers for McLouth assets are in progress which could lead to a resumption of operations. McLouth plans to maintain its facilities in a "hot-idle" status. The Company had supplied approximately 120,000 tons of pellets per month to McLouth in 1996 prior to shutdown. The Company expects to maintain its total sales volume in the current strong iron ore market; however, a near-term adverse earnings impact could occur and replacement tonnage is not assured. The Company periodically has significant changes in customer mix and strives to maintain its substantial base of multi-year contracts. Loss of any significant sales contract has a materially adverse effect on earnings if the tonnage is not replaced and related production costs are not reduced.

Following is a table of production, current defined capacity, and implied exhaustion dates for the iron ore mines managed or owned by CCIC, CMC, Northshore and PMI. The exhaustion dates are based on estimated mineral reserves and full production rates, which could be affected by future industry conditions and ongoing mine planning. Maintenance of effective production capacity or implied exhaustion dates could require increases in capital and development expenditures. Alternatively, changes in economic conditions or the expected quality of ore reserves could decrease capacity or accelerate exhaustion dates. Technological progress could alleviate such factors or increase capacity or mine life.

<TABLE>
<CAPTION>

Name and Location	Type of Ore	Company's Current Operating Interest	Current Pellet Production 1993	1994	1995	Current Annual Capacity	Operating Continuously Since	Implied Exhaustion Date (1)
			(Tons in Thousands)(2)					
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Mining Ventures								
Michigan								
Marquette Range								
*Empire Iron Mining Partnership (3)	Magnetite	22.56%	7,209	7,306	7,910	8,000	1963	2023
*Tilden Mining Company L.C.(3)	Hematite and Magnetite	40.00%(4)(5)	5,369	6,246	6,186	6,000(4)(5)	1974	2043
Minnesota								
Mesabi Range								
*Hibbing Taconite Joint Venture (6)	Magnetite	15.00%	7,544	8,355	8,615	8,270	1976	2029
*LTV Steel Mining Company (6)	Magnetite	0.00%	7,668	7,809	7,757	8,000	1957	2059
Canada								
*Wabush Mines (Newfoundland and Quebec) (6)(7)	Specular Hematite	7.69%	4,492	4,654	5,295	6,000(7)	1965	2048
Wholly-Owned Entities								
Minnesota								
Mesabi Range								
*Northshore Mining Company (8)	Magnetite	100.00%	(8)	865(8)	3,791	4,800(9)	1989	2072
Australia								
*Savage River Mines (Tasmania)	Magnetite	100.00%	1,488	1,483	1,557	1,500	1967	1997

TOTAL	33,770	36,718	41,111	42,570

<FN>
(1) Based on full production at current annual capacity without regard to economic feasibility.
(2) Tons are long tons of 2,240 pounds.
(3) CCIC receives royalties and management fees.
(4) In 1993, CCIC's ownership interest in the Tilden Mining Company and Tilden Magnetite Partnership was 60.0% and 33.3%, respectively. Design capacity for exclusive production of hematite ore was 8 million tons annually. The Tilden Mining Company and the Tilden Magnetite Partnership established certain leasing and shared usage arrangements relating to production and other facilities at the Tilden Mine.
(5) As a result of the restructuring of the Tilden Mining Company and the Tilden Magnetite Partnership into the Tilden Mining Company L.C., effective as of January 1, 1994 and as discussed on page 3, CCIC's entitlement ownership in the Tilden Mine increased from 33.3% to 40.0%. As a result of these arrangements, annual production capacity is targeted at 6 million tons annually, and could be increased to 8 million tons, depending on type of ore production. The predominate ore reserves are hematite.
(6) CMC received no royalty payments with respect to such mine, but did receive management fees.
(7) In 1991, the mine's annual production capacity was reduced to 4.5 million tons per year and will be increased to 6 million tons in 1996. For the years 1995 and 1996, annual production was increased to 5.3 million tons and 5.7 million tons, respectively.
(8) Acquired by the Company on September 30, 1994. Pellet production for Northshore for the three months ending December 31, 1994 was 865,000 tons. Pellet production for Northshore for the years ending 1993, 1994 and 1995 was 3,483,000 tons, 3,481,000 tons and 3,791,000 tons, respectively.
(9) Includes 900,000 annual tons of expansion completed in June, 1995.

</TABLE>

With respect to the Empire Mine, CCIC owns directly approximately one-half of the remaining mineral reserves and CCIC leases the balance of the reserves from their owners; with respect to the Tilden Mine, CCIC owns all of the mineral reserves; with respect to the Hibbing Mine, Wabush Mines, Northshore Mine, and Savage River Mines, all of the mineral reserves are owned by others and leased or subleased directly to those mines.

Each of the mines contains crushing, concentrating, and pelletizing facilities. The Empire Iron Mining Partnership facilities were constructed beginning in 1962 and expanded in 1966, 1974 and 1980 with a total cost of approximately $367 million; the Tilden Mine facilities were constructed beginning in 1972, expanded in 1979 and modified in 1988 with a total cost of approximately $523 million; the LTV Steel Mining Company facilities were constructed beginning in 1954 and expanded in 1967 with a total cost of approximately $250 million; the Hibbing Taconite Joint Venture facilities were constructed beginning in 1973 and expanded in 1979 with a total cost of approximately $302 million; the Northshore Mining Company facilities were constructed beginning in 1951, expanded in 1963 and significantly modified in 1979 with a total cost estimated in excess of $500 million; the Wabush Mines facilities were constructed beginning in 1962 with a total cost of approximately $103 million; and the Savage River Mines facilities were constructed beginning in 1965 with a total cost of approximately $57 million. The Company believes the facilities at each site are in satisfactory condition. However, the older facilities require more capital and maintenance expenditures on an ongoing basis.

Production and Sales Information

With the acquisition and expansion of Northshore, the Company's managed capacity has increased to approximately 41.1 million tons, or 47% of total pellet capacity in North America, and the Company's annual North American pellet sales capacity increased in 1995 from 9.8 to 10.7 million tons. In 1995, the Company produced 9.9 million tons of pellets in North America for its own account.

In 1995, the Company produced 29.7 million gross tons of iron ore in the United States and Canada for participants other than the Company. The share of participants having the five largest amounts, Bethlehem Steel Corporation, Algoma, Inland Steel Company, LTV and Stelco aggregated 26.6 million gross tons, or 89.6%. The largest such participant accounted for 32.8% of such production.

During 1995, 100% of the Company's sales of iron ore and pellets, that were produced in the United States and Canada for its own account or purchased from others, were to 13 U.S., Canadian and European iron and steel manufacturing companies.

In 1995, AK Steel, McLouth, and Weirton Steel Company, directly and indirectly accounted for 17%, 11%, and 10%, respectively, of total revenues.

AUSTRALIA. PMI owns 100% of Savage River Mines, an open pit iron ore mining operation and concentrator at Savage River, Tasmania, and a pellet plant with offshore loading facilities at Port Latta, Tasmania. Concentrate slurry is pumped from the minesite through a 53 mile pipeline to Port Latta where it is pelletized and shipped by vessel to customers in the Pacific Rim region. The operation was downsized in 1990 to produce approximately 1.5 million tons per year and long term sales agreements were signed with customers in Australia, Japan and Korea to support the operation until the exhaustion of economic ore reserves in 1997. Savage River Mines will terminate operations in the first quarter of 1997 after economically recoverable iron ore from surface mining is exhausted.

RAIL TRANSPORTATION. The Company, through a wholly-owned subsidiary, owns a 99.5% stock interest in Lake Superior & Ishpeming Railroad Company. The railroad operates approximately 49 miles of track in the Upper Peninsula of Michigan, principally to haul iron ore from the Empire and Tilden Mines to Lake Superior at Marquette, Michigan, where the railroad has an ore loading dock, or to interchange points with another railroad for delivery to Lake Michigan at Escanaba, Michigan. In 1995, 89.3% of the railroad's revenues were derived from hauling iron ore and pellets and other services in connection with mining operations managed by CCIC. The railroad's rates are subject to regulation by the Surface Transportation Board of the Department of Transportation.

Other Activities and Resources

REDUCED IRON. The Company's strategy is to grow its basic iron ore business domestically and internationally and to extend its business scope to produce and supply "reduced iron ore feed" for steel and iron production. Reduced iron products contain approximately 90% iron versus 65% for traditional iron ore pellets and contain less undesirable chemical elements than most scrap steel feed. The market for reduced iron is relatively small, but is projected to increase at a greater rate than other iron ore products.

The Company's wholly-owned subsidiary, Cliffs Reduced Iron Corporation, is exploring various technologies and markets for reduced iron products, including the investigation of domestic and international site alternatives. Commercial plants are estimated to require capital expenditures of up to $200 million, depending on location, process, and capacity.

The Company is arranging an international joint venture to produce and market a premium grade briquetted iron product. The Company would manage the project and be responsible for sales by the venture company. Initial production would be targeted for 1998.

The Company continues to investigate several coal-based technologies for the potential production of a reduced iron product in the U.S. A coal-based process might be feasible on the Gulf Coast, at the Company's Northshore Mine in Minnesota, or at a location near a steel company consumer. Product from certain coal-based processes would be suitable feed for electric furnaces, foundries, and blast furnaces.

During 1995, the Company suspended its iron carbide development activities but continues to believe that iron carbide has long-term potential. The Company is a joint holder of iron carbide process licenses in Venezuela with North Star Steel and in Australia with Mitsubishi Corporation.

OIL SHALE. Cliffs Synfuel Corp., a wholly-owned subsidiary of the Company, significantly enhanced its Utah oil shale holdings when it acquired in 1994 for $700,000 the oil shale mineral rights on approximately 16,000 acres which it previously held under a long-term lease. The acquisition gave the Company title "in fee" to one of the most attractive oil shale properties in the United States which contains an estimated one billion barrels of recoverable shale oil with associated conditional water rights. While commercialization of U.S. oil shale is currently uneconomical, the Company's holding costs are minimal. If oil prices rise significantly and new technology being applied to other world oil shale deposits is successful, the Company's property could have substantial value.

Cliffs Oil Shale Corp., another wholly-owned subsidiary of the Company, owns a 15% interest in a smaller Colorado oil shale property. The remaining 85% is owned by a Mobil Corporation subsidiary.

Credit Agreement and Senior Notes

On March 1, 1995 the Company entered into a new Credit Agreement ("Credit Agreement") with Chemical Bank, as Agent for a six-bank lending group, pursuant to which the Company may borrow up to $100 million as revolving loans until March 1, 2000, which Credit Agreement replaced the April 30, 1992 credit facility scheduled to expire on April 30, 1995. Interest on borrowings will be based on various interest rates as defined in the Credit Agreement and as selected by the Company pursuant to the terms of the Credit Agreement. There were no borrowings under either of the revolving credit facilities.

On December 15, 1995, the Company placed privately with a group of institutional lenders $70 million 7% Senior Notes, due December 15, 2005, the proceeds of which Senior Notes were used to retire the Company's $20 million 8.51% Senior Notes and $50 million 8.84% Senior Notes.

COMPETITION

The iron ore mines, which the Company's subsidiaries operate in North America, Canada and Australia, produce various grades of iron ore which is marketed in the United States, Canada, Great Britain, Italy, Australia, Japan and Korea. In North America, the Company is in competition with several iron ore producers, including Oglebay Norton Company, Iron Ore Company of Canada, Quebec Cartier Mining Company, and USX Corporation, as well as other major steel companies which own interests in iron ore mines and/or have excess iron ore purchase commitments. In addition, significant amounts of iron ore have, since the early 1980s, been shipped to the United States from Venezuela and Brazil in competition with iron ore produced by the Company.

Other competitive forces have in the last decade become a large factor in the iron ore business. With respect to a significant portion of steelmaking in North America, electric furnaces built by "minimills" have replaced the use of iron ore pellets with scrap metal in the steelmaking process. In addition, operators of sinter plants produce iron agglomerates which substitute for iron ore pellets. Imported steel slabs also replace the use of iron ore pellets in producing finished steel products. Imported steel produced from iron ore supplied by international competitors also effectively competes with the Company's iron ore pellets.

Competition among the sellers of iron units is predicated upon the usual competitive factors of price, availability of supply, product performance, service and cost to the consumer.

ENVIRONMENT, EMPLOYEES AND ENERGY

ENVIRONMENT. In the construction of the Company's facilities and in its operating arrangements, substantial costs have been incurred and will be incurred to avoid undue effect on the environment. The Company's commitment to environmental preservation resulted in North American capital expenditures of $3,696,000 in 1994 and $3,674,000 in 1995. It is estimated that approximately $2,533,000 will be spent in 1996 for environmental control facilities.

The Company received notice in 1983 from the U.S. Environmental Protection Agency ("U.S. EPA") that the Company is a potentially responsible party with respect to the Cliffs-Dow Superfund Site, located in the Upper Peninsula of the State of Michigan, which is not related to the Company's iron ore mining business. The Cliffs-Dow site was used prior to 1973 for the disposal of wastes from charcoal production by a joint venture of the Company, the Dow Chemical Company and afterward by a successor in interest, Georgia-Pacific Corporation. The Company and certain other potentially responsible parties have agreed upon allocation of the costs for

investigation and remediation. The Company and other potentially responsible parties voluntarily participated in the preparation of a Remedial Investigation and Feasibility Study ("RI/FS") with respect to the Cliffs-Dow site, which concluded with the publication by the U.S. EPA of a Record of Decision dated September 27, 1989 ("ROD"), setting forth the selected remedial action plan adopted by the U.S. EPA for the Cliffs-Dow site. The Company and other potentially responsible parties have largely implemented remedial action satisfactory to the U.S. EPA at an estimated total cost of $8 million, of which the Company's share is $1.7 million. Upon the advice of counsel, the Company believes it has a right to continued contribution from the other potentially responsible parties for the costs of any further remedial action required at the Cliffs-Dow site. A second disposal area at the Cliffs-Dow charcoal production plant is on the list of priority sites issued by the Michigan Department of Natural Resources. The Company and certain other potentially responsible parties have agreed upon allocation of investigation and

remediation costs at this site. The Company is participating in a RI/FS of this site, but that study has not yet been completed. The Company has joined with the other potentially responsible parties in an interim removal action at the site which has been completed at an estimated total cost of $18 million, of which the Company's share is $4.5 million. The Company has sufficient financial reserves at December 31, 1995 to provide for its expected share of the cost of the remedial actions at the above mentioned sites. (See "Legal Proceedings" for additional information concerning environmental matters).

Generally, various legislative bodies and federal and state agencies are continually promulgating numerous new laws and regulations affecting the Company, its customers, and its suppliers in many areas, including waste discharge and disposal; hazardous classification of materials, products, and ingredients; air and water discharges; and many other matters. Although the Company believes that its environmental policies and practices are sound and does not expect a material adverse effect of any current laws or regulations, it cannot predict the collective adverse impact of the rapidly expanding body of laws and regulations.

EMPLOYEES. As of December 31, 1995, CCIC and CMC and the North American independent mining ventures had 5,272 employees, of which 4,347 were hourly employees. The hourly employees are represented by the United Steelworkers of America ("United Steelworkers") which have collective bargaining agreements. The United Steelworkers labor agreement at Hibbing Taconite Company, Tilden and Empire Mines, expired on August 1, 1993, and the United Steelworkers struck those mines and facilities for six weeks. In 1993, a new six-year "no strike" labor agreement was entered between those Mines and the United Steelworkers covering the period to July 31, 1999, but with provisions for a limited economic reopener on August 1, 1996. In 1994, a new United Steelworkers labor agreement was entered into covering employees of LTV Steel Mining Company, which agreement will expire on July 31, 1999. In 1994, a new United Steelworkers labor agreement covering Wabush was entered into, which agreement will expire on March 1, 1996.

As of December 31, 1995, Northshore had 474 employees, of which 340 were hourly employees, none of whom are represented by a union.

As of December 31, 1995, the Savage River Mines operations had 184 employees, 124 of whom are represented by several unions, whose contracts are renegotiated from time to time.

In addition, as of December 31, 1995, Cleveland-Cliffs Inc and its wholly-owned subsidiary, Cliffs Mining Services Company, had 294 salaried executive, managerial, administrative and technical employees.

ENERGY. Electric power supply contracts between Wisconsin Electric Power Company ("WEPCo") and the Empire and Tilden Mines, entered into in December 1987, provide that WEPCo shall furnish electric power to these Mines, within specific demand limits, pursuant to price formulas. The primary term of these contracts covers ten years through 1997. In return for a substantial reduction in rates, the Tilden Mine converted a portion of its firm power contract to curtailable power beginning in 1993. In January, 1996, CCIC, as managing agent for the Empire and Tilden Mines, entered into new seven-year power supply contracts with WEPCo, which included the two years remaining on the current contracts. Various terms and conditions of the power contracts were revised to better accommodate the operation of those Mines. The new power supply contracts, became effective March 1, 1996.

Electric power for Hibbing Taconite is supplied by Minnesota Power and Light under an agreement which can be terminated with four years' notice. In 1994, Minnesota Power and Light filed and was granted a power rate increase with the Minnesota Public Utility Commission's approval. A large part of the increase was negated by reason of a three year extension of Hibbing Taconite's power contract with Minnesota Power and Light. In December, 1995, a contract amendment became effective, extending the contract an additional year and lowering firm demand requirements. Electric power requirements will continue to be specified annually by the Hibbing Taconite venturers corresponding to Hibbing's operating requirements.

LTV Steel Mining Company completed reactivation of its power plant in 1992, and is currently generating the majority of its requirements, and an interchange agreement with Minnesota Power and Light provides backup power and allows sale of excess capacity to the Midwestern Area Power Pool. Effective May 1, 1995, the interchange agreement was extended to April 30, 2000 to provide additional backup power and other cost-effective services.

Silver Bay Power Company, an indirect subsidiary of the Company, provides the majority of Northshore's energy requirements, has an interchange agreement with Minnesota Power and Light for backup power and sells power to Northern States Power Company. Effective November 1, 1995, the interchange agreement was extended to October 31, 2000 to provide additional backup power and other cost-effective services.

Wabush Mines owns a portion of the Twin Falls Hydro Generation facility which provides power for Wabush's mining operations in Newfoundland. A twenty year agreement with Newfoundland Power allows an interchange of water rights in return for the power needs for Wabush's mining operations. The Wabush pelletizing operations in Quebec are served by Quebec Hydro on an annual contract.

Savage River Mines obtains its power from the local Government Power Authority on a special contract for the expected life of the mine.

The Company has contracts providing for the transport of natural gas for its North American iron ore operations. Several interruptions of supply of natural gas occurred during early 1995, requiring use of alternate fuels.

Empire and Tilden Mines have the capability of burning natural gas, oil, or, to a lesser extent, coal. Wabush and Savage River Mines have the capability of burning oil or, to a lesser extent, coal. Hibbing Taconite, Northshore and LTV Steel Mining Company have the capability of burning natural gas and oil. During 1995 the U.S. mines burned natural gas as their primary fuel due to favorable pricing. Wabush and Savage River Mines used oil, supplemented with coal or coke breeze.

Any substantial interruption of operations or substantial price increase resulting from future government regulations or energy taxes, injunctive order, or fuel shortages could be materially adverse to the Company.

In the paper format version of this document, this page contains a map. The map is entitled, "Cleveland-Cliffs Inc and Associated Companies Location of Iron Ore Operations". The map has an outline of the United States, Canada and Tasmania (Australia). Located specifically on the map are arrows and dots representing the location of the properties described in the Table on page 5 to this report.

ITEM 3. LEGAL PROCEEDINGS.

Arrowhead.
- ---------

CMC, which has a 15 percent ownership interest in and acts as Managing Agent for Hibbing Taconite Company, a joint venture, has been included as a named defendant in a suit captioned United States of America v. Arrowhead Refining Company, et al., which was filed on or about September 29, 1989 in the United States District Court for the District of Minnesota, Fifth Division. In that suit, the United States seeks declaratory relief and recovery of costs incurred in connection with the study and remedial plan conducted or to be conducted by the U.S. EPA at the Arrowhead Refinery Superfund Site near Duluth, St. Louis County, Minnesota. In that suit, the United States has alleged that CMC and the other 14 named defendants, including former and present owners of the Arrowhead site, are jointly and severally liable for $1.9 million, plus interest, representing the amount incurred for actions already taken by or on behalf of the U.S. EPA at the Arrowhead site, and are jointly and severally liable for the cost attributable to implementation of a remedial plan adopted by the U.S. EPA with respect to the Arrowhead site, which remedial action is estimated by the U.S. EPA to cost $30 million. CMC has filed an answer to the suit denying liability. Since January 31, 1991, CMC and 13 of the other named defendants have filed a counter claim against the United States and further complaints naming additional parties as third party defendants. The counter claim and third party complaints allege that the parties named therein are jointly and severally liable for such costs. In 1995, a Consent Decree among the parties, including 224 third-party defendants named in the lawsuit, was entered into by the United States District Court. The Decree provides for funding for remediation of the Site, with a substantial portion of the funding to be provided by the U.S. EPA and the State of Minnesota. It is estimated that Hibbing Taconite's share of the funding will be approximately $230,000, of which CMC's share is 15 percent.

Rio Tinto.
- ---------

On July 21, 1993, CCIC and Cliffs Copper Corp, a subsidiary of the Company, each received Findings of Alleged Violation and Order from the Department of Conservation and Natural Resources, Division of Environmental Protection, State of Nevada. The Findings allege that tailings materials left at the Rio Tinto Mine, located near Mountain City, Nevada, are entering State waters which the State considers to be in violation of State water quality laws. The Rio Tinto Mine was operated by Cliffs Copper Corp from 1971 to 1975 and by other companies prior to 1971. The Order requires remedial action to eliminate water quality impacts. The Company does not believe the potential liability, if any, to be material. The Company believes that it has substantial defenses to claims of liability.

Summitville.
- -----------

On January 12, 1993, CCIC received from the United States Environmental Protection Agency a Notice of Potential Liability at the Summitville mine site, located at Summitville, Colorado, where CCIC, as one of three joint venturers, conducted an unsuccessful copper ore exploration activity from 1966 through 1969. On June 25, 1993, CCIC received from the U.S. EPA a Notice of Potential Involvement in certain portions of the Summitville mine site. The mine site has been listed on the National Priorities List under the Comprehensive Environmental Response Compensation and Liability Act. The Company does not believe the potential liability, if any, to be material. The Company has substantial defenses to these claims of liability. The Company conducted no production activities at the Summitville mine site.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

EXECUTIVE OFFICERS OF THE REGISTRANT

<TABLE>
<CAPTION>

Name	Position with the Company as of March 15, 1996	Age
<S>	<C>	<C>
M. T. Moore	Chairman, President and Chief Executive Officer	61
J. S. Brinzo	Executive Vice President-Finance	54
W. R. Calfee	Executive Vice President-Commercial	49
T. J. O'Neil	Executive Vice President-Operations	55
J. W. Sanders	Senior Vice President-Technical	53
A. S. West	Senior Vice President-Sales	59

</TABLE>

There is no family relationship between any of the executive officers of the Company, or between any of such executive officers and any of the Directors of the Company. Officers are elected to serve until successors have been elected. All of the above-named executive officers of the Company were elected effective on the effective dates listed below for each such officer.

The business experience of the persons named above for the last five years is as follows:

<TABLE>

<S>	<C>
M. T. Moore	President and Chief Executive Officer, Company, January 1, 1987 to May 9, 1988. Chairman, President and Chief Executive Officer, Company, May 10, 1988 to date.
J. S. Brinzo	Executive Vice President-Finance, Company, September 1, 1989 to September 30, 1993. Senior Executive-Finance, Company, October 1, 1993 to September 30, 1995. Executive Vice President-Finance, Company, October 1, 1995 to date.
W. R. Calfee	Senior Executive Vice President, Company, September 1, 1989 to September 30, 1993.

	Senior Executive-Commercial, Company, October 1, 1993 to September 30, 1995. Executive Vice President-Commercial, Company October 1, 1995 to date.

</TABLE>

<TABLE>

<S>	<C>
T. J. O'Neil	Vice President/General Manager, Cyprus Sierrita Corp., August, 1989 to April, 1991. Vice President-Engineering and Development, Cyprus Copper Company, April, 1991 to November, 1991. Senior Vice President-Technical, Company, November 18, 1991 to September 30, 1994. Executive Vice President-CCI Operations and Technology, Company, October 1, 1994 to September 30, 1995. Executive Vice President-Operations, Company, October 1, 1995 to date.
J. W. Sanders	Senior Vice President and General Manager, Quintette Coal Limited, April, 1984 to April, 1991. Senior Vice President and General Manager, Copper Range Company, June, 1991 to June, 1994. President and Chief Operating Officer, Copper Range Company, July, 1994 to September 30, 1995. Senior Vice President-Technical, Company, October 1, 1995 to date.
A. S. West	Senior Vice President-Sales, Company, July 1, 1988 to date.

</TABLE>

PART II

ITEM 5. MARKET FOR REGISTRANTS' COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

The information required by this item is incorporated herein by reference and made a part hereof from that portion of the Company's Annual Report to Security Holders for the year ended December 31, 1995 contained in the material under the headings, "Common Share Price Performance and Dividends", "Investor and Corporate Information" and "Summary of Financial and Other Statistical Data", such information filed as a part hereof as Exhibits 13(h), 13(i) and 13(j), respectively.

ITEM 6. SELECTED FINANCIAL DATA.

The information required by this item is incorporated herein by reference and made a part hereof from that portion of the Company's Annual Report to Security Holders for the year ended December 31, 1995 contained in the material under the headings, "Summary of Financial and Other Statistical Data" and "Notes to Consolidated Financial Statements", such information filed as a part hereof as Exhibits 13(j) and 13(g), respectively.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The information required by this item is incorporated herein by reference and made a part hereof from that portion of the Company's Annual Report to Security Holders for the year ended December 31, 1995 contained in the material under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations", which such Management's Discussion and Analysis of Financial Condition and Results of Operations was subsequently amended by this Annual Form 10-K to reflect events occurring on March 15, 1996 with respect to McLouth Steel Products Company, such information, as amended, filed as a part hereof as Exhibit 13(a).

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The information required by this item is incorporated herein by reference and made a part hereof from that portion of the Company's Annual Report to Security Holders for the year ended December 31, 1995 contained in the material under the headings "Statement of Consolidated Financial Position", "Statement of Consolidated Income", "Statement of Consolidated Cash Flows", "Statement of Consolidated Shareholders' Equity", "Notes to Consolidated Financial Statements" and "Quarterly Results of Operations", such information filed as a part hereof as Exhibits 13(c), 13(d), 13(e), 13(f), 13(g) and 13(h), respectively.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

The information regarding Directors required by this Item is incorporated herein by reference and made a part hereof from the Company's Proxy Statement to Security Holders, dated March 25, 1996, from the material under the heading "Election of Directors". The information regarding executive officers required by this item is set forth in Part I hereof under the heading "Executive Officers of the Registrant", which information is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION.

The information required by this Item is incorporated herein by reference and made a part hereof from the Company's Proxy Statement to Security Holders, dated March 25, 1996 from the material under the headings "Executive Compensation (excluding the Compensation Committee Report on Executive Compensation)", "Pension Benefits", and the first five paragraphs under "Agreements and Transactions".

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The information required by this Item is incorporated herein by reference and made a part hereof from the Company's Proxy Statement to Security Holders, dated March 25, 1996, from the material under the heading "Securities Ownership of Management and Certain Other Persons".

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

The information required by this Item is incorporated herein by reference and made a part hereof from the Company's Proxy Statement to Security Holders, dated March 25, 1996, from the material under the last paragraph of the heading "Directors' Compensation".

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K.

(a)

(1) and (2)-List of Financial Statements and Financial Statement Schedules.

The following consolidated financial statements of the Company, included in the Annual Report to Security Holders for the year ended December 31, 1995, are incorporated herein by reference from Item 8 and made a part hereof:

Statement of Consolidated Financial Position - December 31, 1995 and 1994
Statement of Consolidated Income - Years ended December 31, 1995, 1994 and 1993
Statement of Consolidated Cash Flows - Years ended December 31, 1995, 1994 and 1993
Statement of Consolidated Shareholders' Equity - Years ended December 31, 1995, 1994 and 1993
Notes to Consolidated Financial Statements

The following consolidated financial statement schedule of the Company is included herein in Item 14(d) and attached as Exhibit 99(a).

Schedule II - Valuation and Qualifying accounts

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore have been omitted.

(3) List of Exhibits - Refer to Exhibit Index on pages 20-26 which is incorporated herein by reference.

(b) There were no reports on Form 8-K filed during the three months ended December 31, 1995.

(c) Exhibits listed in Item 14(a)(3) above are included herein.

(d) Financial Statements and Schedule listed above in Item 14(a)(1) and (2) are incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CLEVELAND-CLIFFS INC

By: /s/ John E. Lenhard

John E. Lenhard,
Secretary and Assistant General Counsel

Date: March 26, 1996

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<TABLE>
<CAPTION>

Signatures	Title	Date
<S>	<C>	<C>
M. T. Moore	Chairman, President and Chief Executive Officer and Principal Executive Officer and Director	March 26, 1996
J. S. Brinzo	Executive Vice President-Finance and Principal Financial Officer	March 26, 1996
R. Emmet	Vice President and Controller and Principal Accounting Officer	March 26, 1996
R. S. Colman	Director	March 26, 1996
J. D. Ireland, III	Director	March 26, 1996
G. F. Joklik	Director	March 26, 1996
E. B. Jones	Director	March 26, 1996
L. L. Kanuk	Director	March 26, 1996
J. C. Morley	Director	March 26, 1996
S. B. Oresman	Director	March 26, 1996
A. Schwartz	Director	March 26, 1996
S. K. Scovil	Director	March 26, 1996

J. H. Wade Director March 26, 1996

By: /s/ John E. Lenhard
(John E. Lenhard, as Attorney-in-Fact)

</TABLE>

Original powers of attorney authorizing Messrs. M. Thomas Moore, John S. Brinzo, Frank L. Hartman, and John E. Lenhard and each of them, to sign this Annual Report on Form 10-K and amendments thereto on behalf of the above-named officers and Directors of the Registrant have been filed with the Securities and Exchange Commission.

EXHIBIT INDEX

<TABLE>
<CAPTION>

Exhibit Number		Pagination by Sequential Numbering System
<S>	<C>	<C>
	Articles of Incorporation and By-Laws of Cleveland-Cliffs Inc	
3(a)	Amended Articles of Incorporation of Cleveland-Cliffs Inc	Filed Herewith
3(b)	Regulations of Cleveland-Cliffs Inc	Filed Herewith
	Instruments defining rights of security holders, including indentures	
4(a)	Restated Indenture, between Empire Iron Mining Partnership, Inland Steel Company, McLouth Steel Corporation, The Cleveland-Cliffs Iron Company, International Harvester Company, WSC Empire, Inc. and Chemical Bank, as Trustee, dated as of December 1, 1978 (See Footnote (A))	Not Applicable
4(b)	First Supplemental Indenture, between Empire Iron Mining Partnership, Inland Steel Company, McLouth Steel Corporation, The Cleveland-Cliffs Iron Company, International Harvester Company, WSC Empire Inc. and Chemical Bank, as Trustee, dated as of February 14, 1981 (See Footnote (A))	Not Applicable
4(c)	Second Supplemental Indenture, between Empire Iron Mining Partnership, Inland Steel Company, McLouth Steel Corporation, The Cleveland-Cliffs Iron Company, International Harvester Company, and Chemical Bank, as Trustee, dated as of May 1, 1982 (See Footnote (A))	Not Applicable
4(d)	Third Supplemental Indenture, between Empire Iron Mining Partnership, Inland Steel Company, McLouth Steel Corporation, The Cleveland-Cliffs Iron Company, and Chemical Bank, as Trustee, dated as of June 21, 1982 (See Footnote (A))	Not Applicable

<FN>

(A) This document has not been filed as an exhibit hereto because the long-term debt of the Company represented thereby, either directly or through its interest in an affiliated or associated entity, does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis. The Company agrees to furnish a copy of this document to the Securities and Exchange Commission upon request.
</TABLE>

<TABLE>
<S> <C> <C>

4(e)	Fourth Supplemental Indenture, between Empire Iron Mining Partnership, Inland Steel Company, The Cleveland-Cliffs Iron Company, Cliffs IH Empire, Inc., Cliffs MC Empire, Inc., Jones & Laughlin Ore Mining Company, J&L Empire, Inc. and Chemical Bank, as Trustee, dated as of February 1, 1983 (See Footnote (A))	Not Applicable
4(f)	Fifth Supplemental Indenture, between Empire Iron Mining Partnership, Inland Steel Company, The Cleveland-Cliffs Iron Company, Cliffs IH Empire, Inc., J&L Empire, Inc., Wheeling-Pittsburgh/Cliffs Partnership, and Chemical Bank, as Trustee, dated as of October 1, 1983 (See Footnote (A))	Not Applicable
4(g)	Sixth Supplemental Indenture, between Empire Iron Mining Partnership, Inland Steel Company, The Cleveland-Cliffs Iron Company, J&L Empire, Inc., Wheeling-Pittsburgh/Cliffs Partnership, McLouth-Cliffs Partnership, Cliffs Empire, Inc. and Chemical Bank, as Trustee, dated as of July 1, 1984 (See Footnote (A))	Not Applicable
4(h)	Form of Guaranty of Payment of 9.55% Secured Guaranteed Notes of Empire Iron Mining Partnership due September 1, 1998 (Footnote (A))	Not Applicable
4(i)	Form of Guarantee of Payment, dated January 20, 1984 relating to Notes of Empire Iron Mining Partnership (See Footnote (A))	Not Applicable
4(j)	Form of Guarantee of Payment, dated August 12, 1986 relating to Notes of Empire Iron Mining Partnership (See Footnote (A))	Not Applicable
4(k)	Form of Common Stock Certificate	Filed Herewith
4(l)	Rights Agreement, dated September 8, 1987, and amended and restated as of November 19, 1991, by and between Cleveland-Cliffs Inc and Society National Bank (successor to Ameritrust Company National Association)	Filed Herewith

_____
<FN>
(A) This document has not been filed as an exhibit hereto because the long-term debt of the Company represented thereby, either directly or through its interest in an affiliated or associated entity, does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis. The Company agrees to furnish a copy of this document to the Securities and Exchange Commission upon request.
</TABLE>

<TABLE>
<S> <C> <C> <C>

4(m)		Credit Agreement, dated as of March 1, 1995 among Cleveland-Cliffs Inc, the Banks named therein and Chemical Bank, as Agent (filed as Exhibit 4(o) to Form 10-K of Cleveland-Cliffs Inc, filed on March 27, 1995 and incorporated by reference)	Not Applicable
4(n)		Note Agreement, dated as of December 15, 1995 among Cleveland-Cliffs Inc and each of the Purchasers named in Schedule I thereto	Filed Herewith
		Material Contracts ----------	
10(a)	*	Cleveland-Cliffs Inc Supplemental Retirement Benefit Plan Amended and Restated, effective January 1, 1995 (filed as Exhibit 10(b) to Form 10-Q of Cleveland-Cliffs Inc filed on May 2, 1995 and incorporated by reference)	Not Applicable
10(b)	*	The Cleveland-Cliffs Iron Company Plan for Deferred Payment of Directors' Fees, dated as of July 1, 1981, assumed by Cleveland-Cliffs Inc effective July 1, 1985	Filed Herewith
10(c)	*	Amendment No. 1 to Cleveland-Cliffs Inc Plan for Deferred Payment of Directors' Fees, dated March 9, 1992	Filed Herewith
10(d)	*	Consulting Agreement, dated as of June 23, 1987, by and between Cleveland-Cliffs Inc and S. K. Scovil	Filed Herewith
10(e)	*	Amendment to Consulting Agreement with S. K. Scovil, dated as of June 18, 1991	Filed Herewith
10(f)	*	Amendment to Consulting Agreement with S. K. Scovil, dated as of December 28, 1995	Filed Herewith

10(g)	*	Form of contingent employment agreements with certain executive officers (filed as Exhibit 10(f) to Form 10-K of Cleveland-Cliffs Inc filed on March 30, 1992 and incorporated by reference)	Not Applicable
10(h)	*	Cleveland-Cliffs Inc and Subsidiaries Management Performance Incentive Plan, dated as of January 1, 1994 (Summary Description) (filed as Exhibit 10(g) to Form 10-K of Cleveland-Cliffs Inc filed on March 27, 1995 and incorporated by reference)	Not Applicable

_____

<FN>
* Reflects management contract or other compensatory arrangement required to be filed as an Exhibit pursuant to Item 14(c) of this Report.
</TABLE>

<TABLE>
<S> <C> <C> <C>

10(i)		Instrument of Assignment and Assumption dated as of July 1, 1985, by and between The Cleveland-Cliffs Iron Company and Cleveland-Cliffs Inc	Filed Herewith
10(j)		Form of indemnification agreements with directors	Filed Herewith
10(k)	*	1987 Incentive Equity Plan (filed as Exhibit 10(k) to Form 10-K of Cleveland-Cliffs Inc filed on March 30, 1992 and incorporated by reference)	Not Applicable
10(l)	*	1992 Incentive Equity Plan (filed as Appendix A to Proxy Statement of Cleveland-Cliffs Inc filed on March 13, 1992 and incorporated by reference)	Not Applicable
10(m)	*	Amended and Restated Cleveland-Cliffs Inc Retirement Plan for Non-Employee Directors dated as of January 1, 1988 (filed as Exhibit 10(n) to Form 10-K of Cleveland-Cliffs Inc filed on March 29, 1993 and incorporated by reference)	Not Applicable
10(n)	*	Amended and Restated Trust Agreement No. 1 dated as of March 9, 1992, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) with respect to the Supplemental Retirement Benefit Plan and certain contingent employment agreements	Filed Herewith
10(o)	*	Amended and Restated Trust Agreement No. 2 dated as of March 9, 1992, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) with respect to the Severance Pay Plan for Key Employees of Cleveland-Cliffs Inc and certain contingent employment agreements	Filed Herewith
10(p)	*	Trust Agreement No. 4 dated as of October 28, 1987, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) with respect to the Plan for Deferred Payment of Directors' Fees	Filed Herewith
10(q)	*	First Amendment to Trust Agreement No. 4 dated as of April 9, 1991, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) and Second Amendment to Trust Agreement No. 4 dated as of March 9, 1992 by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank)	Filed Herewith

_____

<FN>
* Reflects management contract or other compensatory arrangement required to be filed as an Exhibit pursuant to Item 14(c) of this Report.
</TABLE>

<TABLE>
<S> <C> <C> <C>

10(r)	*	Trust Agreement No. 5 dated as of October 28, 1987, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) with respect to the Cleveland-Cliffs Inc Voluntary Non-Qualified Deferred Compensation Plan	Filed Herewith

10(s)	*	First Amendment to Trust Agreement No. 5 dated as of May 12, 1989, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank), Second Amendment to Trust Agreement No. 5 dated as of April 9, 1991 by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) and Third Amendment to Trust Agreement No. 5 dated as of March 9, 1992, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank)	Filed Herewith
10(t)	*	Amended and Restated Trust Agreement No. 6 dated as of March 9, 1992, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) with respect to certain indemnification agreements with directors and certain officers	Filed Herewith
10(u)	*	Trust Agreement No. 7 dated as of April 9, 1991, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) with respect to the Cleveland-Cliffs Inc Supplemental Retirement Benefit Plan, as amended by First Amendment to Trust Agreement No. 7	Filed Herewith
10(v)	*	Trust Agreement No. 8 dated as of April 9, 1991, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) with respect to the Cleveland-Cliffs Inc Retirement Plan for Non-Employee Directors, as amended by First Amendment to Trust Agreement No. 8	Filed Herewith
10(w)	*	Severance Pay Plan for Key Employees of Cleveland-Cliffs Inc, effective as of February 1, 1992 (filed as Exhibit 10(y) to Form 10-K of Cleveland-Cliffs Inc filed on March 30, 1992 and incorporated by reference)	Not Applicable
10(x)	*	First Amendment to Severance Pay Plan for Key Employees of Cleveland-Cliffs Inc, dated November 18, 1994 (filed as Exhibit 10(y) to Form 10-K of Cleveland-Cliffs Inc filed on March 27, 1995 and incorporated by reference)	Not Applicable

_____

<FN>
* Reflects management contract or other compensatory arrangement required to be filed as an Exhibit pursuant to Item 14(c) of this Report.
</TABLE>

<TABLE>
<S> <C> <C> <C>

10(y)	*	Cleveland-Cliffs Inc Voluntary Non-Qualified Deferred Compensation Plan, Amended and Restated as of January 1, 1996	Filed Herewith
10(z)	*	Fourth Amendment to Trust Agreement No. 5, dated November 18, 1994, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) (filed as Exhibit 10(dd) to Form 10-K of Cleveland-Cliffs Inc filed on March 27, 1995 and incorporated by reference)	Not Applicable
10(aa)	*	Second Amendment to Trust Agreement No. 7, dated November 18, 1994, by and between Cleveland-Cliffs Inc and Key Trust Company of Ohio, N.A. (successor trustee to Society National Bank) (filed as Exhibit 10(ee) to Form 10-K of Cleveland-Cliffs Inc filed on March 27, 1995 and incorporated by reference)	Not Applicable
10(bb)	*	Cleveland-Cliffs Inc Long-Term Performance Share Program, dated as of January 1, 1996 (Summary Description)	Filed Herewith
10(cc)	*	Cleveland-Cliffs Inc Nonemployee Directors Retirement Plan, dated as of July 1, 1995 (Summary Description)	Filed Herewith
10(dd)		Stock Purchase Agreement, dated as of September 30, 1994, among Cleveland-Cliffs Inc, Cliffs Minnesota Minerals Company and Cyprus Amax Minerals Company (filed as Exhibit 2 to Form 8-K of Cleveland-Cliffs Inc filed on October 13, 1994 and incorporated by reference, and to which certain portions of which were accorded "Confidential Information" pursuant to order of the Securities and Exchange Commission, dated December 21, 1994)	Not Applicable
11		Statement re computation of per share earnings	Filed Herewith
13		Selected portions of 1995 Annual Report to Security Holders	(Page 27-28)

13 (a)	Management's Discussion and Analysis of Financial Condition and Results of Operations	Filed Herewith (Page 29-37)
13 (b)	Report of Independent Auditors	Filed Herewith (Page 38)

_____

<FN>
* Reflects management contract or other compensatory arrangement required to be filed as an Exhibit pursuant to Item 14(c) of this Report.
</TABLE>

<TABLE>
<S> <C> <C>

13 (c)	Statement of Consolidated Financial Position	Filed Herewith (Page 39-40)
13 (d)	Statement of Consolidated Income	Filed Herewith (Page 41)
13 (e)	Statement of Consolidated Cash Flows	Filed Herewith (Page 42)
13 (f)	Statement of Consolidated Shareholders' Equity	Filed Herewith (Page 43)
13 (g)	Notes to Consolidated Financial Statements	Filed Herewith (Page 44-61)
13 (h)	Quarterly Results of Operations/Common Share Price Performance and Dividends	Filed Herewith (Page 62)
13 (i)	Investor and Corporate Information	Filed Herewith (Page 63)
13 (j)	Summary of Financial and Other Statistical Data	Filed Herewith (Page 64-65)
21	Subsidiaries of the registrant	Filed Herewith (Page 66-68)
23	Consent of independent auditors	Filed Herewith (Page 69)
24	Power of Attorney	Filed Herewith (Page 70)
27	Consolidated Financial Data Schedule submitted for Securities and Exchange Commission information	--
99	Additional Exhibits	
99 (a)	Schedule II - Valuation and Qualifying Accounts	Filed Herewith (Page 71)

</TABLE>

EXHIBIT 3(a)
As of 9/1/85

ARTICLES OF INCORPORATION, AS AMENDED

OF

CLEVELAND-CLIFFS INC

FIRST: The name of the Corporation shall be Cleveland-Cliffs Inc

SECOND: The location of the principal office of the Corporation in the State of Ohio shall be at 14th Floor Huntington Building, Cleveland, Ohio.

THIRD: The purpose for which the Corporation is formed is to engage in any lawful act or activity for which corporations may be formed under Sections 1701.01 through 1701.98, inclusive, of the Ohio Revised Code.

FOURTH: The maximum number of shares the Corporation is authorized to have outstanding is Thirty-Five Million (35,000,000) shares, consisting of the following:

(a) Three Million (3,000,000) shares of Serial Preferred Stock, Class A, without par value ("Class A Preferred Stock");

(b) Four Million (4,000,000) shares of Serial Preferred Stock, Class B, without par value ("Class B Preferred Stock"); and

(c) Twenty-Eight Million (28,000,000) Common Shares, par value $1.00 per share ("Common Shares").

DIVISION A

EXPRESS TERMS OF THE SERIAL PREFERRED STOCK,
CLASS A, WITHOUT PAR VALUE

The Class A Preferred Stock shall have the following express terms:

SECTION 1. Series The Class A Preferred Stock may be issued from time to time in one or more series. All shares of Class A Preferred Stock shall be of equal rank and shall be identical, except in respect of the matters that may be fixed by the Directors as hereinafter provided, and each share of each series shall be identical with all other shares of such series, except as to the date from which dividends are cumulative. All shares of Class A Preferred Stock shall also be of equal rank and shall be identical with shares of Class B Preferred Stock except in respect of (i) the particulars that may be fixed and determined by the Directors as hereinafter provided, (ii) the voting rights and provisions for consent relating to Class A Preferred Stock as fixed and determined by Section 5 of this Division A and (iii) the conversion rights of any series of Class A Preferred Stock which may be fixed and determined by the Directors subject to the provisions of Section 6 of this Division A. Subject to the provisions of Sections 2 to 7, inclusive, of this Division A, which provisions shall apply to all Class A Preferred Stock, the Directors hereby are authorized to cause such shares to be issued in one or more series and with respect to each such series to fix:

(a) The designation of the series, which may be by distinguishing number, letter and/or title.

(b) The number of shares of the series, which number the Directors may (except where otherwise provided in the creation of the series) increase or decrease (but not below the number of shares thereof then outstanding).

(c) The dividend rights of the series which may be: cumulative or non-cumulative; at a specified rate, amount or proportion; or with or without further participation rights.

(d) The dates at which dividends, if declared, shall be payable, and the dates from which dividends, if cumulative, shall accumulate.

(e) The redemption rights and price or prices, if any, for shares of the series.

(f) The terms and amount of any sinking fund provided for the purchase or redemption of shares of the series.

(g) The amounts payable on shares of the series in the event of any

voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation.

(h) Whether the shares of the series shall be convertible into shares of any other class or series of the Corporation, and if so, the specification of such other class or series, the conversion price or prices or rate or rates, any adjustments thereof, the date or dates as of which such shares shall be convertible, and other terms and conditions upon which such conversion may be made.

(i) Restrictions (in addition to those set forth in Section 5(c) of this Division) on the issuance of shares of the same series or of any other class or series.

The Directors are authorized to adopt from time to time amendments to the Articles of Incorporation fixing, with respect to each such series, the matters described in clauses (a) to (i), inclusive, of this Section 1.

SECTION 2. DIVIDENDS.

(a) The holders of Class A Preferred Stock of each series, in preference to the holders of Common Shares and of any other class of shares ranking junior to the Class A Preferred Stock, shall be entitled to receive out of any funds legally available therefor and when and as declared by the Directors dividends in cash at the rate for such series fixed in accordance with the provisions of Section 1 of this Division A and no more, payable on the dividend payment dates fixed for such series. Such dividends may be cumulative, in the case of shares of each particular series, from and after the date or dates fixed with respect to such series. No dividend may be paid upon or set apart for any of the Class A Preferred Stock on any dividend payment date unless (i) all dividends upon all Class A Preferred Stock then outstanding and all classes of stock then outstanding ranking prior to or on a parity with the Class A Preferred Stock for all dividend payment dates prior to such date shall have been paid or funds therefor set apart and (ii) at the same time a like dividend upon all series of Class A Preferred Stock then outstanding and all classes of stock then outstanding ranking prior to or on a parity with the Class A Preferred Stock and having a dividend payment date on such date, ratably in proportion to the respective dividend rates of each such series or class, shall be paid or funds therefor set apart. Accumulations of dividends, if any, shall not bear interest.

(b) For the purpose of this Division A, a dividend shall be deemed to have been paid or funds therefor set apart on any date if on or prior to such date the Corporation shall have deposited funds sufficient therefor with a bank or trust company and shall have caused checks drawn against such funds in appropriate amounts to be mailed to each holder of record entitled to receive such dividend at such holder's address then appearing on the books of the Corporation.

(c) In no event so long as any Class A Preferred Stock shall be outstanding shall any dividends, except a dividend payable in Common Shares or other shares ranking junior to the Class A Preferred Stock, be paid or declared or any distribution be made except as aforesaid on the Common Shares or any other shares ranking junior to the Class A Preferred Stock, nor shall any Common Shares or any other shares ranking junior to the Class A Preferred Stock be purchased, retired or otherwise acquired by the Corporation (except out of the proceeds of the sale of Common Shares or other shares ranking junior to the Class A Preferred Stock received by the Corporation on or subsequent to the date on which shares of any series of Class A Preferred Stock are first issued), unless (i) all accrued and unpaid dividends upon all Class

A Preferred Stock then outstanding for all dividend payment dates on or prior to the date of such action shall have been paid or funds therefor set apart and (ii) as of the date of such action there shall be no arrearages with respect to the redemption of Class A Preferred Stock of any series from any sinking fund provided for shares of such series in accordance with the provisions of Section 1 of this Division A.

SECTION 3. REDEMPTION.

(a) Subject to the express terms of each series and to the provisions of Section 5(c)(iii) of this Division A, the Corporation (i) may from time to time redeem all or any part of the Class A Preferred Stock of any series at the time outstanding at the option of the Directors at the applicable redemption price for such series fixed in accordance with the provisions of Section 1 of this Division A, and (ii) shall from time to time make such redemptions of the Class A Preferred Stock of any series as

may be required to fulfill the requirements of any sinking fund provided for shares of such series at the applicable sinking fund redemption price, fixed in accordance with the provisions of Section 1 of this Division A, together in each case with (A) all then accrued and unpaid dividends upon such shares for all dividend payment dates on or prior to the redemption date and (B) if the redemption date is not a dividend payment date for such series, a proportionate dividend, based on the number of elapsed days, for the period from the day after the most recent such dividend payment date through the redemption date.

(b) Notice of every such redemption shall be mailed, postage prepaid, to the holders of record of the Class A Preferred Stock to be redeemed at their respective addresses then appearing on the books of the Corporation, not less than 30 days nor more than 60 days prior to the date fixed for such redemption. At any time before or after notice has been given as above provided, the Corporation may deposit the aggregate redemption price of the shares of Class A Preferred Stock to be redeemed, together with an amount equal to the aggregate amount of dividends payable upon such redemption, with any bank or trust company in Cleveland, Ohio, or New York, New York, having capital and surplus of more than $50,000,000, named in such notice, and direct that such deposited amount be paid to the respective holders of the shares of Class A Preferred Stock so to be redeemed upon surrender of the stock certificate or certificates held by such holders. Upon the giving of such notice and the making of such deposit such holders shall cease to be shareholders with respect to such shares and shall have no interest in or claim against the Corporation with respect to such shares except only the right to receive such money from such bank or trust company without interest or to exercise, before the redemption date, any unexpired privileges of conversion. In case less than all of the outstanding shares of any series of Class A Preferred Stock are to be redeemed, the Corporation shall select, pro rata or by lot, the shares so to be redeemed in such manner as shall be prescribed by the Directors.

(c) If the holders of shares of Class A Preferred Stock which shall have been called for redemption shall not, within six years after such deposit, claim the amount deposited for the redemption thereof, any such bank or trust company shall, upon demand, pay over to the Corporation such unclaimed amounts and thereupon such bank or trust company and the Corporation shall be relieved of all responsibility in respect thereof to such holder.

(d) Any shares of Class A Preferred Stock which are (i) redeemed by the Corporation pursuant to the provisions of this Section 3, (ii) purchased and delivered in satisfaction of any sinking fund requirements provided for shares of any series of Class A Preferred Stock, (iii) converted in accordance with the express terms of any such series, or (iv) otherwise acquired by the Corporation, shall resume the status of authorized and unissued shares of Class A Preferred Stock without serial designation; provided, however, that any such shares which are converted in accordance with the express terms thereof shall not be reissued as convertible shares.

SECTION 4. LIQUIDATION.

(a) (1) The holders of Class A Preferred Stock of any series, shall, in case of voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, be entitled to receive in full out of the assets of the Corporation, including its capital, before any amount shall be paid or distributed among the holders of the Common Shares or any other shares ranking junior to the Class A Preferred Stock, the amounts fixed with respect to shares of such series in accordance with Section 1 of this Division, plus an amount equal to (i) all then accrued and unpaid dividends upon such shares for all dividend payment dates on or prior to the date of payment of the amount due pursuant to such liquidation, dissolution or winding up, and (ii) if such date is not a dividend payment date for such series, a proportionate dividend, based on the number of elapsed days, for the period from the day after the most recent dividend payment date through the date of payment of the amount due pursuant to such liquidation, dissolution or winding up. In case the net assets of the Corporation legally available therefor are insufficient to permit the payment upon all outstanding shares of Class A Preferred Stock and all outstanding shares of stock of all classes ranking on a parity with the Class A Preferred Stock of the full preferential amount to which they are respectively entitled, then such net assets shall be distributed ratably upon outstanding shares of Class A Preferred Stock and all outstanding shares of stock of all classes ranking on a parity with the Class A Preferred Stock in proportion to the full preferential amount to which each such share is entitled.

(2) After payment to holders of Class A Preferred Stock of the full

preferential amounts as aforesaid, holders of Class A Preferred Stock as such shall have no right or claim to any of the remaining assets of the Corporation.

(b) The merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or the sale, lease or conveyance of all or substantially all the property or business of the Corporation, shall not be deemed to be a dissolution, liquidation or winding up for the purposes of this Division A.

SECTION 5. Voting.

(a) The holders of Class A Preferred Stock shall be entitled to one vote for each share of such stock upon all matters presented to the shareholders; and, except as otherwise provided herein or required by law, the holders of Class A Preferred Stock and the holders of Common Shares shall vote together as one class on all matters presented to the shareholders.

(b) (1) If, and so often as, the Corporation shall be in default in the payment of dividends on any series of Class A Preferred Stock at the time outstanding, or funds therefor have not been set apart, in an amount equivalent to six full quarterly dividends on any such series of Class A Preferred Stock whether or not consecutive and whether or not earned or declared, the holders of Class A Preferred Stock of all series, voting separately as a class, and in addition to any other rights which the shares of any series of Class A Preferred Stock may have to vote for Directors, shall thereafter be entitled to elect, as herein provided, two Directors of the Corporation; provided, however, that the special class voting rights provided for in this paragraph when the same shall have become vested shall remain so vested (i) in the case of cumulative dividends, until all accrued and unpaid dividends on the Class A Preferred Stock of all series then outstanding shall have been paid or funds therefor set apart, or (ii) in the case of non-cumulative dividends, until full dividends on the Class A Preferred Stock of all series then outstanding shall have been paid or funds therefor set apart regularly for a period of one year, whereupon the holders of Class A Preferred Stock shall be divested of their special class voting rights in respect of subsequent elections of Directors, subject to the revesting of such special class voting rights in the event hereinabove specified in this paragraph.

(2) In the event of default entitling the holders of Class A Preferred Stock to elect two Directors as specified in paragraph (1) of this subsection, a special meeting of such holders for the purpose of electing such Directors shall be called by the Secretary of the Corporation upon

written request of, or may be called by, the holders of record of at least ten percent (10%) of the shares of Class A Preferred Stock of all series at the time outstanding, and notice thereof shall be given in the same manner as that required for the annual meeting of shareholders; provided, however, that the Corporation shall not be required to call such special meeting if the annual meeting of shareholders or any other special meeting of shareholders called or to be called for a different purpose shall be held within 120 days after the date of receipt of the foregoing written request from the holders of Class A Preferred Stock. At any meeting at which the holders of Class A Preferred Stock shall be entitled to elect Directors, the holders of thirty-five percent (35%) of the then outstanding shares of Class A Preferred Stock of all series, present in person or by proxy, shall be sufficient to constitute a quorum, and the vote of the holders of a majority of such shares so present at any such meeting at which there shall be such a quorum shall be sufficient to elect the Directors which the holders of Class A Preferred Stock are entitled to elect as hereinabove provided. Notwithstanding any provision of these Articles of Incorporation or the Regulations of the Corporation or any action taken by the holders of any class of shares fixing the number of Directors of the Corporation, the two Directors who may be elected by the holders of Class A Preferred Stock pursuant to this subsection shall serve in addition to any other Directors then in office or proposed to be elected otherwise than pursuant to this subsection. Nothing in this subsection shall prevent any change otherwise permitted in the total number of Directors of the Corporation or require the resignation of any Director elected otherwise than pursuant to this subsection. Notwithstanding any classification of the other Directors of the Corporation, the two Directors elected by the holders of Class A Preferred Stock shall be elected annually for the terms expiring at the next succeeding annual meeting of shareholders; provided, however, that whenever the holders of Class A Preferred Stock shall be divested of the voting power as above provided, the terms of office of all persons elected as Directors by the holders of the Class A Preferred Stock as a class shall immediately terminate and the number of Directors shall be reduced

accordingly.

(c) Except as hereinafter provided, the affirmative vote of the holders of at least two-thirds of the shares of Class A Preferred Stock at the time outstanding, given in person or by proxy at a meeting called for the purpose at which the holders of Class A Preferred Stock shall vote separately as a class, shall be necessary to effect, any one or more of the following (but so far as the holders of Class A Preferred Stock are concerned, such action may be effected with such vote):

(i) Any amendment, alteration or repeal of any of the provisions of the Articles of Incorporation or of the Regulations of the Corporation which affects adversely the preferences or voting or other rights of the holders of Class A Preferred Stock; provided, however, that for the purpose of this paragraph 5(c)(i) only, neither the amendment of the Articles of Incorporation so as to authorize, create or change the authorized or outstanding amount of Class A Preferred Stock or of any shares of any class ranking on a parity with or junior to the Class A Preferred Stock nor the amendment of the provisions of the Regulations so as to change the number of Directors of the Corporation shall be deemed to affect adversely the preferences or voting or other rights of the holders of Class A Preferred Stock; and provided further, that if such amendment, alteration or repeal affects adversely the preferences or voting or other rights of one or more but not all series of Class A Preferred Stock at the time outstanding, the affirmative vote or consent of the holders of at least two-thirds of the number of shares at the time outstanding of each series so affected, each such affected series voting separately as a series, shall also be required;

(ii) The authorization, creation or the increase in the authorized amount of any shares of any class or any security convertible into shares of any class, in either case, ranking prior to the Class A Preferred Stock; or

(iii) The purchase or redemption (for sinking fund purposes or otherwise) of less than all of the Class A Preferred Stock then outstanding except in accordance with a stock

purchase offer made to all holders of record of Class A Preferred Stock, unless all dividends on all Class A Preferred Stock then outstanding for all previous dividend periods shall have been declared and paid or funds therefor set apart and all accrued sinking fund obligations applicable thereto shall have been complied with;

provided, however, that in the case of any authorization, creation or increase in the authorized amount of any shares of any class or security convertible into shares of any class, in either case, ranking prior to the Class A Preferred Stock no such consent of the holders of Class A Preferred Stock shall be required if the holders of Class A Preferred Stock have previously received adequate notice of redemption to occur within 90 days. The foregoing proviso shall not apply and such consent of the holders of Class A Preferred Stock shall be required if any such redemption will be effected, in whole or in part, with the proceeds received from the sale of any such stock or security convertible into shares of any class, in either case, ranking prior to the Class A Preferred Stock.

(d) The affirmative vote of the holders of at least a majority of the share of Class A Preferred Stock at the time outstanding, given in person or by proxy at a meeting called for the purpose at which the holders of Class A Preferred Stock shall vote separately as a class, shall be necessary to effect any one or more of the following (but so far as the holders of the Class A Preferred Stock are concerned, such action may be effected with such vote):

(i) The consolidation or merger of the Corporation with or into any other corporation to the extent any such consolidation or merger shall be required, pursuant to any applicable statute, to be approved by the holders of the shares of Class A Preferred Stock voting separately as a class; or

(ii) The authorization of any shares ranking on a parity with the Class A Preferred Stock or an increase in the authorized number of shares of Class A Preferred Stock.

(e) Neither the vote, consent nor any adjustment of the voting rights of holders of shares of Class A Preferred Stock shall be required for an increase in the number of Common Shares authorized or issued or for stock splits of the Common Shares or for stock dividends on any class of stock payable solely in Common Shares, and none of the foregoing actions

shall be deemed to affect adversely the preferences or voting or other rights of Class A Preferred Stock within the meaning and for the purpose of this Division A.

SECTION 6. Conversion.

(a) If and to the extent that there are created series of Class A Preferred Stock which are convertible (hereinafter called "convertible series") into Common Shares, as such shares shall be constituted as of the date of conversion, or into shares of any other class or series of the Corporation (hereinafter collectively called "conversion shares"), the following terms and provisions shall be applicable to all of such series, except as may be otherwise expressly provided in the terms of any such series.

(1) The maximum amount of Common Shares which may be authorized to be received upon conversion by the holders of any shares of a convertible series shall not exceed one Common Share for each share of such convertible series, subject to any adjustments which shall be required pursuant to any antidilution mechanism which the Directors may approve in respect of such convertible series.

(2) The holder of each share of a convertible series may exercise the conversion privilege in respect thereof by delivering to any transfer agent for the respective series

the certificate for the share to be converted and written notice that the holder elects to convert such share. Conversion shall be deemed to have been effected immediately prior to the close of business on the date when such delivery is made, and such date is referred to in this Section as the "conversion date". On the conversion date or as promptly thereafter as practicable the Corporation shall deliver to the holder of the stock surrendered for conversion, or as otherwise directed by such holder in writing, a certificate for the number of full conversion shares deliverable upon the conversion of such stock and a check or cash in respect of any fraction of a share as provided in subsection (3) of this Section. The person in whose name the stock certificate is to be registered shall be deemed to have become a holder of the conversion shares of record on the conversion date. No adjustment shall be made for any dividends on shares of stock surrendered for conversion or for dividends on the conversion shares delivered on conversion.

(3) The Corporation shall not be required to deliver fractional shares upon conversion of shares of a convertible series. If more than one share of a convertible series shall be surrendered for conversion at one time by the same holder, the number of full conversion shares deliverable upon conversion thereof shall be computed on the basis of the aggregate number of shares so surrendered. If any fractional interest in a conversion share would otherwise be deliverable upon the conversion, the Corporation shall in lieu of delivering a fractional share therefor make an adjustment therefor in cash at the current market value thereof, computed (to the nearest cent) on the basis of the closing price of the conversion share on the last business day before the conversion date.

(4) For the purpose of this Section, the "closing price of the conversion shares" on any business day shall be the last reported sales price per share on such day, or, in case no such reported sale takes place on such day, the average of the reported closing bid and asked prices, in either case on the New York Stock Exchange, or, if the conversion shares are not listed or admitted to the trading on such Exchange, on the principal national securities exchange on which the conversion shares are listed or admitted to trading as determined by the Directors, which determination shall be conclusive, or, if not listed or admitted to trading on any national securities exchange, as quoted by the automated quotation system of the National Association of Securities Dealers, Inc., or, if not so quoted, the mean between the average bid and asked prices per conversion share in the over-the-counter market as furnished by any member of the National Association of Securities Dealers, Inc. selected from time to time by the Directors for that purpose; and "business day" shall be each day on which the New York Stock Exchange or other national securities exchange or automated quotation system or over-the-counter market used for purposes of the above calculation is open for trading.

(b) Upon conversion of any convertible series the stated capital of the conversion shares delivered upon such conversion shall be the aggregate par value of the shares so delivered having par value, or, in the case of

conversion shares without par value, shall be an amount equal to the stated capital represented by each such share outstanding at the time of such conversion. The stated capital of the Corporation shall be correspondingly increased or reduced to reflect the difference between the stated capital of the shares of the convertible series so converted and the stated capital of the conversion shares delivered upon such conversion.

(c) In case of any reclassification or change of outstanding conversion shares (except a split or combination, or a change in par value, or a change from par value to no par value, or a change from no par value to par value), provision shall be made as part of the terms of such reclassification or change that the holder of each share of each convertible series then outstanding shall have the right to receive upon the conversion of such share, at the conversion rate or price which otherwise would be in effect at the time of conversion, with substantially the same protection against dilution as is provided in the terms of such convertible series, the same kind and amount of stock and other securities and property as such holder would have

owned or have been entitled to receive upon the happening of any of the events described above had such share been converted immediately prior to the happening of the event.

(d) In case the Corporation shall be consolidated with or shall merge into any other corporation, provision shall be made as a part of the terms of such consolidation or merger whereby the holder of each share of each convertible series outstanding immediately prior to such event shall thereafter be entitled to such conversion rights with respect to securities of the corporation resulting from such consolidation or merger as shall be substantially equivalent to the conversion rights specified in the terms of such convertible series; provided, however, that the provisions of this subsection (d) shall be deemed to be satisfied if such consolidation or merger shall be approved by the holders of Class A Preferred Stock in accordance with the provisions of Section 5(d) of this Division A.

(e) The issue of stock certificates on conversions of shares of each convertible series shall be without charge to the converting shareholder for any tax in respect of the issue thereof. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the registration of shares in any name other than that of the holder of the shares converted, and the Corporation shall not be required to deliver any such stock certificate unless and until the person or persons requesting the delivery thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

(f) The Corporation hereby reserves and shall at all times reserve and keep available, free from preemptive rights, out of its authorized but unissued shares or treasury shares, for the purpose of delivery upon conversion of shares of each convertible series, such number of conversion shares as shall from time to time be sufficient to permit the conversion of all outstanding shares of all convertible series of Class A Preferred Stock.

SECTION 7. Definitions. For the purpose of this Division A:

(a) Whenever reference is made to shares "ranking prior to the Class A Preferred Stock", such reference shall mean and include all shares of the Corporation in respect of which the rights of the holders thereof either as to the payment of dividends or as to distributions in the event of a voluntary or involuntary liquidation, dissolution or winding up of the Corporation are given preference over the rights of the holders of Class A Preferred Stock.

(b) Whenever reference is made to shares "on a parity with the Class A Preferred Stock", such reference shall mean and include all shares of Class B Preferred Stock and all other shares of the Corporation in respect of which the rights of the holders thereof (i) are not given preference over the rights of the holders of Class A Preferred Stock either as to the payment of dividends or as to distributions in the event of a voluntary or involuntary liquidation, dissolution or winding up of the Corporation and (ii) either as to the payment of dividends or as to distribution in the event of a voluntary or involuntary liquidation, dissolution or winding up of the Corporation, or as to both, rank on an equality (except as to the amounts fixed therefor) with the rights of the holders of Class A Preferred Stock.

(c) Whenever reference is made to shares "ranking junior to the Class A Preferred Stock" such reference shall mean and include all shares of the Corporation in respect of which the rights of the holders thereof

both as to the payment of dividends and as to distributions in the event of a voluntary or involuntary liquidation, dissolution or winding up of the Corporation are junior and subordinate to the rights of the holders of the Class A Preferred Stock.

SUBDIVISION A-1

EXPRESS TERMS OF THE $2.00
CONVERTIBLE EXCHANGEABLE
PREFERRED STOCK

There is hereby established a series of Class A Preferred Stock to which the following provisions shall be applicable:

SECTION 1. DESIGNATION OF SERIES. The stock shall be designated "$2.00 Convertible Exchangeable Preferred Stock" (hereinafter called "Series A-1 Preferred Stock").

SECTION 2. NUMBER OF SHARES. The number of shares of Series A-1 Preferred Stock shall be 2,500,000, which number the Directors may decrease (but not below the number of shares of the series then outstanding).

SECTION 3. DIVIDENDS. The dividend rate for the Series A-1 Preferred Stock shall be $2.00 per share per annum. Cash dividends at such rate shall be payable in quarterly installments on each March 15, June 15, September 15, and December 15, commencing December 15, 1985. Such dividends shall be cumulative from the date of initial issuance of the Series A-1 Preferred Stock and will be payable to holders of record as they appear on the stock books of the Corporation on such record dates, not more than 60 days nor less than 20 days preceding the payment dates, as shall be fixed by the Directors. Dividends payable for any partial dividend period shall be computed on the basis of a 360-day year of twelve 30-day months.

SECTION 4. REDEMPTION RIGHTS.

(a) Subject to the provisions of Section 5(c)(iii) of Division A, shares of the Series A-1 Preferred Stock may be redeemed at the following redemption prices, provided that the Series A-1 Preferred Stock may not be redeemed before September 15, 1988, unless the closing price of the Common Shares (determined as provided in Section 6(a)(4) of Division A) on each of 20 consecutive trading days ending within ten days before the date notice of redemption is given equals or exceeds 150% of the Conversion Price (as defined in Section 7(a) of this Subdivision A-1).

If redeemed from the date of issuance to September 14, 1986 at $22.00 and if redeemed during the 12-month period beginning September 15:

Year	Price	Year	Price
1986	$21.80	1991	$20.80
1987	$21.60	1992	$20.60
1988	$21.40	1993	$20.40
1989	$21.20	1994	$20.20
1990	$21.00	1995 and thereafter	$20.00

together in each case with all then accrued and unpaid dividends thereon for (i) all dividend payment dates on or prior to the redemption date and (ii) if the redemption date is not a dividend payment date, a proportionate dividend, based on

the number of elapsed days, for the period from the day after the most recent such dividend payment date through the redemption date. Upon the redemption date, dividends shall cease to accumulate on the shares of Series A-1 Preferred Stock called for redemption, such shares of the Series A-1 Preferred Stock shall cease to be convertible and the holders of the shares of Series A-1 Preferred Stock called for redemption shall cease to be shareholders with respect to such shares and shall have no interest in or claim against the Corporation with respect to such shares except only the right to receive the applicable redemption price.

SECTION 5. NO SINKING FUND. The Series A-1 Preferred Stock shall not be entitled to the benefits of any retirement or sinking fund.

SECTION 6. LIQUIDATION. The holders of the Series A-1 Preferred Stock shall, in case of voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, be entitled to receive in full out of the assets of the Corporation, including its capital,

before any amount shall be paid or distributed among the holders of Common Shares or any other shares ranking junior to the Class A Preferred Stock, the amount of $20.00 per share, plus an amount equal to (i) all then accrued and unpaid dividends thereon for all dividend payment dates on or prior to the date of payment of the amount due pursuant to such liquidation, dissolution or

winding up, and (ii) if such date is not a dividend payment date, a proportionate dividend, based on the number of elapsed days, for the period from the day after the most recent dividend payment date through the date of payment of the amount due pursuant to such liquidation, dissolution or winding up.

SECTION 7. CONVERSION RIGHTS. Subject in all respects to, and upon compliance with, the provisions of Section 6 of Division A, the holders of shares of Series A-1 Preferred Stock shall have the right, at their option, to convert all or any part of such shares into Common Shares of the Corporation at any time on and subject to the following terms and conditions:

(a) The number of Common Shares issued upon conversion of each share of the Series A-1 Preferred Stock shall be equal to $20 divided by the Conversion Price (as hereinafter defined) then in effect. The price at which Common Shares shall be delivered upon conversion (herein called the "Conversion Price") shall be $24; provided, however, that such Conversion Price shall be subject to adjustment from time to time in certain instances as hereinafter provided. If the Corporation calls for redemption any shares of Series A-1 Preferred Stock, such right of conversion shall cease and terminate, as to the shares designated for redemption, at the close of business on the date immediately preceding the redemption date, unless the Corporation defaults in the payment of the redemption price due on such redemption date.

(b) The Conversion Price in effect at any time shall be subject to adjustment as follows:

(i) In case the Corporation shall (1) declare a dividend on its Common Shares in shares of its capital stock, (2) subdivide its outstanding Common Shares, or (3) combine its outstanding Common Shares into a smaller number of shares, the Conversion Price in effect at the time of the record date for such dividend or of the effective date of such subdivision or combination shall be proportionately adjusted so that the holder of any share of Series A-1 Preferred Stock surrendered for conversion after such time shall be entitled to receive the kind and amount of shares which such holder would have owned or have been entitled to receive had such share of Series A-1 Preferred Stock been converted immediately prior to such time. Such adjustment shall be made successively whenever any event listed above shall occur. If, as a result of an adjustment made pursuant to this paragraph (i) or Section 6(c) of Division A, the holder of any share of Series A-1 Preferred Stock thereafter surrendered for conversion shall become entitled to receive shares of two or more classes of capital stock or Common Shares and other capital stock of the Corporation, the Directors (whose determination shall be conclusive and shall be described in a Board resolution filed with the transfer agent for the Series A-1 Preferred

Stock by the Corporation as soon as practicable) shall determine the allocation of the adjusted Conversion Price between or among shares of such classes of capital stock or Common Shares and other capital stock.

(ii) In case the Corporation shall fix a record date for the issuance of rights or warrants to all holders of its Common Shares entitling them to subscribe for or purchase Common Shares (or securities convertible into Common Shares) at a price per share (or having a conversion price per share) less than the Current Market Price (as defined in paragraph (iv) below), on such record date the Conversion Price shall be adjusted so that the Conversion Price after such record date shall equal the price determined by dividing the Conversion Price in effect immediately prior to the close of business on such record date by a fraction of which the numerator shall be the number of Common Shares outstanding at the close of business on such record date plus the number of Common Shares so offered for subscription or purchase (or into which the convertible securities so offered are initially convertible) and of which the denominator shall be the number of Common Shares outstanding at the close of business on

such record date plus the number of Common Shares which the aggregate of the offering price of the total number of Common Shares so offered for subscription

or purchase (or the aggregate initial conversion price of the convertible securities so offered) would purchase at such Current Market Price, such adjustment to become effective immediately prior to the opening of business on the day following such record date. Such adjustment shall be made successively whenever such a record date is fixed; and in the event that such rights or warrants are not so issued or to the extent such rights or warrants are not so exercised prior to the expiration therefor, the Conversion Price shall again be adjusted to be the Conversion Price which would then be in effect if such record date had not been fixed.

(iii) In case the Corporation shall fix a record date for the making of a distribution to all holders of its Common Shares (including any such distribution made in connection with a consolidation or merger in which the Corporation is the continuing corporation) of evidences of indebtedness or assets (excluding rights and warrants, cash dividends or other distributions paid out of earned surplus and dividends payable in stock for which adjustment is made pursuant to paragraph (i) above), the Conversion Price shall be adjusted so that after such record date the Conversion Price shall equal the price determined by dividing the Conversion Price in effect immediately prior to the close of business on such record date by a fraction

of which the numerator shall be the Current Market Price (as defined in paragraph (iv) below) on such record date and of which the denominator shall be such Current Market Price, less the then fair market value (as determined by the Directors, whose determination shall be conclusive and shall be described in a Board resolution filed with the transfer agent for the Series A-1 Preferred Stock by the Corporation as soon as practicable) of the portion of the assets or evidences of indebtedness so distributed applicable to one Common Share, such adjustment to become effective immediately prior to the opening of business on the day following such record date. Such adjustment shall be made successively whenever such a record date is fixed; and in the event that such distribution is not so made, the Conversion Price shall again be adjusted to the Conversion Price which would then be in effect if such record date had not been fixed.

(iv) For the purpose of any computation under paragraphs (ii) and (iii) above, the "Current Market Price" on any date shall be deemed to be the average of the daily closing prices per Common Share for any 30 consecutive business days selected by the Corporation commencing not more than 45 business days before such date. The closing price for the Common Shares shall be determined in accordance with Section 6(a)(4) of Division A.

(v) All calculations under this Section 7(b) shall be made to the nearest cent or to the nearest one-hundredth of a share, as the case may be.

(vi) No adjustment in the Conversion Price shall be required unless such adjustment would require a change of at least 1% in such price: PROVIDED, HOWEVER, that any adjustments which by reason of this paragraph (vi) are not required to be made shall be carried forward and taken into account in any subsequent adjustment.

(vii) Anything in this Section 7(b) to the contrary notwithstanding, the Corporation shall be entitled to make such reductions in the Conversion Price, in addition to those required by this Section 7(b), as it in its discretion shall determine to be advisable in order that any stock dividend, subdivision of shares, distribution of rights to purchase stock or securities, or distribution of securities convertible into or exchangeable for stock hereafter made by the Corporation to its stockholders shall not be taxable to the recipient for United States Federal income tax purposes, but not below the par value of the Common Shares.

(viii) No adjustment in the Conversion Price shall be required for a change in the par value of the Common Shares.

(ix) In the event that at any time as a result of an

adjustment made pursuant to Section 7(b)(i) of this

Subdivision A-1, the holder of any share of Series A-1 Preferred Stock thereafter surrendered for conversion shall become entitled to receive any shares of the capital stock of the Corporation other than Common Shares, thereafter the Conversion Price allocable to such other shares or receivable upon conversion of any share of Series A-1 Preferred Stock shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to Common Shares contained in this Section 7 as determined by the Directors (whose determination shall be conclusive and shall be described in a Board resolution filed with the transfer agent by the Corporation as soon as practicable).

(c) In case of any sale or conveyance to another corporation of the property of the Corporation as an entirety or substantially as an entirety, or in case of any statutory exchange of securities with another corporation, there will be no adjustment of the Conversion Price, but the holder of each share of Series A-1 Preferred Stock shall have the right to convert such share of Series A-1 Preferred Stock into the kind and amount of shares of stock and other securities and property which such holder would have been entitled to receive upon such sale, conveyance or statutory exchange if such holder had held the Common Shares issuable upon the conversion of such share of Series A-1 Preferred Stock immediately prior to such sale,

conveyance or statutory exchange, assuming such holder of Common Shares failed to exercise his rights of election, if any, as to the kind or amount of securities, cash or other property receivable upon such sale, conveyance or statutory exchange (provided that if the kind or amount of securities, cash or other property receivable upon such sale, conveyance or statutory exchange is not the same for each non-electing share, then the kind and amount of securities, cash or other property receivable upon such sale, conveyance or statutory exchange for each non-electing share shall be deemed to be the kind and amount so receivable per share by a plurality of the non-electing share). Thereafter, the holders of the Series A-1 Preferred Stock shall be entitled to appropriate adjustments with respect to their conversion rights to the end that the provisions set forth in Section 7 of this Subdivision A-1 and Section 6 of Division A shall correspondingly be made applicable, as nearly as may reasonably be, in relation to any shares of stock or other securities or property thereafter deliverable on the conversion of the Series A-1 Preferred Stock. Any such adjustment shall be approved by the Directors (whose determination shall be conclusive and shall be described in a Board resolution filed with the transfer agent for the Series A-1 Preferred Stock by the Corporation as soon as practicable).

(d) Whenever the Conversion Price is adjusted as herein provided:

(i) the Corporation shall promptly file with the transfer agent for the Series A-1 Preferred Stock a certificate of the Treasurer of the Corporation setting forth the adjusted Conversion Price and showing in reasonable detail the facts upon which such adjustment is based; and

(ii) a notice stating that the Conversion Price has been adjusted and setting forth the adjusted Conversion Price shall forthwith be mailed, first class postage prepaid, by the Corporation to the holders of record of outstanding shares of Series A-1 Preferred Stock.

(e) In case:

(i) the Corporation shall authorize the distribution to all holders of its Common Shares of evidences of indebtedness or assets (other than cash dividends or other distributions paid out of earned surplus and the dividends payable in stock for which adjustment made pursuant to Section 7(b)(i) of this Subdivision A-1); or

(ii) the Corporation shall authorize the granting to the holders of its Common Shares of rights or warrants to subscribe for or purchase any shares of its capital stock of any class or of any other rights; or

(iii) of any reclassification of the Common Shares of the Corporation (except a split or combination, or a change in the par value of the Common Shares), or of any

consolidation or merger to which the Corporation is a party and for which approval of any stockholders of the Corporation is required, or of the sale or conveyance to another corporation of the property of the Corporation as an entirety or substantially as an entirety, or in case of any statutory exchange or securities with another corporation; or

(iv) of the voluntary or involuntary dissolution, liquidation or winding up of the Corporation;

then, in each case, the Corporation shall cause to be filed with the transfer agent for the Series A-1 Preferred Stock, and shall cause to be mailed, first class postage prepaid, to the holders of record of the outstanding shares of Series A-1 Preferred Stock, at least 10 days prior to the applicable record date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such distribution, rights or warrants, or, if a record is not to be taken, the date as of which the holders of Common Shares of record to be entitled to such distribution, rights or warrants, are to be determined, or (y) the date on which such reclassification, consolidation, merger, sale, conveyance, statutory exchange, dissolution, liquidation or winding up is expected to become effective, and the date as of which it is expected that holders of Common Shares of record shall be entitled to exchange their Common Shares for securities or

other property deliverable upon such reclassification, consolidation, merger, sale, conveyance, statutory exchange, dissolution, liquidation or winding-up.

Failure to give such notice or any defect therein shall not affect the legality or validity of the proceedings described in clause (i), (ii), (iii) or (iv) of this Section 7(e).

(f) Before taking any action which would cause an adjustment reducing the Conversion Price below the then par value (if any) of the Common Shares deliverable upon conversion of the Series A-1 Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable Common Shares at such adjusted Conversion Price.

SECTION 8. EXCHANGE PROVISIONS.

(a) The Corporation shall have the right to redeem the shares of the Series A-1 Preferred Stock in exchange for convertible subordinated debentures due 2015 of the Corporation (the "Debentures") in whole on any dividend payment date beginning September 15, 1988 subject to the following terms and conditions:

(i) The shares of Series A-1 Preferred Stock shall be exchangeable at the office of the exchange agent for such series, and at such other place or places, if any, as the Directors of the Corporation may designate. Holders of

outstanding shares of the Series A-l Preferred Stock will be entitled to receive in exchange for each share of Series A-1 Preferred Stock held by them at the date fixed for exchange $20 principal amount of Debentures together with all then accrued and unpaid dividends on such share of Series A-1 Preferred Stock for (A) all dividend payment dates on or prior to the date fixed for exchange and (B) if the date fixed for exchange is not a dividend payment date, a proportionate dividend, based on the number of elapsed days, for the period from the day after the most recent such dividend payment date through the date fixed for exchange. The Debentures shall bear interest at the rate per annum which is equal to the dividend rates or the Series A-1 Preferred Stock and shall be convertible into Common Shares of the Corporation at the Conversion Price applicable to the Series A-1 Preferred Stock at the time of exchange, subject to further adjustment in certain cases as provided in the Indenture referred to in clause (iii) below, and shall have such other terms and conditions as are set forth in such Indenture.

(ii) The Corporation will mail written notice of its intention to exchange to each holder of record of the Series A-1 Preferred Stock not less than 30 nor more than 60 days prior to the date fixed for exchange. The Series A-1 Preferred Stock will be convertible up to the close of business on the date fixed for exchange.

(iii) Prior to giving notice of intention to exchange, the Corporation shall execute and deliver, with a bank or trust company selected by the Corporation, the Indenture substantially in form filed as an exhibit to the Registration Statement relating to the Series A-1 Preferred Stock with such changes as may be required by law, stock exchange rule or usage or that do not adversely affect the interests of the holders of the Debentures. Prior to the giving of any notice of intention to exchange provided above, the Corporation shall file at the office of the exchange agent for such series an opinion of counsel to the effect that the Indenture has been duly authorized, executed and delivered by the Corporation, has been duly qualified under the Trust Indenture Act of 1939 (or that such qualification is not necessary), and constitutes valid and binding instrument enforceable against the Corporation in accordance with its terms (subject, as to the enforcement, to bankruptcy, insolvency, reorganization and other laws of general applicability relating to or affecting creditors' rights and to general principles of equity, and subject to such other qualifications as are then customarily contained in opinions of counsel experienced in such matters); that the Debentures have been duly authorized and, when executed and authenticated in accordance with the provisions of the Indenture and

delivered in exchange for the shares of Series A-1 Preferred Stock, will constitute valid and binding obligations of the Corporation entitled to the benefits of the Indenture (subject as aforesaid); that the exchange of the Debentures for the Series A-1 Preferred Stock shall not violate the laws of the state of incorporation of the Corporation; and that the exchange of the Debentures for the shares of Series A-1 Preferred Stock is exempt from the registration requirements of the Securities Act of 1933 or, if no such exemption is available, that the Debentures have been duly registered for such exchange under such Act.

(iv) Upon the date fixed for exchange, dividends shall cease to accumulate on the Series A-1 Preferred Stock, such shares shall cease to be convertible and the holders of the Series A-1 Preferred Stock shall cease to be shareholders with respect to such shares and shall have no interest in or claim against the Corporation with respect to such shares except only the right to receive the Debentures and accrued and unpaid dividends on the Series A-1 Preferred Stock to the date fixed for exchange.

(v) Before any holder of shares of Series A-1 Preferred Stock shall be entitled to receive Debentures, such holder shall surrender the certificate or certificates therefor, at the office of the exchange agent for such

series or at such other place or places, if any, as the Directors shall have designated, and shall state in writing the name or names (with addresses) in which he wishes the certificate or certificates for the Debentures to be issued. The Corporation will, as soon as practicable thereafter, issue and deliver at said office or place to such holder of shares of Series A-1 Preferred Stock, or to his nominee or nominees, certificates for the number of Debentures to which he shall be entitled as aforesaid. Shares of Series A-1 Preferred Stock shall be deemed to have been exchanged as of the close of business on the date fixed for exchange as provided above, and the person or persons entitled to receive the Debentures issuable upon such exchange shall be treated for all purposes as the record holder or holders of such Debentures as of the close of business on such date.

(b) The Corporation will pay any and all documentary, stamp or similar issue or transfer tax that may be payable in respect of the issue or delivery of Debentures on exchange of shares of Series A-1 Preferred Stock pursuant hereto. The Corporation shall not, however, be required to pay any such tax which may be payable in respect to any transfer involved in the issue or transfer and delivery of Debentures in a name other than that in which the shares of Series A-1 Preferred Stock so exchanged were registered, and no such issue or delivery shall be made unless and until the person requesting such issue has paid to the Corporation the amount of any such tax or has established to the satisfaction of the Corporation that such tax has been paid.

DIVISION B

EXPRESS TERMS OF THE SERIAL PREFERRED STOCK,
CLASS B, WITHOUT PAR VALUE

The Class B Preferred Stock shall have the following express terms:

SECTION 1. SERIES. The Class B Preferred Stock may be issued from time to time in one or more series. All shares of Class B Preferred Stock shall be of equal rank and shall be identical, except in respect of the matters that may be fixed by the Directors as hereinafter provided, and each share of each series shall be identical with all other shares of such series, except as to the date from which dividends are cumulative. All shares of Class B Preferred Stock shall also be of equal rank and shall be identical with shares of Class A Preferred Stock except in respect of (i) the particulars that may be fixed and determined by the Directors as hereinafter provided, (ii) the voting rights and provisions for consent relating to Class B Preferred Stock, as fixed and determined by Section 5 of this Division B and (iii) any conversion rights which the Directors may grant any series of Class A Preferred Stock which rights shall not be granted in respect of any series of Class B Preferred Stock. Subject to the provisions of Sections 2 to 7, inclusive, of this Division B, which provisions shall apply to all Class B Preferred Stock, the Directors hereby are authorized to cause such shares to be issued in one or more series and with respect to each such series to fix:

(a) The designation of the series, which may be by distinguishing number, letter and/or title.

(b) The number of shares of the series, which number the Directors may (except where otherwise provided in the creation of the series) increase or decrease (but not below the number of shares thereof then outstanding).

(c) The dividend rights of the series which may be: cumulative or non-cumulative; at a specified rate, amount or proportion; or with or without further participation rights.

(d) The dates at which dividends, if declared, shall be payable, and the dates from which dividends, if cumulative, shall accumulate.

(e) The redemption rights and price or prices, if any, for shares of the series.

(f) The terms and amount of any sinking fund provided for the purchase or redemption of shares of the series.

(g) The amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation.

(h) Restrictions (in addition to those set forth in Section 5(c) of this Division) on the issuance of shares of the same series or of any other class or series.

The Directors are authorized to adopt from time to time amendments to the Articles of Incorporation fixing, with respect to each such series, the matters described in clauses (a) to (h), inclusive, of this Section 1.

SECTION 2. DIVIDENDS.

(a) The holders of Class B Preferred Stock of each series, in preference to the holders of Common Shares and of any other class of shares ranking junior to the Class B Preferred Stock, shall be entitled to receive out of any funds legally available therefor and when and as declared by the Directors dividends in cash at the rate for such series fixed in accordance with the provisions of Section 1 of this Division B and no more, payable on the dividend payment dates fixed for such series. Such dividends may be cumulative, in the case of shares of each particular series, from and after the date or dates fixed with respect to such series. No dividend may be paid upon or set apart for any of the Class B Preferred Stock on any dividend payment date unless (i) all dividends upon all series of Class B Preferred Stock then outstanding and all

classes of stock then outstanding ranking prior to or on a parity with the Class B Preferred Stock for all dividend payment dates prior to such date shall have been paid or funds therefor set apart and (ii) at the same time a like dividend upon all series of Class B Preferred Stock then outstanding and all classes of stock then outstanding ranking prior to or on a parity

with the Class B Preferred Stock and having a dividend payment date on such date, ratably in proportion to the respective dividend rates of each such series or class, shall be paid or funds therefor set apart. Accumulations of dividends, if any, shall not bear interest.

(b) For the purpose of this Division B, a dividend shall be deemed to have been paid or funds therefor set apart on any date if on or prior to such date the Corporation shall have deposited funds sufficient therefor with a bank or trust company and shall have caused checks drawn against such funds in appropriate amounts to be mailed to each holder of record entitled to receive such dividend at such holder's address then appearing on the books of the Corporation.

(c) In no event so long as any Class B Preferred Stock shall be outstanding shall any dividends, except a dividend payable in Common Shares or other shares ranking junior to the Class B Preferred Stock, be paid or declared or any distribution be made except as aforesaid on the Common Shares or any other shares ranking junior to the Class B Preferred Stock, nor shall any Common Shares or any other shares ranking junior to the Class B Preferred Stock be purchased, retired or otherwise acquired by the Corporation (except out of the proceeds of the sale of Common Shares or other shares ranking junior to the Class B Preferred Stock received by the Corporation on or subsequent to the date on which shares of any series of Class B Preferred Stock are first issued), unless (i) all accrued and unpaid dividends upon all Class B Preferred Stock then outstanding for all dividend payment dates on or prior to the date of such action shall have been paid or funds therefor set apart and (ii) as of the date of such action there shall be no arrearages with respect to the redemption of Class B Preferred Stock of any series from any sinking fund provided for shares of such series in accordance with the provisions of Section 1 of this Division B.

SECTION 3. REDEMPTION.

(a) Subject to the express terms of each series and to the provisions of Section 5(c)(iii) of this Division B, the Corporation (i) may from time to time redeem all or any part of the Class B Preferred Stock of any series at the time outstanding at the option of the Directors at the applicable redemption price for such series fixed in accordance with the provisions of Section 1 of this Division B, and (ii) shall from time to time make such redemptions of the Clan B Preferred Stock of any series as may be required to fulfill the requirements of any sinking fund provided for shares of such series at the applicable sinking fund redemption price, fixed in accordance with the provisions of Section 1 of this Division B, together in each case with (A) all then accrued and unpaid dividends upon such shares for all dividend payment dates on or prior to the redemption date and (B) if the redemption date is not a dividend payment date for such series, a proportionate dividend, based on the number of elapsed days, for the period from the day after the most recent such dividend payment date through the redemption date.

(b) Notice of every such redemption shall be mailed, postage prepaid, to the holders of record of the Class B Preferred Stock to be redeemed at their respective addresses then appearing on the books of the Corporation, not less than 30 days nor more than 60 days prior to the (late fixed for such redemption. At any time before or after notice has been given as above provided, the Corporation may deposit the aggregate redemption price of the shares of Class B Preferred Stock to be redeemed, together with an amount equal to the aggregate amount of dividends payable upon such redemption, with any bank or trust company in Cleveland, Ohio, or New York, New York, having capital and surplus of more than $50,000,000, named in such notice, and direct that such deposited amount be paid to the respective holders of the shares of Class B Preferred Stock so to be redeemed upon surrender of the stock certificate or certificates held by such holders. Upon the giving of such notice and the making of such deposit such

holders shall cease to be shareholders with respect to such shares and shall have no interest in or claim against the Corporation with respect to such shares except only the right to receive such money from such bank or trust company without interest or to exercise, before the redemption date, any unexpired privileges of conversion. In case less than all of the outstanding shares of any series of Class B Preferred Stock are to be redeemed, the Corporation shall select, pro rata or by lot, the shares so to be redeemed in such manner as shall be prescribed by the Directors.

(c) If the holders of shares of Class B Preferred Stock which shall have been called for redemption shall not, within six years after such deposit, claim the amount deposited for the redemption thereof, any such bank or trust company shall, upon demand, pay over to the Corporation such

unclaimed amounts and thereupon such bank or trust company and the Corporation shall be relieved of all responsibility in respect thereof to such holders.

(d) Any shares of Class B Preferred Stock which are (i) redeemed by the Corporation pursuant to the provisions of this Section 3, (ii) purchased and delivered in satisfaction of any sinking fund requirements provided for shares of any series of Class B Preferred Stock, (iii) converted in accordance with the express terms of any such series, or (iv) otherwise acquired by the Corporation, shall resume the status of authorized and unissued shares of Class B Preferred Stock without serial designation; provided, however, that any such shares which are converted in accordance with the express terms thereof shall not be reissued as convertible shares.

SECTION 4. LIQUIDATION.

(a) (1) The holders of Class B Preferred Stock of any series, shall, in case of voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, be entitled to receive in full out of the assets of the Corporation, including its capital, before any amount shall be paid or distributed among the holders of the Common Shares or any other shares ranking junior to the Class B Preferred Stock, the amounts fixed with respect to shares of such series in accordance with Section 1 of this Division, plus an amount equal to (i) all then accrued and unpaid dividends upon such shares for all dividend payment dates on or prior to the date of payment of the amount due pursuant to such liquidation, dissolution or winding up, and (ii) if such date is not a dividend payment date for such series, a proportionate dividend, based on the number of elapsed days, for the period from the day after the most recent dividend payment date through the date of payment of the amount due pursuant to such liquidation, dissolution or winding up. In case the net assets of the Corporation legally available therefor are insufficient to permit the payment upon all outstanding shares of Class B Preferred Stock and all outstanding shares of stock of all classes ranking on a parity with the Class B Preferred Stock of the full preferential amount to which they are respectively entitled, then such net assets shall be distributed ratably upon outstanding shares of Class B Preferred Stock and all outstanding shares of stock of all classes ranking on a parity with the Class B Preferred Stock in proportion to the full preferential amount to which each such share is entitled.

(2) After payment to holders of Class B Preferred Stock of the full preferential amounts as aforesaid, holder of Class B Preferred Stock as such shall have no right or claim to any of the remaining assets of the Corporation.

(b) The merger or consolidation of the Corporation into or with any other corporation, or the merger of any other corporation into it, or the sale, lease or conveyance of all or substantially all the property or business of the Corporation, shall not be deemed to be a dissolution, liquidation or winding up for the purposes of this Division B.

SECTION 5. VOTING.

(a) Except as otherwise provided herein or required by law, the holders of Class B Preferred Stock shall not be entitled to vote.

(b) (1) If, and so often as, the Corporation shall be in default in the payment of dividends on any series of Class B Preferred Stock at the time outstanding, or funds therefor have not been set apart, in an amount equivalent to six full quarterly dividends on any such series of Class B Preferred Stock, whether or not consecutive and whether or not earned or declared, the holders of Class B Preferred Stock of all series, voting separately as a class, shall thereafter be entitled to elect, as herein provided, two Directors of the Corporation; provided, however, that the special class voting rights provided for in this paragraph when the same shall have become vested shall remain so vested (i) in the case of cumulative dividends, until all accrued and unpaid dividends on the Class B Preferred Stock of all series then outstanding shall have been paid or funds therefor set apart, or (ii) in the case of non-cumulative dividends, until full dividends on the Class B Preferred Stock of all series then outstanding shall have been paid or funds therefor set apart regularly for a period of one year, whereupon the holders of Class B Preferred Stock shall be divested of their special class voting rights in respect of subsequent elections of Directors, subject to the revesting of such special class voting rights in the event hereinabove specified in this paragraph.

(2) In the event of default entitling the holders of Class B Preferred Stock to elect two Directors as specified in paragraph (1) of

this subsection, a special meeting of such holders for the purpose of electing such Directors shall be called by the Secretary of the Corporation upon written request of, or may be called by, the holders of record of at least ten percent (10%) of the shares of Class B Preferred Stock of all series at the time outstanding, and notice thereof shall be given in the same manner as that required for the annual meeting of shareholders; provided, however, that the Corporation shall not be required to call such special meeting if the annual meeting of shareholders or any other special meeting of shareholders called or to be called for a different purpose shall be held within 120 days after the date of receipt of the foregoing written request from the holders of Class B Preferred Stock. At any meeting at which the holders of Class B Preferred Stock shall be entitled to elect Directors, the holders of thirty-five percent (35%) of the then outstanding shares of Class B Preferred Stock of all series, present in person or by proxy, shall be sufficient to constitute a quorum, and the vote of the holders of a majority of such shares so present at any such meeting at which there shall be such a quorum shall be sufficient to elect the Directors which the holders of Class B Preferred Stock are entitled to elect as hereinabove provided. Notwithstanding any provision of these Articles of Incorporation or the Regulations of the Corporation or any action taken by the holders of any class of shares fixing the number of Directors of the Corporation, the two Directors who may be elected by the holders of Class B Preferred Stock pursuant to this subsection shall serve in addition to any other Directors then in office or proposed to be elected otherwise than pursuant to this subsection. Nothing in this subsection shall prevent any change otherwise permitted in the total number of Directors of the Corporation or require the resignation of any Director elected otherwise than pursuant to this subsection. Notwithstanding any classification of the other Directors of the Corporation, the two Directors elected by the holders of Class B Preferred Stock shall be elected annually for the terms expiring at the next succeeding annual meeting of shareholders; provided, however, that whenever the holders of Class B Preferred Stock shall be divested of the voting power as above provided, the terms of office of all persons elected as Directors by the holders of the Class B Preferred Stock as a class shall immediately terminate and the number of Directors shall be reduced accordingly.

(c) Except as hereinafter provided, the affirmative vote of the holders of at least two-thirds of the shares of Class B Preferred Stock at the time outstanding, given in person or by proxy at a meeting called for the purpose at which the holders of Class B Preferred Stock shall vote separately as a class, shall be necessary to effect any one or more of the following (but so far as the holders of Class B Preferred Stock are concerned, such action may be affected with such vote):

(i) Any amendment, alteration or repeal of any of the provisions of the Articles of Incorporation or of the Regulations of the Corporation which affects adversely the prefer-

ences or voting or other rights of the holders of Class B Preferred Stock; provided, however, that for the purpose of this paragraph 5(c)(i) only, neither the amendment of the Articles of Incorporation so as to authorize, create or change the authorized or outstanding amount of Class B Preferred Stock or of any shares of any class ranking on a parity with or junior to the Class B Stock nor the amendment of the provisions of the Regulations so as to change the number of Directors of the Corporation shall be deemed to affect adversely the preferences or voting or other rights of the holders of Class B Preferred Stock; and provided further, that if such amendment, alteration or repeal affects adversely the preference or voting or other rights of one or more but not all series of Class B Preferred Stock at the time outstanding, the affirmative vote or consent of the holders of at least two-thirds of the number of shares at the time outstanding of each series so affected, each such affected series voting separately as a series, shall also be required;

(ii) The authorization, creation or the increase in the authorized amount of any shares of any class or any security convertible into shares of any class, in either case, ranking prior to the Class B Preferred Stock; or

(iii) The purchase or redemption (for sinking fund purposes or otherwise) of less than all of the Class B Preferred Stock then outstanding except in accordance with a stock purchase offer made to all holders of record of Class B Preferred Stock unless all dividends on all Class B Preferred Stock then outstanding for all previous dividend periods shall have been declared and paid or funds therefor set apart and all accrued sinking fund obligations applicable thereto shall have been complied with;

provided, however, that in the case of any authorization, creation or increase in the authorized amount of any shares of any class or security convertible into shares of any class, in either case, ranking prior to the Class B Preferred Stock no such consent of the holders of Class B Preferred Stock shall be required if the holders of Class B Preferred Stock have previously received adequate notice of redemption to occur within 90 days. The foregoing provised shall not apply and such consent of the holders of Class B Preferred Stock shall be required if any such redemption will be effected, in whole or in part, with the proceeds received from the sale of any such stock or security convertible into shares of any class, in either case, ranking prior to the Class B Preferred Stock.

(d) The affirmative vote of the holders of at least a majority of the shares of Class B Preferred Stock at the time outstanding, given in person or by proxy at a meeting called for the purpose at which the holders of Class B Preferred Stock shall vote separately as a class, shall be necessary to effect any one or more of the following (but so far as the holders of the Class B Preferred Stock are concerned, such action may be effected with such vote):

(i) The consolidation or merger of the Corporation with or into any other corporation to the extent any such consolidation or merger shall be required, pursuant to any applicable statute, to be approved by the holders of the shares of Class B Preferred Stock voting separately as a class; or

(ii) The authorization of any shares ranking on a parity with the Class B Preferred Stock or an increase in the authorized number of shares of Class B Preferred Stock.

(e) Neither the vote or consent of the holders of shares of Class B Preferred Stock shall be required for an increase in the number of Common Shares authorized or issued or for stock splits of the Commons Shares or for stock dividends on any class of stock payable solely in Common Shares, and none of the foregoing actions shall be deemed to affect adversely the

preferences or voting or other rights of Class B Preferred Stock within the meaning and for the purpose of this Division B.

SECTION 6. CONVERSION. There Shall not be created any series of Class B Preferred Stock which will be convertible into Common Shares or into shares of any other class or series of the Corporation.

SECTION 7. DEFINITIONS. For the purpose of this Division B:

(a) Whenever reference is made to shares "ranking prior to the Class B Preferred Stock", such reference shall mean and include all shares of the Corporation in respect of which the rights of the holders thereof either as to the payment of dividends or as to distribution in the event of a voluntary or involuntary liquidation, dissolution or winding up of the Corporation are given preference over the rights of the holders of Class B Preferred Stock.

(b) Whenever reference is made to shares "On a Parity With the Class B Preferred Stock", Such reference shall mean and include all Shares of Class A Preferred Stock and all other Shares of the Corporation in respect of which the rights of the holders thereof (i) are not given preference over the right of the holders of Class B Preferred Stock either as to the payment of dividends or as to distributions in the event of a voluntary or involuntary liquidation, dissolution or winding up of the Corporation and (ii) either as to the payment of dividends or as to distribution in the event of a voluntary or involuntary liquidation, dissolution or winding up of the Corporation, or as to both, rank on an equality (except as to the amounts fixed therefor) with the rights of the holders of Class B Preferred Stock.

(c) Whenever reference is made to shares "ranking junior to the Class B Preferred Stock" such reference shall mean and include all shares of the Corporation in respect of which the rights of the holders thereof both as to the payment of dividends and as to distributions in the event of a voluntary or involuntary liquidation, dissolution or winding up of the Corporation are junior and subordinate to the rights of the holders of the Class B Preferred Stock.

DIVISION C

EXPRESS TERMS OF COMMON SHARES, PAR VALUE $1.00 PER SHARE

The Common Shares shall be subject to the express terms of the Class A Preferred Stock and the Class B Preferred Stock and of any series of such classes. Each Common Share shall be equal to every other Common Share. The holders of Common Shares shall have such rights as are provided by law and shall be entitled to one vote for each share held by them upon all matters presented to the shareholders.

FIFTH: The amount of stated capital with which the Corporation will begin business is Five Hundred Dollars ($500.00).

SIXTH: No holders of any class of shares of the Corporation shall have any preemptive right to purchase or to have offered to them for purchase, any shares or other securities of the Corporation, whether now or hereafter authorized.

SEVENTH: The Corporation may from time to time, pursuant to authorization by the Directors and without action by the shareholders, purchase or otherwise acquire shares of the Corporation of any class or classes in such manner, upon such terms and in such amounts as the Directors shall determine, subject however, to such limitation or restriction, if any, as is contained in the express terms of any class of shares of the Corporation outstanding at the time of the purchase or acquisition in question.

EIGHTH: Any and every statute of the State of Ohio hereafter enacted whereby the rights, powers or privileges of corporations or of the shareholders of corporations organized under the laws of the State of Ohio are increased or diminished or are in any way affected, or whereby effect is given to the action taken by any number, less than all, of the shareholders of any such corporation, shall apply to the Corporation and shall be binding not only upon the Corporation but upon every shareholder of the Corporation to the same extent as if such statute had been in force at the date of filing of these Articles of Incorporation of the Corporation in the office of the Secretary of State of Ohio.

NINTH: The right to amend, alter, change or repeal any clause or provision of these Articles of Incorporation, in the manner now or hereafter prescribed by law, is hereby reserved to the Corporation; and all rights conferred on officers, Directors and shareholders herein are granted subject to such reservation.

EXHIBIT 3(b)

REGULATIONS
OF
CLEVELAND-CLIFFS INC

(These Regulations were adopted by the sole shareholder by unanimous written action pursuant to Section 1701.54 of the Ohio Revised Code on February 25, 1985.)

ARTICLE I

SHAREHOLDERS' MEETINGS

SECTION 1. ANNUAL MEETING

The annual meeting of shareholders shall be held at 3:00 o'clock p.m., on the fourth Wednesday in April in each year, if not a legal holiday, and if a legal holiday, then on the next day not a legal holiday, or, if in any particular year the date and time so determined for the annual meeting shall not be acceptable to a majority of the Directors, then such annual meeting shall be held on such other date and time during such year as shall be fixed and approved by a majority of the Directors, for the election of Directors and the consideration of reports to be laid before such meeting. Upon due notice, there may also be considered and acted upon at an annual meeting any matter which could properly be considered and acted upon at a special meeting, in which case and for which purpose the annual meeting shall also be considered as, and shall be, a special meeting. When the annual meeting is not held or Directors are not elected thereat, they may be elected at a special meeting called for that purpose.

SECTION 2. SPECIAL MEETINGS

Special meetings of shareholders may be called by the Chairman or the President or a Vice President, or by the Directors by action at a meeting, or by three or more of the Director acting without a meeting, or by the person or persons who hold not less than twenty-five percent of all shares outstanding and entitled to be voted on any proposal to be subjected at said meeting.

Upon request in writing delivered either in person or by registered mail to the president or Secretary by any person or persons entitled to call a meeting of shareholders, such officer shall forthwith cause to be given, to the shareholders entitled thereto, notice of a meeting to be held not less than twenty nor more than sixty days after the receipt of such request, as such officer shall fix. If such notice is not given within twenty days after the delivery or mailing of such request, the person or persons calling the meeting may fix the time of meeting and give, or cause to be given, notice in the manner hereinafter provided.

SECTION 3. PLACE OF MEETINGS

Any meeting of shareholders may be held either at the principal office of the Company or at such other place within or without the State of Ohio as may be designated in the notice of said meeting.

SECTION 4. NOTICE OF MEETINGS

Not more than sixty days nor less than twenty days before the date fixed for a meeting of shareholders, whether annual or special, written notice of the time, place and purposes of such meeting shall be given by or at the direction of the Chairman, the President, a Vice President, the Secretary or an Assistant Secretary. Such notice shall be given either by personal delivery or by mail to each shareholder of record entitled to notice of such meeting. If such notice is mailed, it shall be addressed to the shareholders at their respective addresses as they appear on the records of the
Company, and notice shall be deemed to have been given on the day so mailed. Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting.

SECTION 5. SHAREHOLDERS ENTITLED TO NOTICE AND TO VOTE

If the record date shall not be fixed pursuant to statutory authority, the record date for the determination of the shareholders who are entitled to notice of a Meeting of shareholders shall be the close of business on the date next preceding the day on which such notice is given and the record date for the determination of shareholders who are entitled to vote at such a meeting of shareholders shall be the close of business on the date next preceding the day on which the meeting is held.

SECTION 6. QUORUM

To constitute a quorum at any meeting of shareholders, there shall be present in person or by proxy shareholders of record entitled to exercise not less than a majority of the voting power of the Company in respect of any one of the purposes for which the meeting is called.

The shareholders present in person or by proxy, whether or not a quorum be present, may adjourn the meeting from time to time.

ARTICLE II
DIRECTORS

SECTION 1. ELECTION, NUMBER AND TERM OF OFFICE

The Directors shall be elected at the annual meeting of shareholders, or if not so elected. at a special meeting of shareholders called for that purpose, and each Director shall hold office until the date fixed by these Regulations for the next succeeding annual meeting of shareholders and until his successor is elected, or until his earlier resignation, removal from office, or death. At any meeting of shareholders at which Directors are to be elected, only persons nominated as candidates shall be eligible for election.

The number of Directors, which shall not be less than three, may be fixed or changed at a meeting of the shareholders called for the purpose of electing Directors at which a quorum is present, by the affirmative vote of the holders of a majority of the shares represented at the meeting and entitled to vote on such proposal. In case the shareholders at any meeting for the election of Directors shall fail to fix the number of Directors to be elected, the number elected shall be deemed to be the number of Directors so fixed.

The number of Directors fixed as hereinabove in this Section provided may also be increased or decreased by the Directors at a meeting or by action without a meeting, and the number of Directors as so changed shall be the number of Directors until further changed in accordance with this Section; provided, that no such decrease in the number of Directors shall result in the removal of any incumbent Director or in the reduction of the term of any incumbent Director. Any decrease in the number of Directors to less than the number of Directors then in office shall become effective as the resignation, removal from office, death or expiration of the term of any incumbent Director occurs. In the event that the Directors increase the number of Directors, the Directors who are in office may fill any vacancy created thereby.

SECTION 2. QUORUM

A majority of the number of Directors then in office shall be necessary to constitute a quorum for the transaction of business, but if at any meeting of the Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time without notice other than announcement at the meeting until a quorum shall attend.

SECTION 3. COMMITTEES

The Directors may from time to time create a committee or committees of Directors to act in the intervals between meetings of the Directors and may delegate to such committee or committees any of the authority of the Directors other than that of filling vacancies among the Directors or in any committee of the Directors. No committee shall consist of less than three Directors. The Directors may appoint one or more Directors as alternate members of any such committee, who may take the place of any absent member or members at any meeting of such committee.

Unless otherwise ordered by the Directors, a majority of the members of any committee appointed by the Directors pursuant to this Section shall constitute a quorum at any meeting thereof, and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of such committee. Action may be taken by any such committee without a meeting by a writing or writings signed by all of its members. Any such committee may prescribe its own rules for calling and holding meetings and its method of procedure, subject to any rules prescribed by the Directors, and shall keep a written record of all action taken by it.

ARTICLE III

OFFICERS

SECTION 1. OFFICERS

The Company may have a Chairman and shall have a President (both of whom shall be Directors), a Secretary and a Treasurer. The Company may also have one or more Vice Presidents and such other officers and assistant officers as the Directors may deem necessary. All of the officers and assistant officers shall be elected by the Directors.

SECTION 2. AUTHORITY AND DUTIES OF OFFICERS

The officers of the Company shall have such authority and shall perform such duties as are customarily incident to their respective offices, or as may be specified from time to time by the Directors regardless of whether such authority and duties are customarily incident to such office.

ARTICLE IV

INDEMNIFICATION AND INSURANCE

SECTION 1. INDEMNIFICATION

The Company shall indemnify, to the full extent then permitted by law, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a Director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, trustee, officer, employee or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise; provided, however, that the Company shall indemnify any such agent (as opposed to any director, officer or employee) of the Company to an extent greater than that required by law only if and to the extent that the Directors may, in their discretion, so determine. The indemnification provided hereby shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any law, the Articles of Incorporation or any agreement, vote of shareholders or of disinterested Directors or otherwise, both as to action in official capacities and as to action in another capacity while he is a Director, officer, employee or agent, and shall continue as to a person who has ceased to be a Director, trustee, officer, employee or agent and shall inure to the benefit of heirs, executors and administrators of such a person.

SECTION 2. INSURANCE

The Company may, to the full extent then permitted by law and authorized by the Directors, purchase and maintain insurance on behalf of any persons described in Section 1 of this Article IV against any liability asserted against and incurred by any such person in any such capacity, or arising out of his status as such, whether or not the Company would have the power to indemnify such person against such liability.

ARTICLE V

MISCELLANEOUS

SECTION 1. TRANSFER AND REGISTRATION OF CERTIFICATES

The Directors shall have authority to make or adopt such rules and regulations as they deem expedient concerning the issuance, transfer and registration of certificates for shares and the shares represented thereby and may appoint transfer agents and registrars thereof.

SECTION 2. SUBSTITUTED CERTIFICATES

Any person claiming a certificate for shares to have been lost, stolen or destroyed shall make an affidavit or affirmation of that fact and, if required by the Directors, shall give the Company and its registrar or registrars and its transfer agent or agents a bond of indemnity satisfactory to the Directors or to the President or a Vice President and the Secretary or the Treasurer, and, if required by the Directors or such officers, shall advertise the same in such manner as may be required, whereupon a new certificate may be executed and delivered of the same tenor and for the same number of shares as the one alleged to have been lost, stolen or destroyed.

SECTION 3. CORPORATE SEAL

The seal of the Company shall be circular in form with the name of the Company stamped around the margin and the words "Corporate Seal" stamped across the center.

SECTION 4. AMENDMENTS

These Regulations may be amended by the affirmative vote of the share holders of record entitled to exercise a majority of the voting power on such proposal.

EXHIBIT 4(k)

NUMBER
CU 17750

COMMON SHARES

THIS CERTIFICATE IS TRANSFERABLE
IN CLEVELAND OR IN NEW YORK

CUSIP 185896 10 7
See Reverse For Certain Definitions

Incorporated Under The Laws Of The State of Ohio.

CLEVELAND-CLIFFS INC

Certificate Number	Reference	Date	Shares

THIS CERTIFIES THAT

IS THE OWNER OF

FULLY PAID AND NON-ASSESSABLE COMMON SHARES OF THE PAR VALUE OF ONE DOLLAR EACH OF

Cleveland-Cliffs Inc, transferable on the books of the Company by the registered holder in person or by duly authorized attorney, upon surrender of this certificate properly endorsed. This certificate and the shares represented hereby are issued and shall be held subject to all the provisions of the Articles of the Company filed in the office of the Secretary of State of Ohio / copies of which are on file with the Company and with the Transfer Agent / to which the holder by acceptance hereof assents. This certificate is not valid unless countersigned by the Transfer Agent and registered by the Registrar.

Witness the seal of the Company and the signatures of its duly authorized officers.

/s/ John E. Lenhard — /s/ M. Thomas Moore

Secretary — [CORPORATE SEAL] [CLEVELAND-CLIFFS INC] — Chairman and Chief Executive Officer

Countersigned and registered:
SOCIETY NATIONAL BANK
(Cleveland, Ohio) Transfer Agent
by And Registrar
/s/ R. Halliz

Authorized Signature

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

<TABLE>

<S>	<C>
TEN COM - as tenants in common	UNIF GIFT MIN ACT - .....Custodian..... (Cust) (Minor)
TEN ENT - as tenants by the entireties	under Uniform Gifts to Minors
JT TEN - as joint tenants with right of survivorship and not as tenants in common	Act..... (State)

Additional abbreviations may also be used though not in the above list.

</TABLE>

CLEVELAND-CLIFFS INC

A COPY OF THE EXPRESS TERMS OF THE SHARES REPRESENTED BY THIS CERTIFICATE AND OF ALL OTHER CLASSES AND SERIES OF SHARES WHICH CLEVELAND-CLIFFS INC IS AUTHORIZED TO ISSUE WILL BE MADE TO ANY SHAREHOLDER WITHOUT CHARGE WITHIN FIVE DAYS AFTER RECEIPT FROM SUCH SHAREHOLDER OF A WRITTEN REQUEST THEREFOR, SUCH REQUESTS SHOULD BE ADDRESSED TO THE SECRETARY OF CLEVELAND-CLIFFS INC, 18TH FLOOR, DIAMOND BUILDING, 1100 SUPERIOR AVENUE, CLEVELAND, OHIO 44114-2589.

For value received_____hereby sell, assign and transfer under

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

_____
|_____|

_____

_____

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE.

_____

_____

_____Shares
represented by the within Certificate and do hereby irrevocably constitute and
appoint_____

_____
Attorney to transfer the said shares on the books of the within named Company
with full power of substitution in the premises.
Dated_____

X_____

This Certificate also evidences and entitles the holder hereof to certain Rights as set forth in a Rights Agreement between Cleveland-Cliffs Inc and Society National Bank, dated as of September 8, 1987, amended and restated as of November 19, 1991 and as may be further amended from time to time (the "Rights Agreement"), the terms of which are hereby incorporated herein by reference and a copy of which is on file at the principal executive offices of Cleveland-Cliffs Inc. Under certain circumstances, as set forth in the Rights Agreement, such Rights will be evidenced by separate certificates and will no longer be evidenced by this Certificate. Cleveland-Cliffs Inc will mail to the holder of this Certificate a copy of the Rights Agreement without charge within five business days after receipt of a written request therefor. Under certain circumstances, Rights benefically owned by an Acquiring Person or any Affiliate or Associate thereof (as such terms are defined in the Rights Agreement) and any subsequent holder of such Rights may become null and void.

X NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT, OR ANY CHANGE WHATEVER.

CLEVELAND-CLIFFS INC

and

AMERITRUST COMPANY NATIONAL ASSOCIATION

RIGHTS AGREEMENT

Dated as of September 8, 1987

Amended and Restated as of November 19, 1991

TABLE OF CONTENTS

<TABLE>

TABLE OF CONTENTS
(continued)

<CAPTION>

</TABLE>

Rights Agreement, dated as of September 8, 1987, amended and restated as of November 19, 1991 ("Agreement"), between Cleveland-Cliffs Inc, an Ohio corporation (the "Company"), and Ameritrust Company National Association (the "Rights Agent").

RECITALS

The Directors of the Company have authorized and declared a dividend consisting of one right ("Right") for each Common Share, $1.00 par value, of the Company ("Common Share") outstanding as of the Close of business on September 18, 1987 (the "Record Date"), each Right representing the right to purchase one-hundredth of one Common Share, and have authorized the issuance of one Right with respect to each Common Share issued after the Record Date but prior to the earlier of the Distribution Date (in the case of Common Shares issued upon conversion of the Company's convertible securities, prior to the tenth day after the Distribution Date), and the Expiration Date (each as hereinafter defined), including, without limitation, Common Shares issued upon conversion of the Company's convertible securities and upon exercise of employee stock options and Common Shares which are treasury shares as of the Record Date and subsequently become outstanding.

Accordingly, in consideration of the premises and the mutual agreements herein set forth, the parties hereby agree as follows:

Section 1. CERTAIN DEFINITIONS. For purposes of this Agreement, the following terms have the meanings indicated:

(a) "Acquiring Person" shall mean any Person (other than the Company or any Subsidiary or any employee benefit or stock ownership plan of the Company or of any Subsidiary or any entity holding Common Shares for or pursuant to the terms of any such plan) who or which, together with all Affiliates and Associates of such

Person, shall be the Beneficial Owner of 15% or more of the Common Shares than outstanding; PROVIDED, HOWEVER, that a Person shall not be deemed to have become an Acquiring Person solely as a result of a reduction in the number of Common Shares outstanding unless and until (i) such time as such Person or any Affiliate or Associate of such Person shall thereafter become the Beneficial Owner of any additional Common Shares, other than as a result of a stock dividend, stock split or similar transaction effected by the Company in which all holders of Common Shares are treated equally, or (ii) any other Person who is the Beneficial Owner of any Common Shares shall thereafter become an Affiliate or Associate of such person.

(b) "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as in effect on the date hereof.

(c) A Person shall be deemed the "Beneficial Owner" of, and to "beneficially own," any securities:

(i) which such Person or any of such Person's Affiliates or Associates, directly or indirectly, has the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding (whether or not in writing), or upon the exercise of conversion rights, exchange rights, rights, warrants or options, or otherwise (in each case, other than upon exercise or exchange of the Rights); PROVIDED, HOWEVER, that a Person shall not be deemed the Beneficial Owner of, or to beneficially own, securities tendered pursuant to a tender or exchange offer made by or on behalf of such Person or any of such Person's Affiliates or Associates until such tendered securities are accepted for purchase or exchange; or

(ii) which such Person or any of such Person's Affiliates or Associates, directly or indirectly, has the right to vote or dispose of, including pursuant to any agreement, arrangement or understanding (whether or not in writing); or

(iii) of which any other Person is the Beneficial Owner, if such Person or any of such Person's Affiliates or Associates has any agreement,

arrangement or understanding (whether or not in writing) with such other Person (or any of such other Person's Affiliates or Associates) with respect to acquiring, holding, voting or disposing of any securities of the Company;

PROVIDED, HOWEVER, that a Person shall not be deemed the Beneficial Owner of, or to beneficially own, any security (A) if such Person has the right to vote such security pursuant to an agreement, arrangement or understanding (whether or not in writing) which (1) arises solely from a revocable proxy given to such Person in response to a public proxy or consent solicitation made pursuant to, and in accordance with, the applicable rules and regulations of the Exchange Act and (2) is not also then reportable on Schedule 13D under the Exchange Act (or any comparable or successor report), or (B) if such beneficial ownership arises solely as a result of such Person's status as a "clearing agency," as defined in Section 3(a)(23) of the Exchange Act; and PROVIDED, FURTHER, that nothing in this paragraph (c) shall cause a Person engaged in business as an underwriter of securities to be the Beneficial Owner of, or to beneficially own, any securities acquired through such Person's participation in good faith in an underwriting syndicate until the expiration of 40 calendar days after the date of such acquisition, or such later date as the Board of Directors; of the Company may determine in any specific case.

(d) "Business Day" shall mean any day other than a Saturday, Sunday, or a day on which banking institutions in the States of Ohio and New York are authorized or obligated by law or executive order to close.

(e) "Close of business" on any given date shall mean 5:00

P.M., Cleveland, Ohio time, on such date; PROVIDED, HOWEVER, that if such date is not a Business Day it shall mean 5:00 P.M., Cleveland, Ohio time, on the next succeeding Business Day.

(f) "Common Shares" when used with reference to the Company shall mean the Common Shares, par value, $1.00 per share, of the Company; PROVIDED that, if the Company is the continuing or surviving corporation in a transaction described in Section 11(d)(ii) hereof, "Common Shares" when used with reference to the Company shall mean the capital stock with the greatest aggregate voting power of the Company, or, if the Company is a subsidiary of another corporation or business trust, the corporation or business trust which ultimately controls the Company. "Common Shares" when used with reference to any corporation or business trust, other than the Company, shall mean the capital stock with the greatest aggregate voting power of such corporation or business trust, or, if such corporation or business trust is a subsidiary of another corporation or

business trust, the corporation or business trust which ultimately controls such first-mentioned corporation or business trust.

(g) "Distribution Date" shall mean the earliest of: (i) the close of business on the tenth Business Day (or, unless the Distribution Date shall have previously occurred, such later date as may be specified by the Board of Directors of the Company) after the Share Acquisition Date, (ii) the close of business on the tenth Business Day (or, unless the Distribution Date shall have previously occurred, such later date as may be specified by the Board of Directors of the Company) after the date of the commencement of a tender or exchange offer by any Person (other than the Company or any Subsidiary or any employee benefit or stock ownership plan of the Company or of any Subsidiary or any entity holding Common Shares for or pursuant to the terms of any such plan), if upon the consummation thereof such Person would be the Beneficial Owner of 15% or more of the outstanding Common Shares, and (iii) the close of business on the tenth Business Day after the first date of public announcement by the Company or an Acquiring Person (by press release, filing made with the Securities and Exchange Commission or otherwise) of the first occurrence of a Triggering Event.

(h) "Expiration Date" shall mean the earliest of (i) the close of business on the Final Expiration Date, (ii) the time at which the Rights are redeemed as provided in Section 23 hereof, and (iii) the time at which all exercisable Rights are exchanged as provided in Section 27 hereof.

(i) "Final Expiration Date" shall mean the tenth anniversary of the Record Date.

(j) "Flip-in Event" shall mean any event described in clauses (A), (B) or (C) of Section 11(a)(ii) hereof.

(k) "Flip-over Event" shall mean any event described in clauses (i), (ii) or (iii) of Section 11(d) hereof.

(l) "Person" shall mean any individual, firm, corporation or other entity, and shall include any successor (by merger or otherwise) of such entity.

(m) "Share Acquisition Date" shall mean the first date of public announcement by the Company or an Acquiring Person (by press release, filing made with the Securities and Exchange Commission or otherwise) that an Acquiring Person has become such.

(n) "Subsidiary" shall mean any corporation or other entity of which a majority of the voting power of the voting equity securities or equity interests is owned, directly or indirectly, by the Company.

(o) "Triggering Event" shall mean any Flip-in Event or Flip-over Event.

Section 2. APPOINTMENT OF RIGHTS AGENT. The Company hereby appoints the Rights Agent to act as agent for the Company and the holders of the Rights (who, in accordance with Section 3 hereof, shall also be, prior to the Distribution Date, the holders of the Common Shares) in accordance with the terms and conditions here on, and the Rights Agent hereby accepts such appointment and hereby certifies that it complies with the requirements of the New York Stock Exchange governing transfer agents and registrars. The Company

may from time to time act as Co-Rights Agent or appoint such Co-Rights Agents as it may deem necessary or desirable. Any actions which may be taken by the Rights Agent pursuant to the terms of this Agreement may be taken by any such Co-Rights Agent. To the extent that any Co-Rights Agent takes any action pursuant to this Agreement, such Co-Rights Agent shall be entitled to all of the rights and protections of, and subject to all of the applicable duties and obligations imposed upon, the Rights Agent pursuant to the terms of this Agreement.

Section 3. ISSUE OF RIGHT CERTIFICATES. (a) Until the Distribution Date (x) the Rights will be evidenced (subject to the provisions of paragraph (b) of this Section 3) by the certificates for Common Shares registered in the names of the record holders thereof (which certificates for Common Shares shall also be deemed to be Right Certificates) and not by separate Right Certificates, and (y) the right to receive

Right Certificates will be transferable only in connection with the transfer of Common Shares in the stock transfer books of the Company maintained by the Company or its appointed transfer agent. As soon as practicable after the Distribution Date, the Rights Agent will send, by first class, insured, postage prepaid mail, to each record holder of Common Shares as of the close of business on the Distribution Date, at the address of such holder shown on the records of the Company, a Right Certificate, in substantially the form of Exhibit A hereto, evidencing one Right for each Common Share so held, subject to adjustment, together with a notice setting forth the Purchase Price (as defined in Section 4 hereof) as in effect on the Distribution Date. As of the Distribution Date, the Rights will be evidenced solely by such Right Certificates.

Any Right Certificate issued pursuant to this Section 3 that represents Rights beneficially owned by an Acquiring Person or any Associate or Affiliate thereof and any Right Certificate issued at any time upon the transfer of any Rights to an Acquiring Person or any Associate or Affiliate thereof or to any nominee of such Acquiring Person, Associate or Affiliate, and any Right Certificate issued pursuant to Sections 6 or 11 hereof upon transfer, exchange, replacement or adjustment of any other Right Certificate referred to in this sentence, shall be subject to and contain the following legend or such similar legend as the Company may deem appropriate and

as is not inconsistent with the provisions of this Agreement, or as may be required to comply with any applicable law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange on which the Rights may from time to time be listed, or to conform to usage:

> The Rights represented by this Right Certificate were issued to or acquired by a Person who was an acquiring Person or an Affiliate or an Associate of an Acquiring Person (as such terms are defined in the Rights Agreement). This Right Certificate and the Rights represented hereby may become null and void in the circumstances specified in Section 11(a)(ii) or Section 11(d) of the Rights Agreement.

(b) On the Record Date or as soon as practicable thereafter, the Company will send a copy of a Summary of Rights to Purchase Common Shares, in substantially the form attached hereto as Exhibit B (the "Summary of-Rights"), by first-class, postage prepaid mail, to each record holder of Common Shares as of the close of business on the Record Date, at the address of such holder shown on the records of the Company as of such date. With respect to certificates for Common Shares outstanding as of the Record Date, until the Distribution Date, the Rights will be evidenced by such certificates for Common Shares registered in the names of the holders thereof. Until the earlier of the Distribution Date and the Expiration Date, the surrender for transfer of any certificate for Common Shares outstanding on the Record Date shall also constitute the transfer of the Rights associated with the Common Shares represented thereby.

(c) Certificates for Common Shares issued (including, without limitation, any certificates for Common Shares issued upon conversion of the Company's convertible securities or upon exercise of stock options) or surrendered for transfer or exchange after the Record Date but prior to the earlier of the Distribution Date or the Expiration Date, shall have stamped on, impressed on, printed on, written on or otherwise affixed to them the following

legend or such similar legend as the Company may deem appropriate and as is not inconsistent with the provisions of this Agreement, or as may be required to comply with any applicable law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange on which the Common Shares or the Rights may from time to time be listed, or to conform to usage:

> This Certificate also evidences and entitles the holder hereof to certain Rights as set forth in a Rights Agreement between Cleveland-Cliffs Inc and AmeriTrust Company National Association, dated as of September 8, 1987, amended and restated as of November 19, 1991 and as may be further amended from time to time (the "Rights Agreement"), the terms of which are hereby incorporated herein by reference and a copy of which is on file at the principal executive offices of Cleveland-Cliffs Inc. Under certain circumstances, as set forth in the Rights Agreement, such Rights will be evidenced by separate certificates and will no longer be evidenced by this Certificate. Cleveland-Cliffs Inc will mail to the holder of this Certificate a copy of the Rights Agreement without charge within five business days after receipt of a written

> request there for. Under certain circumstances, Rights beneficially owned by an Acquiring person or any Affiliate or Associate thereof (as such terms are defined in the Rights Agreement) and any subsequent holder of such Rights may become null and void.

With respect to certificates containing the legend described above, until the Distribution Date, the Rights associated with the Common Shares represented by such certificates shall be evidenced by such certificates alone, and the surrender for transfer of any such certificate shall also constitute the surrender for transfer of the Rights associated with the Common Shares represented thereby.

Section 4. FORM OF RIGHT CERTIFICATES. The Right Certificates (and the forms of election to purchase shares and of assignment to be printed on the reverse thereof) shall be substantially the same as Exhibit A hereto with such changes, marks of identification or designation and such legends, summaries or endorsements printed thereon as the Company may deem appropriate and as are not inconsistent with the provisions of this Agreement, or as may be required to comply with any applicable law or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange on which the Rights may from time to time be listed, or to conform to usage. Subject to the provisions of Sections 11 and 22 hereof, the Right Certificates, whenever issued, shall be dated as of the Record Date, and on their face shall entitle the holders thereof to purchase such number of Common

Shares as shall be set forth therein at the price per whole share set forth therein (the "Purchase Price"), but the number of such shares and the Purchase Price shall be subject to adjustment as provided herein.

Section 5. COUNTERSIGNATURE AND REGISTRATION. The Right Certificates shall be executed on behalf of the Company by its Chairman of the Board, President or any Vice President, either manually or by facsimile signature, and have affixed thereto the Company's seal or a facsimile thereof which shall be attested by the Secretary or an Assistant Secretary of the Company, either manually or by facsimile signature. The Right Certificates shall be manually countersigned by the Rights Agent and shall not be valid for any purpose unless so countersigned. In case any officer of the Company who shall have signed any of the Right Certificates shall cease to be such officer of the Company before countersignature by the Rights Agent and issuance and delivery by the Company, such Right Certificates, nevertheless, may be countersigned by the Rights Agent, and issued and delivered by the Company with the same force and effect as though the person who signed such Right Certificates had not ceased to be such officer of the Company; and any Right Certificate may be signed on behalf of the Company by any person who, at the actual date of the execution of such Right Certificate, shall be a proper officer of the company to sign such Right Certificate, although at the

date of the execution of this Rights Agreement any such person was not such an officer.

Following the Distribution Date, the Rights Agent will keep or cause to be kept, at one of its offices in Cleveland, Ohio, books for registration

and transfer of the Right Certificates issued hereunder. Such books shall show the names and addresses of the respective holders of the Right Certificates, the number of Rights evidenced on its face by each of the Right Certificates and the date of each of the Right Certificates.

Section 6. TRANSFER, SPLIT UP, COMBINATION AND EXCHANGE OF RIGHT CERTIFICATES; MUTILATED, DESTROYED, LOST OR STOLEN RIGHT CERTIFICATES. Subject to the provisions of Sections 7(e) and 14 hereof, at any time after the close of business on the Distribution Date, and at or prior to the close of business on the Expiration Date, any Right Certificate or Certificates may be transferred, split up, combined or exchanged for another Right Certificate or Right Certificates, entitling the registered holder to purchase a like number of Common Shares as the Right Certificate or Right Certificates surrendered then entitled such holder to purchase. Any registered holder desiring to transfer, split up, combine or exchange any Right Certificate, shall make such request in writing delivered to the Rights Agent, and shall surrender the Right Certificate or Right Certificates to be transferred,

split up, combined or exchanged at the principal office of the Rights Agent in Cleveland, Ohio. Thereupon the Rights Agent shall countersign and deliver to the person entitled thereto a Right Certificate or Right Certificates, as the case may be, as so requested. The Company may require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer, split up, combination or exchange of Right Certificates.

Upon receipt by the Company and the Rights Agent of evidence reasonably satisfactory to them of the loss, theft, destruction or mutilation of a Right Certificate, and, in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to them, and reimbursement to the Company and the Rights Agent of all reasonable expense incidental thereto, and upon surrender to the Rights Agent, and cancellation of the Right Certificate if mutilated, the Company will make and deliver a new Right Certificate of like tenor to the Rights Agent for delivery to the registered owner in lieu of the Right Certificate so lost, stolen, destroyed or mutilated.

Section 7. EXERCISE OF RIGHTS; PURCHASE PRICE; EXPIRATION DATE OF RIGHTS (a) The registered holder of any Right Certificate may exercise the Rights evidenced thereby (except as otherwise provided herein) in whole or in part at any time after the Distribution Date and prior to the

Expiration Date, upon surrender of the Right Certificate, with the form of election to purchase on the reverse side thereof duly executed, to the Rights Agent at the principal office of the Rights Agent in Cleveland, Ohio, together with payment in cash, in lawful money of the United States of America by certified check or bank draft payable to the order of the Company, equal to the sum of (i) the exercise price for the total number of securities as to which such surrendered Rights are exercised and (ii) an amount equal to any applicable transfer tax required to be paid by the holder of such Right Certificate in accordance with the provisions of Section 9 hereof. In lieu of the cash payment referred to in the immediately preceding sentence, following the occurrence of a Triggering Event the registered holder of a Right Certificate may exercise the Rights evidenced thereby (except as otherwise provided herein) in whole or in part upon surrender of the Right Certificate as described above together with an election to exercise such Rights without payment of cash on the reverse side thereof duly completed. With respect to any Rights as to which such an election made, the holder shall receive a number of Common Shares or other securities having a value equal to the difference between (i) the value of the Common Shares or other securities that would have been issuable upon payment of the cash amount as described above, and (ii) the amount of such cash payment. For purposes of this

Section 7(a), the value of any security shall be the current per share market price thereof determined pursuant to the applicable provisions of Section 11(e) hereof, on the Trading Day (as defined in Section 11(e)) immediately preceding the date of the first occurrence of a Triggering Event.

(b) The Purchase Price shall initially be $85 (equivalent to $.85 for each one-hundredth of a Common Share), and shall be subject to adjustment from time to time as provided in Section 11 hereof and shall be payable in lawful money of the United States of America in accordance with paragraph (c) below.

(c) Upon receipt of a Right Certificate representing exercisable Rights, with the form of election to purchase duly executed,

accompanied by (y) a duly completed election to exercise without payment of cash or (z) payment of the Purchase Price for the shares to be purchased and an amount equal to any applicable transfer tax in cash, or by certified check or bank draft payable to the order of the Rights Agent, the Rights Agent shall thereupon promptly (i) requisition from any transfer agent of the Common Shares (or make available, if the Rights Agent is the transfer agent) certificates for the number of whole Common Shares to be purchased and the Company hereby irrevocably authorizes its transfer agent to comply with all such requests, (ii) when appropriate, requisition from the

Company the amount of cash to be paid or depositary receipts to be issued in lieu of the issuance of fractional shares in accordance with Section 14 hereof or the amount of cash to be paid in lieu of the issuance of Common Shares in accordance with Sections 11(a)(iii) or 11(d) hereof, (iii) promptly after receipt of such certificates (or depositary receipts, when appropriate), cause the same to be delivered to or upon the order of the registered holder of such Right Certificate, registered in such name or names as may be designated by such holder and (iv) when appropriate, after receipt promptly deliver such cash to or upon the order of the registered holder of such Right Certificate.

(d) In case the registered holder of any Right Certificate shall exercise less than all the Rights evidenced thereby, a new Right Certificate evidencing Rights equivalent to the Rights remaining unexercised shall be issued by the Rights Agent to the registered holder of such Right Certificate or to his duly authorized assigns, subject to the provisions of Section 14 hereof.

(e) Notwithstanding anything in this Agreement to the contrary, neither the Rights Agent nor the Company shall be obligated to undertake any action with respect to any purported transfer, split up, combination or exchange of any Right Certificate pursuant to Section 6 hereof or the exercise

of a Right Certificate as set forth in this Section 7 unless the registered holder of such Right Certificate shall have (i) completed and signed the certificate following the form of assignment or form of election to purchase, as applicable, set forth on the reverse side of the Right Certificate surrendered for such transfer, split up, combination, exchange or exercise, and (ii) provided such additional evidence of the identity of the Beneficial Owner (or former Beneficial Owner) or Affiliates or Associates thereof as the Company shall have reasonably requested.

Section 8. CANCELLATION AND DESTRUCTION OF RIGHT CERTIFICATES. All Right Certificates surrendered for the purpose of exercise, transfer, split up, combination or exchange shall, if surrendered to the Company or to any of its stock transfer agents, be delivered to the Rights Agent for cancellation or in cancelled form, or, if surrendered to the Rights Agent, shall be cancelled by it, and no Right Certificates shall be issued in lieu thereof except as expressly permitted by any of the provisions of this Agreement. The Company shall deliver to the Rights Agent for cancellation and retirement, and the Rights Agent shall so cancel and retire, any other right Certificate purchased or acquired by the Company otherwise than upon the exercise thereof. The Rights Agent shall deliver all cancelled Right Certificates to the Company, or shall, at the written request

of the Company, destroy such cancelled Right Certificates, and in such case shall deliver a certificate of destruction thereof to the Company.

Section 9. RESERVATION AND AVAILABILITY OF COMMON SHARES. The Company covenants and agrees that it will cause to be reserved and kept available out of its authorized and unissued Common Shares or any authorized and issued Common Shares held in its treasury the number of Common Shares that will be sufficient to permit the exercise pursuant to Section 7 hereof of all outstanding Rights; such number of Common Shares reserved and kept available shall be adjusted from time to time, if and to the extent required, upon the occurrence of any of the events described in Section 11 hereof.

So long as the Company's Common Shares are listed on a national securities exchange, the Company shall endeavor to cause, from and after such time as the Rights become exercisable, all Common Shares reserved for issuance upon exercise of the Rights to be listed on such exchange upon official notice of issuance.

The Company covenants and agrees that it will take all such action as may be necessary to ensure that all Common Shares delivered upon exercise of Rights shall be, at the time of delivery of the certificates for such shares

(subject to payment of the Purchase Price), duly and validly authorized and issued, fully paid, non assessable and freely tradeable shares,

free and clear of any liens, encumbrances and other adverse claims and not subject to any rights of call or first refusal.

The Company further covenants and agrees that it will pay when due and payable any and all federal and state transfer taxes and charges which may be payable in respect of the issuance or delivery of the Right Certificates or of any Common Shares upon the exercise of Rights. The Company shall not, however, be required to pay any transfer tax which may be payable in respect of any transfer or delivery of Right Certificates to a person other than, or the issuance or delivery of certificates for the Common Shares in a name other than that of, the registered holder of the Right Certificates evidencing Rights surrendered for exercise, or to issue or deliver any certificates for Common Shares upon the exercise of any Rights until any such tax shall have been paid (any such tax being payable by the holder of such Right Certificate at the time of surrender) or until it has been established to the Company's satisfaction that no such tax is due.

The Company also shall use its best efforts (i) to file on an appropriate form, as soon as practicable following the later of the first occurrence of a Triggering Event or the Distribution Date, a registration statement under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the securities issuable upon exercise of the Rights, (ii) to cause such registration statement to become effective

as soon as practicable after such filing, and (iii) to cause such registration statement to remain effective (with a prospectus at all times meeting the requirements of the Securities Act) until the earlier of (A) the date as of which the Rights are no longer exercisable for such securities and (B) the Expiration Date. The Company shall also take such action as may be appropriate under, or to ensure compliance with, the securities or "blue sky" laws of the various states in connection with the exercisability of the Rights. The Company may temporarily suspend, for a period of time after the date set forth in clause (i) of the first sentence of this paragraph, the exercisability of the Rights in order to prepare and file such registration statement and to permit it to become effective. Upon any such suspension, the Company shall issue a public announcement stating that the exercisability of the Rights has been temporarily suspended, as well as a public announcement at such time as the suspension is no longer in effect. In addition, if the Company shall determine that a registration statement should be filed under the Securities Act or any state securities laws following the Distribution Date, the Company may temporarily suspend the exercisability of the Rights in each relevant jurisdiction until such time as a registration statement has been declared effective and, upon any such suspension, the Company shall issue a public announcement stating that the exercisability of the Rights has

been temporarily suspended, as well as a public announcement at such time as the suspension is no longer in effect. Notwithstanding anything in this Agreement to the contrary, the Rights shall not be exercisable in any jurisdiction if the requisite registration or qualification in such jurisdiction shall not have been effected or the exercise of the Rights shall not be permitted under applicable law.

Notwithstanding anything in this Agreement to contrary, after the Distribution Date the Company shall not, except as permitted by Section 23 or Section 26 hereof, take (or permit any Subsidiary to take) any action if at the time such action is taken it is reasonably foreseeable that such action will eliminate or otherwise diminish the benefits intended to be afforded by the Rights.

In the event that the Company is obligated to pay cash pursuant to Sections 11 or 14 hereof, it shall make all arrangements necessary so that such cash is available for distribution by the Rights Agent, if and when appropriate.

Section 10. COMMON SHARES RECORD DATE. Each person in whose name any certificate for Common Shares is issued upon the exercise of Rights shall for all purposes be deemed to have become the holder of record of the Common Shares represented thereby on, and such certificate shall be dated, the date upon which the Right Certificate evidencing such Rights was duly surrendered and payment of the Purchase Price (and any

applicable transfer taxes) was made; provided, however, that if the date of such surrender and payment is a date upon which the Common Shares transfer books of the Company are closed, such person shall be deemed to have become the record holder of such shares on, and such certificate shall be dated, the next succeeding Business Day on which the Common Shares transfer books of the Company are open. Prior to the exercise of the Rights evidenced thereby, the holder of a Right Certificate shall not be entitled to any rights of a shareholder of the Company with respect to shares for which the Rights shall be exercisable, including, without limitation, the right to vote, to receive dividends or other distributions or to exercise any preemptive rights, and shall not be entitled to receive any notice of any proceedings of the Company, except as provided herein.

Section 11. ADJUSTMENT OF PURCHASE PRICE, NUMBER AND TYPE OF SHARES OR NUMBER OF RIGHTS. The Purchase Price, the number and type of shares covered by each Right and the number of Rights outstanding are subject to adjustment from time to time as provided in this Section 11.

(a)(i) In the event that the Company shall at any time after the date of this Agreement (A) declare a dividend on the Common Shares payable in Common Shares, (B) subdivide the outstanding Common Shares, (C) combine the outstanding Common Shares into a smaller number of shares or

(D) issue any shares of its capital stock in a reclassification of the Common Shares (including any such reclassification in connection with a consolidation or merger in which the Company is the continuing or surviving corporation), except as otherwise provided in this Section 11(a) or in Section 11(d) hereof, the Purchase Price in effect at the time of the record date for such dividend or of the effective date of such subdivision, combination or reclassification, and/or the number and/or kind of shares of capital stock issuable on such date, shall be proportionately adjusted so that the holder of any Right exercised after such time shall be entitled to receive the aggregate number and kind of shares of capital stock which, if such Right had been exercised immediately prior to such date and at a time when the Common Shares transfer books of the Company were open, he would have owned upon such exercise and been entitled to receive by virtue of such dividend, subdivision, combination or reclassification. If an event occurs which would require an adjustment under both this Section 11(a)(i) and Section 11(a)(ii) hereof or Section 11(d) hereof, the adjustment provided for in this Section 11(a)(i) shall be in addition to, and shall be made prior to, any adjustment required pursuant to Section 11(a)(ii) or Section 11(d) hereof.

(ii) In the event that

(A) any Acquiring Person or any Associate or Affiliate of any Acquiring Person, at any time after the

date of this Agreement, directly or indirectly, shall (1) merge into the Company or otherwise combine with the Company and the Company shall be the continuing or surviving corporation of such merger or combination, other than in a transaction subject to Section 11(d)(ii) (2) merge or otherwise combine with any Subsidiary, (3) in one or more transactions, transfer any assets to the Company or any Subsidiary in exchange (in whole or in part) for shares of any class of capital stock of the Company or any Subsidiary or for securities exercisable for or convertible into shares of any class of capital stock of the Company or any Subsidiary, or otherwise obtain from the Company or any Subsidiary, with or without consideration, any additional shares of any class of capital stock of the Company or any Subsidiary or securities exercisable for or convertible into shares of any class of capital stock of the Company or any Subsidiary (other than as part of a pro rata distribution to all holders of such shares of any class of capital stock of the Company or any Subsidiary), (4) sell, purchase, lease, exchange, mortgage, pledge, transfer or otherwise dispose (in one or more transactions), to, from or with, as the case may be, the Company or any Subsidiary, other than in a transaction subject to Section 11(d) hereof, assets on terms and conditions less favorable to the Company than the Company

would be able to obtain in arm's-length negotiation with an

unaffiliated third party, (5) receive any compensation from the Company or any Subsidiary other than compensation for full-time employment as a regular employee at rates in accordance with the Company's (or its Subsidiaries') past practices, or (6) receive the benefit, directly or indirectly (except proportionately as a shareholder), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantage provided by the Company or any Subsidiaries; or

(B) during such time as there is an Acquiring Person, there shall be any reclassification of securities (including any reverse stock split), or recapitalization of the Company, or any merger or consolidation of the Company with any Subsidiary or any other transaction or series of transactions (whether or not with or into or otherwise involving an Acquiring Person), other than a transaction subject to Section 11(d), hereof, which has the effect, directly or indirectly, of increasing by more than 1% the proportionate share of the outstanding shares of any class of equity securities or of securities exercisable for or convertible into equity securities of the Company or any Subsidiary which is directly or indirectly beneficially owned by any Acquiring Person or any Associate or Affiliate of any Acquiring Person; or

(C) any Person (other than the Company or any Subsidiary or any employee benefit or stock ownership plan of the Company or of any Subsidiary or any entity holding Common Shares for or pursuant to the terms of any such plan) who or which, together with all Affiliates and Associates of such Person, shall at any time after the date of this Agreement, become the Beneficial Owner of 20% or more of the Common Shares then outstanding (other than pursuant to any transaction set forth in Section 11(d) hereof); provided, however, that a Person shall not be deemed to have become the Beneficial Owner of 20% or more of the Common Shares then outstanding for the purposes of this Section 11(a)(ii)(C) solely as a result of a reduction in the number of Common Shares outstanding unless and until such time as (1) such Person or any Affiliate or Associate of such Person shall thereafter become the Beneficial Owner of any additional Common Shares other than as a result of a stock dividend, stock split or similar transaction effected by the Company in which all holders of Common Shares are treated equally, or (2) any other Person who is the Beneficial Owner of any common Shares shall thereafter become an Affiliate or Associate of such Person,

then, and in each such case, proper provision shall be made so that each holder of a Right, except as provided below, shall thereafter have a right to receive, upon exercise thereof in accordance with the terms of this Agreement at an exercise

price per Right equal to the product of one hundred (100) times the then-current Purchase Price multiplied by the number of Common Shares for which a Right was exercisable immediately prior to the first occurrence of a Triggering Event, such number of Common Shares as shall equal the result obtained by (x) multiplying the product of one hundred (100) times the then-current Purchase Price by the number of Common Shares for which a Right was exercisable immediately prior to the first occurrence of a Triggering Event, and dividing that product by (y) 50% of the current per share market price of the Common Shares (determined pursuant to Section 11(e) hereof) on the date of the first occurrence of a Triggering Event. Notwithstanding anything in this Agreement to the contrary, from and after the later of the Distribution Date and the first occurrence of a Flip-in Event, (1) any Rights that are or were acquired or beneficially owned by any Acquiring Person (or any Affiliate or Associate of such Acquiring Person) shall be void and any holder of such Rights shall thereafter have no right to exercise such Rights under any provision of this Agreement, (2) no Right Certificate shall be issued pursuant to this Agreement that represents Rights beneficially owned by an Acquiring Person or any Affiliate or Associate thereof, (3) no Right Certificate shall be issued at any time upon the transfer of any Rights to an Acquiring Person or any Affiliate or Associate thereof or to any nominee of such Acquiring Person or Affiliate thereof, and (4) any Right Certificate delivered to the Rights

Agent for transfer to an Acquiring Person or any Affiliate or Associate thereof shall be cancelled.

(iii) In the event that there shall not be sufficient authorized but unissued Common Shares or authorized and issued Common Shares held in Treasury to permit the exercise in full of the Rights in accordance with the foregoing subparagraph (ii), the Company shall take all such action as may be necessary to authorize additional Common Shares for issuance upon exercise of the Rights; PROVIDED, HOWEVER, that if at any time after 90 calendar days after the first occurrence of a Flip-In Event, there shall not be sufficient Common Shares available for issuance upon the exercise of a Right, then the Company shall deliver, upon the surrender of such Right and without requiring payment of the Purchase Price, Common Shares (to the extent available), and then cash (to the extent permitted by applicable law and any agreements or instruments to which the Company is a party in effect immediately prior to the first occurrence of any Flip-In Event), which Common Shares and cash shall have an aggregate value equal to the excess of (1) the aggregate current per share market price of all the Common Shares (determined pursuant to Section 11(e) hereof) issuable in accordance with subsection (ii) of this Section 11(a) upon the exercise of a Right over (2) the product of one hundred (100) times the then-current Purchase Price multiplied by the number of Common Shares for which a Right was exercisable immediately the first occurrence of a Triggering Event. To the

extent that any legal or contractual restrictions prevent the Company from paying the full amount of cash payable in accordance with the foregoing sentence, the Company shall pay to holders of the Rights as to which such payments are being made all amounts which are not then restricted on a pro rata basis. The Company shall continue to make payments on a pro rata basis as funds become available until such payments have been paid in full.

(b) In the event that the Company shall fix a record date for the issuance of rights, options or warrants to all holders of Common Shares entitling them (for a period expiring within 45 calendar days after such record date) to subscribe for or purchase Common Shares (or shares having the same rights, privileges and preferences as the Common Shares ("equivalent common shares")) or securities convertible into Common Shares or equivalent common shares at a price per Common Share or equivalent common share (or having a conversion price per share, if a security convertible into Common Shares or equivalent common shares) less than the current per share market price of the Common Shares (as determined pursuant to Section 11(e) hereof) on such record date, the Purchase Price to be in effect after such record date shall be determined by multiplying the Purchase Price in effect immediately prior to such record date by a fraction, the numerator of which shall be the number of Common Shares outstanding on such record date plus the number of Common Shares which the aggregate offering price of the total number of Common Shares and/or equivalent

common shares so to be offered (and/or the aggregate initial conversion price of the convertible securities so to be offered) would purchase at such current market price and the denominator of which shall be the number of Common Shares outstanding on such record date plus the number of additional Common Shares and/or equivalent common shares to be offered for subscription or purchase (or into which the convertible securities so to be offered are initially convertible). In case such subscription price may be paid in a consideration part or all of which shall be in a form other than cash, the value of such consideration shall be as determined in good faith by the Directors of the Company, whose determination shall be described in a statement filed with the Rights Agent and shall be conclusive for all purposes. Common Shares owned by or held for the account of the Company shall not be deemed outstanding for the purpose of any such computation. Such adjustment shall be made successively whenever such a record date is fixed; and in the event that such rights, options or warrants are not so issued, the Purchase Price shall be adjusted to be the Purchase Price which would then be in effect if such record date had not been fixed.

(c) In the event that the Company shall fix a record date for the making of a distribution to all holders of the Common Shares (including any such distribution made in connection with a consolidation or merger in which the Company is the continuing or surviving corporation) of evidences of

indebtedness, cash (other than a regular periodic cash dividend at a rate not in excess of 125% of the rate of the last cash dividend theretofore paid), assets, stock (other than a dividend payable in Common shares) or subscription rights, options or warrants (excluding those referred to in Section 11(b) hereof), the Purchase Price to be in effect after such record date shall be

determined by multiplying the Purchase Price in effect immediately prior to such record date by a fraction, the numerator of which shall be the current per share market price of the Common Shares (as determined pursuant to Section 11(e) hereof) on such record date, less the fair market value (as determined in good faith by the Directors of the Company, whose determination shall be described in a statement filed with the Rights Agent and shall be conclusive for all purposes) of the portion of the cash, assets, stock or evidences of indebtedness so to be distributed (in the case of regular periodic cash dividends at a rate in excess of 125% of the rate of the last cash dividend theretofore paid, only that portion in excess of 125% of such rate) or of such subscription rights, options or warrants applicable to one Common Share, and the denominator of which shall be such current per share market price of the Common Shares. Such adjustments shall be made successively whenever such a record date is fixed; and in the event that such distribution is not so made, the Purchase Price shall again be adjusted to be the Purchase Price which would then be in effect if such record date had not been fixed.

(d) In the event that, following the Share Acquisition Date, directly or indirectly:

(i) the Company shall consolidate with, or merge with or into, any other Person and the Company shall not be the continuing or surviving corporation of such consolidation or merger; or

(ii) any Person shall consolidate with the Company, or merge with or into the Company and the Company shall be the continuing or surviving corporation of such merger or consolidation and, in connection with such merger or consolidation, all or part of the Common Shares shall be changed into or exchanged for stock or other securities of any other Person or cash or any other property; or

(iii) the Company shall sell or otherwise transfer (or one or more Subsidiaries shall sell or otherwise transfer), in one or more transactions, assets or earning power (including, without limitation, securities creating any obligation on the part of the Company and/or any Subsidiaries) representing in the aggregate more than 50% of the assets or earning power of the Company and the Subsidiaries (taken as a whole) to any Person or Persons,

then, and in each such case, proper provision shall be made so that (A) except as provided below, each holder of a Right shall thereafter have the right to receive, upon the exercise thereof

in accordance with the terms of this Agreement at an exercise price per Right equal to the product of one hundred (100) times the then-current Purchase Price multiplied by the number of Common Shares for which a Right was exercisable immediately prior to the first occurrence of a Triggering Event, such number of validly authorized and issued, fully paid, non assessable and freely tradeable Common Shares of such surviving, resulting or acquiring Person (including the Company as the continuing or surviving corporation of a transaction described in clause (ii) above), as the case may clear of any liens, encumbrances and other adverse claims and not subject to any rights of call or first refusal, as shall be equal to the result obtained by (x) multiplying the product of one hundred (100) times the then-current Purchase Price by the number of Common Shares for which a Right was exercisable immediately prior to the first occurrence of a Triggering Event and dividing that product by (y) 50% of the current per share market price of the Common Shares of such Person (determined pursuant to Section 11(e) hereof) on the date of consummation of such Flip-over Event; (B) the issuer of such Common Shares shall thereafter be liable for, and shall assume, by virtue of the consummation of such Flip-over Event, all the obligations and duties of the Company pursuant to this Agreement; (C) the term "Company" shall thereafter be deemed to refer to such issuer; and (D) such issuer shall take such steps (including,

but not limited to, the reservation of a sufficient number of its Common Shares in accordance with Section 9 hereof) in connection with such consummation as may be necessary to assure that the provisions hereof shall thereafter be applicable, as nearly as reasonably may be possible, in relation to its Common Shares thereafter deliverable upon the exercise of the Rights. Notwithstanding the foregoing, if the surviving, resulting or acquiring Person in any Flip-over Event, is not a corporation or business trust, then, and in each such case, if such surviving, resulting or acquiring Person is directly or indirectly wholly owned by a corporation or business trust, then all references to Common Shares of such surviving, resulting or acquiring Person in this Section 11(d) shall be

deemed to be references to the Common Shares of the corporation or business trust which ultimately controls such Person, and if there is no such corporation or business trust, (Y) proper provision shall be made so that such surviving, resulting or acquiring Person shall create or otherwise make available for purposes of the exercise of the Rights in accordance with the terms of this Agreement, a type or types of security or securities having a fair market value at least equal to the economic value of the Common Shares which each holder of a Right would have been entitled to receive if such surviving, resulting or acquiring Person had been a corporation or a business trust; and (Z) all other provisions of this Section

11(d) shall apply to the issuer of such securities as if such securities were Common Shares. The Company shall not consummate any Flip-over Event, unless the issuer of the Common Shares or other securities, as the case may be, shall have a sufficient number of authorized Common Shares or other securities which have not been issued or reserved for issuance to permit the exercise in full of the Rights in accordance with this Section 11(d) and unless prior to such consummation the Company and such issuer shall have executed and delivered to the Rights Agent a supplemental agreement providing for the terms set forth in this Section 11 and further providing that as promptly as practicable after the consummation of any Flip-over Event, the issuer shall:

(I) prepare and file a registration statement under the Securities Act, with respect to the Rights and the securities issuable upon exercise of the Rights on an appropriate form, and shall use its best efforts to cause such registration statement to (A) become effective as soon as practicable after such filing and (B) remain effective (with a prospectus at all times meeting the requirements of the Securities Act) until the Expiration Date;

(II) take all such action as may be appropriate under, or to ensure compliance with, the securities or "blue sky" laws of the various states in connection with the excercisibility of the Rights; and

(III) deliver to holders of the Rights historical financial statements for such issuer and each of its Affiliates which comply in all respects with the requirements for registration on Form 10 under the Exchange Act.

Notwithstanding the foregoing, upon the occurrence of any Flip-over Event, any Rights that are or were at any time beneficially owned by any Acquiring Person or any Associate or Affiliate of such Acquiring Person (which Acquiring Person, Associate or Affiliate is, directly or indirectly, causing such Flip-over Event to occur) after the date upon which such Acquiring Person became such shall become void and any holder of such Rights shall thereafter have no right to exercise such Rights under any provision of this Agreement. The provisions of this Section 11(d) shall similarly apply to successive mergers or consolidations or sales or other transfers.

(e) For the purpose of any computation hereunder, the "current per share market price" of Common Shares on any date shall be deemed to be the average of the daily closing prices per share of such Common Shares for the 30 consecutive Trading Days (as such term is hereinafter defined) immediately prior to such date; provided, however, that in the event that the current per share market price of the Common Shares is determined during a period following the announcement by the issuer of such Common Shares (i) of a dividend or distribution on such Common Shares payable in such Common

Shares or securities convertible into such Common Shares or (ii) any subdivision, combination or reclassification of such Common Shares, and prior to the expiration of 30 Trading Days after the ex-dividend date for such dividend or distribution or the record date for such subdivision, combination or reclassification, then, and in each such case, the "current market price" shall be appropriately adjusted to take into account ex-dividend trading or to reflect the current market price per Common Share equivalent. The closing price for each day shall be the last sale price, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Common Shares are not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which the Common Shares

are listed or admitted to trading or, if the Common Shares are not listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the National Association of Securities Dealers, Inc. Automated Quotation System ("NASDAQ") or such other system then in use, or, if on any such date the Common Shares are not

quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Common Shares selected by the Directors of the Company. The term "Trading Day" shall mean any day on which the principal national securities exchange on which the Common Shares are listed or admitted to trading is open for the transaction of business or, if the Common Shares are not listed or admitted to trading on any national securities exchange, a Monday, Tuesday, Wednesday, Thursday or Friday on which banking institutions in the State of New York are not authorized or obligated by law or executive order to close. If the Common Shares are not publicly held or not so listed or traded, or not the subject of available bid and asked quotes, "current per share market price" shall mean the fair value per share as determined in good faith by the Directors of the Company, whose determination shall be described in a statement filed with the Rights Agent and shall be conclusive for all purposes.

(f) Except as set forth below, no adjustment in the Purchase Price shall be required unless such adjustment would require an increase or decrease of at least 1% in such price; PROVIDED, HOWEVER, that any adjustments which by reason of this Section 11(f) are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Section 11 shall be made to the nearest cent or to the nearest thousandth of a share as the case may be. Notwithstanding the first sentence

of this Section 11(f), any adjustment required by this Section 11 shall be made no later than the earlier of (i) three years from the date of the transaction which requires such adjustment and (ii) the Expiration Date.

(g) If as a result of an adjustment made pursuant to Section 11(a) hereof, the holder of any Right thereafter exercised shall become entitled to receive any shares of capital stock of the Company other than Common Shares, thereafter the number of such other shares so receivable upon exercise of any Right shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the shares contained in this Section 11 and the provisions of Sections 7, 9, 10 and 14 hereof with respect to the Common Shares shall apply on like terms to any such other shares.

(h) All Rights originally issued by the Company subsequent to any adjustment made to the Purchase Price hereunder shall evidence the right to purchase, at the adjusted Purchase Price, the number of Common Shares purchasable from time to time hereunder upon exercise of the Rights, all subject to further adjustment as provided herein.

(i) Unless the Company shall have exercised its election as provided in Section 11(j) hereof, upon each adjustment of the Purchase Price as a result of the calculations made in Sections 11(b) and (c) hereof, each Right outstanding immediately prior to the making of such adjustment

shall thereafter evidence the right to purchase, at the adjusted Purchase Price, that number of shares (calculated to the nearest thousandth) obtained by (i) multiplying (x) the number of shares covered by a Right immediately prior to this adjustment by (y) the Purchase Price in effect immediately prior to such adjustment of the Purchase Price and (ii) dividing the product so obtained by the Purchase Price in effect immediately after such adjustment of the Purchase Price.

(j) The Company may elect, on or after the date of any adjustment of the Purchase Price, to adjust the number of Rights in substitution for any adjustment in the number of Common Shares purchasable upon the exercise of a Right. Each of the Rights outstanding after such adjustment of the number of Rights shall be exercisable for the number of Common Shares for which a Right was exercisable immediately prior to such adjustment. Each Right held of record prior to such adjustment of the number of Rights shall become that number of Rights (calculated to the nearest thousandth) obtained by dividing the Purchase Price in effect immediately prior to adjustment of the Purchase Price by the Purchase Price in effect immediately after adjustment of the Purchase Price. The Company shall make a public announcement of its

election to adjust the number of Rights, indicating the record date for the adjustment, and, if known at the time, the amount of the adjustment to be made. This record date may be the date on which the Purchase Price is adjusted or any day thereafter, but, if the Right Certificates

have been issued, shall be at least 10 calendar days later than the date of the public announcement. If Right Certificates have been issued, upon each adjustment of the number of Rights pursuant to this Section 11(j), the Company shall, as promptly as practicable, cause to be distributed to holders of record of Right Certificates on such record date Right Certificates evidencing, subject to Section 14 hereof, the additional Rights to which such holders shall be entitled as a result of such adjustment, or, at the option of the Company, shall cause to be distributed to such holders of record in substitution and replacement for the Right Certificates held by such holders prior to the date of adjustment, and upon surrender thereof, if required by the Company, new Right Certificates evidencing all the Rights to which such holders shall be entitled after such adjustment. Right Certificates so to be distributed shall be issued, executed and countersigned in the manner provided for herein (and may bear, at the option of the Company, the adjusted Purchase Price) and shall be registered in the names of the holders of record of Right Certificates on the record date specified in the public announcement.

(k) Irrespective of any adjustment or change in the Purchase Price or the number or type of shares issuable upon the exercise of the Rights, the Right Certificates theretofore and thereafter issued may continue to express the Purchase Price per share and the number of shares which were expressed in the initial Right Certificate issued hereunder.

(l) Before taking any action that would cause an adjustment reducing the Purchase Price below the then par value, if any, of the Common Shares issuable upon exercise of the Rights, the Company shall take any corporate action which may, in the opinion of its counsel, be necessary in order that the Company may validly and legally issue fully paid and non assessable Common Shares at such adjusted Purchase Price.

(m) In any case in which this Section 11 shall require that an adjustment in the Purchase Price be made effective as of a record date for a specified event, the Company may elect to defer until the occurrence of such event the issuing to the holder of any Right exercised after such record date the Common Shares and other capital stock or securities of the Company, if any, issuable upon such exercise over and above the Common Shares and other capital stock or securities of the Company, if any, issuable upon such exercise on the basis of the Purchase Price in effect prior to such adjustment; PROVIDED, HOWEVER, that the Company shall deliver to such holder a due bill or other appropriate instrument evidencing such holder's right to receive such additional shares upon the occurrence of the event requiring such adjustment.

(n) Anything in Sections 11 (a) through (m), inclusive, hereof to the contrary notwithstanding, the Company shall be entitled to make such reductions in the Purchase

Price, in addition to those adjustments expressly required by this Section 11, as and to the extent that it in its sole discretion shall determine to be advisable in order that any consolidation or subdivision of the Common Shares, issuance wholly for cash of any of the Common Shares at less than the current market price, issuance wholly for cash of Common Shares or securities which by their terms are convertible into or exchangeable for Common Shares, stock dividends or issuance of rights, options or warrants referred to hereinabove in this Section 11, hereafter made by the Company to holders of its Common Shares shall not be taxable to such shareholders.

(o) Notwithstanding any other provision of this Agreement, no adjustment to the Purchase Price, the number of shares of Common Stock (or fractions of a share) for which a Right is exercisable or the number or Rights outstanding shall be made or be effective if such adjustment would have the effect of reducing or limiting the benefits the holders of the Rights would have had absent: such adjustment, including, without limitation, the benefits under Sections 11(a)(ii) and 11(d) hereof, unless the terms of this Agreement are amended so as to preserve such benefits.

Section 12. CERTIFICATE OF ADJUSTED PURCHASE PRICE OR NUMBER OF SHARES. Whenever an adjustment is made as provided in Section 11 hereof, the Company shall promptly prepare a certificate setting forth such adjustment, (including a

description of any Rights which have become void as a result thereof), and a brief statement of the facts accounting for such adjustment and promptly file with the Rights Agent and with each transfer agent for the Common Shares a copy of such certificate.

Section 13. NOTICE OF ADJUSTED PURCHASE PRICE OR NUMBER OR TYPE OF SHARES TO HOLDERS OF RIGHTS. Whenever an adjustment is made as provided in Section 11 hereof after the Distribution Date, the Company shall mail a brief summary of such adjustment to each holder of a Right Certificate in accordance with Section 25 hereof.

Section 14. FRACTIONAL RIGHTS AND FRACTIONAL SHARES. (a) The Company shall not be required to issue fractions of Rights or to distribute Right Certificates which evidence fractional Rights. In lieu of such fractional Rights, there shall be paid as promptly as practicable to the registered holders of the Right Certificates with regard to which such fractional Rights would otherwise be issuable, an amount in cash equal to the same fraction of the current market value of a whole Right. For the purposes of this Section 14(a), the current market value of a whole Right shall be the closing price of the Rights for the Trading Day immediately prior to the date on which such fractional Rights would have been otherwise issuable. The closing price for any day shall be the last sale price, regular way, or, in case no such sale takes

place on such day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the New York Stock Exchange or, if the Rights are not listed or admitted to trading on the New York Stock Exchange, as reported in the principal consolidated transaction reporting system with securities listed on the principal national securities exchange on which the Rights are listed or admitted to trading or, if the Right, are not listed or admitted to trading on any national securities exchange, the last quoted price or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by NASDAQ or such other system then in use or, if on any such date the Rights are not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in the Rights selected by the Directors of the Company. If on any such date no such market maker is making a market in the Rights the fair value of the Rights on such date as determined in good faith by the Directors of the Company shall be used and shall be conclusive for all purposes.

(b) The Company shall not be required to issue fractions of shares upon exercise of the Rights or to distribute certificates which evidence fractional shares.

Fractions of Common Shares may, at the election of the Company, be evidenced by depositary receipts, pursuant to an appropriate agreement between the Company and a depositary selected by it, provided that such agreement shall provide that the holders of such depositary receipts shall have all the rights, privileges and preferences to which they are entitled as beneficial owners of Common Shares. In lieu of fractional shares, the Company may pay to the registered holders of Right Certificates at the time such Rights are exercised as herein provided an amount in cash equal to the same fraction of the current market value of one Common Share. For purposes of this Section 14(b), the current market value of a Common Share shall be the closing price of a Common Share (as determined pursuant to the second sentence of Section 11(e) hereof) for the Trading Day immediately prior to the date of such exercise

(c) The holder of a Right by the acceptance of the Rights expressly waives his right to receive any fractional Rights or any fractional shares upon exercise of a Right.

Section 15. RIGHTS OF ACTION. All rights of action in respect of this Agreement are vested in the respective registered holder, of the Right Certificates (and, prior to the Distribution Date, the registered holders of the Common Shares); and any registered holder of any Right Certificate (or, prior to the Distribution Date, of the Common Shares), without the consent of the Rights Agent or of the

holder of any other Rights certificate (or, prior Distribution Date, of the

Common Shares), may, in his own behalf and for his own benefit, enforce, and may institute and maintain any suit, action or proceeding against the Company to enforce, or otherwise act in respect of, his right to exercise the Rights evidenced by such Right Certificate in the manner provided in such Right Certificate and in this Agreement. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holders of Rights would not have an adequate remedy at law for any breach of this Agreement and will be entitled to specific performance of the obligations under this Agreement, and injunctive relief against actual or threatened violations of the obligations of any Person subject to this Agreement.

Section 16. AGREEMENT OF RIGHTS HOLDERS. Every holder of a Right by accepting the same consents and agrees with the Company and the Rights Agent and with every other holder of a Right that:

(a) prior to the Distribution Date, the Rights will be transferable only in connection with the transfer of the Common Shares;

(b) after the Distribution Date, the Right Certificates are transferable only on the registry books of the Rights Agent if surrendered at the principal office of the Rights Agent in Cleveland, Ohio, duly endorsed or accompanied by a proper instrument of transfer;

(c) the Company and the Rights Agent may deem and treat the person in whose name the Right Certificate (or, prior to the Distribution Date, the associated Common Share certificate) is registered as the absolute owner thereof and of the Rights evidenced thereby (notwithstanding any notations of ownership or writing on the Right Certificate or the associated Common Share certificate made by anyone other than the Company or the Rights Agent) for all purposes whatsoever, and neither the Company nor the Rights agent shall be affected by any notice to the contrary; and

(d) Notwithstanding anything in this Agreement to the contrary, neither the Company nor the Rights Agent shall have any liability to any holder of a Right or other Person as a result of its inability to perform any of its obligations under this Agreement by reason of any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation or executive order promulgated or enacted by any governmental authority, prohibiting or otherwise restraining performance of such obligation; PROVIDED, HOWEVER, that the Company shall use its best efforts to have any such order, decree or ruling lifted or otherwise overturned as soon as possible.

Section 17. RIGHT CERTIFICATE HOLDER NOT DEEMED A SHAREHOLDER. No holder, as such, of any Right Certificate shall be entitled to vote, receive dividends or be deemed for any purpose the holder of the Common Shares or any other securities of the Company which may at any time be issuable on the exercise of the Rights represented thereby, nor shall anything contained herein or in any Right Certificate be construed to confer upon the holder of any Right Certificate, as such, any of the rights of a shareholder of the Company or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting shareholders (except as provided in Section 24 hereof), or to receive dividends or subscription rights, or otherwise, until the Right or Rights evidenced by such Right Certificate shall have been exercised in accordance with the provisions hereof or exchanged pursuant to the provisions of Section 27 hereof.

Section 18. CONCERNING THE RIGHTS AGENT. The Company agrees to pay to the Rights agent reasonable compensation for all services rendered by it hereunder and, from time to time, on demand of the Rights Agent, its reasonable expenses and counsel fees and other disbursements incurred in the administration and execution of this Agreement and the exercise and performance of its duties hereunder. The Company also

agrees to indemnify the Rights Agent for, and to hold it harmless against, any loss, liability, suit, action, proceeding or expense, incurred without negligence, bad faith or willful misconduct on the part of the Rights Agent, for anything done or omitted by the Rights Agent in connection with the acceptance and administration of this Agreement, including the costs and expenses of defending against any claim of liability.

The Rights Agent shall be protected and shall incur no liability for or in respect of any action taken, suffered or omitted by it in

connection with its administration of this Agreement in reliance upon any Right Certificate or certificate for Common Shares or for other securities of the Company, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement, or other paper or document believed by it to be genuine and to be signed, executed and, where necessary, verified or acknowledged, by the proper Person or Persons.

Section 19. MERGER OR CONSOLIDATION OR CHANGE OF NAME OF RIGHTS AGENT. Any corporation into which the Rights Agent or any successor Rights Agent may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Rights Agent or any successor Rights Agent shall be a party, or any corporation succeeding to the corporate trust business of the Rights Agent

or any successor Rights Agent, shall be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that such corporation would be eligible for appointment as a successor Rights Agent under the provisions of Section 21 hereof. In case at the time such successor Rights Agent shall succeed to the agency created by this Agreement, any of the Right Certificates shall have been countersigned but not delivered, any such successor Rights Agent may adopt the countersignature of the predecessor Rights Agent and deliver such Right Certificates so countersigned; and in case at that time any of the Rights Certificates shall not have been countersigned, any successor Rights Agent may countersign such Right Certificates either in the name of the predecessor Rights Agent or in the name of the successor Rights Agent; and in all such cases such Right Certificates shall have the full force provided in the Right Certificates and in this Agreement.

In case at any time the name of the Rights Agent shall be changed and at such time any of the Right Certificates shall have been countersigned but not delivered, the Rights Agent may adopt the countersignature under its prior name and deliver Right Certificates so countersigned; and in case at that time any of the Right Certificates shall not have been countersigned, the Rights Agent may countersign such Right

Certificates either in its prior name or in its changed name; and in all such cases such Right Certificates shall have the full force provided in the Right Certificates and in this Agreement.

Section 20. DUTIES OF RIGHTS AGENT. The Rights Agent undertakes the duties and obligations imposed by this Agreement upon the following terms and conditions, by all of which the Company and the holders of Right Certificates, by their acceptance thereof, shall be bound:

(a) The Rights Agent may consult with legal counsel (who may be legal counsel for the Company), and the opinion of such counsel shall be full and complete authorization and protection to the Rights Agent as to any action taken or omitted by it in good faith and in accordance with such opinion.

(b) Whenever in the performance of its duties under this Agreement the Rights Agent shall deem it necessary or desirable that any fact or matter be proved or established by the Company prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by any one of the Chairman of the Board, the President, any Vice President, the Treasurer or the Secretary of the Company and delivered to the Rights Agent; and such

certificate shall be full authorization to the Rights Agent for any action taken or suffered in good faith by it under the provisions of this Agreement in reliance upon such certificate.

(c) The Rights Agent shall be liable hereunder only for its own negligence, bad faith or willful misconduct.

(d) The Rights Agent shall not be liable for or by reason of any of the statements of fact or recitals contained in this Agreement or in the Right Certificates (except its countersignature thereof) or be required to verify the same, but all such statements and recitals are and shall be deemed to have been made by the Company only.

(e) The Rights Agent shall not be under any responsibility in respect of the validity of this Agreement or the execution and delivery hereof (except the due execution and delivery hereof by the Rights Agent) or in respect of the validity or execution of any Right Certificate (except its countersignature thereof); nor shall it be responsible for any

breach by the Company of any covenant or condition contained in this Agreement or in any Right Certificate; nor shall it be responsible for any adjustment required under the provisions of Section 11 hereof (including any adjustment which results in Rights becoming void) or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment (except with respect to the exercise of Rights evidenced by

Right Certificates after actual notice of any such adjustment or voidance); nor shall it by any act hereunder be deemed to make any representation or warranty as to the authorization or reservation of any Common shares to be issued pursuant to this Agreement or any Right Certificate or as to whether any Common Shares will, when issued, be validly authorized and issued, fully paid and non assessable.

(f) The Company agrees that it will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Rights Agent for the carrying out or performing by the Rights Agent of the provisions of this Agreement.

(g) The Rights Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from any one of the Chairman of the Board, the President, the Secretary, the Treasurer, the Chief Financial Officer or any Assistant General Counsel of the Company, and to apply to such officers for advice or instructions in connection with its duties, and it shall not be liable for any action taken or suffered to be taken by it in good faith in accordance with instructions of any such officer.

(h) The Rights Agent and any stockholder, director, officer or employee of the Rights Agent may buy, sell or deal in any of the Rights or other securities of the Company

or become pecuniarily interested in any transaction in which the Company may be interested, or contract with or lend money to the Company or otherwise act as fully and freely as though it were not Rights Agent under this Agreement. Nothing herein shall preclude the Rights Agent from acting in any other capacity for the Company or for any other legal entity.

(i) The Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys or agents, and the Rights Agent shall not be answerable or accountable for any act, default, neglect or misconduct of any such attorneys or agents or for any loss to the Company resulting from any such act, default, neglect or misconduct, provided reasonable care was exercised in the selection and continued employment thereof. The Rights Agent shall not be under any duty or responsibility to insure compliance with any applicable federal or state securities laws in connection with the issuance, transfer or exchange of Right Certificates.

(j) The Rights Agent shall promptly remit to the Company any funds paid to it upon exercise of the Rights pursuant to Section 7 hereof.

(k) If, with respect to any Right Certificate surrendered to the Rights Agent for exercise, transfer, split up, combination or exchange, the certificate attached to the form of assignment or form of election to purchase, as the case

may be, has either not been completed or indicates an affirmative response to clause 1 or 2 thereof, the Rights Agent shall not take any further action with respect requested exercise, transfer, split up, combination or exchange, without first consulting with the Company.

Section 21. CHANGE OF RIGHTS AGENT. The Rights Agent or any successor Rights Agent may resign and be discharged from its duties under this Agreement upon 30 days' notice in writing mailed to the Company and to each transfer agent of the Common Shares by registered or certified mail, and to the holders of the Right Certificates by first-class mail. The Company may remove the Rights Agent or any successor Rights Agent upon 30 days' notice in writing, mailed to the Rights Agent or successor Rights Agent, as the case may be, and to each transfer agent of the Common Shares by registered or certified mail, and to the holders of the Right Certificates by first-class mail. If the Rights Agent shall resign or be removed or shall otherwise become incapable of acting, the Company shall appoint a successor to the Rights Agent. If the Company shall fail to make such appointment within a period of 30 days after giving notice of

such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent or by the holder of a Right Certificate (who shall, with such notice, submit his Right Certificate for inspection by the Company), then the

registered holder of any Right Certificate may apply to any court of competent jurisdiction for the appointment of a new Rights Agent. Any successor Rights Agent, whether appointed by the Company or by such a court, shall be a corporation organized and doing business under the laws of the United States or of the States of Ohio or New York (or of any other state of the United States so long as such corporation is authorized to do business as a banking institution in the States of Ohio or New York), in good standing, having a principal office in the states of Ohio or New York, which is authorized under such laws to exercise corporate trust powers and is subject to supervision or examination by federal or state authority and which has at the time of its appointment as Rights Agent a combined capital and surplus of at least $50 million and which shall otherwise meet any requirements imposed by the New York Stock Exchange on transfer agents and registrars. After appointment, the successor Rights Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent shall deliver and transfer to the successor Rights Agent any property at the time hell by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, the Company shall file notice thereof

in writing with the predecessor Rights Agent and each transfer agent of the Common Shares, and mail a notice thereof in writing to the registered holders of the Right Certificates. Failure to give any notice provided for in this Section 21, however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be.

Section 22. ISSUANCE OF NEW RIGHT CERTIFICATES. Notwithstanding any of the provisions of this Agreement or of the Rights to the contrary, the Company may, at its option, issue new Right Certificates evidencing Rights in such form as may be approved by its Directors to reflect any adjustment or change in the Purchase Price and the number or kind or class of shares or other securities or property purchasable under the Right Certificates made in accordance with the provisions of this Agreement. In addition, in connection with the issuance or sale by the Company of Common Shares following the Distribution Date and prior to the Expiration Date, the Company (a) shall, with respect to Common Shares so issued or sold pursuant to the exercise or conversion of securities issued prior to the Distribution Date which are exercisable for, or convertible into, Common Shares, and (b) may, in any other case, if deemed necessary, appropriate or desirable by the Board of Directors of the Company, issue Right Certificates

representing an equivalent number of Rights as would have been issued in respect of such Common Shares if they had been issued or sold prior to the Distribution Date, as appropriately adjusted as provided herein as if they had been so issued or sold; PROVIDED, HOWEVER, that (i) no such Right Certificate shall be issued if, and to the extent that, in its good faith judgment the Board of Directors of the Company shall have determined that the issuance of such Right Certificate could have a material adverse tax consequence to the Company or to the Person to whom or which such Right Certificate otherwise would be issued, and (ii) no such Right Certificate shall be issued if, and to the extent that, appropriate adjustment otherwise shall have been made in lieu of the issuance thereof.

Section 23. REDEMPTION. (a) Prior to the Expiration Date, the Board of Directors of the Company may, at its option, redeem all but not less than all of the then-outstanding Rights at a redemption price of $.05 per Right, appropriately adjusted to reflect any stock split, stock dividend or similar transaction occurring after the date hereof (the "Redemption Price"), at any time prior to the close of business on the later of (i) the Distribution Date and (ii) the first occurrence of a Triggering Event.

(b) Immediately upon the action of the Directors of the Company ordering the redemption of the Rights, and without any further action and without any notice, the right to

exercise the Rights will terminate and the only right thereafter of the holders of Rights shall be to receive the Redemption Price. Promptly after the action of the Directors ordering the redemption of the Rights, the Company shall publicly announce such action. Within 10 calendar days after ordering the redemption of the Rights, the Company shall give notice of such redemption to the holders of the then-outstanding Rights by mailing such notice to all such holders at their last addresses as they appear upon the registry books of the Rights Agent or, prior to the Distribution Date, on the registry books of the transfer agent for the Common Shares. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice. Each such notice of redemption will state the method by which the payment of the Redemption Price will be made.

(c) At any time, the Directors of the Company may relinquish their rights to redeem the Rights under paragraphs (a) or (b) above, or both, by duly adopting a resolution to that effect. Immediately upon adoption of such resolution, the rights of the Directors under the portions of this Section 23 specified in such resolution shall terminate without further action and without any notice.

Section 24. NOTICE OF CERTAIN EVENTS. In case, after the Distribution Date, the Company shall propose (a) to pay any dividend payable in stock of any class to the holders of Common

Shares or to make any other distribution to the holders of Common Shares (other than a regular periodic cash dividend at a rate not in excess of 125% of the rate of the last cash dividend theretofore paid) or (b) to offer to the holders of Common Shares rights, options or warrants to subscribe for or to purchase any additional Common Shares or shares of stock of any class or any other securities, rights or options, or (c) to effect any reclassification of its Common Shares (other than a reclassification involving only the subdivision of outstanding Common Shares), or (d) to effect any consolidation or merger into or with, or to effect any sale or other transfer (or to permit one or more of its Subsidiaries to effect any sale or other transfer), in one or more transactions, of more than 50% of the assets or earning power of the Company and its Subsidiaries, taken as a whole, to any other Person or Persons, or (e) to effect the liquidation, dissolution or winding up of the Company, then, in each such case, the Company shall give to each holder of a Right Certificate, in accordance with Section 25 hereof, a notice of such proposed action, which shall specify the record date for the purposes of such stock dividend, distribution or offering of rights, options or warrants, or the date on which such reclassification, consolidation, merger, sale, transfer, liquidation, dissolution or winding up is to take place and the date of participation therein by the holders of the Common Shares, if any such date

is to be fixed, and such notice shall be so given, in the case of any action covered by clause (a) or (b) above, at least 20 calendar days prior to the record date for determining holders of the Common Shares for purposes of such action, and, in the case of any such other action, at least 20 calendar days prior to the date of the taking of such proposed action or the date of participation therein by the holders of the Common Shares, whichever shall be the earlier.

In case any Triggering Event shall occur, then, in any such case, the Company shall as soon as practicable thereafter give to the Rights Agent and each holder of a Right Certificate, in accordance with Section 25 hereof, a notice of the occurrence of such event, which shall specify the event and the consequences of the event to holders of Rights.

Section 25. NOTICES. Notices or demands authorized by this Agreement to be given or made by the Rights Agent or by the holder of any Right Certificate to or on the Company shall be sufficiently given or made if sent by first-class mail, postage prepaid, addressed (until another address is filed in writing with the Rights Agent) as follows:

Cleveland-Cliffs Inc
18th Floor, Diamond Building
1100 Superior Avenue
Cleveland, Ohio 44114-2589
Attention: Myron E. Jackson

Subject to the provisions of Section 21 hereof, any notice or demand authorized by this Agreement to be given or made by the Company or by the holder of any Right Certificate

to or on the Rights Agent shall be sufficiently given or made if sent by first-class mail postage prepaid, addressed (until another address is filed in writing with the Company) as follows:

Ameritrust Company National Association
Corporate Trust Division
P.O. Box 6477
Cleveland, Ohio 44101
Attention: B. William Bedy

Notices or demands authorized by this Agreement to be given or made by the Company or the Rights Agent to the holder of any Right Certificate shall be sufficiently given or made if sent by first-class mail, postage prepaid, addressed to such holder at the address of such holder as shown on the registry books of the Rights Agent.

Section 26. SUPPLEMENTS AND AMENDMENTS. Prior to the Distribution Date and subject to the last sentence of this Section 26, if the Company so directs, the Company and the Rights Agent shall supplement or amend any provision of this Agreement without the approval of any holders of certificates representing Common Shares. From and after the Distribution Date and subject to the last sentence of this Section 26, if the Company so directs, the Company and the Rights Agent shall supplement or amend this Agreement without the approval of any holders of Right Certificate; in order (i) to cure any ambiguity, (ii) to correct or supplement any provision contained herein which may be defective or inconsistent with

any other provisions herein, (iii) to shorten or lengthen any time period hereunder, or (iv) to supplement or amend the provisions hereunder in any manner which the Company may deem desirable, including, without limitation, the addition of other events requiring adjustment to the Rights under Sections 11(a)(ii) or 11(d) hereof or procedures relating to the redemption of the Rights, which supplement or amendment shall not, in the good faith determination of the Board of Directors of the Company, adversely affect the interests of the holders of Right Certificates (other than an Acquiring Person or an Affiliate or Associate of an Acquiring Person). Upon the delivery of a certificate from an officer of the Company which states that the proposed supplement or amendment is in compliance with the terms of this Section 26, the Rights Agent shall execute such supplement or amendment; PROVIDED, HOWEVER, that the failure or refusal of the Rights Agent to execute such supplement or amendment shall not affect the validity of any supplement or amendment adopted by the Company, any of which shall be effective in accordance with the terms thereof. Notwithstanding anything in this Agreement to the contrary, no supplement or amendment shall be made which (x) changes the stated Redemption Price or the period of time remaining until the Final Expiration Date, (y) reduces the number of Common Shares for which a Right is then exercisable, or (z) modifies a time period relating to when the Rights may be redeemed at such time as the Rights are not then redeemable.

Section 27. EXCHANGE. (a) The Board of Directors of the Company may, at its option, at any time after the later of the Distribution Date and the first occurrence of a Triggering Event, exchange all or part of the then-outstanding and exercisable Rights (which shall not include Rights that have become void pursuant to the provisions of Section 11(a)(ii) hereof) for Common Shares at an exchange ratio of one Common Share per Right, appropriately adjusted to reflect any stock split, stock dividend or similar transaction occurring after the date hereof (such exchange ratio being hereinafter referred to as the "Exchange Ratio"). Notwithstanding the foregoing, the Board of Directors shall not be empowered to effect such exchange at any time after any Person (other than the Company, any Subsidiary, any employee benefit plan of the Company or any Subsidiary, or any entity holding Common Shares for or pursuant to the terms of any such plan), who or which, together with all Affiliates and Associates of such Person, becomes the Beneficial Owner of 50% or more of the Common Shares then outstanding.

(b) Immediately upon the action of the Board of Directors of the Company ordering the exchange of any Rights pursuant to Section 27(a) hereof, and without any further action and without any notice, the right to exercise such Rights shall terminate and the only right with respect to such Rights thereafter of the holder of such Rights shall be to

receive that number of Common Shares equal to the number of such Rights held by such holder multiplied by the Exchange Ratio. Promptly after the action of the Board of Directors of the Company ordering the exchange of any Rights pursuant to Section 27(a) hereof, the Company shall publicly announce such action, and within 10 calendar days thereafter shall give notice of any such exchange to all of the holders of such Rights at their last addresses as they appear upon the registry books of the Rights Agent; PROVIDED, HOWEVER, that the failure to give, or any defect in, such notice shall not affect the validity of such exchange. Any notice which is mailed in the manner herein provided shall be deemed given, whether or not the holder receives the notice. Each such notice of exchange shall state the method by which the exchange of the Common Shares for Rights will be effected and, in the event of any partial exchange, the number of Rights which will be exchanged. Any partial exchange shall be effected pro rata based on the number of Right; (other than Rights which have become void pursuant to the provisions of Section 11(a)(ii) hereof) held by each holder of Rights.

(c) In any exchange pursuant to this Section 27, the Company, at its option, may substitute for any Common Share exchangeable for a Right, (i) cash, (ii) debt securities of the Company, (iii) other assets, or (iv) any combination of the foregoing, in any event having an aggregate value which the

Board of Directors of the Company shall have determined in good faith to be equal to the current market value of one Common Share (determined pursuant to Section 11(e) hereof) on the Trading Day immediately preceding the date of exchange pursuant to this Section 27.

Section 28. SUCCESSORS. All the covenants and provisions of this Agreement by or for the benefit of the Company or the Rights Agent shall bind and inure to the benefit of their respective successors and assigns hereunder.

Section 29. BENEFITS OF THIS AGREEMENT. Nothing in this Agreement shall be construed to give to any Person other than the Company, the Rights Agent and the registered holders of the Right Certificates (and, prior to the Distribution Date, the Common Shares) any legal or equitable right, remedy or claim under this Agreement; but this Agreement shall be for the sole and exclusive benefit of the Company, the Rights Agent and the registered holders of the Right Certificates (or prior to the Distribution Date, the Common Shares).

Section 30. ACTION BY DIRECTORS. Whenever any action hereunder or in connection with the Rights is required or permitted to be taken by the Directors of the Company, such action may be taken by the Executive Committee of the Directors or by any other duly authorized committee thereof.

Section 31. SEVERABILITY. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 32. GOVERNING LAW. This Agreement and each Right Certificate issued hereunder shall be deemed to be a contract made under the laws of the State of Ohio and for all purposes shall be governed by and construed in accordance with the laws of such State applicable to contracts to be made and performed entirely within such State.

Section 33. COUNTERPARTS. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

Section 34. DESCRIPTIVE HEADINGS. Descriptive headings of the several Sections of this Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and their respective

corporate seals to be hereunto affixed and attested, this 19th day of November, 1991.

CLEVELAND-CLIFFS INC

By /s/ M. Thomas Moore

Chairman and Chief
Executive Officer

AMERITRUST COMPANY NATIONAL
ASSOCIATION

By /s/ Caroline Lukez-Byrne

Trust Officer II/Assistant
Secretary

0980C

Exhibit A

[Form of Right Certificate]

Certificate No. R- _____ Rights

NOT EXERCISABLE AFTER SEPTEMBER 18, 1997 OR EARLIER IF REDEEMED. THE RIGHTS ARE SUBJECT TO REDEMPTION, AT THE OPTION OF THE COMPANY, AT $.05 PER RIGHT ON THE TERMS SET FORTH IN THE RIGHTS AGREEMENT. [THE RIGHTS REPRESENTED BY THIS CERTIFICATE WERE ISSUED TO OR ACQUIRED BY A PERSON WHO WAS AN ACQUIRING PERSON OR AN AFFILIATE OR ASSOCIATE OF AN ACQUIRING PERSON (AS SUCH TERMS ARE DEFINED IN THE RIGHTS AGREEMENT). THIS RIGHT CERTIFICATE AND THE RIGHTS REPRESENTED HEREBY MAY BECOME VOID IN THE CIRCUMSTANCES SPECIFIED IN SECTION 11(a)(ii) OR SECTION 11(d) OF THE RIGHTS AGREEMENT.*]

Right Certificate

CLEVELAND-CLIFFS INC

This certifies that _____, or registered assigns, is the registered owner of the number of Rights set forth above, each of which entitles the owner thereof, subject to the terms, provisions and conditions of the Rights Agreement dated as of September 8, 1987, amended and restated as of November 19, 1991 (the "Rights Agreement"), between Cleveland-Cliffs Inc, an Ohio corporation (the "Company"), and Ameritrust Company National Association (the "Rights Agent"), to purchase from the Company at any time after

_____

* The portion of the legend in brackets shall be inserted only if applicable.

the Distribution Date (as such term is defined in the Rights Agreement) and prior to 5:00 P.M. (Cleveland, Ohio time) on September 18, 1997 at the principal office of the Rights Agent, or its successors as Rights Agent, in Cleveland, Ohio, one-hundredth of one fully paid non assessable Common Share, par value $1.00 per share (a "Common Share") of the Company, at a purchase price of $85 per whole Common Share (the "Purchase Price"), upon presentation and surrender of this Right Certificate with the Form of Election to Purchase and related Certificate duly executed. The number of Rights evidenced by this Right Certificate (and the number of shares which may be purchased upon exercise thereof) set forth above, and the Purchase Price set forth above, are the number and Purchase Price as of November 12, 1991, based on the Common as

constituted at such date.

As provided in the Rights Agreement, the Purchase Price and the number of Common Shares which may be purchased upon the exercise of the Rights evidenced by this Right Certificate are subject to modification and adjustment upon the happening of certain events.

This Right Certificate is subject to all of the terms, provisions and conditions of the Rights Agreement, which terms, provisions and conditions are hereby incorporated herein by reference and made a part hereof and to which Rights Agreement reference is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities hereunder of the Rights Agent, the Company and the holders of

the Right Certificates. Copies of the Rights Agreement are on file at the above-mentioned office of the Rights Agent.

Pursuant to the Rights Agreement, from and after the later of the Distribution Date and the first occurrence of a Flip-in Event (as such terms are defined in the Right Agreement), (i) any Rights that are or were acquired or beneficially owned by any Acquiring Person (or any Affiliate or Associate of such Acquiring Person) shall be void and any holder of such Rights shall thereafter have no right to exercise such Rights under any provision of the Rights Agreement, (ii) no Right Certificate shall be issued pursuant to the Rights Agreement that represents Rights beneficially owned by an Acquiring Person or any Affiliate or Associate thereof, (iii) no Right Certificate shall be issued at any time upon the transfer of any Rights to an Acquiring Person or any Affiliate or Associate thereof, and (iv) any Right Certificate delivered to the Rights Agent for transfer to an Acquiring Person or any Affiliate or Associate thereof shall be cancelled.

This Right Certificate, with or without other Right Certificates, upon surrender at the principal office of the Rights Agent in Cleveland, Ohio, may be exchanged for another Right Certificate or Right Certificates of like tenor and date evidencing Rights entitling the holder to purchase a like aggregate number of Common Shares as the Rights evidenced by the Right Certificate or Right Certificates surrendered shall have entitled such holder to purchase. If this Right Certificate shall be exercised in part, the holder shall be

entitled to receive upon surrender hereof another Right Certificate or Right Certificates for the number of whole Rights not exercised.

Subject to the provisions of the Rights Agreement, the Rights evidenced by this Certificate may be redeemed by the Company at its option at a redemption price of $.05 per Right.

Subject to the provisions of the Rights Agreement, the Board of Directors of the Company may exchange the Rights (other than any Rights which have become void), in whole or in part, at an exchange ratio of one Common Share per Right (subject to adjustment). Under certain circumstances set forth in the Rights Agreement, Rights may be exercised, at the option of the holder thereof, without the payment of the Purchase Price in cash that would otherwise be required. In any such case, the number of securities which such person would otherwise be entitled to receive upon the exercise of such Rights will be reduced as provided in the Rights Agreement.

No fractional Common Shares will be issued upon the exercise of any Right or Rights evidenced hereby (other than fractions which may, at the election of the Company, be evidenced by depositary receipts), but in lieu thereof a cash payment will be made, as provided in the Rights Agreement.

No holder of this Right Certificate shall be entitled to vote or receive dividends or be deemed for any purpose the holder of the Common Shares or of any other securities of the Company which may at any time be issuable on the exercise

hereof, nor shall anything contained in the Rights Agreement or herein be construed to confer upon the holder hereof, as such, any of the rights of a shareholder of the Company or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action, or, to receive notice of meetings or other action; affecting shareholders (except as provided in the Rights Agreement), or to receive dividends or subscription rights, or otherwise, until the Right or Rights evidenced by this Right Certificate shall have been exercised as provided in the Rights Agreement.

This Right Certificate shall not be valid or obligatory for any purpose until it shall have been countersigned by the Rights Agent.

WITNESS the facsimile signature of the proper officers of the Company and its corporate seal. Dated as of_____, 19__ .

ATTEST: CLEVELAND-CLIFFS INC

_____
By_____
Secretary Title:

Countersigned:

By_____
Authorized Signature

A-5
Form of Reverse Side of Right Certificate

FORM OF ASSIGNMENT

(To be executed by the registered holder if such holder desires to transfer the Right Certificate)

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers unto _____
_____
(Please print name and address of transferee)

_____
this Right Certificate, together with all right, title and interest therein, and does hereby irrevocably constitute and appoint _____ Attorney, to transfer the within Right Certificate on the books of the within-named Company, with full power of substitution.

Dated: _____, 19___

_____
Signature

Signature Guaranteed:

CERTIFICATE

The undersigned hereby certifies by checking the appropriate boxes that:

(1) the Rights evidenced by this Right Certificate [ ] are [ ] are not being sold, assigned, transferred, split up, combined or exchanged by or on behalf of a Person who is or was an Acquiring Person or an Affiliate or Associate of any such Person (as such terms are defined in the Rights Agreement);

(2) after due inquiry and to the best knowledge of the undersigned, it [ ] did [ ] did not acquire the Rights evidenced by this Right Certificate from any Person who is, was or became an Acquiring Person or an Affiliate or Associate of an Acquiring Person.

Dated: _____, 19___

_____
Signature

A-6
FORM OF ELECTION TO PURCHASE

(To be executed if holder desires to
exercise the Right Certificate)

To Cleveland-Cliffs Inc:

The undersigned hereby irrevocably elects to exercise _____ Rights represented by this Right Certificate to purchase the one one-hundredth of a Common Share or other securities issuable upon the exercise of such Rights and requests that certificates for such securities be issued in the name of:

Please insert social security
or other identifying number:_____
_____
(Please print name and address)
_____

If such number of Rights Shall not be all the Rights evidenced by this Right Certificate, a new Right Certificate for the balance remaining of such Rights shall be registered in the name of and delivered to:

Please insert social security
or other identifying number:_____
_____
(Please print name and address
_____

Optional Election to Exercise without Payment of Cash:

With respect to the exercise of _____ of the Rights specified above, the Undersigned hereby elects to exercise such Rights without payment of cash and to receive a number of Common Shares or other securities having a value (as determined pursuant to the Rights Agreement) equal to the difference between (i) the value of the Common Shares or other securities that would have been issuable upon the exercise thereof upon payment of the cash amount as provided in the Rights Agreement, and (ii) the amount of such cash payment.

Dated: _____, 19___

_____
Signature

Signature Guaranteed:

CERTIFICATE

The undersigned hereby certifies by checking the appropriate boxes that:

(1) the Rights evidenced by this Right Certificate [ ] are [ ] are not being exercised by or on behalf of a Person who is or was an Acquiring Person or an Affiliate or Associate of any such Person (as such terms are defined pursuant to the Rights Agreement);

(2) after due inquiry and to the best knowledge of the undersigned, it [ ] did [ ] did not acquire the Rights evidenced by this Right Certificate from any Person who is, was or became an Acquiring Person or an Affiliate or Associate of an Acquiring Person.

Dated: _____, 19___

_____
Signature

NOTICE

Signatures on the foregoing Form of Assignment and Form of Election to Purchase and in the related Certificates must correspond to the name as written upon the face of this Right Certificate in every particular,

without alteration or enlargement or any change whatsoever.

Signatures must be guaranteed by a member firm of a registered national securities exchange, a member of the National Association of Securities Dealers, Inc., or a commercial bank or trust company having an office or correspondent in the United States.

Exhibit B

SUMMARY OF RIGHTS TO PURCHASE
COMMON SHARES

On September 8, 1987, the Board of Directors of Cleveland-Cliffs Inc (the "Company") declared a dividend distribution of one right (a "Right") for each outstanding Common Share, $1.00 par value (the "Common Shares"), of the Company. The distribution was payable on September 18, 1987 (the "Record Date") to the shareholders of record as of the close of business on the Record Date. Each Right entitles the registered holder to purchase from the Company one-hundredth of one Common Share at a price of $85 per whole share, subject to adjustment (the "Purchase Price"). The description and terms of the Rights are set forth in a Rights Agreement dated as of September 8, 1987, amended and restated as of November 19, 1991 (the "Rights Agreement"), between the Company and Ameritrust Company National Association, as Rights Agent (the "Rights Agent").

Until the earliest to occur of (i) the close of business on the tenth business day (or such later date as may be specified by the Board of Directors) following a public announcement that a person or group of affiliated or associated persons has acquired, or obtained the right to acquire, beneficial ownership of 15%-or more of the outstanding Common Shares (an "Acquiring Person"), (ii) the close of business on the tenth business day (or such later date as may be specified by the Board of Directors) following the commencement of a tender offer or exchange offer by a person or group of affiliated or associated persons, the consummation of which would result in beneficial ownership by such person or group of 15% or more of the outstanding Common Shares, or (iii) the close of business on the tenth business day following the first date of public announcement of the first occurrence of a Flip-in Event or a Flip-over Event (as such terms are hereinafter defined) (the earliest of such dates being hereinafter called the "Distribution Date"), the Rights will be evidenced, with respect to any of the Common Share certificates outstanding as of the Record Date, by such Common Share certificates.

The Rights Agreement provides that, until the Distribution Date, the Rights will be transferred with and only with the Common Shares. Until the Distribution Date (or earlier redemption or expiration of the Rights), or, in the case of Common Shares issued upon conversion of the Company's convertible securities, until the tenth day after the Distribution Date, new Common Share certificates issued after the Record Date upon transfer or new issuance of Common Shares will contain a notation incorporating the Rights Agreement by reference. Until the Distribution Date (or earlier redemption
or expiration of the Rights), the surrender for transfer of any certificates for Common Shares in respect of which Rights have been issued will also constitute the transfer of the Rights associated with the Common Shares represented by such certificate. As soon as practicable following the Distribution Date, separate certificates evidencing the Rights (the "Right Certificates") will be mailed to holders of record of the Common Shares as of the close of business on the Distribution Date and such separate Right Certificates alone will evidence the Rights.

The Rights are not exercisable until the Distribution Date. The Rights will expire on September 18, 1997 (the "Final Expiration Date"), unless earlier redeemed or exchanged by the Company as described below.

The Purchase Price payable, and the number of Common Shares or other property issuable, upon exercise of the Rights are subject to adjustment from time to time to prevent dilution (i) in the event of a stock dividend on, or a subdivision, combination or reclassification of, the Common Shares; (ii) upon the grant to holders of the Common Shares of certain rights, options or warrants to subscribe for Common Shares or convertible securities at less than the current market price of the Common Shares; or (iii) upon the distribution to holders of the Common Shares of evidences of indebtedness, cash (excluding regular periodic cash dividends at a rate not in excess of 125% of the rate of the last cash dividend theretofore paid), assets, stock (other than dividends payable in Common Shares) or of subscription rights, options or warrants (other than those referred to above).

In the event (a "Flip-in Event"), that (i) any person or group

or affiliated or associated persons becomes the beneficial owner of 20% or more of the outstanding Common Shares, (ii) any Acquiring Person merges into or combines with the Company and the Company is the surviving corporation or any Acquiring Person effects certain other transactions with the Company, as described in the Rights Agreement, or (iii) during such time as there is an Acquiring Person, there shall be any reclassification of securities or recapitalization or reorganization of the Company which has the effect of increasing by more than 1% the proportionate share of the outstanding shares of any class of equity securities of the Company or any of its Subsidiaries beneficially owned by the Acquiring Person, proper provision shall be made so that each holder of a Right, other than Rights that are or were owned beneficially by the Acquiring Person (which, from and after the later of the Distribution Date and the date of the earliest of any such events, will be void), will thereafter have the right to receive, upon exercise thereof at the then current Purchase
Price, that number of Common Shares having a market value of two times the Purchase Price.

With certain exceptions, no adjustment in the Purchase Price will be required until cumulative adjustments require an adjustment of at least 1% in such Purchase Price. No fractional shares will be issued (other than fractions which may, at the election of the Company, be evidenced by depositary receipts), and in lieu thereof, a payment in cash will be made based on the market price of the Common Shares on the last trading day prior to the date of exercise.

In the event (a "Flip-Over Event") that, following the first date of public announcement that a person has become an Acquiring Person, (i) the Company merges with or into any person and the Company is not the surviving corporation, (ii) any person merges with or into the Company and the Company is the surviving corporation, but its Common Shares are changed or exchanged, or (iii) 50% or more of the Company's assets or earning power, including without limitation securities creating obligations of the Company, are sold, proper provision shall be made so that each holder of a Right, other than Rights that are or were beneficially owned by the Acquiring Person after the date upon which the Acquiring Person became such (which will thereafter be void), shall thereafter have the right to receive, upon the exercise thereof at the then current Purchase Price of the Right, that number of shares of common stock (or, under certain circumstances, an economically equivalent security or securities) of such other person which at the time of such transaction would have a market value of two times the Purchase Price of the Right.

At any time after the later of the Distribution Date and the first occurrence of a Flip-in Event or a Flip-over Event and prior to the acquisition by any person or group of affiliated or associated persons of 50% or more of the outstanding Common Shares, the Board of Directors of the Company may exchange the Rights (other than any Rights which have become void), in whole or in part, at an exchange ratio of one Common Share per Right (subject to adjustment).

The Company may redeem the Rights in whole, but not in part, at a price of $.05 per Right (the "Redemption Price"), at any time prior to the close of business on the later of (i) the Distribution Date and (ii) the first occurrence of a Flip-in Event or a Flip-over Event. Immediately upon the action of the Board of Directors electing to redeem the Rights, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive the Redemption Price. The Company will give notice of such redemption to the holders of the then outstanding Rights by mailing such notice to all such holders at their last addresses as they appear on the registry books of the Rights Agent.

Until a Right is exercised, the holder thereof, as such, will have no rights as a shareholder of the Company, including, without limitation, the right to vote or to receive dividends.

Following the later of the Distribution Date and the first occurrence of a Flip-in Event or a Flip-over Event, Rights may be exercised, at the option of the holder thereof, without the payment of the Purchase Price in cash that would otherwise be required. In any such case, the number of securities which such person would otherwise be entitled to receive upon the exercise of such Rights will be reduced as provided in the Rights Agreement.

The Rights Agreement may be amended by the Company without the approval of any holders of Rights, including amendments which add other events requiring adjustment to the Purchase Price payable and the number of Common Shares or other securities issuable upon the exercise of the Rights or which modify procedures relating to the redemption of the Rights, provided that no amendment may be made which (i) changes the stated Redemption Price or the period of time remaining until the Final Expiration Date, (ii) reduces the number of Common Shares for which a Right is then exercisable, or (iii) modifies a time period relating to when the Rights may be redeemed at such time as the Rights are not then redeemable.

A copy of the Rights Agreement has been filed with the Securities and Exchange Commission as an Exhibit to a Form 8 dated November 19, 1991. A copy of the Rights Agreement is available free of charge from the

Company. This summary description of the Rights does not purport to be complete and is qualified in its entirety by reference to the Rights Agreement, which is hereby incorporated herein by reference.

Exhibit 4(n)

==========

CLEVELAND-CLIFFS INC

NOTE AGREEMENT

Dated as of December 15, 1995

Re: $70,000,000 7.00% Senior Notes
Due December 15, 2005

==========

TABLE OF CONTENTS

(Not a part of the Agreement)

<TABLE>
<CAPTION>

</TABLE>

</TABLE>

Attachments to Note Agreement:

Schedule I	--	Names and Addresses of Note Purchasers and Amounts of Commitments
Exhibit A	--	Form of 7.00% Senior Note due December 15, 2005
Exhibit B	--	Representations and Warranties of the Company
Exhibit C	--	Description of Special Counsel's Closing Opinion
Exhibit D	--	Description of Closing Opinion of General Counsel to the Company

CLEVELAND-CLIFFS INC
1100 Superior Avenue
Cleveland, Ohio 44114-2589

NOTE AGREEMENT

Re: $70,000,000 7.00% Senior Notes
Due December 15, 2005

Dated as of
December 15, 1995

To the Purchaser named in Schedule I
hereto which is a signatory of this
Agreement

Gentlemen:

The undersigned, Cleveland-Cliffs Inc, an Ohio corporation (the "Company"), agrees with you as follows:

SECTION 1. DESCRIPTION OF NOTES AND COMMITMENT.

Section 1.1. Description of Notes. The Company will authorize the issue and sale of $70,000,000 aggregate principal amount of its 7.00% Senior Notes (the "Notes"), to be dated the date of issue, to bear interest from such date at the rate of 7.00% per annum, payable semi-annually in arrears on the fifteenth day of each June and December in each year (commencing June 15, 1996) and at maturity and to bear interest on overdue principal (including any overdue required or optional prepayment of principal) and Make-Whole Amount, if any, and (to the extent legally enforceable) on any overdue installment of interest at the rate of 9.00% per annum after the date due, whether by acceleration or otherwise, until paid, to be expressed to mature on December 15, 2005, and to be substantially in the form attached hereto as Exhibit A.

Interest on the Notes shall be computed on the basis of a 360-day year of twelve 30-day months. The Notes are not subject to prepayment or redemption at the option of the Company prior to their expressed maturity dates except on the terms and conditions and in the amounts and with the Make-Whole Amount, if any, set forth in Section 2 of this Agreement. The term "Notes" as used herein shall include each Note delivered pursuant to this Agreement and the separate agreements with the other purchasers named in Schedule I. You and the other purchasers named in Schedule I are hereinafter sometimes referred to as the "Purchasers."

Section 1.2. Commitment, Closing Date. Subject to the terms and conditions hereof and on the basis of the representations and warranties hereinafter set forth, the Company agrees to issue and sell to you, and you agree to purchase from the Company, Notes in the principal amount set forth opposite your name on Schedule I hereto at a price of 100% of the principal amount thereof on the Closing Date hereafter mentioned.

Delivery of the Notes will be made at the offices of Chapman and Cutler, 111 West Monroe, Chicago, Illinois 60603, against payment therefor in Federal Reserve or other funds current and immediately available at the principal office of Society National Bank, Cleveland, Ohio, ABA No. 0410-0103-9 for credit to the Company's Account No. 10005-83223 in the amount of the purchase price at 10:00 A.M., Chicago time, on December 19, 1995 or such later date (not later than December 27, 1995) as shall mutually be agreed upon by the Company and the Purchasers (the "Closing Date"). The Notes delivered to you on the Closing Date will be delivered to you in the form of a single registered Note in the form attached hereto as Exhibit A for the full amount of your purchase (unless different denominations are specified by you), registered in your name or in the name of your nominee, all as you may specify at any time prior to the Closing Date.

Section 1.3. Other Agreements. Simultaneously with the execution and delivery of this Agreement, the Company is entering into similar agreements with the other Purchasers under which such other Purchasers agree to purchase from the Company the principal amount of Notes set opposite such Purchasers' names in Schedule I, and your obligation and the obligations of the Company hereunder are subject to the execution and delivery of the similar agreements by the Purchasers. This Agreement and said similar agreements with the other Purchasers are herein collectively referred to as the "Agreements." The obligations of each Purchaser shall be several and not joint and no Purchaser shall be liable or responsible for the acts of any other Purchaser or the failure of any other Purchaser to act and the obligations of the Company to you hereunder and to each other Purchaser under such Purchaser's Agreement shall be several and not joint, and the Company shall not be liable or responsible to you except with respect to any action taken or any failure to act by the Company with regard to you or the Notes purchased by you hereunder.

SECTION 2. PREPAYMENT OF NOTES.

Section 2.1. No Required Prepayments. The Notes are not subject to any scheduled or installment prepayments of principal.

Section 2.2. Optional Prepayment with Premium. Upon compliance with Section 2.4 the Company shall have the right, at any time and from time to time, of prepaying the outstanding Notes, either in whole or in part (but if in part then in a minimum principal amount of $1,000,000) by payment of the principal amount of the Notes, or portion thereof to be prepaid, and accrued interest thereon to the date of such prepayment, together with the Make-Whole Amount, determined as of three (3) Business Days prior to the date of such prepayment pursuant to this Section 2.2.

Section 2.3. Prepayment on Change of Control Event. (a) In the event that the Company shall have advance notice of a Change of Control Event which the Company determines in good faith is likely to occur no less than 60 days or more than 120 days from the date of such notice, then it shall provide written notice (a "Section 2.3(a) Notice") to all holders of the Notes of such proposed Change of Control Event, which Section 2.3(a) Notice shall include the information specified in Section 2.3(c) and shall contain the agreement of the Company to either (i) prepay all the Notes held by such holders accepting the prepayment offer

concurrently with the closing of the transaction which causes or constitutes a Change of Control Event (the "Prepayment Offer") or (ii) increase the interest rate on the Notes by 2.00% per annum concurrently with the closing of the transaction which causes or constitutes a Change of Control Event. In the event the Company elects to increase the interest rate on the Notes, each of the holders of the Notes shall be deemed to have agreed to such increase. In the case of a Prepayment Offer, the holder of any Notes that wishes to accept such Prepayment Offer shall notify the Company in writing of the acceptance of the Prepayment Offer upon the Change of Control Event within 45 days of receipt of the Section 2.3(a) Notice. In the case of Prepayment Offer, on the date 30 days prior to the date of the closing of the proposed transaction, the Company shall provide to each holder of Notes which has not yet responded to the Section 2.3(a) Notice, a duplicate copy of the Section 2.3(a) Notice originally sent to such holder. Not less than five days prior to the date of the closing of the proposed transaction, the Company will furnish to each holder of Notes a written confirmation of the date of the Change of Control Event. On the date the Change

of Control Event occurs the Company shall in accordance with the Section 2.3(a) Notice either (i) prepay the principal amount of the Notes held by the holders that have delivered such notice of acceptance of the Prepayment Offer, together with accrued interest thereon to the date of such prepayment or (ii) issue to all holders of Notes new Notes bearing interest at the rate of 9.00% per annum, and bearing interest on any overdue principal, and (to the extent legally enforceable) on interest and Make-Whole Amount, if any, at the rate of 11.00% per annum and otherwise to be in substantially the form of Exhibit A hereto. Such obligation to prepay the Notes or deliver new Notes with respect to a particular proposed Change of Control Event described in a Section 2.3(a) Notice shall terminate in the event that such Change of Control Event does not occur within 120 days of the date of the Section 2.3(a) Notice relating to such proposed Change of Control Event upon substantially the terms described in such Section 2.3(a) Notice. If either (i) the Company shall have at least 45 days advance notice that, in the case of any Change of Control Event approved of or authorized by the Company notwithstanding the best efforts of the Company to complete the proposed Change of Control Event within the 120-day period after the initial Section 2.3(a) Notice with respect thereto, the proposed Change of Control Event will occur more than 120 days after the initial Section 2.3(a) Notice with respect to such proposed Change of Control Event or (ii) the terms applicable to the proposed Change of Control Event previously described in the initial Section 2.3(a) Notice with respect thereto are materially different from the terms initially described, the Company shall give additional Section 2.3(a) Notices and the holders of the Notes shall have the rights of prepayment or increased interest rate as contemplated herein. In the event the interest rate on the Notes has been increased as contemplated hereinabove, the Company and the holders of the Notes shall enter into appropriate amendments to this Agreement to the extent necessary to reflect such amended interest rate.

(b) In the event (i) the Company shall not have sufficient advance notice of a Change of Control Event to timely furnish a Section 2.3(a) Notice, and (ii) a Change of Control Event shall occur, the Company will, as soon as reasonably practicable and in any event within five (5) days after such Change of Control Event, give notice of such event to all holders of the Notes (a "Section 2.3(b) Notice") which shall include the information specified in Section 2.3(c) and shall contain the agreement of the Company to either (i) prepay all Notes held by such holders accepting the prepayment offer or (ii) increase the interest rate on the Notes

as of the effective date of the Change of Control Event by 2.00%. In the event the Company elects to increase the interest rate on the Notes, each of the holders of the Notes shall be deemed to have agreed to such increase. In the event that the Company elects to increase the interest rate on the Notes, the Company shall, as soon as reasonably practicable, and in no event later than 15 days after the Change of Control Event, deliver new Notes to each holder of Notes in the form described in Section 2.3(a). In the event the interest rate on the Notes has been increased as contemplated hereinabove, the Company and the holders of the Notes shall enter into appropriate amendments to this Agreement to the extent necessary to reflect such amended interest rate. In the case of any offer of prepayment, the holder of any Notes may notify the Company in writing of the acceptance of the offer of prepayment at least five days prior to the date specified for prepayment in the Section 2.3(b) Notice. On the date 30 days prior to the prepayment date, the Company shall provide to each holder of Notes which has not yet responded to the Section 2.3(a) Notice, a duplicate copy of the Section 2.3(a) Notice originally sent to such holder. On the date designated in the Section 2.3(b) Notice, the Company shall prepay the principal amount of all Notes held by all holders that have delivered such notice of acceptance of the prepayment offer, together with accrued interest thereon to the date of such prepayment.

(c) The Section 2.3(a) Notice and Section 2.3(b) Notice required to be given by the Company pursuant to and in accordance with the provisions of Sections 2.3(A) and (B), respectively, shall, in each case, be in writing and shall set forth, (i) a summary of the transaction or transactions causing or proposed to cause the Change of Control Event (including, without limitation, a reasonably detailed calculation of the ratio of Consolidated Funded Debt to Consolidated Total Capitalization immediately after giving effect to the consummation of the Change of Control), (ii) the Company's election as to whether it will offer to prepay the Notes or increase the interest rate thereon (iii) in the event that the Company offers to prepay the Notes, such financial or other information as the Company in good faith determines is appropriate for each holder to make an informed decision as to whether to require a prepayment of such holder's Notes, (iv) in the event that the Company offers to prepay the Notes, in the case of any Section 2.3(b) Notice, the date set for prepayment, if any, of the Notes which date shall not be less than 45 days or more than 60 days after the date of such notice, (v) in the event that the Company offers to prepay the Notes, that the Notes will be prepayable at a price equal to the principal amount thereof together with accrued interest to the date of prepayment, without a Make-Whole Amount and (vi) in the event that the Company offers to prepay the Notes, the amount of accrued interest applicable to the prepayment. In the event the Company offers to prepay the Notes, thereafter and prior to the Change of Control Event the

Company shall provide such other information as each holder of the Notes shall reasonably determine is necessary for such holder to make an informed decision as to whether to require a prepayment of such holder's Notes.

(d) As used herein, the term "Change of Control" shall mean and include any Person or related Persons constituting a "group" for the purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, becoming the beneficial owner or owners, directly or indirectly, of a majority of the Voting Stock (determined by number of votes) of the Company (the "Beneficial Owners"); provided that a Change of Control shall not have

occurred if the Beneficial Owner or Owners include, and are under the general direction and control of, a member or members of the Current Management Group.

As used herein, the term "Change of Control Event" shall mean the occurrence of a Change of Control if, after giving effect thereto, Consolidated Funded Debt shall exceed 45% of Consolidated Total Capitalization.

As used herein, the term "Current Management Group" shall mean M. Thomas Moore, William R. Calfee, John S. Brinzo and Thomas J. O'Neil and any successors thereto who are appointed by a majority of the Continuing Directors, which appointment is approved by the holders of not less than 66-2/3% of the aggregate principal amount of the Notes outstanding (which approval shall not be unreasonably withheld). A "Continuing Director" shall mean any director of the Company who either (x) is a director of the Company on the date of issuance of the Notes or (y) becomes a director of the Company subsequent to the date of the issuance of the Notes but prior to the date of the Change of Control and whose election or nomination for election by the shareholders of the Company was duly approved by at least two-thirds of the Continuing Directors who were such immediately prior to that time of election or nomination, either by a specific vote of such Continuing Directors or by approval of the proxy statement issued by the Company in which such individual was named as a nominee for director of the Company.

Section 2.4. Notice of Optional Prepayments. The Company will give notice of any prepayment of the Notes pursuant to Section 2.2 to each holder thereof not less than 30 days nor more than 60 days before the date fixed for such optional prepayment specifying (i) such date, (ii) the principal amount of the holder's Notes to be prepaid on such date, (iii) that a Make-Whole Amount may be payable, (iv) the date when such Make-Whole Amount will be calculated, (v) the estimated Make-Whole Amount, including reasonably detailed calculations thereof, and (vi) the accrued interest applicable to the prepayment. Such notice of prepayment shall also certify all facts, if any, which are conditions precedent to any such prepayment. Notice of prepayment having been so given, the aggregate principal amount of the Notes specified in such notice, together with accrued interest thereon and the Make-Whole Amount, if any, payable with respect thereto shall become due and payable on the prepayment date specified in said notice. Not later than three (3) Business Days prior to the prepayment date specified in such notice (which shall be sent by facsimile transmission), the Company shall provide each holder of a Note written notice of the Make-Whole Amount, if any, payable in connection with such prepayment and, whether or not any Make-Whole Amount is payable, a reasonably detailed computation of the Make-Whole Amount.

Section 2.5. Application of Prepayments. All partial prepayments pursuant to Section 2.2 shall be applied on all outstanding Notes being prepaid ratably in accordance with the unpaid principal amounts thereof.

Section 2.6. Direct Payment. Notwithstanding anything to the contrary contained in this Agreement or the Notes, in the case of any Note owned by you or your nominee or owned by any subsequent Institutional Holder which has given written notice to the Company requesting that the provisions of this Section 2.6 shall apply, the Company will punctually pay

when due the principal thereof, interest thereon and Make-Whole Amount, if any, due with respect to said principal, without any presentment thereof, directly to you, to your nominee or to such subsequent Institutional Holder at your address or your nominee's address set forth in Schedule I hereto or such other address as you, your nominee or such subsequent Institutional Holder may from time to time designate in writing to the Company or, if a bank account with a United States bank is designated for you or your nominee on Schedule I hereto or in any written notice to the Company from you, from your nominee or from any such subsequent Institutional Holder, the Company will make such payments in immediately available funds to such bank account, marked for attention as indicated, or in such other manner or to such other account in any United States bank as you, your nominee or any such subsequent Institutional Holder may from time to time direct in writing.

Section 2.7. Payments Due on Non-Business Days. Anything in

this Agreement or the Notes to the contrary notwithstanding, any payment of principal of, Make-Whole Amount, if any, or interest on any Note shall be paid and received by the holders of the Notes not later than 12:00 Noon New York, New York time, and any payment of principal of, Make-Whole Amount, if any, or interest on any Note that is due on a date other than a Business Day shall be made on the next succeeding Business Day and shall include all interest accrued to, but not including, such succeeding Business Day.

SECTION 3. REPRESENTATIONS.

Section 3.1. Representations of the Company. The Company represents and warrants that all representations and warranties set forth in Exhibit B are true and correct as of the date hereof and are incorporated herein by reference with the same force and effect as though herein set forth in full.

Section 3.2. Representations of the Purchaser. You represent, and in entering into this Agreement, and in issuing the Notes hereunder and thereunder the Company has relied and will be relying on its understanding that you (i) are an "accredited investor" as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended (the "1933 Act"), (ii) have such knowledge and experience in financial and business matters, alone or together with your advisors, that you are capable of evaluating the merits and risks of the investment in the Notes to be made by you hereunder, and (iii) are acquiring the Notes for the purpose of investment and not with a view to the distribution thereof, have no present intention of selling, negotiating or otherwise disposing of the Notes being acquired by you hereunder and shall not sell, negotiate or otherwise dispose of such Notes unless such sale is pursuant to an effective registration statement under the 1933 Act or is exempt from the registration requirements under the 1933 Act as of the time of any proposed sale; it being understood, however, that the disposition of your property shall at all times be and remain within your control. You further represent that the source of funds to be used by you to pay the purchase price of the Notes is an "insurance company general account" within the meaning of Department of Labor Prohibited Transaction Exemption 95-60 ("PTE") (issued July 12, 1995) and the purchase of the Notes by you is eligible for and satisfies the requirements of PTE 95-60.

Section 3.3. Transfers of Notes. You covenant that you will not transfer any Notes to any Person unless such Person shall represent and warrant as follows (it being understood that such Person shall be deemed to have so represented and warranted by its acceptance of such Note, and except in the case of disclosure pursuant to clause (b), (c), (d) or (f) below, no written statement of such Person shall be necessary):

At least one of the following statements concerning each source of funds to be used by the proposed transferee to acquire the Notes is accurate:

(a) the source of funds is an "insurance company general account" within the meaning of Department of Labor Prohibited Transaction Exemption ("PTE") 95-60 (issued July 12, 1995) and the purchase of the Notes by such Note Purchaser is eligible for and satisfies the requirements of PTE 95-60;

(b) all or a part of such funds constitute assets of one or more separate accounts, trusts or a commingled pension trust maintained by the Purchaser, and the Purchaser has disclosed to the Company the names of such employee benefit plans whose assets in such separate account or accounts or pension trusts exceed 10% of the total assets or are expected to exceed 10% of the total assets of such account or accounts or trusts as of the date of such purchase (for the purpose of this clause (b), all employee benefit plans maintained by the same employer or employee organization are deemed to be a single plan);

(c) all or part of such funds constitute assets of a bank collective investment fund maintained by the Purchaser, and the Purchaser has disclosed to the Company the names of such employee benefit plans whose assets in such collective investment fund exceed 10% of the total assets or are expected to exceed 10% of the total assets of such fund as of the date of such purchase (for the purpose of this clause (c), all employee benefit plans maintained by the same employer or employee organization are deemed to be a single plan);

(d) all or part of such funds constitute assets of one or more employee benefit plans, each of which has been identified to the Company in writing;

(e) the Purchaser is acquiring the Notes for the account of one or more pension funds, trust funds or agency accounts, each of which is a "governmental plan" as defined in Section 3(32) of ERISA;

(f) the source of funds is an "investment fund" managed by a

"qualified professional asset manager" or "QPAM" (as defined in Part V of PTE 84-14, issued March 13, 1984), provided that no other party to the transactions described in this Agreement and no "affiliate" of such other party (as defined in Section V(c) of PTE 84-14) has at this time, and during the immediately preceding one year has exercised the authority to appoint or terminate said QPAM as manager of the assets of any plan identified in writing to the Company pursuant to this clause (f) or to negotiate the terms of said QPAM's management agreement on behalf of any such identified plans; or

(g) all or a portion of such funds consists of funds which do not constitute "plan assets".

If any proposed transferee makes any disclosure pursuant to clause (b), (c), (d) or (f) above in connection with any proposed transfer, such transfer shall not occur until the fifth Business Day following such disclosure and then only if the transferring Purchaser and such proposed transferee shall not have received a statement in writing that the Company is unable to make the following representation:

> The Company represents and warrants that (x) it is neither a "party in interest" (as defined in Title I, Section 3(14) of ERISA) nor a "disqualified person" (as defined in Section 4975(e)(2) of the Internal Revenue Code of 1986, as amended), with respect to any plan identified pursuant to paragraphs (b), (c) or (d) above, or (y) with respect to any plan identified pursuant to paragraph (f) above, neither it nor any "affiliate" (as defined in Section V(c) of PTE 84-14) is described in the proviso to said paragraph (f).

If the Company fails to otherwise respond in such five-Business Day period, it shall be deemed to have made the foregoing representation and warranty. As used in this Section 3.3, the terms "separate account" and "employee benefit plan" shall have the respective meanings assigned to them in ERISA and the term "plan assets" shall have the meaning assigned to it in Department of Labor Regulation 29 C.F.R. Section 2510.3-101.

SECTION 4. CLOSING CONDITIONS.

Section 4.1. Conditions. Your obligation to purchase the Notes on the Closing Date shall be subject to the performance by the Company of its agreements hereunder which by the terms hereof are to be performed at or prior to the time of delivery of the Notes and to the following further conditions precedent:

(a) Closing Certificate. You shall have received a certificate dated the Closing Date, signed by the President or a Vice President of the Company, the truth and accuracy of which shall be a condition to your obligation to purchase the Notes proposed to be sold to you and to the effect that (i) the representations and warranties of the Company set forth in Exhibit B hereto are true and correct on and with respect to the Closing Date (other than such representations and warranties that are made with reference to an identified date or dates, which shall continue to be true and correct with respect to such identified date or dates on the Closing Date), (ii) the Company has performed all of its obligations hereunder which are to be performed on or prior to the Closing Date, and (iii) no Default or Event of Default has occurred and is continuing.

(b) Legal Opinions. You shall have received from Chapman and Cutler, who are acting as your special counsel in this transaction, from F. L. Hartman, Vice President and General Counsel for the Company, their respective opinions dated the Closing Date, in form and substance satisfactory to you, and covering the matters set forth in Exhibits C and D, respectively, hereto.

(c) Related Transactions. The Company shall have consummated the sale of all of the Notes on the Closing Date pursuant to this Agreement and the other Agreements referred to in Section 1.3.

(d) Private Placement Number. On or prior to the Closing Date, a private placement number shall been applied for the Notes from Standard & Poor's Corporation.

(e) Application of Proceeds. Concurrently with the issuance of the Notes hereunder, the Company shall have provided to the holders thereof prepayment notice with respect to the 1992 Notes.

(f) Satisfactory Proceedings. All proceedings taken in connection with the transactions contemplated by this Agreement, and all documents

necessary to the consummation thereof, shall be satisfactory in form and substance to you and your special counsel, and you shall have received a copy (executed or certified as may be appropriate) of all legal documents or proceedings taken in connection with the consummation of said transactions.

Section 4.2. Waiver of Conditions. If on the Closing Date the Company fails to tender to you the Notes to be issued to you on such date or if the conditions specified in Section 4.1 have not been fulfilled, you may thereupon elect to be relieved of all further obligations under this Agreement. Without limiting the foregoing, if the conditions specified in Section 4.1 have not been fulfilled, you may waive compliance by the Company with any such condition to such extent as you may in your sole discretion determine. Nothing in this Section 4.2 shall operate to relieve the Company of any of its obligations hereunder or to waive any of your rights against the Company (except to the extent that fulfillment of any conditions specified in Section 4.1 has been waived); provided, however that the Company shall not be obligate to tender to you the Notes to be issued on the Closing Date unless the Purchasers are willing to purchase 100% of the Notes on such date.

SECTION 5. COMPANY COVENANTS.

From and after the Closing Date and continuing so long as any amount remains unpaid on any Note:

Section 5.1. Corporate Existence, Etc. The Company will preserve and keep in full force and effect, and will cause each Subsidiary to preserve and keep in full force and effect, its corporate existence and all licenses and permits necessary to the proper conduct of its business; provided, however, that (i) the foregoing shall not prevent any transaction

permitted by Section 5.10, and (ii) nothing in this Section 5.1 shall prevent the abandonment or termination of the corporate existence or franchise of any Subsidiary (except CCI) if, at the time of any such transactions or after giving effect thereto, no Default or Event of Default exists and such abandonment or termination does not materially and adversely effect the condition or operations of the Company and its Subsidiaries.

Section 5.2. Insurance. The Company will maintain, and will cause each Subsidiary to maintain, insurance coverage by financially sound and reputable insurers in such forms and amounts and against such risks as are customary for corporations of established reputation engaged in the same or similar business and owning and operating similar properties. The Company will provide an officer's certificate to each holder of Notes within the periods set forth in Section 5.15(a) and (B) stating that the Company is in compliance with this Section 5.2.

Section 5.3. Taxes, Claims for Labor and Materials, Compliance with Laws. The Company will promptly pay and discharge, and will cause each Subsidiary promptly to pay and discharge, all lawful taxes, assessments and governmental charges or levies imposed upon the Company or such Subsidiary, respectively, or upon or in respect of all or any part of the property or business of the Company or such Subsidiary, all trade accounts payable in accordance with usual and customary business terms, and all claims for work, labor or materials, which if unpaid might become a Lien upon any property of the Company or such Subsidiary not permitted by the provisions of Section 5.9; provided, however, that the Company or such Subsidiary shall not be required to pay any such tax, assessment, charge, levy, account payable or claim if (i) the validity, applicability or amount thereof is being contested in good faith by appropriate actions or proceedings which will prevent the forfeiture or sale of any property of the Company or such Subsidiary or any material interference with the use thereof by the Company or such Subsidiary, and (ii) the Company or such Subsidiary shall set aside on its books, reserves deemed by it to be adequate with respect thereto. The Company will promptly comply and will cause each Subsidiary to comply with all laws, ordinances or governmental rules and regulations to which it is subject including, without limitation, the Occupational Safety and Health Act of 1970, as amended, ERISA and all laws, ordinances, governmental rules and regulations relating to environmental protection in all applicable jurisdictions, the violation of which would reasonably be expected to have a Material Adverse Effect or would result in any Lien not permitted under Section 5.9.

Section 5.4. Maintenance, Etc. The Company will maintain, preserve and keep, and will cause each Subsidiary to maintain, preserve and keep, its properties which are material to the conduct of its business (whether owned in fee or a leasehold interest) in good repair and working order and from time to time will make all necessary repairs, replacements, renewals and additions thereto so that at all times the efficiency thereof shall be maintained.

Section 5.5. Nature of Business. The Company will not, and will not permit CCI to, engage in any business activities or operations which are substantially different in nature from and unrelated to the activities and

operations of the Company and its Subsidiaries engaged in on the Closing Date. The Company shall at all times own 80% of the capital

stock of each of CCI, Cliffs Mining Company, a Delaware corporation and Northshore Mining Company, a Delaware corporation and a Wholly-owned Subsidiary of Cliffs Minnesota Minerals Company, a Minnesota corporation, which is a Wholly-owned Subsidiary of the Company.

Section 5.6. Consolidated Adjusted Net Worth. The Company will at all times keep and maintain Consolidated Adjusted Net Worth at an amount not less than the sum of (i) $200,000,000 plus (ii) 25% of Consolidated Net Earnings for each fiscal quarter of the Company commencing with the fiscal quarter ending March 31, 1996 (it being agreed that, for the purposes of this clause (ii), Consolidated Net Earnings which is a deficit for any such fiscal quarter included in any calculation hereunder shall be deemed to be zero and, accordingly, shall not reduce the level of Consolidated Adjusted Net Worth otherwise required to be maintained pursuant to this Section 5.6).

Section 5.7. Limitations on Funded Debt. (a) The Company will not, and will not permit any Subsidiary to, create, assume or incur or in any manner be or become liable in respect of any Funded Debt, except:

(1) Funded Debt evidenced by the Notes;

(2) Funded Debt of the Company and its Subsidiaries outstanding as of the date of this Agreement and reflected on Annex 2 to Exhibit B hereto; and additional Funded Debt incurred for the purpose of extending, renewing or refunding such Funded Debt, provided that the aggregate amount of such additional Funded Debt shall not exceed the aggregate amount of the Funded Debt which is the subject of such extension, renewal or refunding; and

(3) Funded Debt of the Company and its Subsidiaries, provided that at the time of issuance thereof and after immediately giving effect thereto and to the application of the proceeds thereof:

(i) Consolidated Funded Debt shall not exceed 60% of Consolidated Total Capitalization; and

(ii) in the case of the incurrence of Subsidiary Funded Debt, total Subsidiary Funded Debt shall not exceed 20% of Consolidated Adjusted Net Worth.

(b) Any corporation which becomes a Subsidiary after the date hereof shall for all purposes of this Section 5.7 be deemed to have created, assumed or incurred at the time it becomes a Subsidiary all Debt of such corporation existing immediately after it becomes a Subsidiary and, in any such event, compliance with Section 5.7(a)(3) shall be determined on a consolidated basis after giving effect to such corporation becoming a Subsidiary.

Section 5.8. Limitation on Basket Obligations. The Company will not at any time permit Basket Obligations to exceed an amount equal to 15% of Consolidated Adjusted Net Worth.

Section 5.9. Limitation on Liens. The Company will not, and will not permit any Subsidiary to, create or incur, or suffer to be incurred or to exist, any Lien on its or their property or assets, whether now owned or hereafter acquired, or upon any income or profits therefrom, except:

(a) Liens for taxes and assessments or other governmental charges or levies, provided payment thereof is not at the time required by Section 5.3;

(b) Liens of or resulting from any judgment or award, the time for the appeal or petition for rehearing of which shall not have expired, or in respect of which the Company or a Subsidiary shall at any time in good faith be prosecuting an appeal or proceeding for a review and in respect of which a stay of execution pending such appeal or proceeding for review shall have been secured;

(c) Liens incidental to the normal conduct of the business of the Company or any Subsidiary or the ownership of its property which Liens are not incurred in connection with the incurrence of Indebtedness and which do not in the aggregate materially impair the use of such property in the operation of the business of the Company and its Subsidiaries, taken as a whole, or the value of such property for the purposes of such business;

(d) Liens securing Indebtedness of a Subsidiary to the

Company or to another Subsidiary;

(e) Liens existing as of December 15, 1995 and reflected on Annex 2 to Exhibit B;

(f) Liens (including Liens of Capitalized Leases of the Company or any Subsidiary) incurred after the Closing Date (1) given to secure the payment of the purchase price or costs of construction incurred contemporaneously with, or within 120 days after, the acquisition or construction of assets useful and intended to be used in carrying on the business of the Company or a Subsidiary, or (2) existing on assets useful and intended to be used in carrying on the business of the Company or a Subsidiary at the time of acquisition thereof or at the time of acquisition by the Company or a Subsidiary of any business entity then owning such assets, whether or not such existing Liens were given to secure the payment of the purchase price of the assets to which they attach; provided that in the case of Liens described in either of the foregoing clauses (1) or (2), (i) the Lien shall attach solely to the assets so acquired or constructed, (ii) at the time of acquisition of such assets (or at the time the entity owning such assets was acquired by the Company or a Subsidiary), the aggregate amount remaining unpaid on all Debt secured by Liens on such assets, whether or not assumed by the Company or a Subsidiary, shall not exceed an amount equal to the

lesser of (i) the purchase price of such assets at such time or (ii) the fair market value of such assets at such time (as determined in good faith by the Board of Directors of the Company), and (iii) all such Debt shall have been incurred within the applicable limitations provided in Section 5.7(a)(3);

(g) any extension, renewal or replacement of any Lien described in Section 5.9(E) or Section 5.9(F) provided that (i) the Lien so extended, renewed or replaced (the "New Lien") shall not encumber any property of the Company or any Subsidiary which was not previously subject to the prior Lien, and (ii) at the time of such extension, renewal or replacement and after giving effect thereto and to the application of the proceeds of any Debt secured thereby, the Debt secured by the New Lien shall not exceed the principal amount of Debt secured by the prior Lien as of the date of any such extension, renewal or replacement; and

(h) other Liens incurred in the ordinary course of business subsequent to the Closing Date provided that the obligations secured thereby are permitted by Section 5.8.

Notwithstanding the foregoing provisions of this Section 5.9, in the event any property of the Company or its Subsidiaries is subjected to a Lien in violation Section Section 5.9(A) through (G), inclusive, but in violation of no other provision of this Agreement (an "Excess Lien"), such transaction will not constitute a Default or Event of Default hereunder if, concurrently with and as a condition precedent to the creation of such Excess Lien (1) the Company shall give notice of such Excess Lien, including, a reasonably detailed description of the property upon which such Excess Lien was placed, (2) the Company or such Subsidiary makes or causes to be made provision whereby the obligations of the Company under the Notes and this Agreement will be secured equally and ratably with all other obligations secured by such Excess Lien pursuant to security arrangements reasonably satisfactory in form, scope and substance to the holder or holders of not less than 66-2/3% in aggregate principal amount of the Notes and (3) the Company or such Subsidiary delivers or causes to be delivered an opinion of counsel reasonably satisfactory to the holders of not less than 66-2/3% of the Notes regarding the validity and priority of such security interest and to the effect that the Notes are equally and ratably secured. In the case of any Excess Lien, said obligations of the Company under the Notes and this Agreement shall have the benefit, to the full extent that the holders may be entitled thereto under applicable law, of an equitable lien on such property securing said obligations of the Company under the Notes and this Agreement.

Section 5.10. Mergers, Consolidations and Sales of Assets. (a) The Company will not, and will not permit any Subsidiary to, (i) consolidate with or be a party to a merger with any other corporation or (ii) sell, lease or otherwise dispose of all or substantially all of the assets of the Company and its Subsidiaries; provided, however, that:

(1) any Subsidiary may merge or consolidate with or into (i) the Company or any Subsidiary so long as in any merger or consolidation involving the Company, the Company shall be the surviving or continuing corporation, or (ii) any other corporation so long as (x) at the time of such merger or consolidation and after giving effect thereto, each of the conditions described in Sections 5.10(A)(2)(II), (III) and (IV)

are satisfied and (y) if the surviving corporation shall not be a Subsidiary, the assets of such Subsidiary shall not constitute a substantial part of the assets of the Company and its Subsidiaries as defined in Section 5.10(B);

(2) the Company may consolidate or merge with any other corporation if:

(i) the purchasing, surviving or continuing corporation (the "Surviving Corporation") shall be either the Company or an entity organized under the laws of the United States or any jurisdiction thereof, and in the case of any such consolidation or merger in which the Company is not the Surviving Corporation, the Surviving Corporation shall (x) expressly assume in writing the due and punctual payment of the principal of, Make-Whole Amount, if any, and the interest on all of the Notes outstanding according to their tenor and the due and punctual performance and observance of all of the covenants in the Notes and this Agreement to be performed or observed by the Company, and (y) furnish to the holders of the Notes an opinion of independent counsel to the effect that the instrument of assumption has been duly authorized, executed and delivered and constitutes the legal, valid and binding contract and agreement of the Surviving Corporation enforceable in accordance with its terms, subject to terms and qualifications reasonably satisfactory to holders of not less than 66 2/3% in aggregate principal amount of the then outstanding Notes;

(ii) at the time of such consolidation or merger and after giving effect thereto no Default or Event of Default shall have occurred and be continuing;

(iii) such consolidation or merger does not result in a Material Adverse Effect; and

(iv) after giving effect to such consolidation or merger, the Company would be permitted to incur at least $1.00 of additional Funded Debt under the provisions of Section 5.7(A)(3); and

(3) any Subsidiary may sell, lease or otherwise dispose of all or substantially all of its assets to the Company or any Subsidiary.

(b) The Company will not and will not permit any Subsidiary to sell, lease or otherwise dispose of (other than in the ordinary course of business) any substantial part (as defined in Section 5.10(C) below) of the assets of the Company and its Subsidiaries, taken as a whole, provided that any Subsidiary may sell, lease or otherwise dispose of a substantial part of its assets to the Company or a Specified Subsidiary. For the purposes of any determination under this Section 5.10, a sale or other disposition of assets of the Company and its Subsidiaries shall include, but not be limited to, the creation of any Minority Interests and any other sale, transfer or other disposition of the capital stock or assets of any Subsidiary (other than to the Company or another Specified Subsidiary), including any merger, consolidation or sale of all or substantially all of the assets of any Subsidiary if the surviving corporation or the transferee corporation of such assets is not a Subsidiary.

(c) As used in this Section 5.10, and subject to the provisions of the following paragraph, a sale, lease or other disposition of assets shall be deemed to be a "substantial part" of the assets of the Company and its Subsidiaries, taken as a whole, if the book value of such assets, when added to the book value of all other assets sold, leased or otherwise disposed of by the Company and its Subsidiaries (other than in a transaction permitted by Section 5.10(A) or in the ordinary course of business) (i) during the twelve-month period ending with the date on which such sale, lease or other disposition was consummated exceeds 10% of Consolidated Total Assets, determined as of the end of the immediately preceding fiscal quarter, or (ii) since the Closing Date, exceeds 25% of Consolidated Total Assets, determined as of the end of the immediately preceding fiscal quarter.

For the purpose of making any determination of "substantial part," any sale, lease or other dispositions of assets of the Company and its Subsidiaries shall not be included if the net proceeds are segregated from the general accounts of the Company or any Subsidiary and within twelve months after such sale, lease or other disposition such net proceeds are (1) used to acquire assets employed in any of the then existing lines of business of the Company and its Subsidiaries to the extent such lines of business (including the reduced

iron business) were described in the 1994 Annual Report on Form 10-K of the Company or other assets usable or salable in one or more lines of business similar or related to such lines of business described in said 1994 Annual Report on Form 10-K, in each case, pursuant to a good faith determination by the Board of Directors of the Company that such reinvestment is consistent with the Company's long-term strategic business plan, or (2) except to the extent that the net proceeds are required to be applied to the payment of any Debt secured by a Lien on such assets, applied to the payment or a prepayment of other Senior Debt (such other Senior Debt being referred to as "Excess Senior Debt"), provided that in the event of such a payment or prepayment of Excess Senior Debt, the Company shall prepay the Notes pursuant to Section 2.2 in an aggregate principal amount not less than an amount which bears the same ratio to the aggregate unpaid principal amount of all Notes then outstanding as the aggregate principal amount of all Notes then outstanding bears to the aggregate principal amount of all Excess Senior Debt then outstanding.

Section 5.11. Guaranties. The Company will not, and will not permit any Subsidiary to, become or be liable in respect of any Guaranty except (i) Guaranties of the Company or any Subsidiary guaranteeing obligations of any Subsidiary incurred in the ordinary course of business which obligations do not constitute Debt and are not otherwise prohibited hereunder, or (ii) Guaranties of the Company or any Subsidiary which constitute Debt, are limited in amount to a stated maximum dollar exposure or contribution and are permitted by the provisions of this Agreement including, without limitation, Section 5.7 and 5.8.

Section 5.12. Repurchase of Notes. Neither the Company nor any Subsidiary or Affiliate, directly or indirectly, may repurchase or make any offer to repurchase any Notes unless an offer has been made to repurchase Notes, pro rata, from all holders of the Notes at the same time and upon the same terms. In case the Company or any Subsidiary repurchases or otherwise acquires any Notes, such Notes shall immediately thereafter be cancelled and no Notes shall be issued in substitution therefor. Without limiting the foregoing, upon the repurchase or other acquisition of any Notes by any Affiliate, such Notes shall no longer be

outstanding for purposes of any section of this Agreement relating to the taking by the holders of the Notes of any actions with respect hereto, including, without limitation, Section 6.3, Section 6.4 and Section 7.1.

Section 5.13. Transactions with Affiliates. The Company will not, and will not permit any Subsidiary to, enter into or be a party to any transaction or arrangement with any Affiliate (including, without limitation, the purchase from, sale to or exchange of property with, or the rendering of any service by or for, any Affiliate), except (i) in the ordinary course of and pursuant to the reasonable requirements of the Company's or such Subsidiary's business and (ii) upon fair and reasonable terms no less favorable to the Company or such Subsidiary than would obtain in a comparable arm's-length transaction with a Person other than an Affiliate; provided that a transaction or arrangement with an Affiliate which is a Joint Venture shall be permitted so long as such transaction or arrangement satisfies the requirement of clause (i) of this Section 5.13 and is on terms fair and reasonable to the Company, and provided further that all transactions or arrangements with Affiliates shall be assessed in light of, and taking into consideration, all related transactions with the relevant Affiliate or Affiliates (including its or their Affiliates).

Section 5.14. Termination of Pension Plans. The Company will not and will not permit any Subsidiary to withdraw from any Multiemployer Plan or permit any employee benefit plan maintained by it to be terminated if such withdrawal or termination could result in withdrawal liability (as described in Part 1 of Subtitle E of Title IV of ERISA) in excess of $3,000,000 or the imposition of a Lien on any property of the Company or any Subsidiary pursuant to Section 4068 of ERISA.

Section 5.15. Reports and Rights of Inspection. The Company will keep, and will cause each Subsidiary to keep, proper books of record and account in which full and correct entries will be made of all dealings or transactions of, or in relation to, the business and affairs of the Company or such Subsidiary, in accordance with GAAP consistently applied (except for changes disclosed in the financial statements furnished to you pursuant to this Section 5.15 and concurred in by the independent public accountants referred to in Section 5.15(B) hereof), and will furnish to you so long as you are the holder of any Note and to each other Institutional Holder of the then outstanding Notes (in duplicate if so specified below or otherwise requested):

(a) Quarterly Statements. As soon as available and in any event within 45 days after the end of each quarterly fiscal period (except the last) of each fiscal year, copies of:

(1) consolidated balance sheets of the Company and its Subsidiaries as of the close of such quarterly fiscal period, setting forth in comparative form the consolidated figures for the fiscal year then most recently ended,

(2) consolidated statements of income of the Company and its Subsidiaries for such quarterly fiscal period and for the portion of the fiscal year ending with such quarterly fiscal period, in each case setting forth in

comparative form the consolidated figures for the corresponding periods of the preceding fiscal year, and

(3) consolidated statements of cash flows of the Company and its Subsidiaries for the portion of the fiscal year ending with such quarterly fiscal period, setting forth in comparative form the consolidated figures for the corresponding period of the preceding fiscal year,

all in reasonable detail and certified as complete and correct by an authorized financial officer of the Company (it being agreed that if the foregoing is included in the quarterly report of the Company on Form 10-Q, the delivery of such report within the 45 day period after each of the first three fiscal quarters of the Company shall constitute satisfaction of the requirements of this Section 5.15(A));

(b) Consolidated Annual Statements. As soon as available and in any event within 90 days after the close of each fiscal year of the Company, copies of:

(1) consolidated balance sheets of the Company and its Subsidiaries as of the close of such fiscal year, and

(2) consolidated statements of income and retained earnings and cash flows of the Company and its Subsidiaries for such fiscal year,

in each case setting forth in comparative form the consolidated figures for the preceding fiscal year, all in reasonable detail and accompanied by a report thereon of a firm of independent public accountants of recognized national standing selected by the Company to the effect that the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company and its Subsidiaries as of the end of the fiscal year being reported on and the consolidated results of the operations and cash flows for said year in conformity with GAAP and that the examination of such accountants in connection with such financial statements has been conducted in accordance with generally accepted auditing standards and included such tests of the accounting records and such other auditing procedures as said accountants deemed necessary in the circumstances (it being agreed that if the foregoing is included in the annual report of the Company on Form 10-K, the delivery of such report within the 90 day period after the end of each fiscal year of the Company shall constitute satisfaction of the requirements of this Section 5.15(B));

(c) Consolidating Annual and Quarterly Statements. In the event that the Company produces consolidating balance sheets of the Company and its Subsidiaries and/or its Joint Ventures as of the close of a fiscal year or for any fiscal quarter of the Company or consolidating statements of income and retained earnings and cash flows of the Company and its Subsidiaries and/or its Joint Ventures for any fiscal year or for any fiscal quarter of the Company, a copy of such consolidating statements as soon as available, provided, however, that in no event shall the Company be required to deliver to the holders of the Notes internal working papers;

(d) Audit Reports. Promptly upon receipt thereof, one copy of each interimor special audit made by independent accountants of the books of the Company or any Subsidiary and any management letter received from such accountants which audit or management letter pertains to an event or circumstance which could have a Material Adverse Effect ;

(e) SEC and Other Reports. Promptly upon their becoming available, one copy of each financial statement, report, notice or proxy statement sent by the Company to stockholders generally and of each regular or periodic report, and any registration statement or prospectus filed by the Company or any Subsidiary with any securities exchange or the Securities and Exchange Commission or any successor agency, and copies of any orders in any proceedings to which the Company or any of its Subsidiaries is a party, issued by any

governmental agency, Federal or state, having jurisdiction over the Company or any of its Subsidiaries;

(f) ERISA Reports. Promptly upon the occurrence thereof, written notice of (i) a Reportable Event with respect to any Plan as to which the Company or any ERISA Affiliate is required to file a report with the PBGC; (provided that the loss of qualification of a Plan and the failure to meet the minimum funding standard of Section 412 of the Code or Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any waiver of the reporting requirement by the PBGC); (ii) the institution of any steps by the Company, any ERISA Affiliate, the PBGC or any other person to terminate any Plan that is subject to Title IV of ERISA; (iii) the institution of any steps by the Company or any ERISA Affiliate to withdraw from any Multiemployer Plan or Plan subject to Section 4063 or 4064 of ERISA; (iv) a non-exempt "prohibited transaction" within the meaning of Section 406 of ERISA in connection with any Plan; or(v) the taking of any action by, or the threatening of the taking of any action by, the Internal Revenue Service, the Department of Labor or the PBGC with respect to any of the foregoing;

(g) Officer's Certificates. Within the periods provided in paragraphs (a) and (b) above, a certificate of an authorized financial officer of the Company stating that such officer has reviewed the provisions of this Agreement and setting forth: (i) the information and computations (in sufficient detail) required in order to establish whether the Company was in compliance with the requirements of Section 5.6 through Section 5.11 at the end of the period covered by the financial statements then being furnished, and (ii) whether there existed as of the date of such financial statements and whether, to the best of such officer's knowledge, there exists on the date of the certificate or existed at any time during the period covered by such financial statements any Default or Event of Default and, if any such condition or event exists on the date of the certificate, specifying the nature and period of existence thereof and the action the Company is taking and proposes to take with respect thereto and (iii) a reasonably detailed review of any changes in GAAP since September 30, 1995 to the extent applicable to a determination of compliance with the requirements of Section 5.5 through Section 5.11, which review shall include a calculation of the relevant ratios in said

sections based upon GAAP and, separately, 1995 GAAP (the review described in this clause (iii) being referred to as the "GAAP Reconciliation");

(h) Accountant's Certificates. Within the period provided in paragraph (b) above, a certificate of the accountants who render an opinion with respect to such financial statements, stating that they have reviewed this Agreement and stating further whether, in making their audit, such accountants have become aware of any Default or Event of Default under any of the terms or provisions of this Agreement insofar as any such terms or provisions pertain to or involve accounting matters or determinations, and if any such condition or event then exists, specifying the nature and period of existence thereof; and

(i) Requested Information. With reasonable promptness, such other data and information as you or any such Institutional Holder may reasonably request.

Without limiting the foregoing, the Company will permit you, so long as you are the holder of any Note, and each Institutional Holder of not less than $1,000,000 principal amount of the then outstanding Notes (or such Persons as either you or such Institutional Holder may designate), to visit and inspect, under the Company's guidance, any of the properties of the Company or any Subsidiary, to examine all of their books of account, records, reports and other papers, to make copies and extracts therefrom and to discuss their respective affairs, finances and accounts with their respective officers, employees, and independent public accountants (and by this provision the Company authorizes said accountants to discuss with you the finances and affairs of the Company and its Subsidiaries) all at such reasonable times and as often as may be reasonably requested. The Company shall promptly upon demand pay or reimburse any such holder for all expenses which such holder may incur in connection with any such visitation or inspection during the continuance of any Default or Event of Default.

The Company has made available to you financial statements, documents and information (collectively "Materials"), and has agreed to furnish in the future certain additional Materials, in reliance on your commitment to use such information only for purposes reasonably related to your investment in the Notes issued hereunder and not to disclose any of such Materials which have

been designated as "Confidential" by the Company, other than (A) Materials that already were known to you prior to the time they were made available to you by or on behalf of the Company or any Subsidiary, (B) Materials that are or become publicly available by reason other than disclosure by or through you or (C) Materials that you obtain from third parties who, to your knowledge, are not thereby breaching fiduciary or confidentiality obligations owed to the Company or any Subsidiary; provided, you may disclose such Materials to (i) your directors, officers, employees, agents, attorneys and professional consultants (after advising any such agents or professional consultants of the use and non-disclosure restrictions set forth above), (ii) any other holder of any Note, (iii) any Person to which you offer to sell a Note or Notes or any part thereof (if such Person has agreed in writing prior to its receipt of such materials to be bound by the provisions of this paragraph), (iv) any federal or state regulatory authority having jurisdiction over you, (v) the National Association of Insurance Commissioners or

any similar organization or any other entity utilizing such information to rate or classify your debt or equity Securities or (vi) any other Person to which such delivery or disclosure may be necessary (a) in compliance with any law, rule, regulation or order applicable to you, (b) in response to any subpoena or other legal process or informal investigative command, (c) in connection with any litigation to which you are a party or (d) in order to preserve or protect your investment in the Notes.

SECTION 6. EVENTS OF DEFAULT AND REMEDIES THEREFOR.

Section 6.1. Events of Default. Any one or more of the following shall constitute an "Event of Default" as such term is used herein:

(a) Default shall occur in the payment of interest on any Note when the same shall have become due and such default shall continue for more than five (5) days; or

(b) Default shall occur in the making of any payment of the principal of any Note or Make-Whole Amount, if any, thereon at the expressed or any accelerated maturity date or at any date fixed for prepayment; or

(c) Default shall be made in the payment when due (whether by lapse of time, by declaration, by call for redemption or otherwise) of any principal of or interest on Material Debt (other than the Notes) and such default shall continue beyond the period of grace, if any, allowed with respect thereto; or

(d) The acceleration of the maturity of any Material Debt of the Company or any Subsidiary; or

(e) Default shall occur in the observance or performance of (i) any of the provisions of Section 5.6, 5.7(A)(3)(I), or 5.10 through 5.12, inclusive, or (ii) any other provision of this Agreement which other provision is not remedied within 30 days after the earlier of (A) the day on which an Executive Officer first obtains actual knowledge of such default, or (B) the day on which written notice thereof is given to the Company by the holder of any Note; or

(f) Any representation or warranty made by the Company herein, or made by the Company in any statement or certificate furnished by the Company in connection with the consummation of the issuance and delivery of the Notes or furnished by the Company pursuant hereto, is untrue in any material respect as of the date of the issuance or making thereof; or

(g) Final judgment or final judgments (to the extent no solvent, non-affiliated insurer has acknowledged liability therefor) for the payment of money aggregating in excess of $5,000,000 is or are outstanding against the Company or any Subsidiary or against any property or assets of either and such final judgment or final judgments have remained unpaid, unvacated, unbonded or unstayed by appeal or otherwise for a period of 30 days from the date of its entry; or

(h) The Company or any Subsidiary makes an assignment for the benefit of creditors or admits in writing its inability to pay or is generally not paying its debts as such debts become due; or

(i) any decree or order for relief is entered under any bankruptcy, reorganization, compromise, arrangement, insolvency, readjustment of debt, dissolution, winding-up or liquidation or

similar law whether now or hereafter in effect (herein called the "Bankruptcy Law") of any jurisdiction in respect of the Company or any Subsidiary without the consent or acquiescence of the Company or such Subsidiary and such order remains unstayed and in effect for more than 60 days; or

(j) The Company or any Subsidiary petitions or applies to any tribunal for, or consents to the appointment of or taking possession by, a fiscal agent, administrator, receiver, custodian, liquidator or similar official, of the Company or any Subsidiary, or of the major part of the assets of the Company or any Subsidiary, or commences a voluntary case under the Bankruptcy Law of the United States or any proceedings (other than proceedings for the voluntary liquidation and dissolution of a Subsidiary) relating to the Company or any Subsidiary, under the Bankruptcy Law of any other jurisdiction; or

(k) any such petition or application is filed, or any such proceedings are commenced, against the Company or any Subsidiary, and the Company or any Subsidiary by any act indicates its approval thereof, consent thereto, or acquiescence therein, or an order, judgment or decree is entered appointing any fiscal agent, administrator, receiver, custodian, liquidator or similar official, or approving the petition in any such proceedings, and such order judgment or decree remains unstayed and in effect for more than 60 days; or

(l) any order, judgment or decree is entered in any proceedings against the Company or any Subsidiary decreeing the dissolution, liquidation or winding-up of such corporation and such order, judgment or decree remains unstayed and in effect for more than 60 days; or

(m) any order, judgment or decree is entered in any proceedings against the Company or any Subsidiary decreeing a split-up of the Company or any Subsidiary which requires the divestiture of the major part of the property of the Company or such Subsidiary, or the divestiture of the stock of a Subsidiary which constitutes the major part of the Company's assets, and such order, judgment or decree remains unstayed and in effect for more than 60 days.

Section 6.2. Notice to Holders. When any Executive Officer becomes aware that any Default or Event of Default described in the foregoing Section 6.1 has occurred, or that the holder of any Note or of any other evidence of Material Debt of the Company has given any notice or has taken any other action with respect to a claimed default, the Company agrees to give notice

within three (3) Business Days of such event to all holders of the Notes then outstanding.

Section 6.3. Acceleration of Maturities. When any Event of Default described in paragraph (a) or (b) of Section 6.1 has happened and is continuing, any holder of any Note may, by notice to the Company, declare the entire principal and interest on such holder's Notes to be, and such holder's Notes shall thereupon become, forthwith due and payable without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived. In addition to, and not in limitation of, the foregoing, when any Event of Default described in paragraphs (a) through (g), inclusive, of said Section 6.1 has happened and is continuing, the holder or holders of 66-2/3% or more of the principal amount of Notes at the time outstanding may, by notice to the Company, declare the entire principal and all interest accrued on all Notes to be, and all Notes shall thereupon become, forthwith due and payable, without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived. When any Event of Default described in any of paragraphs (h) through (m), inclusive, of Section 6.1 has occurred, then all outstanding Notes shall immediately become due and payable without presentment, demand or notice of any kind. Upon the Notes becoming due and payable as a result of any Event of Default as aforesaid, the Company will forthwith pay to the holders of the Notes the entire principal and interest accrued on the Notes and, to the extent not prohibited by applicable law, an amount as liquidated damages for the loss of the bargain evidenced hereby (and not as a penalty) equal to the Make-Whole Amount, determined as of the date on which the Notes shall so become due and payable. No course of dealing on the part of the holder or holders of any Notes nor any delay or failure on the part of any holder of Notes to exercise any right shall operate as a waiver of such right or otherwise prejudice such holder's rights, powers and remedies. The Company further agrees, to the extent permitted by law, to pay to the holder or holders of the Notes all costs and expenses reasonably incurred by them in the collection of any Notes upon any Default or Event of Default hereunder or thereon, including reasonable

compensation to such holder's or holders' attorneys for all services rendered in connection therewith.

Section 6.4. Rescission of Acceleration. The provisions of Section 6.3 are subject to the condition that if the principal of and accrued interest on all or any outstanding Notes have been declared immediately due and payable by reason of the occurrence of any Event of Default described in paragraphs (a) through (g), inclusive, of Section 6.1, the holders of 66-2/3% in aggregate principal amount of the Notes then outstanding may, by written instrument filed with the Company, rescind and annul such declaration and the consequences thereof, provided that at the time such declaration is annulled and rescinded:

(a) no judgment or decree has been entered for the payment of any monies due pursuant to the Notes or this Agreement;

(b) all arrears of interest upon all the Notes and all other sums payable under the Notes and under this Agreement (except any principal, interest or Make-Whole Amount on the Notes which has become due and payable solely by reason of such declaration underSection 6.3) shall have been duly paid; and

(c) each and every other Default and Event of Default shall have been made good, cured or waived pursuant to Section 7.1;

and provided further, that no such rescission and annulment shall extend to or affect any subsequent Default or Event of Default or impair any right consequent thereto.

SECTION 7. AMENDMENTS, WAIVERS AND CONSENTS.

Section 7.1. Consent Required. Any term, covenant, agreement or condition of this Agreement may, with the consent of the Company, be amended or compliance therewith may be waived (either generally or in a particular instance and either retroactively or prospectively), if the Company shall have obtained the consent in writing of the holders of at least 66-2/3% in aggregate principal amount of outstanding Notes; provided that without the written consent of the holders of all of the Notes then outstanding, no such amendment or waiver shall be effective (i) which will change the time of payment (including any prepayment required by Section 2.1) of the principal of or the interest on any Note or change the principal amount thereof or change the rate of interest thereon, or (ii) which will change any of the provisions with respect to optional prepayments, or (iii) which will change the percentage of holders of the Notes required to consent to any such amendment or waiver of any of the provisions of this Section 7 or Section 6.

Section 7.2. Solicitation of Holders. So long as there are any Notes outstanding, the Company will not solicit, request or negotiate for or with respect to any proposed waiver or amendment of any of the provisions of this Agreement or the Notes unless each holder of Notes (irrespective of the amount of Notes then owned by it) shall be informed thereof by the Company and shall be afforded the opportunity of considering the same and shall be supplied by the Company with the same information and opportunity to obtain information as furnished by or on behalf of the Company to any other holder of the Notes. The Company will not, directly or indirectly, pay or cause to be paid any remuneration, whether by way of supplemental or additional interest, fee or otherwise, to any holder of Notes as consideration for or as an inducement to entering into by any holder of Notes of any waiver or amendment of any of the terms and provisions of this Agreement or the Notes unless such remuneration is concurrently paid, on the same terms, ratably to the holders of all Notes then outstanding. Nothing contained in this Section 7.2 shall restrict or limit the Company in making any prepayment on the Notes in accordance with Section 2.

Section 7.3. Effect of Amendment or Waiver. Any such amendment or waiver shall apply equally to all of the holders of the Notes and shall be binding upon them, upon each future holder of any Note and upon the Company, whether or not such Note shall have been marked to indicate such amendment or waiver. No such amendment or waiver shall extend to or affect any obligation not expressly amended or waived or impair any right consequent thereon.

SECTION 8. INTERPRETATION OF AGREEMENT; DEFINITIONS.

Section 8.1. Definitions. Unless the context otherwise requires, the terms hereinafter set forth when used herein shall have the following meanings and the following definitions shall be equally applicable to both the singular and plural forms of any of the terms herein defined:

"Affiliate" shall mean any Person (other than a Subsidiary) (i) which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, the Company, (ii) which beneficially owns or holds 5% or more of any class of the Voting Stock of the Company or (iii) 5% or more of the Voting Stock (or in the case of a Person which is not a corporation, 5% or more of the equity interest) of which is beneficially owned or held by the Company or a Subsidiary. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of Voting Stock, by contract or otherwise.

"Agreements" shall have the meaning set forth in Section 1.3.

"Basket Obligations" of the Company and its Subsidiaries shall mean, as of the date of any determination thereof, an amount equal to the sum of (i) the aggregate amount of all obligations of the Company and its Subsidiaries secured by Liens other than Liens permitted by Section 5.9(A) through (G) or the final paragraph of Section 5.9 plus (ii) the aggregate book value of all property of the Company or any Subsidiary sold by the Company or any Subsidiary and, substantially concurrently, leased back by the Company or any Subsidiary.

"Beneficial Owners" shall have the meaning set forth in Section 2.3(D).

"Business Day" shall mean any day other than a Saturday, Sunday, legal holiday or other day on which commercial banks located in Cleveland, Ohio and New York, New York are not authorized or required by law to be closed.

"Capitalized Lease" shall mean any lease the obligation for Rentals with respect to which is required to be capitalized on a consolidated balance sheet of the lessee and its subsidiaries in accordance with 1995 GAAP.

"Capitalized Rentals" of any Person shall mean as of the date of any determination thereof the amount at which the aggregate Rentals due and to become due under all Capitalized Leases under which such Person is a lessee would be reflected as a liability on a consolidated balance sheet of such Person.

"CCI" shall mean The Cleveland-Cliffs Iron Company, an Ohio corporation, and any Person who succeeds to all, or substantially all, of the assets and business of The Cleveland-Cliffs Iron Company.

"Change of Control" shall have the meaning set forth in Section 2.3(D).

"Change of Control Event" shall have the meaning set forth in Section 2.3(D).

"Closing Date" shall have the meaning set forth in Section 1.2.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Company" shall mean Cleveland-Cliffs Inc, an Ohio corporation, and any Person who succeeds to all, or substantially all, of the assets and business of Cleveland-Cliffs Inc.

"Consolidated Adjusted Net Worth" shall mean, as of the date of any determination thereof, the aggregate amount of stockholders' equity, preferred stock and Minority Interests of the Company as determined in accordance with 1995 GAAP and excluding any adjustments for Financial Accounting Standards Bulletins 52, 106, 109, and 112.

"Consolidated Funded Debt" shall mean all Funded Debt of the Company and its Subsidiaries, determined on a consolidated basis eliminating intercompany items.

"Consolidated Net Earnings" for any period shall mean the net after tax earnings of the Company and its Subsidiaries for such period, determined on a consolidated basis in accordance with 1995 GAAP, but excluding adjustments for Financial Accounting Standards Bulletins 106, 109 and 112.

"Consolidated Total Assets" shall mean, as of the date of any determination thereof, the total assets of the Company and its Subsidiaries, determined on a consolidated basis according to 1995 GAAP.

"Consolidated Total Capitalization" shall mean, as of the date of determination thereof, the sum of (i) Consolidated Adjusted Net Worth plus (ii) Consolidated Funded Debt.

"Continuing Director" shall have the meaning set forth in Section 2.3(D).

"Current Management Group" shall have the meaning set forth in Section 2.3(D).

"Debt" of any Person shall mean, as of the date of any determination thereof (without duplication):

(i) all Indebtedness for borrowed money or evidenced by notes, bonds, debentures or similar evidences of Indebtedness of such Person;

(ii) obligations secured by any Lien upon property owned by such Person or created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person, notwithstanding the fact that the rights and remedies of the seller, lender or lessor under any such arrangement in the event of default are limited to repossession or sale of property including, without limitation, obligations secured by Liens arising from the sale or transfer of notes or accounts receivable, but, in all events, excluding trade payables and accrued expenses constituting current liabilities;

(iii) Capitalized Rentals;

(iv) reimbursement obligations in respect of credit enhancement instruments including letters of credit (excluding, however, short-term letters of credit and surety bonds issued in commercial transactions in the ordinary course of business); and

(v) (without duplication of any of the foregoing) Guaranties of (a) obligations of others of the character referred to hereinabove in this definition, and (without duplication) (b) all other obligations of Joint Ventures.

Debt of the Company and its Subsidiaries shall be determined on a consolidated basis after eliminating intercompany items. In no event shall Debt include any unfunded obligations of the Company or any Subsidiary which may exist on or after the date hereof in respect of any Plan.

"Default" shall mean any event or condition the occurrence of which would, with the lapse of time or the giving of notice, or both, constitute an Event of Default.

"Empire" shall mean Empire Iron Mining Partnership, a Michigan general partnership.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, together with the regulations thereunder, in each case as in effect from time to time. References to Sections of ERISA shall be construed to also refer to any successor Sections.

"ERISA Affiliate" shall mean any corporation, trade or business that is, along with the Company, a member of a controlled group of corporations or a controlled group of trades or businesses, as described in Section 414(b) and 414(c), respectively, of the Code or Section 4001 of ERISA.

"Event of Default" shall have the meaning set forth in Section 6.1.

"Excess Senior Debt" shall have the meaning set forth in Section 5.10(C).

"Executive Officer" shall mean the President, Executive Vice President - Finance, Treasurer, Controller, or any other officer serving as the principal financial officer or the principal accounting officer, of the Company.

"Funded Debt" shall mean, as of the date of any determination thereof, all Debt (including Guaranties) constituting long-term debt in accordance with 1995 GAAP, including (i) Debt having a final maturity of more than one year from the date of issuance thereof; (ii) all Debt outstanding under any credit line, revolving credit or similar agreement (and renewals and extensions thereof) providing for borrowings which may occur over a period of more than one year (notwithstanding that any such Debt may be payable on demand or within one year after the creation thereof), (iii) all Capitalized Rentals, and (iv) all Guaranties of Funded Debt of others. In addition, "Funded Debt" shall

include (x) the portion of Debt of any Included Joint Venture that is allocable to the Company or any Subsidiary under the agreement of association or related agreements entered into by the Company or any Subsidiary in connection with such Included Joint Venture and (y) Debt described in clause (v)(b) of the definition thereof. "Funded Debt" shall not include Debt outstanding under any credit line, revolving credit or similar agreement which Debt is fully paid for a period of not less than 30 consecutive days in each twelve-month period pursuant to the terms of such agreement.

"GAAP" shall mean generally accepted accounting principles at the time in the United States.

"Guaranties" by the Company or any Subsidiary shall mean all liabilities of the Company or any Subsidiary under any agreement by which the Company or any Subsidiary assumes, guaranties, endorses, contingently agrees to purchase or provide funds for the payment of, or otherwise becomes liable upon the obligations of, any other Person, or agrees to maintain the net worth or working capital or other financial condition of any other Person or otherwise assures any creditor of such other Person against loss, and shall include, without limitation, the contingent liability of the Company or any Subsidiary under any letter of credit or commercial equivalent thereof (other than trade letters of credit or the commercial equivalent thereof) for which the Company or any Subsidiary is in any way liable. For the purposes of all computations made under this Agreement, a Guaranty in respect of any Indebtedness for borrowed money shall be deemed to be Indebtedness equal to the principal amount of such Indebtedness for borrowed money which has been guaranteed, and a Guaranty in respect of any other obligation or liability or any dividend shall be deemed to be Indebtedness equal to the maximum aggregate amount of such obligation, liability or dividend. The foregoing notwithstanding, in no event shall Guaranties include obligations of the Company or any Subsidiary incurred in connection with the management, administration or operation of Joint Ventures which obligations (i) do not constitute Debt described in any of clauses (i) through (iv) of the definition thereof, (ii) are incurred in the ordinary course of the business of the Company or such Subsidiary in connection with such Joint Venture and not pursuant to a guaranty agreement, and (iii) the Company or such Subsidiary reasonably expects reimbursement from other members of the Joint Venture or Affiliates of such members.

"Hibbing" shall mean Hibbing Taconite Company, an unincorporated joint venture.

"Included Joint Venture" shall mean and include each of Empire, Hibbing and Tilden.

"Indebtedness" of any Person shall mean and include all obligations of such Person which in accordance with 1995 GAAP shall be classified upon a balance sheet of such Person as liabilities of such Person, and in any event shall include all Debt. In no event shall Indebtedness include (a) any obligation guaranteed by a Subsidiary to the Company or another Subsidiary and no other Person, or (b) any unfunded obligations of the Company or any Subsidiary which may exist on or after the date hereof in respect of any Plan.

"Institutional Holder" shall mean any insurance company, bank, savings and loan association, trust company, investment company, charitable foundation, employee benefit plan (as defined in ERISA) or other institutional investor or financial institution.

"Joint Venture" shall mean, as of the date of any determination thereof, any partnership, joint venture, limited liability company or other similar entity associated with the Company or any Subsidiary under agreements of association, partnership agreements, joint venture agreements, or similar arrangements.

"Lien" shall mean any interest in property securing an obligation owed to, or a claim by, a Person other than the owner of the property, whether such interest is based on the common law, statute or contract, and including but not limited to the security interest lien arising from a mortgage, encumbrance, pledge, conditional sale or other title retention device or trust receipt or a lease, consignment or bailment for security purposes. The term "Lien" shall include reservations, exceptions, encroachments, easements, rights-of-way,

covenants, conditions, restrictions, leases and other title exceptions and encumbrances (including, with respect to stock, stockholder agreements, voting trust agreements, buy-back agreements and all similar arrangements) affecting property; provided, that (i) the right of an issuer to redeem its Securities upon payment of an amount not less than the issuance price thereof, (ii) rights of first refusal or similar rights granted to any issuer of such Securities or to any partner (or any Affiliates of such partner) of the issuer of such Securities or of the Person holding such Securities, and (iii) any rights or restrictions applicable to any securities issued in a bankruptcy reorganization, which rights or restrictions are created pursuant to the applicable court approved plan of reorganization, shall not be considered to be a Lien. For the purposes of this Agreement, the Company or a Subsidiary shall be deemed to be the owner of any property which it has acquired or holds subject to a conditional sale agreement, Capitalized Lease or other arrangement pursuant to which title to the property has been retained by or vested in some other Person for security purposes and such retention or vesting shall constitute a Lien.

"Make-Whole Amount" shall mean in connection with any prepayment or acceleration of the Notes the excess, if any, of (i) the aggregate present value as of the date of such prepayment of each dollar of principal being prepaid and the amount of interest (exclusive of interest accrued to the date of prepayment) that would have been payable in respect of such dollar if such prepayment had not been made, determined by discounting such amounts at the Reinvestment Rate from the respective dates on which they would have been payable (which date shall be December 15, 2005 in the case of any determination with respect to the principal amount of the Notes), over (ii) 100% of the principal amount of the outstanding Notes being prepaid. If the Reinvestment Rate is equal to or higher than 7.00%, the Make-Whole Amount shall be zero. For purposes of any determination of the Make-Whole Amount:

"Reinvestment Rate" means (1) .60% plus the yield to maturity of the United States Treasury obligations having a maturity (as compiled by and published on Telerate Page 500 or its successor ("Telerate") more than three (3) Business Days immediately preceding the payment date at 11:00 A.M. New York City time)

(rounded to the nearest month) corresponding to the remaining term of the Notes being prepaid or paid or (2) if such rate shall not have been so published by Telerate, the Reinvestment Rate in respect of such payment date shall mean .60% plus the yield to maturity of the United States Treasury obligations having a maturity (as compiled by and published on page "USD" of the Bloomberg Financial Market Services ("Bloomberg") three (3) Business Days immediately preceding the payment date at 11:00 A.M. New York City time) (rounded to the nearest month) corresponding to the remaining term of the Notes being prepaid or paid, or (3) if such rate shall not have been so published by either Telerate or Bloomberg, the Reinvestment Rate in respect of such payment date shall mean .60% plus the arithmetic mean of the yields for the two columns under the heading "Week Ending" published in the Statistical Release under the caption "Treasury Constant Maturities" for the maturity (rounded to the nearest month) corresponding to the remaining term of the Notes being prepaid or paid. If no maturity exactly corresponding to remaining term of the Notes shall appear in either Telerate, Bloomberg or the Statistical Release, as the case may be, (a) if necessary, U.S. Treasury bill quotations shall be converted to bond-equivalent yields in accordance with accepted financial practice and (b) yields for the published maturity next longer than the Weighted Average Life to Maturity and the published maturity next shorter than the Weighted Average Life to Maturity shall be calculated pursuant to the foregoing sentence and the Reinvestment Rate shall be interpolated or extrapolated from such yields on a straight-line basis, rounding in each of the relevant periods to the nearest month. For purposes of calculating the Reinvestment Rate pursuant to clause (3) above, the most recent Statistical Release published prior to the date of determination of the Make-Whole Amount shall be used.

"Statistical Release" shall mean the then most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Federal Reserve System and which establishes yields on actively traded U.S. Government Securities adjusted to constant maturities or, if such statistical release is not published at the time of any determination hereunder, then such other reasonably comparable index which shall be designated by the holders of 66-2/3% in aggregate principal amount of the outstanding Notes.

"Material Adverse Effect" shall mean a material adverse effect on (x) the consolidated financial condition of the Company and its Subsidiaries, taken as a whole, or the ability of the Company to perform its obligations under the Note Agreements or the Notes, or (y) on the legality, validity or enforceability

of the obligations of the Company under the Note Agreements or the Notes.

"Material Debt" shall mean, as of the date of any determination thereof, one or more obligations evidenced in Debt of the Company or any Subsidiary which have, or relate to, in the aggregate, an unpaid principal amount (or aggregate liability) of more than $5,000,000 or the equivalent thereof in any other currency.

"Materials" shall have the meaning set forth in Section 5.15.

"Minority Interests" shall mean any shares of stock of any class of a Subsidiary (other than directors' qualifying shares as required by law) that are not owned by the Company and/or one or more of its Subsidiaries. Minority Interests shall be valued by valuing Minority Interests constituting preferred stock at the voluntary or involuntary liquidating value of such preferred stock, whichever is greater, and by valuing Minority Interests constituting common stock at the book value of capital and surplus applicable thereto adjusted, if necessary, to reflect any changes from the book value of such common stock required by the foregoing method of valuing Minority Interests in preferred stock.

"Multiemployer Plan" shall have the same meaning as in ERISA.

"1995 GAAP" shall mean generally accepted accounting principles in effect in the United States as of September 30, 1995.

"1992 Notes" shall mean the 8.51% Senior Notes, Series A, due May 1, 1999 and 8.84% Senior Notes, Series B, due December 15, 2002 of the Company issued pursuant to the Note Agreements dated as of December 15, 1995.

"1933 Act" shall have the meaning set forth in Section 3.2.

"Notes" shall have the meaning set forth in Section 1.1.

"PBGC" means the Pension Benefit Guaranty Corporation and any entity succeeding to any or all of its functions under ERISA.

"Person" shall mean an individual, partnership, corporation, trust or unincorporated organization, and a government or agency or political subdivision thereof.

"Plan" means a "pension plan," as such term is defined in ERISA, established or maintained by the Company or any ERISA Affiliate or as to which the Company or any ERISA Affiliate contributed or is a member or otherwise may have any liability.

"Purchasers" shall have the meaning set forth in Section 1.1.

"Rentals" shall mean and include as of the date of any determination thereof all fixed payments (including as such all payments which the lessee is obligated to make to the lessor on termination of the lease or surrender of the property) payable by the Company or a Subsidiary, as lessee or sublessee under a lease of real or personal property, but shall be exclusive of any amounts required to be paid by the Company or a Subsidiary (whether or not designated as rents or additional rents) on account of maintenance, repairs, insurance, taxes and similar charges. Fixed rents under any so-called "percentage leases" shall be computed solely on the basis of the minimum rents, if any, required to be paid by the lessee regardless of sales volume or gross revenues.

"Reportable Event" shall have the same meaning as in ERISA.

"Security" shall have the same meaning as in Section 2(1) of the Securities Act of 1933, as amended.

"Senior Debt" shall mean, as of the date of any determination thereof, all Funded Debt of the Company (other than Funded Debt due or owing to any Subsidiary, Joint Venture or Affiliate), except any of such Funded Debt of the Company which by its terms or by agreement is subordinate in right of payment to the Notes.

"Specified Subsidiaries" shall mean a Subsidiary of which at least 95% of the issued and outstanding shares of stock (except shares required as directors' qualifying shares) shall be owned by the Company and/or one or more of its Specified Subsidiaries.

The term "subsidiary" shall mean as to any particular parent corporation (i) any corporation of which more than 50% (by number of votes) of the Voting Stock shall be beneficially owned, directly or indirectly, by such parent corporation or (ii) any partnership of which more than 50% of the general partnership capital interest is held by such parent corporation. The term "Subsidiary" shall mean a subsidiary of the Company.

"Subsidiary Funded Debt" shall mean, as of the date of determination thereof, all Funded Debt of any Subsidiary of the Company except (i) Funded Debt of any Included Joint Venture which is incurred prior to the Closing Date and is allocable to any Subsidiary under the provisions of an agreement of association or related agreements entered into by such Subsidiary in connection with such Included Joint Venture, (ii) Funded Debt incurred by any Subsidiary prior to the Closing Date through a guaranty of Funded Debt of the type described in clause (i), and (iii) any Funded Debt of any Subsidiary incurred after the Closing Date for the purpose of extending, renewing, replacing or refinancing Funded Debt referred to in clauses (i) or (ii), provided that the principal amount of such additional Funded Debt shall not exceed the aggregate principal amount of the Funded Debt which is the subject of such extension, renewal, replacement or refinancing.

"Surviving Corporation" shall have the meaning set forth in Section 5.10(a)(2)(i).

"Tilden" shall mean Tilden Mining Company L.C., a Michigan limited liability company.

"Voting Stock" shall mean Securities of any class or classes, the holders of which are ordinarily, in the absence of contingencies, entitled to elect a majority of the corporate directors (or Persons performing similar functions).

Section 8.2. Accounting Principles. Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, the same shall be done in accordance with GAAP, to the extent applicable, except where such principles are inconsistent with the requirements of this Agreement.

Section 8.3. Directly or Indirectly. Where any provision in this Agreement refers to action to be taken by any Person, or which such Person is prohibited from taking, such

provision shall be applicable whether the action in question is taken directly or indirectly by such Person.

SECTION 9. MISCELLANEOUS.

Section 9.1. Registered Notes. The Company shall cause to be kept at its principal office a register for the registration and transfer of the Notes (hereinafter called the "Note Register") and the Company will register or transfer or cause to be registered or transferred as hereinafter provided any Note issued pursuant to this Agreement.

At any time and from time to time the registered holder of any Note which has been duly registered as hereinabove provided may transfer (in compliance with the applicable provisions hereof) such Note upon surrender thereof at the principal office of the Company duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of such Note or its attorney duly authorized in writing.

Prior to due presentment for registration of transfer, the Company may treat the Person in whose name any Note is registered in the Note Register as the owner and holder of such Note for the purpose of receiving payment of principal of, Make-Whole Amount, if any, and interest with respect to such Note and for all other purposes whatsoever, whether or not such Note shall be overdue, and the Company shall not be affected by any notice to the contrary. Payment of or with respect to the principal, Make-Whole Amount, if any, and interest on any registered Note shall be made to or upon the written order of such registered holder.

Section 9.2. Exchange of Notes. At any time and from time to time, upon not less than ten days' notice to that effect given by the registered holder of any Note initially delivered or of any Note substituted therefor pursuant to Section 9.1, this Section 9.2 or Section 9.3, and, upon surrender of such Note at its office, the Company will deliver in exchange therefor, without expense to such holder, except as set forth below, a Note for the same aggregate principal amount as the then unpaid principal amount of the Note so surrendered, or Notes in the denomination of $100,000 or any amount in excess thereof as such holder shall specify, dated as of the date to which interest has been paid on the Note so surrendered or, if such surrender is prior to the payment of any interest thereon, then dated as of the date of issue, registered in the name of

such Person or Persons as may be designated by such holder, and otherwise of the same form and tenor as the Notes so surrendered for exchange. The Company may require the payment of a sum sufficient to cover any stamp tax or governmental charge imposed upon such exchange or transfer.

Section 9.3. Loss, Theft, Etc. of Notes. Upon receipt of evidence satisfactory to the Company of the loss, theft, mutilation or destruction of any Note, and in the case of any such loss, theft or destruction upon delivery of a bond of indemnity in such form and amount as shall be reasonably satisfactory to the Company, or in the event of such mutilation upon surrender and cancellation of the Note, the Company will make and deliver without expense to the registered holder thereof, a new Note, of like tenor, in lieu of such lost, stolen, destroyed or mutilated Note. If the Purchaser or any subsequent Institutional Holder is the

owner of any such lost, stolen or destroyed Note, then the affidavit of an authorized officer of such owner, setting forth the fact of loss, theft or destruction and of its ownership of such Note at the time of such loss, theft or destruction shall be accepted as satisfactory evidence thereof and no further indemnity shall be required as a condition to the execution and delivery of a new Note other than the written agreement of such owner to indemnify the Company.

Section 9.4. Expenses, Stamp Tax Indemnity. Whether or not the transactions herein contemplated shall be consummated, the Company agrees to pay directly all of your reasonable out-of-pocket expenses in connection with the preparation, execution and delivery of this Agreement and the transactions contemplated hereby, including but not limited to the reasonable professional fees and separately charged items of Chapman and Cutler, your special counsel, duplicating and printing costs and charges for shipping the Notes, adequately insured to you at your home office or at such other place as you may designate, and all such expenses relating to any amendment, waivers or consents requested by the Company pursuant to the provisions hereof, including, without limitation, any amendments, waivers, or consents requested by the Company resulting from any work-out, renegotiation or restructuring relating to the performance by the Company of its obligations under this Agreement and the Notes (including, without limitation, the reasonable fees and expenses of any investment banker or financial consultant engaged by the holders of the Notes in connection with any work-out, restructuring or reorganization). The Company also agrees that subject to Section 9.3 it will pay and save you harmless against any and all liability with respect to stamp and other taxes, if any, which may be payable or which may be determined to be payable in connection with the execution and delivery of this Agreement or the Notes, whether or not any Notes are then outstanding. The Company agrees to protect and indemnify you against any liability for any and all brokerage fees and commissions payable or claimed to be payable to any Person (other than any brokerage fees and commissions of any Person retained by you except as otherwise provided herein) in connection with the transactions contemplated by this Agreement.

Section 9.5. Powers and Rights Not Waived; Remedies Cumulative. No delay or failure on the part of the holder of any Note in the exercise of any power or right shall operate as a waiver thereof; nor shall any single or partial exercise of the same preclude any other or further exercise thereof, or the exercise of any other power or right, and the rights and remedies of the holder of any Note are cumulative to, and are not exclusive of, any rights or remedies any such holder would otherwise have.

Section 9.6. Notices. All communications provided for hereunder shall be in writing and, if to you, delivered or mailed prepaid by registered or certified mail or overnight air courier, or by facsimile communication, in each case addressed to you at your address appearing on Schedule I to this Agreement or such other address as you or the subsequent holder of any Note initially issued to you may designate to the Company in writing, and if to the Company, delivered or mailed by registered or certified mail or overnight air courier, or by facsimile communication, to the Company at 1100 Superior Avenue, Cleveland, Ohio 44114-2589, Attention: Secretary or to such other address as the Company may in writing designate to you or to a subsequent holder of the Note initially

issued to you; provided, however, that a notice to you by overnight air courier shall only be effective if delivered to you at a street address designated for such purpose in Schedule I, and a notice to you by facsimile communication shall only be effective if (i) made by confirmed transmission to you at a telephone number designated for such purpose in Schedule I and (ii) such notice is delivered by the next Business Day by overnight air courier, or, in either case, as you or a subsequent holder of any Note initially issued to you may designate

to the Company in writing.

Section 9.7. Successors and Assigns. This Agreement shall be binding upon the Company and its successors and assigns and shall be binding upon and inure to the benefit of you and your successors and assigns, including each successive holder or holders of any Notes.

Section 9.8. Survival of Covenants and Representations. All covenants, representations and warranties made by the Company herein and in any certificates delivered pursuant hereto, whether or not in connection with the Closing Date, shall survive the closing and the delivery of this Agreement and the Notes.

Section 9.9. Severability. Should any part of this Agreement for any reason be declared invalid or unenforceable, such decision shall not affect the validity or enforceability of any remaining portion, which remaining portion shall remain in force and effect as if this Agreement had been executed with the invalid or unenforceable portion thereof eliminated and it is hereby declared the intention of the parties hereto that they would have executed the remaining portion of this Agreement without including therein any such part, parts or portion which may, for any reason, be hereafter declared invalid or unenforceable.

Section 9.10. Governing Law. This Agreement and the Notes issued and sold hereunder shall be governed by and construed in accordance with Illinois law.

Section 9.11. Captions. The descriptive headings of the various Sections or parts of this Agreement are for convenience only and shall not affect the meaning or construction of any of the provisions hereof.

Section 9.12. Additional Indebtedness. Subject to the terms and provisions hereof, the Company may, from time to time, issue and sell additional senior promissory notes and may, in connection with the documentation thereof, incorporate by reference various provisions of this Agreement. Such incorporation by reference shall not modify, dilute or otherwise affect the terms and provisions hereof including, without limitation, the priority of the Notes and the percentage of the Notes required to approve an amendment or effectuate a waiver under the provisions of Section 7 or the percentages of the Notes required to accelerate the Notes or rescind such an acceleration under the provisions of Section 6.

The execution hereof by you shall constitute a contract between us for the uses and purposes hereinabove set forth, and this Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one agreement.

CLEVELAND-CLIFFS INC

By /s/ John S. Brinzo

Its Executive Vice President-Finance

<TABLE>
<CAPTION>

<S> <C>

Accepted as of December 15, 1995.

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

Accepted as of December 15, 1995

By /s/ Peter W. Oliver

Its Peter W. Oliver
Managing Director

Accepted as of December 15, 1995

MONY LIFE INSURANCE COMPANY OF AMERICA

By /s/ Peter W. Oliver

Its Peter W. Oliver
Authorized Agent

Accepted as of December 15, 1995

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY

By /s/ Julia S.Tucker

Its Julia S. Tucker
Investment Officer

Accepted as of December 15, 1995

NORTHERN LIFE INSURANCE COMPANY

By /s/ Mark S. Jordahl

Its Mark S. Jordahl
Assistant Treasurer

Accepted as of December 15, 1995

NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY

By /s/ Mark S. Jordahl

Its Mark S. Jordahl
Authorized Representative

Accepted as of December 15, 1995

FIRST ALLMERICA FINANCIAL LIFE INSURANCE COMPANY

By /s/ Jon E. Austad

Its Jon E. Austad
Second Vice President

Accepted as of December 15, 1995

ALLMERICA FINANCIAL LIFE INSURANCE AND ANNUITY COMPANY

By /s/ Jon E. Austad

Its Jon E. Austad
Second Vice President

Accepted as of December 15, 1995

SUN LIFE ASSURANCE COMPANY OF CANADA

By /s/ John N. Whelihan

Its John N. Whelihan, Vice President
U.S. Private Placements-for President

By /s/ Jeffrey J. Skerry

Its Jeffrey J. Skerry, Associate
Counsel - for Secretary

Accepted as of December 15, 1995

SUN LIFE ASSURANCE COMPANY OF CANADA (U.S.)

By /s/ L. Brock Thomson

Its L. Brock Thomson - Treasurer

Accepted as of December 15, 1995

MASSACHUSETTS CASUALTY INSURANCE COMPANY

By /s/ John N. Whelihan

Its John N. Whelihan - Assistant Treasurer

Accepted as of December 15, 1995

GREAT SOUTHERN LIFE INSURANCE COMPANY

By /s/ Angelo D'Urso

Its Angelo D'Urso

Accepted as of December 15, 1995

THE UNION CENTRAL LIFE INSURANCE COMPANY

By /s/ Joseph A. Tucker III

Its Joseph A. Tucker III
Assistant Treasurer

Accepted as of December 15, 1995

PAN-AMERICAN LIFE INSURANCE COMPANY

By /s/ F. A. Stone

Its F. A. Stone
Vice President Corporate Securities

Accepted as of December 15, 1995

STANDARD INSURANCE COMPANY

By /s/ Vicki R. Chase

Its Vicki R. Chase
Vice President - Securities

Accepted as of December 15, 1995

WOODMEN ACCIDENT AND LIFE COMPANY

By /s/ M. F. Wilder

Its M. F. Wilder
Senior Vice President and Treasurer

</TABLE>

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK 1740 Broadway New York, New York 10019 Attention: MONY Capital Management Unit	$10,000,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A @ 6, principal or interest") to:

Chemical Bank (ABA #021000128)
New York, New York

for credit to: The Mutual Life Insurance Company of New York
Security Remittance Account Number 323-023803

Notices

All notices of payment on or in respect of the Notes and written confirmation of each such payment to:

Glenpointe Marketing & Operations Center--MONY
Glenpointe Center West, 500 Frank W. Burr Blvd.
Teaneck, New Jersey 07666-6888
Attention: Securities Custody
Telecopy: (201) 907-6979

All notices and communications other than those in respect to payments to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 13-1632487

SCHEDULE I
(to Note Agreement)

	PRINCIPAL AMOUNT

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
MONY LIFE INSURANCE COMPANY OF AMERICA c/o The Mutual Life Insurance Company of New York 1740 Broadway New York, New York 10019 Attention: MONY Capital Management Unit	$4,000,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

Chemical Bank (ABA #021000128)
New York, New York

for credit to: MONY Life Insurance Company of America
Account Number 323-161243

Notices

All notices of payment on or in respect of the Notes and written confirmation of each such payment to:

Glenpointe Marketing & Operations Center--MONY
Glenpointe Center West, 500 Frank W. Burr Blvd.
Teaneck, New Jersey 07666-6888
Attention: Securities Custody
Telecopy: (201) 907-6979

All notices and communications other than those in respect to payments to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 86-0222062

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK c/o The Mutual Life Insurance Company of New York 1740 Broadway New York, New York 10019 Attention: MONY Capital Management Unit	$1,000,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

Chemical Bank
(ABA #021000128)

for credit to: The Mutual Life Insurance Company of New York
Account Number 323-161235

Notices

All notices and communications, including notices with respect to payments and written confirmation of each such payment, to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY — $10,000,000

c/o American General Corporation
2929 Allen Parkway
Houston, Texas 77019
Attention: Private Placements, A37-01
Facsimile Number: (713) 831-1366

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

State Street Bank and Trust Company (ABA #011000028)
Boston, Massachusetts 02101

Re: The Variable Annuity Life Insurance Company
AC-0125-821-9
OBI=PPN# and Description of payment
Fund Number PA 54

Notices

All notices of payment on or in respect of the Notes and written confirmation of each such payment to:

The Variable Annuity Life Insurance Company and PA 54
c/o State Street Bank and Trust Company
Insurance Services Custody (AH2)
1776 Heritage Drive
North Quincy, Massachusetts 02171
Facsimile Number: (617) 985-4923

Duplicate payment notices and all other correspondences to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 74-1625348

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
NORTHERN LIFE INSURANCE COMPANY c/o Washington Square Capital 100 Washington Square, Suite 800 Minneapolis, Minnesota 55401-2147 Attention: Securities Department Telecopier Number: (612) 372-5368	$5,000,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A @ 6, principal or interest") to:

First National Bank N.A./Mpls. (ABA #091000022)
601 2nd Avenue South
Attention: Securities Accounting

for credit to: Northern Life Insurance Company
Account Number 1602-3237-6105

Notices

All notices and communications, including notices with respect to payments and written confirmation of each such payment, to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 41-1295933

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY c/o Washington Square Capital 100 Washington Square, Suite 800 Minneapolis, Minnesota 55401-2147 Attention: Securities Department Telecopier Number: (612) 372-5368	$4,500,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

First National Bank N.A./Mpls. (ABA #091000022)
601 2nd Avenue South
Minneapolis, Minnesota 55402
Attention: Securities Accounting

for credit to: Northwestern National Life Insurance Company
Account Number 1102-4001-4461

Notices

All notices and communications, including notices with respect to payments and written confirmation of each such payment, to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 41-0451140

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
FIRST ALLMERICA FINANCIAL LIFE INSURANCE COMPANY 440 Lincoln Street Worcester, Massachusetts 01653 Attention: Jon E. Austad, Investment Research Facsimile: (508) 852-6935	$4,500,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

Bankers Trust Company
New York, New York 10005
ABA No. 021 001 033
Account No. 99-911-145 of Allmerica

for further credit to: First Allmerica Financial Life Insurance Company
Account Number 090232

Notices

All notices and communications, including notices with respect to payments and written confirmation of each such payment, to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 04-1867050

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
ALLMERICA FINANCIAL LIFE INSURANCE AND ANNUITY COMPANY 440 Lincoln Street Worcester, Massachusetts 01653 Attention: Jon E. Austad, Investment Research Facsimile: (508) 852-6935	$5,000,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

Bankers Trust Company
New York, New York 10005
ABA No. 021 001 033
Account No. 99-911-145 of Allmerica

for further credit to: Allmerica Financial Life Insurance and Annuity Company
Account Number 090242

Notices

All notices and communications, including notices with respect to payments and written confirmation of each such payment, to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 04-6145677

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
SUN LIFE ASSURANCE COMPANY OF CANADA	$3,000,000
One Sun Life Executive Park	$1,000,000
Wellesley Hills, Massachusetts 02181	$1,000,000
Attention: Investment Department/Private Placements, SC #1303 Telecopier Number: (617) 446-2392	

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

The Chase Manhattan Bank(ABA #021-000-021)
One New York Plaza
New York, New York 10015

for credit to: Sun Life Assurance Company of Canada
Account Number 949-1-087822

Notices

All notices of mandatory payment, on or in respect of the Notes and written confirmation of each such payment to:

Sun Life Assurance Company of Canada
Three Sun Life Executive Park
Wellesley Hills, Massachusetts 02181
Attention: Manager, Securities Accounting SC #3327

All notices and communications other than those in respect to mandatory payments to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 38-1082080

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
SUN LIFE ASSURANCE COMPANY OF CANADA (U.S.) One Sun Life Executive Park Wellesley Hills, Massachusetts 02181 Attention: Investment Department/Private Placements, SC #1303 Telecopier Number: (617) 446-2392	$1,000,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

Chemical Bank (ABA #021-000-128)
55 Water Street
New York, New York 10041
for credit to the account of: Sun Life Assurance Company of Canada (U.S.)
Account Number 323-023177

Notices

All notices of mandatory payment on or in respect of the Notes and written confirmation of each such payment to:

Sun Life Assurance Company of Canada (U.S.)
Three Sun Life Executive Park
Wellesley Hills, Massachusetts 02181
Attention: Manager, Securities Accounting, SC #3327

All notices and communications other than those in respect to mandatory payments to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 04-2461439

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
MASSACHUSETTS CASUALTY INSURANCE COMPANY One Sun Life Executive Park Wellesley Hills, Massachusetts 02181 Attention: Investment Department/ Private Placements, SC #1303 Telecopier Number: (617) 446-2392	$1,000,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

Chemical Bank (ABA #021-000-128)
55 Water Street
New York, New York 10041
for credit to: Massachusetts Casualty Insurance Company
Account Number 323-265448

Notices

All notices of mandatory payment on or in respect of the Notes and written confirmation of each such payment to:

Massachusetts Casualty Insurance Company
Three Sun Life Executive Park
Wellesley Hills, Massachusetts 02181

Attention: Manager, Securities Accounting, SC #3327

All notices and communications other than those in respect to mandatory payments to be addressed as first provided above.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 04-1589940

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
GREAT SOUTHERN LIFE INSURANCE COMPANY 300 West 11th Street Kansas City, Missouri 64105 Attn: Investments	$5,000,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

Commerce Bank of Kansas City
ABA #101 000 019

for credit to: Great Southern Life Insurance Company
Commerce Account Number 04911-00

Notices

All notices and communications to be addressed as first provided above with a copy to:

Great Southern Life Insurance Company
P.O. Box 13487
Kansas City, Missouri 64199-3487
Attn: Accounting

Name of Nominee in which Notes are to be issued: Hare & Co.

Taxpayer I.D. Number: 74-2058261

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
THE UNION CENTRAL LIFE INSURANCE COMPANY c/o Carillon Advisors Inc. 1876 Waycross Road Cincinnati, Ohio 45240 Attention: Mr. Gary Rodmaker Fax: (513) 595-2843	$4,500,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

Hare BNF/IOC 566
New York, New York
ABA#: 021-000-018

for credit to: The Union Central Life Insurance Company
Account Number 367614
Attention: P&I Department
Subject: Cleveland-Cliffs Inc., 7% Senior Notes due 12/05/2005

Notices

All notices and communications to be addressed as first provided above, except notices with respect to payment, and written confirmation of each such payment, to be addressed:

The Union Central Life Insurance Company
Post Office Box 179
Cincinnati, Ohio 45201
Attention: Treasury Department
Fax: (513) 595-2843

Name of Nominee in which Notes are to be issued: Hare & Co.

Taxpayer I.D. Number: 31-0472910

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
PAN-AMERICAN LIFE INSURANCE COMPANY Pan-American Life Center 601 Poydras Street New Orleans, Louisiana 70130 Attention: Investment Department, 28th Floor Fixed Income Securities Telecopier Number: (504) 566-3459	$4,500,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

First National Bank of Commerce (ABA #065000029)
210 Baronne Street
New Orleans, Louisiana 70112

for credit to: Pan-American Life Insurance Company
Account Number 1100-29496

Notices

All notices and communications to be addressed as first provided above, except notices with respect to payments, and written confirmation of each such payment, to be addressed Attention: Investment Department, 28th Floor, Bond and Stock Accounting.

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 72-0281240

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
STANDARD INSURANCE COMPANY P.O. Box 711 Portland, Oregon 97207 Attention: Securities Department, P7A	$2,500,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

The Chase Manhattan Bank, N.A.
ABA No. 021000021
A/C--900-9-002206
BBK--Chase Manhattan Bank, N.A.
Account Name: Standard Insurance Company
Account No. 75271900

Notices

All notices and communications, including notices with respect to payments and written confirmation of each such payment, to be addressed to:

Atwell & Company
P.O. Box 456
Wallstreet Station
New York, New York 10005

with a copy to:

Standard Insurance Company
Securities Department, P7A
P.O. Box 711
Portland, Oregon 97207

Name of Nominee in which Notes are to be issued: ATWELL & COMPANY

NAME AND ADDRESS OF PURCHASER	PRINCIPAL AMOUNT OF NOTES TO BE PURCHASED
WOODMEN ACCIDENT AND LIFE COMPANY P.O. Box 82288 Lincoln, Nebraska 68501 Attention: Securities Division Telecopy Number: (402) 437-4392	$2,500,000

Payments

All payments on or in respect of the Notes to be by bank wire transfer of Federal or other immediately available funds (identifying each payment as "Cleveland-Cliffs Inc., 7.00% Senior Notes due 2005, PPN 185896 A@ 6, principal or interest") to:

FirsTier Bank Lincoln, N.A. (ABA #1040-0003-2)
13 and M Streets
Lincoln, Nebraska 68508

for credit to: Woodmen Accident and Life Company
General Fund, Account Number 092-909

Notices

All notices and communications, including notices with respect to payments and written confirmation of each such payment, to be addressed as first provided above; provided, however, all notices and communications delivered by overnight courier shall be addressed as follows:

Woodmen Accident and Life Company
1526 K Street
Lincoln, Nebraska 68508
Attention: Securities Division

Name of Nominee in which Notes are to be issued: None

Taxpayer I.D. Number: 47-0339220

CLEVELAND-CLIFFS INC
7.00% Senior Note
Due December 15, 2005

No.

$ _____, 19__

CLEVELAND-CLIFFS INC, an Ohio corporation (the "Company"), for value received, hereby promises to pay to

or registered assigns
on the fifteenth day of December, 2005
the principal amount of

and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the principal amount from time to time remaining unpaid hereon at the rate of 7.00% per annum from the date hereof until maturity, payable semi-annually on the fifteenth day of each June and December in each year (commencing on the first of such dates after the date hereof) and at maturity. The Company agrees to pay interest on overdue principal (including any overdue required or optional prepayment of principal) Make-Whole Amount, if any, and (to the extent legally enforceable) on any overdue installment of interest, at the rate of 9.00% per annum after the due date, whether by acceleration or otherwise, until paid. Both the principal hereof and interest hereon are payable at the principal office of the Company in Cleveland, Ohio in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts.

This Note is one of the 7.00% Senior Notes due December 15, 2005 (the "Notes") of the Company in the aggregate principal amount of $70,000,000 issued or to be issued under and pursuant to the terms and provisions of the separate Note Agreements, each dated as of December 15, 1995 (the "Note Agreements"), entered into by the Company with the original Purchasers therein referred to and this Note and the holder hereof are entitled equally and ratably with the holders of all other Notes outstanding under the Note Agreements to all the benefits provided for thereby or referred to therein. Reference is hereby made to the Note Agreements for a statement of such rights and benefits.

This Note and the other Notes outstanding under the Note Agreements may be declared due prior to their expressed maturity dates and certain prepayments are required to

be made thereon, all in the events, on the terms and in the manner and amounts as provided in the Note Agreements.

The Notes are not subject to prepayment or redemption at the option of the Company prior to their expressed maturity dates except on the terms and conditions and in the amounts and with the Make-Whole Amount, if any, set forth in the Note Agreements.

This Note is registered on the books of the Company and is transferable only by surrender thereof at the principal office of the Company duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of this Note or its attorney duly authorized in writing. Payment of or on account of principal, Make-Whole Amount, if any, and interest on this Note shall be made only to or upon the order in writing of the registered holder.

CLEVELAND-CLIFFS INC

By

Its

REPRESENTATIONS AND WARRANTIES

The Company represents and warrants to you as follows:

1. Subsidiaries. Annex 1 attached hereto states the name of each of the Company's Subsidiaries, its jurisdiction of incorporation and the percentage of its Voting Stock owned by the Company and/or its Subsidiaries. Those Subsidiaries listed in Section 1 of said Annex 1 constitute Significant Subsidiaries. The Company and each Subsidiary has good and marketable title to all of the shares it purports to own of the stock of each Significant Subsidiary, free and clear in each case of any Lien. All such shares have been duly issued and are fully paid and non-assessable.

2. Corporate Organization and Authority. The Company, and each Significant Subsidiary,

(a) is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation;

(b) has all requisite power and authority and all necessary licenses and permits to own and operate its properties and to carry on its business as now conducted and as presently proposed to be conducted; and

(c) is duly licensed or qualified and is in good standing as a foreign corporation in each jurisdiction wherein the nature of the business transacted by it or the nature of the property owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing would not, individually or in the aggregate, have a Material Adverse Effect.

3. Business and Property. You have heretofore been furnished with a copy of the Confidential Placement Memorandum dated November 14, 1995 (the "Memorandum") prepared by Salomon Brothers which generally sets forth the business conducted and presently proposed to be conducted by the Company and its Subsidiaries and the material properties of the Company and its Subsidiaries.

4. Financial Statements. (a) The consolidated balance sheets of the Company and its consolidated Subsidiaries as of December 31 in each of the years 1990 to 1994, both inclusive, and the statements of income and retained earnings and changes in financial position or cash flows for the fiscal years ended on said dates (including, in each case, the notes accompanying such financial statements), each accompanied by a report thereon containing an opinion unqualified as to scope limitations imposed by the Company and otherwise without qualification except as therein noted, by Ernst & Young, have been prepared in accordance with GAAP as in effect during the relevant year consistently applied except as therein noted, are correct and complete and present fairly the financial position of the Company and its Subsidiaries as of such dates and the results of their operations and changes in their financial position or cash flows for such periods. The unaudited

consolidated balance sheets of the Company and its consolidated Subsidiaries as of September 30, 1995 and the unaudited statements of income and retained earnings and cash flows for the nine-month period ended on said date including, in each case, notes thereto prepared by the Company, have been prepared in accordance with generally accepted accounting principles consistently applied, are correct and complete and present fairly the financial position of the Company and its consolidated Subsidiaries as of said date and the results of their operations and changes in their financial position or cash flows for such period in accordance with generally accepted accounting principles.

(b) Since December 31, 1994, there has been no change in the financial condition of the Company and its consolidated Subsidiaries as shown on the consolidated balance sheet as of such date except changes which, individually or in the aggregate, have not had a Material Adverse Effect.

5. Debt. Annex 2 attached hereto correctly describes all Debt and any Liens securing such Debt of the Company and its Subsidiaries outstanding on December 15, 1995.

6. Full Disclosure. Neither the financial statements referred to in paragraph 4(a) hereof nor the Agreements, the Memorandum or any other written statement concerning the Company, any Subsidiary or their respective businesses furnished by the Company to you in connection with the negotiation of the sale of the Notes, contains any untrue statement of a material fact or omits a material fact necessary to make the statements contained therein or herein, in light of the circumstances in which they were made, not misleading. There is no fact peculiar to the Company or its Subsidiaries which the Company has not disclosed to you in writing which constitutes a Material Adverse Effect nor, so far as the Company can now reasonably foresee, will have a Material Adverse Effect.

7. Pending Litigation. There are no proceedings pending or, to the knowledge of the Company, threatened against or affecting the Company or any Subsidiary in any court or before any governmental authority or arbitration board or tribunal which would be reasonably expected to have a Material Adverse Effect.

8. Title to Properties. The Company and each Subsidiary has good and marketable title in fee simple (or its equivalent under applicable law) to all material parcels of real property and has good title to all the other material items of property it purports to own, including that reflected in the most recent balance sheet referred to in paragraph 4(a) hereof, except as sold or otherwise disposed of in the ordinary course of business and except for Liens permitted by the Agreements.

9. Patents and Trademarks. The Company and each Subsidiary owns or possesses all the patents, trademarks, trade names, service marks, copyright, licenses and rights with respect to the foregoing necessary for the

present and planned future conduct of its business, without any known conflict with the rights of others.

10. Sale Is Legal and Authorized. The sale of the Notes and compliance by the Company with all of the provisions of the Agreements and the Notes --

(a) are within the corporate powers of the Company;

(b) assuming the accuracy of your representations, and those of each of the other Purchasers, set forth in Section 3.2, will not violate any provisions of any law or any order of any court or governmental authority or agency and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under the Certificate of Incorporation or By-laws of the Company or any indenture or other agreement or instrument to which the Company is a party or by which it may be bound or result in the imposition of any Liens or encumbrances on any property of the Company; and

(c) have been duly authorized by proper corporate action on the part of the Company (no action by the stockholders of the Company being required by law, by the Certificate of Incorporation or By-laws of the Company or otherwise), executed and delivered by the Company and the Agreements and the Notes constitute the legal, valid and binding obligations, contracts and agreements of the Company enforceable in accordance with their respective terms.

11. No Defaults. No Default or Event of Default has occurred and is continuing. The Company is not in default in the payment of principal or interest on any Debt and is not in default under any instrument or instruments or agreements under and subject to which any Debt has been issued and no event has occurred and is continuing under the provisions of any such instrument or agreement which with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder.

12. Governmental Consent. Assuming the accuracy of your representations, and those of each of the other Purchasers, set forth in Section 3.2, no approval, consent or withholding of objection on the part of any regulatory body, state, Federal or local, is necessary in connection with the execution and delivery by the Company of the Agreements or the Notes or compliance by the Company with any of the provisions of the Agreements or the Notes.

13. Taxes. All tax returns required to be filed by the Company or any Subsidiary in any jurisdiction have, in fact, been filed, and all taxes, assessments, fees and other governmental charges upon the Company or any Subsidiary or upon any of their respective properties, income or franchises, which are shown to be due and payable in such returns have been paid. For all taxable years ending on or before December 31, 1986, the Federal income tax liability of the Company and its Subsidiaries has been satisfied and either the period of limitations on assessment of additional Federal income tax has expired or the Company and its Subsidiaries have entered into an agreement with the Internal Revenue Service closing conclusively the total tax liability for the taxable year. The Company does not know of any proposed additional tax assessment against it, and no material controversy in respect of additional Federal or state income taxes due since said date is pending or to the knowledge of the Company threatened for which, in either case, reserves or other provision

deemed by the Company to be adequate has not been made on its accounts. The provisions for taxes on the books of the Company and each Subsidiary are, in the Company's determination, adequate for all open years, and for its current fiscal period.

14. Use of Proceeds. The net proceeds from the sale of the Notes will be used to retire the 1992 Notes. None of the transactions contemplated in the Agreements (including, without limitation thereof, the use of proceeds from the issuance of the Notes) will violate or result in a violation of Section 7 of the Securities Exchange Act of 1934, as amended, or any regulation issued pursuant thereto, including, without limitation, Regulations G, T and X of the Board of Governors of the Federal Reserve System, 12 C.F.R., Chapter II. None of the proceeds from the sale of the Notes will be used, directly or indirectly, for the purposes, whether immediate, incidental or ultimate, of purchasing or carrying any "margin stock" within the meaning of such Regulation G or for the purpose of maintaining, reducing or retiring any indebtedness which was originally incurred to purchase or carry any stock that is currently a margin stock or for any other purpose which might constitute this transaction

a "purpose credit" within the meaning of such Regulation G.

15. Private Offering. Neither the Company, directly or indirectly, nor any agent on its behalf has offered or will offer the Notes or any similar Security or has solicited or will solicit an offer to acquire the Notes or any similar Security from or has otherwise approached or negotiated or will approach or negotiate in respect of the Notes or any similar Security with any Person other than the Purchasers and not more than 100 other institutional investors, each of whom was offered a portion of the Notes at private sale for investment. Neither the Company, directly or indirectly, nor any agent on its behalf has offered or will offer the Notes or any similar Security or has solicited or will solicit an offer to acquire the Notes or any similar Security from any Person so as to bring the issuance and sale of the Notes within the provisions of Section 5 of the 1933 Act.

16. ERISA. Assuming the correctness of your representations, and those of the other Purchasers set forth in Section 3.2 of the Agreements, the consummation of the transactions provided for in the Agreements and compliance by the Company with the provisions thereof and the Notes issued thereunder will not involve any prohibited transaction within the meaning of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended. Except as has been disclosed to you, each Plan complies in all material respects with all applicable statutes and governmental rules and regulations, and (a) no Reportable Event has occurred and is continuing with respect to any Plan as to which the Company or any ERISA Affiliate is or was required to file a report with the PBGC; provided that the loss of qualification of a Plan and the failure to meet the minimum funding standard of Section 412 of the Code or Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any waiver of the reporting requirement by the PBGC, (b) neither the Company nor any ERISA Affiliate has withdrawn from any Multiemployer Plan or Plan subject to Section 4063 or 4064 of ERISA or instituted steps to do so, and (c) no steps have been instituted to terminate any Plan that is subject to Title IV of ERISA. Except as has been disclosed to you in writing, no condition exists or event or transaction has occurred in connection with any Plan which could result in the incurrence by the Company or any ERISA Affiliate of any material liability, fine or penalty. No Plan

maintained by the Company or any ERISA Affiliate, nor any trust created thereunder, has incurred any "accumulated funding deficiency" as defined in Section 302 of ERISA nor does the accumulated benefit obligation under all Plans, as determined by the Plans actuary or accuracies for purposes of the most recent actuarial valuations for such Plans, exceed, as of the last annual valuation date, the fair market value of the assets of the Plans (all determined in accordance with Financial Accounting Standards Board Statement of Financial Accounts Standard No. 87). Neither the Company nor any ERISA Affiliate has any material contingent liability with respect to any post-retirement "welfare benefit plan" (as such term is defined in ERISA) except as has been disclosed in writing to the Purchasers.

17. Compliance with Law. Except with respect to ERISA, which is treated separately under paragraph 16 of this Exhibit B, and to environmental laws, which are treated separately under paragraph 18 of this Exhibit B, neither the Company nor any Subsidiary (a) is in violation of any law, ordinance, franchise, governmental rule or regulation to which it is subject; or (b) has failed to obtain any license, permit, franchise or other governmental authorization necessary to the ownership of its property or to the conduct of its business, which violation or failure to obtain would have a Material Adverse Effect. Neither the Company nor any Subsidiary is in default with respect to any order of any court or governmental authority or arbitration board or tribunal which default would have a Material Adverse Effect.

18. Compliance with Environmental Laws. The Company is not in violation of any applicable Federal, state, or local laws, statutes, rules, regulations or ordinances relating to public health, safety or the environment, including, without limitation, relating to releases, discharges, emissions or disposals to air, water, land or ground water, to the withdrawal or use of ground water, to the use, handling or disposal of polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde, to the treatment, storage, disposal or management of hazardous substances (including, without limitation, petroleum, crude oil or any fraction thereof, or other hydrocarbons), pollutants or contaminants, to exposure to toxic, hazardous or other controlled, prohibited or regulated substances which violation would reasonably be expected to have a Material Adverse Effect. The Company does not know of any liability or class of liability of the Company or any Subsidiary under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601 et seq.), or the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. Section 6901 et seq.) which would reasonably be expected to have a Material Adverse Effect.

SUBSIDIARIES OF THE COMPANY

<TABLE>
<CAPTION>

NAME OF SIGNIFICANT SUBSIDIARY	JURISDICTION OF INCORPORATION	PERCENTAGE OF VOTING STOCK OR PARTNERSHIP INTEREST OWNED BY COMPANY AND EACH OTHER SUBSIDIARY
<S>	<C>	<C>
The Cleveland - Cliffs Iron Company	Ohio	100%
Cliffs Mining Company	Delaware	100
Cleveland - Cliffs Ore Corporation	Ohio	100
Cliffs Empire, Inc.	Michigan	100
Cliffs MC Empire, Inc.	Michigan	100
Cliffs Tilden, Inc.	Michigan	100
Cliffs TIOP, Inc.	Michigan	100
Cliffs Resources, Inc.	Delaware	100
Lake Superior & Ishpeming Railroad Co.	Michigan	99.30
Pickands Mather & Co. International	Delaware	100
Cliffs Minnesota Minerals Company	Minnesota	100
Northshore Mining Company	Delaware	100
Silver Bay Power Company	Delaware	100

NAME OF OTHER SUBSIDIARY	JURISDICTION OF INCORPORATION	PERCENTAGE OF VOTING STOCK OR PARTNERSHIP INTEREST OWNED BY COMPANY AND EACH OTHER SUBSIDIARY
Cleveland - Cliffs Company	Ohio	100%
Cleveland - Cliffs Foundation, the	Ohio	100
Cleveland - Cliffs Steamship Company, the	Delaware	100
Cliffs Biwabik Ore Corporation	Minnesota	100
Cliffs Copper Corp.	Ohio	100
Cliffs Engineering, Inc.	Colorado	100
Cliffs Forest Products Company	Michigan	100
Cliffs Fuel Service Company	Michigan	100
Cliffs IH Empire, Inc.	Michigan	100
Cliffs Marquette, Inc.	Michigan	100
Cliffs Mining Services Company	Delaware	100
Cliffs of Canada Limited	Ontario, Canada	100
Cliffs Oil Shale	Colorado	100
Cliffs Reduced Iron Corporation	Delaware	100
Cliffs Synfuel Corp.	Utah	100
Empire - Cliffs Partnership	Michigan	100
Cliffs MC Empire, Inc.		99.50
Cliffs Empire, Inc.		0.50
Escanaba Properties Company	Michigan	100
Escanaba Properties Partnership	Michigan	87.5

</TABLE>

ANNEX 1
(to Exhibit B)

<TABLE>
<CAPTION>

NAME OF OTHER SUBSIDIARY	JURISDICTION OF INCORPORATION	PERCENTAGE OF VOTING STOCK OR PARTNERSHIP INTEREST OWNED BY COMPANY AND EACH OTHER SUBSIDIARY
<S>	<C>	<C>
Humboldt Mining Company	Michigan	50%
Lasco Development Corporation	Michigan	99.30
Marquette Iron Mining Partnership	Michigan	100
Cliffs Marquette, Inc.		38
Cleveland - Cliffs Ore Corporation		62
Mattagami Mining Co. Ltd.	Ontario, Canada	100
Mesaba - Cliffs Mining Company, the	Minnesota	86.4
Mesabi Radio Corp.	Minnesota	100
Hilton Mines, Ltd.	Quebec, Canada	100
Midway Ore Company, Ltd.	Quebec, Canada	100
Northshore Sales Company	Ohio	100
Northwest Iron Co. Ltd.	Delaware	72.41
Peninsula Land Corporation	Michigan	100
Pickands Erie Corporation	Minnesota	100
Pickands Hibbing Corporation	Minnesota	100
Pickands Mather Coal Company	Delaware	100
Kentucky Coal Company	Delaware	100
Pickands Mather Services, Inc.	Delaware	100

Pickands Radio Co. Ltd.	Quebec, Canada	100
Robert Coal Company	Delaware	100
Selgnelay Resources, Inc.	Delaware	100
Syracuse Mining Company	Minnesota	100
Tetapaga Mining Company Ltd.	Ohio	100
Virginia Eastern Shore Land Co.	Delaware	100

</TABLE>

<TABLE>
<CAPTION>

DESCRIPTION OF DEBT AND LIENS

DESCRIPTION OF DEBT	AMOUNT OUTSTANDING AS OF DECEMBER 15, 1995 (000'S)	
<S>	<C>	<C>
Cleveland-Cliffs Inc 1992 Note Agreement	$70,000	
Total Consolidated		$70,000(A)
Guaranteed Debt of Subsidiaries		
The Cleveland-Cliffs Iron Company		
Empire -- EIMP Term Notes*		
Company's Share (22.5625%)	$ 3,948	
LTV Guarantee (25%)	4,375	
Wheeling-Pittsburgh Guarantee (12.4375%)	2,177	

		$10,500
Marquette Range Coal Service		
Term Loan (39.24%)	130	

		$ 130
Funded Debt of Joint Venture		-------
Hibbing Taconite		
Capitalized Leases (15%)		$157
		====
Tilden Capitalized Leases (40%)		2,120
		=====
GRAND TOTAL		$82,907
		=======

</TABLE>

II. Liens

A. Liens Securing Debt of the Company and its Subsidiaries

Any lien arising under or pursuant to:

1. Indenture of Mortgage, dated September 2, 1980, between Marquette Range Coal Service Company and Aetna Life Insurance Company (the

---

A The $70 Million Note Agreement of 8.51% and 8.84% obligations is being paid off on December 22, 1995.

* This category is guaranteed debt of Subsidiaries, with the Company's Share also covered by a guarantee. LTV's share and Wheeling-Pittsburgh's share are guaranteed by the Company's Subsidiaries, but are effectively serviced by LTV and Wheeling-Pittsburgh.

collateral is the real estate; at the Closing Date the aggregate principal amount of the Debt under the indenture is $130,000).

2. Restated Indenture, between Empire Iron Mining Partnership, Inland Steel Company, McLouth Steel Corporation, The Cleveland-Cliffs Iron Company, International Harvester Company, WSC Empire, Inc. and Chemical Bank, as Trustee, dated as of December 1, 1978, as amended by the First through Sixth Supplemental Indentures (the collateral is the rights of the partners and partnerships in agreements executed in

connection with the partnership and partnership interests of each partner; at the Closing Date the aggregate principal amount of the Debt under the Indenture attributable (whether by guaranty or otherwise) to Cliffs or its Subsidiaries is $10,500,000).

3. Equipment Lease Agreements between Tilden Mining Company L.C. and NBD Bank (The collateral is three used P&H 2100 Shovels. At the closing date, the aggregate principal amount of Debt under these agreements is $2,120,000).

4. An Equipment Lease Agreement between Hibbing Taconite Company and KDC Financial (The collateral is 3 Dresser 830E Trucks. At the closing date, the aggregate principal amount of Debt under these agreements is $157,000).

B. Liens Not Securing Debt of the Company or its Subsidiaries

Any lien arising under or pursuant to: Partnership security agreements, pursuant to which the Cliffs Subsidiaries who are partners in such partnerships, together with all other partners in such partnerships, have pledged their respective partnership interests (including their rights as partners under the related partnership and operating agreements) to the relevant partnership and their co-partners as collateral to secure the performance by the pledging partner of such partners' obligations under the relevant set of partnership and operating agreements (an example of this type of arrangement is the Restated Empire Partnership Security Agreement dated as of December 1, 1978, as amended); and leases of real property and related mineral rights, pursuant to which lands and related rights to extract ore, owned or held by Cliffs Subsidiaries, are leased to mining partnerships (an example of this type of arrangement is the Third Mining Lease-Empire Mine, dated as of December 1, 1978).

DESCRIPTION OF SPECIAL COUNSEL'S CLOSING OPINION

The closing opinion of Chapman and Cutler, special counsel to the Purchasers, called for by Section 4.1 of the Note Agreements, shall be dated the Closing Date and addressed to the Purchasers, shall be satisfactory in form and substance to the Purchasers and shall be to the effect that:

1. The Company is a corporation, validly existing and in good standing under the laws of the State of Ohio and has the corporate power and the corporate authority to execute and deliver the Note Agreements and to issue the Notes.

2. The Note Agreements have been duly authorized by all necessary corporate action on the part of the Company, have been duly executed and delivered by the Company and constitute the legal, valid and binding obligations of the Company enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

3. The Notes have been duly authorized by all necessary corporate action on the part of the Company, have been duly executed and delivered by the Company and constitute the legal, valid and binding obligations of the Company enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

4. The issuance, sale and delivery of the Notes under the circumstances contemplated by the Note Agreements do not, under existing law, require the registration of the Notes under the Securities Act of 1933, as amended, or the qualification of an indenture under the Trust Indenture Act of 1939, as amended.

The opinion of Chapman and Cutler shall also state that the opinion of F.L. Hartman, Vice President and General counsel for the Company, is satisfactory in scope and form to Chapman and Cutler and that, in their opinion, the Purchasers are justified in relying thereon.

In rendering the opinion set forth in paragraph 1 above, Chapman and Cutler may rely solely upon an examination of the certified by, and a certificate of good standing of the Company from, the Secretary of State of the State of Ohio and the By-laws of the Company. The opinion of Chapman and

Cutler shall be limited to the laws of the State of Illinois and the federal laws of the United States.

With respect to matters of fact upon which such opinion is based, Chapman and Cutler may rely on appropriate certificates of public officials and officers of the Company.

EXHIBIT C
(to Note Agreement)

DESCRIPTION OF CLOSING OPINION OF
GENERAL COUNSEL TO THE COMPANY

The closing opinion of F. L. Hartman, Vice President and General Counsel for the Company, which is called for by Section 4.1 of the Note Agreements, shall be dated the Closing Date and addressed to the Purchasers, shall be satisfactory in scope and form to the Purchasers and shall be to the effect that:

1. The Company is a corporation, duly formed, validly existing and in good standing under the laws of the State of Ohio, has the corporate power and the corporate authority to own its properties, to conduct its business as now conducted, enter into and perform its obligation under the Note Agreements and to issue the Notes.

2. CCI is a corporation duly formed, validly existing and in good standing under the laws of the State of Ohio. All of the outstanding shares of capital stock of CCI are validly issued, fully paid and non-assessable and are held of record by the Company.

3. Cliffs Mining Company is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware. All of the outstanding shares of capital stock of Cliffs Mining Company are validly issued, fully paid and nonassessable and are held of record by the Company.

4. Cleveland-Cliffs Ore Corporation is a corporation duly formed, validly existing and in good standing under the laws of the State of Ohio. All of the outstanding shares of capital stock of Cleveland-Cliffs Ore Corporation are validly issued, fully paid and nonassessable and are held of record by The Cleveland-Cliffs Iron Company.

5. Cliffs Empire, Inc. is a corporation duly formed, validly existing and in good standing under the laws of the State of Michigan. All of the outstanding shares of capital stock of Cliffs Empire, Inc. are validly issued, fully paid and nonassessable and are held of record by The Cleveland-Cliffs Iron Company.

6. Cliffs MC Empire, Inc. is a corporation duly formed, valid existing and in good standing under the laws of the State of Michigan. All of the outstanding shares of capital stock of Cliffs MC Empire, Inc. are validly issued, fully paid and nonassessable and are held of record by The Cleveland-Cliffs Iron Company.

7. Cliffs Tilden, Inc. is a corporation duly formed, validly existing and in good standing under the laws of the State of Michigan. All of the outstanding shares of capital stock of Cliffs Tilden, Inc. are validly issued, fully paid and nonassessable and are held of record by The Cleveland-Cliffs Iron Company.

EXHIBIT D
(to Note Agreement)

8. Cliffs TIOP, Inc. is a corporation duly formed, validly existing and in good standing under the laws of the State of Michigan. All of the outstanding shares of capital stock of Cliffs TIOP, Inc. are validly issued, fully paid and nonassessable and are held of record by The Cleveland-Cliffs Iron Company.

9. Cliffs Resources, Inc. is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. All of the outstanding shares of capital stock of Cliffs Resources, Inc. are validly issued, fully paid and nonassessable and are held of record by the Company.

10. Pickands Mather & Co. International is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. All of the outstanding shares of capital stock of Pickands Mather & Co. International are validly issued, fully paid

and nonassessable and are held of record by the Company.

11. The Note Agreements have been duly authorized, executed and delivered by the Company and are valid and binding obligations of the Company, enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

12. The Notes being issued to you as contemplated in the Note Agreements have been duly authorized, executed and delivered by the Company and constitute valid and binding obligations of the Company enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

13. No consent, approval, authorization or order of, or filing, registration or qualification with, any governmental agency or body is required for the issuance of the Notes being issued to you as contemplated in the Note Agreements or the execution and delivery of the Note Agreements.

14. Neither the issuance and sale by the Company of the Notes nor the execution and delivery by the Company of, and performance by the Company of its obligations under, the Note Agreements will result in the violation of any State of Ohio, State of Illinois or federal statute or regulation, or any order or decree known to us of any court or governmental authority binding upon the Company or its property, or conflict with or result in a default or in creation of a lien under any of the provisions of the Company's Article of Incorporation or Regulations or any indenture, loan agreement or other agreement referenced on Annex 2 hereto.

15. The Notes may be sold in the manner contemplated by the Note Agreements without registration under the Securities Act of 1933, as amended, or the qualification of an indenture under the Trust Indenture Act of 1939, as amended.

CLEVELAND-CLIFFS INC
7.00% Senior Note
Due December 15, 2005

No.

_____, 19__

$

CLEVELAND-CLIFFS INC, an Ohio corporation (the "Company"), for value received, hereby promises to pay to

or registered assigns
on the fifteenth day of December, 2005
the principal amount of

DOLLARS ($_____)

and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on the principal amount from time to time remaining unpaid hereon at the rate of 7.00% per annum from the date hereof until maturity, payable semi-annually on the fifteenth day of each June and December in each year (commencing on the first of such dates after the date hereof) and at maturity. The Company agrees to pay interest on overdue principal (including any overdue required or optional prepayment of principal) Make-Whole Amount, if any, and (to the extent legally enforceable) on any overdue installment of interest, at the rate of 9.00% per annum after the due date, whether by acceleration or otherwise, until paid. Both the principal hereof and interest hereon are payable at the principal office of the Company in Cleveland, Ohio in coin or currency of the United States of America which at the time of payment shall be legal tender for the payment of public and private debts.

This Note is one of the 7.00% Senior Notes due December 15, 2005 (the "Notes") of the Company in the aggregate principal amount of $70,000,000 issued or to be issued under and pursuant to the terms and provisions of the separate Note Agreements, each dated as of December 15, 1995 (the "Note Agreements"), entered into by the Company with the original Purchasers therein referred to and this Note and the holder hereof are entitled equally and ratably with the holders of all other Notes outstanding under the Note Agreements to all the benefits provided for thereby or referred to therein. Reference is hereby made to the Note Agreements for a statement of such rights and benefits.

This Note and the other Notes outstanding under the Note Agreements may be declared due prior to their expressed maturity dates and certain prepayments are required to

be made thereon, all in the events, on the terms and in the manner and amounts as provided in the Note Agreements.

The Notes are not subject to prepayment or redemption at the option of the Company prior to their expressed maturity dates except on the terms and conditions and in the amounts and with the Make-Whole Amount, if any, set forth in the Note Agreements.

This Note is registered on the books of the Company and is transferable only by surrender thereof at the principal office of the Company duly endorsed or accompanied by a written instrument of transfer duly executed by the registered holder of this Note or its attorney duly authorized in writing. Payment of or on account of principal, Make-Whole Amount, if any, and interest on this Note shall be made only to or upon the order in writing of the registered holder.

CLEVELAND-CLIFFS INC

By

Its

REPRESENTATIONS AND WARRANTIES

The Company represents and warrants to you as follows:

1. Subsidiaries. Annex 1 attached hereto states the name of each of the Company's Subsidiaries, its jurisdiction of incorporation and the percentage of its Voting Stock owned by the Company and/or its Subsidiaries. Those Subsidiaries listed in Section 1 of said Annex 1 constitute Significant Subsidiaries. The Company and each Subsidiary has good and marketable title to all of the shares it purports to own of the stock of each Significant Subsidiary, free and clear in each case of any Lien. All such shares have been duly issued and are fully paid and non-assessable.

2. Corporate Organization and Authority. The Company, and each Significant Subsidiary,

(a) is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation;

(b) has all requisite power and authority and all necessary licenses and permits to own and operate its properties and to carry on its business as now conducted and as presently proposed to be conducted; and

(c) is duly licensed or qualified and is in good standing as a foreign corporation in each jurisdiction wherein the nature of the business transacted by it or the nature of the property owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing would not, individually or in the aggregate, have a Material Adverse Effect.

3. Business and Property. You have heretofore been furnished with a copy of the Confidential Placement Memorandum dated November 14, 1995 (the "Memorandum") prepared by Salomon Brothers which generally sets forth the business conducted and presently proposed to be conducted by the Company and its

Subsidiaries and the material properties of the Company and its Subsidiaries.

4. Financial Statements. (a) The consolidated balance sheets of the Company and its consolidated Subsidiaries as of December 31 in each of the years 1990 to 1994, both inclusive, and the statements of income and retained earnings and changes in financial position or cash flows for the fiscal years ended on said dates (including, in each case, the notes accompanying such financial statements), each accompanied by a report thereon containing an opinion unqualified as to scope limitations imposed by the Company and otherwise without qualification except as therein noted, by Ernst & Young, have been prepared in accordance with GAAP as in effect during the relevant year consistently applied except as therein noted, are correct and complete and present fairly the financial position of the Company and its Subsidiaries as of such dates and the results of their operations and changes in their financial position or cash flows for such periods. The unaudited

consolidated balance sheets of the Company and its consolidated Subsidiaries as of September 30, 1995 and the unaudited statements of income and retained earnings and cash flows for the nine-month period ended on said date including, in each case, notes thereto prepared by the Company, have been prepared in accordance with generally accepted accounting principles consistently applied, are correct and complete and present fairly the financial position of the Company and its consolidated Subsidiaries as of said date and the results of their operations and changes in their financial position or cash flows for such period in accordance with generally accepted accounting principles.

(b) Since December 31, 1994, there has been no change in the financial condition of the Company and its consolidated Subsidiaries as shown on the consolidated balance sheet as of such date except changes which, individually or in the aggregate, have not had a Material Adverse Effect.

5. Debt. Annex 2 attached hereto correctly describes all Debt and any Liens securing such Debt of the Company and its Subsidiaries outstanding on December 15, 1995.

6. Full Disclosure. Neither the financial statements referred to in paragraph 4(a) hereof nor the Agreements, the Memorandum or any other written statement concerning the Company, any Subsidiary or their respective businesses furnished by the Company to you in connection with the negotiation of the sale of the Notes, contains any untrue statement of a material fact or omits a material fact necessary to make the statements contained therein or herein, in light of the circumstances in which they were made, not misleading. There is no fact peculiar to the Company or its Subsidiaries which the Company has not disclosed to you in writing which constitutes a Material Adverse Effect nor, so far as the Company can now reasonably foresee, will have a Material Adverse Effect.

7. Pending Litigation. There are no proceedings pending or, to the knowledge of the Company, threatened against or affecting the Company or any Subsidiary in any court or before any governmental authority or arbitration board or tribunal which would be reasonably expected to have a Material Adverse Effect.

8. Title to Properties. The Company and each Subsidiary has good and marketable title in fee simple (or its equivalent under applicable law) to all material parcels of real property and has good title to all the other material items of property it purports to own, including that reflected in the most recent balance sheet referred to in paragraph 4(a) hereof, except as sold or otherwise disposed of in the ordinary course of business and except for Liens permitted by the Agreements.

9. Patents and Trademarks. The Company and each Subsidiary owns or possesses all the patents, trademarks, trade names, service marks, copyright, licenses and rights with respect to the foregoing necessary for the present and planned future conduct of its business, without any known conflict with the rights of others.

10. Sale Is Legal and Authorized. The sale of the Notes and compliance by the Company with all of the provisions of the Agreements and the Notes --

(a) are within the corporate powers of the Company;

(b) assuming the accuracy of your representations, and those of each of the other Purchasers, set forth in Section 3.2, will not violate any provisions of any law or any order of any court or

governmental authority or agency and will not conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute a default under the Certificate of Incorporation or By-laws of the Company or any indenture or other agreement or instrument to which the Company is a party or by which it may be bound or result in the imposition of any Liens or encumbrances on any property of the Company; and

(c) have been duly authorized by proper corporate action on the part of the Company (no action by the stockholders of the Company being required by law, by the Certificate of Incorporation or By-laws of the Company or otherwise), executed and delivered by the Company and the Agreements and the Notes constitute the legal, valid and binding obligations, contracts and agreements of the Company enforceable in accordance with their respective terms.

11. No Defaults. No Default or Event of Default has occurred and is continuing. The Company is not in default in the payment of principal or interest on any Debt and is not in default under any instrument or instruments or agreements under and subject to which any Debt has been issued and no event has occurred and is continuing under the provisions of any such instrument or agreement which with the lapse of time or the giving of notice, or both, would constitute an event of default thereunder.

12. Governmental Consent. Assuming the accuracy of your representations, and those of each of the other Purchasers, set forth in Section 3.2, no approval, consent or withholding of objection on the part of any regulatory body, state, Federal or local, is necessary in connection with the execution and delivery by the Company of the Agreements or the Notes or compliance by the Company with any of the provisions of the Agreements or the Notes.

13. Taxes. All tax returns required to be filed by the Company or any Subsidiary in any jurisdiction have, in fact, been filed, and all taxes, assessments, fees and other governmental charges upon the Company or any Subsidiary or upon any of their respective properties, income or franchises, which are shown to be due and payable in such returns have been paid. For all taxable years ending on or before December 31, 1986, the Federal income tax liability of the Company and its Subsidiaries has been satisfied and either the period of limitations on assessment of additional Federal income tax has expired or the Company and its Subsidiaries have entered into an agreement with the Internal Revenue Service closing conclusively the total tax liability for the taxable year. The Company does not know of any proposed additional tax assessment against it, and no material controversy in respect of additional Federal or state income taxes due since said date is pending or to the knowledge of the Company threatened for which, in either case, reserves or other provision

deemed by the Company to be adequate has not been made on its accounts. The provisions for taxes on the books of the Company and each Subsidiary are, in the Company's determination, adequate for all open years, and for its current fiscal period.

14. Use of Proceeds. The net proceeds from the sale of the Notes will be used to retire the 1992 Notes. None of the transactions contemplated in the Agreements (including, without limitation thereof, the use of proceeds from the issuance of the Notes) will violate or result in a violation of Section 7 of the Securities Exchange Act of 1934, as amended, or any regulation issued pursuant thereto, including, without limitation, Regulations G, T and X of the Board of Governors of the Federal Reserve System, 12 C.F.R., Chapter II. None of the proceeds from the sale of the Notes will be used, directly or indirectly, for the purposes, whether immediate, incidental or ultimate, of purchasing or carrying any "margin stock" within the meaning of such Regulation G or for the purpose of maintaining, reducing or retiring any indebtedness which was originally incurred to purchase or carry any stock that is currently a margin stock or for any other purpose which might constitute this transaction a "purpose credit" within the meaning of such Regulation G.

15. Private Offering. Neither the Company, directly or indirectly, nor any agent on its behalf has offered or will offer the Notes or any similar Security or has solicited or will solicit an offer to acquire the Notes or any similar Security from or has otherwise approached or negotiated or will approach or negotiate in respect of the Notes or any similar Security with any Person other than the Purchasers and not more than 100 other institutional investors, each of whom was offered a portion of the Notes at private sale for investment. Neither the Company, directly or indirectly, nor any agent on its behalf has offered or will offer the Notes or any similar Security or has solicited or will solicit an offer to acquire the Notes or any similar Security from any Person so as to bring the issuance and sale of the Notes within the provisions of Section 5 of the 1933 Act.

16. ERISA. Assuming the correctness of your representations, and those of the other Purchasers set forth in Section 3.2 of the Agreements, the

consummation of the transactions provided for in the Agreements and compliance by the Company with the provisions thereof and the Notes issued thereunder will not involve any prohibited transaction within the meaning of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended. Except as has been disclosed to you, each Plan complies in all material respects with all applicable statutes and governmental rules and regulations, and (a) no Reportable Event has occurred and is continuing with respect to any Plan as to which the Company or any ERISA Affiliate is or was required to file a report with the PBGC; provided that the loss of qualification of a Plan and the failure to meet the minimum funding standard of Section 412 of the Code or Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any waiver of the reporting requirement by the PBGC, (b) neither the Company nor any ERISA Affiliate has withdrawn from any Multiemployer Plan or Plan subject to Section 4063 or 4064 of ERISA or instituted steps to do so, and (c) no steps have been instituted to terminate any Plan that is subject to Title IV of ERISA. Except as has been disclosed to you in writing, no condition exists or event or transaction has occurred in connection with any Plan which could result in the incurrence by the Company or any ERISA Affiliate of any material liability, fine or penalty. No Plan

maintained by the Company or any ERISA Affiliate, nor any trust created thereunder, has incurred any "accumulated funding deficiency" as defined in Section 302 of ERISA nor does the accumulated benefit obligation under all Plans, as determined by the Plans actuary or accuracies for purposes of the most recent actuarial valuations for such Plans, exceed, as of the last annual valuation date, the fair market value of the assets of the Plans (all determined in accordance with Financial Accounting Standards Board Statement of Financial Accounts Standard No. 87). Neither the Company nor any ERISA Affiliate has any material contingent liability with respect to any post-retirement "welfare benefit plan" (as such term is defined in ERISA) except as has been disclosed in writing to the Purchasers.

17. Compliance with Law. Except with respect to ERISA, which is treated separately under paragraph 16 of this Exhibit B, and to environmental laws, which are treated separately under paragraph 18 of this Exhibit B, neither the Company nor any Subsidiary (a) is in violation of any law, ordinance, franchise, governmental rule or regulation to which it is subject; or (b) has failed to obtain any license, permit, franchise or other governmental authorization necessary to the ownership of its property or to the conduct of its business, which violation or failure to obtain would have a Material Adverse Effect. Neither the Company nor any Subsidiary is in default with respect to any order of any court or governmental authority or arbitration board or tribunal which default would have a Material Adverse Effect.

18. Compliance with Environmental Laws. The Company is not in violation of any applicable Federal, state, or local laws, statutes, rules, regulations or ordinances relating to public health, safety or the environment, including, without limitation, relating to releases, discharges, emissions or disposals to air, water, land or ground water, to the withdrawal or use of ground water, to the use, handling or disposal of polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde, to the treatment, storage, disposal or management of hazardous substances (including, without limitation, petroleum, crude oil or any fraction thereof, or other hydrocarbons), pollutants or contaminants, to exposure to toxic, hazardous or other controlled, prohibited or regulated substances which violation would reasonably be expected to have a Material Adverse Effect. The Company does not know of any liability or class of liability of the Company or any Subsidiary under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601 et seq.), or the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. Section 6901 et seq.) which would reasonably be expected to have a Material Adverse Effect.

SUBSIDIARIES OF THE COMPANY

<TABLE>
<CAPTION>

NAME OF SIGNIFICANT SUBSIDIARY	JURISDICTION OF INCORPORATION	PERCENTAGE OF VOTING STOCK OR PARTNERSHIP INTEREST OWNED BY COMPANY AND EACH OTHER SUBSIDIARY
<S>	<C>	<C>
The Cleveland - Cliffs Iron Company	Ohio	100%
Cliffs Mining Company	Delaware	100
Cleveland - Cliffs Ore Corporation	Ohio	100

Cliffs Empire, Inc.	Michigan	100
Cliffs MC Empire, Inc.	Michigan	100
Cliffs Tilden, Inc.	Michigan	100
Cliffs TIOP, Inc.	Michigan	100
Cliffs Resources, Inc.	Delaware	100
Lake Superior & Ishpeming Railroad Co.	Michigan	99.30
Pickands Mather & Co. International	Delaware	100
Cliffs Minnesota Minerals Company	Minnesota	100
Northshore Mining Company	Delaware	100
Silver Bay Power Company	Delaware	100

NAME OF OTHER SUBSIDIARY	JURISDICTION OF INCORPORATION	PERCENTAGE OF VOTING STOCK OR PARTNERSHIP INTEREST OWNED BY COMPANY AND EACH OTHER SUBSIDIARY
Cleveland - Cliffs Company	Ohio	100%
Cleveland - Cliffs Foundation, the	Ohio	100
Cleveland - Cliffs Steamship Company, the	Delaware	100
Cliffs Biwabik Ore Corporation	Minnesota	100
Cliffs Copper Corp.	Ohio	100
Cliffs Engineering, Inc.	Colorado	100
Cliffs Forest Products Company	Michigan	100
Cliffs Fuel Service Company	Michigan	100
Cliffs IH Empire, Inc.	Michigan	100
Cliffs Marquette, Inc.	Michigan	100
Cliffs Mining Services Company	Delaware	100
Cliffs of Canada Limited	Ontario, Canada	100
Cliffs Oil Shale	Colorado	100
Cliffs Reduced Iron Corporation	Delaware	100
Cliffs Synfuel Corp.	Utah	100
Empire - Cliffs Partnership	Michigan	100
Cliffs MC Empire, Inc.		99.50
Cliffs Empire, Inc.		0.50
Escanaba Properties Company	Michigan	100
Escanaba Properties Partnership	Michigan	87.5

ANNEX 1
(to Exhibit B)

NAME OF OTHER SUBSIDIARY	JURISDICTION OF INCORPORATION	PERCENTAGE OF VOTING STOCK OR PARTNERSHIP INTEREST OWNED BY COMPANY AND EACH OTHER SUBSIDIARY
<S>	<C>	<C>
Humboldt Mining Company	Michigan	50%
Lasco Development Corporation	Michigan	99.30
Marquette Iron Mining Partnership	Michigan	100
Cliffs Marquette, Inc.		38
Cleveland - Cliffs Ore Corporation		62
Mattagami Mining Co. Ltd.	Ontario, Canada	100
Mesaba - Cliffs Mining Company, the	Minnesota	86.4
Mesabi Radio Corp.	Minnesota	100
Hilton Mines, Ltd.	Quebec, Canada	100
Midway Ore Company, Ltd.	Quebec, Canada	100
Northshore Sales Company	Ohio	100
Northwest Iron Co. Ltd.	Delaware	72.41
Peninsula Land Corporation	Michigan	100
Pickands Erie Corporation	Minnesota	100
Pickands Hibbing Corporation	Minnesota	100
Pickands Mather Coal Company	Delaware	100
Kentucky Coal Company	Delaware	100
Pickands Mather Services, Inc.	Delaware	100
Pickands Radio Co. Ltd.	Quebec, Canada	100
Robert Coal Company	Delaware	100
Selgnelay Resources, Inc.	Delaware	100
Syracuse Mining Company	Minnesota	100
Tetapaga Mining Company Ltd.	Ohio	100
Virginia Eastern Shore Land Co.	Delaware	100

<CAPTION>

DESCRIPTION OF DEBT AND LIENS

DESCRIPTION OF DEBT	AMOUNT OUTSTANDING AS OF DECEMBER 15, 1995 (000'S)		
<S>	<C>	<C>	<C>
Cleveland-Cliffs Inc 1992 Note Agreement	$70,000		
Total Consolidated		$70,000(A)	
Guaranteed Debt of Subsidiaries			
The Cleveland-Cliffs Iron Company			
Empire -- EIMP Term Notes*			
Company's Share (22.5625%)	$ 3,948		
LTV Guarantee (25%)	4,375		
Wheeling-Pittsburgh Guarantee (12.4375%)	2,177		
			$10,500
Marquette Range Coal Service			
Term Loan (39.24%)	130		
			$ 130
Funded Debt of Joint Venture			
Hibbing Taconite			
Capitalized Leases (15%)			$157
Tilden Capitalized Leases (40%)			2,120
GRAND TOTAL			$82,907

</TABLE>

II. Liens

A. Liens Securing Debt of the Company and its Subsidiaries

Any lien arising under or pursuant to:

1. Indenture of Mortgage, dated September 2, 1980, between Marquette Range Coal Service Company and Aetna Life Insurance Company (the

---

A The $70 Million Note Agreement of 8.51% and 8.84% obligations is being paid off on December 22, 1995.

* This category is guaranteed debt of Subsidiaries, with the Company's Share also covered by a guarantee. LTV's share and Wheeling-Pittsburgh's share are guaranteed by the Company's Subsidiaries, but are effectively serviced by LTV and Wheeling-Pittsburgh.

collateral is the real estate; at the Closing Date the aggregate principal amount of the Debt under the indenture is $130,000).

2. Restated Indenture, between Empire Iron Mining Partnership, Inland Steel Company, McLouth Steel Corporation, The Cleveland-Cliffs Iron Company, International Harvester Company, WSC Empire, Inc. and Chemical Bank, as Trustee, dated as of December 1, 1978, as amended by the First through Sixth Supplemental Indentures (the collateral is the rights of the partners and partnerships in agreements executed in connection with the partnership and partnership interests of each partner; at the Closing Date the aggregate principal amount of the Debt under the Indenture attributable (whether by guaranty or otherwise) to Cliffs or its Subsidiaries is $10,500,000).

3. Equipment Lease Agreements between Tilden Mining Company L.C. and NBD Bank (The collateral is three used P&H 2100 Shovels. At the closing date, the aggregate principal amount of Debt under these agreements is $2,120,000).

4. An Equipment Lease Agreement between Hibbing Taconite Company and KDC Financial (The collateral is 3 Dresser 830E Trucks. At the closing date, the aggregate principal amount of Debt under these agreements is $157,000).

B. Liens Not Securing Debt of the Company or its Subsidiaries

Any lien arising under or pursuant to: Partnership security agreements, pursuant to which the Cliffs Subsidiaries who are partners in such partnerships, together with all other partners in such partnerships, have pledged their respective partnership interests (including their rights as partners under the related partnership and operating agreements) to the relevant partnership and their co-partners as collateral to secure the performance by the pledging partner of such partners' obligations under the relevant set of partnership and operating agreements (an example of this type of arrangement is the Restated Empire Partnership Security Agreement dated as of December 1, 1978, as amended); and leases of real property and related mineral rights, pursuant to which lands and related rights to extract ore, owned or held by Cliffs Subsidiaries, are leased to mining partnerships (an example of this type of arrangement is the Third Mining Lease-Empire Mine, dated as of December 1, 1978).

DESCRIPTION OF SPECIAL COUNSEL'S CLOSING OPINION

The closing opinion of Chapman and Cutler, special counsel to the Purchasers, called for by Section 4.1 of the Note Agreements, shall be dated the Closing Date and addressed to the Purchasers, shall be satisfactory in form and substance to the Purchasers and shall be to the effect that:

1. The Company is a corporation, validly existing and in good standing under the laws of the State of Ohio and has the corporate power and the corporate authority to execute and deliver the Note Agreements and to issue the Notes.

2. The Note Agreements have been duly authorized by all necessary corporate action on the part of the Company, have been duly executed and delivered by the Company and constitute the legal, valid and binding obligations of the Company enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

3. The Notes have been duly authorized by all necessary corporate action on the part of the Company, have been duly executed and delivered by the Company and constitute the legal, valid and binding obligations of the Company enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

4. The issuance, sale and delivery of the Notes under the circumstances contemplated by the Note Agreements do not, under existing law, require the registration of the Notes under the Securities Act of 1933, as amended, or the qualification of an indenture under the Trust Indenture Act of 1939, as amended.

The opinion of Chapman and Cutler shall also state that the opinion of F.L. Hartman, Vice President and General counsel for the Company, is satisfactory in scope and form to Chapman and Cutler and that, in their opinion, the Purchasers are justified in relying thereon.

In rendering the opinion set forth in paragraph 1 above, Chapman and Cutler may rely solely upon an examination of the certified by, and a certificate of good standing of the Company from, the Secretary of State of the State of Ohio and the By-laws of the Company. The opinion of Chapman and Cutler shall be limited to the laws of the State of Illinois and the federal laws of the United States.

With respect to matters of fact upon which such opinion is based, Chapman and Cutler may rely on appropriate certificates of public officials and officers of the Company.

EXHIBIT C
(to Note Agreement)

DESCRIPTION OF CLOSING OPINION OF
GENERAL COUNSEL TO THE COMPANY

The closing opinion of F. L. Hartman, Vice President and General Counsel for the Company, which is called for by Section 4.1 of the Note Agreements, shall be dated the Closing Date and addressed to the Purchasers, shall be satisfactory in scope and form to the Purchasers and shall be to the effect that:

1. The Company is a corporation, duly formed, validly existing and in good standing under the laws of the State of Ohio, has the corporate power and the corporate authority to own its properties, to conduct its business as now conducted, enter into and perform its obligation under the Note Agreements and to issue the Notes.

2. CCI is a corporation duly formed, validly existing and in good standing under the laws of the State of Ohio. All of the outstanding shares of capital stock of CCI are validly issued, fully paid and non-assessable and are held of record by the Company.

3. Cliffs Mining Company is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware. All of the outstanding shares of capital stock of Cliffs Mining Company are validly issued, fully paid and nonassessable and are held of record by the Company.

4. Cleveland-Cliffs Ore Corporation is a corporation duly formed, validly existing and in good standing under the laws of the State of Ohio. All of the outstanding shares of capital stock of Cleveland-Cliffs Ore Corporation are validly issued, fully paid and nonassessable and are held of record by The Cleveland-Cliffs Iron Company.

5. Cliffs Empire, Inc. is a corporation duly formed, validly existing and in good standing under the laws of the State of Michigan. All of the outstanding shares of capital stock of Cliffs Empire, Inc. are validly issued, fully paid and nonassessable and are held of record by The Cleveland-Cliffs Iron Company.

6. Cliffs MC Empire, Inc. is a corporation duly formed, valid existing and in good standing under the laws of the State of Michigan. All of the outstanding shares of capital stock of Cliffs MC Empire, Inc. are validly issued, fully paid and nonassessable and are held of record by The Cleveland-Cliffs Iron Company.

7. Cliffs Tilden, Inc. is a corporation duly formed, validly existing and in good standing under the laws of the State of Michigan. All of the outstanding shares of capital stock of Cliffs Tilden, Inc. are validly issued, fully paid and nonassessable and are held of record by The Cleveland-Cliffs Iron Company.

8. Cliffs TIOP, Inc. is a corporation duly formed, validly existing and in good standing under the laws of the State of Michigan. All of the outstanding shares of capital stock of Cliffs TIOP, Inc. are validly issued, fully paid and nonassessable and are held of record by The Cleveland-Cliffs Iron Company.

9. Cliffs Resources, Inc. is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. All of the outstanding shares of capital stock of Cliffs Resources, Inc. are validly issued, fully paid and nonassessable and are held of record by the Company.

10. Pickands Mather & Co. International is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. All of the outstanding shares of capital stock of Pickands Mather & Co. International are validly issued, fully paid and nonassessable and are held of record by the Company.

11. The Note Agreements have been duly authorized, executed and delivered by the Company and are valid and binding obligations of the Company, enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law).

12. The Notes being issued to you as contemplated in the Note Agreements have been duly authorized, executed and delivered by the Company and constitute valid and binding obligations of the Company enforceable against the Company in accordance with their terms, subject to bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally, and general principles of equity (regardless of whether the application of such principles is considered

in a proceeding in equity or at law).

13. No consent, approval, authorization or order of, or filing, registration or qualification with, any governmental agency or body is required for the issuance of the Notes being issued to you as contemplated in the Note Agreements or the execution and delivery of the Note Agreements.

14. Neither the issuance and sale by the Company of the Notes nor the execution and delivery by the Company of, and performance by the Company of its obligations under, the Note Agreements will result in the violation of any State of Ohio, State of Illinois or federal statute or regulation, or any order or decree known to us of any court or governmental authority binding upon the Company or its property, or conflict with or result in a default or in creation of a lien under any of the provisions of the Company's Article of Incorporation or Regulations or any indenture, loan agreement or other agreement referenced on Annex 2 hereto.

15. The Notes may be sold in the manner contemplated by the Note Agreements without registration under the Securities Act of 1933, as amended, or the qualification of an indenture under the Trust Indenture Act of 1939, as amended.

OO82-mea
6-1-81
218100-015-001

* THIS PLAN WAS ASSUMED BY
CLEVELAND - CLIFFS INC
ON JULY 1, 1985.

THE CLEVELAND-CLIFFS IRON COMPANY *

PLAN FOR DEFERRED PAYMENT OF DIRECTORS' FEES

1. Purpose of Plan.

It is the purpose of this Plan for Deferred Payment of Directors' Fees (the "Plan") to enable each Director of The Cleveland-Cliffs Iron Company (the "Company") to defer some or all fees which may be payable to the Director for future services to be performed by him as a member of the Board of Directors of the Company, or as a member of any committee thereof.

2. Eligibility.

Any director of the Company who is separately compensated for his services on the Company's Board of Directors, or on any committee of such Board, shall be eligible to participate in the Plan. Any Director who participates in the Plan is referred to as a "Participant."

3. Manner of Election.

Any person wishing to participate in the Plan must file with the Secretary of the Company at 1460 Union Commerce Building, Cleveland, Ohio 44115, a written notice, on the Notice of Election form attached as Exhibit A, electing to defer payment

of all or a portion of his compensation as a Director (an "Election"). If filed not later than June 30, 1981, following the adoption on June 4, 1981 of this Plan by the Board of Directors, the Election shall be effective with respect to compensation as a Director of the Company earned on or after July 1, 1981 in the balance of such calendar year, and except as otherwise provided below in subsequent calendar years. In other cases, a person from whom an Election is not in effect may elect to Participate in the Plan as follows: (a) with respect to Directors' fees payable for any calendar year by filing an Election, in accordance with the procedure described above, on or before December 31 of the preceding calendar year; and (b) with respect to Directors' fees payable for any portion of a calendar year which remains at the time of such person's initial election to the office of Director of the Company, or any subsequent re-election if immediately prior thereto he was not serving as a Director, by filing within 30 days subsequent to such election or re-election, an Election, in accordance with the procedure described above. In that event, such Election shall be effective only with respect to compensation earned in the calendar quarter following such election and thereafter as such a Director. An effective Election may not be revoked or modified with respect to directors' fees payable for the calendar year or portion of a calendar year for which such Election is effective and such Election, unless terminated or

modified as described below, shall apply to Directors' fees payable with respect to each subsequent calendar year. An effective Election may be terminated or modified for any subsequent calendar year by the filing, as described above, of either a new Election, in regard to modifications, or a notice of Termination, on the form attached as Exhibit B, in regard to terminations, on or before December 31 immediately preceding the calendar year for which such modification or termination is to be effective. An effective Election shall also terminate on the date a person ceases to be a Director. A person for whom an effective Election is terminated may thereafter file a new Election for future calendar years for which he is eligible to participate in the Plan.

4. Deferred Compensation Accounts.

The amount of any Director's fees deferred in accordance with an Election shall be credited to a deferred compensation account maintained by the Company on its books in the name of the Director ("Deferred Compensation Account").

In the case of a Participant who has elected that amounts credited to his account under this Plan be invested in whole shares of Common Shares of the Company, all amounts so credited to the account of such Participant under this Plan, to the extent prescribed by the Participant in his election,

shall be invested and reinvested quarterly by the Company in whole shares of Common Shares of the Company;

In lieu of the cash dividends which would be payable on the shares of the Common Shares of the Company credited to the account of a participant on any dividend record date if such shares were then outstanding in the hands of the public, the Company shall credit the account of such Participant, on the dividend payment date, with an amount equivalent to such dividends ("dividend equivalents"). The shares of Common Shares of the Company credited to the account of a Participant shall be adjusted to reflect any stock dividends or stock splits in respect to Common Shares. Further, if the Company shall issue any other shareholder right, it shall, on the date of such issuance, credit to the account of each Participant the amount of the value of the right which would have been issued on the share of Common Shares of the Company credited to such account on the record date for such distribution if such shares had been owned by the Participant.

5. No Trust or Lien etc.

Solely for convenience in administering the Plan and in describing the cash and Common Shares of the Company attributable to the investment or reinvestment of the amounts credited to the account of a Participant, the amount of such

cash, and the amount of such Common Shares shall be reflected in the account of such Participant and shall be respectively referred to in the Plan as cash and Common Shares of the Company "credited" to such account, or as assets "credited" to such account. However, the purpose of the Plan is merely to describe an unsecured promise by the Company to make the payments or distributions described in the Plan and not to create any trust for the benefit of any Participant or any other person, including, without limitation, any death beneficiary described in Section 12 of the Plan. All right, title and interest in cash and Common Shares of the Company referred to in the Plan and credited to the account of a Participant shall remain at all times solely in the Company (the account being merely a record of the Company's unsecured contractual obligation under the Plan). No cash or Common Shares of the Company credited under the Plan to a Participant's account on the books of the Company shall be held in trust for such Participant or any other person, including, without limitation, any death beneficiary referred to in Section 12, and neither such Participant nor any other person, including, without limitation, any death beneficiary referred to in Section 12, shall have any right, title or interest of any kind in any such cash or Common Shares.

6. Annual Report to Participants

The Treasurer of the Company shall keep an accurate record of the cash and Common Shares of the Company credited

to the account of each Participant, and as of the end of each calendar year shall deliver to each Participant a written statement showing the cash and such Common Shares credited to his account.

7. Adjustment of Deferred Compensation Account.

As of each Accounting Date (as defined below), the Deferred Compensation Account for each Director shall be adjusted for the period elapsed since the last preceding Accounting Date to reflect the adjustments required by this Plan, including the following:

(a) FIRST, the account shall be charged with any distribution made during the period in accordance with Section 10 below, and any taxes, costs and expenses paid by the Company with respect to the sale of any Common Shares credited to such account, as described in Section 9.

(b) THEN, the account shall be credited with the Interest Factor for that period, as defined in Section 8, below, with respect to the amount of any cash remaining in the account, and with respect to any "dividend equivalents" or other amounts described in Section 4.

(c) FINALLY, the account shall be credited with the amount, if any, of any Director's fees deferred during that period in accordance

with an effective Election under Section 3, above.

For purposes of this Plan, the term "Accounting Date" means each March 31, June 30, September 30 and December 31.

8. Interest Factor.

As at any Accounting Date, the term "Interest Factor" means an amount, if any, determined by multiplying (i) an amount equal to the cash credited to the Director's Deferred Compensation Account for the period remaining credited to such Account in such quarterly accounting period, by (ii) a percentage determined by multiplying (A) the weighted average of the annual prime rates of interest in effect at The AmeriTrust Company, Cleveland, Ohio for such quarterly accounting period by (B) a fraction, the numerator of which is the number of days in the period in which such amount of cash was credited to such account; and the denominator of which is the total number of days in such year.

9. Sale of Common Shares preliminary to any distribution.

In anticipation of any distribution to a Participant, the Treasurer of the Company shall convert into cash, through

sale or otherwise, some or all of the common Shares of the Company which might otherwise be distributed at the time of the ensuing distribution to the Participant as provided in Section 10 below. In such event the account of the Participant shall be appropriately adjusted and such cash proceeds (after deduction of taxes or other costs and expenses, if any, paid by the Company because of the sale) shall be paid to the Participant as provided in Section 10 below.

10. Manner of Payment.

The amounts credited to a Participant's Deferred Compensation Account under this Plan will be paid to him or, in the event of his death, to his designated beneficiary, in accordance with his Election. If a participant elects to receive payment of such account in installments rather than in a lump-sum, the payment period shall not exceed ten years following the Payment Commencement Date, as defined in Section 11 below.

If distributions are to be made in annual installments, each annual distribution, after the first distribution, shall be made approximately one year after the preceding annual distribution.

(a) At each annual date for distribution, there shall be distributed to the Participant in cash an amount equal to the appropriate fraction of the sum of the fair market value of Common Shares and the cash then credited to his account.

(b) The fraction referred to in (a) above of this Section 10 shall be as follows:

The numerator shall be one; and the denominator shall be that number determined by subtracting from (i) the original aggregate number of annual installments previously elected as the period over which distributions are to be made, (ii) the number of annual distributions, if any, theretofore made to the Participant and, in the event of his death, to any of his death beneficiaries.

(c) Notwithstanding the provisions of (a) and (b) of this Section 10, the Plan Committee, in its absolute discretion exercised in good faith, may accelerate the rate of distribution provided for in such (a) and (b), but only in the case of financial hardship, as determined by and in the sole discretion of the the Plan Committee. If there is no Plan Committee, such decision shall be made by the Board. However, no member of the Board shall participate in any such decision with respect to such member as a Participant.

The balance of the account shall be appropriately reduced in accordance with this Section 10, above, to reflect the installment payments made hereunder. Amounts of cash held pending distribution pursuant to this Section 10 shall continue to be credited with the Interest Factor as described in Section 8 above.

11. Payment Commencement Date.

Payments of amounts credited to the account of a Participant with respect to Director fees deferred with respect to any calendar year Pursuant to an election under the Plan, and any additional amounts credited to a

Participant's account under this Plan with respect to such amounts or increments thereto under this Plan, shall commence on March 30 of the calendar year following the calendar year in which the Participant ceases to be a Director of the Company, unless the Participant, at the time of his or her election to defer any fees earned for such calendar year, elected that such amounts deferred pursuant to such election for such calendar year and any additional amounts credited to such Participant's account under this Plan with respect to such deferred amounts, elected that payments of all of such amounts be made on March 30 of the calendar year following the calendar year in which the Participant reaches his or her 65th birthday. Any such election with respect to the amount of director fees for a given calendar year which are deferred pursuant to this Plan shall be irrevocable.

12. Beneficiary Designation.

A Participant may designate, in the Beneficiary Designation form attached as Exhibit C, any person or persons

to whom payments are to be made if the Participant dies before receiving payment of all amounts due hereunder, and the proportion or proportions in which distributions of such amounts are to be made to each such person. A beneficiary designation will be effective only after the signed Beneficiary Designation form is filed with and accepted by the Secretary of the Company while the Director is alive and will cancel all beneficiary designations signed and filed earlier. Any person or persons so effectively designated are referred to as death beneficiaries. Any such designation may be terminated or modified from time to time by the Participant. If and to the extent that a Participant fails to designate a death beneficiary or if all of the death beneficiaries of the Participant die before the death of the Participant or before complete payment of all amounts credited to the Participant's account under this Plan, the remaining unpaid amounts shall be paid in one lump sum to the estate of the last to die of the Participant or the Participant's designated death beneficiaries, if any.

13. Non-Alienability of Benefits.

Neither any Participant nor any death beneficiary designated by him pursuant to Section 12 of this Plan shall have any right to, directly or indirectly, alienate, assign or encumber any amount that is or may be payable hereunder, nor shall any such amounts be subject to alienation, assignment, encumbrance

or garnishment, voluntary or involuntary, by process of law or otherwise.

14. Administration of Plan.

Full power and authority to construe, interpret and administer the Plan shall be vested in (i) a committee of the Board of Directors consisting of those Directors who are not Participants under the Plan, and selected by the Board of Directors to serve as such Committee ("Plan Committee"), or (ii) if each member of the Board is a Participant in the Plan, then, the entire Board, but in such latter event, no member of the Board who is a Participant shall participate in any decision affecting uniquely such member as a Participant. Decisions of such committee, or such Board, as the case may be, made in good faith, shall be final, conclusive and binding upon all parties.

15. Amendment or Discontinuance of Plan.

At the sole discretion of the Board this Plan may be discontinued or changed at any time, and from time to time, at the sole discretion of the Board, or the Plan Committee to the extent that the Board may delegate such authority to such Plan Committee; provided that in the event of such discontinuance or change in the Plan the amounts and Common Shares of the Company theretofore credited to the account of

such Participant prior to such discontinuance or change in the Plan (including, without limiting the generality of the foregoing, amounts attributable to the investment or reinvestment of the amounts theretofore credited thereto pursuant to the Company's obligation under the Plan and all additions thereto) shall be distributed at the time, and subject to the provisions and qualifications hereinabove set forth. Notwithstanding the foregoing, the Board or such Plan Committee may make any change in the Plan that, under all the Circumstances, is beneficial and equitable to the Participant and is consistent with the spirit and purposes of the Plan. However, no Director who is a Participant of the Plan shall participate in any such decision uniquely applicable to such Participant.

16. Exception.

In the absence of bad faith or gross neglect of duty on his part, no member or former member of the Plan Committee or the Board of directors shall have any liability to the Company or to any other person, firm or corporation arising out of or connected with the administration of the Plan for any decision made in good faith.

17. Governing Law.

The provisions of this Plan shall be interpreted and construed in accordance with the laws of the State of Ohio.

18. Effective Date.

This Plan shall become effective on July 1, 1981.

Exhibit A
Form #1*

NOTICE OF ELECTION*

The Cleveland-Cliffs Iron Company

Re: Plan for Deferred Payment of Director's Fees (the "Plan")

1. Pursuant to the provisions of the Plan, I elect to have fees payable to me for services on The Cleveland-Cliffs Iron Company Board of Directors and on any committee of such Board of Directors deferred in the manner specified below. I understand that if this election is filed on or before June 30, 1981, it shall be irrevocable with respect to Director fees earned by me on and after July 1, 1981 in balance of such calendar year and in each subsequent calendar year, and shall continue in effect for subsequent calendar years, except as provided below.

Any election described in the preceding paragraph shall be irrevocable as to Director fees earned in any subsequent calendar year except to the extent I file a Notice of Election or Notice of Termination on or before the December 31 prior to any such subsequent calendar year.

2. Percentage of Fees Deferred: _____ %

* This Form of Election to be used only by a person who is a member of the Board of Director on June 4, 1981 and files this Form of Election on or before June 30, 1981.

3. Investment of Amounts Deferred.

I further elect that _____ percentage of all Director fees earned for each year of services and deferred pursuant to my election, shall be invested by the Company in whole shares of Common Shares of the Company, pursuant to the terms of such Plan, and such Common Shares shall be credited to my account as a Participant under such Plan, all pursuant to the terms and conditions of such Plan.

4. Method of Payment:

_____ Lump Sum, or

_____ Installments over a period of Years (not over ten).

5. Payment of deferred fees shall commence on March 30 of the Year of Deferred Payment selected.

6. Installment payments:

Installment payments of amounts credited to my account under the Plan shall commence on March 30 of the calendar year following the calendar year in which I cease to be a Director of the Company, unless I elect the following commencement date:

_____ March 30 of the calendar year following the calendar year in which I reach my 65th birthday, whether or not I previously ceased to be a Director of the Company.

7. Lump Sum Payment:

If payment of amounts credited to my account is to be made in a lump sum rather than in installments, pursuant to my election to have payments made in a lump sum, such lump sum payment shall be made on March 30 of the calendar year following the calendar year in which I cease to be a Director, unless I elect following payment date:

_____ March 30 of the calendar year following the calendar year in which I reach my 65th birthday, whether or not I previously ceased to be a Director of the Company.

8. If election was made to have payments made in installments, identify the frequency of installments: (Select One)

Annually (payable on March 30) _____
Quarterly (Payment on March 30, June 29, September 29, and December 30) _____

Date _____ Signature _____

Date Election is received by the Secretary:

Date _____ Signature _____
Secretary of Company

Exhibit A
Form #2*

NOTICE OF ELECTION*

The Cleveland-Cliffs Iron Company

Re: Plan for Deferred Payment of Director's Fees (the "Plan")

1. Pursuant to the provisions of the Plan, I elect to have fees payable to me for services on The Cleveland-Cliffs Iron Company Board of Directors and on any committee of such Board of Directors deferred in the manner specified below. With respect to any election filed on or after July 1, 1981, I understand that this election shall be irrevocable as to fees earned by me during the next full calendar year and each subsequent calendar year, and shall continue in effect for subsequent calendar years except as provided below.

Any election described in the preceding paragraph shall be irrevocable as to Director fees earned in any subsequent calendar year except to the extent I file a Notice of Election or Notice of Termination on or before the December 31 prior to any such subsequent calendar year.

2. Percentage of Fees Deferred: _____ %

* This Form of Election to be used only by a member of the Board who files this Form of Election on or after July 1, 1981, and for whom Form #3 is not appropriate.

3. Investment of Amounts Deferred.

I further elect that _____ percentage of all Director fees earned for each year of Services and deferred pursuant to my election, shall be invested by the Company in whole shares of Common Shares of the Company, pursuant to the

terms of such Plan, and such Common Shares shall be credited to my account as a Participant under such Plan, all pursuant to the terms and conditions of such Plan.

4. Method of Payment:

_____ Lump Sum, or

_____ Installments over a period of Years (not over ten).

5. Payment of deferred fees shall commence on March 30 of the Year of Deferred Payment selected.

6. Installment payments:

Installment payments of amounts credited to my account under the Plan shall commence on March 30 of the calendar year following the calendar year in which I cease to be a Director of the Company, unless I elect the following commencement date:

_____ March 30 of the calendar year following the calendar year in which I reach my 65th birthday, whether or not I previously ceased to be a Director of the Company.

7. Lump Sum Payments:

If payment of amounts credited to my account is to be made in a lump sum rather than in installments, pursuant to my election to have payments made in a lump sum, such lump sum payment shall be made on March 30 of the calendar year following the calendar year in which I cease to be a Director, unless I elect following payment date:

____ March 30 of the calendar year following the calendar year in which I reach my 65th birthday, whether or not I previously ceased to be a Director of the Company.

8. If election was made to have payments made in installments, identify the frequency of installments: (Select One)

Annually (payable on March 30) _____
Quarterly (payable on March 30, June 29, September 29, and December 30) _____

Date _____ Signature _____

Date Election is received by the Secretary:

Date _____ Signature _____
Secretary of Company

Exhibit A
Form #3*

NOTICE OF ELECTION*

The Cleveland-Cliffs Iron Company

Re: Plan for Deferred Payment of Director's Fees (the "Plan")

1. Pursuant to the provisions of the Plan, I elect to have fees payable to me for services on The Cleveland-Cliffs Iron Company Board of Directors and on any committee of such Board of Directors deferred in the manner specified below. With respect to Director fees earned by me for any portion of a calendar year which remains at the time of my initial election to the office of Director of the Company, or any subsequent reelection if immediately prior thereto I was not serving as a Director, the election must be made within 30 days subsequent to such election or re-election to be effective with respect to such Director fees earned in the subsequent calendar quarters of such calendar year. Such election shall be irrevocable with respect to such portion of the calendar year which remains, and each subsequent calendar year, and shall continue in effect for subsequent calendar years except as provided below.

Any election described in the preceding paragraph shall be irrevocable as to Director fees earned in any subsequent calendar year except to the extent I file a Notice of Election or Notice of Termination on or before the December 31 prior to any such subsequent calendar year.

2. Percentage of Fees Deferred: _____ %

_____

* This Form of Election to be used only by a person who is elected or re-elected to the Board of Directors after July 1, 1981 and who immediately prior to such election or re-election was not a member of the Board of Directors.

3. Investment of Amounts Deferred.

I further elect that _____ percentage of all Director fees earned for each year of services and deferred pursuant to my election, shall be invested by the Company in whole shares of Common Shares of the Company, pursuant to the terms of such Plan, and such Common Shares shall be credited to my account as a Participant under such Plan, all pursuant to the terms and conditions of such Plan.

4. Method of Payment:

_____ Lump Sum, or

_____ Installments over a period of Years (not over ten).

5. Payment of deferred fees shall commence on March 30 of the Year of Deferred payment selected.

6. Installment payments:

Installment payments of amounts Credited to my account under the Plan shall commence on March 30 of the calendar year following the calendar year in which I cease to be a Director of the Company, unless I elect the following commencement date:

_____ March 30 of the calendar year following the calendar year in which I reach my 65th birthday, whether or not I previously ceased to be a Director of the Company.

7. Lump Sum Payment:

If payment of amounts credited to my account is to be made in a lump sum rather than in installments, pursuant to my election to have payments made in a lump sum, such lump sum payment shall be made on March 30 of the calendar year following the calendar year in which I cease to be a Director, unless I elect following payment date:

_____ March 30 of the calendar year following the calendar year in which I reach my 65th birthday, whether or not I previously ceased to be a Director of the Company.

8. If election was made to have payments made in installments, identify the frequency of installments: (Select One)

Annually (payable on March 30) _____
Quarterly (payable on March 30, June 29, September 29, and December 30) _____

Date _____ Signature _____

Date Election is received by the Secretary:

Date _____ Signature _____
Secretary of Company

NOTICE OF TERMINATION

Secretary
The Cleveland-Cliffs Iron Company
1460 Union Commerce Building
Cleveland, Ohio 44115

The Cleveland-Cliffs Iron Company

Re: Plan for Deferred Payment of
Directors' Fees (the "Plan")

Pursuant to the provisions of the Plan, I hereby terminate my participation in the Plan effective as of January 1, 19__.

Date _____ Signature _____

EXHIBIT C

DESIGNATION OF DEATH BENEFICIARIES

Secretary
The Cleveland-Cliffs Iron Company
1460 Union Commerce Building
Cleveland, Ohio 44115

The Cleveland-Cliffs Iron Company

Re: Plan for Deferred Payment of
Directors' Fees (the "Plan")

Any amounts credited to my account under the Plan unpaid at my death shall be paid to the following primary beneficiary or beneficiaries, in the proportions designated:

<TABLE>
<S> <C> <C>

Name	% Proportion	Relationship
Address		
Name	% Proportion	Relationship
Address		
Name	% Proportion	Relationship
Address		

</TABLE>

If any named primary beneficiary predeceases me, and I have not

otherwise provided for disposition of the balance of the payments credited to my account to be paid to such primary beneficiary how such primary beneficiary continued to have, then, in that event, the balance of such payments shall be paid to the person or persons designated below, in each case, in the proportions designated below:

<TABLE>
<S> <C> <C>

Name	% Proportion	Relationship
Address		
Name	% Proportion	Relationship
Address		
Name	% Proportion	Relationship
Address		

</TABLE>

This designation supercedes any previous beneficiary designation made by me with respect to the amounts credited to my account under the Plan. I hereby reserve the right to terminate or modify any designation made by this Instrument, at any time or from time to time.

Date _____ _____
Signature

Date _____ _____
Witness

Date Designation is received by Secretary

_____ _____
Date Secretary of Company

0082-mea
218100-015-001
6-2-81

SUMMARY
OF PLAN FOR DEFERRED
PAYMENT OF DIRECTORS' FEES

1. You may elect to defer some or all of your retainer and attendance fees by completing and filing a Notice of Election (Exhibit "A") with the Secretary.

2. Once you elect you may not revoke or modify the deferral for the remainder of the then current calendar year.

3. On or before December 31st of any year, you may terminate or modify your participation in the Plan for subsequent calendar years.

4. The amount which you defer will be credited to a deferred compensation account in your name, and will earn quarterly interest as determined by the prime rate at AmeriTrust Company (formerly The Cleveland Trust Company) or, if and to the extent you so elect, the amounts credited to your account will be invested in whole shares of Common Shares of the Company.

5. The amount which you defer and any interest credited to your account, or if any amounts were invested in Common Shares of the Company, any dividend equivalents with respect to such shares and the proceeds from the sale of Common Shares of the Company will be paid to you or, in the event of your death, your designated beneficiary, in a lump sum, or if you so elect, in installments over a period not in excess of ten years.

6. You should complete and file a Beneficiary Designation (Exhibit "C") with the Secretary.

7. Your participation in the Plan terminates on the date you no longer serve as a Director. Your first deferred payment (or lump sum) will be paid on March 30th of the year following the year you cease to be a Director, or the year following your 65th birthday, as you select on Exhibit "A".

8. This Plan was adopted by the Board at its June 4, 1981 meeting and it becomes effective as of July 1, 1981. To participate immediately you must file Exhibit "A" with the Secretary on or before June 30, 1981.

9. In general, under current principles, the amount you defer and any increments credited to your account will not be subject to U.S income taxation until received.

2882F

CLEVELAND-CLIFFS INC

Amendment No. 1 to The
Cleveland-Cliffs Iron Company
Plan for Deferred Payment of Directors' Fees

Cleveland-Cliffs Inc, an Ohio corporation, (the "Company"), which assumed The Cleveland-Cliffs Iron Company Plan for Deferred Payment of Directors' Fees (the "Plan") on July 1, 1985, pursuant to authorization granted at a meeting of the Board of Directors of the Company on January 14, 1992, hereby amends the Plan as set forth below in this Amendment No. 1.

1. The Plan is hereby amended by replacing the phrase "Cleveland-Cliffs Iron Company", in the title of the Plan and in Section 1 of the Plan, with the phrase "Cleveland-Cliffs Inc".

2. The Plan is hereby amended by replacing the phrase "1460 Union Commerce Bank Building, Cleveland, Ohio 44115" in Section 3 of the Plan, with the phrase "1100 Superior Avenue, Cleveland, Ohio 44114".

3. The Plan is hereby amended by deleting the last sentence of Section 5 of the Plan and adding in its place the following:

> "No Participant or any other person, including, without limitation, any death beneficiary referred to in Section 12, shall have any right, title or interest of any kind in any such cash or Common Shares. Notwithstanding the foregoing,

> the Company may create an irrevocable trust to hold the cash and Common Shares of the Company credited to Participants under this Plan, provided that any cash and Common Shares and any income earned thereon contained in such trust shall remain subject to claims of the creditors of the Company."

4. The Plan is hereby amended by adding to the Plan a new Section 8A immediately after Section 8 of the Plan, to read as follows:

> "8A. Election Period for Conversion of Investment in Common Shares of the company to Cash
>
> A Director or former Director who is a Participant in this Plan between the dates of February 1, 1992 and March 31, 1992 (the "Conversion Election Period") and who has previously elected that amounts credited to his or her account under this Plan be invested in whole shares of Common Shares of the Company may, during such Conversion Election Period, elect to convert into cash all amounts then invested in whole shares of Common Shares of the Company, regardless of the Payment Commencement Date(s) applicable to the deferred amounts so invested. This conversion election shall be made by filing, no later than March 31, 1992, a written notice, on the Notice of Conversion form attached as Exhibit D to this Plan, with the Secretary of the Company at 1100 Superior Avenue, Cleveland, Ohio 44114. A conversion election properly made

by a Participant shall be effective March 31, 1992, following which time no amounts credited to the account of such Participant shall be invested or reinvested by the Company in Common Shares of the Company as provided in Section 4 of this Plan.

No later than April 15, 1992, the treasurer of the Company shall convert into cash, through sale or otherwise, all of the common Shares of the Company credited to the accounts of the Participants who have properly made a conversion election under this Section 8A. The accounts of such Participants shall be appropriately adjusted and the cash proceeds (after deduction of taxes or other costs and expenses, if any, paid by the Company because of such sales) shall be credited to the accounts of such Participants. A Participant's Deferred Compensation Account, including such cash proceeds, shall be adjusted in accordance with Section 7 and Section 8 of this Plan, and shall be paid to the Participant as otherwise provided in this Plan and as previously elected by the Participant."

5. This amendment shall be effective as of January 14, 1992.

IN WITNESS WHEREOF, this Amendment No. 1 to the Plan has been duly executed and delivered.

CLEVELAND-CLIFFS INC

By /s/ R. F. Novak

Title Vice President

March 9, 1992

Exhibit D

NOTICE OF CONVERSION

Cleveland-Cliffs Inc

Re: Plan for Deferred Payment of Directors' Fees (the "Plan")

1. Pursuant to Section 8A of the Plan, I hereby elect to have all amounts credited to the Deferred Compensation Account in my name under the Plan that are currently invested in shares of Common Shares of the Company converted into the cash equivalent of the value of such Common Shares of the Company, regardless of Payment Commencement Date(s) applicable to the deferred amounts so invested.

2. I understand that all such amounts so converted shall be credited to the Deferred Compensation Account in my name under the Plan as cash (after deduction of taxes or other costs and expenses, if any, paid by the Company because of the sale), shall not be invested or reinvested in shares of Common Shares of the Company pursuant to the provisions of the Plan, and shall be paid to me in accordance with the Election that I previously made with respect to the deferred amounts.

Date _____ Signature _____

Date Notice of Conversion received by Secretary:

Date _____ Signature _____

2882F

105
061587
KDS

CONSULTING AGREEMENT

THIS AGREEMENT made this 23rd day of June, 1987, by and between CLEVELAND-CLIFFS INC, an Ohio corporation (hereinafter referred to as "Cliffs"), and SAMUEL K. SCOVIL of Gates Mills, Ohio (hereinafter referred to as "Consultant").

W I T N E S S E T H:

WHEREAS, Cliffs wishes to engage Consultant's services as specified herein, and Consultant is ready, willing and able to undertake the performance of such services.

NOW, THEREFORE, the parties agree as follows:

I. AGREEMENT

Cliffs hereby agrees to retain the independent consulting and advisory services of Consultant with respect to his expertise as past Chief Executive Officer of Cliffs ("consulting and advisory services") and Consultant agrees to perform such consulting and advisory services in respect of the business affairs of Cliffs as Cliffs may from time to time request.

II. DUTIES OF CONSULTANT

Consultant will render, at the specific request of the Chief Executive Officer of Cliffs, consulting and advisory services during the term of this Agreement and will provide Cliffs with the benefit of his special knowledge, skill, contacts, and business experience to the extent

relevant to Cliffs' business; and, as such advisor and consultant, promote its financial welfare. All such consulting and advisory service assignments shall be made to Consultant by Cliffs' Chief Executive Officer or his designee.

III. SERVICES AND COMPENSATION

Consultant agrees to provide to Cliffs, when and to the extent reasonably required, consulting and advisory services during the term of this Agreement, and Cliffs agrees to pay Consultant at the rate of Twenty Thousand Dollars ($20,000.00) per year, payable quarterly in advance on the first day of January, April, July and October of each year.

IV. REIMBURSEMENT OF EXPENSES

In addition to the compensation referred to in Section III., Cliffs agrees to reimburse Consultant for all reasonable expenses as shall be incurred by him in the discharge of his duties hereunder. Consultant shall submit an expense statement to Cliffs from time for expenses incurred. Cliffs shall make prompt reimbursement there for, provided, however, that Consultant agrees he will secure the prior approval of Cliffs before making any unusual expenditures in the course of his services hereunder.

V. NON-DISCLOSURE OF INFORMATION

Consultant shall keep secret and confidential such information pertaining to Cliffs, its activities, products, organization or internal affairs as Consultant may acquire while performing consulting and advisory services during the term of this Agreement. Consultant shall not, without the consent of Cliffs, during the term of this Agreement and any extensions hereof, and for a period of one (1) year thereafter, directly

or indirectly, enter the employment of, or render consulting and advisory services to any person, partnership, association or corporation engaged in competition with Cliffs, or aid any such person, partnership, association or corporation engaged in competition with Cliffs regarding matters or subjects dealt with in furnishing such services hereunder.

IV. INDEPENDENT CONTRACTOR

Nothing in this Agreement shall be considered to create the relationship of employer and employee between Cliffs and Consultant, and Consultant shall at all times be deemed to be an independent contractor.

VII. AVAILABILITY

Consultant agrees that during the term of this Agreement he will

keep Cliffs informed of his address and phone number or other place where he may be contacted.

VIII. COMPLIANCE WITH LAWS

Consultant will comply with all applicable laws and regulations in the course of performing consulting and advisory services under this Agreement.

IX. ASSIGNMENT

Neither this Agreement nor any rights, interest or benefits hereunder may be assigned, transferred, sold, or pledged in any way by Consultant. Any such attempted assignment, transfer, sale, pledge, or other disposition of such rights, interest or benefits hereunder shall be null and void and without effect.

X. TERM

This Agreement shall become effective as of January 1, 1987 and, subject to the other provisions hereof, shall terminate on December

31, 1996. This Agreement shall also terminate upon Consultant's earlier death whereupon the balance payable hereunder through December 31, 1996 shall immediately become due and be paid to Consultant's estate within ninety (90) days of the date of Consultant's death.

Notwithstanding the above, the termination of this Agreement shall not terminate the obligations of Consultant as contained in Section V. above.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

CLEVELAND-CLIFFS INC

By /s/ M.T. Moore	/s/ Samuel K. Scovil
Chief Executive Officer	Consultant

EXHIBIT 10(e)

FLH63
CONFIDENTIAL
061391

AMENDMENT TO CONSULTING AGREEMENT

THIS AMENDMENT is entered into this 18th day of June, 1991, by and between CLEVELAND-CLIFFS INC, an Ohio corporation (hereinafter referred to as "Cliffs"), and SAMUEL K. SCOVIL of Gates Mills, Ohio (hereinafter referred to as "Consultant").

W I T N E S S E T H:

WHEREAS, Cliffs and Consultant entered into a Consulting Agreement, dated June 23, 1987, for a term ending on December 31, 1996; and

WHEREAS, the parties to that agreement wish to amend it in certain respects.

NOW, THEREFORE, the parties agree to amend said Consulting Agreement as follows:

1. Article III is amended in its entirety to read as follows:

III. SERVICES AND COMPENSATION

Consultant agrees to provide to Cliffs, when and to the extent reasonably required, consulting and advisory services during the term of this Agreement, and Cliffs agrees to pay Consultant at the rate of Twenty Thousand Dollars ($20,000.00) per year, payable quarterly in advance on the first day of January, April, July and October of each year, except that for the period commencing July 1, 1991 through December 31, 1992, the annual rate shall be Eighty Thousand Dollars ($80,000.00), of which Sixty Thousand Dollars ($60,000.00) of such annual rate shall not be subject to the penultimate sentence of Article X.

2. Except as provided herein, the Consulting Agreement remains in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, this Agreement has been executed on the day and year first above written.

CLEVELAND-CLIFFS INC

By M. Thomas Moore

Consultant:

Samuel K. Scovil

SAMUEL K. SCOVIL

EXHIBIT 10(f)
CONFIDENTIAL

AMENDMENT TO CONSULTING AGREEMENT

THIS AMENDMENT is entered into this 28th day of December, 1995, by and between CLEVELAND-CLIFFS INC, an Ohio corporation (hereinafter referred to as "Cliffs"), and SAMUEL K. SCOVIL of Gates Mills, Ohio (hereinafter referred to as "Consultant").

W I T N E S S E T H:

WHEREAS, Cliffs and Consultant are parties to a Consulting Agreement, dated June 23, 1987, as amended June 18, 1991, for a term ending on December 31, 1996; and

WHEREAS, the parties to that agreement wish to further amend it in certain respects.

NOW THEREFORE, the parties agree to further amend said Consulting Agreement as follows:

1. Article III is amended in its entirety to read as follows:

III. SERVICES AND COMPENSATION

Consultant agrees to provide to Cliffs, when and to the extent reasonably required, consulting and advisory services during the term of this Agreement, and Cliffs agrees to pay Consultant at the rate of Twenty Thousand Dollars ($20,000.00) per year through the year 1995, payable quarterly in advance on the first day of January, April, July and October of each year, and agrees to pay $5,000 for the first quarter of 1996, payable on January 1, 1996, except that for the period commending July 1, 1991 through December 31, 1992, the annual rate shall be Eighty Thousand Dollars ($80,000.00), of which Sixty Thousand Dollars ($60,000.00) of such annual rate shall not be subject to the penultimate sentence of Article X.

2. Article X is amended in its entirety to read as follows:

X. TERM

This Agreement shall become effective as of January 1, 1987 and, subject to the other provisions hereof, shall terminate on March 31, 1996. This Agreement shall also terminate upon Consultant's earlier death whereupon the balance payable hereunder through March 31, 1996 shall immediately become due and be paid to Consultant's estate within ninety (90) days of the date of Consultant's death.

Notwithstanding the above, the termination of this Agreement shall not terminate the obligations of Consultant as contained in Section V. above.

3. Except as provided herein, the Consulting Agreement remains in full force and effect in accordance with its terms.

IN WITNESS WHEREOF, this Agreement has been executed on the day and year first above written.

CLEVELAND-CLIFFS INC

By /s/ M. Thomas Moore
Chairman and Chief Executive Officer

Consultant:

/s/ Samuel K. Scovil
SAMUEL K. SCOVIL

EXHIBIT 10(i)

INSTRUMENT OF ASSIGNMENT AND ASSUMPTION

THIS INSTRUMENT OF ASSIGNMENT AND ASSUMPTION (this "Instrument"), dated as of July 1, 1985, by and between The Cleveland-Cliffs Iron Company, an Ohio corporation ("Cliffs") and Cleveland-Cliffs Inc, an Ohio corporation ("Holding").

KNOW ALL MEN BY THESE PRESENTS THAT Cliffs for good and valuable consideration, receipt of which is hereby acknowledged, does hereby give, grant, bargain, sell, convey, set-over, deliver, assign, transfer and confirm, to Holding, its successors and assigns all of Cliffs' right, title and interest in and to the plans, agreements, and arrangements ("Plans") of Cliffs listed on Schedule I attached hereto and by this reference hereby incorporated herein by reference, whether or not recorded on Cliffs' books, as the same exist as of the commencement of business on the date hereof.

TO HAVE AND TO HOLD, the Plans hereby given, granted, bargained, sold, conveyed, set-over, delivered, assigned, transferred and confirmed or intended so to be, to Holding, its successors and assigns, to or for its and their own use and benefit forever.

To the extent that the assignment of any Plan to be assigned to Holding as herein provided shall require the consent of other parties, this Instrument shall not constitute an attempt to assign the same if an attempted

assignment without such consent would constitute a breach thereof. With respect to all such Plans, Cliffs agrees to use its best efforts to obtain the consent of the other parties thereto to the assignment thereof.

From and after the date hereof, Holding hereby assumes all of the obligations of Cliffs relating to such Plans, and Cliffs and Holding shall, promptly upon the request of the other, execute and deliver all such documents and perform all such other acts as may be reasonably requested in order to evidence or confirm the assignment to Holding of any and all of the Plans referred to herein.

IN WITNESS WHEREOF, The Cleveland-Cliffs Iron Company and Cleveland-Cliffs Inc have caused this Instrument of Assignment and Assumption to be executed by their respective duly authorized officers at Cleveland, Ohio, as of the date first written above.

THE CLEVELAND-CLIFFS IRON COMPANY

By John S. Bowen
SENIOR VICE PRESIDENT

CLEVELAND-CLIFFS INC

By S. S. McMillan
VICE PRESIDENT

SCHEDULE I

1. Amendment and Restatement of Investment Credit Employee Stock Ownership Plan for The Cleveland Cliffs Iron Company and Participating Companies, dated as of July 1, 1985

2. The Cleveland-Cliffs Iron Company - Plan for Deferred Payment of Directors' Fees, dated July 1, 1981

3. The Cleveland-Cliffs Iron Company - Retirement Plan for Non-Employee Directors, dated June 1, 1984

4. The Cleveland-Cliffs Iron Company - Automatic Dividend Reinvestment Plan, dated October, 1978

5. An Opportunity to Purchase The Cleveland-Cliffs Iron Company Common Stock through Payroll Deductions

EXHIBIT 10(j)

INDEMNIFICATION AGREEMENT

This indemnification Agreement ("Agreement") is made of the _____ day of _____, 1987, by and between Cleveland-Cliffs Inc, an Ohio corporation (the "Company") and _____ (the "Indemnitee"), a Director of the Company.

RECITALS

A. The Indemnitee is presently serving as a Director of the Company and the Company desires the Indemnitee to continue in that capacity. The Indemnitee is willing, subject to certain conditions including without limitation the execution and performance of this Agreement by the Company, to continue in that capacity.

B. In addition to the indemnification to which the Indemnitee is entitled under the Regulations of the Company (the "Regulations"), the Company has obtained, at its sole expense, insurance protecting the Company and its officers and directors including the Indemnitee against certain losses arising out of actual or threatened actions, suits, or proceedings to which such persons may be made or threatened to be made parties. However, as a result of circumstances having no relation to, and beyond the control of, the company and the Indemnitee, the scope of that insurance has been reduced and there can be no assurance of the continuation or renewal of that insurance.

Accordingly, and in order to induce the Indemnitee to continue to serve in his present capacity, the Company and the Indemnitee agree as follows:

1. Continued Service. The Indemnitee shall continue to serve at the will of the Company as a Director of the Company so long as he is duly elected and qualified in accordance with the Regulations or until he resigns in writing in accordance with applicable law.

2. Initial Indemnity. (a) The Company shall indemnify the Indemnitee, if or when he is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company), by reason of the fact that he is or was a Director of the Company or is or was serving at the request of the Company as a director, trustee, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, or by reason of any action alleged to have been taken or omitted in any such capacity, against any and all costs, charges, expenses (including without limitation fees and expenses of attorneys and/or others; all such costs, charges and expenses being herein jointly referred to as "Expenses"), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by the Indemnitee in connection therewith including any appeal of or from any judgment or decision, unless it is proved by clear and convincing evidence in a court of competent jurisdiction that the Indemnitee's action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Company or Undertaken with reckless disregard for the best interests of the Company.

In addition, with respect to any criminal action or proceeding, indemnification hereunder shall be made only if the Indemnitee had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment. order, settlement, or conviction, or upon a plea of no lo contendere or its equivalent, shall not, of itself, create a presumption that the Indemnitee did not satisfy the foregoing standard of conduct to the extent applicable thereto.

(b) The Company shall indemnify the Indemnitee, if or when he is a party or is threatened to be made a party to any threatened, pending, or completed action, suit. or proceeding by or in the right of the Company to procure a judgment in its favor, by reason of the fact that the Indemnitee is or was a Director of the Company or is or was serving at the request of the Company as a director, trustee, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, against any and all Expenses actually and reasonably incurred by the Indemnitee in connection with the defense or settlement thereof or any appeal of or from any judgment or decision, unless it is proved by clear and convincing evidence in a court of competent jurisdiction that the Indemnitee's action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Company or undertaken with reckless disregard for the best interests of the Company, except that no indemnification shall be made in respect of any action or suit in which the

only liability asserted against Indemnitee is pursuant to Section 1701.95 of the Ohio Revised Code.

(c) Any indemnification under Section 2(a) or 2(b) (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the Indemnitee is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 2(a) or 2(b). Such authorization shall be made (i) by the Directors of the Company (the "Boards") by a majority vote of a quorum consisting of Directors who were not and are not parties to or threatened with such action, suit, or proceeding or (ii) if such a quorum of disinterested Directors is not available or if a majority of such quorum so directs, in a written opinion by independent legal counsel (designated for such purpose by the Board) which shall not be an attorney, or a firm having associated with it an attorney, who has been retained by or who has performed services for the Company, or any person to be indemnified, within the five years preceding such determination, or (iii) by the shareholders of the Company (the "Shareholders"), or (iv) by the court in which such action, suit, or proceeding was brought.

(d) To the extent that the Indemnitee has been successful on the merits or otherwise, including without limitation the dismissal of an action without prejudice, in defense of any action, suit, or proceeding referred to in Section 2(a) or 2(b), or in defense of any claim, issue, or matter therein, he shall be indemnified against Expenses actually and reasonably incurred by him in connection therewith. Expenses actually and reasonably incurred by the Indemnitee in defending any such action, suit, or proceeding shall be paid by the Company as they are incurred in advance of the final disposition of such action, suit, or proceeding under the procedure set forth in Section 4(b) hereof.

(e) For purposes of this Agreement, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on the Indemnitee with respect to any employee benefit plan; references to "serving at the request of the Company" shall include any service as a director, officer, employee, or agent of the Company which imposes duties on, or involves services by, the Indemnitee with respect to an employee benefit plan, its participants or beneficiaries; references to the masculine shall include the feminine; and references to the singular shall include the plural and VICE VERSA.

3. Additional Indemnification. Pursuant to Section 1701.13(E)(6) of the Ohio Revised Code (the "ORC"), without limiting any right which the Indemnitee may have pursuant to Section 2 hereof or any other provision of this Agreement or the Articles of Incorporation, the Regulations, the ORC, any policy of insurance, or otherwise, but subject to any limitation on the maximum permissible indemnity which may exist under applicable law at the time of any request for indemnity hereunder and subject to the following provisions of this Section 3, the Company shall indemnify the Indemnitee against any amount which he is or becomes obligated to pay relating to or arising out of any claim made against him because of any act, failure to act, or neglect or breach of duty, including any actual or alleged error, misstatement, or misleading statement, which he commits, suffers, permits, or acquiesces in while acting in his capacity as a Director of the Company. The payments which the Company is obligated to make pursuant to this Section 3 shall include without limitation, judgments, fines, and amounts paid in settlement and any and all Expenses actually and reasonably incurred by the Indemnitee in connection therewith including any appeal of or from any judgment or decision; PROVIDED, HOWEVER, that the Company shall not be obligated under this Section 3 to make any payment in connection with any claim against the Indemnitee:

(a) to the extent of any fine or similar governmental imposition which the Company is prohibited by applicable law from paying which results from a final, nonappealable order; or

(b) to the extent based upon or attributable to the Indemnitee having actually realized a personal gain or profit to which he was not legally entitled, including without limitation profit from the purchase and sale by the Indemnitee of equity securities of the Company which are recoverable by the Company pursuant to Section 16(G) of the Securities Exchange Act of 1934, or profit arising from transactions in publicly traded securities of the Company which were effected by the Indemnitee in violation of Section 10(b) of the Securities Exchange Act of 1934, or Rule 10b-5 promulgated thereunder.

A determination as to whether the Indemnitee shall be entitled to indemnification under this Section 3 shall be made in accordance with Section 4(a) hereof. Expenses incurred by the Indemnitee in defending any claim to which this Section 3 applies shall be paid by the Company as they are actually and reasonably incurred in advance of the final disposition of such claim under the procedure set forth in Section 4(b) hereof.

4. Certain Procedures Relating to Indemnification. (a) For purposes of pursuing his rights to indemnification under Section 3 hereof,

the Indemnitee shall (i) submit to the Board a sworn statement of request for indemnification substantially in the form of Exhibit I attached hereto and made a part hereof (the "Indemnification Statement") averring that he is entitled to indemnification hereunder; and (ii) present to the Company reasonable evidence of all amounts for which indemnification is requested. Submission of an Indemnification Statement to the Board shall create a presumption that the Indemnitee is entitled to indemnification hereunder, and the Company shall, within 60 calendar days after submission of the Indemnification Statement, make the payments requested in the Indemnification Statement to or for the benefit of the Indemnitee, unless (i) within such 60-calendar-day period the Board shall resolve by vote of a majority of the Directors at a meeting at which a quorum is present that the Indemnitee is not entitled to indemnification under Section 3 hereof, (ii) such vote shall be based upon clear and convincing evidence (sufficient to rebut the foregoing presumption), and (iii) the Indemnitee shall have received within such period notice in writing of such vote, which notice shall disclose with particularity the evidence upon which the vote is based. The foregoing notice shall be sworn to by all persons who participated in the vote and voted to deny indemnification. The provisions of this Section 4(a) are intended to be procedural only and shall not affect the right of Indemnitee to indemnification under Section 3 of this Agreement so long as Indemnitee follows the prescribed procedure and any determination by the Board that Indemnitee is not entitled to indemnification and any failure to make the payments requested in the Indemnification Statement shall be subject to judicial review by any court of competent jurisdiction.

(b) For purposes of obtaining payments of Expenses in advance of final disposition pursuant to the second sentence of Section 2(d) or the last sentence of Section 3 hereof, the Indemnitee shall submit to the Company a sworn request for advancement of Expenses substantially in the form of Exhibit 2 attached hereto and made a part hereof (the "Undertaking"), averring that he has reasonably incurred actual Expenses in defending an action, suit or proceeding referred to in Section 2(a) or 2(b) or any claim referred to in Section 3, or pursuant to Section 7 hereof. Unless at the time of the Indemnitee's act or omission at issue, the Articles of Incorporation or Regulations of the Company prohibit such advances by specific reference to ORC Section 1701.13(E)(5)(a) and unless the only liability asserted against the Indemnitee in the subject action, suit or proceeding is pursuant to ORC Section 1701.95, the Indemnitee shall be eligible to execute Part A of the Undertaking by which he undertakes to (a) repay such amount if it is proved by clear and convincing evidence in a court of competent jurisdiction that the Indemnitee's action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Company or undertaken with reckless disregard for the best interests of the Company and (b) reasonably cooperate with the Company concerning the action, suit, proceeding or claim. In all cases, the Indemnitee shall be eligible to execute Part B of the Undertaking by which he undertakes to repay such amount if it ultimately is determined that he is not entitled to be indemnified by the Company under this Agreement or otherwise. In the event that the Indemnitee is eligible to and does execute both Part A and Part B of the Undertaking, the Expenses which are paid by the Company pursuant thereto shall be required to be repaid by the Indemnitee only if he is required to do so under the terms of both Part A and Part B of the Undertaking. Upon receipt of the Undertaking the Company

shall thereafter promptly pay such Expenses of the Indemnitee as are noticed to the Company in writing and in reasonable detail arising out of the matter described in the Undertaking. No security shall be required in Connection with any Undertaking.

5. Limitation on Indemnity. Notwithstanding anything contained herein to the contrary, the Company shall not be required hereby to indemnify the Indemnitee with respect to any action, suit, or proceeding that was initiated by the Indemnitee unless (i) such action, suit, or proceeding was initiated by the Indemnitee to enforce any rights to indemnification arising hereunder and such person shall have been formally adjudged to be entitled to indemnity by reason hereof, (ii) authorized by another agreement to which the Company is a party whether heretofore or hereafter entered, or (iii) otherwise ordered by the court in which the suit was brought.

6. Subrogation; Duplication of Payments. (a) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery previously vested in the

Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

(b) The Company shall not be liable under this Agreement to make any payment in connection with any claim made against Indemnitee to the extent Indemnitee has actually received payment (under any insurance policy, the Company's Regulations or otherwise) of the amounts otherwise payable hereunder.

7. Fees and Expenses of Enforcement. It is the intent of the Company that the Indemnitee not be required to incur the expenses associated with the enforcement of his rights under this Agreement by litigation or other legal action because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Indemnitee hereunder. Accordingly, if it should appear to the Indemnitee that the Company has failed to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any action, suit or proceeding to deny, or to recover from, the Indemnitee the benefits intended to be provided to the Indemnitee hereunder, the Company irrevocably authorizes the Indemnitee from time to time to retain counsel of his choice, at the expense of the Company as hereafter provided, to represent the Indemnitee in connection with the initiation or defense of any litigation or other legal action, whether by or against the Company or any director, officer, shareholder, or other person affiliated with the Company, in any jurisdiction. Regardless of the outcome thereof, the Company shall pay and be solely responsible for any and all costs, charges, and expenses, including without limitation fees and expenses of attorneys and others, reasonably incurred by the Indemnitee pursuant to this Section 7.

8. Merger or Consolidation. In the event that the Company shall be a constituent corporation in a consolidation, merger, or other reorganization, the Company, if it shall not be the surviving, resulting, or acquiring corporation therein, shall require as a condition thereto that the

surviving, resulting, or acquiring corporation agree to assume all of the obligations of the Company hereunder and to indemnify the Indemnitee to the full extent provided herein. Whether or not the Company is the resulting, surviving, or acquiring corporation in any such transaction, the Indemnitee shall also stand in the same position under this Agreement with respect to the resulting, surviving, or acquiring corporation as he would have with respect to the Company if its separate existence had continued.

9. Nonexclusivity and Severability. (a) The rights to indemnification provided by this Agreement shall not be exclusive of any other rights of indemnification to which the Indemnitee may be entitled under the Articles of Incorporation, the Regulations, the ORC or any other statute, any insurance policy, agreement, or vote of shareholders or directors or otherwise, as to any actions or failures to act by the Indemnitee, and shall continue after he has ceased to be a Director, officer, employee, or agent of the Company or other entity for which his service gives rise to a right hereunder, and shall inure to the benefit of his heirs, executors, and administrators.

(b) If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid, unenforceable, or otherwise illegal, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected, and the provision so held to be invalid, unenforceable, or otherwise illegal shall be reformed to the extent (and only to the extent) necessary to make it enforceable, valid, and legal.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles of conflict of laws thereof.

11. Modification. This Agreement and the rights and duties of the Indemnitee and the Company hereunder may be modified only by an instrument in writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

CLEVELAND-CLIFFS INC

By _____
President and
Chief Executive Officer

_____
[Signature of Indemnitee]

Exhibit 1

INDEMNIFICATION STATEMENT

STATE OF)
) ss:
COUNTY OF)

I, _____ being first duly sworn, do depose and say as follows:

1. This Indemnification Statement is submitted pursuant to the Idemnification Agreement, dated _____, 1987, between Cleveland-Cliffs Inc (the "Company"), an Ohio corporation, and the undersigned.

2. I am requesting indemnification against costs, charges, expenses (which may include fees and expenses of attorneys and/or others), judgments, fines, and amounts paid in settlement (collectively, "Liabilities"), which have been actually and reasonably incurred by me in connection with a claim referred to in Section 3 of the aforesaid Indemnification Agreement.

3. With respect to all matters related to any such claim, I am entitled to be indemnified as herein contemplated pursuant to the aforesaid Indemnification Agreement.

4. Without limiting any other rights which I have or may have, I am requesting indemnification against Liabilities which have or may arise out of _____
_____.

_____
[Signature of Indemnitee]

Subscribed and sworn to before me, a Notary Public in and for said County and State, this _____ of _____, 19____.

[Seal]

My commission expires the _____ day of _____, 19____.

Exhibit 2

UNDERTAKING

STATE OF)
) ss:
COUNTY OF)

I, _____ being first duly sworn, do depose and say as follows:

1. This Undertaking is submitted pursuant to the Indemnification Agreement, dated _____, 1987, between Cleveland-Cliffs Inc (the "Company"), an Ohio corporation, and the undersigned.

2. I am requesting payment of costs, charges, and expenses which I have reasonably incurred or will reasonably incur in defending an action, suit or proceeding, referred to in Section 2(a) or 2(b) or any claim referred to in Section 3, or pursuant to Section 7, of the aforesaid Indemnification Agreement.

3. The costs, charges, and expenses for which payment is requested are, in general , all expenses related to _____
_____.

4. Part A

I hereby undertake to (a) repay amounts paid pursuant hereto if it is proved by clear and convincing evidence in a court of competent jurisdiction

that my action or failure to act which is the subject of the matter described herein involved an act or omission undertaken with deliberate intent to cause injury to the Company or undertaken with reckless disregard for the best interests of the Company and (b) reasonably cooperate with the Company concerning the action, suit, proceeding or claim.

_____
(Signature of Indemnitee)

4. Part B

I hereby undertake to repay all amounts paid pursuant hereto if it ultimately is determined that I am not entitled to be indemnified by the Company under the aforesaid Indemnification Agreement or otherwise.

_____
(Signature of Indemnitee)

Subscribed and sworn to before me, a Notary Public in and for said County and State, this _____ day of _____, 19___.

[Seal]

My commission expires the _____ day of _____, 19____.

2914F

AMENDED AND RESTATED TRUST AGREEMENT No. 1

This Amended and Restated Trust Agreement No. 1 ("Trust Agreement No. 1") is made on this 9th day of March, 1992, by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs"), and Ameritrust Company National Association, a national banking association, as trustee (the "Trustee").

WITNESSETH:

WHEREAS, Cleveland-Cliffs has entered into an agreement with each of the executives (the "Executives") listed (from time to time as provided in Section 9(c) hereof) on Exhibit A hereto (the agreements are referred to herein singularly as an "Agreement" and collectively as the "Agreements");

WHEREAS, pursuant to the provisions of the Cleveland-Cliffs Inc Supplemental Retirement Benefit Plan (as Amended and Restated Effective January 1, 1991), as the same has been or may hereafter be supplemented, amended or restated, or any successor thereto (the "Plan"), the Executives and beneficiaries of the Executives (also listed on Exhibit A hereto from time to time as provided in Section 9(c) hereof), may become entitled to certain benefits;

WHEREAS, (a) the Agreements provide for the payment of certain current and deferred compensation and other benefits to the Executives or their beneficiaries thereunder following a

"Change of Control", as that term is defined in Exhibit B hereto, and (b) the Plan provides for the payment of certain benefits to the Executives and beneficiaries of Executives that (i) would be payable pursuant to the qualified retirement plans established by Cleveland-Cliffs and its subsidiary corporations and affiliates were it not for certain limitations imposed by the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) are or may become due under certain agreements entered into (or which may be entered into) by Cleveland-Cliffs and its subsidiary corporations and affiliates granting additional service credit or other features for purposes of computing retirement benefits, and (c) Cleveland-Cliffs wishes specifically to assure the payment to the Executives and beneficiaries of Executives (Executives and beneficiaries of Executives are referred to herein singularly as a "Trust Beneficiary" and collectively as the "Trust Beneficiaries") of amounts due under the Agreements and the Plan (collectively referred to herein as the "Benefits");

WHEREAS, subject to Section 9 hereof, the amounts and timing of Benefits to which each Trust Beneficiary is presently or may become entitled to are as provided in and determined under the Agreements and the Plan;

WHEREAS, on October 28, 1987 Cleveland-Cliffs and the Trustee entered into a trust agreement ("Trust Agreement No. 1") to provide for the payment of certain benefits that may become payable to certain executives, beneficiaries of such executives, and their beneficiaries under agreements then in

effect between Cleveland-Cliffs and the executives and under the Plan, as it was in effect at such time;

WHEREAS, Trust Agreement No. 1 was amended by a First Amendment to Trust Agreement dated November 6, 1987 and a Second Amendment to Trust Agreement No. 1 dated April 9, 1991;

WHEREAS, Cleveland-Cliffs desires to amend and restate Trust Agreement No. 1 heretofore entered into and has transferred or will transfer to the trust (the "Trust") established by this Trust Agreement No. 1 assets which shall be held therein subject to the claims of the creditors of Cleveland-Cliffs to the extent set forth in Section 3 hereof until paid in full to all Trust Beneficiaries as Benefits in such manner and at such times as specified herein unless Cleveland-Cliffs is Insolvent (as defined herein) at the time that such Benefits become payable; and

WHEREAS, Cleveland-Cliffs shall be considered "Insolvent" for purposes of this Trust Agreement No. 1 at such time as Cleveland-Cliffs (i) is subject to a pending voluntary or involuntary proceeding as a debtor under the United States Bankruptcy Code, as heretofore or hereafter amended, or (ii) is unable to pay its debts as they mature.

NOW, THEREFORE, the parties amend and restate Trust Agreement No. 1 and agree that the Trust shall be comprised, held and disposed of as follows:

1. TRUST FUND: (a) Subject to the claims of its creditors to the extent set forth in Section 3 hereof, Cleveland-Cliffs (i) hereby deposits with the Trustee in trust

Ten Dollars ($10.00) which shall become the principal of this Trust, and (ii)

Cleveland-Cliffs may from time to time make additional deposits of cash or other property in the Trust to augment such principal. The principal of the Trust shall be held, administered and disposed of by the Trustee as herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided.

(b) The Trust hereby established shall be revocable by Cleveland-Cliffs at any time prior to the date on which occurs a Change of Control, and on or after such date (the "Irrevocability Date"), this Trust shall be irrevocable. In the event that the Irrevocability Date has occurred, Cleveland-Cliffs shall so notify the Trustee promptly.

(c) The principal of the Trust and any earnings thereon shall be held in trust separate and apart from other funds of Cleveland-Cliffs exclusively for the uses and purposes herein set forth. No Trust Beneficiary shall have any preferred claim on, or any beneficial ownership interest in, any assets of the Trust prior to the time that such assets are paid to a Trust Beneficiary as Benefits as provided herein.

(d) The Trust is intended to be a grantor trust, within the meaning of section 671 of the Code, or any successor provision thereto, and shall be construed accordingly. The Trust is not designed to qualify under Section 401(a) of the Code or to be subject to the provisions of the Employee

Retirement Income Security Act of 1974, as amended ("ERISA"). The Trust established under this Trust Agreement No. 1 does not fund and is not intended to fund the Agreements or the Plan or any other employee benefit plan or program of Cleveland-Cliffs. Such Trust is and is intended to be a depository arrangement with the Trustee for the setting aside of cash and other assets of Cleveland-Cliffs for the meeting of part or all of its future obligations with respect to Benefits.

2. PAYMENTS TO TRUST BENEFICIARIES. (a) Provided that the Trustee has not actually received notice as provided in Section 3 hereof that Cleveland-Cliffs is Insolvent and commencing with the earlier to occur of (i) appropriate notice by Cleveland-Cliffs to the Trustee, or (ii) the Irrevocability Date, the Trustee shall make payments of Benefits to each Trust Beneficiary from the assets of the Trust in accordance with the terms of the Agreement applicable to such Trust Beneficiary and of the Plan and subject to Section 9 hereof. The Trustee shall make provision for withholding of any federal, state, or local taxes that may be required to be withheld by the Trustee in connection with the payment of any Benefits hereunder.

(b) If the balance of a separate account maintained for a Trust Beneficiary pursuant to Section 7(b) hereof is not sufficient to provide for full payment of benefits to which a Trust Beneficiary is entitled as provided herein, then an amount up to the amount of such deficiency shall be allocated to such separate account from the Master Account maintained pursuant to section 7(b) hereof to the extent of the balance in the Master Account. If, after application of the preceding

sentence, the balance of a Trust Beneficiary's separate account maintained pursuant to Section 7(b) is not sufficient to provide for full payment of benefits to which a Trust Beneficiary is entitled as provided herein, then Cleveland-Cliffs shall make the balance of each such payment as provided in the applicable provision of the Agreement or the Plan, as the case may be. No payment to a Trust Beneficiary from the assets of the Trust shall exceed the balance of such separate account.

(c) Any payments of Benefits by the Trustee pursuant to this Trust Agreement No. 1 shall, to the extent thereof, discharge the obligation of Cleveland-Cliffs to pay such Benefits under the Agreements and the Plan, it being the intent of Cleveland-Cliffs that assets in the Trust established hereby be held as security for the obligation of Cleveland-Cliffs to pay Benefits under the Agreements and the Plan.

3. THE TRUSTEE'S RESPONSIBILITY REGARDING PAYMENTS TO A TRUST BENEFICIARY WHEN CLEVELAND-CLIFFS IS INSOLVENT: (a) At all times during the continuance of this Trust, the principal and income of the Trust shall be subject to claims of creditors of Cleveland-Cliffs as set forth in this Section 3(a). The Board of Directors of Cleveland-Cliffs ("the Board") and the Chief Executive Officer of Cleveland-Cliffs ("the CEO") shall have the duty to inform the Trustee if either the Board or the CEO believes that Cleveland-Cliffs is Insolvent. If the Trustee receives a notice from the Board, the CEO, or a creditor of Cleveland-Cliffs alleging that Cleveland-Cliffs is

Insolvent, then unless the Trustee independently determines that Cleveland-Cliffs is not Insolvent, the Trustee shall (i) discontinue payments to any Trust Beneficiary, (ii) hold the Trust assets for the benefit of the general creditors of Cleveland-Cliffs, and (iii) promptly seek the determination of a court of competent jurisdiction regarding the Insolvency of Cleveland-Cliffs. The Trustee shall deliver any undistributed principal and income in the Trust to the extent of the balances of the accounts maintained hereunder necessary to satisfy the claims of the creditors of Cleveland-Cliffs as a court of competent jurisdiction may direct. Such payments of principal

and income shall be borne by the Master Account to the extent thereof, and then by the separate accounts of the Trust Beneficiaries in proportion to the balances on the date of such court order of their respective accounts maintained pursuant to Section 7(b) hereof; provided, however, that (iv) all Account Excesses shall first be determined and allocated in accordance with Sections 4 and 7(b) hereof, and (v) for this purpose the Threshold Percentage shall be equal to 100%. If payments to any Trust Beneficiary have been discontinued pursuant to this Section 3(a), the Trustee shall resume payments to such Trust Beneficiary only after receipt of an order of a court of competent jurisdiction. The Trustee shall have no duty to inquire as to whether Cleveland-Cliffs is Insolvent and may rely on information concerning the Insolvency of Cleveland-Cliffs which has been furnished to the Trustee by any person. Nothing in this Trust Agreement No. 1 shall in any way

diminish any rights of any Trust Beneficiary to pursue his rights as a general creditor of Cleveland-Cliffs with respect to Benefits or otherwise, and the rights of each Trust Beneficiary shall in no way be affected or diminished by any provision of this Trust Agreement No. 1 or action taken pursuant to this Trust Agreement No. 1, except as provided in Section 2(c).

(b) If the Trustee discontinues payments of Benefits from the Trust pursuant to Section 3(a) hereof, the Trustee shall, to the extent it has liquid assets, place cash equal to the discontinued payments (to the extent not paid to creditors pursuant to Section 3(a) and not paid to the Trustee pursuant to Section 10 hereof) in such interest-bearing deposit accounts or certificates of deposit (including any such accounts or certificate issued or offered by the Trustee or any successor corporation but excluding obligations of Cleveland-Cliffs) as determined by the Trustee in its sole discretion. If the Trustee subsequently resumes such payments, the first payment following such discontinuance shall include the aggregate amount of all payments which would have been made to the Trust Beneficiaries in accordance with this Trust Agreement No. 1 during the period of such discontinuance, less the aggregate amount of payments made to any Trust Beneficiary by Cleveland-Cliffs pursuant to the Agreement applicable to such Trust Beneficiary and Plan during any such period of discontinuance, together with interest on the net amount delayed determined at a rate equal to the rate paid on the

accounts or deposits selected by the Trustee; provided, however, that no such payment shall exceed the balance of the respective Trust Beneficiary's account as provided in Section 7(b) hereof.

4. PAYMENTS TO CLEVELAND-CLIFFS. Except to the extent expressly contemplated by Section 1(b) and this Section 4, Cleveland-Cliffs shall have no right or power to direct the Trustee to return any of the Trust assets to Cleveland-Cliffs before all payments of Benefits have been made to all Trust Beneficiaries as herein provided. From time to time, but in no event before the third anniversary of the date on which occurs a Change of Control, if and when requested by Cleveland-Cliffs to do so, the Trustee shall engage the services of Hewitt Associates ("Hewitt") or such other independent actuary as may be mutually satisfactory to Cleveland-Cliffs and to the Trustee to determine the maximum actuarial present values of the future Benefits that could become payable under the Plan and the Agreements with respect to the Trust Beneficiaries. The Trustee shall determine the fair market values of the Trust assets allocated to the account of each Trust Beneficiary and to the Master Account pursuant to Section 7(b) hereof. Cleveland-Cliffs shall pay the fees of such independent actuary and of any appraiser engaged by the Trustee to value any property held in the Trust. The independent actuary shall make its calculations based upon the assumption that each Executive will have base salary and bonus increases from the date of calculation through the termination

of his employment by Cleveland-Cliffs at the rate of the average increase in such Executive's salary and bonus during the immediately preceding three years, and that no Executive will leave the employ of Cleveland-Cliffs for any reason other than (a) death prior to retirement or (b) retirement on or after age 62 or the corresponding date specified in the Agreement at the age that would result in the maximum present value of Benefits payable to him or his Trust Beneficiaries that is possible under the Plan and/or the Agreement. In addition, the independent actuary shall use the 1983 Group Annuity Mortality Table, an interest rate of 8%, Gross National Product Price Deflator increases of 4%, or such other assumptions as are recommended by such actuary and approved by Cleveland-Cliffs and, after the date of a Change of Control, a majority of the Trust Beneficiaries (subject to the provisions of Sections 11(b)(i) and (b)(ii) hereof). For purposes of this Trust Agreement No. 1, the "Fully Funded" amount with respect to the account of a Trust Beneficiary maintained pursuant to Section 7(b) hereof shall be equal to the maximum actuarial present value of the future Benefits that could become payable under the Plan and the Agreements with respect to the Trust Beneficiary. The Trustee shall then determine any allocations to and from the Master Account in accordance with Section 7(b) hereof. Thereafter, upon the request of the Company, the Trustee shall pay to Cleveland-Cliffs the excess, if any, of the balance in the Master Account over 40% of the aggregate of all of the Fully

Funded amounts.

5. INVESTMENT OF TRUST FUND. (a) The Trustee shall invest and reinvest the principal of the Trust including any income accumulated and added to principal, as directed by the Organization and Compensation Committee of the Board of Directors of Cleveland-Cliffs (which direction may not include investment in common shares of Cleveland-Cliffs). In the absence of any such direction, the Trustee shall have sole power to invest the assets of the Trust (excluding investment in common shares of Cleveland-Cliffs). The Trustee shall act at all times, however, with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims. The investment objective of the Trustee shall be to preserve the principal of the Trust while obtaining a reasonable total rate of return, measurement of which shall include market appreciation or depreciation plus receipt of interest and dividends. The Trustee shall be mindful, in the course of its management of the Trust, of the liquidity demands on the Trust and any actuarial assumptions that may be communicated to it from time to time in accordance with the provisions of this Trust Agreement No. 1.

(b) In addition to authority given to the Trustee under Section 8 hereof, the Trustee is empowered with respect to the assets of the Trust:

(i) To invest and reinvest all or any part of the Trust assets, in each and every kind of property, whether real, personal or mixed, tangible or intangible, whether income or non-income producing, whether secured or unsecured, and wherever situated, including, but not limited to, real estate, shares of common and preferred stock, mortgages and bonds, leases (with or without option to purchase), notes, debentures, equipment or collateral trust certificates, and other corporate, individual or government securities or obligations, time deposits (including savings deposit and certificates of deposit in the Trustee or its affiliates if such deposits bear a reasonable rate of interest), common or collective funds or trusts, and mutual funds or investment companies, including affiliated investment companies and 12 B-1 funds. Cleveland-Cliffs acknowledges and agrees that the Trustee may receive fees as a participating depository institution for services relating to the investment of funds in an eligible mutual fund;

(ii) At such time or times, and upon such terms and conditions as the Trustee shall deem advisable, to sell, convert, redeem, exchange, grant options for the purchase or exchange of, or otherwise dispose of, any property held hereunder, at public or private sale, for cash or upon credit, with or without security, without obligation on the part of any person dealing with the Trustee to see to the application of the proceeds of or to

inquire into the validity, expediency, or propriety of any such disposal;

(iii) To manage, operate, repair, partition, and improve and mortgage or lease (with or without an option to purchase) for any length of time any property held in the Trust; to renew or extend any mortgage or lease, upon such terms as the Trustee may deem expedient; to agree to reduction of the rate of interest on any mortgage; to agree to any modification in the terms of any lease or mortgage or of any guarantee pertaining to either of them; to exercise and enforce any right of foreclosure; to bid on property in foreclosure; to take a deed in lieu of foreclosure with or without paying consideration therefor and in connection therewith to release the obligation on the bond secured by the mortgage; and to exercise and enforce in any action, suit, or proceeding at law or in equity any rights, covenants, conditions or remedies with respect to any lease or mortgage or to any guarantee pertaining to either of them or to waive any default in the performance thereof;

(iv) To join in or oppose any reorganization, recapitalization, consolidation, merger or liquidation, or any plan therefor, or any lease (with or without an option to purchase), mortgage or sale of the property of any organization the securities of which are held in the Trust; to pay from the Trust any assessments, charges or compensation specified in any plan of reorganization,

recapitalization, consolidation, merger or liquidation; to deposit any property allotted to the Trust in any reorganization, recapitalization, consolidation, merger or liquidation, to deposit any property with any committee or depository; and to retain any property allotted. Trust in any reorganization, recapitalization, consolidation, merger or liquidation;

(v) To compromise, settle, or arbitrate any claim, debt or obligation of or against the Trust; to enforce or abstain from enforcing any right, claim, debt, or obligation; and to abandon any property determined by it to be worthless;

(vi) To make, execute and deliver, as Trustee, any deeds, conveyances, leases (with or without option to purchase), mortgages, options,

contracts, waivers or other instruments that the Trustee shall deem necessary or desirable in the exercise of its powers under this Agreement; and

(vii) To pay out of the assets of the Trust all taxes imposed or levied with respect to the Trust and in its discretion may contest the validity or amount of any tax, assessment, penalty, claim, or demand respecting the Trust and may institute, maintain, or defend against any related action or proceeding either at law or in equity (and in such regard, the Trustee shall be indemnified in accordance with Section 8(d) hereof).

6. INCOME OF THE TRUST. Except as provided in Section 3 hereof, during the continuance of this Trust all net income of the Trust shall be allocated not less frequently than monthly among the Trust Beneficiaries' separate accounts in accordance with Section 7(b) hereof.

7. ACCOUNTING BY TRUSTEE. (a) The Trustee shall keep records in reasonable detail of all investments, receipts, disbursements and all other transactions required to be done, including such specific records as shall be agreed upon in writing by Cleveland-Cliffs and the Trustee. All such accounts, books and records shall be open to inspection and audit at all reasonable times by Cleveland-Cliffs, by any Trust Beneficiary, or in the event of a Trust Beneficiary's death or adjudged incompetence, by an agent or representative of any of the foregoing (as to such Trust Beneficiary's account). Within 60 calendar days following the close of each calendar year and within 60 calendar days after the removal or resignation of the Trustee, the Trustee shall deliver to Cleveland-Cliffs and, following the Irrevocability Date, to each Trust Beneficiary, or in the event of a Trust Beneficiary's death or adjudged incompetence, any agent or representative of the Trust Beneficiary (as to his or her account), a written account of its administration of the Trust during such year or during the period from the end of the last preceding year to the date of such removal or resignation, setting forth all investments, receipts, disbursements and other transactions effected by it, including a description of all securities and investments

purchased and sold with the cost or net proceeds of such purchases or sales (accrued interest paid or receivable being shown separately), and showing all cash, securities, rights and other property held in the Trust at the end of such year or as of the date of such removal or resignation, as the case may be. Such written accounts shall reflect the aggregate of the Trust accounts and status of each separate account maintained for each Trust Beneficiary. Unless Cleveland-Cliffs or any Trust Beneficiary shall have filed with the Trustee written exception or objection to any such statement and account within 90 days after receipt thereof, Cleveland-Cliffs and the Trust Beneficiary shall be deemed to have approved such statement and account, and in such case, the Trustee shall be forever released and discharged with respect to all matters and things reported in such statement and account as though it had been settled by a decree of a court of competent jurisdiction in an action or proceeding to which Cleveland-Cliffs and the Trust Beneficiaries were parties.

(b)(i) The Trustee shall maintain a separate subaccount for each Trust Beneficiary (a "Trust Beneficiary Account") and an account (the "Master Account") that shall be kept separate from all Trust Beneficiary Accounts and shall not be identified with any Trust Beneficiary. The Trustee shall credit or debit each Trust Beneficiary Account and the Master Account as appropriate to reflect the respective allocable portion of the Trust assets, as such Trust assets may be adjusted from time to time pursuant to the terms of this Trust

Agreement No. 1. Prior to the date of a Change of Control, all deposits of principal pursuant to Section 1(a) shall be allocated and reallocated as directed by Cleveland-Cliffs. On or after the date of a Change of Control deposits of principal may be allocated, but not reallocated by Cleveland-Cliffs. If any deposit of principal is not allocated by the Company, such amount shall be allocated by the Trustee to the Master Account.

(ii) As further described in this Section 7(b)(ii), as of the beginning of each calendar quarter ending after the Trust has become irrevocable, the Trustee shall (A) ascertain (or cause to be determined) the Fully Funded amounts (as defined in Section 4 hereof), (B) allocate the income of the Trust, (C) determine the amount of all Account excesses (as hereinafter defined), and (D) allocate amounts to and from the Master Account. The "Account Excess" with respect to a Trust Beneficiary Account shall be equal to the excess, if any, of the fair market value of the assets held in the Trust allocated to a Trust Beneficiary Account over the respective Fully Funded amount. The Trustee shall allocate the income of the Trust and all Account Excesses to the Master Account. The balance in the Master Account shall then be allocated to any Trust Beneficiary Accounts that are not Fully Funded in proportion to the differences between the respective Fully Funded amount and the balance of the Trust Beneficiary Account, insofar as possible, until all Trust Beneficiary Accounts are Fully Funded.

(c) Nothing in this Section 7 shall preclude the commingling of Trust assets for investment.

8. RESPONSIBILITY OF TRUSTEE. (a) The Trustee shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims; provided, however, that the Trustee shall incur no liability to any person for any action taken pursuant to a direction, request or approval, contemplated by and complying with the terms of this Trust. Agreement No. 1, given in writing by Cleveland-Cliffs or by a Trust Beneficiary applicable to his or her beneficial interest herein; and provided, further, that the Trustee shall have no duty to seek additional deposits of principal from Cleveland-Cliffs for additional amounts accrued under the Agreement or the Plan, and the Trustee shall not be responsible for the adequacy of this Trust.

(b) The Trustee may vote any stock or other securities and exercise any right appurtenant to any stock, other securities or other property held hereunder, either in person or by general or limited proxy, power of attorney or other instrument.

(c) The Trustee may hold securities in bearer form and may register securities and other property held in the trust fund in its own name or in the name of a nominee, combine certificates representing securities with certificates of the same issue held by the Trustee in other fiduciary capacities, and deposit, or arrange for deposit of property with any depository; provided that the books and records of the Trustee

shall at all times show that all such securities are part of the trust fund under this Trust Agreement No. 1.

(d) If the Trustee shall undertake or defend any litigation arising in connection with this Trust Agreement No. 1, it shall be indemnified by Cleveland-Cliffs against its costs, expenses and liabilities (including without limitation attorneys' fees and expenses) relating thereto.

(e) The Trustee may consult with legal counsel, independent accountants and actuaries (who may be counsel, independent accountants or actuaries for Cleveland-Cliffs) with respect to any of its duties or obligations hereunder, and shall be fully protected in acting or refrain from acting in accordance with the advice of such counsel, independent accountants and actuaries.

(f) The Trustee may rely and shall be protected in acting or refraining from acting within the authority granted by the terms of this Trust Agreement No. 1 upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties.

(g) The Trustee may hire agents, accountants, actuaries, and financial consultants, who may be agents, accountants, actuaries, or financial consultants, as the case may be, for Cleveland-Cliffs, and shall not be answerable for the conduct of same if appointed with due care.

(h) The Trustee is empowered to take all actions necessary or advisable in order to collect any benefits or payments of which the Trustee is the designated beneficiary.

(i) The Trustee shall have, without exclusion, all powers conferred on trustees by applicable law unless expressly provided otherwise herein.

9. AMENDMENTS, ETC., TO AGREEMENTS AND PLAN; COOPERATION OF CLEVELAND-CLIFFS.

(a) Cleveland-Cliffs has previously furnished the Trustee a complete and correct copy of each Agreement and of the Plan, and Cleveland-Cliffs shall, and any Trust Beneficiary may, promptly furnish the Trustee true and correct copies of any amendment, restatement or successor thereto, whereupon such amendment, restatement or successor shall be incorporated herein by reference, provided that such amendment, restatement or successor shall not affect the Trustee's duties and responsibilities hereunder without the consent of the Trustee.

(b) Cleveland-Cliffs shall provide the Trustee with all information requested by the Trustee for purposes of determining payments to the Trust Beneficiaries or withholding of taxes as provided in Section 2. Upon the failure of Cleveland-Cliffs or any Trust Beneficiary to provide any such information, the Trustee shall, to the extent necessary in the sole judgment of the Trustee, (i) compute the amount payable hereunder to any Trust Beneficiary; and (ii) notify Cleveland-Cliffs and the Trust Beneficiary in writing of its computations. Thereafter this Trust Agreement No. 1 shall be construed as to the Trustee's duties and obligations hereunder in accordance with such Trustee determinations without further action; provided, however, that no such determinations shall in

any way diminish the rights of any Trust Beneficiary hereunder or under any Agreement or the Plan; and provided, further, that no such determinations shall be deemed to modify this Trust Agreement No. 1, any Agreement or the Plan. Nothing in this Trust Agreement No. 1 shall restrict Cleveland-Cliffs' right to

amend, modify or terminate the Plan.

(c) At such times as may in the judgment of Cleveland-Cliffs be appropriate, Cleveland-Cliffs shall furnish to the Trustee any amendment to Exhibit A for the purpose of the addition of Trust Beneficiaries to Exhibit A (or the deletion of Trust Beneficiaries from Exhibit A who have no Benefits currently due or payable in the future); provided, however, that no such amendment shall be made after the date of a Change of Control.

10. COMPENSATION AND EXPENSES OF TRUSTEE. The Trustee shall be entitled to receive such reasonable compensation for its services as shall be agreed upon by Cleveland-Cliffs and the Trustee. The Trustee shall also be entitled to reimbursement of its reasonable expenses incurred with respect to the administration of the Trust including fees and expenses incurred pursuant to Sections 8(d), 8(e) and 8(g) and liabilities to creditors pursuant to court direction as provided in Section 3(a) hereof. Such compensation and expenses shall in all events be payable either directly by Cleveland-Cliffs or, in the event that Cleveland-Cliffs shall refuse, from the assets of the Trust and charged pro rata in proportion to each separate account balance. The Trust shall

have a claim against Cleveland-Cliffs for any such compensation or expenses so paid.

11. REPLACEMENT OF THE TRUSTEE. (a) Prior to the date of a Change of Control, the Trustee may be removed by Cleveland-Cliffs. On or after the date of a Change of Control, the Trustee may be removed at any time by agreement of Cleveland-Cliffs and a majority of the Trust Beneficiaries. The Trustee may resign after providing not less than 90 days' notice to Cleveland-Cliffs and to the Trust Beneficiaries. In case of removal or resignation, a new trustee, which shall be independent and not subject to control of either Cleveland-Cliffs or the Trust Beneficiaries, shall be appointed as shall be agreed by Cleveland-Cliffs and a majority of the Trust Beneficiaries. No such removal or resignation shall become effective until the acceptance of the Trust by a successor trustee designated in accordance with this Section 11. If the Trustee should resign, and within 45 days of the notice of such resignation, Cleveland-Cliffs and the Executives shall not have notified the Trustee of an agreement as to a replacement trustee, the Trustee shall appoint a successor trustee, which shall be a bank or trust company, wherever located, having a capital and surplus of at least $500,000,000 in the aggregate.

(b) For purposes of the removal or appointment of a Trustee under this Section 11, (i) if any Trust Beneficiary shall be deceased or adjudged incompetent, such Trust Beneficiary's personal representative (including his or her

guardian, executor or administrator) shall participate in such Trust Beneficiary's stead, and (ii) a Trust Beneficiary shall not participate if all payments of benefits then currently due or payable in the future have been made to such Trust Beneficiary.

12. AMENDMENT OR TERMINATION. (a) This Trust Agreement No. 1 may be amended by Cleveland-Cliffs and the Trustee without the consent of any Trust Beneficiary provided the amendment does not adversely affect any Trust Beneficiary. This Trust Agreement No. 1 may also be amended at any time and to any extent by a written instrument executed by the Trustee, Cleveland-Cliffs and the Trust Beneficiaries, except to alter Section 12(b), and except that amendments to Exhibit A contemplated by Section 9(c) hereof shall be made as therein provided.

(b) The Trust shall terminate on the date on which the Trust no longer contains any assets, or, if earlier, the date on which each Trust Beneficiary is entitled to no further payments hereunder.

(c) Upon termination of the Trust as provided in Section 12(b) hereof, any assets remaining in the Trust shall be returned to Cleveland-Cliffs or as it directs.

13. SPECIAL DISTRIBUTION. (a) It is intended that (i) the creation of, and transfer of assets to, the Trust will not cause any Agreement or the Plan to be other than "unfunded" for purposes of title I of ERISA; (ii) transfers of assets to the Trust will not be transfers of property for purposes of

section 83 of the Code, or any successor provision thereto, nor will such transfers cause a currently taxable benefit to be realized by a Trust Beneficiary pursuant to the "economic benefit" doctrine; and (iii) pursuant to section 451 of the Code, or any successor provision thereto, amounts will be includable as compensation in the gross income of a Trust Beneficiary in the taxable year or years in which such amounts are actually distributed or made available to such Trust Beneficiary by the Trustee.

(b) Notwithstanding anything to the contrary contained in this Trust Agreement No. 1, in the event it is determined by a final decision of the Internal Revenue Service, or, if an appeal is taken therefrom, by a court of competent jurisdiction that (i) by reason of the creation of, and a transfer of assets to the Trust, the Trust is considered "funded" for purposes of title I

of ERISA; or (ii) a transfer of assets to the Trust is considered a transfer of property for purposes of section 83 of the Code or any successor provision thereto; or (iii) a transfer of assets to the Trust causes a Trust Beneficiary to realize income pursuant to the "economic benefit" doctrine; or (iv) pursuant to section 451 of the Code or any successor provision thereto, amounts are includable as compensation in the gross income of a Trust Beneficiary in a taxable year that is prior to the taxable year or years in which such amounts would, but for this Section 13, otherwise actually be distributed or made available to such Trust Beneficiary by the Trustee, then (A) the assets held in Trust shall be allocated

in accordance with Section 7(b) hereof, and (B) promptly after the next quarterly allocation and reallocation pursuant to Section 7(b) hereof, the Trustee shall distribute to each affected Trust Beneficiary an amount equal to the lesser of (i) the amount which, after taking into account the federal, state and local income tax consequences of the special distribution itself, is equal to the sum of any federal, state and local income taxes, interest due thereon, and penalties assessed with respect thereto, which are attributable to amounts that are includable in the income of such Trust Beneficiary, or (ii) the balance of the Trust Beneficiary Account corresponding to such amount.

14. SEVERABILITY, ALIENATION, ETC. (a) Any provision of this Trust Agreement No. 1 prohibited by law shall be ineffective to the extent of any such prohibition without invalidating the remaining provisions hereof.

(b) To the extent permitted by law, Benefits to Trust Beneficiaries under this Trust Agreement No. 1 may not be anticipated, assigned (either at law or in equity), alienated or subject to attachment, garnishment, levy, execution or other legal or equitable process and no benefit provided for herein and actually paid to any Trust Beneficiary by the Trustee shall be subject to any claim for repayment by Cleveland-Cliffs or Trustee.

(c) This Trust Agreement No. 1 shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles of conflict of laws thereof.

(d) This Trust Agreement No. 1 may be executed in two or more counterparts, each of which shall be considered an original agreement. This Trust Agreement No. 1 shall become effective immediately upon the execution by Cleveland-Cliffs of at least one counterpart, it being understood that all parties need not sign the same counterpart, but shall not bind any Trustee until such Trustee has executed at least one counterpart.

15. NOTICES: IDENTIFICATION OF CERTAIN TRUST BENEFICIARIES. (a) All notices, requests, consents and other communications hereunder shall be in writing and shall be deemed to have been duly given when received:

If to the Trustee, to:

Ameritrust Company National Association
900 Euclid Avenue
Cleveland, Ohio 44115

Attention: Trust Department
Employee Benefit Administration

If to Cleveland-Cliffs, to:

Cleveland-Cliffs Inc
1100 Superior Avenue
Cleveland, Ohio 44114

Attention: Secretary

If to the Trust Beneficiaries, to the addresses listed on Exhibit A hereto

provided, however, that if any party or any Trust Beneficiary or his or its successors shall have designated a different address by written notice to the other parties, then to the last address so designated.

(b) Cleveland-Cliffs shall provide the Trustee with the names of any beneficiary or beneficiaries designated by the Executives (and who are, therefore, Trust Beneficiaries hereunder).

IN WITNESS WHEREOF, Cleveland-Cliffs and the Trustee have caused counterparts of this Amended and Restated Trust Agreement No. 1 to be executed on their behalf on March 9, 1992, each of which shall be an original agreement. ----------

CLEVELAND-CLIFFS INC

By R. F. Novak

Its Vice President

AMERITRUST COMPANY NATIONAL
ASSOCIATION

By J. R. Russell

Its Vice President

Exhibit A

<TABLE>
<CAPTION>

Executive	Title	Trust Beneficiary
<S>	<C>	<C>
M. Thomas Moore	Chairman and Chief Executive Officer	M. T. Moore Family Trust The M. Thomas Moore Family Trust Dated 11/29/85 Co-Trustees are: Robert Bouhall and William E. Reichard of the Firm of Conway, Patton, Bouhall and Reichard 1220 Huntington Building Cleveland, OH 44115
William R. Calfee	Senior Executive Vice President	Society National Bank, or its successor, as Trustee under the William R. Calfee Revocable Trust Agreement dated 5/9/89, as the same may hereafter be amended, 800 Superior Ave., Cleveland, OH 44114
Frank S. Forsythe	Executive Vice President-Operations	Rita Vanyo Forsythe
John S. Brinzo	Executive Vice President-Finance	Marlene J. Brinzo (wife)

</TABLE>
3448F

Exhibit B

"Change of Control" shall be deemed to have occurred if (i) Cleveland-Cliffs shall merge into itself, or be merged or consolidated with, another corporation and as a result of such merger or consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs as the same shall have existed immediately prior to such merger or consolidation; (ii) Cleveland-Cliffs shall sell or transfer to one or more persons, corporations or entities, in a single transaction or a series of related transactions, more than one-half of the assets accounted for on the Statement of Consolidated Financial Position of Cleveland-Cliffs as "properties" or "investments in associated companies" (or such replacements for these accounts as may be adopted from time to time) unless by an affirmative vote of two-thirds of the members of the Board of Directors, the transaction or transactions are exempted from the operation of this provision based on a good faith finding that the transaction or transactions are not within the intended scope of this definition for purposes of this instrument; (iii) a person, within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange Act of 1934, shall become the beneficial owner (as defined in Rule 13d-3 of the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934) of 30% or more of the outstanding voting securities of Cleveland-Cliffs

(whether directly or indirectly); or (iv) during any period of three consecutive years, including, without limitation, the year 1991, individuals who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease, for any reason, to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any

such period was approved by a vote of at least one-third of the Directors of Cleveland-Cliffs who are Directors of Cleveland-Cliffs on the date of the beginning of any such period.

2923F

AMENDED AND RESTATED TRUST AGREEMENT NO. 2

This Amended and Restated Trust Agreement No. 2 ("Trust Agreement No. 2") is made on this 9th day of March, 1992, by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs"), and Ameritrust Company National Association, a national banking association, as trustee (the "Trustee").

WITNESSETH:

WHEREAS, under the provisions of certain agreements between each of the executives of Cleveland-Cliffs (the "Executives") listed (from time to time as provided in Section 9(c) hereof) on Exhibit A hereto and Cleveland-Cliffs (the "Executive Agreements"), as each of the same may hereafter be amended or restated, or any successor thereto, the Executives may become entitled to certain compensation, pension and other benefits;

WHEREAS, under the provisions of the Severance Pay Plan for Key Employees of Cleveland-Cliffs Inc (the "Severance Plan"), effective February 1, 1992, as the same may be supplemented, amended, or restated, or any successor thereto, certain key employees (the "Key Employees") also listed (from time to time provided in Section 9(c) hereof) on Exhibit A hereto, may become entitled to compensation, pension and other benefits;

WHEREAS, under the provisions of the Cleveland-Cliffs Inc Retention Plan for Salaried Employees (the "Retention Plan"), adopted January 14, 1992, as the same may be supplemented, amended, or restated, or any successor thereto, certain salaried employees identified therein (the "Covered Employees") may become entitled to compensation and other benefits;

WHEREAS, in addition to the compensation, pension and other benefits provided by the Executive Agreements, the Severance Plan and the Retention Plan, in order to ensure that the obligations of Cleveland-Cliffs under the Executive Agreements, the Severance Plan and the Retention Plan can be enforced by the Executives, the Key Employees, and the Covered Employees, respectively, (referred to herein singularly as an "Indemnitee" and collectively as the "Indemnitees") in the event of a "Change of Control" (as defined herein), the Executive Agreements, the Severance Plan and the Retention Plan all provide that Cleveland-Cliffs will establish a trust to fund reasonable attorneys' and related fees and expenses associated with a lawsuit, action or other proceeding brought by or on behalf of an Indemnitee to enforce provisions of an Executive Agreement (referred to collectively herein as "Expenses");

WHEREAS, the Executive Agreements, the Severance Plan and the Retention Plan all provide that the foregoing trust arrangement will be considered a part of the Executive Agreements, the Severance Plan and the Retention Plan, and will

set forth the terms and conditions relating to the payment of Expenses;

WHEREAS, Cleveland-Cliffs and the Trustee entered into a trust agreement ("Trust Agreement No. 2"), dated October 28, 1987, to provide for the payment of reasonable attorneys' and related fees and expenses incurred by certain Executives in the enforcement of their rights under agreements between such executives and Cleveland-Cliffs in effect at that time;

WHEREAS, Trust Agreement No. 2 was amended by a First Amendment to Trust Agreement No. 2, dated April 9, 1991; and

WHEREAS, Cleveland-Cliffs desires to amend and restate this Trust Agreement No. 2 heretofore entered into and has transferred or will transfer to the trust (the "Trust") established by this Trust Agreement No. 2 assets which shall be held therein until paid to Indemnitees with respect to Expenses in such manner and at such times as specified herein.

NOW, THEREFORE, the parties amend and restate the Trust Agreement No. 2 and agree that the Trust shall be comprised, held and disposed of as follows:

1. TRUST FUND. (a) Cleveland-Cliffs hereby deposits with the Trustee in trust Ten Dollars ($10.00), which shall become the principal of this Trust, to be held, administered and disposed of by the Trustee as herein provided.

(b) The Trust hereby established shall be revocable by Cleveland-Cliffs at any time prior to the date on which occurs a "Change of Control," as that term is defined in this Section 1(b); on or after such date, this Trust shall be

irrevocable Cleveland-Cliffs shall notify the Trustee promptly in the event that a Change of control has occurred. The term "Change of Control" shall mean the occurrence of any of the following events:

(i) Cleveland-Cliffs shall merge into itself, or be merged or consolidated with, another corporation and as a result of such merger or

consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs as the same shall have existed immediately prior to such merger or consolidation;

(ii) Cleveland-Cliffs shall sell or transfer to one or more persons, corporations or entities, in a single transaction or a series of related transactions, more than one-half of the assets accounted for on the Statement of Consolidated Financial Position of Cleveland-Cliffs as "properties" or "investments in associated companies" (or such replacements for these accounts as may be adopted from time to time) unless by an affirmative vote of two-thirds of the members of the Board of Directors, the transaction or transactions are exempted from the operation of this provision based on a good faith finding that the transaction or transactions are not within the intended scope of this definition for purposes of this instrument;

(iii) a person, within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange Act of 1934, shall become the

beneficial owner (as defined in Rule 13d-3 of the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934) of 30% or more of the outstanding voting securities of Cleveland-Cliffs (whether directly or indirectly); or

(iv) during any period of three consecutive years, including, without limitation, the year 1991, individuals who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease, for any reason, to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any such period was approved by a vote of at least one-third of the Directors of Cleveland-Cliffs who are Directors of Cleveland-Cliffs on the date of the beginning of any such period.

(c) The principal of the Trust and any earnings thereon shall be held in trust separate and apart from other funds of Cleveland-Cliffs exclusively for the uses and purposes herein set forth. No Indemnitee shall have any preferred claim on, or any beneficial ownership interest in, any assets of the Trust prior to the time that such assets are paid to an Indemnitee as Expenses as provided herein.

(d) Any Company (as defined in paragraph (e) below) may at any time or from time to time make additional deposits of cash or other property in the Trust to augment the principal to be held, administered and disposed of by the Trustee as

herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided.

(e) The term "Company" as used herein shall mean Cleveland-Cliffs, any wholly owned subsidiary or any partnership or joint venture in which Cleveland-Cliffs and/or any wholly-owned subsidiary is a partner or venturer and Empire Iron Mining Partnership, or any entity that is a successor to Cleveland-Cliffs in ownership of substantially all of its assets.

(f) This Trust Agreement No. 2 shall be construed as a part of the Executive Agreements, the Severance Plan and the Retention Plan.

(g) This Trust is intended to be a grantor trust, within the meaning of Section 671 of the Internal Revenue Code of 1986, as amended (the "Code"), or any successor provision thereto, and shall be construed accordingly. The Trust is not designed to qualify under Section 401(a) of the Code or to be subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

2. PAYMENTS TO INDEMNITEES. (a) The Trustee shall promptly pay Expenses to the Indemnitees from the assets of the Trust in accordance with Section 13 of the Executive Agreements, Section 12 of the Severance Plan, Article IX of the Retention Plan and this Section 2, provided that (i) this Trust Agreement No. 2 has not been terminated pursuant to Section 12

hereof; (ii) the Trust has become irrevocable; (iii) with respect to the first demand for payment of Expenses hereunder received by the Trustee, the Trustee shall immediately give appropriate notice thereof to all Indemnitees, and shall make no payment of Expenses until the 21st day after such notice has been given; and (iv) the requirements of Section 2(c) and 2(d) hereof have been satisfied. The Trustee shall promptly inform the Company as to amounts paid to any Indemnitee pursuant to this Section.

(b) It is the intention of Cleveland-Cliffs that during the 21-day period prescribed by Section 2(a)(iii) hereof, the Indemnitees will make reasonable efforts to consult with each other and to take into account the

interests of all Indemnitees in deciding on how best to proceed to enforce the provisions of the Executive Agreements, the Severance Plan, and/or the Retention Plan such that the assets of the Trust are utilized most effectively; provided, however, that this Section 2(b) is to be construed as precatory in nature, and in the absence of any other agreement or arrangement, this Trust Agreement No. 2 (without regard to this Section 2(b)) shall apply to the payment of Expenses.

(c) A demand for payment by an Indemnitee hereunder must be made within two months of the date on which the Indemnitee receives a bill, invoice or other statement setting forth the Expenses that have been incurred. In order to demand payment hereunder, the Indemnitee must deliver to the Trustee (i) a certificate signed by or on behalf of such Indemnitee,

certifying to the Trustee that the Company is in default in paying the Indemnitee a specified amount which the Indemnitee states to be owed under an Executive Agreement, the Severance Plan or the Retention Plan, and (ii) a notice in writing and in reasonable detail of the Expenses that are to be paid hereunder.

(d) To the extent payments hereunder may be made only from funds held in the form of a deposit or obligation, such payments may be postponed until such deposit or obligation shall have matured. Payments shall be made to the Indemnitee in the full amount noticed until the Trust is depleted; provided that if on the date such amount is to be paid from the Trust other amounts have been claimed but not yet paid to the same or other Indemnitees and the aggregate amount so claimed exceeds the amount available in the Trust, the Trustee shall only pay that portion of the amount then payable to each such Indemnitee determined by multiplying such amount by a fraction, the numerator of which is the amount then in the Trust and the denominator of which is the aggregate amount noticed by the Indemnitees to be owed but not yet paid to that date.

3. RIGHTS OF INDEMNITEES. (a) Nothing in this Trust Agreement No. 2 shall in any way diminish any rights of any Indemnitee to pursue his rights as a general creditor of the Company with respect to Expenses or otherwise, and (b) the rights of the Indemnitees under the Executive Agreements, Severance Plan or Retention Plan shall in no way be affected or diminished by any provision of this Trust Agreement No. 2 or action taken pursuant to this Trust Agreement No. 2, it being

the intent of Cleveland-Cliffs that rights of the Indemnitees be security for obligations of the Company under the Executive Agreements, Severance Plan or Retention Plan, except that any payment actually received by any Indemnitee hereunder shall reduce dollar-per-dollar amounts otherwise due to such Indemnitee pursuant to Section 13 of the Executive Agreements, Section 12 of the Severance Plan, or Article IX of the Retention Plan, as applicable.

4. PAYMENTS TO CLEVELAND-CLIFFS. Except to the extent expressly contemplated by Section 1(b), Cleveland-Cliffs shall have no right or power to direct the Trustee to return any of the Trust assets to Cleveland-Cliffs before all payments of Expenses have been made to all Indemnitees as herein provided.

5. INVESTMENT OF TRUST FUND. The Trustee shall invest the principal of the Trust including any income accumulated and added to principal in (a) interest-bearing deposit accounts or certificates of deposit (including any such accounts or certificates issued or offered by the Trustee or any successor or affiliated corporation but excluding obligations of the Company), (b) direct obligations of the United States of America, or obligations the payment of which is guaranteed, as to both principal and interest, by the government or an agency of the government of the United States of America, or (c) one or more mutual funds or comingled funds, whether or not maintained by the Trustee, substantially all of the assets of which is invested in obligations the income from

which is not subject to taxation; provided, however, that no such investment may mature more than 90 days after the date of purchase. Nothing in this Trust Agreement No. 2 shall preclude the comingling of Trust assets for investment. The Trustee shall not be required to invest nominal amounts.

6. INCOME OF THE TRUST. During the continuance of this Trust all net income of the Trust shall be retained in the Trust.

7. ACCOUNTING BY TRUSTEE. The Trustee shall keep records in reasonable detail of all investments, receipts, disbursements and all other transactions required to be done, including such specific records as shall be agreed upon in writing by Cleveland-Cliffs and the Trustee All such accounts, books and records shall be open to inspection and audit at all reasonable times by Cleveland-Cliffs, by any Indemnitee or by any agent or representative of any of the foregoing. Within 60 calendar days following the end of each calendar year and within 60 calendar days after the removal or resignation of the Trustee, the Trustee shall deliver to Cleveland-Cliffs and,

if such year end, removal or resignation occurs on or after the date on which a Change of Control has occurred, to each Indemnitee a written account of its administration of the Trust during such year or during the period from the end of the last preceding year to the date of such removal or resignation, setting forth all investments, receipts, disbursements and other transactions affected by it, including a description of all securities and investments

purchased and sold with the cost or net proceeds of such purchases or sales (accrued interest paid or receivable being shown separately), and showing all cash, securities, rights and other property held in the Trust at the end of such year or as of the date of such removal or resignation, as the case may be. The Trustee shall furnish to Cleveland-Cliffs on a quarterly basis (or as Cleveland-Cliffs shall direct from time to time) and in a timely manner such information regarding the Trust as Cleveland-Cliffs shall require for purposes of preparing its statements of financial condition. Unless Cleveland-Cliffs or any Indemnitee shall have filed with the Trustee written exception or objection to any such statement and account within 90 days after receipt thereof, Cleveland-Cliffs or the Indemnitee shall be deemed to have approved such statement and account, and in such case the Trustee shall be forever released and discharged with respect to all matters and things reported in such statement and account as though it had been settled by a decree of a court of competent jurisdiction in an action or proceeding to which Cleveland-Cliffs and the Indemnitees were parties.

8. RESPONSIBILITY OF TRUSTEE. (a) The Trustee shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims; provided, however, that the Trustee shall incur no liability to any person for any action taken pursuant to a

direction, request or approval which is contemplated by and in conformity and compliance with the terms of this Trust Agreement No. 2, the Executive Agreements, the Severance Plan and the Retention Plan, and is given in writing by Cleveland-Cliffs or by an Indemnitee with respect to his beneficial interest herein; and provided, further, that the Trustee shall have no duty to seek additional deposits of principal from Cleveland-Cliffs, and the Trustee shall not be responsible for the adequacy of this Trust.

(b) The Trustee shall not be required to undertake or to defend any litigation arising in connection with this Trust Agreement No. 2 unless it be first indemnified by Cleveland-Cliffs against its prospective costs, expenses, and liabilities (including without limitation attorneys' fees and expenses) relating thereto, and Cleveland-Cliffs hereby agrees to indemnify the Trustee and to be primarily liable for such costs, expenses and liabilities.

(c) The Trustee may consult with legal counsel (which, after a Change of Control, shall be independent with respect to the Company) with respect to any of its duties or obligations hereunder, and shall be fully protected in acting or refraining from acting in accordance with the advice of such counsel.

(d) The Trustee may rely and shall be protected in acting or refraining from acting within the authority granted by the terms of this Trust Agreement No. 2 upon any written notice, instruction or request furnished to it hereunder and

believed by it to be genuine and to have been signed or presented by the proper party or parties, including, without limiting the scope of this Section 8(d), (i) the notice of a Change of Control required by Section 1(b) hereof, and (ii) the certification and notice required by Section 2(c) hereof.

(e) The Trustee may hire agents, accountants and financial consultants, who may be agent, accountant, or financial consultant, as the case may be, for the Company, and shall not be answerable for the conduct of same if appointed with due care.

(f) The Trustee shall have, without exclusion, all powers conferred on trustees by applicable law unless expressly provided otherwise herein.

(g) The Trustee is empowered to take all actions necessary or advisable in order to collect any benefits or payment of which the Trustee is the designated beneficiary.

9. AMENDMENTS, ETC. TO EXECUTIVE AGREEMENTS, THE SEVERANCE PLAN AND THE RETENTION PLAN; COOPERATION OF CLEVELAND-CLIFFS. (a) Cleveland-Cliffs has previously furnished the Trustee a complete and correct copy of each Executive Agreement, the Severance Plan and the Retention Plan. Any Indemnitee may, and Cleveland-Cliffs shall, provide the Trustee with true and correct copies of any amendment, restatement or successor to any Executive Agreement, the Severance Plan and the Retention Plan, whereupon such amendment, restatement or successor shall be incorporated herein by reference, provided

that such amendment, restatement

or successor shall not affect the Trustee's duties and responsibilities hereunder without the consent of the Trustee.

(b) Cleveland-Cliffs shall provide the Trustee with all information requested by the Trustee for purposes of determining payments to the Indemnitees as provided in Section 2. Upon the failure of Cleveland-Cliffs or any Indemnitee to provide any such information requested by the Trustee for purposes of determining payments to the Indemnitees as provided in Section 2, the Trustee shall, to the extent necessary in the sole judgment of the Trustee, (i) compute the amount payable hereunder to any Indemnitee; and (ii) notify Cleveland-Cliffs and the Indemnitee in writing of its computations. Thereafter this Trust Agreement No. 2 shall be construed as to the Trustee's duties and obligation hereunder in accordance with such Trustee determinations without further action; provided, however, that no such determinations shall in any way diminish the rights of the Indemnitees hereunder or under the Executive Agreements, Severance Plan or Retention Plan, and provided, further, that no such determination shall be deemed to modify this Trust Agreement No. 2 or any Executive Agreement, the Severance Plan, or the Retention Plan.

(c) At such times as may in the judgment of Cleveland-Cliffs be appropriate, Cleveland-Cliffs shall furnish to the Trustee any amendment to Exhibit A for the purpose of the addition of Indemnitees to Exhibit A (or the deletion of Indemnitees from Exhibit A who are not currently and shall not in the future be entitled to Expenses); provided, however, that

no such amendment shall be made after the date of a Change of Control, other than to designate a different address pursuant to Section 14 hereof.

10. COMPENSATION AND EXPENSES OF TRUSTEE. The Trustee shall be entitled to receive such reasonable compensation for its services as shall be agreed upon by Cleveland-Cliffs and the Trustee. The Trustee shall also be entitled to reimbursement of its reasonable expenses incurred with respect to the administration of the Trust including fees and expenses incurred pursuant to Sections 8(c) and 8(e) hereof. Such compensation and expenses shall in all events be payable either directly by Cleveland-Cliffs or, in the event that Cleveland-Cliffs shall refuse, from the assets of the Trust. The Trust shall have a claim against Cleveland-Cliffs for any such compensation or expenses so paid.

11. REPLACEMENT OF THE TRUSTEE. (a) The Trustee may resign after providing not less than 90 days' notice to Cleveland-Cliffs and, on or after the date on which a Change of Control has occurred, to the Indemnitees. Prior to the date on which a Change of Control has occurred, the Trustee may be removed at any time by Cleveland-Cliffs. On or after such date, such removal shall also require the agreement of a majority of the Indemnitees Prior to the date on which a Change of Control has occurred, a replacement or successor trustee shall be appointed by Cleveland-Cliffs. On or after such date, such appointment shall also require the agreement of a majority of the Indemnitees. No such removal or resignation

shall become effective until the acceptance of the trust by a successor trustee designated in accordance with this Section 11. If the Trustee should resign, and within 45 days of the notice of such resignation Cleveland-Cliffs and a majority of the Indemnitees (if required) shall not have notified the Trustee of an agreement as to a replacement trustee, the Trustee shall appoint a successor trustee, which shall be a bank or trust company, wherever located, having a capital and surplus of at least $500,000,000 in the aggregate. Notwithstanding the foregoing, a new trustee shall be independent and not subject to control of either Cleveland-Cliffs or the Indemnitees. Upon the acceptance of the trust by a successor trustee, the Trustee shall release all of the monies and other property in the Trust to its successor, who shall thereafter for all purposes of this Trust Agreement No. 2 be considered to be the "Trustee."

(b) For purposes of the removal or appointment of a trustee under this Section 11, if any Indemnitee shall be deceased or adjudged incompetent, such Indemnitee's personal representative (including his or her guardian, executor or administrator) shall participate in such Indemnitee's stead.

12. AMENDMENT OR TERMINATION. (a) This Trust Agreement No. 2 may be amended at any time and to any extent by a written instrument executed by the Trustee, Cleveland-Cliffs and, on or after the date on which a Change of Control has occurred, a majority of the Indemnitees, except to make the Trust revocable after it has become irrevocable in accordance

with Section 1(b) hereof, or to alter Section 12(b) hereof, except that

amendments contemplated by Section 9 hereof shall be made as therein provided.

(b) The Trust shall terminate upon the earliest of (i) the tenth anniversary of the date on which a Change of Control has occurred; (ii) the third anniversary of the date on which a Change of Control has occurred, provided that the Trustee has received no demand for payment of Expenses prior to such anniversary; (iii) such time as the Trust no longer contains any assets; (iv) such time as the Trustee shall have received consents from all Indemnitees to the termination of this Trust Agreement No. 2; or (v) there is no longer any living Indemnitee under this Trust Agreement No. 2 and there is no pending demand by the estate of any Indemnitee against the Trust.

(c) Upon termination of the Trust as provided in Section 12(b) hereof, any assets remaining in the Trust shall be returned to Cleveland-Cliffs unless a determination is made by legal counsel experienced in such matters that the assets of the Trust may not be returned to Cleveland-Cliffs without violating Section 403(d)(2) of ERISA, or any successor provision thereto. If such a determination is made, any assets remaining in the Trust, after satisfaction of liabilities hereunder, pursuant to the written direction of Cleveland-Cliffs, shall be (i) distributed to any welfare benefit plan (within the meaning of ERISA) maintained by Cleveland-Cliffs at the time of distribution so established at

such time in order to receive such assets from this Trust, or (ii) otherwise applied to provide benefits which may be provided by a welfare benefit plan (within the meaning of ERISA), directly or through the purchase of insurance.

13. SEVERABILITY, ALIENATION, ETC. (a) Any provision of this Trust Agreement No. 2 prohibited by law shall be ineffective to the extent of any such prohibition without invalidating the remaining provisions hereof.

(b) To the extent permitted by law, benefits to Indemnitees under this Trust Agreement No. 2 may not be anticipated (except as herein expressly provided), assigned (either at law or in equity), alienated or subject to attachment, garnishment, levy, execution or other legal or equitable process. No benefit actually paid to any Indemnitee by the Trustee shall be subject to any claim for repayment by the Company or Trustee, except in the event of (i) a false claim, or (ii) a payment is made to an incorrect Indemnitee.

(c) This Trust Agreement No. 2 shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles of conflict of laws thereof.

(d) This Trust Agreement No. 2 may be executed in two or more counterparts, each of which shall be considered an original agreement. This Trust Agreement No. 2 shall become effective immediately upon the execution by Cleveland-Cliffs of at least one counterpart, it being understood that all parties need not sign the same counterpart, but shall not bind any

Trustee until such Trustee has executed at least one counterpart.

14. NOTICES. All notices, requests, consents and other communications hereunder shall be in writing and shall be deemed to have been duly given when received:

IF TO THE TRUSTEE, TO:

Ameritrust Company National Association
900 Euclid Avenue
Cleveland, Ohio 44115

Attention: Trust Department
Employee Benefit Administration

IF TO CLEVELAND-CLIFFS, TO:

Cleveland-Cliffs Inc
1100 Superior Avenue
Cleveland, Ohio 44114

Attention: Secretary

IF TO AN INDEMNITEE, TO:

His or her last address shown on the records of the Company

provided, however, that if any party or his or its successor shall have designated a different address by notice to the other parties, then to the last address so designated.

IN WITNESS WHEREOF, each of Cleveland-Cliffs and the Trustee have caused counterparts of this Amended and Restated Trust Agreement No. 2 to be

executed on their behalf on March 9, 1992, each of which shall be an original agreement.

CLEVELAND-CLIFFS INC

By: R. F. Novak
Its: Vice President

AMERITRUST COMPANY NATIONAL ASSOCIATION, as Trustee

By: J. R. Russell
Its: Vice President

Exhibit A

Executives

Name	Title
M. T. Moore	Chairman and Chief Executive Officer
W. R. Calfee	Senior Executive Vice President
F. S. Forsythe	Executive Vice President-Operations
J. S. Brinzo	Executive Vice President-Finance

Key Employees

Name	Title
G. N. Carlson	Senior Vice President-Operations
T. J. O'Neil	Senior Vice President-Technical
A. S. West	Senior Vice President-Sales
G. N. Chandler II	Vice President
R. Emmet	Vice President and Treasurer
F. L. Hartman	Vice President and Corporate Counsel
J. L. Kelley	Vice President-Public Affairs
T. C. Levan	Vice President-Corporate Development
R. F. Novak	Vice President-Human Resources
J. A. Trethewey	Vice President and Controller
M. E. Jackson	Secretary
R. C. Berglund	General Manager-Tilden Magnetite Partnership
J. A. Fegan	General Manager-Empire Iron Mining Partnership
D. K. Honsberger	General Manager-Wabush Mine
J. D. Jeffries	General Manager-Hibbing Taconite Company
R. W. von Bitter	General Manager-LTV Steel Mining Company

TRUST AGREEMENT

This Trust Agreement ("Trust Agreement") made this 28th day of August, 1987 by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs"), and AmeriTrust Company National Association, a national banking association, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, certain benefits are or may become payable under the provisions of the Plan for Deferred Payment of Directors' Fees of The Cleveland-Cliffs Iron Company, adopted June 4, 1981 and assumed by Cleveland-Cliffs Inc, effective July 1, 1985, as the same has been or may hereafter be supplemented, amended or restated, or any successor thereto (the "Plan"), a current copy of which is attached hereto as Exhibit B and incorporated herein by reference, to the persons (who may be directors ("Directors") or beneficiaries of Directors) listed (from time to time as provided in Section 9(b) hereof) on Exhibit A hereto or to the beneficiaries of such persons (Directors and Directors' beneficiaries are referred to herein as "Trust Beneficiaries"), as the case may be;

WHEREAS, the Plan provides for any Director who is separately compensated for his services on the Board of Directors to elect to defer payment of all or a portion of his compensation as a Director and Cleveland-Cliffs wishes specifically to assure the payment to the Trust Beneficiaries of amounts due thereunder (the amounts so payable being collectively referred to herein as the "Benefits") in the event of a "Change of Control" (as defined herein);

WHEREAS, subject to Section 9 hereof, the amounts and timing of Benefits to which each Trust Beneficiary is presently or may become entitled are as provided in the Plan;

WHEREAS, Cleveland-Cliffs wishes to establish a trust (the "Trust") and to transfer to the Trust assets which shall be held therein subject to the claims of the creditors of Cleveland-Cliffs to the extent set forth in Section 3 hereof until paid in full to all Trust Beneficiaries as Benefits in such manner and at such times as specified herein unless Cleveland-Cliffs is Insolvent (as defined herein) at the time that such Benefits become payable; and

WHEREAS, Cleveland-Cliffs shall be considered "Insolvent" for purposes of this Trust Agreement at such time as Cleveland-Cliffs (i) is subject to a pending voluntary or involuntary proceeding as a debtor under the United States Bankruptcy Code, as heretofore or hereafter amended, or (ii) is unable to pay its debts as they mature.

NOW, THEREFORE, the parties do hereby establish the Trust and agree that the Trust shall be comprised, held and disposed of as follows:

1. TRUST FUND: (a) Subject to the claims of its creditors to the extent set forth in Section 3 hereof. Cleveland-Cliffs hereby deposits with the Trustee in trust Ten Dollars ($10.00) which shall become the principal of this Trust, to be held, administered and disposed of by the Trustee as herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided.

(b) The Trust hereby established shall be revocable by Cleveland-Cliffs at any time prior to the date on which occurs a "Change of Control," as that term is defined in this Section 1(b); on or after such date ("Irrevocability Date"), this Trust shall be irrevocable. Cleveland-Cliffs shall notify the Trustee promptly in the event that a Change of Control has occurred. The term "Change of Control" shall mean the occurrence of any of the following events:

(i) a tender offer shall be made and consummated for the ownership of 30% or more of the outstanding voting securities of Cleveland-Cliffs;

(ii) Cleveland-Cliffs shall be merged or consolidated with another corporation and as a result of

such merger or consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs, other than affiliates (within the meaning of the Securities Exchange Act of 1934) of any party to such merger or consolidation, as the same shall have existed immediately prior

to such merger or consolidation;

(iii) Cleveland-Cliffs shall sell substantially all of its assets to another corporation which is not a wholly owned subsidiary;

(iv) a person, within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange Act of 1934, shall acquire 30% or more of the outstanding voting securities of Cleveland-Cliffs (whether directly, indirectly, beneficially or of record), or

(v) during any period of two consecutive years, individuals who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease for any reason to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any such period was approved by a vote of at least two-thirds of the Directors of Cleveland-Cliffs then

still in office who are Directors of Cleveland-Cliffs on the date at the beginning of any such period.

For purposes hereof, ownership of voting securities shall take into account and shall include ownership as determined by applying the provisions of Rule 13d-3(d)(1)(i) (as in effect on the date hereof) pursuant to the Securities Exchange Act of 1934.

(c) Upon the earlier to occur of (i) a Change of Control or (ii) a declaration by the Board of Directors of Cleveland-Cliffs that a Change of Control is imminent, Cleveland-Cliffs shall promptly, and in any event within five (5) business days, transfer to the Trustee to be added to the principal of the Trust under this Agreement property or cash equal to the then value of the separate accounts of the Directors under the provisions of the Plan. Any payments by the Trustee pursuant to this Agreement shall, to the extent thereof, discharge the obligation of Cleveland-Cliffs to pay benefits under the Plan, it being the intent of Cleveland-Cliffs that assets in the Trust established hereby be held as security for the obligation of Cleveland-Cliffs to pay benefits under the Plan.

(d) The principal of the Trust and any earnings thereon shall be held in trust separate and apart from other funds of Cleveland-Cliffs exclusively for the uses and purposes herein set forth. No Trust Beneficiary shall have any preferred claim on, or any beneficial ownership interest in,

any assets of the Trust prior to the time that such assets are paid to a Trust Beneficiary as Benefits as provided herein.

(e) Any Company may at any time or from time to time make additional deposits of cash or other property in the Trust to augment the principal to be held, administered and disposed of by the Trustee as herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided.

(f) The term "Company" as used herein shall mean Cleveland-Cliffs, any wholly owned subsidiary or any entity that is a successor to Cleveland-Cliffs in ownership of substantially all its assets.

(g) The Trust is intended to be a grantor trust, within the meaning of section 671 of the internal Revenue Code of 1986, as amended (the "Code"), or any successor provision thereto, and shall be construed accordingly.

(h) This Agreement shall be construed as a part of the Plan, and shall override the terms of the Plan (including, but not limited to, Section 5 thereof) to the extent inconsistent herewith.

2. PAYMENTS TO TRUST BENEFICIARIES. (a) Provided that Cleveland-Cliffs is not Insolvent and commencing with the earliest to occur of (i) appropriate notice by Cleveland-Cliffs to the Trustee, or (ii) the Irrevocability Date, the Trustee

shall make payments of Benefits to each Trust Beneficiary from the assets of the Trust in accordance with the terms of the Plan and subject to Section 9 hereof. The Trustee shall make provision for withholding of any federal, state, or local taxes that may be required to be withheld by the Trustee in connection with the payment of any Benefits hereunder.

(b) If the balance of a Director's separate account maintained pursuant to Section 7(b) hereof is not sufficient to provide for full payment of Benefits to which such Director's Trust Beneficiaries are entitled as provided herein, Cleveland-Cliffs shall make the balance of each such payment as provided in the Plan. No payment from the Trust assets to a Trust Beneficiary shall exceed the balance of such separate account.

3. THE TRUSTEE'S RESPONSIBILITY REGARDING PAYMENTS TO A TRUST BENEFICIARY WHEN CLEVELAND-CLIFFS IS INSOLVENT: (a) At all times during the continuance of this Trust, the principal and income of the Trust shall be

subject to claims of creditors of Cleveland-Cliffs. The Board of Directors ("Board") of Cleveland-Cliffs and its Chief Executive Officer ("CEO") shall have the duty to inform the Trustee if either the Board or the CEO believes that Cleveland-Cliffs is Insolvent. If the Trustee receives a notice from the Board, the CEO, or a creditor of Cleveland-Cliffs alleging that Cleveland-Cliffs is Insolvent, then unless the Trustee independently determines that Cleveland-Cliffs is not Insolvent, the Trustee shall

(i) discontinue payments to any Trust Beneficiary, (ii) hold the Trust assets for the benefit of the general creditors of Cleveland-Cliffs and (iii) promptly seek the determination of a court of competent jurisdiction regarding the Insolvency of Cleveland-Cliffs. The Trustee shall deliver any undistributed principal and income in the Trust to the extent necessary to satisfy the claims of the creditors of Cleveland-Cliffs as a court of competent jurisdiction may direct. Such payments of principal and income shall be borne by the separate accounts of the Trust Beneficiaries in proportion to the balances on the date of such court order of their respective accounts maintained pursuant to Section 7(b) hereof. If payments to any Trust Beneficiary have been discontinued pursuant to this Section 3(a), The Trustee shall resume payments to such Trust Beneficiary only after receipt of an order of a court of competent jurisdiction. The Trustee shall have no duty to inquire as to whether Cleveland-Cliffs is Insolvent and may rely on information concerning the Insolvency of Cleveland-Cliffs which has been furnished to the Trustee by any person. Nothing in this Trust Agreement shall in any way diminish any rights of any Trust Beneficiary to pursue his rights as a general creditor of Cleveland-Cliffs with respect to Benefits or otherwise, and the rights of each Trust Beneficiary under the Plan shall in no way be affected or diminished by any provision of this Trust Agreement or action taken pursuant to this Trust Agreement except that any payment

actually received by any Trust Beneficiary hereunder shall reduce dollar-per-dollar amounts otherwise due to such Trust Beneficiary pursuant to the Plan.

(b) If the Trustee discontinues payments of Benefits from the Trust pursuant to Section 3(a) hereof, the Trustee shall, to the extent it has liquid assets, place cash equal to the discontinued payments (to the extent not paid to creditors pursuant to Section 3(a) and not paid to the Trustee pursuant to Section 10 hereof) in such interest-bearing deposit accounts or certificates of deposit (including any such accounts or certificates issued or offered by the Trustee or any successor corporation but excluding obligations of Cleveland-Cliffs) as determined by the Trustee in its sole discretion. If the Trustee subsequently resumes such payments. The first payment following such discontinuance shall include the aggregate amount of all payments which would have been made to the Trust Beneficiaries in accordance with this Trust Agreement during the period of such discontinuance, less the aggregate amount of payments made to any Trust Beneficiary by Cleveland-Cliffs pursuant to the Plan during any such period of discontinuance, together with interest on the net amount delayed determined at a rate equal to the rate paid on the accounts or deposits selected by the Trustee; provided, however, that no such payment shall exceed the balance of the respective Director's account as provided in Section 7(b) hereof.

4. PAYMENTS TO CLEVELAND-CLIFFS: Except to the extent expressly contemplated by Section 1(b) hereof, Cleveland-Cliffs shall have no right or power to direct the Trustee to return any of the Trust assets to Cleveland-Cliffs before all payments of Benefits have been made to all Trust Beneficiaries as herein provided.

5. INVESTMENT OF PRINCIPAL: The Trustee shall invest and reinvest the principal of the Trust including any income accumulated and added to principal, as directed by the Compensation Committee of the Board of Directors of Cleveland- Cliffs (which direction may include investment in Common Shares of Cleveland-Cliffs). In the absence of any such direction, the Trustee shall have sole power to invest the assets of the Trust (including investment in common shares of Cleveland-Cliffs). The Trustee shall act at all however, with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims. The investment objective of the Trustee shall be to preserve the principal of the Trust while obtaining a reasonable total rate of return, measurement of which shall include market appreciation or depreciation plus receipt of interest and dividends. The Trustee shall not be

required to invest nominal amounts.

6. INCOME OF THE TRUST: Except as provided in Section 3 hereof, during the continuance of this Trust all net

income of the Trust shall be allocated not less frequently than monthly among the Trust Beneficiaries' separate accounts in accordance with Section 7(b) hereof.

7. ACCOUNTING BY TRUSTEE: (a) The Trustee shall keep records in reasonable detail of all investments, receipts, disbursements and all other transactions required to be done, including such specific records as shall be agreed upon in writing by Cleveland-Cliffs and the Trustee. All such accounts, books and records shall be open to inspection and audit at all reasonable times by Cleveland-Cliffs, by any Director, or in the event of a Director's death or adjudged incompetence, by his Trust Beneficiaries (as to his account), or by any agent or representative of any of the foregoing. Within 60 calendar days following the end of each calendar year and within 60 calendar days after the removal or resignation of the Trustee, the Trustee shall deliver to Cleveland-Cliffs and to each Director, or in the event of his death or adjudged incompetence, his Trust Beneficiaries (as to his account) a written account of its administration of the Trust during such year or during the period from the end of the last preceding year to the date of such removal or resignation, setting forth all investments, receipts, disbursements and other transactions effected by it, including a description of all securities and investments purchased and sold with the cost or net proceeds of such purchases or sales (accrued interest paid or receivable being shown separately), and showing all cash, securities,

rights and other property held in the Trust at the end of such year or as of the date of such removal or resignation, as the case may be. Such written accounts shall reflect the aggregate of the Trust accounts and status of each separate account maintained for each Director.

(b) The Trustee shall maintain a separate account for each Trust Beneficiary. The Trustee shall credit or debit each Trust Beneficiary's account as appropriate to reflect such Trust Beneficiary's allocable portion of the Trust assets, as such Trust assets may be adjusted from time to time pursuant to the terms of this Trust Agreement. Prior to the Irrevocability Date, all deposits of principal pursuant to Section l(a) hereof shall be allocated as directed by Cleveland-Cliffs; on or after such date deposits of principal, once allocated, may not be reallocated by Cleveland-Cliffs. Income, expense, gain or loss on assets allocated to the separate accounts of the Trust Beneficiaries shall be allocated separately to such accounts by the Trustee in proportion to the balances of the separate accounts of the Directors.

8. RESPONSIBILITY OF TRUSTEE: (a) The Trustee shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in a like capacity and familiar with such matters, would the conduct of an enterprise of a like character and with like aims; provided, however, that the Trustee shall incur no liability to any person for any action taken pursuant to a direction, request or approval, contemplated by and complying

with the terms of this Trust Agreement, given in writing by Cleveland-Cliffs, by the Compensation Committee or by a Trust Beneficiary applicable to his or her beneficial interest herein; and provided, further, that the Trustee shall have no duty to seek additional deposits of principal from Cleveland-Cliffs for additional amounts accrued under the Plan, and the Trustee shall not be responsible for the adequacy of this Trust.

(b) The Trustee may vote any stock or other securities and exercise any right appurtenant to any stock, other securities or other property held hereunder, either in person or by general or limited proxy, power of attorney or other instrument.

(c) The Trustee may hold securities in bearer form and may register securities and other property held in the trust fund in its own name or in the name of a nominee, combine certificates representing securities with certificates of the same issue held by the Trustee in other fiduciary capacities, and deposit, or arrange for deposit of property with any depository; provided that the books and records of the Trustee shall at all times show that all such securities are part of the trust fund.

(d) If the Trustee shall undertake or defend any litigation arising in connection with this Trust Agreement, it shall be indemnified by Cleveland-Cliffs against its costs, expenses and liabilities (including without limitation attorneys' fees and expenses) relating thereto.

(e) The Trustee may consult with legal counsel, independent accountants and actuaries (who may be counsel independent accountants or actuaries for Cleveland-Cliffs) with respect to any of its duties or obligations hereunder, and shall be fully protected in acting or refraining from acting in accordance with the advice of such counsel, independent accountants and actuaries.

(f) The Trustee may rely and shall be protected in acting or refraining from acting within the authority granted by the terms of this Trust Agreement upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties.

(g) The trustee may hire agents, accountants, actuaries, and financial consultants, who may be agents, accountants, actuaries, or financial consultants, as the case may be, for Cleveland-Cliffs, and shall not be answerable for the conduct of same if appointed with due care.

(h) The Trustee is empowered to take all actions necessary or advisable in order to collect any benefits or payments of which the Trustee is the designated beneficiary.

(i) The Trustee shall have, without exclusion, all powers conferred on trustees by applicable law unless expressly provided otherwise herein.

9. AMENDMENTS, ETC. TO AGREEMENTS AND PLAN; COOPERATION OF CLEVELAND-CLIFFS:

(a) Cleveland-Cliffs has previously furnished the Trustee a complete and correct copy of the Plan, and Cleveland-Cliffs shall, and any Trust Beneficiary may, promptly furnish the Trustee true and correct copies of any amendment, restatement or successor thereto, whereupon such amendment, restatement or successor shall be incorporated herein by reference, provided that such amendment, restatement or successor shall not affect the Trustee's duties and responsibilities hereunder without the consent of the Trustee.

(b) Cleveland-Cliffs shall provide the Trustee with all information requested by the Trustee for purposes of determining payments to the Trust Beneficiaries or withholding of taxes as provided in Section 2. Upon the failure of Cleveland-Cliffs or any Trust Beneficiary to provide any such information, the trustee shall, to the extent necessary in the sole judgment of the Trustee, (i) compute the amount payable hereunder to any Trust Beneficiary; and (ii) notify Cleveland-Cliffs and the Trust Beneficiary in writing of its computations. Thereafter this Trust Agreement shall be construed as to the Trustee's duties and obligations hereunder in accordance with such Trustee determinations without further action; provided, however, that no such determinations shall in any way diminish the rights of any Trust Beneficiary hereunder

or under the Plan; and provided, further, that no such determinations shall be deemed to modify this Trust Agreement or the Plan. Nothing in this Trust Agreement shall restrict Cleveland-Cliffs right to amend, modify or terminate the Plan.

(b) At such times as may in the judgment of Cleveland-Cliffs be appropriate, Cleveland-Cliffs shall furnish to the Trustee any amendment to Exhibit A for the purpose of the addition of additional Directors (or the deletion of Directors who (together with their Trust Beneficiaries) have no Benefits currently due or payable in the future) to Exhibit A; provided, however, that no such amendment shall be made after the Irrevocability Date.

10. COMPENSATION AND EXPENSES OF TRUSTEE: The Trustee shall be entitled to receive such reasonable compensation for its services as shall be agreed upon by Cleveland-Cliffs and the Trustee. The Trustee shall also be entitled to reimbursement of its reasonable expenses incurred with respect to the administration of the Trust including fees and expenses incurred pursuant to Sections 8(d), 8(e) and 8(g) and liabilities to creditors pursuant to court direction as provided in Section 3(a) hereof. Such compensation and expenses shall in all events be payable either directly by Cleveland-Cliffs or, in the event that Cleveland-Cliffs shall refuse, from the assets of the Trust and charged pro rata in proportion to each separate account balance. The Trust shall have a claim against Cleveland-Cliffs for any such compensation or expenses so paid.

11. REPLACEMENT OF THE TRUSTEE: (a) Prior to the Irrevocability Date, the Trustee may be removed by Cleveland-Cliffs. On or after the Irrevocability Date, the Trustee may be removed at any time by agreement of Cleveland-Cliffs and a majority of the Directors. The Trustee may resign after providing not

less than 90 days' notice to Cleveland-Cliffs and to the Directors. In case of removal or resignation, a new trustee, which shall be independent and not subject to control of either Cleveland-Cliffs or the Trust Beneficiaries, shall be appointed as shall be agreed by Cleveland-Cliffs and a majority of the Directors. No such removal or resignation shall become effective until the acceptance of the trust by a successor trustee designated in accordance with this Section 11. If the Trustee should resign, and within 45 days of the notice of such resignation Cleveland-Cliffs and the Directors shall not have notified the Trustee of an agreement as to a replacement trustee, the Trustee shall appoint a successor trustee, which shall be a bank or trust company, wherever located, having a capital and surplus of at least $500,000,000 in the aggregate.

(b) For purposes of the removal or appointment of a Trustee under this Section 11, (i) if any Director shall be deceased or adjudged incompetent, such Director's Trust Beneficiaries shall participate in such Director's stead, and (ii) a Trust Beneficiary shall not participate if all payments of Benefits then currently due or payable in the future have been made to such Trust Beneficiary.

12. AMENDMENT OR TERMINATION: (a) This Trust Agreement may be amended by Cleveland-Cliffs and the Trustee without the consent of any Trust Beneficiaries provided the amendment does not adversely affect any Trust Beneficiary. This Trust Agreement may also be amended at any time and to any extent by a written instrument executed by the Trustee, Cleveland-Cliffs and the Trust Beneficiaries, except to alter Section 12(b), and except that amendments to Exhibit A contemplated by Section 9(b) hereof shall be made as therein provided.

(b) The Trust shall terminate on the date on which the Trust no longer contains any assets, or, if earlier, the date on which each Trust Beneficiary is entitled to no further payments hereunder.

(c) Upon termination of the Trust as provided in Section 12(b) hereof, any assets remaining in the Trust shall be returned to Cleveland-Cliffs.

13. SPECIAL DISTRIBUTION: (a) It is intended that (i) the creation of, and transfer of assets to, the Trust will not cause the Plan to be other than "unfunded" for purposes of title I of the Employee Retirement Income Security Act of 1974, as amended, or any successor provision thereto ("ERISA"); (ii) transfers of assets to the Trust will not be transfers of property for purposes of section 83 of the Code, or any successor provision thereto, nor will such transfers cause a currently taxable benefit to be realized by a Trust Beneficiary

pursuant to the "economic benefit" doctrine; and (iii) pursuant to section 451 of the Code, or any successor provision thereto, amounts will be includable as compensation in the gross income of a Trust Beneficiary in the taxable year or years in which such amounts are actually distributed or made available to such Trust Beneficiary by the Trustee.

(b) Notwithstanding anything to the contrary contained in this Trust Agreement, in the event it is determined by a final decision of the Internal Revenue Service, or, if an appeal is taken therefrom, by a court of competent jurisdiction that (i) by reason of the creation of, and a transfer of assets to, the Trust, the Trust is considered "funded" for purposes of title I of ERISA; or (ii) a transfer of assets to the Trust is considered a transfer of property for purposes of section 83 of the Code or any successor provision thereto; or (iii) a transfer of assets to the Trust causes a Trust Beneficiary to realize income pursuant to the "economic benefit" doctrine; or (iv) pursuant to section 451 of the Code or any successor provision thereto, amounts are includable as compensation in the gross income of a Trust Beneficiary in a taxable year that is prior to the taxable year or years in which such amounts would, but for this Section 13, otherwise actually be distributed or made available to such Trust Beneficiary by the Trustee, then (A) the assets held in Trust shall be allocated in accordance with Section 7(b) hereof, and (B) subject to the last sentence of Section 2(b) hereof, the

Trustee shall promptly make a distribution to each affected Trust Beneficiary which, after taking into account the federal, state and local income tax consequences of the special distribution itself, is equal to the sum of any federal, and local income taxes, interest due thereon, and penalties assessed with respect thereto, which are attributable to amounts that are includable in the income of such Trust Beneficiary for any of the reasons described in clause (i), (ii), (iii) or (iv) of this Section 13(b).

14. SEVERABILITY, ALIENATION, ETC.: (a) Any provision of this Trust Agreement prohibited by law shall be ineffective to the extent of any such prohibition without invalidating the remaining provisions hereof.

(b) To the extent permitted by law, benefits to Trust Beneficiaries under this Trust Agreement may not be, anticipated, assigned (either at law or in equity), alienated or subject to attachment, garnishment, levy, execution or other legal or equitable process and no benefit provided for herein and actually paid to any Trust Beneficiary by the Trustee shall be subject to any claim for repayment by Cleveland-Cliffs or Trustee.

(c) This Trust Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles of conflict of laws thereof.

(d) This Trust Agreement may be executed in two or more counterparts, each of which shall be considered an original agreement. This Trust Agreement shall become effective immediately upon the execution by Cleveland-Cliffs of at least one counterpart, it being understood that all parties need not sign the same counterpart, but shall not bind any Trustee until such Trustee has executed at least one counterpart.

15. NOTICES; IDENTIFICATION OF CERTAIN TRUST BENEFICIARIES: (a) All notices, requests, consents and other communication hereunder shall be in writing and shall be deemed to have been duly given when received:

If to the Trustee, to:

AmeriTrust Company National Association
900 Euclid Avenue
Cleveland, Ohio 44115

Attention: Trust Department
Employee Benefit Administration

If to Cleveland-Cliffs, to:

Cleveland-Cliffs Inc
1100 Superior Avenue
Cleveland, OH 44114

Attention: Secretary

If to the Directors or to any party or any Trust Beneficiaries, to the addresses listed on Exhibit A hereto

provided, however, that if any party or any Trust Beneficiary or his or its successors shall have designated a different

address by written notice to the other parties, then to the last address so designated.

(b) Cleveland-Cliffs shall provide the Trustee with the names of any beneficiary or beneficiaries designated by Directors or beneficiaries under the Plan (and who are, therefore, Trust Beneficiaries hereunder).

IN WITNESS WHEREOF, Cleveland-Cliffs has caused counterparts of this Trust Agreement to be executed on its behalf at 4:08 p.m. Eastern Standard Time on October 28, 1987, each of which shall be an original agreement, and the Trustee has caused counterparts of this Trust Agreement to be executed on its behalf at 4:09 p.m. Eastern Standard Time on October 28, 1987.

CLEVELAND-CLIFFS INC

By: Richard F. Novak
Its: Vice President - Human Resources

AMERITRUST COMPANY NATIONAL ASSOCIATION

By: Gary W. Queen
Its: Senior Vice President

EXHIBIT 10(q)

[Conformed Copy]

FIRST AMENDMENT TO TRUST AGREEMENT NO. 4

This Amendment No. 1 to Trust Agreement made on April 9, 1991, by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs") and Ameritrust Company National Association, a national banking association, as trustee (the "Trustee");

W I T N E S S E T H:

WHEREAS, on October 28, 1987, Cleveland-Cliffs and the Trustee entered into a Trust Agreement ("Trust Agreement");

WHEREAS, the Trust Agreement is for the purpose of providing benefits under the Plan for Deferred Payment of Directors' Fees of The Cleveland-Cliffs Iron Company, adopted June 4, 1981 and assumed by Cleveland-Cliffs, effective July 1, 1985; and

WHEREAS, Cleveland-Cliffs has reserved the right, with the Trustee, pursuant to Section 12 of the Trust Agreement, to amend the Trust Agreement without the consent of any Trust Beneficiaries, as defined in the Trust Agreement

NOW, THEREFORE, Cleveland-Cliffs and the Trustee hereby agree that the Trust Agreement shall be amended as follows:

1. The Trust Agreement is hereby renamed "Trust Agreement No. 4," and each reference in such Trust Agreement No 4 to "Trust Agreement" shall be amended to read "Trust Agreement No. 4."

2. The second WHEREAS clause is amended by deleting the words "in the event of a `Change of Control' (as defined herein)" from the end thereof.

3. Section 1(a) is amended to read as follows:

1. Trust Fund: (a) Subject to the claims of its creditors to the extent set forth in Section 3 hereof, Cleveland-Cliffs (i) hereby deposits with the Trustee in trust Ten Dollars ($10.00) which shall become the principal of this Trust, and (ii) Cleveland-Cliffs may from time to time make additional deposits of cash or other property in the Trust to augment such principal. The principal and income of the Trust shall be held, administered and disposed of by the Trustee as herein provided, but no payment of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided.

4. The first sentence of Section 1(b) is amended to read as follows:

(b) The Trust hereby established shall be irrevocable.

5. Section 1(c) is amended to read as follows:

(c) Upon the earlier to occur of (i) a Change of Control or (ii) a declaration by the Board of Directors of Cleveland-Cliffs that a Change of Control imminent, Cleveland-Cliffs shall promptly, and in any event within five (5) business days, transfer to the Trustee to be added to the principal of the Trust under this Trust Agreement No. 4 property or each equal to the then value of the separate accounts of the Directors under the provisions of the Plan, less the balances in the Directors' accounts provided in Section 7(b) hereof as of the most recent completed valuation thereof, as certified by the Trustee; provided, however, if the Trustee does not so certify by the end of the fourth (4th) business day after the earlier of (i) or (ii) above, then the balances of such accounts shall be deemed to be zero. Any payments by the Trustee pursuant to this Trust Agreement No. 4 shall, to the extent thereof, discharge the

obligation of Cleveland-Cliffs to pay benefits under the Plan.

6. Section 1(g) is amended by adding at the end thereof the following:

The Trust is not designed to qualify under section 401(a) of the Code or to be subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Trust established under this Trust Agreement No. 4 does not fund and is not intended to fund the Plan or any other employee benefit plan or program of Cleveland-Cliffs. Such Trust is and is intended to be a depository arrangement with the Trustee for the setting aside of cash and other assets of Cleveland-Cliffs as and when it so determines in its sole discretion for the meeting of part or all

of its future obligations with respect to Benefits to some or all of the Trust Beneficiaries under the Plan.

7. Section 2(a) is amended to read as follows:

(a) Provided that the Trustee has not actually received notice as provided in Section 3 hereof that Cleveland-Cliffs is Insolvent, the Trustee shall make payments of Benefits to each Trust Beneficiary from the assets of the Trust in

accordance with the terms of the Plan and subject to Section 9 hereof. The Trustee shall make provision for withholding of any federal, state, or local taxes that may be required to be withheld by the Trustee in connection with the payment of any Benefits hereunder.

8. Section 4 is amended to read as follows:

4. PAYMENTS TO CLEVELAND-CLIFFS: Cleveland-Cliffs shall have no right or power to direct the Trustee to return any of the Trust assets to Cleveland-Cliffs before all payments of Benefits have been made to all Trust Beneficiaries as herein provided.

9. Section 5 is amended by adding the following at the end of the second sentence thereof:

, and including investments in common or collective funds or trusts, and mutual funds or investment companies, including affiliated investment companies and 12 B-1 funds. Cleveland-Cliffs acknowledges and agrees that the Trustee may receive fees as a participating depository institution for services relating to the investment of funds in an eligible mutual fund.

10. Section 7 is amended to read as follows:

7. ACCOUNTING BY TRUSTEE: (a) The Trustee shall maintain such books, records and accounts as may be necessary for the proper administration of the Trust assets, including such specific records as shall be agreed upon in writing by Cleveland-Cliffs and the Trustee, and shall render to Cleveland-Cliffs within 60 days following the close of each calendar year following the date of this Trust until the termination of this Trust or the removal or resignation of the Trustee (and within 60 days after the date of such termination, removal or resignation), an accounting with respect to the Trust assets as of the end of the then most recent calendar year (and as of the date of such termination, removal or resignation, as the case may be). The Trustee shall furnish to Cleveland-Cliffs on a quarterly basis (or as Cleveland-Cliffs shall direct from time to time) and in a timely manner such information regarding the Trust as Cleveland-Cliffs shall require for purposes of preparing its statements of financial condition. The Trustee shall at all times maintain separate bookkeeping accounts for each Trust Beneficiary as prescribed by Section 7(b)

hereof, and shall provide each Trust Beneficiary with an annual statement of his account. Upon the written request of Cleveland-Cliffs or, on or after the date on which a Change of Control has occurred, a Trust Beneficiary, the Trustee shall deliver to such Trust Beneficiary or Cleveland-Cliffs, as the case may be, a written report setting forth the amount held in the Trust and a record of the deposits made with respect thereto by Cleveland-Cliffs. Unless Cleveland-Cliffs or any Trust Beneficiary shall have filed with the Trustee written exception or objection to any such statement and account within 90 days after receipt thereof, Cleveland-Cliffs and the Trust Beneficiaries shall be deemed to have approved such statement and account, and in such case the Trustee shall be forever released and discharged with respect to all matters and things reported in such statement and account as though it had been settled by a decree of a court of competent jurisdiction in an action or proceeding to which the Company and the Trust Beneficiaries were parties.

(b) The Trustee shall maintain a separate account for each Trust Beneficiary. The Trustee

shall credit or debit each Trust Beneficiary's account as appropriate to reflect such Trust Beneficiary's allocable portion of the Trust assets, as such Trust assets may be adjusted from time to time pursuant to the terms of this Trust Agreement No. 4. Prior to the date of a Change of Control, all deposits of principal pursuant to Section 1(a) hereof shall be allocated as directed by Cleveland-Cliffs; on or after such date deposits of principal, once allocated, may not be reallocated by Cleveland-Cliffs. Income, expense, gain or loss on assets allocated to the separate accounts of the Trust Beneficiaries shall be allocated separately to such accounts by the Trustee in proportion to the balances of the separate accounts of the Directors.

IN WITNESS WHEREOF, Cleveland-Cliffs and the Trustee have caused counterparts of the First Amendment to Trust Agreement No. 4 to be executed on April 9, 1991.

CLEVELAND-CLIFFS INC

By: Richard F. Novak
Its: V.P. of Human Resources

AMERITRUST COMPANY NATIONAL ASSOCIATION

By: /s/ J. R. Russell
Its: Vice President

8077B

SECOND AMENDMENT TO TRUST AGREEMENT NO. 4

This Amendment No. 2 to Trust Agreement No. 4 is made on this 9th day of March, 1992, by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs") and Ameritrust Company National Association, a national banking association, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, on October 28, 1987, Cleveland-Cliffs and the Trustee entered into a trust agreement ("Trust Agreement No. 4");

WHEREAS, on April 9, 1991, Cleveland-Cliffs and the Trustee entered into Amendment No. 1 to Trust Agreement No. 4

WHEREAS, Trust Agreement No. 4, as amended, is for the purpose of providing benefits under the Cleveland-Cliffs Inc Plan for Deferred Payment of Directors' Fees;

WHEREAS, Cleveland-Cliffs has reserved the right, with the Trustee, pursuant to Section 12 of Trust Agreement No. 4, to amend Trust Agreement No. 4 without the consent of any Trust Beneficiaries, as defined in Trust Agreement No. 4.

NOW, THEREFORE, Cleveland-Cliffs and the Trustee hereby agree that Trust Agreement No. 4 shall be amended as follows:

1. The third sentence of Section 1(b) of Trust Agreement No. 4 is hereby amended to read as follows:

"The term "Change of Control" shall mean the occurrence of any of the following events:

(i) Cleveland-Cliffs shall merge into itself, or be merged or consolidated with, another corporation and result of such merger or consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs as the same shall have existed immediately prior to such merger or consolidation;

(ii) Cleveland-Cliffs shall sell or transfer to one or more persons, corporations or entities, in a single transaction or a series of related transactions, more than one-half of the assets accounted for on the Statement of Consolidated Financial Position of Cleveland-Cliffs as "properties" or "investments in associated companies" (or such replacements for these accounts as may be adopted from time to time) unless by an affirmative vote of

two-thirds of the members of the Board of Directors, the transaction or transactions are exempted from the operation of this provision based on a good faith finding that the transaction or transactions are not within the intended scope of this definition for purposes of this instrument;

(iii) a person within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange Act of 1934, shall become the beneficial owner (as defined in Rule 13d-3 of the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934) of 30% or more of the

outstanding voting securities of Cleveland-Cliffs (whether directly or indirectly); or

(iv) during any period of three consecutive years, including, without limitation, the year 1991, individuals who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease, for any reason, to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any such period was approved by a vote of at least one-third of the Directors of Cleveland-Cliffs who are Directors of Cleveland-Cliffs on the date of the beginning of any such period."

IN WITNESS WHEREOF, Cleveland-Cliffs and the Trustee have caused counterparts of this Amendment No. 2 to Trust Agreement No. 4 to be executed on March 9, 1992.

CLEVELAND-CLIFFS INC

By: R. F. Novak
Its: Vice President

AMERITRUST COMPANY NATIONAL ASSOCIATION

By: J. R. Russell
Its: Vice President

TRUST AGREEMENT

This Trust Agreement ("Trust Agreement") made this 28th day of October, 1987 by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs"), and AmeriTrust Company National Association, a national banking association, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, certain benefits are or may become payable under the provisions of certain Deferred Compensation Agreements ("Agreements") between Cleveland-Cliffs, or between The Cleveland-Cliffs Iron Company and assumed by Cleveland-Cliffs, effective July 1, 1985, and certain executives ("Executives"), to the persons (who may be Executives or beneficiaries of Executives) listed (from time to time as provided in Section 9(b) hereof) on Exhibit A hereto or to the beneficiaries of such persons (Executives and Executives' beneficiaries are referred to herein as "Trust Beneficiaries"), as the case may be;

WHEREAS, the Agreements provide for certain deferred income benefits, and Cleveland-Cliffs wishes specifically to assure the payment to the Trust Beneficiaries of amounts due thereunder (the amounts so payable being collectively referred to here in as the "Benefits") in the event of a "Change of Control" (as defined herein);

WHEREAS, subject to Section 9 hereof, the amounts and timing of Benefits to which each Trust Beneficiary is presently or may become entitled are as provided in the Agreement applicable to him or her ("Applicable Agreement");

WHEREAS, Cleveland-Cliffs wishes to establish a trust (the "Trust") and to transfer to the Trust assets which shall be held therein subject to the claims of the creditors of Cleveland-Cliffs to the extent set forth in Section 3 hereof until paid in full to all Trust Beneficiaries as Benefits in such manner and at such times as specified herein unless Cleveland-Cliffs is Insolvent (as defined herein) at the time that such Benefits become payable; and

WHEREAS, Cleveland-Cliffs shall be considered "Insolvent" for purposes of this Trust Agreement at such time as Cleveland-Cliffs (i) is subject to a pending voluntary or involuntary proceeding as a debtor under the United States Bankruptcy Code, as heretofore or hereafter amended, or (ii) is unable to pay its debts as they mature.

NOW, THEREFORE, the parties do hereby establish the Trust and agree that the Trust shall be comprised, held and disposed of as follows:

1. TRUST FUND: (a) Subject to the claims of its creditors to the extent set forth in Section 3 hereof, Cleveland-Cliffs hereby deposits with the Trustee in trust Ten Dollars ($10.00) which shall become the principal of this Trust, to be held, administered and disposed of by the Trustee

as herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided.

(b) The Trust hereby established shall be revocable by Cleveland-Cliffs at any time prior to the date on which occurs a "Change of Control," as that term is defined in this Section 1(b); on or after such date ("Irrevocability Date"), this Trust shall be irrevocable. Cleveland-Cliffs shall notify the Trustee promptly in the event that a Change of Control has occurred. The term "Change of Control" shall mean the occurrence of any of the following events:

(i) a tender offer shall be made and consummated for the ownership of 30% or more of the outstanding voting securities of Cleveland-Cliffs;

(ii) Cleveland-Cliffs shall be merged or consolidated with another corporation and as a result of such merger or consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs, other than affiliates (within the meaning of the Securities Exchange Act of 1934) of any party to such merger or consolidation, as the same shall have existed immediately prior to such merger or consolidation;

(iii) Cleveland-Cliffs shall sell substantially all of its assets to another corporation which is not a wholly owned subsidiary;

(iv) a person, within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange Act of 1934, shall acquire 30% or more of the outstanding voting securities of Cleveland-Cliffs (whether directly, indirectly, beneficially or of record), or

(v) during any period of two consecutive years, individuals

who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease for any reason to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any such period was approved by a vote of at least two-thirds of the Directors of Cleveland-Cliffs then still in office who are Directors of Cleveland-Cliffs on the date at the beginning of any such period.

For purposes hereof, ownership of voting securities shall take into account and shall include ownership as determined by applying the provisions of Rule 13d-3(d)(1)(i) (as in effect on the date hereof) pursuant to the Securities Exchange Act of 1934.

(c) Upon the earlier to occur of (i) a Change of Control or (ii) a declaration by the Board of Directors of

Cleveland-Cliffs that a Change of Control is imminent, Cleveland-Cliffs shall promptly, and in any event within five (5) business days, transfer to the Trustee to be added to the principal of the Trust under this Trust Agreement property or cash equal to the then value of the separate accounts of the Executives under the Agreements. Any payments by the Trustee pursuant to this Trust Agreement shall, to the extent thereof, discharge the obligation of Cleveland-Cliffs to pay benefits under the Agreements, it being the intent of Cleveland-Cliffs that assets in the Trust established hereby be held as security for the obligation of Cleveland-Cliffs to pay benefits under the Agreements.

(d) The principal of the Trust and any earnings thereon shall be held in trust separate and apart from other funds of Cleveland-Cliffs exclusively for he uses and purposes herein set forth. No Trust Beneficiary shall have any preferred claim on, or any beneficial ownership interest in, any assets of the Trust prior to the time that such assets are paid to a Trust beneficiary as Benefits as provided herein.

(e) Any Company may at any time or from time to time make additional deposits of cash or other property in the Trust to augment the principal to be held, administered and disposed of by the Trustee as herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity

on behalf of Cleveland-Cliffs except as herein expressly provided.

(f) The term "Company" as used herein shall mean Cleveland-Cliffs, any wholly owned subsidiary or any entity that is a successor to Cleveland-Cliffs in ownership of substantially all its assets.

(g) The Trust is intended to be a grantor trust, within the meaning of section 671 of the Internal Revenue Code of 1986, as amended (the "Code"), or any successor provision thereto, and shall be construed accordingly.

2. PAYMENTS TO TRUST BENEFICIARIES. (a) Provided that Cleveland-Cliffs is not Insolvent and commencing with the earliest to occur of (i) appropriate notice by Cleveland-Cliffs to the trustee, or (ii) the Irrevocability Date, the Trustee shall make payments of Benefits to each Trust Beneficiary from the assets of the Trust in accordance with the terms of the Agreements and subject to Section 9 hereof. The Trustee shall make provision for withholding of any federal, state, or local taxes that may be required to be withheld by the Trustee in connection with the payment of any Benefits hereunder.

(b) If the balance of an Executive's separate account maintained pursuant to Section 7(b) hereof is not sufficient to provide for full payment of Benefits to which such Executive's Trust Beneficiaries are entitled as provided herein, Cleveland-Cliffs shall make the balance of each such payment as provided in his Applicable Agreement. No payment from the Trust assets

to a Trust Beneficiary shall exceed the balance of such separate account.

3. THE TRUSTEE'S RESPONSIBILITY REGARDING PAYMENTS TO A TRUST BENEFICIARY WHEN CLEVELAND-CLIFFS IS INSOLVENT: (a) At all times during the continuance of this Trust, the principal and income of the Trust shall be subject to claims of creditors of Cleveland-Cliffs. The Board of Directors ("Board") of Cleveland-Cliffs and its Chief Executive Officer ("CEO") shall have the duty to inform the Trustee if either the Board or the CEO believes that Cleveland-Cliffs is Insolvent. If the Trustee receives a notice from the Board, the CEO, or a creditor of Cleveland-Cliffs alleging that Cleveland-Cliffs is Insolvent, then unless the Trustee independently determines that Cleveland-Cliffs is not Insolvent, the Trustee shall (i) discontinue payments to any Trust Beneficiary, (ii) hold the Trust assets for the benefit of the general creditors of Cleveland-Cliffs, and (iii) promptly seek the determination of a court of competent jurisdiction regarding the Insolvency of Cleveland-Cliffs. The Trustee shall deliver any undistributed principal and income in the Trust to the extent necessary to satisfy the claims of the creditors of Cleveland-Cliffs as a court of competent jurisdiction may direct. Such payments of principal and income shall be borne by the separate accounts of the Trust Beneficiaries in proportion to the balances on the date of such court order of their respective accounts maintained pursuant to Section 7(b) hereof. If payments to any

Trust Beneficiary have been discontinued pursuant to this Section 3(a), the Trustee shall resume payments to such Trust Beneficiary only after receipt of an order of a court of competent jurisdiction. The Trustee shall have no duty to inquire as to whether Cleveland-Cliffs is Insolvent and may rely on information concerning the Insolvency of Cleveland-Cliffs which has been furnished to the Trustee by any person. Nothing in this Trust Agreement shall in any way diminish any rights of any Trust Beneficiary to pursue his rights as a general creditor of Cleveland-Cliffs with respect to Benefits or otherwise, and the rights of each Trust Beneficiary under the Applicable Agreement shall in no way be affected or diminished by any provision of this Trust Agreement or action taken pursuant to this Trust Agreement except that any payment actually received by any Trust Beneficiary hereunder shall reduce dollar-per-dollar amounts otherwise due to such Trust Beneficiary pursuant to the Applicable Agreement.

(b) If the Trustee discontinues payments of Benefits from the Trust pursuant to Section 3(a) hereof, the Trustee shall, to the extent it has liquid assets, place cash equal to the discontinued payments (to the extent not paid to creditors pursuant to Section 3(a) and not paid to the Trustee pursuant to Section 10 hereof) in such interest-bearing deposit accounts or certificates of deposit (including any such accounts or certificates issued or offered by the Trustee or any successor corporation but excluding obligations of Cleveland-Cliffs) as

determined by the Trustee in its sole discretion. If the Trustee subsequently resumes such payments, the first payment following such discontinuance shall include the aggregate amount of all payments which would have been made to the Trust Beneficiaries in accordance with this Trust Agreement during the period of such discontinuance, less the aggregate amount of payments made to any Trust Beneficiary by Cleveland-Cliffs pursuant to the Applicable Agreement during any such period of discontinuance, together with interest on the net amount delayed determined at a rate equal to the rate paid on the accounts or deposits selected by the Trustee; provided, however, that no such payment shall exceed the balance of the respective Executive's account as provided in Section 7(b) hereof.

4. PAYMENTS TO CLEVELAND-CLIFFS: Except to the extent expressly contemplated by Section l(b) hereof, Cleveland-Cliffs shall have no right or power to direct the Trustee to return any of the Trust assets to Cleveland-Cliffs before all payments of Benefits have been made to all Trust Beneficiaries as herein provided.

5. INVESTMENT OF PRINCIPAL: The Trustee shall invest and reinvest the principal of the Trust, including any income accumulated and added to principal, as directed by the Compensation Committee of the Board of Directors of Cleveland-Cliffs (which direction may include investment in Common Shares of Cleveland-Cliffs). In the absence of any such direction,

the Trustee shall have sole power to invest the assets of the Trust (including investment in Common Shares of Cleveland-Cliffs). The Trustee shall act at all times, however, with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims. The investment objective of the Trustee shall be to preserve the principal of the Trust while obtaining a reasonable total rate of return, measurement of which shall include market appreciation or depreciation plus receipt of interest and dividends. The Trustee shall not be required to invest nominal amounts.

6. INCOME OF THE TRUST: Except as provided in Section 3 hereof, during the continuance of this Trust all net income of the Trust shall be allocated not less frequently than monthly among the Trust Beneficiaries' separate accounts in accordance with Section 7(b) hereof.

7. ACCOUNTING BY TRUSTEE: (a) The Trustee shall keep records in reasonable detail of all investments, receipts, disbursements and all other transactions required to be done, including such specific records as shall be agreed upon in writing by Cleveland-Cliffs and the Trustee. All such accounts, books and records shall be open to inspection and audit at all reasonable times by Cleveland-Cliffs, by any Executive, or in the event of an Executive's death or adjudged

incompetence by his Trust Beneficiaries (as to his account), or by any agent or representative of any of the foregoing. Within 60 calendar days following the end of each calendar year and within 60 calendar days after the removal or resignation of the Trustee, the Trustee shall deliver to Cleveland-Cliffs and to each Executive, or in the event of his death or adjudged incompetence, his Trust Beneficiaries (as to his account) a written account of its administration of the Trust during such year or during the period from the end of the last preceding year to the date of such removal or resignation, setting forth all investments, receipts, disbursements and other transactions effected by it, including a description of all securities and investments purchased and sold with the cost or net proceeds of such purchases or sales (accrued interest paid or receivable being shown separately), and showing all cash, securities, rights and other property held in the Trust at the end of such year or as of the date of such removal or resignation, as the case may be. Such written accounts

shall reflect the aggregate of the Trust accounts and status of each separate account maintained for each Executive.

(b) The Trustee shall maintain a separate account for each Trust Beneficiary. The Trustee shall credit or debit each Trust Beneficiary's account as appropriate to reflect such Trust Beneficiary's allocable portion of the Trust assets, as such Trust assets may be adjusted from time to time pursuant to the terms of this Trust Agreement. Prior to the Irrevocability

Date, all deposits of principal pursuant to Section 1(a) hereof shall be allocated as directed by Cleveland-Cliffs; on or after such date deposits of principal, once allocated, may not be reallocated by Cleveland-Cliffs. Income, expense, gain or loss on assets allocated to the separate accounts of the Trust Beneficiaries shall be allocated separately to such accounts by the Trustee in proportion to the balances of the separate accounts of the Executives.

8. RESPONSIBILITY OF TRUSTEE: (a) The Trustee shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims; provided, however, that the Trustee shall incur no liability to any person for any action taken pursuant to a direction, request or approval, contemplated by and complying with the terms of this Trust Agreement, given in writing by Cleveland-Cliffs, by the Compensation Committee or by a Trust Beneficiary applicable to his or her beneficial interest herein; and provided, further, that the Trustee shall have no duty to seek additional deposits of principal from Cleveland-Cliffs for additional amounts accrued under the Agreements, and the Trustee shall not be responsible for the adequacy of this Trust.

(b) The Trustee may vote any stock or other securities and exercise any right appurtenant to any stock,

other securities or other property held hereunder, either in person or by general or limited proxy, power of attorney or other instrument.

(c) The Trustee may hold securities in bearer form and may register securities and other property held in the trust fund in its own name or in the name of a nominee, combine certificates representing securities with certificates of the same issue held by the Trustee in other fiduciary capacities, and deposit, or arrange for deposit of property with any depository; provided that the books and records of the Trustee shall at all times show that all such securities are part of the trust fund.

(d) If the Trustee shall undertake or defend any litigation arising in connection with this Trust Agreement, it shall be indemnified by Cleveland-Cliffs against its costs, expenses and liabilities (including without limitation attorneys' fees and expenses) relating thereto.

(e) The Trustee may consult with legal counsel, independent accountants and actuaries (who may be counsel independent accountants or actuaries for Cleveland-Cliffs) with respect to any of its duties or obligations hereunder, and shall be fully protected in acting or refraining from acting in accordance with the advice of such counsel, independent accountants and actuaries.

(f) The Trustee may rely and shall be protected in acting or refraining from acting within the authority granted

by the terms of this Trust Agreement upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties.

(g) The Trustee may hire agents, accountants, actuaries, and financial consultants, who may be agents, accountants, actuaries, or financial consultants, as the case may be, for Cleveland-Cliffs, and shall not be answerable for the conduct of same if appointed with due care.

(h) The Trustee is empowered to take all actions necessary or advisable in order to collect any benefits or payments of which the Trustee is the designated beneficiary.

(i) The Trustee shall have, without exclusion, all powers conferred on trustees by applicable law unless expressly provided otherwise herein.

9. AMENDMENTS, ETC. TO AGREEMENTS AND PLAN; COOPERATION OF CLEVELAND-CLIFFS:

(a) Cleveland-Cliffs shall promptly furnish the Trustee a complete and correct copy of each Agreement, and Cleveland-Cliffs shall, and any Trust Beneficiary may, promptly furnish the Trustee true and correct copies of any amendment, restatement or successor thereto, whereupon such amendment, restatement or successor shall be incorporated herein by reference, provided that such amendment, restatement or successor shall not affect the Trustee's duties and responsibilities hereunder without the consent of the Trustee.

(b) Cleveland-Cliffs shall provide the Trustee with all information requested by the Trustee for purposes of determining payments to the Trust Beneficiaries or withholding of taxes as provided in Section 2. Upon the failure of Cleveland-Cliffs or any Trust Beneficiary to provide any such information, the Trustee shall, to the extent necessary in the sole judgment of the Trustee, (i) compute the amount payable hereunder to any Trust Beneficiary; and (ii) notify Cleveland-Cliffs and the Trust Beneficiary in writing of its

computations. Thereafter this Trust Agreement shall be construded as to the Trustee's duties and obligations hereunder in accordance with such Trustee determinations without further action; provided, however, that no such determinations shall in any way diminish the rights of any Trust Beneficiary hereunder or under the applicable Agreement; and provided, further, that no such determinations shall be deemed to modify this Trust Agreement or any Agreement.

(c) At such times as may in the judgment of Cleveland-Cliffs be appropriate, Cleveland-Cliffs shall furnish to the Trustee any amendment to Exhibit A for the purpose of the addition of additional Executives (or the deletion of Executives who (together with their Trust Beneficiaries) have no Benefits currently due or payable in the future) to Exhibit A; provided, however, that no such amendment shall be made after the Irrevocability Date.

10. COMPENSATION AND EXPENSES OF TRUSTEE: The Trustee shall be entitled to receive such reasonable compensation for its services as shall be agreed upon by Cleveland-Cliffs and the Trustee. The Trustee shall also be entitled to reimbursement of its reasonable expenses incurred with respect to the administration of the Trust including fees and expenses incurred pursuant to Sections 8(d), 8(e) and 8(g) and liabilities to creditors pursuant to court direction as provided in Section 3(a) hereof. Such compensation and expenses shall in all events be payable either directly by Cleveland-Cliffs or, in the event that Cleveland-Cliffs shall refuse, from the assets of the Trust and charged pro rata in proportion to each separate account balance. The Trust shall have a claim against Cleveland-Cliffs for any such compensation or expenses so paid.

11. REPLACEMENT OF THE TRUSTEE: (a) Prior to the Irrevocability Date, the Trustee may be removed by Cleveland-Cliffs. On or after the Irrevocability Date, the Trustee may be removed at any time by agreement of Cleveland-Cliffs and a majority of the Executives. The Trustee may resign after providing not less than 90 days' notice to Cleveland-Cliffs and to the Executives. In case of removal or resignation a new trustee, which shall be independent and not subject to control of either Cleveland-Cliffs or the Trust Beneficiaries, shall be appointed as shall be agreed by Cleveland-Cliffs and a majority of the Executives. No such

removal or resignation shall become effective until the acceptance of the trust by a successor trustee designated in accordance with this Section 11. If the Trustee should resign, and within 45 days of the notice of such resignation Cleveland-Cliffs and the Executives shall not have notified the Trustee of an agreement as to a replacement trustee, the Trustee shall appoint a successor Trustee, which shall be a bank or trust company, wherever located, having a capital and surplus of at least $500,000,000 in the aggregate.

(b) For purposes of the removal or appointment of a Trustee under this Section 11, (i) if any Executive shall be deceased or adjudged incompetent, such Executive's Trust Beneficiaries shall participate in such Executive's stead, and (ii) a Trust Beneficiary shall not participate if all payments of Benefits then currently due or payable in the future have been made to such Trust Beneficiary.

12. AMENDMENT OR TERMINATION: (a) This Trust Agreement may be amended by Cleveland-Cliffs and the Trustee without the consent of any Trust Beneficiaries provided the amendment does not adversely affect any Trust Beneficiary. This Trust Agreement may also be amended at any time and to any extent by a written instrument executed by the Trustee, Cleveland-Cliffs and the Trust Beneficiaries, except to alter Section 12(b), and except that amendments to Exhibit A contemplated by Section 9(b) hereof shall be made as therein provided.

(b) The Trust shall terminate on the date on which the Trust no longer contains any assets, or, if earlier, the date on which each Trust Beneficiary is entitled to no further payments hereunder.

(c) Upon termination of the Trust as provided in Section 12(b) hereof, any assets remaining in the Trust shall be returned to Cleveland-Cliffs.

13. SPECIAL DISTRIBUTION: (a) It is intended that (i) the creation of, and transfer of assets to, the Trust will not cause the Plan to be other than "unfunded" for purposes of title I of the Employee Retirement Income Security Act of 1974, as amended, or any successor provision thereto ("ERISA"); (ii) transfers of assets to the Trust will not be transfers of property for purposes of section 83 of the Code, or any successor provision thereto, nor will such transfers cause a currently taxable benefit to be realized by a Trust Beneficiary pursuant to the "economic benefit" doctrine; and (iii) pursuant to section 451 of the Code, or any successor provision thereto, amounts will be includable as compensation in the gross income of a Trust Beneficiary in the taxable year or years in which such amounts are actually distributed or made available to such Trust Beneficiary by the Trustee.

(b) Notwithstanding anything to the contrary contained in this Trust Agreement, in the event it is determined by a final decision of the Internal Revenue Service, or, if an appeal is taken therefrom, by a court of

competent jurisdiction that (i) by reason of the creation of, and a transfer of

assets to, the Trust, the Trust is considered "funded" for purposes of title I of ERISA; or (ii) a transfer of assets to the Trust is considered a transfer of property for purposes of section 83 of the Code or any successor provision thereto; or (iii) a transfer of assets to the Trust causes a Trust Beneficiary to realize income pursuant to the "economic benefit" doctrine; or (iv) pursuant to section 451 of the Code or any successor provision thereto, amounts are includable as compensation in the gross income of a Trust Beneficiary in a taxable year that is prior to the taxable year or years in which such amounts would, but for this Section 13, otherwise actually be distributed or made available to such Trust Beneficiary by the trustee, then (A) the assets held in Trust shall be allocated in accordance with Sect on 7(b) hereof, and (B) subject to the last sentence of Section 2(b) hereof, the Trustee shall promptly make a distribution to each affected Trust Beneficiary which, after taking into account the federal, state and local income tax consequences of the special distribution itself, is equal to the sum of any federal, state and local income taxes, interest due thereon, and penalties assessed with respect thereto, which are attributable to amounts that are includable in the income of such Trust Beneficiary for any of the reasons described in clause (i), (ii), (iii) or (iv) of this Section 13(b).

14. SEVERABILITY ALIENATION, ETC.: (a) Any provision of this Trust Agreement prohibited by law shall be ineffective to the extent of any such prohibition without invalidating the remaining provisions hereof.

(b) To the extent permitted by law, benefits to Trust Beneficiaries under this Trust Agreement may not be anticipated, assigned (either at law or in equity), alienated or subject to attachment, garnishment, levy, execution or other legal or equitable process and no benefit provided for herein and actually paid to any Trust Beneficiary by the Trustee shall be subject to any claim for repayment by Cleveland-Cliffs or Trustee.

(c) This Trust Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles of conflict of laws thereof.

(d) This Trust Agreement may be executed in two or more counterparts, each of which shall be considered an original agreement. This Trust Agreement shall become effective immediately upon the execution by Cleveland-Cliffs of at least one counterpart, it being understood that all parties need not sign the same counterpart, but shall not bind any Trustee until such Trustee has executed at least one counterpart.

15. NOTICES; IDENTIFICATION OF CERTAIN TRUST BENEFICIARIES: (a) All notices, requests, consents and other

communications hereunder shall be in writing and shall be deemed to have been duly given when received:

If to the Trustee, to:

AmeriTrust Company National Association
900 Euclid Avenue
Cleveland, Ohio 44115

Attention: Trust Department
Employee Benefit Administration

If to Cleveland-Cliffs, to:

Cleveland-Cliffs Inc
1100 Superior Avenue
Cleveland, OH 44114

Attention: Secretary

If to the Executives or to the Trust Beneficiaries, to the addresses listed on Exhibit A hereto

provided, however, that if any party or any Trust Beneficiary or his or its successors shall have designated a different address by written notice to the other parties, then to the last address so designated.

(b) Cleveland-Cliffs shall provide the Trustee with the names of any beneficiary or beneficiaries designated by

Executives or beneficiaries under the Plan (and who are, therefore, Trust Beneficiaries hereunder).

IN WITNESS WHEREOF, Cleveland-Cliffs has caused counterparts of this Trust Agreement to be executed on its behalf at 4:13 p.m. Eastern Standard Time on October 28, 1987, each of which shall be an original agreement, intending that the Trust shall be effective immediately, and the Trustee has caused counterparts of this Trust Agreement to be executed on its behalf at 4:14 p.m. Eastern Standard Time on October 28, 1987.

By: Richard F. Novak
Its: Vice President - Human Resources

AMERITRUST COMPANY NATIONAL ASSOCIATION

By: Gary W. Queen
Its: Senior Vice President

5058C

EXHIBIT 10(s)

AMENDMENT NO. 1 TO TRUST AGREEMENT

This Amendment No. 1 to Trust Agreement made on May 12, 1989 by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs") and Ameritrust Company National Association, a national banking association, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, on October 28, 1987, Cleveland-Cliffs and the Trustee entered into a Trust Agreement ("Trust Agreement");

WHEREAS, the Deferred Compensation Agreements referred to in the first WHEREAS clause of the Trust Agreement have been terminated and all accounts thereunder have been paid to the executives or beneficiaries who are entitled to payment thereunder;

WHEREAS, Cleveland-Cliffs has reserved the right, with the Trustee, pursuant to Section 12 of the Trust Agreement, to amend the Trust Agreement without the consent of any Trust Beneficiaries, as defined in the Trust Agreement.

NOW, THEREFORE, Cleveland-Cliffs and the Trustee hereby adopt this Amendment No. 1 to the Trust Agreement as follows:

1. The first "WHEREAS" clause of the Trust Agreement is hereby amended to read as follows:

WHEREAS, certain benefits are or may become payable under the provisions of the Cleveland-Cliffs Inc Voluntary Non-Qualified Deferred Compensation Plan, effective June 1, 1989 (the "Plan"), and certain Participation Agreements entered into under the Plan between Cleveland-Cliffs and certain executives ("Executives"), to the persons (who may be Executives or beneficiaries of Executives) listed (from time to time as provided in Section 9(b) hereof) on Exhibit A hereto or to the beneficiaries of such persons (Executives and Executives' beneficiaries are referred to herein as "Trust Beneficiaries"), as the case may be;

2. The third "WHEREAS" clause of the Trust Agreement is hereby amended to read as follows:

WHEREAS, subject to Section 9 hereof, the amounts and timing Or Benefits to which each Trust Beneficiary is presently or may become entitled are as provided in the Participation Agreement applicable to him or her ("Applicable Agreement" or "Agreement");

IN WITNESS WHEREOF, Cleveland-Cliffs and the Trustee have caused this Amendment No. 1 to the Trust Agreement to be originally executed on May 12, 1989 and reexecuted on April 12, 1991.

CLEVELAND-CLIFFS INC

By: R. F. Novak

Its: Vice President - Human Resources

AMERITRUST COMPANY NATIONAL ASSOCIATION

By: J. R. Russell

Its: Vice President

Vice President

<TABLE>

Exhibit A

Deferred Compensation Plan

Participants	Beneficiaries
<S>	<C>
W. E. Dohnal	AmeriTrust Company with account with William E. Dohnal dated 13th day of December 1976.
H. S. Harrison	50% - Suzanne B. Harrison, Wife 16.67% - Mary Suzanne Harrison, Daughter

	16.67% - Henry Stuart Harrison, Jr., Son 16.67% - Virginia Foster Harrison, Son
R. W. Hartwell	100% - Helen W. Hartwell, Wife If deceased, 100% - Kenneth W. Hartwell, Son
E. B. Johnson	100% - Lois M. Johnson, Wife If deceased, 100% - Scott M. Johnson, Son
T. A. Kauppila	100% - Ann S. Kauppila, Wife If deceased, 33.33% - Matthew A. Kauppila, Son 33.33% - Franz R. Kauppila, Son 33.33% - Philip R. Kauppila, Son
H. J. Leach	The Cleveland Trust Company as Trustee under Agreement Entered into with Hugh J. Leach February 6, 1968.
M. T. Moore	In accordance with the Insurance Trust between M. T. Moore and The Cleveland Trust Company Dated August 9, 1967.
T. E. McGinty	100% - June T. McGinty If deceased, 33.33% - Thomas P. McGinty 33.33% - Michael J. McGinty 33.33% - Mathew J. McGinty
R. B. Pearson	100% - Rose Marie Pearson, Wife If deceased, 33.33% - Jane Marie Pearson, Daughter 33.33% - John Gregory Pearson, Son 33.33% - Becky Jo Pearson, Daughter
S. K. Scovil	100% - Barbara B. Scovil, Wife If deceased, Central National Bank of Cleveland Ohio as Trustee under an Insurance Trust Agreement with Samuel K. Scovil, dated July 2, 1965.

<S>	<C>
J. C. Vickery	100% - Jane A. Vickery, Wife If deceased, 25% - Pamela Sue Vickery, Daughter 25% - Linda Lou Vickery, Daughter 25% - Debra Lea Vickery, Daughter 25% - Dianna Lynn Vickery, Daughter
J. W. Villar	The Miners' First National Bank and Trust Company of Ishpeming, Michigan, Trustee under the James W. Villar Life Insurance Trust Indenture dated December 22, 1972.
J. S. Westwater	100% - Helen V. Westwater, Wife If deceased, equal portions to living children. If none of said children are living, to Joan G. Rogerson, Sister.

SECOND AMENDMENT TO TRUST AGREEMENT NO. 5

This Second Amendment to Trust Agreement made on April 9, 1991, by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs") and Ameritrust Company National Association, a national banking association, as trustee (the "Trustee");

W I T N E S S T H:

WHEREAS, on October 28, 1987, Cleveland-Cliffs and the Trustee entered into a Trust Agreement ("Trust Agreement");

WHEREAS, on May 12, 1989, Cleveland-Cliffs and the Trustee entered into Amendment No. 1 to Trust Agreement;

WHEREAS, the Trust Agreement, as so amended, is for the purpose of providing benefits under the Cleveland-Cliffs Inc Voluntary Non-Qualified Deferred Compensation Plan; and

WHEREAS, Cleveland-Cliffs has reserved the right, with the Trustee, pursuant to Section 12 of the Trust Agreement, to amend the Trust Agreement without the consent of any Trust Beneficiaries, as defined in the Trust Agreement.

NOW, THEREFORE, Cleveland-Cliffs and the Trustee hereby agree that the

Trust Agreement shall be amended as follows:

1. The Trust Agreement is hereby renamed "Trust Agreement No. 5, and each reference in such Trust Agreement No. 5 to "Trust Agreement" shall be amended to read "Trust Agreement No. 5."

2. The second WHEREAS clause is amended by deleting the words "in the event of a 'Change of Control' (as defined herein)" from the end thereof.

3. Section 1(a) is amended to read as follows:

1. Trust Fund: (a) Subject to the claims of its creditors to the extent set forth in Section 3 hereof, Cleveland-Cliffs (i) hereby deposits with the Trustee in trust Ten Dollars ($10.00) which shall become the principal of this Trust, and (ii) Cleveland-Cliffs may from time to time make additional deposits of cash or other property in the Trust to augment such principal. The principal and income of the Trust shall be held, administered and disposed of by the Trustee as herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided.

4. The first sentence of Section l(b) is amended to read as follows:

(b) The Trust hereby established shall be irrevocable.

5. Section 1(c) is amended to read as follows:

(c) Upon the earlier to occur of (i) a Change of Control or (ii) a declaration by the Board of Directors of Cleveland-Cliffs that a Change of Control is imminent, Cleveland-Cliffs shall promptly, and in any event within five (5) business days, transfer to the Trustee to be added to the principal of the Trust under this Trust Agreement No. 5 property or cash equal to the then value of the separate accounts of the Executives under the Agreements, less the balances in the Executives' accounts provided in Section 7(b) hereof as of the most recent completed valuation thereof, as certified by the Trustee; provided, however, if the Trustee does not so certify by the end of the fourth (4th) business day after the earlier of (i) or (ii) above, then the balances of such accounts shall be deemed to be zero. Any payments by the Trustee pursuant to this Trust Agreement No. 5 shall, to the extent thereof, discharge the obligation of Cleveland-Cliffs to pay benefits under the Agreements.

6. Section 1(g) is amended by adding at the end thereof the following:

The Trust is not designed to qualify under section 401(a) of the Code or to be subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Trust established under this Trust Agreement No. 5 does not fund and is not intended to fund the Plan or any other employee benefit plan or program of Cleveland-Cliffs. Such Trust is and is intended to be a depository arrangement with the Trustee for the setting aside of cash and other assets of Cleveland-Cliffs as and when it so determines in its sole discretion for the meeting of part or all of its future obligations with respect to Benefits to some or all of the Trust Beneficiaries under the Plan.

7. Section 2(a) is amended to read as follows:

(a) Provided that the Trustee has not received notice as provided in Section 3 hereof that Cleveland-Cliffs is Insolvent, the Trustee shall make payments of Benefits to each Trust Beneficiary from the assets of the Trust in accordance with the terms of the Agreements and subject to Section 9 hereof. The Trustee shall make provision for withholding of any federal, state, or local taxes that may be required to be

withheld by the Trustee in connection with the payment of any Benefits hereunder.

8. Section 4 is amended to read as follows:

4. Payments to Cleveland-Cliffs: Cleveland-Cliffs shall have no right or power to direct the Trustee to return any of the Trust assets to Cleveland-Cliffs before all payments of Benefits have been made to all Trust Beneficiaries as herein provided.

9. Section 5 is amended by adding the following at the end of the second sentence thereof:

, and including investments in common or collective funds or trusts, and mutual funds or investment companies, including affiliated investment

companies and 12 B-1 funds. Cleveland-Cliffs acknowledges and agrees that the Trust may receive fees as a participating depository institution for services relating to the investment of funds in an eligible mutual fund.

10. Section 7 is amended to read as follows:

7. Accounting by Trustee: (a) The Trustee shall maintain such books, records and accounts as may be necessary for the proper administration of the Trust assets, including such specific records as shall be agreed upon in writing by Cleveland-Cliffs and the Trustee, and shall render to Cleveland-Cliffs within

60 days following the close of each calendar year following the date of this Trust until the termination of this Trust or the removal or resignation of the Trustee (and within 60 days after the date of such termination, removal or resignation), an accounting with respect to the Trust assets as of the end of the then most recent calendar year (and as of the date of such termination, removal or resignation, as the case may be). The Trustee shall furnish to Cleveland-Cliffs on a quarterly basis (or as Cleveland-Cliffs shall direct from time to time) and in a timely manner such information regarding the Trust as Cleveland-Cliffs shall require for purposes of preparing its statements of financial condition. The Trustee shall at all times maintain separate bookkeeping accounts for each Trust Beneficiary as prescribed by Section 7(b) hereof, and shall provide each Trust Beneficiary with an annual statement of his account. Upon the written request of Cleveland-Cliffs or, on or after the date on which a Change of Control has occurred, a Trust Beneficiary, the Trustee shall deliver to such Trust Beneficiary or Cleveland-Cliffs, as the case may be, a written report setting forth the amount held in the Trust and a record of the deposits made with respect thereto by Cleveland-Cliffs. Unless

Cleveland-Cliffs or any Trust Beneficiary shall have filed with the Trustee written exception or objection to any such statement and account within 90 days after receipt thereof, Cleveland-Cliffs and the Trust Beneficiaries shall be deemed to have approved such statement and account, and in such case the Trustee shall be forever released and discharged with respect to all matters and things reported in such statement and account as though it had been settled by a decree of a court of competent jurisdiction in an action or proceeding to which the Company and the Trust Beneficiaries were parties.

(b) The Trustee shall maintain a separate account for each Trust Beneficiary. The Trustee shall credit or debit each Trust Beneficiary's account as appropriate to reflect such Trust Beneficiary's allocable portion of the Trust assets, as such Trust assets be adjusted from time to time pursuant to the terms of this Trust Agreement No. 5. Prior to the date of Change of Control, all deposits of principal pursuant to Section 1(a) hereof shall be allocated as directed by Cleveland-Cliffs; on or after such date deposits of principal, once allocated, may not be reallocated by Cleveland-Cliffs. Income, expense, gain or loss on assets allocated to the separate accounts of the Trust Beneficiaries shall be allocated separately to such accounts by the Trustee in

proportion to the balances of the separate accounts of the Executives.

IN WITNESS WHEREOF, Cleveland-Cliffs and the Trustee have caused this Second Amendment to Trust Agreement No. 5 to be executed on April 9, 1991.

CLEVELAND-CLIFFS INC

By: Richard F. Novak

Its: V.P. of Human Resources

AMERITRUST COMPANY NATIONAL ASSOCIATION

By: J. R. Russell

Its: Vice President

2282D

THIRD AMENDMENT TO TRUST AGREEMENT NO. 5

This Third Amendment to Trust Agreement No. 5 is made on this 9th day of March, 1992, by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs") and Ameritrust Company National Association, a national banking association, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, on October 28, 1987, Cleveland-Cliffs and the Trustee entered into a trust agreement ("Trust Agreement No. 5");

WHEREAS, on May 12, 1989, Cleveland-Cliffs and the Trustee entered into Amendment No. 1 to Trust Agreement No. 5;

WHEREAS, on April 9, 1991, Cleveland-Cliffs and the Trustee entered into a Second Amendment to Trust Agreement No. 5;

WHEREAS, Trust Agreement No. 5, as amended, is for the purpose of providing benefits under the Cleveland-Cliffs Inc Voluntary Non-Qualified Deferred Compensation Plan; and

WHEREAS, Cleveland-Cliffs has reserved the right, with the Trustee, pursuant to Section 12 of Trust Agreement No. 5, to amend Trust Agreement No. 5 without the consent of any Trust Beneficiaries, as defined in Trust Agreement No. 5.

NOW, THEREFORE, Cleveland-Cliffs and the Trustee hereby agree that Trust Agreement No. 5 shall be amended as follows:

1. The third sentence of Section l(b) of Trust Agreement No. 5 is hereby amended to read as follows:

"The term "Change of Control" shall mean the occurrence of any of the following:

(i) Cleveland-Cliffs shall merge into itself, or be merged or consolidated with, another corporation and as a result of such merger or consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs as the same shall have existed immediately prior to such merger or consolidation;

(ii) Cleveland-Cliffs shall sell or transfer to one or more persons, corporations or entities, in a single transaction or a series of related transactions, more than one-half of the assets accounted for on the Statement of Consolidated Financial position of Cleveland-Cliffs as "properties" or "investments in associated companies" (or such replacements for these accounts as may be adopted from time to time) unless by an affirmative vote of two-thirds of the members of the Board of Directors, the transaction or transactions are exempted from the operation of this provision based on a good faith finding that the transaction or transactions are not within the intended scope of this definition for purposes of this instrument;

(iii) a person within the meaning of section 3(a)(9) or of Section 13(d)(3) (as in effect on the date

hereof) of the Securities Exchange Act of 1934, shall become the beneficial owner (as defined in Rule 13d-3 of the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934) of 30% or more of the outstanding voting securities of Cleveland-Cliffs (whether directly or indirectly); or

(iv) during any period of three consecutive years, including, without limitation, the year 1991, individuals who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease, for any reason, to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any such period was approved by a vote of at least one-third of the Directors of Cleveland-Cliffs who are Directors of Cleveland-Cliffs on the date of the beginning of any such period."

IN WITNESS WHEREOF, Cleveland-Cliffs and the Trustee have caused counterparts of this Third Amendment to Trust Agreement No. 5 to be executed on March 9, 1992.

CLEVELAND-CLIFFS INC

By: R. F. Novak
Its: Vice President

AMERITRUST COMPANY NATIONAL

ASSOCIATION

By: J. R. Russell

Its: Vice President

2996F

EXHIBIT 10(t)

3234F

AMENDED AND RESTATED TRUST AGREEMENT NO. 6

This Amended and Restated Trust Agreement No. 6 ("Trust Agreement No. 6") is made on this 9th day of March, 1992, by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs"), and Ameritrust Company National Association, a national banking association, as trustee (the "Trustee").

WITNESSETH:

WHEREAS, Cleveland-Cliffs has entered into and may from time to time enter into separate indemnification agreements (substantially in the form attached hereto as Exhibits A and B) with its directors and officers (as listed on Exhibit C hereto) (each such indemnification agreement being hereinafter referred to as an "Indemnification Agreement" and each of such persons being hereinafter referred to as an "Indemnitee");

WHEREAS, each Indemnification Agreement provides, among other things, for Cleveland-Cliffs to pay and be solely responsible for the expenses associated with the enforcement of the Indemnitee's rights under the Indemnification Agreement, including without limitation fees and expenses of attorneys and others (referred to collectively herein as "Expenses");

WHEREAS, Cleveland-Cliffs and the Trustee entered into a trust agreement ("Trust Agreement No. 6"), dated January 22,

2

1988, to provide for the payment of Expenses associated with the enforcement of the Indemnitees' rights under the Indemnification Agreements in effect at that time;

WHEREAS, Trust Agreement No. 6 was amended by a First Amendment to Trust Agreement No. 6, dated April 9, 1991; and

WHEREAS, Cleveland-Cliffs desires to amend and restate this Trust Agreement No. 6 heretofore entered into and has transferred or will transfer to the trust (the "Trust") established by this Trust Agreement No. 6 assets which shall be held therein until paid to Indemnities with respect to Expenses in such manner and at such times as specified herein.

NOW, THEREFORE, the parties amend and restate the Trust Agreement No. 6 and agree that the Trust shall be comprised, held and disposed of as follows:

1.TRUST FUND. (a) Cleveland-Cliffs hereby deposits with the Trustee in trust Two Hundred Fifty Thousand Dollars ($250,000), which shall become the principal of this Trust, to be held, administered and disposed of by the Trustee as herein provided.

(b)The Trust hereby established shall be revocable by Cleveland-Cliffs at any time prior to the date on which occurs a "Change of Control," as that term is defined in this Section 1(b); on or after such date, this Trust shall be irrevocable. Cleveland-Cliffs shall notify the Trustee promptly in the event that a Change of Control has occurred. The term "Change of Control" shall mean the occurrence of any of the following events:

3

(i) Cleveland-Cliffs shall merge into itself or be merged or consolidated with, another corporation and as a result of such merger or consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs as the same shall have existed immediately prior to such merger or consolidation;

(ii) Cleveland-Cliffs shall sell or transfer to one or more persons, corporations or entities, in a single transaction or a series of related transactions, more than one-half of the assets accounted for on the Statement of Consolidated Financial Position of Cleveland-Cliffs as "properties" or "investments in associated companies" (or such replacements for these accounts as may be adopted from time to time) unless by an affirmative vote of two-thirds of the members of the Board of Directors the transaction or transactions are exempted from the operation of this provision based on a good faith finding that the transaction or transactions are not within the intended scope of this definition for purposes of this instrument;

(iii) a person, within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange act of 1934, shall become the beneficial owner (as defined in Rule 13d-3 of the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934) of 30% or more of the outstanding voting securities of Cleveland-Cliffs (whether directly or indirectly); or

4

(iv) during any period of three consecutive years, including, without limitation, the year 1991, individuals who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease, for any reason, to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any such period was approved by a vote of at least one-third of the Directors of Cleveland-Cliffs who are Directors of Cleveland-Cliffs on the date of the beginning of any such period.

(c) The principal of the Trust and any earnings thereon shall be held in

trust separate and apart from other funds of Cleveland-Cliffs exclusively for the uses and purposes herein set forth. No Indemnitee shall have any preferred claim on, or any beneficial ownership interest in, any assets of the Trust prior to the time that such assets are paid to an Indemnitee as Expenses as provided herein.

(d) Cleveland-Cliffs may at any time or from time to time make additional deposits of cash or other property in the Trust to augment the principal to be held, administered and disposed of by the Trustee as herein provided, but no payments thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided.

(e) This Trust is intended to be a grantor trust, within the meaning of Section 671 of the Internal Revenue Code

of 1986, as amended (the "Code"), or any successor provision thereto and shall be construed accordingly. The Trust is not designed to qualify under Section 401(a) of the Code or to be subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

2. PAYMENTS TO INDEMNITEES. (a) The Trustee shall promptly pay Expenses to the Indemnitees from the assets of the Trust in accordance with Sections 2, 3, 4 and 7 of each Indemnification Agreement and this Section 2, provided that (i) this Trust Agreement No. 6 has not been terminated pursuant to Section 12 hereof; (ii) the Trust has become irrevocable; (iii) with respect to the first demand for payment of Expenses hereunder received by the Trustee, the Trustee shall immediately give appropriate notice thereof to all Indemnitees, and shall make no payment of Expenses until the 21st day after such notice has been given; and (iv) the requirements of Section 2(c) and 2(d) hereof have been satisfied. The Trustee shall promptly inform the Company as to amounts paid to any Indemnitee pursuant to this Section.

(b) It is the intention of Cleveland-Cliffs that during the 21-day period prescribed by Section 2(a)(iii) hereof, the Indemnitees will make reasonable efforts to consult with each other and to take into account the interests of all Indemnitees in deciding on how best to proceed to enforce the provisions of the Indemnification Agreements such that the assets of the Trust are utilized most effectively; provided, however, that this Section 2(b) is to be construed as precatory

in nature, and in the absence of any other agreement or arrangement, this Trust Agreement No. 6 (without regard to this Section 2(b)) shall apply to the payment of Expenses.

(c) A demand for payment by an Indemnitee hereunder must be made prior to the sixth anniversary after termination of such Indemnitee's services as a director or officer of Cleveland-Cliffs. In order to demand payment hereunder, the Indemnitee must deliver to the Trustee (i) a certificate signed by or on behalf of such Indemnitee, certifying to the Trustee that the Company is in default in paying the Indemnitee a specified amount which the Indemnitee states to be owed under the Indemnification Agreement, and (ii) a notice in writing and in reasonable detail of the Expenses that are to be paid hereunder.

(d) To the extent payments hereunder may be made only from funds held in the form of a deposit or obligation, such payments may be postponed until such deposit or obligation shall have matured. Payments shall be made to the Indemnitee in the full amount noticed until the Trust is depleted; provided that if on the date such amount is to be paid from the Trust other amounts have been claimed but not yet paid to the same or other Indemnitees and the aggregate amount so claimed exceeds the amount available in the Trust, the Trustee shall only pay that portion of the amount then payable to each such Indemnitee determined by multiplying such amount by a fraction, the numerator of which is the amount then in the Trust and the denominator of which is the aggregate amount noticed by the Idemnitees to be owed but not yet paid to that date.

3. RIGHTS OF IDEMNITEES. (a) Nothing in this Trust Agreement No. 6 shall in any way diminish any rights of any Indemnitee to pursue his rights as a general creditor of the Company with respect to Expenses or otherwise, and (b) the rights of each Indemnitee under the respective Indemnification Agreement, shall in no way be affected or diminished by any provision of this Trust Agreement No. 6 or action taken pursuant to this Trust Agreement No. 6, it being the intent of Cleveland-Cliffs that rights of each Indemnitee hereunder be security for obligations of Cleveland-Cliffs under the respective Indemnification Agreement, except that any payment actually received by any Indemnitee hereunder shall reduce dollar-per-dollar amounts otherwise due to such Indemnitee pursuant to Sections 2, 3, 4 and 7 of the respective Indemnification Agreement.

4. PAYMENTS TO CLEVELAND-CLIFFS. Except to the extent expressly contemplated by Section 1(b), Cleveland-Cliffs shall have no right or power to direct the Trustee to return any of the Trust assets to Cleveland-Cliffs before all payments of Expenses have been made to all Indemnitees as herein provided.

5. INVESTMENT OF TRUST FUND. The Trustee shall invest the principal of the Trust including any income accumulated and added to principal in (a) interest-bearing deposit accounts or certificates of deposit (including any such accounts or certificates issued or offered by the Trustee or any successor or affiliated corporation but excluding

obligations of Cleveland-Cliffs), (b) direct obligations of the United States of America, or obligations the payment of which is guaranteed, as to both principal and interest, by the government or an agency of the government of the

United States of America, or (c) one or more mutual funds or comingled funds, whether or not maintained by the Trustee, substantially all of the assets of which is invested in obligations the income from which is not subject to taxation; provided, however, that no such investment may mature more than 90 days after the date of purchase. Nothing in this Trust Agreement No. 6 shall preclude the comingling of Trust assets for investment. The Trustee shall not be required to invest nominal amounts.

6. INCOME OF THE TRUST. During the continuance of this Trust all net income of the Trust shall be retained in the Trust.

7. ACCOUNTING BY TRUSTEE. The Trustee shall keep records in reasonable detail of all investments, receipts, disbursements and all other transactions required to be done, including such specific records as shall be agreed upon in writing by Cleveland-Cliffs and the Trustee. All such accounts books and records shall be open to inspection and audit at all reasonable times by Cleveland-Cliffs, by any Indemnitee or by any agent or representative of any of the foregoing. Within 60 calendar days following the end of each calendar year and within 60 calendar days after the removal or resignation of the Trustee, the Trustee shall deliver to Cleveland-Cliffs and, if such year end, removal or resignation

occurs on or after the date on which a Change of Control has occurred, to each Indemnitee a written account of its administration of the Trust during such year or during the period from the end of the last preceding year to the date of such removal or resignation, setting forth all investments, receipts, disbursements and other transactions affected by it, including a description of all securities and investments purchased and sold with the cost or net proceeds of such purchases or sales (accrued interest paid or receivable being shown separately), and showing all cash, securities, rights and other property held in the Trust at the end of such year or as of the date of such removal or resignation, as the case may be. The Trustee shall furnish to Cleveland-Cliffs on a quarterly basis (or as Cleveland-Cliffs shall direct from time to time) and in a timely manner such information regarding the Trust as Cleveland-Cliffs shall require for purposes of preparing its statements of financial condition. Unless Cleveland-Cliffs or any Indemnitee shall have filed with the Trustee written exception or objection to any such statement and account within 90 days after receipt thereof, Cleveland-Cliffs or the Indemnitee shall be deemed to have approved such statement and account and in such case the Trustee shall be forever released and discharged with respect to all matters and things reported in such statement and account as though it had been settled by a decree of a court of competent jurisdiction in an action or proceeding to which Cleveland-Cliffs and the Indemnitees were parties.

8. RESPONSIBILITY OF TRUSTEE. (a) The Trustee shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims; provided, however, that the Trustee shall incur no liability to any person for any action taken pursuant to a direction, request or approval which is contemplated by and in conformity and compliance with the terms of this Trust Agreement No. 6 and the Indemnification Agreements, and is given in writing by Cleveland-Cliffs or by an Indemnitee with respect to his beneficial interest herein; and provided, further, that the Trustee shall have no duty to seek additional deposits of principal from Cleveland-Cliffs, and the Trustee shall not be responsible for the adequacy of this Trust.

(b) The Trustee shall defend any litigation arising in connection with this Trust Agreement No. 6 and Cleveland-Cliffs shall indemnify the Trustee and be primarily liable for such costs, expenses and liabilities (including without limitation attorneys' fees and expenses) incurred by reason of such litigation.

(c) The Trustee may consult with legal counsel (which, after a Change of Control, shall be independent with respect to Cleveland-Cliffs) with respect to any of its duties or obligations hereunder, and shall be fully protected in acting or refraining from acting in accordance with the advice of such counsel.

(d) The Trustee may rely and shall be protected in acting or refraining from acting within the authority granted by the terms of this Trust Agreement No. 6 upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties, including, without limiting the scope of this Section 8(d), (i) the notice of a Change of Control required by Section 1(b) hereof, and (ii) the certification and notice required by Section 2(c) hereof.

(e) The Trustee may hire agents accountants and financial consultants, who may be agent, accountant, or financial consultant, as the case may be, for Cleveland-Cliffs, and shall not be answerable for the conduct of same if appointed with due care.

(f) The Trustee shall have, without exclusion, all powers conferred on trustees by applicable law unless expressly provided otherwise herein.

(g) The Trustee is empowered to take all actions necessary or advisable in order to collect any benefits or payment of which the Trustee is the designated beneficiary.

9. AMENDMENTS, ETC. TO INDEMNIFICATION AGREEMENTS: COOPERATION OF CLEVELAND-CLIFFS. (a) Cleveland-Cliffs shall, and any Indemnitee may, promptly furnish the Trustee with true and correct copies of any amendment, restatement or successor to Exhibits A and/or B, whereupon such amendment, restatement or successor shall be incorporated herein by reference; provided, however, that such amendment, restatement or

successor shall not affect the Trustee's duties and responsibilities hereunder without the consent of the Trustee, and provided, further, that the failure of Cleveland-Cliffs to furnish any such amendment, restatement, or successor shall in no way diminish the rights of any Indemnitee under this Trust Agreement No. 6 or under any Indemnification Agreement.

(b) Cleveland-Cliffs shall provide the Trustee with all information requested by the Trustee for purposes of determining payments to the Indemnitees as provided in Section 2. Upon the failure of Cleveland-Cliffs or any Indemnitee to provide any such information requested by the trustee for purposes of determining payments to the Indemnitees as provided in Section 2, the Trustee shall, to the extent necessary in the sole judgment of the Trustee, (i) compute the amount payable hereunder to any Indemnitee; and (ii) notify Cleveland-Cliffs and the Indemnitee in writing of its computations. Thereafter this Trust Agreement No. 6 shall be construed as to the Trustee's duties and obligation hereunder in accordance with such Trustee determinations without further action; provided, however, that no such determinations shall in any way diminish the rights of the Indemnitees hereunder or under the Indemnification Agreement, and provided, further, that no such determination shall be deemed to modify this Trust Agreement No. 6 or any Indemnification Agreement.

(c) Amendments to Exhibit C may be made by Cleveland-Cliffs at any time prior to the date of a Change of Control. On or after such date, no amendment to Exhibit C may

be made, other than to designate a different address pursuant to Section 14 hereof.

10.COMPENSATION AND EXPENSES OF TRUSTEE. The Trustee shall be entitled to receive such reasonable compensation for its services as shall be agreed upon by Cleveland-Cliffs and the Trustee. The Trustee shall also be entitled to reimbursement of its reasonable expenses incurred with respect to the administration of the Trust including fees and expenses incurred pursuant to Sections 8(c) and 8(e) hereof. Such compensation and expenses shall in all events be payable either directly by Cleveland-Cliffs or, in the event that Cleveland-Cliffs shall refuse, from the assets of the Trust. The Trust shall have a claim against Cleveland-Cliffs for any such compensation or expenses so paid.

11.REPLACEMENT OF THE TRUSTEE. (a) The Trustee may resign after providing not less than 90 days' notice to Cleveland-Cliffs and, on or after the date on which a Change of Control has occurred, to the Indemnitees. Prior to the date on which a Change of Control has occurred, the Trustee may be removed at any time by Cleveland-Cliffs. On or after such date, such removal shall also require the agreement of a majority of the Indemnitees. Prior to the date on which a Change of Control has occurred, a replacement or successor trustee shall be appointed by Cleveland-Cliffs. On or after such date, such appointment shall also require the agreement of a majority of the Indemnitees. No such removal or resignation shall become effective until the acceptance of the trust by a

successor trustee designated in accordance with this Section 11. If the Trustee should resign, and within 45 days of the notice of such resignation Cleveland-Cliffs and a majority of the Indemnitees (if required) shall not have notified the Trustee of an agreement as to a replacement trustee, the Trustee shall appoint a successor trustee, which shall be a bank or trust company, wherever located, having a capital and surplus of at least $500,000,000 in the aggregate. Notwithstanding the foregoing, a new trustee shall be independent and not subject to control of either Cleveland-Cliffs or the Indemnitees. Upon the acceptance of the trust by a successor trustee, the Trustee shall release all of the monies and other property in the Trust to its successor, who shall thereafter for all purposes of this Trust Agreement No. 6 be considered to be the "Trustee."

(b) For purposes of the removal or appointment of a trustee under this Section 11, if any Indemnitee shall be deceased or adjudged incompetent, such Indemnitee's personal representative (including his or her guardian, executor or administrator) shall participate in such Indemnitee's stead.

12.AMENDMENT OR TERMINATION. (a) This Trust Agreement No. 6 may be amended at any time and to any extent by a written instrument executed by the Trustee, Cleveland-Cliffs and, on or after the date on, which a Change of Control has occurred, a majority of the Indemnitees, except to make the Trust revocable after it has become irrevocable in accordance with Section 1(b) hereof, or to alter Section 12(b) hereof,

except that amendments contemplated by Section 9 hereof shall be made as therein provided.

(b) The Trust shall terminate upon the earliest of (i) the tenth anniversary of the date on which a Change of Control has occurred; (ii) the sixth anniversary of the date on which a Change of Control has occurred, provided that the Trustee has received no demand for payment of Expenses prior to such anniversary; (iii) such time as the Trust no longer contains any assets; (iv) such time as the Trustee shall have received consents from all Indemnitees to the termination of this Trust Agreement No. 6; or (v) there is no longer any living Indemnitee under this Trust Agreement No. 6 and there is no pending demand by the estate of any Indemnitee against the Trust.

(c) Upon termination of the Trust as provided in Section 12(b) hereof, any assets remaining in the Trust shall be returned to Cleveland-Cliffs unless a

determination is made by legal counsel experienced in such matters that the assets of the Trust may not be returned to Cleveland-Cliffs without violating Section 403(d)(2) of ERISA, or any successor provision thereto. If such a determination is made, any assets remaining in the Trust, after satisfaction of liabilities hereunder, pursuant to the written direction of Cleveland-Cliffs, shall be (i) distributed to any welfare benefit plan (within the meaning of ERISA) maintained by Cleveland-Cliffs at the time of distribution so established at such time in order to receive such assets from this Trust, or

(ii) otherwise applied to provide benefits which may be provided by a welfare benefit plan (within the meaning of ERISA), directly or through the purchase of insurance.

13.SEVERABILITY, ALIENATION, ETC. (a) Any provision of this Trust Agreement No. 6 prohibited by law shall be ineffective to the extent of any such prohibition without invalidating the remaining provisions hereof.

(b) To the extent permitted by law, benefits to Indemnitees under this Trust Agreement No. 6 may not be anticipated (except as herein expressly provided), assigned, (either at law or in equity) alienated or subject to attachment, garnishment, levy, execution or other legal or equitable process. No benefit actually paid to any Indemnitee by the Trustee shall be subject to any claim for repayment by Cleveland-Cliffs or Trustee, except in the event of (i) a false claim, or (ii) a payment is made to an incorrect Indemnitee.

(c) This Trust Agreement No. 6 shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles of conflict of laws thereof.

(d) This Trust Agreement No. 6 may be executed in two or more counterparts, each of which shall be considered an original agreement. This Trust Agreement No. 6 shall become effective immediately upon the execution by Cleveland-Cliffs of at least one counterpart, it being understood that all parties need not sign the same counterpart, but shall not bind any Trustee until such Trustee has executed at least one counterpart.

14.NOTICES. All notices, requests, consents and other communications hereunder shall be in writing and shall be deemed to have been duly given when received:

IF TO THE TRUSTEE, TO:

Ameritrust Company National Association
900 Euclid Avenue
Cleveland, Ohio 44115

Attention: Trust Department
Employee Benefit Administration

IF TO CLEVELAND-CLIFFS, TO:

Cleveland-Cliffs Inc
1100 Superior Avenue
Cleveland, Ohio 44114

Attention: Secretary

IF TO AN INDEMNITEE, TO:

His or her last address shown on
the records of Cleveland-Cliffs

provided, however, that if any party or his or its successors shall have designated a different address by notice to the other parties, then to the last address so designated.

IN WITNESS WHEREOF, each of Cleveland-Cliffs and the Trustee have caused counterparts of this Amended and Restated Trust Agreement No. 6 to be executed on their behalf on March 9, 1992, each of which shall be an original agreement.

CLEVELAND-CLIFFS INC

By: R. F. Novak
Its: Vice President

AMERITRUST COMPANY NATIONAL
ASSOCIATION, as Trustee

By: J. R. Russell
Its: Vice President

EXHIBIT A

INDEMNIFICATION AGREEMENT

This Indemnification Agreement ("Agreement") is made as of the day of , 1987, by and between Cleveland-Cliffs Inc, an Ohio corporation (the "Company"), and (the "Indemnitee"), a Director of the Company.

RECITALS

A. The Indemnitee is presently serving as a Director of the Company and the Company desires the Indemnitee to continue in that capacity. The Indemnitee is willing, subject to certain conditions including without limitation the execution and performance of this Agreement by the Company, to continue in that capacity.

B. In addition to the indemnification to which the Indemnitee is entitled under the Regulations of the Company (the "Regulations"), the Company has obtained, at its sole expense, insurance protecting the Company and its officers and directors including the Indemnitee against certain losses arising out of actual or threatened actions, suits, or proceedings to which such persons may be made or threatened to be made parties. However, as a result of circumstances having no relation to, and beyond the control of, the Company and the Indemnitee, the scope of that insurance has been reduced and there can be no assurance of the continuation or renewal of that insurance.

Accordingly, and in order to induce the Indemnitee to continue to serve in his present capacity, the Company and the Indemnitee agree as follows:

1. Continued Service. The Indemnitee shall continue to serve at the will of the Company as a director of the Company so long as he is duly elected and qualified in accordance with the Regulations or until he resigns in writing in accordance with applicable law.

2. Initial Indemnity. (a) The Company shall indemnify the Indemnitee, if or when he is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company, by reason of the fact that he is or was a Director of the Company or is or was serving at the request of the Company as a director, trustee, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, or by reason of any action alleged to have been taken or omitted in any such capacity, against any and all costs, charges, expenses (including without limitation fees and expenses of attorneys and/or others; all such costs, charges and expenses being herein jointly referred to as "Expenses"), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by the Indemnitee in connection therewith including any appeal of or from any judgment or decision, unless it is proved by clear and convincing evidence in a court of competent jurisdiction that the Indemnitee's action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Company or undertaken with reckless disregard for the best interests of the Company.

In addition, with respect to any criminal action or proceeding, indemnification hereunder shall be made only if the Indemnitee had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Indemnitee did not satisfy the foregoing standard of conduct to the extent applicable thereto.

(b) The Company shall indemnify the Indemnitee, if or when he is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding by or in the right of the Company to procure a judgment in its favor, by reason of the fact that the Indemnitee is or was a Director of the Company or is or was serving at the request of the Company as a director, trustee, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, against any and all Expenses actually and reasonably incurred by the Indemnitee in connection with the defense or settlement thereof or any appeal of or from any judgment or decision, unless it is proved by clear and convincing evidence in a court of competent jurisdiction that the Indemnitee's action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Company or undertaken with reckless disregard for the best interests of the Company, except that no indemnification shall be made in respect of any action or suit in which the only liability asserted against Indemnitee is pursuant to Section 1701.95 of the Ohio Revised Code.

(c) Any indemnification under Section 2(a) or 2(b) (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the Indemnitee is proper in the circumstances because he has met the applicable standard of conduct set forth

in Section 2(a) or 2(b). Such authorization shall be made (i) by the Directors of the Company (the "Board") by a majority vote of a quorum consisting of Directors who were not and are not parties to or threatened with such action suit, or proceeding or (ii) if such a quorum of disinterested Directors is not available or if a majority of such quorum so directs, in a written opinion by independent legal counsel (designated for such purpose by the Board) which shall not be an attorney, or a firm having associated with it an attorney, who has been retained by or who has performed services for the Company, or any person to be indemnified within the five years preceding such determination, or (iii) by the shareholders of the Company (the "Shareholders"), or (iv) by the court in which such action, suit, or proceeding was brought.

(d) To the extent that the Indemnitee has been successful on the merits or otherwise, including without limitation the dismissal of an action without prejudice, in defense of any action, suit, or proceeding referred to in Section 2(a) or 2(b), or in defense of any claim, issue, or matter therein, he shall be indemnified against Expenses actually and reasonably incurred by him in connection therewith. Expenses actually and reasonably incurred by the Indemnitee in defending any such action, suit, or proceeding shall be paid by the Company as they are incurred in advance of the final disposition of such action, suit, or proceeding under the procedure set forth in Section 4(b) hereof.

(e) For purposes of this Agreement, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on the Indemnitee with respect to any employee benefit plan; references to "serving at the request of the Company" shall include any service as a director, officer, employee, or agent of the Company which imposes duties on, or involves services by, the Indemnitee with respect to an employee benefit plan, its participants or beneficiaries; references to the masculine shall include the feminine; and references to the singular shall include the plural and vice versa.

3. Additional Indemnification. Pursuant to Section 1701.13(E)(6) of the Ohio Revised Code (the "ORC"), without limiting any right which the Indemnitee may have pursuant to Section 2 hereof or any other provision of this agreement or the Articles of Incorporation, the Regulations, the ORC, any policy of insurance, or otherwise, but subject to any limitation on the maximum permissible indemnity which may exist under applicable law at the time of any request for indemnity hereunder and subject to the following provisions of this Section 3, the Company shall indemnify the Indemnitee against any amount which he is or becomes obligated to pay relating to or arising out of any claim made against him because of any act, failure to act, or neglect or breach of duty, including any actual or alleged error, misstatement, or misleading statement, which he commits, suffers, permits, or acquiesces in while acting in his capacity as a Director of the Company. The payments which the Company is obligated to make pursuant to this Section 3 shall include without limitation, judgments, fines, and amounts paid in settlement and any and all Expenses actually and reasonably incurred by the Indemnitee in connection therewith including any appeal of or from any judgment or decision; provided, however, that the Company shall not be obligated under this Section 3 to make any payment in connection with any claim against the Indemnitee:

(a) to the extent of any fine or similar governmental imposition which the company is prohibited by applicable law from paying which results from a final, nonapplicable order; or

(b) to the extent: based upon or attributable to the Indemnitee having actually realized a personal gain or profit to which he was not legally entitled, including without limitation profit from the purchase and sale by the Indemnitee of equity securities of the Company which are recoverable by the Company pursuant to Section 16(b) of the Securities Exchange Act of 1934, or profit arising from transactions in publicly traded securities of the Company which were effected by the Indemnitee in violation of Section 10(b) of the Securities Exchange Act of 1934, or Rule 10b-5 promulgated thereunder.

A determination as to whether the Indemnitee shall be entitled to indemnification under this Section 3 shall be made in accordance with Section 4(a) hereof. Expenses incurred by the Indemnitee in defending any claim to which this Section 3 applies shall be paid by the Company as they are actually and reasonably incurred in advance of the final disposition of such claim under the procedure set forth in Section 4(b) hereof.

4. Certain Procedures Relating to Indemnification. (a) For purposes of pursuing his rights to indemnification under Section 3 hereof,

the Indemnitee shall (i) submit to the Board a sworn statement of request for indemnification substantially in the form of Exhibit 1 attached hereto and made a part hereof (the "Indemnification Statement") averring that he is entitled to indemnification hereunder; and (ii) present to the Company reasonable evidence or all amounts for which indemnification is requested. Submission of an indemnification Statement to the Board shall create a presumption that the Indemnitee is entitled to indemnification hereunder, and the Company shall, within 60 calendar days after submission of the Indemnification Statement, make the payments requested in the Indemnification Statement to or for the benefit of the Indemnitee, unless (i) within such 60-calendar-day period the Board shall resolve by vote of a majority of the Directors at a meeting at which a quorum is present that the Indemnitee is not entitled to indemnification under Section 3 hereof, (ii) such vote shall be based upon clear and convincing evidence (sufficient to rebut the foregoing presumption), and (iii) the Indemnitee shall have received within such period notice in writing of such vote, which notice shall disclose with particularity the evidence upon which the vote is based. The foregoing notice shall be sworn to by all persons who participated in the vote and voted to deny indemnification. The provisions of this Section 4(a) are intended to be procedural only and shall not affect the right of Indemnitee so indemnification under Section 3 of this Agreement so long as Indemnitee follows the prescribed procedure and any determination by the Board that Indemnitee is not entitled to indemnification and any failure to make the payments requested in the Indemnification Statement shall be subject to judicial review by any court of competent jurisdiction.

(b) For purposes of obtaining payments of Expenses in advance of final disposition pursuant to the second sentence of Section 2(d) or the last sentence or Section 3 hereof, the Indemnitee shall submit to the Company a sworn request for advancement of Expenses substantially in the form of Exhibit 2 attached hereto and made a part hereof (the "Undertaking"), averring that he has reasonably incurred actual Expenses in defending an action, suit or proceeding referred to in Section 2(a) or 2(b) or any claim referred to in Section 3, or pursuant to Section 7 hereof. Unless at the time of the Indemnitee's act or omission at issue, the Articles of Incorporation or Regulations of the Company prohibit such advances by specific reference to ORC Section 1701.13(E)(5)(a) and unless the only liability asserted against the Indemnitee in the subject action, suit or proceeding is pursuant to ORC Section 1701.95, the Indemnitee shall be eligible to execute Part A of the Undertaking by which he undertakes to (a) repay such amount if it is proved by clear and convincing evidence in a court of competent jurisdiction that the Indemnitee's action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Company or undertaken with reckless disregard for the best interests of the Company and (b) reasonably cooperate with the Company concerning the action, suit, proceeding or claim. In all cases, the Indemnitee shall be eligible to execute Part B of the Undertaking by which he undertakes to repay such amount if it ultimately is determined that he is not entitled to be indemnified by the Company under this Agreement or otherwise. In the event that the Indemnitee is eligible to and does execute both Part A and Part B of the Undertaking, the Expenses which are paid by the Company pursuant thereto shall be required to be repaid by the Indemnitee only if he is required to do so under the terms or both Part A and Part B of the Undertaking. Upon receipt of the Undertaking the Company

shall thereafter promptly pay such Expenses of the Indemnitee as are noticed to the Company in writing and in reasonable detail arising out of the matter described in the Undertaking. No security shall be required in connection with any Undertaking.

5. Limitation on Indemnity. Notwithstanding anything contained herein to the contrary, the Company shall not be required hereby to indemnify the Indemnitee with respect to any action, suit, or proceeding that was initiated by the Indemnitee unless (i) such action. suit, or proceeding was initiated by the Indemnitee to enforce any rights to indemnification arising hereunder and such person shall have been formally adjudged to be entitled to indemnity by reason hereof, (ii) authorized by another agreement to which the Company is a party whether heretofore or hereafter entered, or (iii) otherwise ordered by the court in which the suit was brought.

6. Subrogation: Duplication of Payments. (a) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery previously vested in the Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

(b) The Company shall not be liable under this Agreement to make any payment in connection with any claim made against Indemnitee to the extent Indemnitee has actually received payment (under any insurance policy, the

Company's Regulations or otherwise) of the amounts otherwise payable hereunder.

7. Fees and Expenses of Enforcement. It is the intent of the Company that the Indemnitee not be required to incur the expenses associated with the enforcement of his rights under this Agreement by litigation or other legal action because the cost and expense thereof would substantially detract from the benefits is intended to be extended to the Indemnitee hereunder. Accordingly, if it should appear to the Indemnitee that the Company has failed to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any action, suit or proceeding to deny, or to recover from, the Indemnitee the benefits intended to be provided to the Indemnitee hereunder, the Company irrevocably authorizes the Indemnitee from time to time to retain counsel of his choice, at the expense of the Company as hereafter profited, to represent the Indemnitee in connection with the initiation or defense of any litigation or other legal action, whether by or against the Company or any director, officer, shareholder, or other person affiliated with the Company, in any jurisdiction. Regardless of the outcome thereof, the Company shall pay and be solely responsible for any and all costs, charges, and expenses, including without limitation fees and expenses of attorneys and others, reasonably incurred by the Indemnitee pursuant to this Section 7.

8. Merger or Consolidation. In the event that the Company shall be a constituent corporation in a consolidation, merger, or other reorganization the Company, if it shall not be the surviving, resulting, or acquiring corporation therein, shall require as a condition there so that the

surviving, resulting, or acquiring corporation agree to assume all of the obligations of the Company hereunder and to indemnify the Indemnitee to the full extent provided herein Whether or not the Company is the resulting, surviving, or acquiring corporation in any such transaction, the Indemnitee shall also stand in the same position under this Agreement with respect to the resulting, surviving, or acquiring corporation as he would have with respect to the Company if its separate existence had continued.

9. Nonexclusivity and Severability. (a) The e rights to indemnification provided by this Agreement shall not be exclusive of any other rights of indemnification to which the Indemnitee may be entitled under the Articles of Incorporation, the Regulations, the ORC or any other statute, any insurance policy, agreement, or vote of shareholders or directors or otherwise, as to any actions or failures to act by the Indemnitee, and shall continue after he has ceased to be a Director, officer, employee, or agent of the Company or other entity for which his service gives rise to a right hereunder, and shall inure to the benefit of his heirs, executors, and administrators.

(b) If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid unenforceable, or otherwise illegal, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected, and the provision so held to be invalid, unenforceable, or otherwise illegal shall be reformed to the extent (and only to the extent) necessary to make it enforceable, valid, and legal.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles of conflict of laws thereof.

11. Modification. This Agreement and the rights and duties of the Indemnitee and the company hereunder may be modified only by an instrument in writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

CLEVELAND-CLIFFS INC

By _____
President and
Chief Executive Officer

_____
[Signature of Indemnitee]

Exhibit 1

INDEMNIFICATION STATEMENT

STATE OF)
) ss:
COUNTY OF)

I, _____, being first duly sworn, do depose and say as follows:

1. This Indemnification Statement is submitted pursuant to the Indemnification Agreement, dated _____, 1987, between Cleveland-Cliffs Inc (the "Company"), an Ohio corporation, and the undersigned.

2. I am requesting indemnification against costs, charges, expenses (which may include fees and expenses of attorneys and/or others), judgments, fines, and amounts paid in settlement (collectively, "Liabilities"), which have been actually and reasonably incurred by me in connection with a claim referred to in Section 3 of the aforesaid Indemnification Agreement.

3. With respect to all matters related to any such claim, I am entitled to be indemnified as herein contemplated pursuant to the aforesaid Indemnification Agreement.

4. Without limiting any other rights which I have or may have, I am requesting indemnification against Liabilities which have or may arise out of _____
_____.

_____
(Signature of Indemnitee)

Subscribed and sworn to before me, a Notary Public in and for said County and State, this _____ day of _____, 19___.

[Seal]

My commission expires the _____ day of _____, 19____.

Exhibit 2

UNDERTAKING

STATE OF)
) ss:
COUNTY OF)

I,_____, being first duly sworn, do depose and say as follows:

1. This Undertaking is submitted pursuant to the Indemnification Agreement, dated _____, 1987, between Cleveland-Cliffs Inc (the "Company"), an Ohio Corporation, and the undersigned.

2. I am requesting payment of costs, charges, and expenses which I have reasonably incurred or will reasonably incur in defending an action, suit or proceeding, referred to in Section 2(a) or 2(b) or any claim referred to in Section 3, or pursuant to Section 7, of the aforesaid Indemnification Agreement.

3. The costs, charges, and expenses for which payment is requested are, in general, all expenses related to_____
_____
.

4. Part A

I hereby undertake to (a) repay all amounts paid pursuant hereto if it is proved by clear and convincing evidence in a court of Competent jurisdiction that my action or failure to act which is the subject of the matter described herein involved an act or omission undertaken with deliberate intent to cause injury to the Company or undertaken with reckless disregard for the best interests of the Company and (b) reasonably cooperate with the Company concerning the action, suit, proceeding or claim.

_____
[Signature of Indemnitee]

4. Part B

I hereby undertake to repay all amounts paid pursuant hereto if it ultimately is determined that I am not entitled to be indemnified by the Company under the aforesaid Indemnification Agreement or otherwise

_____
[Signature of Indemnitee]

Subscribed and sworn to before me, a Notary Public in and for said County and State, this _____ day of _____, 19___.

[Seal]

My commission expires the _____ day of _____, 19___.

8

Exhibit B

INDEMNIFICATION AGREEMENT

This Indemnification Agreement ("Agreement") is made as of the day of , 1987, by and between Cleveland-Cliffs Inc, an Ohio corporation (the "Company"), and (the "Indemnitee"), an Officer of the Company.

RECITALS

A. The Indemnitee is presently serving as an Officer of the Company and the Company desires the Indemnitee to continue in that capacity. The Indemnitee is willing, subject to certain conditions including without limitation the execution and performance of this Agreement by the Company, to continue in that capacity.

B. In addition to the indemnification to which the Indemnitee is entitled under the Regulations of the Company (the "Regulations"), the Company has obtained, at its sole expense, insurance protecting the Company and its officers and directors including the Indemnitee against certain losses arising out of actual or threatened actions, suits, or proceedings to which such persons may be made or threatened to be made parties. However, as a result of circumstances having no relation to, and beyond the control of, the Company and the Indemnitee, the scope of that insurance has been reduced and there can be no assurance of the continuation or renewal of that insurance.

Accordingly, and in order to induce the Indemnitee to continue to serve in his present capacity, the Company and the Indemnitee agree as follows:

1. Continued Service. The Indemnitee shall continue to serve at the will of the Company as a Officer of the Company until he resigns in writing in accordance with applicable law.

2. Initial Indemnity. (a) The Company shall indemnify the Indemnitee, if or when he is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company), by reason of the fact that he is or was a Director of the Company or is or was serving at the request of the Company as a director, trustee, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, or by reason of any action alleged to have been taken or omitted in any such capacity, against any and all costs, charges, expenses (including without limitation fees and expenses of attorneys and/or others; all such costs, charges and expenses being herein jointly referred to as "Expenses"), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by the Indemnitee in connection therewith including any appeal of or from any judgment or decision, unless it is proved by clear and convincing evidence in a court of competent jurisdiction that the Indemnitee's action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Company or undertaken with reckless disregard for the best interests of the Company.

In addition, with respect to any criminal action or proceeding, indemnification hereunder shall be made only if the Indemnitee had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the Indemnitee did not satisfy the foregoing standard of conduct to the extent applicable thereto.

(b) The Company shall indemnify the Indemnitee, if or when he is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding by or in the right of the Company to procure a judgment in its favor, by reason of the fact that the Indemnitee is or an Officer of the Company or is or was serving at the request of the Company as a director, trustee, officer, employee, or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, against any and all Expenses actually and reasonably incurred by the Indemnitee in connection with the defense or settlement thereof or any appeal of or from any judgment or decision, unless it is proved by clear and convincing evidence in a court of competent jurisdiction that the Indemnitee's action or failure to act involved an act or omission undertaken with deliberate intent to cause injury to the Company or undertaken with reckless disregard for the best interests of the Company.

(c) Any indemnification under Section 2(a) or 2(b) (unless ordered by a court) shall be made by the Company only as authorized in the specific case upon a determination that indemnification of the Indemnitee is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 2(a) or 2(b). Such authorization shall be made (i) by the Directors of the Company (the "Board") by a majority vote of a quorum consisting of Directors who were not and are not parties to or threatened with such, action suit, or proceeding or (ii) if such a quorum of disinterested Directors is not available or if a majority of such quorum so directs, in a written opinion by independent legal counsel (designated for such purpose by the Board) which shall not be an attorney, or a firm having associated with it an attorney, who has been retained by or who has performed services for the Company, or any person to be indemnified, within the five years preceding such determination, or (iii) by the shareholders of the Company (the "Shareholders"), or (iv) by the court in which such action, suit, or proceeding was brought.

(d) To the extent that the Indemnitee has been successful on the merits or otherwise, including without limitation the dismissal of an action without prejudice, in defense of any action, suit, or proceeding referred to in Section 2(a) or 2(b), or in defense of any claim, issue, or matter therein, he shall be indemnified against Expenses actually and reasonably incurred by him in connection therewith. Expenses actually and reasonably incurred by the Indemnitee in defending any such action; suit, or proceeding shall be paid by the Company as they are incurred in advance of the final disposition of such action, suit, or proceeding under the procedure set forth in Section 4(b) hereof.

(e) For purposes of this Agreement, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on the Indemnitee with respect to any employee benefit plan; references to "serving at the request of the Company" shall include any service as a director, officer, employee, or agent of the Company which imposes duties on, or involves services by, the Indemnitee with respect to an employee benefit plan, its participants or beneficiaries; references to the masculine shall in elude the feminine; and references to the singular shall include the plural and vice versa.

3. Additional Indemnification. Pursuant to Section 1701.13(E)(6) of the Ohio Revised Code (the "ORC"), without limiting any right which the Indemnitee may have pursuant to Section 2 hereof or any other provision of this Agreement or the Articles of Incorporation, the Regulations, the ORC, any policy of insurance, or otherwise, but subject to any limitation on the maximum permissible indemnity which may exist under applicable law at the time of any request for indemnity hereunder and subject to the following provisions of this Section 3, the Company shall indemnify the Indemnitee against any amount which he is or becomes obligated to pay relating to or arising out of any claim made against him because of any act, failure to act, or neglect or breach of duty, including any actual or alleged error, misstatement, or misleading statement, which he commits, suffers, permits, or acquiesces in while acting in his capacity as a Officer of the Company. The payments which the Company is obligated to make pursuant to this Section 3 shall include without limitation, judgments, fines, and amounts paid in settlement and any and all Expenses actually and reasonably incurred by the Indemnitee in connection therewith including any appeal of or from any judgment or decision; provided, however, that the Company shall not be obligated under this Section 3 to make any payment in connection with any claim against the Indemnitee:

(a) to the extent of any fine or similar governmental imposition which the Company is prohibited by applicable law from paying which results from a final, nonapplicable order; or

(b) to the extent based upon or attributable to the Indemnitee having actually realized a personal gain or profit to which he was not legally entitled, including without limitation profit from the purchase and sale by the Indemnitee of equity securities of the Company which are recoverable by the Company pursuant to Section 16(b) of the Securities Exchange Act of 1934, or profit arising from transactions in publicly traded securities of the Company which were effected by the Indemnitee in violation of Section 10(b) of the Securities Exchange Act of 1934, or Rule 10b-5 promulgated thereunder.

A determination as to whether the Indemnitee shall be entitled to indemnification under this Section 3 shall be made in accordance with Section 4(a) hereof. Expenses incurred by the Indemnitee in defending any claim to which this Section 3 applies shall be paid by the Company as they are actually and reasonably incurred in advance of the final disposition of such claim under the procedure set forth in Section 4(b) hereof.

4. Certain Procedures Relating to Indemnification. (a) For purposes of pursuing his rights to indemnification under Section 3 hereof,

the Indemnitee shall (i) submit to the Board a sworn statement of request for indemnification substantially in the form of Exhibit I attached hereto and made a part hereof (the "Indemnification Statement") averring that he is entitled to indemnification hereunder; and (ii) present to the Company reasonable evidence of all amounts for which indemnification is requested. Submission of an indemnification Statement to the Board shall create a presumption that the Indemnitee is entitled to indemnification hereunder, and the Company shall, within 60 calendar days after submission of the Indemnification Statement, make the payments requested in the Indemnification Statement to or for the benefit of the Indemnitee, unless (i) within such 60-calendar-day period the Board shall resolve by vote of a majority of the Directors at a meeting at which a quorum is present that the Indemnitee is not entitled to indemnification under Section 3 hereof, (ii) such vote shall be based upon clear and convincing evidence (sufficient to rebut the foregoing presumption), and (iii) the Indemnitee shall have received within such period notice in writing of such vote, which notice shall disclose with particularity the evidence upon which the vote is based. The foregoing notice shall be sworn to by all persons who participated in the vote and voted to deny indemnification. The provisions of this Section 4(a) are intended to be procedural only and shall not affect the right of Indemnitee to indemnification under Section 3 of this Agreement so long as Indemnitee follows the prescribed procedure and any determination by the Board that Indemnitee is not entitled to indemnification and any failure to make the payments requested in the Indemnification Statement shall be subject to judicial review by any court of competent jurisdiction.

(b) For purposes of obtaining payments of Expenses in advance of final disposition pursuant to the second sentence of Section 2(d) or the last sentence or Section 3 hereof, the Indemnitee shall submit to the Company a sworn request for advancement of Expenses substantially in the form of Exhibit 2 attached hereto and made a part hereof (the "Undertaking")(i), averring that he has reasonably incurred actual Expenses in defending an action, suit or proceeding referred to in Section 2(a) or 2(b) or any claim referred to in Section 3, or pursuant to Section 7 hereof; and (ii) undertakes to repay such amount if it ultimately is determined that he is not entitled to be indemnified by the Company under this Agreement or otherwise. Upon receipt of the Undertaking, the Company shall thereafter promptly pay such Expenses of the Indemnitee as are noticed to the Company in writing and in reasonable detail arising out of the matter described in the Undertaking. No security shall be required in connection with any Undertaking.

5. Limitation on Indemnity. Notwithstanding anything contained herein to the contrary, the Company shall not be required hereby to indemnify the Indemnitee with respect to any action, suit, or proceeding that was initiated by the Indemnitee unless (i) such action, suit, or

proceeding was initiated by the Indemnitee to enforce any rights to indemnification arising hereunder and such person shall have been formally adjudged to be entitled to indemnity by reason hereof, (ii) authorized by another agreement to which the Company is a party whether heretofore or hereafter entered, or (iii) otherwise ordered by the court in which the suit was brought.

6. Subrogation: Duplication of Payments. (a) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery previously vested in the Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

(b) The Company shall not be liable under this Agreement to make any payment in connection with any claim made against Indemnitee to the extent Indemnitee has actually received payment (under any insurance policy, the Company's Regulations or otherwise) of the amounts otherwise payable hereunder.

7. Fees and Expenses of Enforcement. It is the intent of the Company that the Indemnitee not be required to incur the expenses associated with the enforcement of his rights under this Agreement by litigation or other legal action because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Indemnitee hereunder. Accordingly, if it should appear to the Indemnitee that the Company has failed to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any action, suit or proceeding to deny, or to recover from, the Indemnitee the benefits intended to be provided to the Indemnitee hereunder, the Company irrevocably authorizes the Indemnitee from time to time to retain counsel of his choice, at the expense of the Company as hereafter provided, to represent the Indemnitee in connection with the initiation or defense of any litigation or other legal action, whether by or against the Company or any director, officer, shareholder, or other person affiliated with the Company, in any jurisdiction. Regardless of the outcome thereof, the Company shall pay and be solely responsible for any and all costs, charges, and expenses, including without limitation fees and expenses of attorneys and others, reasonably incurred by the Indemnitee pursuant to this Section 7.

8. Merger or Consolidation. In the event that the Company shall be a constituent corporation in a consolidation, merger, or other reorganization, the Company, if it shall not be the surviving, resulting, or acquiring corporation therein, shall require as a condition thereto that the surviving, resulting, or acquiring corporation agree to assume all of the obligations of the Company hereunder and to indemnify the Indemnitee to the full extent provided herein. Whether or not the Company is the resulting, surviving, or acquiring corporation in any such transaction, the Indemnitee shall also stand in the same position under this Agreement with respect to the resulting, surviving, or acquiring corporation as he would have with respect to the Company if its separate existence had continued.

9. Nonexclusivity and Severability. (a) The rights to indemnification provided by this Agreement shall not be exclusive of any other rights of indemnification to which the Indemnitee may be entitled under the Articles of Incorporation, the Regulations, the ORC or any other statute, any insurance policy, agreement, or vote of shareholders or directors or otherwise, as to any actions or failures to act by the Indemnitee, and shall continue after he has ceased to be a Director, officer, employee, or agent of the Company or other entity for which his service gives rise to a right hereunder, and shall inure to the benefit of his heirs, executors, and administrators.

(b) If any provision of this Agreement or the application of any provision hereof to any person or circumstances is held invalid unenforceable, or otherwise illegal, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected, and the provision so held to be invalid, unenforceable, or otherwise illegal shall be reformed to the extent (and only to the extent) necessary to make it enforceable, valid, and legal.

10. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles of conflict of laws thereof.

11. Modification. This Agreement and the rights and duties of the Indemnitee and the Company hereunder may be modified only by an instrument in writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first above written.

CLEVELAND-CLIFFS INC

By _____
President and

Chief Executive Officer

_____
[Signature of Indemnitee]

Exhibit 1

INDEMNIFICATION STATEMENT

STATE OF)
) ss:
COUNTY OF)

I, _____, being first duly sworn, do depose and say as follows:

1. This Indemnification Statement is submitted pursuant to the Indemnification Agreement, dated _____, 1987, between Cleveland-Cliffs Inc (the "Company"), an Ohio corporation, and the undersigned.

2. I am requesting indemnification against costs, charges, expenses (which may include fees and expenses of attorneys and/or others), judgments, fines, and amounts paid in settlement (collectively, "Liabilities"), which have been actually and reasonably incurred by me in connection with a claim referred to in Section 3 of the aforesaid Indemnification Agreement.

3. With respect to all matters related to any such claim, I am entitled to be indemnified as herein contemplated pursuant to the aforesaid Indemnification Agreement.

4. Without limiting any other rights which I have or may have, I am requesting indemnification against Liabilities which have or may arise out of _____
_____.

_____
(Signature of Indemnitee)

Subscribed and sworn to before me, a Notary Public in and for said County and State, this _____ day of _____, 19___.

[Seal]

My commission expires the _____ day of _____, 19____.

Exhibit 2

UNDERTAKING

STATE OF)
) ss:
COUNTY OF)

I,_____, being first duly sworn, do depose and say as follows:

1. This Undertaking is submitted pursuant to the Indemnification Agreement, dated _____, 1987, between Cleveland-Cliffs Inc (the "Company"), an Ohio Corporation, and the undersigned.

2. I am requesting payment of costs, charges, and expenses which I have reasonably incurred or will reasonably incur in defending an action, suit or proceeding, referred to in Section 2(a) or 2(b) or any claim referred to in Section 3, or pursuant to Section 7, of the aforesaid Indemnification Agreement.

3. The costs, charges, and expenses for which payment is requested are, in general, all expenses related to _____
_____

_____.

4. I hereby undertake to repay all amounts paid pursuant hereto if it ultimately is determined that I am not entitled to be indemnified by the Company under the aforesaid Indemnification Agreement or otherwise.

_____
[Signature of Indemnitee]

Subscribed and sworn to before me, a Notary Public in and for said County and State, this _____ day of _____, 19___.

[Seal]

My commission expires the _____ day of _____, 19___.

EXHIBIT 10(u)

TRUST AGREEMENT NO. 7

This Trust Agreement ("Trust Agreement No. 7") made this 9th day of April, 1991 by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs"), and Ameritrust Company National Association, a national banking association (the "Trustee");

WITNESSETH:

WHEREAS, certain benefits are or may become payable under the provisions of the Cleveland-Cliffs Inc Supplemental Retirement Benefit Plan, as Amended and Restated Effective January 1, 1991 as the same may hereafter be supplemented, amended or restated, or any successor thereto (the "Plan"), a current copy of which is attached hereto as Exhibit B and incorporated herein by reference, to the participants in the Plan (the "Participants") listed (from time to time as provided in Section 9(b) hereof) on Exhibit A hereto or to the beneficiaries of such Participants (the "Beneficiaries") as the case may be;

WHEREAS, the Plan provides for the payment of benefits resulting from contributions made to the Plan which would have been made for the Participants to the qualified retirement plans established by Cleveland-Cliffs and its subsidiary corporations and affiliates were it not for certain limitations imposed by the Internal Revenue Code of 1986, as amended (the

"Code"), and the Plan also provides for the payment of benefits due under agreements entered into by Cleveland-Cliffs (and which may be entered into in the future by Cleveland-Cliffs and its subsidiary corporations and affiliates) with certain executives providing for additional service credit and/or other features for purposes of computing retirement benefits;

WHEREAS, Cleveland-Cliffs wishes specifically to assure the payment to the Participants and Beneficiaries of amounts due under the Plan (the amounts so payable being collectively referred to herein as the "Benefits");

WHEREAS, subject to Section 9 hereof, the amounts and timing of Benefits to which each Participant or Beneficiary is presently or may become entitled are as provided in the Plan;

WHEREAS, Cleveland-Cliffs wishes to establish a trust (the "Trust") under which Cleveland-Cliffs and each of its subsidiaries or affiliates that executes a Participating Subsidiary Deposit Agreement ("Deposit Agreement") as provided in Section 14 hereof (a "Participating Subsidiary"; and "Participating Employer" shall mean Cleveland-Cliffs or any Participating Subsidiary) may transfer to the Trust assets which shall be held therein subject to the claims of the creditors of each Participating Employer to the extent set forth in Section 3 hereof until paid in full to all Participants and Beneficiaries as Benefits in such manner and at such times as specified herein unless the Participating Employer with respect to the Participant or Beneficiary is Insolvent (as defined herein) at the time that such Benefits become payable;

WHEREAS, each Participating Subsidiary that executes a Deposit Agreement has irrevocably appointed Cleveland-Cliffs its agent and attorney for purposes of acting on its behalf with respect to this Trust; and

WHEREAS, a Participating Employer shall be considered "Insolvent" for purposes of this Trust Agreement at such time as such Participating Employer (i) is subject to a pending voluntary or involuntary proceeding as a debtor under the United States Bankruptcy Code, as heretofore or hereafter amended, or (ii) is unable to pay its debts as they mature.

NOW, THEREFORE, the parties do hereby establish the Trust and agree that the Trust shall be comprised, held and disposed of as follows:

1. TRUST FUND: (a) Subject to the claims of creditors of Participating Employers to the extent set forth in Section 3 hereof, Cleveland-Cliffs hereby deposits with the Trustee in trust Ten Dollars ($10.00) which shall become the principal of this Trust, to be held, administered and disposed of by the Trustee as herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided. The Trust hereby established shall be irrevocable.

(b) Cleveland-Cliffs shall notify the Trustee promptly in the event that a "Change of Control", (as defined herein) has occurred. The term "Change of Control" shall mean the occurrence of any of the following events:

(i) a tender offer shall be made and consummated for the ownership of 30% or more of the outstanding voting securities of Cleveland-Cliffs;

(ii) Cleveland-Cliffs shall be merged or consolidated with another corporation and as a result of such merger or consolidation

less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs, other than affiliates (within the meaning of the Securities Exchange Act of 1934) of any party to such merger or consolidation, as the same shall have existed immediately prior to such merger or consolidation;

(iii) Cleveland-Cliffs shall sell substantially all of its assets to another corporation which is not a wholly owned subsidiary;

(iv) a person, within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange Act of 1934, shall acquire 30% or more of the outstanding voting securities of Cleveland-Cliffs (whether directly, indirectly, beneficially or of record), or

(v) during any period of two consecutive years, individuals who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease for any reason to constitute at least a majority thereof,

unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any such period was approved by a vote of at least two-thirds of the Directors of Cleveland-Cliffs then still in office who are Directors of Cleveland-Cliffs on the date at the beginning of any such period. For purposes hereof, ownership of voting securities shall take into account and shall include ownership as determined by applying the provisions of Rule 13d-3(d)(1)(i) (as in effect on the date hereof) pursuant to the Securities Exchange Act of 1934.

(c) Any payments by the Trustee pursuant to this Agreement shall, to the extent thereof, discharge the obligation of the Participating Employers to pay benefits under the Plan, it being the intent of the Participating Employers that assets in the Trust established hereby be held as security for the obligation of the Participating Employers to pay benefits under the Plan.

(d) The principal of the Trust and any earnings thereon shall be held in trust separate and apart from other funds of each Participating Employer exclusively for the uses and purposes herein set forth. No Participant or Beneficiary shall have any preferred claim on, or any beneficial ownership interest in, any assets of the Trust prior to the time that such assets are paid to a Participant or Beneficiary as Benefits as provided herein.

(e) A Participating Employer may at any time or from time to time make additional deposits of cash or other property in the Trust to augment the principal to be held, administered and disposed of by the Trustee as herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to a Participating Employer or any other person or entity on behalf of a Participating Employer except as herein expressly provided.

(f) The Trust is intended with respect to each Participating Employer, to be a grantor trust, within the meaning of Section 671 of the Code, or any successor provision thereto, and shall be construed accordingly. The Trust is not designed to qualify under Section 401(a) of the Code or to be subject to the provisions of the Employee Retirement Income Security Act Or 1974, as amended ("ERISA"). The Trust established under this Trust Agreement No. 7 does not fund and is not intended to fund the Plan or any other employee benefit plan or program of a Participating Employer. Such Trust is and is intended to be a depository arrangement with the Trustee for the setting aside of cash and other assets of the Participating Employers as and when each of the so determines in its sole discretion for the meeting of part or all of its future obligations with respect to Benefits to some or all of the Participants under the Plan.

2. PAYMENTS TO PARTICIPANTS OR BENEFICIARIES.

(a) Provided that the Trustee has not actually received notice as provided in Section 3 hereof that a Participant's or

Beneficiary's Participating Employer is Insolvent, the Trustee shall make payments of Benefits to each Participant or Beneficiary from the assets of the Trust in accordance with the term of the Plan and subject to Section 9 hereof. The Trustee shall make provision for withholding of any federal, state, or local taxes that may be required to be withheld by the Trustee in connection with the payment of any Benefits hereunder.

(b) If the balance of a Participant's separate account maintained pursuant to Section 7(b) hereof is not sufficient to provide for full payment of Benefits to which a Participant or Beneficiary is entitled as provided herein, the respective Participating Employer shall make the balance of each such payment as provided in the Plan. No payment from the Trust assets to a Participant or Beneficiary shall exceed the balance of such separate account.

3. THE TRUSTEE'S RESPONSIBILITY REGARDING PAYMENTS TO A

PARTICIPANT OR BENEFICIARY WHEN A PARTICIPATING EMPLOYER IS INSOLVENT:

(a) At all times during the continuance of this Trust, the principal and income of the Trust with respect to accounts maintained hereunder on behalf of a Participating Employer shall be subject to claims of creditors of such Participating Employer as set forth in this Section 3(a). The Board of Directors ("Board") of Cleveland-Cliffs and of each Participating Subsidiary and the Chief Executive Officer ("CEO") of Cleveland-Cliffs and of each Participating Subsidiary shall have the duty to inform the Trustee if either

the Board or the CEO believes that his or their respective Participating Employer is Insolvent. If the Trustee receives a notice from the Board, the CEO, or a creditor of a Participating Employer alleging that such Participating Employer is insolvent, then unless the Trustee independently determines that such Participating Employer is not Insolvent, the Trustee shall (i) discontinue payments to any Participant or his Beneficiary from accounts maintained hereunder on behalf of such Participating Employer (the "Identified Participating Employer"), (ii) determine and allocate all Account Excesses in accordance with Sections 4 and 7(b) hereof for the accounts of the Participants then employed by the Identified Participating Employer, or for whom such Identified Participating Employer has obligations and liabilities pursuant to a Deposit Agreement, treating such accounts solely for this purpose as if they comprised all of the accounts of the Trust, and provided that for this purpose the Threshold Percentage shall be equal to 100%, (iii) hold the Trust assets attributable to accounts maintained hereunder on behalf of Participants then employed by the Identified Participating Employer, or for whom such Identified Participating Employer has obligations and liabilities or has assumed obligations and liabilities pursuant to a Deposit Agreement, for the benefit of the general creditors of such Identified Participating Employer, and (iv) promptly seek the determination of a court of competent jurisdiction regarding the Insolvency of the Identified Participating Employer. The Trustee shall deliver any

undistributed principal and income in the Trust to the extent of the balances of the accounts maintained hereunder on behalf of the Identified Participating Employer to the extent necessary to satisfy the claims of the creditors of such Identified Participating Employer as a court of competent jurisdiction may direct. Such payments of principal and income shall be borne by the separate accounts of the Participants in proportion to the balances on the date of such court order of their respective accounts maintained pursuant to Section 7(b) hereof. If payments to any Participant or Beneficiary have discontinued pursuant to this Section 3(a), the Trustee shall resume payments to such Participant or Beneficiary only after receipt of an order of a court of competent jurisdiction. The Trustee shall have no duty to inquire as to whether a Participating Employer is Insolvent and may rely on information concerning the Insolvency of a Participating Employer which has been furnished to the Trustee by any creditor of a Participating Employer or by any person. Nothing in this Trust Agreement shall in any way diminish any rights of any Participant or Beneficiary to pursue his rights as a general creditor of the Participant's or Beneficiary's Participating Employer with respect to Benefits or otherwise, and the rights of each Participant or Beneficiary under the Plan shall in no way be affected or diminished by any provision of this Trust Agreement No. 7 or action taken pursuant to this Trust Agreement No. 7 except that any payment actually received by any Participant or Beneficiary hereunder shall reduce

dollar-per-dollar amounts otherwise due to such Participant or Beneficiary pursuant to the Plan.

(b) If the Trustee discontinues payment of Benefits from the Trust pursuant to Section 3(a) hereof, the Trustee shall, to the extent it has liquid assets, place cash equal to the discontinued payments (to the extent not paid to creditors pursuant to Section 3(a) and not paid to the Trustee pursuant to Section 10 hereof) in such interest-bearing deposit accounts or certificates of deposit (including any such accounts or certificates issued or offered by the Trustee or any successor corporation but excluding obligations of any Participating Employer) as determined by the Trustee in its sole discretion. If the Trustee subsequently resumes such payments, the first payment following such discontinuance shall include the aggregate amount of all payments which would have been made to the Participants and Beneficiaries in accordance with this Trust Agreement No. 7 during the period of such discontinuance, less the aggregate amount of payments made to any Participant or Beneficiary by the Participating Employer pursuant to the Plan during any such period of discontinuance, together with interest on the net amount delayed determined at a rate equal to the rate paid on the accounts or deposits selected by the Trustee; provided, however, that no such payment shall exceed the balance of the respective Participant's or Beneficiary's account as provided in Section 7(b) hereof.

4. PAYMENTS TO PARTICIPATING EMPLOYERS: Except to the extent expressly contemplated by this Section 4, no

Participating Employer shall have any right or power to direct the Trustee to return any of the Trust assets to such Participating Employer before all payments of Benefits have been made to all Participants or Beneficiaries of such Participating Employer as herein provided. From time to time, if and when requested by Cleveland-Cliffs to do so and/or in order to comply with Section 7(b) hereof, the Trustee shall engage the services of Hewitt Associates or such other independent actuary as may be mutually satisfactory to Cleveland-Cliffs and to the Trustee to determine the maximum actuarial present values of the future Benefits that could become payable by each Participating Employer under the Plan with respect to the Participants and Beneficiaries. The Trustee shall determine the fair market values of the Trust assets allocated to the account of each Participant pursuant to Section 7(b) hereof Cleveland-Cliffs shall pay the fees of such independent actuary and of any appraiser engaged by the Trustee to value any property held in the Trust. The independent actuary shall make its calculations using the 1983 Group Annuity Mortality Table, an interest rate of 8%, Gross National Product Price Deflator increases of 4%, or such other assumptions as are recommended by such actuary and approved by Cleveland-Cliffs and, after the date of a Change of Control, a majority of the Participants (subject to the provisions of Sections 11(b)(i) and (b)(ii) hereof). For purposes or this Trust Agreement, (A) the "Fully Funded" amount with respect to the account of a Participant or Beneficiary maintained pursuant

to Section 7(b) hereof shall be equal to the "Threshold Percentage," as defined below, multiplied by the maximum actuarial present value of the future Benefits that could become payable under the Plan with respect to the Participants and Beneficiaries, (B) the "Account Excess" with respect to such account shall be equal to the excess, if any, of the fair market value of the assets held in the Trust allocated to a Participant's account over the respective Fully Funded amount, and (C) the "Aggregate Account Excess" with respect to a Participating Employer shall be equal to the excess, if any, of the aggregate account balances of Participants then employed by the Participating Employer, or for whom such Participating Employer has obligations and liabilities or has assumed obligations and liabilities or has assumed obligations and liabilities pursuant to a Deposit Agreement, over their aggregate Fully Funded amounts. Unless otherwise provided, prior to a Change of Control the Threshold Percentage shall be equal to 110%, and following a Change of Control the Threshold Percentage shall be equal to 140%. The Trustee shall allocate any Account Excess in accordance with Section 7(b) hereof. Thereafter, upon the request of Cleveland-Cliffs, the Trustee shall pay to the Participating Employer its Aggregate Account Excess computed upon the basis of a Threshold Percentage equal to 140%.

5. INVESTMENT OF PRINCIPAL: (a) The Trustee shall invest and reinvest the principal of the Trust including any income accumulated and added to principal, as directed by the

Compensation Committee of the Board of Directors of Cleveland Cliffs (which direction may include investment in Common Shares of Cleveland-Cliffs). In the absence of any such direction, the Trustee shall have sole power to invest the assets of the Trust (including investment in common shares of Cleveland-Cliffs). The Trustee shall act at all times however, with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims. The investment objective of the Trustee shall be to preserve the principal of the Trust while obtaining a reasonable total rate of return, measurement of which shall include market appreciation or depreciation plus receipt of interest and dividends. The Trustee shall not be required to invest nominal amounts. The Trustee shall be mindful, in the course of its management of the Trust, of the liquidity demands on the Trust and any actuarial assumptions that may be communicated to it from time to time in accordance with the provisions of this Trust Agreement No. 7.

(b) In addition to authority given to the Trustee under Section 8 hereof, the Trustee is empowered with respect to the assets of the Trust:

(i) To invest and reinvest all or any part of the Trust assets, in each and every kind of property, whether real, personal or mixed, tangible or intangible, whether income or non-income producing, whether secured or

unsecured, and wherever situated, including, but not limited to, real estate, shares of common and preferred stock, mortgages and bonds, leases (with or without option to purchase), notes, debentures, equipment or collateral trust certificates, and other corporate, individual or government securities or obligations, time deposits (including savings deposit and certificates of deposit in the Trustee or its affiliates if such deposits bear a reasonable rate of interest), common or collective funds or trusts, and mutual funds or investment

companies, including affiliated investment companies and 12 B-1 funds. Cleveland-Cliffs acknowledges and agrees that the Trustee may receive fees as a participating depository institution for service relating to the investment of funds in an eligible mutual fund.

(ii) At such time or times, and upon such terms and conditions as the Trustee shall deem advisable, to sell, convert, redeem, exchange, grant options for the purchase or exchange of, or otherwise dispose of, any property held hereunder, at public or private sale, for cash or upon credit, with or without security, without obligation on the part of any person dealing with the Trustee to see to the application of the proceeds of or to inquire into the validity, expediency, or propriety of any such disposal;

(iii) To manage, operate, repair, partition, and improve and mortgage or lease (with or without an option to

purchase) for any length of time any property held in the Trust; to renew or extend any mortgage or lease, upon such terms as the Trustee may deem expedient; to agree to reduction of the rate of interest on any mortgage; to any modification in the terms of any lease or mortgage or of any guarantee pertaining to either of them; to exercise and enforce any right of foreclosure; to bid on property in foreclosure; to take a deed in lieu of foreclosure with or without paying consideration therefor and in connection therewith to release the obligation on the bond secured by the mortgage; and to exercise and enforce in any action, suit, or proceeding at law or in equity any rights, covenants, conditions or remedies with respect to any lease or mortgage or to any guarantee pertaining to either of them or to waive any default in the performance thereof;

(iv) To join in or oppose any reorganization, recapitalization, consolidation, merger or liquidation, or any plan therefor, or any lease (with or without an option to purchase), mortgage or sale of the property of any organization the securities of which are held in the Trust; to pay from the Trust any assessments, charges or compensation specified in any plan of reorganization, recapitalization, consolidation, merger or liquidation; to deposit any property allotted to the Trust in any reorganization, recapitalization, consolidation, merger or liquidation; to deposit any property with any committee or

depository; and to retain any property allotted to the Trust in any reorganization, recapitalization, consolidation, merger or liquidation;

(v) To compromise settle, or arbitrate any claim, debt or obligation of or against the Trust; to enforce or abstain from enforcing any right, claim, debt, or obligation; and to abandon any property determined by it to be worthless;

(vi) To make, execute and deliver, as Trustee, any deeds, conveyances, leases (with or without option to purchase), mortgages, options, contracts, waivers or other instruments that the Trustee shall deem desirable in the exercise of its powers under this Agreement; and

(vii) To pay out of the assets of the Trust all taxes imposed or levied with respect to the Trust and in its discretion may contest the validity or amount of any tax, assessment, penalty, claim, or demand respecting the Trust and may institute, maintain, or defend against any related action or proceeding either at law or in equity (and in such regard, the Trustee shall be indemnified in accordance with Section 8(d) hereof).

6. INCOME OF THE TRUST: Except as provided in Section 3 hereof, during the continuance of this Trust all net income of the Trust shall be allocated not less frequently than monthly among the Participants' separate accounts in accordance with Section 7(b) hereof.

7. ACCOUNTING BY TRUSTEE: (a) The Trustee shall maintain books, records and accounts as may be necessary for the proper administration of Trust assets, including such specific records as shall be agreed upon in writing by Cleveland-Cliffs and the Trustee, and shall render to Cleveland-Cliffs within 60 days following the close of each calendar year following the date of this Trust until the termination of this Trust or the removal or resignation of the Trustee (and within 60 days after the date of such termination, removal or resignation), an accounting with respect to the Trust assets as of the end of the then most recent calendar year (and as of the date of such termination, removal or resignation, as the case may be). The Trustee shall furnish to each Participating Employer on a quarterly basis (or as Cleveland-Cliffs shall direct from time to time) and in a timely manner such information regarding the Trust as each Participating Employer shall require for purposes of preparing its statements of financial condition. The Trustee shall at all times maintain separate bookkeeping accounts for each Participating Employer and for each Participant as prescribed by Section 7(b) hereof, and, upon the written request of a Participant, shall provide to him an annual statement of his account. Upon the written request of Cleveland-Cliffs

or, on or after the date of a Change of Control, a Participant, the Trustee shall deliver to such Participant or Cleveland-Cliffs, as the case may be, a written report setting forth the amount held in the Trust and a record of the deposits made with respect thereto by each Participating

Employer. Unless Cleveland-Cliffs or any Participant shall have filed with the Trustee written exception or objection to any such statement and account within 90 days after receipt thereof, Cleveland-Cliffs and the Participants shall be deemed to have approved such statement and account, and in such case the Trustee shall be forever released and discharged with respect to all matters and things reported in such statement and account as though it had been settled by a decreee of acourt of competent jurisdiction in an action or proceeding to which Cleveland-Cliffs, the Participating Employers and the Participants were parties.

(b) The Trustee shall maintain a separate account for each Participating Employer (a "Participating Employer Account") and within such Participating Employer Account, a separate account for each Participant who performs services for such Participating Employer and from whom such Participant is entitled to Benefits (a "Participant account"). Each asset of the Trust shall be allocated to the account of a Participating Employer. Participant accounts within a Participating Employer Account shall reflect undivided portions of each asset in such Account. The Trustee shall credit or debit each Participant account as appropriate to reflect such Participant's allocable portion of the Trust assets allocated to each Participating Employer Account, as such Trust assets may be adjusted from time to time pursuant to the terms of this Trust Agreement No. 7. Except as otherwise provided in this Section 7(b), the Trustee shall allocate the income (or loss) of the Trust with

respect to each Participating Employer Account, and within such Account, to the separate Participant accounts maintained thereunder in proportion to the balances of the separate accounts of the Participants. Prior to the date of a Change of Control, all deposits of principal pursuant to Section 1(a) and 1(e) shall be allocated and reallocated as directed by the Participating Employer making such deposit. On or after such date of a Change of Control deposits of principal shall be allocated as Account Excess in accordance with this Section 7(b). Prior to the date of a Change of Control, at the request of Cleveland-Cliffs the Trustee shall determine the amount of all Account Excesses. On or after the date of a Change of Control, the Trustee shall determine annually the amount of all Account Excesses. The Trustee shall allocate the aggregate amount of the Account Excess of a Participating Employer to any accounts of Participants then employed by such Participating Employer that are not Fully Funded, as defined in Section 4 hereof, in proportion to the differences between the respective Fully Funded amount and account balance, insofar as possible until all accounts of Participants then employed by such Participating Employer are Fully Funded. Any then remaining aggregate Account Excess of a Participating Employer shall be allocated to all the accounts of Participants then employed by such Participating Employer, in proportion to the respective Fully Funded amounts.

(c) Nothing in this Section 7 shall preclude the commingling of Trust assets for investment.

8. RESPONSIBILITY OF TRUSTEE: (a) The Trustee shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims; provided, however, that the Trustee shall incur no liability to any person for any action taken pursuant to a direction, request or approval, contemplated by and complying with the terms of this Trust Agreement No. 7, given in writing by any Participating Employer, by the Compensation Committee or by a Participant or Beneficiary applicable to his or her beneficial interest herein; and provided, further, that the Trustee shall have no duty to seek additional deposits of principal from any Participating Employer for additional amounts accrued under the Plan, and the Trustee shall not be responsible for the adequacy of this Trust.

(b) The Trustee may vote any stock or other securities and exercise any right appurtenant to any stock, other securities or other property held hereunder, either in person or by general or limited proxy, power of attorney or other instrument.

(c) The Trustee may hold securities in bearer form and may register securities and other property held in the trust fund in its own name or in the name of a nominee, combine certificates representing securities with certificates of the same issue held by the Trustee in other fiduciary capacities, and deposit, or arrange for deposit of property with any

depository; provided that the books and records of the Trustee shall at all times show that all such securities are part of the trust fund.

(d) If the Trustee shall undertake or defend any litigation

arising in connection with this Trust Agreement No. 7, it shall be indemnified jointly and severally by Cleveland-Cliffs and each Participating Subsidiary against its costs, expenses and liabilities (including without limitation attorneys' fees and expenses) related thereto.

(e) The Trustee may consult with legal counsel, independent accountants and actuaries (who may be counsel, independent accountants or actuaries for any Participating Employer) with respect to any of its duties or obligations hereunder, and shall be fully protected in acting or refraining from acting in accordance with the advice of such counsel, independent accountants and actuaries.

(f) The Trustee may rely and shall be protected in acting or refraining from acting within the authority granted by the terms of this Trust Agreement No. 7 upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties.

(g) The Trustee may hire agents, accountants, actuaries, and financial consultants, who may be agents, accountants, actuaries, or financial consultants, as the case may be, for any Participating Employer, and shall not be answerable for the conduct of same if appointed with due care.

(h) The Trustee is empowered to take all actions necessary or advisable in order to collect any benefits or payments of which the Trustee is the designated beneficiary.

(i) The Trustee shall have, without exclusion, all powers conferred on trustees by applicable law unless expressly provided otherwise herein.

9. AMENDMENTS, ETC. TO PLAN; COOPERATION OF PARTICIPATING EMPLOYERS:

(a) Cleveland-Cliffs has previously furnished the Trustee a complete and correct copy of the Plan, and Cleveland-Cliffs shall, and any Participating Subsidiary, Participant, or Beneficiary may, promptly furnish the Trustee true and correct copies of any amendment, restatement or successor thereto, whereupon such amendment, restatement or successor shall be incorporated herein by reference, provided that such amendment, restatement or successor shall not affect the Trustee's duties and responsibilities hereunder without the consent of the Trustee.

(b) Cleveland-Cliffs shall provide the Trustee with all information requested by the Trustee for purposes of determining payments to the Participants and Beneficiaries or withholding of taxes as provided in Section 2. Upon the failure of Cleveland-Cliffs or any Participant or Beneficiary to provide any such information, the Trustee shall, to the extent necessary in the sole judgment of the Trustee, (i) compute the amount payable hereunder to any Participant or Beneficiary; and (ii) notify Cleveland-Cliffs and the

Participant or Beneficiary in writing of its computations. Thereafter this Trust Agreement No. 7 shall be construed as to the Trustee's duties and obligations hereunder in accordance with such Trustee determinations without further action; provided, however, that no such determinations shall in any way diminish the rights of any Participant or Beneficiary hereunder or under the Plan; and provided, further, that no such determinations shall be deemed to modify this Trust Agreement No. 7 or the Plan. Nothing in this Trust Agreement No. 7 shall restrict Cleveland-Cliffs' right to amend, modify or terminate the Plan.

(c) At such times as may in the judgment of Cleveland-Cliffs be appropriate, Cleveland-Cliffs shall furnish to the Trustee any amendment to Exhibit A for the purpose of the addition of Participants (or the deletion of Participants who (together with their Beneficiaries) have no Benefits currently due or payable in the future)) to Exhibit A; provided, however, that no such amendment shall be made after the date of a Change of Control.

10. COMPENSATION AND EXPENSES OF TRUSTEE: The Trustee shall be entitled to receive such reasonable compensation for its services as shall be agreed to upon by Cleveland-Cliffs and the Trustee. The Trustee shall also be entitled to reimbursement of its reasonable expenses incurred with respect to the administration of the Trust including fees and expenses incurred pursuant to Sections 8(d), 8(e) and 8(g) and liabilities to creditors pursuant to court direction as

provided in Section 3(a) hereof. Such compensation and expenses shall in all events be payable either directly by Cleveland-Cliffs or, in the event that Cleveland-Cliffs shall refuse, from the assets of the Trust and charged pro rata in proportion to each separate account balance. The Trust shall have a claim against Cleveland-Cliffs for any such compensation or expenses so paid.

11. REPLACEMENT OF THE TRUSTEE: (a) Prior to the date of a Change of Control, the Trustee may be removed by Cleveland-Cliffs. On or after the date of a Change of Control, the Trustee may be removed at any time by agreement of Cleveland-Cliffs and a majority of the Participants. The Trustee may resign after providing not less than 90 days' notice to Cleveland-Cliffs and to the Participants. In case of removal or resignation, a new trustee,

which shall be independent and not subject to control of either Cleveland Cliffs or the Participants and Beneficiaries, shall be appointed as shall be agreed by Cleveland-Cliffs and a majority of the Participants. No such removal or resignation shall become effective until the acceptance of the trust by a successor trustee designated in accordance with this Section 11. If the Trustee should resign, and within 45 days of the notice of such resignation Cleveland-Cliffs and the Participants shall not have notified the Trustee of an agreement as to a replacement trustee, the Trustee shall appoint a successor trustee, which shall be a bank or trust company, wherever located, having a capital and surplus of at least $500,000,000 in the aggregate.

(b) For purposes of the removal or appointment of a Trustee under this Section 11, (i) if any Participant shall be deceased or adjudged incompetent, such Participant's Beneficiaries shall participate in such Participant's stead, and (ii) a Participant shall not participate if all payments of Benefits then currently due or payable in the future have been made to such Participant or his Beneficiary.

12. AMENDMENT OR TERMINATION: (a) This Trust Agreement No. 7 may be amended by Cleveland-Cliffs and the Trustee without the consent of any Participant or Beneficiary provided the amendment does not adversely affect any Participant or Beneficiary. This Trust Agreement No. 7 may also be amended at any time and to any extent by a written instrument executed by the Trustee, all Participating Employers, and a majority of the Participants, except to alter Section 12(b), and except that amendments to Exhibit A contemplated by Section 9(b) hereof shall be made as therein provided.

(b) The Trust shall terminate on the date on which the Trust no longer contains any assets, or, if earlier, the date on which no Participant or Beneficiary is entitled to further payments hereunder.

(c) Upon termination of the Trust as provided in Section 12(b) hereof, any assets remaining in the Trust shall be returned to Cleveland-Cliffs or as it directs.

13. SPECIAL DISTRIBUTION: (a) It is intended that (i) the creation of, and transfer of assets to, the Trust will

not cause the Plan to be other than "unfunded" for purposes of title I of the Employee Retirement Income Security Act of 1974, as amended, or any successor provision thereto ("ERISA"); (ii) transfers of assets to the Trust will not be transfers of property for purposes of section 83 of the Code, or any successor provision thereto, nor will such transfers cause a currently taxable benefit to be realized by a Participant or Beneficiary pursuant to the "economic benefit doctrine; and (iii) pursuant to section 451 of the Code, or any successor provision thereto, amounts will be includable as compensation in the gross income of a Participant or Beneficiary in the taxable year or years in which such amounts are actually distributed or made available to such Participant or Beneficiary by the Trustee.

(b) Notwithstanding anything to the contrary contained in this Trust Agreement No. 7, in the event it is determined by a final decision of the Internal Revenue Service, or, if an appeal is taken therefrom, by a court of competent jurisdiction that (i) by reason of the creation of, and a transfer of assets to, the Trust, the Trust is considered "funded" for purposes of title I of ERISA; or (ii) a transfer of assets to the Trust is considered a transfer of property for purposes of section 83 of the Code or any successor provision thereto; or (iii) a transfer of assets to the Trust causes a Participant or Beneficiary to realize income pursuant to the "economic benefit" doctrine; or (iv) pursuant to section 451 of the Code or any successor provision thereto, amounts are

includable as compensation in the gross income of a Participant or Beneficiary in a taxable year that is prior to the taxable year or years in which such amounts would, but for this Section 13, otherwise actually be distributed or made available to such Participant or Beneficiary by the Trustee, then (A) the assets held in Trust shall be allocated in accordance with Section 7(b) hereof, and (B) subject to the last sentence of Section 2(b) hereof, the Trustee shall promptly make a distribution to each affected Participant or Beneficiary which, after taking into account the federal, state and local income tax consequences of the special distribution itself, is equal to the sum of any federal, state and local income taxes, interest due thereon, and penalties assessed with respect thereto, which are attributable to amounts that are includable in the income of such Participant or Beneficiary for any of the reasons described in clause (i), (ii), (iii) or (iv) of this Section 13(b).

14. PARTICIPATING SUBSIDIARY DEPOSIT AGREEMENT: (a) Upon execution of a Deposit Agreement in the form of Exhibit C hereto, a Subsidiary may at any time or from time to time make deposits of cash or other property in the Trust pursuant to Section 1(d) hereof. Such Deposit Agreement shall provide, among other things, for the designation of Cleveland-Cliffs as agent and attorney for the Participating Subsidiary for all purposes under this Trust Agreement No. 7, including consenting to any amendments hereto, consenting to any Trustee accounts and consenting to anything requiring the approval or consent of a Participating Employer hereunder.

(b) Cleveland-Cliffs is the sponsoring grantor for this Trust Agreement No. 7. It reserves to itself, and each Subsidiary by execution of a Deposit Agreement delegates to Cleveland-Cliffs, the power to amend or terminate this Trust Agreement No. 7 in accordance with its terms.

15. SEVERABILITY ALIENATION, ETC.: (a) Any provision of this Trust Agreement No. 7 prohibited by law shall be ineffective to the extent of any such prohibition without invalidating the remaining provisions hereof.

(b) To the extent permitted by law, benefits to Participants and Beneficiaries under this Trust Agreement No. 7 may not be anticipated, assigned (either by law or in equity), alienated or subject to attachment, garnishment, levy, execution or other legal or equitable process and no benefit provided for herein and actually paid to any Participant or Beneficiary by the Trustee shall be subject to any claim for repayment by any Participating Employer or the Trustee.

(c) This Trust Agreement No. 7 shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles of conflict of laws thereof.

(d) This Trust Agreement No. 7 may be executed in two or more counterparts, each of which shall be considered an original agreement. This Trust Agreement No. 7 shall become effective immediately upon the execution by Cleveland-Cliffs of at least one counterpart, it being understood that all parties need not sign the same counterpart, but shall not bind any

Trustee until such Trustee has executed at least one counterpart.

(e) Each action taken by Cleveland-Cliffs hereunder shall, unless otherwise designated in such action by Cleveland-Cliffs or unless the context or this Trust Agreement No. 7 requires otherwise, be deemed to be an action of Cleveland-Cliffs on behalf of each Participating Subsidiary pursuant to the authority granted to Cleveland-Cliffs by such Participating Subsidiary in the Deposit Agreement.

16. NOTICES; IDENTIFICATION OF CERTAIN PARTICIPANTS OR BENEFICIARIES: (a) All notices, requests, consents and other communications hereunder shall be in writing and shall be deemed to have been duly given when received:

If to the Trustee, to:

Ameritrust Company National Association
900 Euclid Avenue
Cleveland, Ohio 44115
Attention: Trust Department
Employee Benefit Administration

If to Cleveland-Cliffs, to:

Cleveland-Cliffs Inc
1100 Superior Avenue
Cleveland, OH 44114
Attention: Secretary

If to the Participants, to the addresses listed on Exhibit A hereto; and if to the Beneficiaries, to the addresses provided to the Trustee by Cleveland-Cliffs;

provided, however, that if any party or any Participant or Beneficiary or his or its successors shall have designated a different address by written notice to the other parties, then to the last address so designated.

IN WITNESS WHEREOF, Cleveland-Cliffs and the Trustee have caused counterparts of this Trust Agreement No. 7 to be executed on their behalf on April 9, 1991, each of which shall be an original agreement.

CLEVELAND-CLIFFS INC

By: Richard F. Novak
Its: V.P. of Human Resources

AMERITRUST COMPANY NATIONAL ASSOCIATION

By: J. R. Russell
Its: Vice President

EXHIBIT A

All Senior Officers and Other Full-Time
Salaried Employees Grade 18 and Above/
Eligible Participants in SERP

Grade	Name	Title
56	M. T. Moore	Chairman and Chief Executive Officer
43	W. R. Calfee	Senior Executive Vice President
36	F. S. Forsythe	Executive Vice President-Operations
33	J. S. Brinzo	Executive Vice President-Finance
28	G. N. Carlson	Senior Vice President-Operations
	J. W. Villar	Senior Vice President-Technical
	A. S. West	Senior Vice President-Sales
22	R. Emmet	Vice President and Treasurer
	F. L. Hartman	Vice President and Corporate Counsel
	J. D. Kucera	Corporate Medical Director
	R. F. Novak	Vice President-Human Resources
	J. A. Trethewey	Vice President and Controller
20	G. N. Chandler II	Vice President
	J. L. Kelley	Vice President-Public Affairs
	T. C. Levan	Vice President-Corporate Development
18	J. A. Fegan	General Manager-Empire Mine
	J. D. Jeffries	General Manager-Hibbing Taconite
	R. C. Berglund	General Manager-Tilden Mine
	W. H. Muloin	General Manager-Wabash Mines
	R. W. von Bitter	General Manager-LTV Steel Mining Company
17	M. E. Jackson	Secretary

EXHIBIT B

CLEVELAND-CLIFFS INC
SUPPLEMENTAL RETIREMENT BENEFIT PLAN
(as Amended and Restated Effective January 1, 1991)

WHEREAS, Cleveland-Cliffs Inc ("Cleveland-Cliffs") and its subsidiary corporations and affiliates have established, or may hereafter establish, one or more qualified retirement plans;

WHEREAS, the qualified retirement plans, pursuant to Sections 401(a) and 415 of the Internal Revenue Code of 1986, as amended, place certain limitations on the amount of contributions that would otherwise be made thereunder for certain participants;

WHEREAS, Cleveland-Cliffs now desires to provide for the contributions which would otherwise have been made for such participants under certain of its qualified retirement plans except for such limitations, in consideration of services performed and to be performed by each such participant for Cleveland-Cliffs and its subsidiaries and affiliates; and

WHEREAS, Cleveland-Cliffs has entered into, and Cleveland-Cliffs and its subsidiary corporations and affiliates may in the future enter into, agreements with certain executives providing for additional service credit and/or other features for purposes of computing retirement benefits, in consideration of services performed and to be performed by such

executives for Cleveland-Cliffs and its subsidiaries and affiliates.

NOW, THEREFORE, Cleveland-Cliffs hereby amends and restates and publishes the Supplemental Retirement Benefit Plan heretofore established by it, which shall contain the following terms and conditions:

1. DEFINITIONS. A. The following words and phrases when used in this Plan with initial capital letters shall have the following respective meanings, unless the context clearly indicates otherwise. The masculine whenever used in this Plan shall include the feminine.

B. "AFFILIATE" shall mean any partnership or joint venture of which any member of the Controlled Group is a partner or venturer and which shall adopt this Plan pursuant to paragraph 6.

C. "BENEFICIARY" shall mean such person or persons (natural or otherwise) as may be designated by the Participant as his Beneficiary under this Plan. Such a designation may be made, and may be revoked or changed

(without the consent of any previously designated Beneficiary), only by an instrument (in form acceptable to Cleveland-Cliffs) signed by the Participant and filed with Cleveland-Cliffs prior to the Participant's death. In the absence of such a designation and at any other time when there is no existing Beneficiary designated by the Participant to whom payment is to be made pursuant to his

designation, his Beneficiary shall be his beneficiary under the Pension Plan. A person designated by a Participant as his Beneficiary who or which ceases to exist shall not be entitled to any part of any payment thereafter to be made to the Participant's Beneficiary unless the Participant's designation specifically provided to the contrary. If two or more persons designated as a Participant's Beneficiary are in existence, the amount of any payment to the Beneficiary under this Plan shall be divided equally among such persons unless the Participant's designation specifically provided to the contrary.

D. "CODE" shall mean the Internal Revenue Code of 1986, as it has been and may be amended from time to time.

E. "CODE LIMITATIONS" shall mean the limitations imposed by Sections 401(a) and 415 of the Code, or any successor thereto, on the amount of the benefits which may be payable to a Participant from the Pension Plan.

F. "CONTROLLED GROUP" shall mean Cleveland-Cliffs and any corporation in an unbroken chain of corporations beginning with Cleveland-Cliffs, if each of the corporations other than the last corporation in the chain owns or controls, directly or indirectly, stock possessing not less than fifty percent of the total combined voting power of all classes of stock in one of the other corporations.

G. "EMPLOYER(S)" shall mean Cleveland-Cliffs and any other member of the Controlled Group and any Affiliate which shall adopt this Plan pursuant to paragraph 6.

H. "PARTICIPANT" shall mean each person (i) who is a participant in the Pension Plan, (ii) who is a senior corporate officer of Cleveland-Cliffs or a full-time salaried employee of an Employer who has an Incentive Bonus Salary Grade 18 or above, and (ii) who as a result of participation in this Plan is entitled to a Supplemental Benefit under this Plan. Each person who is as a Participant under this Plan shall be notified in writing of such fact by his Employer, which shall also cause a copy of the Plan to be delivered to such person.

I. "PARTICIPATION AGREEMENT" shall mean the agreement filed by the Participant, in the form prescribed by Cleveland-Cliffs, pursuant to paragraph 3.

J. "PENSION PLAN" shall mean, with respect to any Participant, the defined benefit plan specified on Exhibit A hereto in which he participates.

K. "SUPPLEMENTAL AGREEMENT" shall mean, with respect to any Participant, an agreement between the Participant and an Employer, and approved by Cleveland-Cliffs if it is not the Employer, which provides for additional service credit and/or other features for purposes of computing retirement benefits.

L. "SUPPLEMENTAL BENEFIT" or "Supplemental Pension Plan Benefit" shall mean a retirement benefit determined as provided in paragraph 2.

M. "SUPPLEMENTAL RETIREMENT BENEFIT PLAN" or "PLAN" shall mean this Plan, as the same may hereafter be amended or restated from time to time.

2. DETERMINATION OF THE SUPPLEMENTAL PENSION PLAN BENEFIT. Each Participant or Beneficiary of a deceased Participant whose benefits under the Pension Plan payable on or after January 1, 1991 are reduced (a) due to the Code Limitations, or (b) due to deferrals of compensation by such Participant under the Cleveland-Cliffs Inc Voluntary Non-Qualified Deferred Compensation Plan (the "Deferred Compensation Plan"), and each Participant who has entered into a Supplemental Agreement with his Employer (and, where applicable a Beneficiary of a deceased Participant), shall be entitled to a Supplemental Pension Plan Benefit, which shall be determined as hereinafter provided. A Supplemental Pension Plan Benefit shall be a monthly retirement benefit equal to the difference between (i) the amount of the monthly benefit payable on and after January 1, 1991 to the Participant or his Beneficiary under the Pension Plan, determined under the Pension Plan as in effect on the date of the Participant's termination of employment with the Controlled Group and any Affiliate (and payable in the same optional form as his Actual Pension Plan Benefit, as defined below), but calculated without regard to any reduction in the Participant's compensation pursuant to the Deferred Compensation Plan, and as if the

Pension Plan did not contain a provision implementing the Code Limitations, and after giving effect to the provisions of any Supplemental Agreement, and (ii)

the amount of the monthly benefit in fact payable on and after January 1, 1991 to the Participant or his Beneficiary under the Pension Plan. If the benefit payable to a Participant or Beneficiary pursuant to clause (ii) of the immediately preceding sentence (herein referred to as "Actual Pension Plan Benefit") is payable in a form other than a monthly benefit, such Actual Pension Plan Benefit shall be adjusted to a monthly benefit which is the actuarial equivalent of such Actual Pension Plan Benefit for the purpose of calculating the monthly Supplemental Pension Plan Benefit of the Participant or Beneficiary pursuant to the preceding sentence. For any Participant whose benefits become payable under the Pension Plan on or after January 1, 1991, the Supplemental Pension Plan Benefit includes any "Retirement Plan Augmentation Benefit" which the Participant shall have accrued under the Deferred Compensation Plan prior to the amendment of such Plan as of January 1, 1991 to delete such Benefit. The acceptance by the Participant or his Beneficiary of any Supplemental Pension Plan Benefit pursuant to paragraph 3 shall constitute payment of the Retirement Plan Augmentation Benefit included therein for purposes of the Deferred Compensation Plan prior to such amendment.

3. PAYMENT OF THE SUPPLEMENTAL PENSION PLAN BENEFIT. A Participant's (or his Beneficiary's) Supplemental Pension Plan Benefit (calculated as provided in paragraph 2) shall be converted, at the time of his termination of employment with the Controlled Group and any Affiliate, into a lump sum amount of equivalent actuarial value determined by the actuary selected by Cleveland-Cliffs and based on the actuarial factors and assumptions then set forth in the Pension Plan for the purpose of determining the lump sum equivalent of a monthly benefit payable under the Pension Plan, or if no such factors and assumptions are therein set forth, then based on the Pension Benefit Guaranty Corporation interest rate for immediate annuities then in effect (the "Pension Plan Lump Sum Amount"). The Participant's former Employer shall pay the Pension Plan Lump Sum Amount to such Participant or his Beneficiary on the first day of February of the calendar year following the calendar year in which the Participant's retirement or death shall have occurred or such earlier time prior thereto, after the Participant's retirement or death, as shall be fixed by Cleveland-Cliffs.

4. FORFEITABILITY. Anything herein to the contrary notwithstanding, if the Board of Directors of Cleveland-Cliffs shall determine in good faith that a Participant who is entitled to a benefit hereunder by reason of termination of his employment with Cleveland-Cliffs, during the period of 10 years

after termination of his employment or until he attains age 65, whichever period is shorter, has engaged in a business competitive with Cleveland-Cliffs or any member of the Controlled Group or any Affiliate without the prior written consent of Cleveland-Cliffs, such Participant's rights to a Supplemental Pension Plan Benefit hereunder and the rights, if any, of his Beneficiary shall be terminated and no further Supplemental Benefit shall be paid to him or his Beneficiary hereunder.

5. GENERAL. A. The entire cost of this Supplemental Retirement Benefit Plan shall be paid from the general assets of one or more of the Employers. It is the intent of the Employers to so pay benefits under the Plan as they become due; provided, however, that Cleveland-Cliffs may, in its sole discretion, establish or cause to be established a trust account for any or each Participant pursuant to an agreement, or agreements, with a bank and direct that some or all of a Participant's benefits under the Plan be paid from the general assets of his Employer which are transferred to the custody of such bank to be held by it in such trust account as property of the Employer subject to the claims of the Employer's creditors until such time as benefit payments pursuant to the Plan are made from such assets in accordance with such agreement; and until any such payment is made, neither the Plan nor any Participant or Beneficiary shall have any preferred claim on,

or any beneficial ownership interest in, such assets. No liability for the payment of benefits under the Plan shall be imposed upon any officer, director, employee, or stockholder of Cleveland-Cliffs or other Employer.

B. No right or interest of a Participant or his Beneficiary under this Supplemental Retirement Benefit Plan shall be anticipated, assigned (either at law or in equity) or alienated by the Participant or his Beneficiary, nor shall any such right or interest be subject to attachment, garnishment, levy, execution or other legal or equitable process or in any manner be liable for or subject to the debts of any Participant or Beneficiary. If any Participant or Beneficiary shall attempt to or shall alienate, sell, transfer, assign, pledge or otherwise encumber his benefits under the Plan or any part thereof, or if by reason of his bankruptcy or other event happening at any time such benefits would devolve upon anyone else or would not be enjoyed by him, then Cleveland-Cliffs may terminate his interest in any such benefit and hold or apply it to or for his benefit or the benefit of his spouse, children or other person or persons in fact dependent upon him, or any of them, in such a manner as Cleveland-Cliffs may deem proper; provided, however, that the provisions of this sentence shall not be applicable to the surviving spouse

of any deceased Participant if Cleveland-Cliffs consents to such inapplicability, which consent shall not unreasonably be withheld.

C. Employment rights shall not be enlarged or affected hereby. The Employers shall continue to have the right to discharge or retire a Participant, with or without cause.

D. Notwithstanding any other provisions of this Plan to the contrary, if Cleveland-Cliffs determines that any Participant may not qualify as a "management or highly compensated employee" within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or regulations thereunder, Cleveland-Cliffs may determine, in its sole discretion, that such Participant shall cease to be eligible to participate in this Plan. Upon such determination, the Employer shall make an immediate lump sum payment to the Participant equal to his then vested Supplemental Benefit. Upon such payment, no benefits shall thereafter be payable under this Plan either to the Participant or any Beneficiary of the Participant, and all of the Participant's elections as to the time and manner of payment of his Supplemental Benefit shall be deemed to be canceled.

6. ADOPTION OF SUPPLEMENTAL RETIREMENT BENEFIT PLAN. Any member of the Controlled Group or any Affiliate which is an employer under the Pension Plan may become an Employer hereunder with the written consent of Cleveland-Cliffs if such member or such Affiliate executes an instrument evidencing its adoption of the Supplemental Retirement Benefit Plan and files

a copy thereof with Cleveland-Cliffs. Such instrument of adoption may be subject to such terms and conditions as Cleveland-Cliffs requires or approves.

7. MISCELLANEOUS. A. Cleveland-Cliffs shall interpret where necessary, in its reasonable and good faith judgment, the provisions of the Supplemental Retirement Benefit Plan and, except as otherwise provided in the Plan, shall determine the rights and status of Participants and Beneficiaries hereunder (including, without limitation, the amount of any Supplemental Benefit to which a Participant or Beneficiary may be entitled under the Plan). Except to the extent federal law controls, all questions pertaining to the construction, validity and effect of the provisions hereof shall be determined in accordance with the laws of the State of Ohio.

B. Cleveland-Cliffs may, from time to time, delegate all or part of the administrative powers, duties and authorities delegated to it under this Plan to such person or persons, office of committee as it shall select by written notice to the Participants. For the purposes of ERISA, Cleveland-Cliffs shall be the plan sponsor and the plan administrator.

C. Whenever there is denied, whether in whole or in part, a claim for benefits under the Plan filed by any person (herein referred to as the "Claimant"), the plan administrator

shall transmit a written notice of such decision to the Claimant, which notice shall be written in a manner calculated to be understood by the Claimant and shall contain a statement of the specific reasons for the denial of the claim and statement advising the Claimant that, within 60 days of the date on which he receives such notice, he may obtain review of such decision in accordance with the procedures hereinafter set forth. Within such 60-day period, the Claimant or his authorized representative may request that the claim denial be reviewed by filing with the plan administrator a written request therefor, which request shall contain the following information:

(i) the date on which the Claimant's request was filed with the plan administrator; provided, however, that the date on which the Claimant's request for review was in fact filed with the plan administrator shall control in the event that the date of the actual filing is later than the date stated by the Claimant pursuant to this paragraph;

(ii) the specific portions of the denial of his claim which the Claimant requests the plan administrator to review;

(iii) a statement by the Claimant setting forth the basis upon which he believes the plan administrator should reverse the previous denial of his claim for benefits and accept his claim as made; and

(iv) any written material (offered as exhibits) which the Claimant desires the plan administrator to examine in its consideration of his position as stated pursuant to clause (iii) above.

Within 60 days of the date determined pursuant to clause (i) above, the plan administrator shall conduct a full and fair review of the decision denying the Claimant's claim for benefits. Within 60 days of the date of such hearing, the plan administrator shall render its written decision on review, written in a manner calculated to be understood by the Claimant, specifying the reasons and Plan provisions upon which its decision was based.

8. AMENDMENT AND TERMINATION. A. Cleveland-Cliffs has reserved and does hereby reserve the right to amend, at any time, any or all of the provisions of the Supplemental Retirement Benefit Plan for all Employers,

without the consent of any other Employer or any Participant, Beneficiary or any other person. Any such amendment shall be expressed in an instrument executed by Cleveland-Cliff and shall become effective as of the date designated in such instrument or, if no such date is specified, on the date of its execution.

B. Cleveland-Cliffs has reserved, and does hereby reserve, the right to terminate the Supplemental Retirement Benefit Plan at any time for all Employers, without the consent of any other Employer or of any Participant, Beneficiary or any

other person. Such termination shall be expressed in an instrument executed by Cleveland-Cliffs and shall become effective as of the date designated in such instrument, or if no date is specified, on the date of its execution. Any other Employer which shall have adopted the Plan may, with the written consent of Cleveland-Cliffs, elect separately to withdraw from the Plan and such withdrawal shall constitute a termination of the Plan as to it, but it shall continue to be an Employer for the purposes hereof as to Participants or Beneficiaries to whom it owes obligations hereunder. Any such withdrawal and termination shall be expressed in an instrument executed by the terminating Employer and shall become effective as of the date designated in such instrument or, if no date is specified, on the date of its execution.

C. Notwithstanding the foregoing provisions hereof, no amendment or termination of the Supplemental Retirement Benefit Plan shall, without the consent of the Participant (or, in the case of his death, his Beneficiary), adversely affect (i) the benefit under the Plan of any Participant or Beneficiary then entitled to receive a benefit under the Plan or (ii) the right of any other Participant to receive upon termination of his employment with the Controlled Group and any Affiliate (or the right of his Beneficiary to receive upon such Participant's death) that benefit which would have been received under the Plan if such employment of the Participant

had terminated immediately prior to the amendment or termination of the Plan. Upon any termination of the Plan, each affected Participant's Supplemental Benefit shall be determined and distributed to him or, in the case of his death, to his Beneficiary as provided in paragraph 3 as if the employment of the Participant with the Controlled Group and any Affiliate had terminated immediately prior to the termination of the Plan.

9. EFECTIVE DATE. The amended and restated Supplemental Retirement Benefit Plan shall be effective as of January 1, 1991.

IN WITNESS WHEREOF, Cleveland-Cliffs Inc, pursuant to the order of its Board of Directors, has executed this amended and restated Supplemental Retirement Benefit Plan at Cleveland, Ohio, this 9th day of April, 1991.

CLEVELAND-CLIFFS INC

By _____
Vice President - Human Resources

2291D

Exhibit C

Deposit Agreement for Participating Subsidiary

WITNESSETH:

WHEREAS, the undersigned is a subsidiary corporation or affiliate of Cleveland-Cliffs Inc and contributes to the Plan as defined in a certain Trust Agreement No. 7 dated April 9, 1991, by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs"), and Ameritrust Company National Association, a national banking association ("Trustee"); and

WHEREAS, the undersigned wishes to become a Participating Subsidiary and Participating Employer pursuant to the terms of Trust Agreement No. 7.

NOW, THEREFORE, in consideration of the premises the undersigned ("Subsidiary") hereby adopts Trust Agreement No. 7 and agrees to be bound by its terms effective the ____ day of _____, 199_____. In addition:

1. Capitalized terms in this Deposit Agreement shall have the meanings set forth in Trust Agreement No. 7 unless the context clearly requires otherwise.

2. The Subsidiary by its signature hereto irrevocably makes, constitutes and appoints Cleveland-Cliffs its agents and its true and lawful attorney in its name, place and stead, with the power from time to time to substitute or resubstitute one or more others as such attorney, and to make, execute, swear

to, acknowledge, verify, deliver, file, record and publish any or all of the

following:

(a) All documents, agreements, requests, undertakings, certificates or other instruments which may be required or deemed desirable by Cleveland-Cliffs to effectuate the provisions of any part of Trust Agreement No. 7 and by way of extension and not in limitation to do all such other things as shall be necessary to continue the Trust under the laws of the State of Ohio.

(b) Amendments to Trust Agreement No. 7 authorized or approved in accordance with Sections 4, 9 and 14 thereof and all documents, certificates or other instruments deemed desirable by Cleveland-Cliffs or required in connection therewith.

3. It is expressly intended by the Subsidiary that the foregoing power of attorney is a special power of attorney coupled with an interest in favor of Cleveland-Cliffs appointed as attorney-in-fact on the Subsidiary's behalf, and as such shall be irrevocable and shall survive the Subsidiary's merger, dissolution or other termination of existence.

4. In the event a Participant is transferred from the employ of the Subsidiary to another Participating Employer, effective on the date of such transfer, the Subsidiary may agree to assign assets with a value equal to, or greater or lesser than, the value of the transferred Participant's account under Section 7(b) of the Trust to the successor Participating Employer in exchange for such Participating Employer assuming and being responsible for the Subsidiary's liabilities and obligations to such transferred Participant under the Plan.

5. In the event a Participant is transferred from the employ of another Participating Employer to the Subsidiary, effective on the date of such transfer, the Subsidiary may agree that upon the assignment by such Participating Employer to the Subsidiary of assets with a value equal to, or greater or lesser than, the value of the transferred Executive's account under Section 7(b) of the Trust, in exchange therefor, the Subsidiary will assume and be responsible for the Participating Employer's liabilities and obligations to such participant under the Plan.

6. The Subsidiary agrees to bear its pro rata share (as determined by Cleveland-Cliffs) of any and all expenses of the Trust.

IN WITNESS WHEREOF, the Subsidiary has caused this Deposit Agreement, to be executed on its behalf on _____, 199____.

Subsidiary

By: _____
Its: _____

Accepted

CLEVELAND-CLIFFS INC

By: _____
Its: _____

AMERITRUST COMPANY, NATIONAL ASSOCIATION

By: _____
Its: _____

FIRST AMENDMENT TO TRUST AGREEMENT NO. 7

This First Amendment to Trust Agreement No. 7 is made on this 9th day of March, 1992, by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs") and Ameritrust Company National Association, a national banking association, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, on April 9, 1991, Cleveland-Cliffs and the Trustee entered into a trust agreement ("Trust Agreement No. 7") for the purpose of providing benefits under the Cleveland-Cliffs Inc Supplemental Retirement Benefit Plan, as Amended and Restated (Effective January 1, 1991), to certain employees of Cleveland-Cliffs and its subsidiary corporations and affiliates; and

WHEREAS, Cleveland-Cliffs has reserved the right, with the Trustee, pursuant to Section 12 of Trust Agreement No. 7, to amend Trust Agreement No. 7 without the consent of any Trust Beneficiaries, as defined in Trust Agreement No. 7.

NOW, THEREFORE, Cleveland-Cliffs and the Trustee hereby agree

that Trust Agreement No. 7 shall be amended as follows:

1. The second sentence of Section l(b) of Trust Agreement No. 7 is hereby amended to read as follows:

"The term "Change of Control" shall mean the occurrence of any of the following events:

(i) Cleveland-Cliffs shall merge into itself, or be merged or consolidated with, another corporation and a as result of such merger or consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs as the same shall have existed immediately prior to such merger or consolidation;

(ii) Cleveland-Cliffs shall sell or transfer to one or more persons, corporations or entities, in a single transaction or a series of related transactions, more than one-half of the assets accounted for on the Statement of Consolidated Financial Position of Cleveland-Cliffs as "properties" or "investments in associated companies" (or such replacements for these accounts as may be adopted from time to time) unless by an affirmative vote of two-thirds of the members of the Board of Directors, the transaction or transactions are exempted from the operation of this provision based on a good faith finding that the transaction or transactions are not within the intended scope of this definition for purposes of this instrument;

(iii) a person within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange Act of 1934, shall become the beneficial owner (as defined in Rule 13d-3 of the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934) of 30% or more of the

outstanding voting securities of Cleveland-Cliffs (whether directly or indirectly); or

(iv) during any period of three consecutive years, including, without limitation, the year 1991, individuals who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease, for any reason, to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any such period was approved by a vote of at least one-third of the Directors of Cleveland-Cliffs who are Directors of Cleveland-Cliffs on the date of the beginning of any such period."

IN WITNESS WHEREOF, Cleveland-Cliffs and the Trustee have caused counterparts of this First Amendment to Trust Agreement No. 7 to be executed on March 9, 1992.

- ----------

CLEVELAND-CLIFFS INC

By: R. F. Novak

Its: Vice President

AMERITRUST COMPANY NATIONAL ASSOCIATION

By: J. R. Russell

Its: Vice President

EXHIBIT 10(v)

TRUST AGREEMENT No. 8

This Trust Agreement ("Trust Agreement No. 8") made this 9th day of April, 1991 by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs"), and Ameritrust Company National Association, a national banking association (the "Trustee");

WITNESSETH:

WHEREAS, certain benefits are or may become payable under the provisions of the Amended and Restated Cleveland-Cliffs Inc Retirement Plan for Non-Employee Directors, effective June 1, 1984 and amended and restated effective January 1, 1988, as the same may hereafter be supplemented, amended or restated, or any successor thereto (the "Plan"), a current copy of which is attached hereto as Exhibit B and incorporated herein by reference, to the non-employee Directors listed (from time to time as provided in Section 9(c) hereof) on Exhibit A hereto ("Directors");

WHEREAS, the Plan provides for the payment, following retirement from the Board of Directors of Cleveland-Cliffs Inc (the "Board"), of an annual retainer to all non-employee Directors with five years of active service or with less than five years of active service in the event of a "Change of Control" (as defined herein);

WHEREAS Cleveland-Cliffs wishes specifically to assure the payment to the Directors of amounts due under the Plan (the amounts so payable being collectively referred to herein as the "Benefits");

WHEREAS, subject to Section 9 hereof, the amounts and timing of Benefits to which each Director is presently or may become entitled are as provided in the Plan;

WHEREAS, Cleveland-Cliffs wishes to establish a trust (the "Trust") and to transfer to the Trust assets which shall be held therein subject to the claims of the creditors of Cleveland-Cliffs to the extent set forth in Section 3 hereof until paid in full to all Directors as Benefits in such manner and at such times as specified herein unless Cleveland-Cliffs is Insolvent (as defined herein) at the time that such Benefits become payable; and

WHEREAS, Cleveland-Cliffs shall be considered "Insolvent" for purposes of this Trust Agreement at such time as Cleveland-Cliffs (i) is subject to a pending voluntary or involuntary proceeding as a debtor under the United States Bankruptcy Code, as heretofore or hereafter amended, or (ii) is unable to pay its debts as they mature.

NOW, THEREFORE, the parties do hereby establish the Trust and agree that the Trust shall be comprised, held and disposed of as follows:

1. TRUST FUND: (a) Subject to the claims of its creditors to the extent set forth in Section 3 hereof, Cleveland-Cliffs hereby deposits with the Trustee in trust Ten

Dollars ($10.00) which shall become the principal of this Trust, to be held, administered and disposed of by the Trustee as herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided. The Trust hereby established shall be irrevocable.

(b) Cleveland-Cliffs shall notify the Trustee promptly in the event that a "Change of Control," (as defined herein) has occurred. The term "Change of Control" shall mean the occurrence of any of the following events:

(i) a tender offer shall be made and consummated for the ownership of 30% or more of the outstanding voting securities of Cleveland-Cliffs;

(ii) Cleveland-Cliffs shall be merged or consolidated with another corporation and as a result of such merger or consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs, other than affiliates (within the meaning of the Securities Exchange Act of 1934) of any party to such merger or consolidation, as the same shall have existed immediately prior to such merger or consolidation;

(iii) Cleveland-Cliffs shall sell substantially all of its assets to another corporation which is not a wholly owned subsidiary;

(iv) a person, within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange Act of 1934, shall acquire 30% or more of the outstanding voting securities of Cleveland-Cliffs (whether directly, indirectly,

beneficially or of record), or

(v) during any period of two consecutive years, individuals who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease for any reason to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any such period was approved by a vote of at least two-thirds of the Directors of Cleveland-Cliffs then still in office who are Directors of Cleveland-Cliffs on the date at the beginning of any such period.

For purposes hereof, ownership of voting securities shall take into account and shall include ownership as determined by applying the provisions of Rule 13d-3(d)(1)(i) (as in effect on the date hereof) pursuant to the Securities Exchange Act of 1934.

(c) Any payments by the Trustee pursuant to this Agreement shall, to the extent thereof, discharge the obligation of Cleveland-Cliffs to pay benefits under the Plan, it being the intent of Cleveland-Cliffs that assets in the Trust established hereby be held as security for the obligation of Cleveland-Cliffs to pay benefits under the Plan.

(d) The principal of the Trust and any earnings thereon shall be held in trust separate and apart from other funds of Cleveland-Cliffs exclusively for the uses and purposes herein set forth. No Director shall have any preferred claim on, or any beneficial ownership interest in, any assets of the Trust prior to the time that such assets are paid to a Trust Beneficiary as Benefits as provided herein.

(e) The Company may at any time or from time to time make additional deposits of cash or other property in the Trust to augment the principal to be held, administered and disposed of by the Trustee as herein provided, but no payments of all or any portion of the principal of the Trust or earnings thereon shall be made to Cleveland-Cliffs or any other person or entity on behalf of Cleveland-Cliffs except as herein expressly provided.

(f) The Trust is intended to be a grantor trust, within the meaning of section 671 of the Internal Revenue Code of 1986, as amended (the "Code"), or any successor provision thereto, and shall be construed accordingly. The Trust is not designed to qualify under Section 401(a) of the Code or to be subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Trust established under this Trust Agreement No. 8 does not fund and is not intended to fund the Plan or any other employee benefit plan or program of Cleveland-Cliffs. Such Trust is and is intended to be a depository arrangement with the Trustee for the setting aside of cash and other assets of Cleveland-Cliffs as

and when it so determines in its sole discretion for the meeting of part or all of its future obligations with respect to Benefits to some or all of the Trust Beneficiaries under the Plan.

2. PAYMENTS TO TRUST BENEFICIARIES. (a) Provided that the Trustee has not actually received notice as provided in Section 3 hereof that Cleveland-Cliffs is Insolvent, the Trustee shall make payments of Benefits to each Director from the assets of the Trust in accordance with the terms of the Plan and subject to Section 9 hereof. The Trustee shall make provision for withholding of any federal, state, or local taxes that may be required to be withheld by the Trustee in connection with the payment of any Benefit hereunder.

(b) If the balance of a Director's separate account maintained pursuant to Section 7(b) hereof is not sufficient to provide for full payment of Benefits to which such Director is entitled as provided herein, Cleveland-Cliffs shall make the balance of each such payment as provided in the Plan. No payment from the Trust assets to a Director shall exceed the balance of such separate account.

3. THE TRUSTEE'S RESPONSIBILITY REGARDING PAYMENTS TO A TRUST BENEFICIARY WHEN CLEVELAND-CLIFFS IS INSOLVENT: (a)At all times during the continuance of this Trust, the principal and income of the Trust shall be subject to claims of creditors of Cleveland-Cliffs. The Board and the Chief Executive Officer ("CEO") of Cleveland-Cliffs shall have the duty to inform the Trustee if either the Board or the CEO believes that Cleveland-Cliffs is Insolvent. If the Trustee

receives a notice from the Board, the CEO, or a creditor of Cleveland-Cliffs alleging that Cleveland-Cliffs is Insolvent, then unless the Trustee independently determines that Cleveland-Cliffs is not Insolvent, the Trustee shall (i) discontinue payments to any Director, (ii) hold the Trust assets for the benefit of the general creditors of Cleveland-Cliffs, and (iii) promptly seek the determination of a court of competent jurisdiction regarding the Insolvency of Cleveland-Cliffs. The Trustee shall deliver any undistributed principal and income in the Trust to the extent necessary to satisfy the claims of the creditors of Cleveland-Cliffs as a court of competent jurisdiction may

direct. Such payments of principal and income shall be borne by the separate accounts of the Directors in proportion to the balances on the date of such court order of their respective accounts maintained pursuant to Section 7(b) hereof; and provided further, that for this purpose the Threshold Percentage shall be equal to 100%. If payments to any Director have discontinued pursuant to this Section 3(a), the Trustee shall resume payments to such Director only after receipt of an order of a court of competent jurisdiction. The Trustee shall have no duty to inquire as to whether Cleveland-Cliffs is Insolvent and may rely on information concerning the Insolvency of Cleveland-Cliffs which has been furnished to the Trustee by any person. Nothing in this Trust Agreement shall in any way diminish any rights of any Director to pursue his rights as a general creditor of Cleveland-Cliffs with respect to Benefits or otherwise, and the rights of each Director under the

Plan shall in no way be affected or diminished by any provision of this Trust Agreement or action taken pursuant to this Trust Agreement except that any payment actually received by any Director hereunder shall reduce dollar-per-dollar amounts otherwise due to such Director pursuant to the Plan.

(b) If the Trustee discontinues payments of Benefits from the Trust pursuant to Section 3(a) hereof, the Trustee shall, to the extent it has liquid assets, place cash equal to the discontinued payments (to the extent not paid to creditors pursuant to Section 3(a) and not paid to the Trustee pursuant to Section 10 hereof) in such interest-bearing deposit accounts or certificates of deposit (including any such accounts or certificates issued or offered by the Trustee or any successor corporation but excluding obligations of Cleveland-Cliffs) as determined by the Trustee in its sole discretion. If the Trustee subsequently resumes such payments, the first payment following such discontinuance shall include the aggregate amount of all payments which would have been made to the Directors in accordance with this Trust agreement during the period of such discontinuance, less the aggregate amount of payments made to any Director by Cleveland-Cliffs pursuant to the Plan during any such period of discontinuance, together with interest on the net amount delayed determined at a rate equal to the rate paid on the accounts or deposits selected by the Trustee; provided, however, that no such payment shall exceed the balance of the respective Director's account as provided in Section 7(b) hereof.

4. PAYMENTS TO CLEVELAND-CLIFFS: Except to the extent expressly contemplated by this Section 4, Cleveland-Cliffs shall have no right or power to direct the Trustee to return any of the Trust assets to Cleveland-Cliffs before all payments of Benefits have been made to all Directors as herein provided. From time to time, if and when requested by Cleveland-Cliffs to do so and/or in order to comply with Section 7(b) hereof, the Trustee shall engage the services of Hewitt Associates or such other independent actuary as may be mutually satisfactory to Cleveland-Cliffs and to the Trustee to determine the maximum actuarial present values of the future Benefits that could become payable under the Plan and the Agreements with respect to each Director. The Trustee shall determine the fair market values of the Trust assets allocated to the account of each Director pursuant to Section 7(b) hereof. Cleveland-Cliffs shall pay the fees of such independent actuary and of any appraiser engaged by the Trustee to value any property held in the Trust. The independent actuary shall make its calculations based upon the assumptions that (i) the Annual Retainer payable to each active Director shall increase by ten percent per year, and (ii) each Director shall retire from the Board at aye 70. In addition, the independent actuary shall use the 1983 Group Annuity Mortality Table, an interest rate of 8%, Gross National Product Price Deflator increases of 4%, or such other assumptions as are recommended by such actuary and approved by Cleveland-Cliffs and, after the date of a Change of Control, a majority of the Directors (subject to the provisions of

Sections 11(b) hereof). For purposes of this Trust Agreement, (A) the "Fully Funded" amount with respect to the account of a Director maintained pursuant to Section 7(b) hereof shall be equal to the "Threshold Percentage," as defined below, multiplied by the maximum actuarial present value of the future Benefits that could become payable under the Plan with respect to the Director, and (B) the "Account Excess" with respect to such account shall be equal to the excess, if any, of the fair market value of the assets held in the Trust allocated to a Director's account over the respective Fully Funded amount. Unless otherwise provided, prior to a Change of Control the Threshold Percentage shall be equal to 110%, and following a Change of Control the Threshold Percentage shall be equal to 140%. The Trustee shall allocate any Account Excess in accordance with Section 7(b) hereof. Thereafter, upon the request of Cleveland-Cliffs, the Trustee shall pay to Cleveland-Cliffs the excess, if any, of the aggregate account balances over the aggregate Fully Funded amounts computed upon the basis of a Threshold Percentage equal to 140%.

5. INVESTMENT OF PRINCIPAL: (a) The Trustee shall invest and reinvest the principal of the Trust including any income accumulated and added to principal, as directed by the Compensation Committee of the Board (which direction may include investment in Common Shares of Cleveland-Cliffs).

In the absence of any such direction, the Trustee shall have sole power to invest the assets of the Trust (including investment in common shares of Cleveland-Cliffs). The Trustee shall act at

all times, however, with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims. The investment objective of the Trustee shall be to preserve the principal of the Trust while obtaining a reasonable total rate of return, measurement of which shall include market appreciation or depreciation plus receipt of interest and dividends. The Trustee shall not be required to invest nominal amounts. The Trustee shall be mindful, in the course of its management of the Trust, of the liquidity demands on the Trust and any actuarial assumptions that may be communicated to it from time to time in accordance with the provisions of this Trust Agreement No. 8.

(b) In addition to authority given to the Trustee under Section 8 hereof, the Trustee is empowered with respect to the assets of the Trust:

(i) To invest and reinvest all or any part of the Trust assets, in each and every kind of property, whether real, personal or mixed, tangible or intangible, whether income or non-income producing, whether secured or unsecured and wherever situated, including, but not limited to, real estate, shares of common and preferred stock, mortgages and bonds, leases (with or without option to purchase), notes, debentures, equipment or collateral trust certificates, and other corporate, individual or government securities or obligations, time deposits (including savings

deposit and certificates of deposit in the Trustee or its affiliates if such deposits bear a reasonable rate of interest), common or collective funds or trusts, and mutual funds or investment companies, including affiliated investment companies and 12 B-1 funds. Cleveland-Cliffs acknowledges and agrees that the Trustee may receive fees as a participating depository institution for services relating to the investment of funds in an eligible mutual fund.

(ii) At such time or times, and upon such terms and conditions as the Trustee shall deem advisable, to sell, convert, redeem, exchange, grant options for the purchase or exchange of, or otherwise dispose of, any property held hereunder, at public or private sale, for cash or upon credit, with or without security, without obligation on the part of any person dealing with the Trustee to see to the application of the proceeds of or to inquire into the validity, expediency, or propriety of any such disposal;

(iii) To manage, operate, repair, partition, and improve and mortgage or lease (with or without an option to purchase) for any length of time any property held in the Trust; to renew or extend any mortgage or lease, upon such terms as the Trustee may deem expedient; to agree to reduction of the rate of interest on any mortgage; to agree to any modification in the terms of any lease or mortgage or of any guarantee pertaining to either of them; to exercise and enforce any right of foreclosure; to bid on property in foreclosure; to take a deed in lieu of foreclosure with or

without paying consideration therefor and in connection therewith to release the obligation on the bond secured by the mortgage; and to exercise and enforce in any action, suit, or proceeding at law or in equity any rights, covenants, conditions or remedies with respect to any lease or mortgage or to any guarantee pertaining to either of them or to waive any default in the performance thereof;

(iv) To join in or oppose any reorganization, recapitalization, consolidation, merger or liquidation, or any plan therefor, or any lease (with or without an option to purchase), mortgage or sale of the property of any organization the securities of which are held in the Trust; to pay from the Trust any assessments, charges or compensation specified in any plan of reorganization, recapitalization, consolidation, merger or liquidation; to deposit any property allotted to the Trust in any reorganization, recapitalization, consolidation, merger or liquidation; to deposit: any property with any committee or depository; and to retain any property allotted to the Trust in any reorganization, recapitalization, consolidation, merger or liquidation;

(v) To compromise, settle, or arbitrate any claim, debt or obligation of or against the Trust; to enforce or abstain from enforcing any right, claim, debt, or obligation; and to abandon any property determined by it to be worthless;

(vi) To make, execute and deliver, as Trustee, any deeds, conveyances, leases (with or without option to purchase),

mortgages, options, contracts, waivers or other instruments that the Trustee shall deem necessary or desirable in the exercise of its powers under this Agreement; and

(vii) To pay out of the assets of the Trust all taxes imposed or levied with respect to the Trust and in its discretion may contest the validity or amount of any tax, assessment, penalty, claim, or demand respecting the Trust and may institute, maintain, or defend against any related action or proceeding either at law or in equity (and in such regard, the Trustee shall be indemnified in accordance with Section 8(d) hereof).

6. INCOME OF THE TRUST: Except as provided in Section 3 hereof, during the continuance of this Trust all net income of the Trust shall be allocated not less frequently than monthly among the Directors' separate accounts in accordance with Section 7(b) hereof.

7. ACCOUNTING BY TRUSTEE: (a) The Trustee shall maintain books, records and accounts as may be necessary for the proper administration of Trust assets, including such specific records as shall be agreed upon in writing by Cleveland-Cliffs and the Trustee, and shall render to Cleveland-Cliffs within 60 days following the close of each calendar year following the date of this Trust until the termination of this Trust or the removal or resignation of the Trustee and within 60 days after

the date of such termination, removal or resignation) an accounting with respect to the Trust assets as of the end of the then most recent calendar year (and as of the date of such termination, removal or resignation, as the case may be). The Trustee shall furnish to Cleveland-Cliffs on a quarterly basis (or as Cleveland-Cliffs shall direct from time to time) and in a timely manner such information regarding the Trust as Cleveland-Cliffs shall require for purposes of preparing its statements of financial condition. The Trustee shall at all times maintain separate bookkeeping accounts for each Director as prescribed by Section 7(b) hereof, and, upon the written request of a Director, shall provide to him an annual statement of his account. Upon the written request of Cleveland-Cliffs or, on or after the date of Change of Control, a Director, the Trustee shall deliver to such Director or Cleveland-Cliffs, as the case may be, a written report setting forth the amount held in the Trust and a record of the deposits made with respect thereto by Cleveland-Cliffs. Unless Cleveland-Cliffs or any Director shall have filed with the Trustee written exception or objection to any such statement and account within 90 days after receipt thereof, Cleveland-Cliffs and the Directors shall be deemed to have approved such statement and account, and in such case, the Trustee shall be forever released and discharged with respect to all matters and things reported in such statement and account as though it had been settled by a degree of a court of competent jurisdiction in an action or proceeding to which Cleveland-Cliffs and the Directors were parties.

(b) The Trustee shall maintain a separate account for each Director. The Trustee shall credit or debit each Director's account as appropriate to reflect such Director's allocable portion of the trust assets, as such Trust assets may be adjusted from time to time pursuant to the terms of this Trust Agreement No. 8. Except as provided in this Section 7(b), all allocations shall be made in proportion to the balances of the separate accounts of the Directors. Prior to the date of a Change of Control, all deposits of principal pursuant to Section 1(a) and 1(e) hereof shall be allocated as directed by Cleveland-Cliffs. On or after such date deposits of principal shall be allocated as an Account Excess in accordance with this Section 7(b). Income, expense, gain or loss on assets allocated to the separate accounts of the Directors shall be allocated separately to such accounts by the Trustee in proportion to the balances of the separate accounts of the Directors. Prior to the date of a Change of Control, at the request of Cleveland-Cliffs the Trustee shall determine the amount of all Account Excesses. On or after the date of a Change of Control, the Trustee shall determine annually the amount of all Account Excesses. The Trustee shall allocate the aggregate amount of the Account Excesses to any accounts that are not Fully Funded, as defined in Section 4 hereof, in proportion to the differences between the respective Fully Funded amount and account balance, insofar as possible until all accounts are Fully Funded. Any remaining aggregate Account Excess shall be allocated to all the accounts in proportion to the respective Fully Funded amounts.

(c) Nothing in this Section 7 shall preclude the commingling of Trust assets for investment.

8. RESPONSIBILITY OF TRUSTEE: (a) The Trustee shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent corporate trustee, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims; provided, however, that the Trustee shall incur no liability to any person for any action taken pursuant to a direction, request or approval, contemplated by and complying with the terms of this Trust

Agreement No. 8, given in writing by Cleveland-Cliffs, by the Compensation Committee or by a Director applicable to his or her beneficial interest herein; and provided, further, that the Trustee shall have no duty to seek additional deposits of principal from Cleveland-Cliffs for additional amounts accrued under the Plan, and the Trustee shall not be responsible for the adequacy of this Trust.

(b) The Trustee may vote any stock or other securities and exercise any right appurtenant to any stock, other securities or other property held hereunder, either in person or by general or limited proxy, power of attorney or other instrument.

(c) The Trustee may hold securities in bearer form and may register securities and other property held in the trust fund in its own name or in the name of a nominee, combine certificates representing securities with certificates of the same issue held by the Trustee in other fiduciary capacities, and deposit, or arrange for deposit of property with any depository; provided that the books and records of the Trustee shall at all times show that all such securities are part of the trust fund.

(d) If the Trustee shall undertake or defend any litigation arising in connection with this Trust Agreement No. 8, it shall be indemnified by Cleveland-Cliffs against its costs, expenses and liabilities (including without limitation attorneys' fees and expenses) relating thereto.

(e) The Trustee may consult with legal counsel, independent accountants and actuaries (who nay be counsel, independent accountants or actuaries for Cleveland-Cliffs) with respect to any of its duties or obligations hereunder, and shall be fully protected in acting or refraining from acting in accordance with the advice of such counsel, independent accountants and actuaries.

(f) The Trustee may rely and shall be protected in acting or refraining from acting within the authority granted by the terms of this Trust Agreement No. 8 upon any written notice, instruction or request furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties.

(g) The Trustee may hire agents, accountants, actuaries, and financial consultants, who may be agents, accountants, actuaries, or financial consultants, as the case may be, for Cleveland-Cliffs, and shall not be answerable for the conduct of same if appointed with due care.

(h) The Trustee is empowered to take all actions necessary or advisable in order to collect any benefits or payments of which the Trustee is the designated beneficiary.

(i) The Trustee shall have, without exclusion, all powers conferred on trustees by applicable law unless expressly provided otherwise herein.

9. AMENDMENTS, ETC. TO PLAN; COOPERATION OF CLEVELAND-CLIFFS:

(a) Cleveland-Cliffs has previously furnished the Trustee a complete and correct copy of the Plan, and Cleveland-Cliffs shall, and any Director may, promptly furnish the Trustee true and correct copies of any amendment, restatement or successor thereto, whereupon such amendment, restatement or successor shall be incorporated herein by reference, provided that such amendment, restatement or successor shall not affect the Trustee's duties and responsibilities hereunder without the consent of the Trustee.

(b) Cleveland-Cliffs shall provide the Trustee with all information requested by the Trustee for purposes of determining payments to the Directors or withholding of taxes as provided in Section 2. Upon the failure of Cleveland-Cliffs or any Director to provide any such information, the Trustee shall, to the extent necessary in the sole judgment of the Trustee, (i) compute the amount payable hereunder to any Director; and (ii) notify Cleveland-Cliffs and the Director in writing of its computations. Thereafter this Trust Agreement No. 8 shall be construed as to the Trustee's duties and obligations hereunder in accordance with such Trustee determinations without further action; provided, however, that no such determinations shall in any way diminish the rights of any Director hereunder or under

the Plan; and provided, further, that no such determinations shall be deemed to modify this Trust Agreement No. 8 or the Plan. Nothing in this Trust Agreement No. 8 shall restrict Cleveland-Cliffs' right to amend, modify or terminate the Plan.

(c) At such times as may in the judgment of Cleveland-Cliffs be appropriate, Cleveland-Cliffs shall furnish to the Trustee any amendment to Exhibit A for the purpose of the addition of Directors to Exhibit A (or the deletion of Directors from Exhibit A who have no Benefits currently due or payable in the future) to Exhibit A; provided, however, that no such amendment shall be made after the date of a Change of Control.

10. COMPENSATION AND EXPENSES OF TRUSTEE: The Trustee shall be entitled to receive such reasonable compensation for its services as shall be agreed to upon by Cleveland-Cliffs and the Trustee. The Trustee shall

also be entitled to reimbursement of its reasonable expenses incurred with respect to the administration of the Trust including fees and expenses incurred pursuant to Sections 8(d), 8(e) and 8(g) and liabilities to creditors pursuant to court direction as provided in Section 3(a) hereof. Such compensation and expenses shall in all events be payable either directly by Cleveland-Cliffs or, in the event that Cleveland-Cliffs shall refuse, from the assets of the Trust and charged pro rata in proportion to each separate account balance. The Trust shall have a claim against Cleveland-Cliffs for any such compensation or expenses so paid.

11. REPLACEMENT OF THE TRUSTEE: (a) Prior to the date of a Change of Control, the Trustee may be removed by

Cleveland-Cliffs. On or after the date of a Change of Control, the Trustee may be removed at any time by agreement of Cleveland-Cliffs and a majority of the Directors. The Trustee may resign after providing not less than 90 days' notice to Cleveland-Cliffs and to the Directors. In case of removal or resignation, a new trustee, which shall be independent and not subject to control of either Cleveland-Cliffs or the Directors, shall be appointed as shall be agreed by Cleveland-Cliffs and a majority of the Directors. No such removal or resignation shall become effective until the acceptance of the trust by a successor trustee designated in accordance with this Section 11. If the Trustee should resign, and within 45 days of the notice of such resignation Cleveland-Cliffs and the Directors shall not have notified the Trustee of an agreement as to a replacement trustee, the Trustee shall appoint a successor trustee, which shall be a bank or trust company, wherever located, having a capital and surplus of at least $500,000,000 in the aggregate.

(b) For purposes of the removal or appointment of a Trustee under this Section 11, a Director shall not participate if all payments of Benefits then currently due or payable in the future have been made to such Director.

12. AMENDMENT OR TERMINATION: (a) This Trust Agreement No. 8 may be amended by Cleveland-Cliffs and the Trustee without the consent of any Director provided the amendment does not adversely affect any Director. This Trust Agreement No. 8 may also be amended at any time and to any extent by a written instrument executed by the Trustee,

Cleveland-Cliffs and a majority of the Directors, except to alter Section 12(b), and except that amendments to Exhibit A contemplated by Section 9(b) hereof shall be made as therein provided.

(b) The Trust shall terminate on the date on which the Trust no longer contains any assets, or, if earlier, the date on which each Director is entitled to no further payments hereunder.

(c) Upon termination of the Trust as provided in Section 12(b) hereof, any assets remaining in the Trust shall be returned to Cleveland-Cliffs.

13. SPECIAL DISTRIBUTION: (a) It is intended that (i) the creation of, and transfer of assets to, the Trust will not cause the Plan to be other than "unfunded" for purposes of title I of the Employee Retirement Income Security Act of 1974, as amended, or any successor provision thereto ("ERISA"); (ii) transfers of assets to the Trust will not be transfers of property for purposes of section 83 or the Code, or any successor provision thereto, nor will such transfers cause a currently taxable benefit to be realized by a Director pursuant to the "economic benefit" doctrine; and (iii) pursuant to section 451 of the Code, or any successor provision thereto, amounts will be includable as compensation in the gross income of a Director in the taxable year or years in which such amounts are actually distributed or made available to such Director by the Trustee.

(b) Notwithstanding anything to the contrary contained in this Trust Agreement No. 8, in the event it is determined by

a final decision of the Internal Revenue Service, or, if an appeal is taken therefrom, by a court of competent jurisdiction that (i) by reason of the creation of, and a transfer of assets to, the Trust, the Trust is considered "funded" for purposes of title I of ERISA; or (ii) a transfer of assets to the Trust is considered a transfer of property for purposes of section 83 of the Code or any successor provision thereto; or (iii) a transfer of assets to the Trust causes a Director to realize income pursuant to the "economic benefit" doctrine; or (iv) pursuant to section 451 of the Code or any successor provision thereto, amounts are includable as compensation in the gross income of a Director in a taxable year that is prior to the taxable year or years in which such amounts would, but for this Section 13, otherwise actually be distributed or made available to such Director by the Trustee, then (A) the assets held in Trust shall be allocated in accordance with Section 7(b) hereof, and (B) subject to the last sentence of Section 2(b) hereof, the Trustee shall promptly make a distribution to each affected Director which, after taking into account the federal, state and local income tax consequences of the special distribution itself, is equal to the sum of any federal, state and local income

taxes, interest due thereon, and penalties assessed with respect thereto, which are attributable to amounts that are includable in the income of such Director for any of the reasons described in clause (i), (ii), (iii) or (iv) of this Section 13(b).

14. SEVERABILITY, ALIENATION, ETC.: (a) Any provision of this Trust Agreement No. 8 prohibited by law shall be ineffective to the extent of any such prohibition without invalidating the remaining provisions hereof.

(b) To the extent permitted by law, benefits to Directors under this Trust Agreement No. 8 may not be anticipated, assigned (either at law or in equity), alienated or subject to attachment, garnishment, levy, execution or other legal or equitable process and no benefit provided for herein and actually paid to any director by the Trustee shall be subject to any claim for repayment by Cleveland-Cliffs or Trustee.

(c) This Trust Agreement No. 8 shall be governed by and construed in accordance with the laws of the State of Ohio, without giving effect to the principles of conflict of laws thereof.

(d) This Trust Agreement No. 8 may be executed in two or more counterparts, each of which shall be considered an original agreement. This Trust Agreement No. 8 shall become effective immediately upon the execution by Cleveland-Cliffs of at least one counterpart, it being understood that all parties need not sign the same counterpart, but shall not bind any Trustee until such Trustee has executed at least one counterpart.

15. NOTICES; IDENTIFICATION OF CERTAIN TRUST BENEFICIARIES: All notices, requests, consents and other communications hereunder shall be in writing and shall be deemed to have been duly given when received:

If to the Trustee, to:

Ameritrust Company National Association
900 Euclid Avenue
Cleveland, Ohio 44115
Attention: Trust Department
Employee Benefit Administration

If to Cleveland-Cliffs, to:

Cleveland-Cliffs Inc
1100 Superior Avenue
Cleveland, OH 44114
Attention: Secretary

If to the Director's, to the addresses listed on Exhibit A hereto;

provided, however, that if any party or any Director or his or its successors shall have designated a different address by written notice to the other parties, then to the last address so designated.

IN WITNESS WHEREOF, Cleveland-Cliffs and the Trustee have caused counterparts of this Trust Agreement No. 8 to be executed on their behalf on April 9, 1991, each of which shall be an original agreement.

CLEVELAND-CLIFFS INC

By: Richard F. Novak
Its: V.P. of Human Resources

AMERITRUST COMPANY NATIONAL ASSOCIATION

By: J. R. Russell
Its: Vice President

2224D

Exhibit A

Name	Address
Harry J. Bolwell	3305 Roundwood Road Chagrin Falls, OH 44022
E. Mandell de Windt	25299 Cedar Road Lyndhurst, OH 44122
Richard J. Flynn	77 Fiske Hill Sturbridge, MA 01566
James D. Ireland III	121 East 69th Street New York, New York 10021
E. Bradley Jones	2775 Lander Road Pepper Pike, OH 44124
David V. Ragone	8 Hillside Road Wellesley, MA 02181
Richard S. Sheetz	22040 McCauley Road Shaker Heights, OH 44122
Jeptha H. Wade	251 Old Billerica Street Bedford, MA 01730
Alton W. Whitehouse	34700 Cedar Road Gates Mills, OH 44040

FIRST AMENDMENT TO TRUST AGREEMENT NO. 8

This First Amendment to Trust Agreement No. 8 is made on this 9th day of March, 1992, by and between Cleveland-Cllffs Inc, an Ohio corporation ("Cleveland-Cliffs") and Ameritrust Company National Association, a national banking association, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, on April 9, 1991, Cleveland-Cliffs and the Trustee entered into a trust agreement ("Trust Agreement No. 8") for the purpose of providing benefits under the Cleveland-Cliffs Inc Retirement Plan for Non-Employee Directors (Effective June 1, 1984 and amended and restated effective January 1, 1988) to retired non-employee directors of Cleveland-Cliffs; and

WHEREAS, Cleveland-Cliffs has reserved the right, with the Trustee, pursuant to Section 12 of Trust Agreement No. 8, to amend Trust Agreement No. 8 without the consent of any Trust Beneficiaries, as defined in Trust Agreement No. 8.

NOW, THEREFORE, Cleveland-Cliffs and the Trustee hereby agree that Trust Agreement No. 8 shall be amended as follows:

1. The second sentence of Section 1(b) of Trust Agreement No. 8 is hereby amended to read as follows:

"The term "Change of Control" shall mean the occurrence of any of the following events:

(i) Cleveland-Cliffs shall merge into itself, or be merged or consolidated with, another corporation and as a result of such merger or consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of Cleveland-Cliffs as the same shall have existed immediately prior to such merger or consolidation;

(ii) Cleveland-Cliffs shall sell or transfer to one or more persons, corporations or entities, in a single transaction or a series of related transactions, more than one-half of the assets accounted for on the Statement of Consolidated Financial Position of Cleveland-Cliffs as "properties" or "investments in associated companies" (or such replacements for these accounts as may be adopted from time to time) unless by an affirmative vote of two-thirds of the members of the Board of Directors, the transaction or transactions are exempted from the operation of this provision based on a good faith finding that the transaction or transactions are not within the intended scope of this definition for purposes of this instrument;

(iii) a person within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange Act of 1934, shall become the beneficial owner (as defined in Rule 13d-3 of the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934) of 30% or more of the

outstanding voting securities of Cleveland-Cliffs (whether directly or

indirectly); or

(iv) during any period of three consecutive years, including, without limitation, the year 1991, individuals who at the beginning of any such period constitute the Board of Directors of Cleveland-Cliffs cease, for any reason, to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of Cleveland-Cliffs, of each Director first elected during any such period was approved by a vote of at least one-third of the Directors of Cleveland-Cliffs who are Directors of Cleveland-Cliffs on the date of the beginning of any such period."

IN WITNESS WHEREOF, Cleveland-Cliffs and the Trustee have caused counterparts of this First Amendment to Trust Agreement No. 8 to be executed on March 9, 1992.

CLEVELAND-CLIFFS INC

By: /s/ R. F. Novak

Its:

AMERITRUST COMPANY NATIONAL ASSOCIATION

By: /s/ J. R. Russell

Its: Vice President

3000F

CLEVELAND-CLIFFS INC

VOLUNTARY NON-QUALIFIED DEFERRED COMPENSATION PLAN (AMENDED AND RESTATED AS OF JANUARY 1, 1996)

ARTICLE I
PURPOSE

1.1 STATEMENT OF PURPOSE; EFFECTIVE DATE. This is the Cleveland-Cliffs Inc Voluntary Non-Qualified Deferred Compensation Plan (the "Plan") made in the form of this Plan and in related agreements between an Employer and certain management and highly compensated employees. The purpose of the Plan is to provide management and highly compensated employees of the Employers with the option to defer the receipt of a portion of their regular compensation, bonuses or performance shares payable for services rendered to the Employer. It is intended that the Plan will assist in attracting and retaining qualified individuals to serve as officers and key managers of the Employers. The Plan, originally effective as of June 1, 1989, as amended, is amended and restated as of January 1, 1996.

ARTICLE II
DEFINITIONS

When used in this Plan and initially capitalized, the following words and phrases shall have the meanings indicated:

2.1 ACCOUNT. "Account" means the sum of a Participant's Deferral Account and Matching Account under the Plan.

2.2 BASE SALARY. "Base Salary" means a Participant's base earnings paid by an Employer to a Participant without regard to any increases or decreases in base earnings as a result of an election to defer base earnings under this Plan, or an election between benefits or cash provided under a plan of an Employer maintained pursuant to Section 125 or 401(k) of the Code.

2.3 BENEFICIARY. "Beneficiary" means the person or persons designated or deemed to be designated by the Participant pursuant to Article VII to receive benefits payable under the Plan in the event of the Participant's death.

2.4 BOARD. "Board" means the Board of Directors of the Company.

2.5 BONUS. "Bonus" means a Participant's annual bonus paid by an Employer to a Participant under the Cleveland-Cliffs Inc Management Performance Incentive Plan without regard to any decreases as a result of an election to defer all or any portion of a bonus under this Plan, or an election between benefits or cash provided under a plan of an Employer maintained pursuant to Section 401(k) of the Code.

2.6 CASH AWARD. "Cash Award" means any compensation payable in cash to an Eligible Employee for his or her services to the Company or a Selected Affiliate pursuant to the Company's 1992 Incentive Equity Plan.

2.7 CASH DIVIDEND BENEFIT. "Cash Dividend Benefit" means an in-service distribution described in Section 6.4(c).

2.8 CHANGE IN CONTROL. "Change in Control" means the date on which any of the following is effective:

(a) The Company shall merge into itself, or be merged or consolidated with, another corporation and as a result of such merger or consolidation less than 70% of the outstanding voting securities of the surviving or resulting corporation shall be owned in the aggregate by the former shareholders of the Company as the same shall have existed immediately prior to such merger or consolidation;

(b) The Company shall sell or transfer to one or more persons, corporations or entities, in a single transaction or a series of related transactions, more than one-half of the assets accounted for on the Statement of Consolidated Financial Position of the Company as "properties" or "investments in associated companies" (or such replacements for these accounts as may be adopted from time to time) unless by an affirmative vote of two-thirds of the members of the Board of Directors, the transaction or transactions are exempted from the operation of this provision based on a good faith finding that the transaction or transactions are not within the intended scope of this definition for purposes of this instrument;

(c) A person, within the meaning of Section 3(a)(9) or of Section 13(d)(3) (as in effect on the date hereof) of the Securities Exchange Act of 1934, shall become the beneficial owner (as defined in Rule 13d-3 of the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934) of 30% or more of the outstanding voting securities of the Company (whether directly or indirectly); or

(d) During any period of three consecutive years, individuals who at the beginning of any such period constitute the Board of Directors of the Company cease, for any reason, to constitute at least a majority thereof, unless the election, or the nomination for election by the shareholders of the Company, of each Director first elected during any such period was approved by a vote of at least one-third of the Directors of the Company who are Directors of the Company on the date of the beginning of any such period.

2.9 CODE. "Code" means the Internal Revenue Code of 1986, as amended.

2.10 COMMITTEE. "Committee" has the meaning set forth in Section 8.1.

2.11 COMPANY. "Company" means Cleveland-Cliffs Inc and any successor thereto.

2.12 COMPENSATION. "Compensation" means the Base Salary and Bonus payable with respect to an Eligible Employee for each calendar year.

2.13 DECLARED RATE. "Declared Rate" for any period means the Moody's Corporate Average Bond Yield, as adjusted on the first business day of each January, April, July and October.

2.14 DEFERRAL ACCOUNT. "Deferral Account" means the account maintained on the books of the Employer for the purpose of accounting for (i) the amount of Compensation that a Participant elects to defer under the Plan, (ii) the portion of a Cash Award that a Participant elects to defer under the Plan, (iii) an Employment Agreement Contribution (if any) made on behalf of a Participant, and (iv) the amount of interest credited thereto for each Participant pursuant to Article V.

2.15 DEFERRAL BENEFIT. "Deferral Benefit" means the benefit payable to a Participant or his or her Beneficiary pursuant to Article VI and based on such Participant's Account.

2.16 DEFERRED SHARE AWARD ACCOUNT. "Deferred Share Award Account" means the account maintained on the books of the Employer for a Participant pursuant to Article V.

2.17 DEFERRED SHARE AWARD BENEFIT. "Deferred Share Award Benefit" means the benefits payable in Shares to a Participant or his or her Beneficiary pursuant to Article V and based on such Participant's Deferred Share Award Account.

2.18 DETERMINATION DATE. "Determination Date" means a date on which the amount of a Participant's Account is determined

as provided in Article V. The 15th day and the last day of each month shall be a Determination Date.

2.19 ELIGIBLE EMPLOYEE. "Eligible Employee" means a senior corporate officer of the Company or a full-time salaried employee of an Employer who has a Management Performance Incentive Plan Salary Grade EX-28 or above.

2.20 EMERGENCY BENEFIT. "Emergency Benefit" has the meaning set forth in Section 6.3.

2.21 EMPLOYER. "Employer" means, with respect the Participant, the Company or the Selected Affiliate which pays such Participant's Compensation.

2.22 EMPLOYMENT AGREEMENT. "Employment Agreement" means a written agreement between an Employer and an Eligible Employee that provides for the deferral of compensation, and that may also provide for vesting, the crediting of earnings and other terms and conditions with respect to such deferred compensation.

2.23 EMPLOYMENT AGREEMENT CONTRIBUTION. "Employment Agreement Contribution" means any amount contributed to the Plan by an Employer pursuant to an Employment Agreement.

2.24 FAIR MARKET VALUE. "Fair Market Value" means the average of the highest and lowest sales prices of a Share on the specified date (or, if no Share was traded on such date, on the next preceding date on which it was traded) as reported in The Wall Street Journal.

2.25 MATCHING ACCOUNT. "Matching Account" means the account maintained on the books of an Employer for the purpose of accounting for the Matching Amount and for the amount of interest credited thereto for each Participant pursuant to Article V.

2.26 MATCHING AMOUNT. "Matching Amount" means the amount credited to a Participant's Matching Account under Section 4.3.

2.27 MATCHING PERCENTAGE. "Matching Percentage" means the matching contribution percentage in effect for a specific Plan Year under the Savings Plan.

2.28 PARTICIPANT. "Participant" means any Eligible Employee who elects to participate by filing a Participation Agreement as provided in Section 3.2.

2.29 PARTICIPATION AGREEMENT. "Participation Agreement" means the agreement filed by a Participant, in the form prescribed by the Committee, pursuant to Section 3.2.

2.30 PLAN. "Plan" means the Cleveland-Cliffs Inc Voluntary Non-Qualified Deferred Compensation Plan, as amended from time to time.

2.31 PLAN YEAR. "Plan Year" means a twelve-month period commencing January 1 and ending the following December 31.

2.32 SAVINGS PLAN. "Savings Plan" means, with respect to a Participant, one or more of the Cliffs and Associated Employers Salaried Employees Supplemental Retirement Savings Plan and the Northshore Mining Company and Silver Bay Power Company Retirement Savings Plan for which he or she is eligible to contribute.

2.33 SELECTED AFFILIATE. "Selected Affiliate" means (1) any corporation in an unbroken chain of corporations beginning with the Company if each of the corporations other than the last corporation in the chain owns or controls, directly or indirectly, stock possessing not less than 50 per cent of the total combined voting power of all classes of stock in one of the other corporations, or (2) any partnership or joint venture in which one or more of such corporations is a partner or venturer, each of which shall be selected by the Committee.

2.34 SHARE. "Share" means a share of common stock of the Company.

2.35 SHARE AWARD. "Share Award" means any compensation payable in Shares to an Eligible Employee for his or her services to the Company or a Selected Affiliate pursuant to the Company's 1992 Incentive Equity Plan.

2.36 UNIT. "Unit" means an accounting unit equal in value to one (1) Share. The number of Units included in any Deferred Share Award Account shall be adjusted as appropriate to reflect any stock dividend, stock split, recapitalization, merger or other similar event affecting Shares.

ARTICLE III
ELIGIBILITY AND PARTICIPATION

3.1 ELIGIBILITY. Eligibility to participate in the Plan for any Plan Year with respect to deferral of Compensation is limited to those Eligible Employees who have elected to make the maximum elective contributions permitted them under the terms of the Savings Plan for such Plan Year. Any Eligible Employee is eligible to participate in the Plan for any Plan Year with respect to deferral of a Cash Award and/or a Share Award.

3.2 PARTICIPATION. Participation in the Plan shall be limited to Eligible Employees who elect to participate in the

Plan by filing a Participation Agreement with the Committee, or on whose behalf an Employment Agreement Contribution is made to the Plan by an Employer. A properly completed and executed Participation Agreement shall be filed on or prior to the December 31 immediately preceding the Plan Year in which the Participant's participation in the Plan will commence. The election to participate shall be effective on the first day of the Plan Year following receipt by the Committee of the Participation Agreement. In the event that an Eligible Employee first becomes eligible to participate in the Plan or first commences employment during the course of a Plan Year, a Participation Agreement shall be filed with the Committee not later than 30 days following his eligibility date or date of employment. Each Participation Agreement shall be effective only with regard to (i) Compensation earned and payable following the later of the effective date of the Participation Agreement or the date the Participation Agreement is filed with the Committee, and (ii) a Cash Award and/or a Share Award the payment of which, if subsequently earned, is not earlier than the beginning of the second Plan Year following the date the Participation Agreement is filed with the Committee.

3.3 TERMINATION OF PARTICIPATION. A Participant may elect to terminate his or her participation in the Plan by filing a written notice thereof with the Committee. The termination shall be effective at any time specified by the Participant in the notice but (i) with respect to deferral of Compensation not earlier than the first day of the Plan Year immediately succeeding the Plan Year in which such notice is filed with the Committee, and (ii) with respect to deferral of a Cash Award and/or a Share Award, only with respect to a Cash Award and/or a Share Award which becomes vested not earlier than the last day of the Plan Year which next follows the Plan Year in which such notice is filed with the Committee. Amounts credited to such Participant's Account or Deferred Share Award Account with respect to periods prior to the effective date of such termination shall continue to be payable pursuant to, receive interest on (where applicable), and otherwise governed by, the terms of the Plan.

3.4 INELIGIBLE PARTICIPANT. Notwithstanding any other provisions of this Plan to the contrary, if the Committee determines that any Participant may not qualify as a "management or highly compensated employee" within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or regulations thereunder, the Committee may determine, in its sole discretion, that such Participant shall cease to be eligible to participate in this Plan. Upon such determination, the Employer shall make an immediate lump sum payment to the Participant equal to the vested amount credited to his Account and Deferred Share Award Account. Upon such payment no benefit shall thereafter be payable under this Plan either to the Participant or any Beneficiary of the Participant, and all of

the Participant's elections as to the time and manner of payment of his Account and Deferred Share Award Account will be deemed to be cancelled.

ARTICLE IV
DEFERRAL OF COMPENSATION, CASH AWARDS AND SHARE AWARDS

4.1 DEFERRAL OF COMPENSATION. With respect to each Plan Year, a Participant may elect to defer a specified dollar amount or percentage of his or her Compensation, provided the amount of Compensation the Participant elects to defer under this Plan and the Savings Plan shall not exceed, in the aggregate, the sum of 25% of his or her Base Salary net of such Participant's pretax elective deferrals under the Savings Plan, if any, plus 100% of his or her Bonus. A Participant may choose to have amounts of Compensation deferred under this Plan deducted from his Base Salary, Bonus or a combination of both.

A Participant may change the dollar amount or percentage of his or her Compensation to be deferred by filing a written notice thereof with the Committee. Any such change shall be effective as of the first day of the Plan Year immediately succeeding the Plan Year in which such notice is filed with the Committee. Notwithstanding the foregoing, any Employment Agreement Contribution shall be deferred in accordance with the terms of the Employment Agreement.

4.2 MATCHING AMOUNTS. An Employer shall provide Matching Amounts under this Plan with respect to each Participant who is eligible to be allocated matching contributions under the Savings Plan. The total Matching Amounts under this Plan on behalf of a Participant for each Plan Year shall not exceed (i) the Matching Percentage of the Compensation deferred by a Participant under Section 4.1, up to a maximum of 7% of Compensation, less (ii) the Employer matching contributions allocated to the Participant under the Savings Plan for such Plan Year.

4.3 DEFERRAL OF CASH AWARDS. A Participant may elect to defer all or a specified dollar amount or percentage of his or her Cash Award with respect to a Plan Year, to be credited to his or her Deferral Account. A Participant may change the dollar amount or percentage of his or her Cash Award to be deferred by filing a written notice thereof with the Committee, which shall be effective only with respect to Cash Awards which become vested not earlier than the last day of the Plan Year which next follows the Plan Year in which such notice is filed with the Committee.

4.4 CREDITING DEFERRED COMPENSATION, MATCHING AMOUNTS, CASH AWARDS AND EMPLOYMENT AGREEMENT CONTRIBUTIONS.

(a) The amount of Compensation that a Participant elects to defer shall be credited by the Employer to the Participant's Deferral Account semi-monthly.

(b) The amount of the Employment Agreement Contribution (if any) contributed for a Participant shall be credited by the Employer to the Participant's Deferral Account in accordance with the terms of the Employment Agreement.

(c) The amount of any Cash Award that a Participant elects to defer shall be credited to the Participant's Deferral Account as of the time such Cash Award would otherwise become payable to the Participant.

(d) The Matching Amount under the Plan for each Participant shall be credited by the Employer to the Participant's Matching Account at the same time that matching contributions are allocated under the Savings Plan.

4.5 DEFERRAL OF SHARE AWARDS. A Participant may elect to defer all or a specified number of Shares, or percentage of his or her Share Award with respect to a Plan Year, to be credited to his or her Deferred Share Award Account in Units. A Participant may change the percentage of his or her Share Awards to be deferred by filing a written notice thereof with the Committee, which shall be effective only with respect to Share Awards which become vested not earlier than the last day of the Plan Year which next follows the Plan Year in which such notice is filed with the Committee. No fractional Shares shall be deferred, but the number of Shares deferred shall be rounded down to the nearest whole Share.

4.6 CREDITING OF DEFERRED SHARE AWARDS. The number of Shares in a Share Award or percentage of Share Awards that a Participant elects to defer shall be credited to the Participant's Deferred Share Award Account in Units as of the time such Share Award would otherwise become payable to the Participant. The number of Units credited to the Participant's Deferred Share Award Account shall be equal to the number of Shares of a Participant's Share Award which the Participant has elected to defer.

ARTICLE V
BENEFIT ACCOUNTS

5.1 INVESTMENT OF DEFERRAL AND MATCHING ACCOUNTS. As soon as practicable after the crediting of any amount to a

Participant's Deferral Account or Matching Account, the Company may, in its sole discretion, direct that the Company invest the amount credited, in whole or in part, in such property (real, personal, tangible or intangible), other than securities of the Company, (collectively the "Investments"), as the Committee shall direct, or may direct that the Company retain the amount credited as cash to be added to its general assets. The Committee may, but is under no obligation to, direct the investment of amounts credited to a Participant's Deferral Account or Matching Account in accordance with requests made by the Participant and communicated to the Committee. Earnings from Investments shall be credited to a Participant's Deferral Account or Matching Account and shall be reinvested, as soon as practicable, in the manner provided above. The Company shall be the sole owner and beneficiary of all Investments, and all contracts and other evidences of the Investments shall be registered in the name of the Company. The Company, under the direction of the Committee, shall have the unrestricted right to sell any of the Investments included in any Participant's Deferral Account or Matching Account, and the unrestricted right to reinvest the proceeds of the sale in other Investments or to credit the proceeds of the sale to a Participant's Deferral Account or Matching Account as cash. Amounts credited to a Participant's Deferral Account or Matching Account that are not invested in Investments shall be credited to a Participant's Account as cash.

5.2 DETERMINATION OF ACCOUNT. As of each Determination Date, a Participant's Account shall consist of the following: (i) the balance of the Participant's Account as of the immediately preceding Determination Date, plus (ii) the Participant's deferred Compensation, Matching Amounts, deferred Cash Awards and Employment Agreement Contribution (if any) credited pursuant to Section 4.4 since the immediately preceding Determination Date and any earnings and/or income credited to such amounts pursuant to Sections 5.1 and 5.3 as of such Determination Date, minus (iii) any losses or other diminution in the value of assets in such Account since the immediately preceding Determination Date, minus (iv) the aggregate amount of distributions, if any, made from such Participant's Account since the immediately preceding Determination Date.

5.3 CREDITING OF INTEREST. As of each Determination Date, the amounts credited to a Participant's Account as cash shall be increased by the amount of interest earned since the immediately preceding Determination Date. Interest shall be credited at the Declared Rate as of such Determination Date based on the balance of the cash amounts credited to the Account since the immediately preceding Determination Date, but after such Account has been adjusted for any contributions or distributions to be credited or deducted for such period. Interest for the period prior to the first Determination Date applicable to a Participant's Account shall be deemed earned ratably over such period.

5.4 DETERMINATION OF DEFERRED SHARE AWARD ACCOUNT. On any particular date, a Participant's Deferred Share Award Account shall consist of the aggregate number of Units credited thereto pursuant to Section 4.6, plus any dividend equivalents credited pursuant to Section 5.5, minus the aggregate amount of distributions, if any, made from such Deferred Share Award Account.

5.5 CREDITING OF DIVIDEND EQUIVALENTS. Each Deferred Share Award Account shall be credited, as of the payment date of any cash dividend paid on Shares, with additional Units equal in value to the amount of cash dividends paid by the Company on that number of Shares equivalent to the Units in such Deferred Share Award Account on such payment date. Such dividend equivalents shall be valued using Fair Market Value. A Participant may elect to convert the Units representing such dividend equivalents to cash to be credited to his or her Deferral Account by filing a written notice thereof with the Committee, which shall be effective only with respect to cash dividends paid after the Plan Year in which such notice is filed with the Committee. Until a Participant or his or her Beneficiary receives his or her entire Deferred Share Award Account, the unpaid balance thereof credited in Units shall earn dividend equivalents as provided in this Section 5.5, except as provided in Section 6.4(c).

5.6 STATEMENTS. The Committee shall cause to be kept a detailed record of all transactions affecting each Participant's Account and Deferred Share Award Account and shall provide to each Participant, within 120 days after the close of each Plan Year, a written statement setting forth a description of the Investments and Units in such Participant's Account and Deferred Share Award Account and the cash balance, if any, of such Participant's Account, as of the last day of the preceding Plan Year and showing all adjustments made thereto during such Plan Year.

5.7 VESTING OF ACCOUNT. Subject to the provisions of any Employment Agreement relating to an Employment Agreement Contribution (if any), a

Participant shall be 100% vested in his or her Account and Deferred Share Award Account at all times.

ARTICLE VI
PAYMENT OF BENEFITS

6.1 PAYMENT OF DEFERRAL BENEFIT ON TERMINATION OF SERVICE OR DEATH. Upon the earlier of (i) termination of service of the Participant as an employee of the Employer and all Selected Affiliates, for reasons other than death, or (ii) the death of a Participant, the Employer shall, in accordance with this Article VI, pay to the Participant or his or her Beneficiary, as the case may be, a Deferral Benefit equal to the

balance of his or her vested Account determined pursuant to Article V, less any amounts previously distributed.

6.2 PAYMENT OF DEFERRED SHARE AWARD BENEFIT ON TERMINATION OF SERVICE OR DEATH. Upon the earlier of (i) termination of service of the Participant as an employee of the Employer and all Selected Affiliates, for reasons other than death, or (ii) the death of a Participant, the Employer shall, in accordance with this Article VI, pay to the Participant or his or her Beneficiary, as the case may be, a Deferred Share Award Benefit equal to the balance of the Units in his or her Deferred Share Award Account determined pursuant to Article V, less any amounts previously distributed.

6.3 EMERGENCY BENEFIT. In the event that the Committee, upon written petition of a Participant, determines, in its sole discretion, that the Participant has suffered an unforeseeable financial emergency, the Employer shall pay to the Participant, as soon as practicable following such determination, an amount necessary to meet the emergency (the "Emergency Benefit"), but not exceeding the aggregate balance of such Participant's vested Deferral Account, Matching Account and Deferred Share Award Account as of the date of such payment. For purposes of this Section 6.3, an "unforeseeable financial emergency" shall mean an unexpected need for cash arising from an illness, disability, casualty loss, sudden financial reversal or other such unforeseeable occurrence. Cash needs arising from foreseeable events such as the purchase of a house or education expenses for children shall not be considered to be the result of an unforeseeable financial emergency. The amount of the Deferral Benefit and Deferred Share Award Benefit otherwise payable under the Plan to such Participant shall be adjusted to reflect the early payment of the Emergency Benefit.

6.4 IN-SERVICE DISTRIBUTION.

(a) A Participant may elect to receive an in-service distribution of his or her deferred Compensation, Matching Amount and earnings thereon with respect to a Plan Year beginning at any time at least four years after the date such Compensation otherwise would have been first payable. A Participant's election for an in-service distribution from his or her Account with respect to a Plan Year shall be filed in writing with the Committee before the first day of the Plan Year in which his or her deferred Compensation otherwise would have been first payable. The Participant may elect to receive an in-service distribution as provided in Section 6.5(a); provided, however, that Section 6.5(c) shall not apply to an in-service distribution. Any Deferral Benefit paid to the Participant as an in-service distribution shall reduce the amount of Deferral Benefit otherwise payable to the Participant under the Plan.

(b) A Participant may elect to receive an in-service distribution of his or her deferred Share Award and earnings with respect to a Plan Year beginning at any time at least four (4) years after the date such deferred Share Award otherwise would have been first payable. A Participant's election for an in-service distribution from his or her Deferred Share Award Account with respect to a Plan Year shall be filed in writing with the Committee not later than during the second Plan Year preceding the date the Share Award otherwise would have been first payable. The Participant may elect to receive such Deferred Share Award Benefit as an in-service distribution as provided in Section 6.5(b); provided, however, that Section 6.5(c) of the Plan shall not

apply to such an in-service distribution. Any Deferred Share Award Benefit paid to the Participant as an in-service distribution shall reduce the amount of Deferred Share Award Benefit otherwise payable to the Participant under the Plan.

(c) A Participant may elect to receive an in-service distribution of his or her deferred Cash Award and earnings with a respect to a Plan Year beginning at any time at least four (4) years after the date such deferred Cash Award otherwise would have been first payable. A Participant's election for an in-service distribution from his or her Account with respect to a Cash Award for a Plan Year shall be filed in writing with the Committee not later during the second Plan Year preceding the date the Cash Award otherwise would have been first payable. The Participant may elect to receive such Deferral Benefit as an in-service distribution as provided in Section 6.5(a); provided, however, that Section 6.5(c) shall not apply to such an in-service distribution. Any Deferral Benefit paid to the Participant is an in-service distribution shall reduce the amount of Deferral Benefits otherwise payable to the Participant under the Plan.

(d) A Participant may elect to receive an in-service distribution of a Cash Dividend Benefit equal to the amount of the dividend equivalent to be credited to his or her Deferred Share Award Account pursuant to Section 5.5 as of the payment date of a cash dividend on Shares. A Participant's election for a Cash Dividend Benefit shall be filed in writing with the Committee not later than during the second Plan Year preceding the date the dividend equivalent otherwise would be so credited to his or her Deferred Share Award Account.

6.5 FORM OF PAYMENT.

(a) The Deferral Benefit payable pursuant to Section 6.1, Section 6.4(a) or Section 6.4(c) shall be paid in one of the following forms, as elected by the Participant

in his or her Participation Agreement or by written notice as provided in subsection (c) below:

(1) Annual payments of a fixed amount which shall amortize the vested Account balance, or the in-service distribution portion thereof, as of the payment commencement date elected by the Participant over a period not to exceed ten years (together, in the case of each annual payment, with interest thereon credited after the payment commencement date pursuant to Section 5.3).

(2) A lump sum.

(3) A combination of (1) and (2) above. The Participant shall designate the percentage payable under each option.

(b) The Deferred Share Award Benefit payable pursuant to Section 6.2 or Section 6.4(b) shall be paid in whole Shares plus cash equal in value to any fractional Share in one of the forms set forth in Section 6.5(a), without interest, but with dividend equivalents reinvested as provided in Section 5.5; subject, however, to Section 6.4(d). For the purpose of this Section 6.5(b), each distribution from a Deferred Share Award Account shall be valued on the basis of the Fair Market Value of the Shares on the date prior to the date payment of such distribution is made.

(c) The Participant's election of the form of payment shall be made by written notice filed with the Committee at least one (1) year prior to the Participant's voluntary termination of employment with, or retirement from, the Company and any affiliate of the Company, whether or not such affiliate is a Selected Affiliate. Any such election may be changed by the Participant at any time and from time to time without the consent of any other person by filing a later signed written election with the Committee; provided that any election made less than one (1) year prior to the Participant's voluntary termination of employment or retirement shall not be valid, and in such case payment shall be made in accordance with the Participant's prior election.

(d) The amount of each installment under Section 6.5(a) shall be equal to the quotient obtained by dividing the Participant's Account balance as of the date of such installment payment by the number of installment payments remaining to be made to or in respect of such Participant at the time of calculation.

(e) The Cash Dividend Benefit payable pursuant to Section 6.4(c) shall be in the form of a lump sum.

(f) If a Participant fails to make an election with respect to his or her Account in a timely manner as provided in this Section 6.4, distribution shall be made in ten (10) annual installments of cash or Shares, as applicable.

(g) A Participant's Deferral Benefit and Deferred Share Award Benefit (or the remaining portions thereof if payment to the Participant had commenced) shall be distributed to his or her Beneficiary in the form of a single lump sum payment following his or her death.

6.6 COMMENCEMENT OF PAYMENTS. Commencement of payments under Section 6.1 or Section 6.2 of the Plan shall begin as soon as practicable, and in accordance with the payment commencement date elected by the Participant, following receipt of notice by the Committee of an event which entitles a Participant (or a Beneficiary) to payments under the Plan.

6.7 SPECIAL DISTRIBUTIONS. Notwithstanding any other provision of this Article VI, a Participant may elect to receive a distribution of part or all of his or her Account or Deferred Share Award Account in one or more distributions if (and only if) the amount in either of such accounts subject to such distribution is reduced by ten percent (10%). Any distribution made pursuant to such an election shall be made within 60 days of the date such election is submitted to the Committee. The remaining ten percent (10%) of the portion of the electing Participant's account subject to such distribution shall be forfeited.

6.8 SMALL BENEFIT. In the event the Committee determines that the balance of the Participant's Account and Deferred Share Award Account is less than $50,000 at the time of commencement of payments, the Employer may pay the benefit in the form of a lump sum payment, notwithstanding any provision of the Plan to the contrary. Such lump sum payment shall be equal to the balance of the Participant's Account, or the portion thereof payable to a beneficiary.

ARTICLE VII
BENEFICIARY DESIGNATION

7.1 BENEFICIARY DESIGNATION. Each Participant shall have the right, at any time, to designate any person or persons as his Beneficiary to whom payment under the Plan shall be made in the event of his or her death prior to complete distribution to the Participant of his or her Deferral Benefit or Deferred Share Award Benefit. Any Beneficiary designation shall be made

in a written instrument filed with the Committee and shall be effective only when received in writing by the Committee.

7.2 AMENDMENTS. Any Beneficiary designation may be changed by a Participant by the filing of a new Beneficiary designation, which will cancel all Beneficiary designations previously filed.

7.3 NO DESIGNATION. If a Participant fails to designate a Beneficiary as provided above, or if all designated Beneficiaries predecease the Participant, then the Participant's designated Beneficiary shall be deemed to be the Participant's estate.

7.4 EFFECT OF PAYMENT. Payment to a Participant's Beneficiary (or, upon the death of a Beneficiary, to the Beneficiary's estate) shall completely discharge the Employer's obligations under the Plan.

ARTICLE VIII
ADMINISTRATION

8.1 COMMITTEE. The administrative committee for the Plan (the "Committee") shall be those members of the Compensation Committee of the Board who are not Participants, as long as there are at least three such members. If there are

not at least three such non-participating persons on the Compensation Committee, the chief executive officer of the Company shall appoint other non-participating Directors or Company officers to serve on the Committee. The Committee shall supervise the administration and operation of the Plan, may from time to time adopt rules and procedures governing the Plan and shall have authority to give interpretive rulings with respect to the Plan.

8.2 AGENTS. The Committee may appoint an individual, who may be an employee of the Company, to be the Committee's agent with respect to the day-today administration of the Plan. In addition, the Committee may, from time to time, employ other agents and delegate to them such administrative duties as it sees fit, and may from time to time consult with counsel who may be counsel to the Company.

8.3 BINDING EFFECT OF DECISIONS. Any decision or action of the Committee with respect to any question arising out of or in connection with the administration, interpretation and application of the Plan shall be final and binding upon all persons having any interest in the Plan.

8.4 INDEMNITY OF COMMITTEE. The Company shall indemnify and hold harmless the members of the Committee and their duly appointed agents under Section 8.2 against any and all

claims, loss, damage, expense or liability arising from any action or failure to act with respect to the Plan, except in the case of gross negligence or willful misconduct by any such member or agent of the Committee.

ARTICLE IX
AMENDMENT AND TERMINATION OF PLAN

9.1 AMENDMENT. The Company, on behalf of itself and of each Selected Affiliate may at any time amend, suspend or reinstate any or all of the provisions of the Plan, except that no such amendment, suspension or reinstatement may adversely affect any Participant's Account or Deferred Share Award Account, as it existed as of the effective date of such amendment, suspension or reinstatement, without such Participant's prior written consent. Written notice of any amendment or other action with respect to the Plan shall be given to each Participant.

9.2 TERMINATION. The Company, on behalf of itself and of each Selected Affiliate, in its sole discretion, may terminate this Plan at any time and for any reason whatsoever. Upon termination of the Plan, the Committee shall take those actions necessary to administer any Accounts or Deferred Share Award Accounts existing prior to the effective date of such termination; provided, however, that a termination of the Plan shall not adversely affect the value of a Participant's Account or Deferred Share Award Account, the earnings from Investments credited to a Participant's Account under Section 5.1, the interest on cash amounts credited to a Participant's Account under Section 5.3, the crediting of dividend equivalents to a Participant's Deferred Share Award Account under Section 5.5, or the timing or method of distribution of a Participant's Account, or Deferred Share Award Account, without the Participant's prior written consent.

ARTICLE X
MISCELLANEOUS

10.1 FUNDING. Participants, their Beneficiaries, and their heirs, successors and assigns, shall have no secured interest or claim in any property or assets of the Employer. The Employer's obligation under the Plan shall be merely that of an unfunded and unsecured promise of the Employer to pay money in the future. Notwithstanding the foregoing, in the event of a Change in Control, the Company shall create an irrevocable trust to hold funds to be used in payment of the obligations of Employers under the Plan, and the Company shall fund such trust in an amount equal to no less than the total value of the Participants' Accounts or Deferred Share Award Accounts under the

Plan as of the Determination Date immediately preceding the Change in Control, provided that any funds contained therein shall remain liable for the claims of the respective Employer's general creditors.

10.2 NONASSIGNABILITY. No right or interest under the Plan of a Participant or his or her Beneficiary (or any person claiming through or under any of them), other than the surviving spouse of any deceased Participant, shall be assignable or transferable in any manner or be subject to alienation, anticipation, sale, pledge, encumbrance or other legal process or in any manner be liable for or subject to the debts or liabilities of any such Participant or Beneficiary. If any Participant or Beneficiary (other than the surviving spouse of any deceased Participant) shall attempt to or shall transfer, assign, alienate, anticipate, sell, pledge or otherwise encumber his or her benefits hereunder or any part thereof, or if by reason of his or her bankruptcy or other event happening at any time such benefits would devolve upon anyone else or would not be enjoyed by him or her, then the Committee, in its discretion, may terminate his or her interest in any such benefit to the extent the Committee considers necessary or advisable to prevent or limit the effects of such occurrence. Termination shall be effected by filing a written "termination declaration" with the Secretary of the Company and making reasonable efforts to deliver a copy to the Participant or Beneficiary whose interest is adversely affected (the "Terminated Participant").

As long as the Terminated Participant is alive, any benefits affected by the termination shall be retained by the Employer and, in the Committee's sole and absolute judgment, may be paid to or expended for the benefit of the Terminated Participant, his or her spouse, his or her children or any other person or persons in fact dependent upon him or her in such a manner as the Committee shall deem proper. Upon the death of the Terminated Participant, all benefits withheld from him or her and not paid to others in accordance with the preceding sentence shall be disposed of according to the provisions of the Plan that would apply if he or she died prior to the time that all benefits to which he or she was entitled were paid to him or her.

10.3 LEGAL FEES AND EXPENSES. It is the intent of the Company and each Selected Affiliate that no Eligible Employee or former Eligible Employee be required to incur the expenses associated with the enforcement of his rights under this Plan by litigation or other legal action because the cost and expense thereof would substantially detract from the benefits intended to be extended to an Eligible Employee hereunder. Accordingly, if it should appear that the Employer has failed to comply with any of its obligations under this Plan or in the event that the Employer or any other person takes any action to declare this Plan void or unenforceable, or institutes any litigation designed to deny, or to recover from, the Eligible Employee the benefits

intended to be provided to such Eligible Employee hereunder, the Employer irrevocably authorizes such Eligible Employee from time to time to retain counsel of his choice, at the expense of the Employer as hereafter provided, to represent such Eligible Employee in connection with the initiation or defense of any litigation or other legal action, whether by or against the Employer or any director, officer, stockholder or other person affiliated with the Employer in any jurisdiction. Notwithstanding any existing or prior attorney-client relationship between the Employer and such counsel, the Employer irrevocably consents to such Eligible Employee's entering into an attorney-client relationship with such counsel, and in that connection the Employer and such Eligible Employee agree that a confidential relationship shall exist between such Eligible Employee and such counsel. The Employer shall pay and be solely responsible for any and all attorneys' and related fees and expenses incurred by such Eligible Employee as a result of the Employer's failure to perform under this Plan or any provision thereof; or as a result of the Employer or any person contesting the validity or enforceability of this Plan or any provision thereof.

10.4 WITHHOLDING TAXES. If the Employer is required to withhold any taxes or other amounts from a Participant's deferred Compensation, Employment Agreement Contribution, deferred Cash Award or deferred Share Award pursuant to any state, federal or local law, such amounts shall, to the extent possible, be withheld from the Participant's Compensation, Cash Award or Share Award before such amounts are credited under the Plan. Any additional withholding amount required shall be paid by the Participant to the Employer as a condition to the crediting of deferred Compensation, deferred Cash Award or deferred Share Award to the Participant's Account and Deferred Share Award Account, respectively. The Employer may withhold any required state, federal or local taxes or other amounts from any benefits payable in cash or Shares to a Participant or Beneficiary.

10.5 CAPTIONS. The captions contained herein are for convenience only and

shall not control or affect the meaning or construction hereof.

10.6 GOVERNING LAW. The provisions of the Plan shall be construed and interpreted according to the laws of the State of Ohio.

10.7 SUCCESSORS. The provisions of the Plan shall bind and inure to the benefit of the Company, its selected Affiliates, and their respective successors and assigns. The term successors as used herein shall include any corporate or other business entity which shall, whether by merger, consolidation, purchase or otherwise, acquire all or substantially all of the business and assets of the Company or a

Selected Affiliate and successors of any such corporation or other business entity.

10.8 RIGHT TO CONTINUED SERVICE. Nothing contained herein shall be construed to confer upon any Eligible Employee the right to continue to serve as an Eligible Employee of the Employer or in any other capacity.

10.9 PRIOR PLAN PROVISIONS. The provisions of the Plan in effect prior to January 1, 1996 shall govern periods prior to such date.

Executed this 13th day of December, 1995.

CLEVELAND-CLIFFS INC

By: /s/ R. F. Novak

Vice President-Human Resources

EXHIBIT 10(bb)

CLEVELAND-CLIFFS INC
LONG-TERM PERFORMANCE SHARE PROGRAM
JANUARY 1, 1996
(SUMMARY DESCRIPTION)

1. The Long-Term Performance Share Program ("Performance Share Program") operates under the Cleveland-Cliffs Inc ("Company") 1992 Incentive Equity Plan ("1992 ICE Plan").

2. The Compensation and Organization Committee ("Committee") of the Board of Directors of the Company, which Committee is composed of non-employee Directors, administers the Performance Share Program under which performance shares ("Performance Shares") are awarded under the 1992 ICE Plan.

3. Pursuant to the 1992 ICE Plan, the Performance Share Program was approved in 1994 to further align the interest of designated key management employees with the shareholders in increasing return on invested capital and long-term shareholder value. The Performance Share Program provides the participants the opportunity to receive Company Shares based on Company performance against specified objectives.

4. Under the Performance Share Program, the Committee authorizes awards of Performance Shares, which become wholly or partially payable to the participant upon the achievement of specified Company objectives in accordance with the following provisions:

a. Each award specifies the number of Performance Shares to which it pertains.

b. The performance period, normally a three-year period, with respect to each Performance Share is determined by the Committee on the date of award, and may be subject to earlier termination in the event of a change in control of the Company or other similar transaction or event.

c. Each award specifies the performance objectives of the Company and a minimum acceptable level of achievement below which no payment will be made. Each award sets forth a formula for determining the amount of any payment to be made if performance is at or above the minimum acceptable level and also specifies the maximum amount of any payment to be made. The Committee may adjust the objectives in certain circumstances.

d. The number of Common Shares that will be earned will be reduced to the extent necessary to prevent the value of the Common Shares paid to any participant from exceeding twice the market value of the Common Shares covered by the participant's award on the date it was made.

e. The Committee may award equivalent cash value instead of the Company's Common Shares at its discretion.

5. Each Performance Share that is earned entitles the holder to receive Common Shares of the Company, depending on the degree of achievement of specified Company objectives. The objectives, weighted equally at the target level, are total shareholder return (share price plus reinvested dividends) and value added (earnings less the cost of capital employed) over a three-year performance period. Achievement of the total shareholder return objective is determined by the Company's shareholder return relative to a predetermined group of mining and metal companies. Achievement of the value added objective is determined by comparing the Company's actual and target value added.

6. The target payout is calculated at 100% of the Performance Shares awarded and represents the number of Common Shares that would be earned if a target level of the objectives is achieved by the Company; maximum payout is calculated at 150% for performance year beginning 1994 and 175% for performance years beginning 1995 and 1996, of the Performance Shares awarded and represents the number of Common Shares that would be earned if an above superior level of the objectives is achieved by the Company; and threshold payout is calculated at 25% of the Performance Shares awarded and represents the number of Common Shares that would be earned if a minimum level of the objectives is achieved by the Company. If achievement of one objective is below threshold, achievement of the other objective must be at least at threshold for any payout to occur.

EXHIBIT 10(cc)

CLEVELAND-CLIFFS INC
NONEMPLOYEE DIRECTORS RETIREMENT PLAN
JULY 1, 1995
(SUMMARY DESCRIPTION)

Directors joining the Board of Directors of Cleveland-Cliffs Inc ("Company") after June 30, 1995 will receive in cash a quarterly retirement amount equal to 50 percent of the stated Board retainer fee in effect at time of retirement from the Company, in accordance with the following:

1. Director eligibility occurs after 5 years service, or earlier if a change-of-control occurs.

2. Retirement benefit is payable for number of years service on the Board.

3. Director may elect an actuarially equivalent lower payment for a surviving spouse.

4. Retirement benefit is reduced proportionately if a change-of-control occurs before 5 years of service as a Director.

5. Mandatory retirement age for a Director is 72, but there is no minimum retirement age.

6. Benefit payment to a Director begins upon retirement (voluntary or involuntary) but not before age 65, except in case of disability.

7. A Director who is not renominated or re-elected is deemed to retire with Board consent.

Exhibit 11

Computation of Earnings Per Share
CLEVELAND-CLIFFS INC AND CONSOLIDATED SUBSIDIARIES

<TABLE>
<CAPTION>

	(In Millions, Except Per Share Amounts) Year Ended December 31		
	1995	1994	1993
<S>	<C>	<C>	<C>
Earnings per share, as reported:			
Average shares outstanding	11.9	12.1	12.0
Income before extraordinary item	$ 60.9	$ 42.8	$ 54.6
Extraordinary item	(3.1)	--	--
Net income	$ 57.8	$ 42.8	$ 54.6
Income per share:			
Income before extraordinary item	$ 5.10	$ 3.54	$ 4.55
Extraordinary item	(.26)	--	--
Net income	$ 4.84	$ 3.54	$ 4.55
Primary earnings per share:			
Average shares outstanding	11.9	12.1	12.0
Net effect of dilutive stock options - based on the treasury stock method using average market price	.1	--	.1
Average shares and equivalents	12.0	12.1	12.1
Income before extraordinary item	$ 60.9	$ 42.8	$ 54.6
Extraordinary item	(3.1)	--	--
Net income	$ 57.8	$ 42.8	$ 54.6
Income per share:			
Income before extraordinary item	$ 5.08	$ 3.54	$ 4.51
Extraordinary item	(.26)	--	--
Net income	$ 4.82	$ 3.54	$ 4.51

</TABLE>

<TABLE>
<CAPTION>

	(In Millions, Except Per Share Amounts) Year Ended December 31		
	1995	1994	1993
<S>	<C>	<C>	<C>
Fully diluted earnings per share:			
Average shares outstanding	11.9	12.1	12.0
Net effect of dilutive stock options - based on the treasury stock method using higher of year-end or average market price	.1	--	.1
Average fully diluted shares	12.0	12.1	12.1

Income before extraordinary item	$ 60.9	$ 42.8	$ 54.6
Extraordinary item	(3.1)	--	--
Net income	$ 57.8	$ 42.8	$ 54.6
Income per share:			
Income before extraordinary item	$ 5.08	$ 3.54	$ 4.51
Extraordinary item	(.26)	--	--
Net income	$ 4.82	$ 3.54	$ 4.51

</TABLE>

Common stock options do not have a material dilutive effect and therefore were not included in the computation of earnings per share as reported.

In 1995, Cleveland-Cliffs earned $57.8 million, or $4.84 a share, including an extraordinary after-tax charge of $3.1 million and the effects of two significant "special items." Excluding the extraordinary charge and the special items, earnings were $55.4 million, or $4.64 a share. Comparable earnings for the year 1994 were $42.8 million, or $3.54 per share.

Following is a summary of results for the years 1995, 1994, and 1993:

<TABLE>
<CAPTION>

	(In Millions, Except Per Share)		
	1995	1994	1993
<S>	<C>	<C>	<C>
Net Income Before Special Items and Extraordinary Charge			
- Amount	$55.4	$42.8	$31.4
- Per Share	4.64	3.54	2.62
Special Items			
Prior Years' Tax Credit	12.2		
Environmental Reserve	(6.7)		
Gain on LTV Steel Company, Inc. Bankruptcy Settlement			23.2
	5.5		23.2
Net Income Before Extraordinary Item			
- Amount	60.9	42.8	54.6
- Per Share	5.10	3.54	4.55
Extraordinary Loss on Early Extinguishment of Debt	(3.1)		
Net Income			
- Amount	$57.8	$42.8	$54.6
- Per Share	$4.84	$3.54	$4.55

</TABLE>

1995 VERSUS 1994

Revenues were $473.1 million in 1995, an increase of $84.2 million from 1994. Revenues from product sales and services in 1995 totaled $411.2 million, an increase of $76.4 million from 1994, mainly due to higher North American sales volume reflecting the full year effect of the acquisition of Northshore Mining Company on September 30, 1994. North American iron ore sales were 10.4 million tons in 1995 compared to 8.2 million tons in 1994. Royalty and management fee revenue in 1995 totaled $49.5 million, an increase of $4.8 million due primarily to increased production at Empire Mine in 1995.

Net income for the year 1995 was $57.8 million, or $4.84 a share, including an extraordinary after-tax charge of $3.1 million incurred in December, 1995 on the early extinguishment of debt as part of a $70 million long-term debt refinancing. Net income in 1994 was $42.8 million, or $3.54 a share.

Net income before the extraordinary item for the year 1995 was $60.9 million, an increase of $18.1 million from 1994. Included in 1995 earnings were two large special items recorded in the second quarter: a $12.2 million tax credit resulting from the settlement of prior years' tax issues, and a $6.7 million after-tax increase in the reserve for environmental expenditures.

Excluding the special items and the extraordinary charge, earnings for 1995 were $55.4 million, an increase of $12.6 million from 1994. The increase was mainly due to the full year effect of the Northshore acquisition, higher Australian earnings, and increased royalties and management fees, partially offset by a higher effective income tax rate.

1994 VERSUS 1993

Revenues were $388.9 million in 1994, an increase of $33.0 million from 1993. Revenues in 1993 included a $35.7 million pre-tax recovery on the LTV Steel Company, Inc. (an integrated steel company subsidiary of The LTV Corporation,

or collectively "LTV") bankruptcy claim. Without this item, revenues in 1994 were $68.7 million higher than 1993. Revenues from product sales and services in 1994 totaled $334.8 million, an increase of $66.7 million from 1993, mainly due to higher North American sales volume and prices and increased Australian sales volume. North American iron ore sales were 8.2 million tons in 1994 compared to 6.4 million tons in 1993. Royalty and management fee revenue in 1994 totaled $44.7 million, an increase of $5.0 million due primarily to increased production in 1994 over strike-depressed 1993.

Net income for the year 1994 was $42.8 million, an increase of $11.4 million from 1993, excluding the $23.2 million gain on the LTV bankruptcy settlement. The increase was due to higher sales volume and prices in North America, increased royalties and management fees, higher Australian earnings, and the $5.4 million after-tax cost of the labor strike in 1993. These gains were partly offset by higher operating costs, certain non-recurring costs, lower investment income, and a favorable income tax adjustment in 1993.

CASH FLOW AND LIQUIDITY

At December 31, 1995, the Company had cash and marketable securities totaling $148.8 million. In addition, the full amount of a $100.0 million unsecured revolving credit facility was available.

In 1995, cash and marketable securities increased $7.4 million due to cash flow from operating activities (before changes in operating assets and liabilities), $84.7 million, largely offset by capital expenditures, $22.5 million, increased working capital, $18.6 million, dividends, $15.5 million, repurchase of 284,500 of the Company's Common Shares in open market transactions, $10.7 million, and a $9.3 million reduction in long-term obligations.

The working capital increase primarily reflected a decrease in income taxes payable, $14.0 million, and an increase in product inventories, $13.5 million, partially offset by higher accounts payable and accrued expenses, $7.2 million.

North American pellet inventory investment at December 31, 1995 was $25.5 million, an increase of $8.6 million from December 31, 1994, which primarily reflected a planned increase in inventory during normal seasonal suspension of Great Lakes shipping. Inventories at the Savage River Mine in Australia increased $4.7 million, reflecting higher pellet inventory and crude ore stockpiled in preparation for the planned closure of operations.

<TABLE>
<CAPTION>
FOLLOWING IS A SUMMARY OF 1995 CASH FLOW:

	(In Millions)
<S>	<C>
Cash Flow from Operations	
Before Changes in Operating Assets and Liabilities.....	$ 84.7
Increases in Operating Assets and Liabilities:	
Marketable Securities	(8.1)
Other	(18.6)
Net Cash From Operations.....	58.0
Capital Expenditures.....	(22.5)
Dividends.....	(15.5)
Repurchase of Common Shares.....	(10.7)
Debt Payments - Net of $70 Million Refinancing.....	(9.3)
Other (net).....	(.7)
Net Decrease in Cash and Cash Equivalents.....	(.7)
Increase in Short-term Marketable Securities.....	8.1
Net Increase in Cash and Marketable Securities.....	$ 7.4

</TABLE>

FOLLOWING IS A SUMMARY OF KEY LIQUIDITY MEASURES:

<TABLE>
<CAPTION>

	At December 31 (In Millions)		
	1995	1994	1993
<S>	<C>	<C>	<C>
Cash and Temporary Investments			
Cash and Cash Equivalents	$139.9	$140.6	$ 67.9
Marketable Securities.....	8.9	.8	93.1
Total	$148.8	$141.4	$161.0

Working Capital.....	$189.2	$169.5	$186.0
Ratio of Current Assets to Current Liabilities.....	2.9:1	2.7:1	3.7:1

</TABLE>

Additionally, at December 31, 1995, the Company had long-term investments as follows:

- LTV Common Stock, .8 million shares with a market value of $11.6 million.
- Long-term government and corporate bonds (denominated primarily in Australian currency), $4.7 million, largely dedicated to fund the planned shutdown of the Savage River Mine.

In 1995, $8.3 million of Australian government securities matured and were converted to cash. The redemption of these investments, previously classified as held-to-maturity securities, did not result in the recognition of gain or loss.

In 1995, the Company and the Internal Revenue Service reached agreement on several issues raised during the examination of the Company's Federal income tax returns for the tax years 1986 through 1988. The income tax settlement favorably resolved a number of audit issues primarily arising from the Company's restructuring program in the late 1980s when mining partnerships were reorganized to cope with steel company bankruptcies and non-core businesses were divested. During that period, the Company had reserved the potential tax liabilities. Accordingly, a tax credit of $12.2 million was recorded in the second quarter of 1995. As a result of the settlement and its related impact on the tax years 1989 through 1993, the Company made additional tax and interest payments of $11.8 million in the third quarter of 1995 and is entitled to tax and interest refunds of $5.3 million. Additional cash benefits of the tax settlement will be realized for the tax year 1994 and thereafter.

NORTH AMERICAN IRON ORE

The North American steel industry experienced high operating rates and generally positive financial results in 1994 and 1995. The Company's integrated steel company partners and customers have generally improved their financial condition over the two-year period as a result of continued earnings and increased equity capital.

The improvement in most steel companies' financial positions has significantly reduced the major business risk faced by the Company in recent years, i.e., the potential financial failure and shutdown of significant customers or partners with a resulting unmitigated loss of ore sales or royalty and management fee income.

If any such shutdown were to occur without mitigation through replacement sales or cost reduction, it would represent a significant adverse financial development to the Company. The iron ore mining business has high operating leverage because "fixed" costs are a large portion of the cost structure. Therefore, loss of sales or other income due to failure of a customer or partner would have an adverse income effect proportionately greater than the revenue effect.

On September 29, 1995, McLouth Steel Products Company ("McLouth"), a significant customer, petitioned for protection under Chapter 11 of the U.S. Bankruptcy Code. The Company has periodically extended credit to McLouth. At the time of the bankruptcy filing, the Company had an unreserved receivable from McLouth of $5.0 million, secured by liens on certain McLouth fixed assets. A $2.7 million reserve against the receivable was recorded in September, resulting in a $1.8 million after-tax charge.

The Company's total shipments in 1995 were not affected by McLouth's bankruptcy filing. Sales to McLouth were 1.3 million tons in 1995 which represented 12.5 percent of the Company's sales volume. Included in the Company's December 31, 1995 inventory was .1 million tons (which increased to a peak .2 million tons in January, 1996) consigned to McLouth in accordance with long-standing practice.

The Company provided certain additional credit to McLouth since the bankruptcy filing, and unreserved amounts are secured by liens on McLouth's assets. Until

March 15, 1996, McLouth had maintained operations and the Company continued pellet shipments. On March 15, 1996, McLouth announced that it had begun a shutdown of its operations due to inadequate funds and that discussions with potential buyers for McLouth assets are in progress which could lead to a resumption of operations. McLouth plans to maintain its facilities in a "hot-idle" status. The Company had supplied approximately 120,000 tons of pellets per month to McLouth in 1996 prior to shutdown. The Company expects to maintain its total sales volume in the current strong iron ore market; however, a near-term adverse earnings impact could occur and replacement tonnage is not assured.

In February, 1994, the Company reached agreement with Algoma Steel Inc. and Stelco Inc. to restructure and simplify the Tilden Mine operating agreement. The parties implemented the general agreement effective January 1, 1994 and finalized the detailed provisions of the definitive agreement on September 30, 1995. The agreement has not had a material effect on the Company's consolidated financial statements.

On June 28, 1993, LTV, a significant partner of the Company, emerged from Chapter 11 bankruptcy. In final settlement of its allowed claim, the Company received 2.3 million shares of LTV Common Stock and 4.4 million Contingent Value Rights. The settlement, reflected in the Company's year 1993 operating results, totaled $35.7 million before tax and $23.2 million after-tax. On July 13, 1993, the Company distributed to its shareholders a special dividend consisting of 1.5 million shares of LTV Common Stock and $12.0 million ($1.00 per share) cash.

Three U.S. iron ore mining operations managed by subsidiaries of the Company are operating under six-year, no strike labor agreements with the United Steelworkers of America. The contracts, which were effective August 1, 1993, cover the Empire and Tilden mines in Michigan and the Hibbing mine in Minnesota. The agreements call for a limited economic re-opener in 1996, with interest arbitration in the event the parties are unable to reach a negotiated settlement. A labor agreement with the Wabush Mines' bargaining unit reached in March, 1994, expires on March 1, 1996. Negotiations have begun toward a new Wabush agreement.

North American steel shipments increased from 110 million tons in 1994 to 112 million tons in 1995, the highest level since 1979. Industry analysts are projecting North American steel production and shipments in 1996 to remain strong resulting in the North American iron ore mining industry operating at near capacity levels again. The six North American mines managed by the Company are scheduled to operate at nearly full capacity again in 1996, producing 40.6 million tons of iron ore. The Company's share of scheduled production is 10.3 million tons. In 1995, total production at the Company's managed mines was 39.6 million tons and the Company's share was 9.8 million tons. Production schedules are subject to change throughout the year and could be affected by the extremely adverse weather conditions at the start of 1996.

The Company's North American sales in 1996 are expected to approximate its share of production. More than 90 percent of such sales have been committed under contracts. The Company's current contracts expire in various future years, starting in 1997. Continuation of high sales volume is dependent on renewal of such contracts and the general iron ore demand level. The Company has demonstrated its ability to sustain sales volume through renewed or new contracts. The Company recently obtained two such contracts aggregating over 2 million tons per year for a four-year period.

AUSTRALIA
- ---------

Savage River Mines in Tasmania, Australia operated at its capacity of approximately 1.5 million tons in 1995 and 1994. Net income increased to $9.0 million in 1995 from $4.6 million in 1994 due to a 13 percent pellet price increase and lower development costs as the mine approaches the planned termination of its operations. Australian sales are projected to be about 1.5 million tons in 1996. The international pellet price is expected to increase in 1996, reflecting strong international demand for pellets.

The Company continues to project that its Savage River shipments will terminate in the first quarter of 1997 due to exhaustion of the economically recoverable iron ore from surface mining. This is two years beyond the original schedule established when the Company acquired full ownership in 1990. Mine closure costs have been provided in the Capacity Rationalization Reserve and have been funded.

COAL
- ----

Pursuant to the Coal Industry Retiree Health Benefit Act of 1992 ("Benefit Act"), the Trustees of the UMWA Combined Benefit Fund have assigned responsibility to the Company for premium payments with respect to retirees, dependents, and "orphans" (unassigned beneficiaries), representing less than one-half of one percent of all "assigned beneficiaries." The Company is making

premium payments under protest and is contesting the assignments that it believes were incorrect. Premium payments by the Company in 1995 were $.7 million ($1.3 million in 1994). Additionally, in December, 1993, a complaint was filed by the Trustees of the United Mine Workers of America 1992 Benefit Plan against the Company demanding the payment of premiums on additional beneficiaries related to two formerly operated joint venture coal mines. The Company is actively contesting the complaint. Monthly premiums are being paid into an escrow account (80% by a former joint venture participant and 20% by the Company) by joint agreement with the Trustee, pending outcome of the litigation. Company payments in 1995 and 1994 were approximately $.1 million. At December 31, 1995, the Company's coal retiree reserve was $10.1 million, of which $.8 million was current. The reserve is reflected at present value, using a discount rate of 7.25%. Constitutional and other legal challenges to various provisions of the Benefit Act by other former coal producers are pending in the Federal Courts.

ACTUARIAL ASSUMPTIONS
- ----------------------

As a result of a decrease in long-term interest rates, the Company re-evaluated the interest rates used to calculate its pension and other postretirement benefit ("OPEB") obligations. Financial accounting standards require that the discount rate used to calculate the actuarial present value of such benefits reflect the rate of interest on high-quality fixed income securities. The discount rate used to calculate the Company's pension and OPEB obligations was decreased to 7.25% at December 31, 1995 from 8.50% at December 31, 1994. The Company increased its assumed long-term rate of return on pension assets from 8.5% at December 31, 1994 to 8.75% at December 31, 1995. The Company also adjusted its assumed long-term rate of return on deposits on life insurance contracts to fund retiree life insurance benefits to 8.0% at December 31, 1995 from 5.5% at December 31, 1994 to reflect contract provisions. Additionally, as a result of recent experience, the Company has changed the medical cost trend rate assumption used in the calculation of its OPEB obligation. The new assumption reflects medical cost growth of 8.5% in 1996, decreasing by .5% per year to a growth rate of 5% for the year 2003 and annually thereafter. The previous assumption reflected medical cost growth of 7% in 1996, decreasing to 5% in 1997 and annually thereafter.

The changes in actuarial assumptions did not affect 1995 financial results; however, in 1996 and subsequent years, the change is projected to increase pension and OPEB expense by approximately $1.5 million.

The Company has increased pension plan funding to the maximum amount deductible for income tax purposes. For Plan Year 1995 (largely funded in calendar year 1996), the Company plans to contribute $5.1 million, including its share of associated companies' funding, an increase of $3.5 million from Plan Year 1994.

ENVIRONMENTAL COSTS
- --------------------

The Company has a formal code of environmental conduct which promotes environmental protection and restoration. The Company's obligations for known environmental problems at active mining operations, idle and closed mining operations and other sites have been recognized based on estimates of the cost of required investigation and remediation at each site. If the cost can only be estimated as a range of possible amounts with no specific amount being most likely, the minimum of the range is accrued in accordance with generally accepted accounting principles. Estimates may change as additional information becomes available. Actual costs incurred may vary from the estimates due to the inherent uncertainties involved. Any potential insurance recoveries have not been reflected in the determination of the financial reserves.

At December 31, 1995, the Company had an environmental reserve of $22.9 million ($12.0 million at December 31, 1994), of which $4.4 million was current. In the second quarter of 1995, the Company provided $9.9 million of additional environmental reserves which resulted in a $6.7 million special after-tax charge. The additional provision reflected a comprehensive review of the available information on all known sites. Additional environmental reserves of $3.3 million were provided in other quarters as a result of other environmental reviews and determinations. Net payments in 1995 were $2.4 million.

CAPITAL INVESTMENT
- -------------------

North American Iron Ore
- ------------------------

The Company and its North American mine partners have substantially increased capital expenditures in recent years to reduce operating costs and satisfy orebody development requirements for maintenance of high production rates. Capital equipment additions and replacements, including equipment acquired through lease, totaled approximately $104 million in 1995 at the six Company-managed mines in North America, of which $71 million was classified as capital expenditures. The Company's share of the capital expenditures was $22.5 million ($10.9 million in 1994), including $6.0 million to expand Northshore annual pelletizing capacity by .9 million tons. Capital additions and replacements, including leased equipment, are projected to total approximately $108 million in 1996, with approximately $70 million classified as capital expenditures, at the six Company-managed mines in North America. The Company's share of such 1996 capital expenditures is expected to approximate $19 million.

The Company periodically examines opportunities to increase profitability and strengthen its business position by increasing its ownership of existing iron ore mining ventures.

Reduced Iron
- ------------

The Company's strategy includes extending its business scope to produce and supply reduced iron ore products to steelmakers. Reduced iron products contain approximately 90% iron versus 65% for traditional iron ore pellets and are higher quality than most scrap steel feed. The market for reduced iron is presently small, but is projected to increase at a higher rate than other iron ore products. The Company is investigating various possible projects, including an international joint venture to produce approximately 500,000 metric tons of premium reduced iron briquettes per year. The Company's share of construction expenditures in 1996 would be approximately $15 to $20 million. No project financing is anticipated.

Other
- -----

The Company continually seeks investment opportunities to broaden its scope as a supplier of high-quality "iron units" to the steel industry in North America and internationally. Although no transactions are in process, the Company's activities could lead to significant investments.

CAPITALIZATION
- --------------

In December, 1995, the Company completed a private placement of $70 million of senior unsecured notes to an insurance company group. The notes bear a fixed interest rate of 7.0 percent and are scheduled to be repaid with a single principal payment in December, 2005. Proceeds from the placement were utilized to retire $70 million of existing notes with an average interest rate of 8.77 percent and remaining annual principal repayments of $12.1 million per year in the years 1996 through 1999 and $7.2 million in the years 2000 through 2002. A $3.1 million after-tax ($4.8 million before tax) extraordinary charge was incurred in the early extinguishment of the debt retired. Following is a summary of long-term obligations:

<TABLE>
<CAPTION>
LONG-TERM OBLIGATIONS AT DECEMBER 31
(In Millions)

	Effectively Serviced Obligations				
	Consolidated	Share of Associated Companies	Total	Guaranteed Obligations	Total Obligations
<S>	<C>	<C>	<C>	<C>	<C>
1995	$ 70.0	$ 6.3	$ 76.3	$ 6.6	$ 82.9
1994	75.0	9.2	84.2	13.7	97.9
1993	75.0	13.6	88.6	20.8	109.4
</TABLE>

Effective March 1, 1995, the Company terminated its existing $75 million three-year revolving credit agreement, originally due to expire on April 30, 1995, and entered into a five-year, $100 million agreement. No borrowings are outstanding under the revolving credit facilities.

At December 31, 1995, guaranteed obligations principally represented Empire Mine debt obligations of LTV and Wheeling-Pittsburgh Steel Corporation. The Empire Mine long-term debt is scheduled to be fully extinguished in December, 1996 (the Company's share of Empire long-term debt principal payments was $4.3 million in 1994 and 1995 and is $3.9 million in 1996).

The ratio of effectively serviced long-term obligations to shareholders' equity

was .2:1 at December 31, 1995 and .3:1 at December 31, 1994 and 1993. In January, 1995, the Company announced a program to repurchase up to 600,000 of its Common Shares in the open market or in negotiated transactions. Under the continuing program, the Company repurchased 284,500 shares at an average price of $37.71 per share in open market transactions throughout 1995, representing approximately 2.4% of outstanding shares. The shares will initially be retained as Treasury Stock.

(The "Management's Discussion and Analysis of Financial Condition and Results of Operations" contains two graphs, one entitled, "Cumulative Earnings & Dividends" and the other entitled "Components of Invested Capital". For a description of the graph of "Cumulative Earnings & Dividends" see Graph A in Appendix A to this exhibit, and for a description of the graph of "Components of Invested Capital" see Graph B in Appendix A to this exhibit.)

APPENDIX A - IMAGE AND GRAPHIC MATERIAL

Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations (Graphs)

GRAPH A

This graph is captioned "Cumulative Earnings & Dividends". The graph contains two lines depicting cumulative earnings and cumulative dividends over the six-year period 1990-1995. Cumulative earnings were $73.8 million, $127.6 million, $158.4 million, $213.0 million, $255.8 million, and $313.6 million, respectively, for the years 1990-1995. Cumulative dividends were $9.3 million, $68.4 million, $82.5 million, $108.9 million, $123.7 million, and $139.2 million, respectively, for the years 1990-1995. The graph also indicates that the cumulative payout ratio of dividends to earnings was 44% for the six-year period.

GRAPH B

This graph is captioned "Components of Invested Capital". The area graph depicts the components of invested capital at December 31, 1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993, 1994, and 1995, as follows:

<TABLE>
<CAPTION>

	Amount (Millions)			Percent		
December 31	Effectively Serviced Debt	Shareholders' Equity	Total	Effectively Serviced Debt	Shareholders' Equity	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>
1986	$305.3	$325.5	$630.8	48.4%	51.6%	100.0%
1987	183.5	395.4	578.9	31.7	68.3	100.0
1988	145.7	168.6	314.3	46.4	53.6	100.0
1989	93.4	226.0	319.4	29.2	70.8	100.0
1990	82.4	290.8	373.2	22.1	77.9	100.0
1991	65.0	290.8	355.8	18.3	81.7	100.0
1992	92.1	269.6	361.7	25.5	74.5	100.0
1993	88.6	280.7	369.3	24.0	76.0	100.0
1994	84.2	311.4	395.6	21.3	78.7	100.0
1995	75.6	342.6	418.2	18.1	81.9	100.0

</TABLE>

Exhibit 13(b)

REPORT OF INDEPENDENT AUDITORS

Shareholders and Board of Directors
Cleveland-Cliffs Inc

We have audited the accompanying statement of consolidated financial position of Cleveland-Cliffs Inc and consolidated subsidiaries as of December 31, 1995 and 1994, and the related statements of consolidated income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 1995. Our audits also included the financial statement schedule listed in the index at Item 14(a). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Cleveland-Cliffs Inc and consolidated subsidiaries at December 31, 1995 and 1994, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1995, in conformity with generally accepted accounting principles. Also, in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

ERNST & YOUNG LLP

Cleveland, Ohio
February 13, 1996

STATEMENT OF CONSOLIDATED FINANCIAL POSITION Exhibit 13(c)
Cleveland-Cliffs Inc and Consolidated Subsidiaries

<TABLE>
<CAPTION>

	(In Millions) December 31	
	1995	1994
<S>	<C>	<C>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$139.9	$140.6
Marketable securities	8.9	.8
	148.8	141.4
Trade accounts receivable (net of allowance, $7.7 in 1995 and $19.5 in 1994)	45.2	50.3
Receivables from associated companies	16.6	15.6
Inventories		
Finished products	38.0	24.5
Work in process	.7	.6
Supplies	17.0	14.6
	55.7	39.7
Deferred income taxes	14.1	14.7
Other	12.3	7.4
TOTAL CURRENT ASSETS	292.7	269.1
PROPERTIES		
Plant and equipment	240.3	228.5
Minerals	19.7	20.2
	260.0	248.7
Allowances for depreciation and depletion	(140.0)	(138.3)
TOTAL PROPERTIES	120.0	110.4
INVESTMENTS IN ASSOCIATED COMPANIES	152.0	151.7
OTHER ASSETS		
Long-term investments	16.3	27.1
Deferred charges	8.3	7.2
Deferred income taxes	11.2	8.7
Miscellaneous	44.1	34.4
TOTAL OTHER ASSETS	79.9	77.4
TOTAL ASSETS	$644.6	$608.6

</TABLE>

STATEMENT OF CONSOLIDATED FINANCIAL POSITION
Cleveland-Cliffs Inc and Consolidated Subsidiaries

<TABLE>
<CAPTION>

	(In Millions) December 31	
	1995	1994
<S>	<C>	<C>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Trade accounts payable	$ 16.0	$ 15.1
Payables to associated companies	17.3	15.6
Accrued employment costs	27.2	21.2
Accrued expenses	17.5	16.3

Income taxes payable	.3	14.3
Current portion of long-term obligations	--	5.0
Reserve for capacity rationalization	10.5	1.5
Other	14.7	10.6
TOTAL CURRENT LIABILITIES	103.5	99.6
LONG-TERM OBLIGATIONS	70.0	70.0
POSTEMPLOYMENT BENEFIT LIABILITIES	67.3	66.5
RESERVE FOR CAPACITY RATIONALIZATION	17.2	25.7
OTHER LIABILITIES	44.0	35.4
SHAREHOLDERS' EQUITY		
Preferred Stock		
Class A - no par value		
Authorized - 500,000 shares;		
Issued-none	--	--
Class B - no par value		
Authorized - 4,000,000 shares;		
Issued-none	--	--
Common Shares-par value $1 a share		
Authorized - 28,000,000 shares;		
Issued - 16,827,941 shares	16.8	16.8
Capital in excess of par value of shares	65.2	63.1
Retained income	386.1	343.8
Foreign currency translation adjustments	.3	.9
Unrealized gain on available for sale securities, net of tax	.1	1.5
Cost of 4,998,674 Common Shares in treasury (1994 - 4,728,081 shares)	(123.8)	(113.4)
Unearned compensation	(2.1)	(1.3)
TOTAL SHAREHOLDERS' EQUITY	342.6	311.4
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$644.6	$608.6

</TABLE>

See notes to consolidated financial statements.

STATEMENT OF CONSOLIDATED INCOME

Exhibit 13(d)

Cleveland-Cliffs Inc and Consolidated Subsidiaries

<TABLE>
<CAPTION>

	(In Millions, Except Per Share Amounts) Year Ended December 31		
	1995	1994	1993
<S>	<C>	<C>	<C>
REVENUES			
Product sales and service	$411.2	$334.8	$268.1
Royalties and management fees	49.5	44.7	39.7
Total Operating Revenues	460.7	379.5	307.8
Recoveries on bankruptcy claims	--	--	35.7
Investment income (securities)	9.3	7.9	9.1
Other income	3.1	1.5	3.3
Total Revenues	473.1	388.9	355.9
COSTS AND EXPENSES			
Cost of goods sold and operating expenses	356.4	299.9	252.8
Administrative, selling and general expenses	15.1	15.9	15.7
Interest expense	6.5	6.6	6.6
Other expenses	23.5	9.0	5.1
Total Costs and Expenses	401.5	331.4	280.2
INCOME BEFORE INCOME TAXES AND EXTRAORDINARY ITEM	71.6	57.5	75.7
INCOME TAXES	10.7	14.7	21.1
INCOME BEFORE EXTRAORDINARY ITEM	60.9	42.8	54.6
EXTRAORDINARY LOSS ON EARLY EXTINGUISHMENT OF DEBT (NET OF TAX BENEFIT, $1.7 MILLION)	(3.1)	--	-
NET INCOME	$ 57.8	$ 42.8	$ 54.6
NET INCOME PER COMMON SHARE			
Before Extraordinary Item	$ 5.10	$ 3.54	$ 4.55
Extraordinary Item	(.26)	--	--

	------	------	---
Net Income	$ 4.84	$ 3.54	$ 4.55
	======	======	======

</TABLE>

See notes to consolidated financial statements.

STATEMENT OF CONSOLIDATED CASH FLOWS Exhibit 13(e)
Cleveland-Cliffs Inc and Consolidated Subsidiaries

<TABLE>
<CAPTION>

	(In Millions, Brackets Indicate Cash Decrease) Year Ended December 31		
	1995	1994	1993
<S>	<C>	<C>	<C>
OPERATING ACTIVITIES			
Net income	$ 57.8	$ 42.8	$ 54.6
Adjustments to reconcile net income to net cash from operations:			
Depreciation and amortization:			
Consolidated	6.1	3.7	2.6
Share of associated companies	10.7	10.7	10.9
Provision for deferred income taxes	5.5	(1.8)	2.2
Recovery on bankruptcy claims	--	--	(31.6)
Increases to capacity rationalization reserve	.5	3.8	2.5
Tax credit	(12.2)	--	--
Increases to environmental reserve	13.2	2.2	.9
Extraordinary loss on debt extinguishment	4.8	--	-
Other	(1.7)	(6.9)	(7.3)
Total before changes in operating assets and liabilities	84.7	54.5	34.8
Changes in operating assets and liabilities:			
Marketable securities	(8.1)	92.3	(93.1)
Inventories and prepaid expenses	(15.7)	13.6	22.3
Receivables	3.9	(11.6)	2.7
Payables and accrued expenses	(6.8)	19.1	10.5
Total changes in operating assets and liabilities	(26.7)	113.4	(57.6)
Net cash from (used by) operating activities	58.0	167.9	(22.8)
INVESTING ACTIVITIES			
Acquisition of Northshore Mining	--	(97.3)	-
Weirton Preferred Stock redemption	--	25.0	-
Purchase of property, plant and equipment:			
Consolidated	(16.6)	(6.9)	(2.8)
Share of associated companies	(5.9)	(4.0)	(2.2)
Sale (purchase) of long-term investments	8.8	5.3	(3.6)
Other	(4.4)	--	.3
Net cash (used by) investing activities	(18.1)	(77.9)	(8.3)
FINANCING ACTIVITIES			
Principal payments on long-term debt:			
Consolidated	(75.0)	--	(.1)
Share of associated companies	(4.3)	(4.3)	(4.3)
Debt prepayment fees	(4.8)	--	-

-			
Proceeds from long-term debt	70.0	--	-
-			
Repurchases of Common Shares	(10.7)	--	-
-			
Dividends *	(15.5)	(14.8)	
(26.4)			
Other	.3	.6	
1.2			
	-------	------	----
--			
Net cash (used by) financing activities	(40.0)	(18.5)	
(29.6)			
EFFECT OF EXCHANGE RATE CHANGES ON CASH	(.6)	1.2	-
-			
	-------	------	----
--			
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(.7)	72.7	
(60.7)			
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	140.6	67.9	128.6
	-------	------	----
--			
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 139.9	$140.6	$
67.9			
	=======	======	
======			
Taxes paid on income	$ 29.0	$ 17.6	$
16.6			
Interest paid on debt obligations	$ 7.2	$ 6.5	$
6.5			

<FN>
*The 1993 dividends exclude the non-cash distribution of 1.5 million shares ($20.4 million) of the 2.3 million shares of LTV Corporation common stock received in the 1993 bankruptcy settlement.
</TABLE>

See notes to consolidated financial statements.

STATEMENT OF CONSOLIDATED SHAREHOLDERS' EQUITY Exhibit 13(f)
Cleveland-Cliffs Inc and Consolidated Subsidiaries

<TABLE>
<CAPTION>

	(In Millions)						
	Common Shares	Capital In Excess of Par Value Of Shares	Retained Income	Foreign Currency Translation Adjustments	Available For Sale Securities	Common Shares In Treasury	Unearned Compensation Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE December 31, 1992	$ 16.8	$ 61.2	$308.0	$ (.3)	$ --	$(116.1)	$ (.1) $269.5
Net income			54.6				54.6
Cash dividends:							
Regular - $1.20 a share			(14.4)				(14.4)
Special - $1.00 a share			(12.0)				(12.0)
Non-cash dividend - $1.70 a share			(20.4)				(20.4)
Change in unrealized gains, net of tax					1.3		1.3
Stock plans							
Restricted stock/stock options		.2				1.8	(.2) 1.8
BALANCE December 31, 1993	16.8	61.4	315.8	(.3)	1.3	(114.3)	(.3) 280.4
Net income			42.8				42.8
Cash dividends - $1.23 a share			(14.8)				(14.8)
Change in unrealized gains, net of tax					.2		.2
Stock plans							
Restricted stock/stock options		.2				.9	1.1
Performance shares		1.5					(1.0) .5
Other				1.2			1.2
BALANCE December 31, 1994	16.8	63.1	343.8	.9	1.5	(113.4)	(1.3) 311.4
Net income			57.8				57.8
Cash dividends - $1.30 a share			(15.5)				(15.5)
Change in unrealized gains, net of tax					(1.4)		(1.4)
Stock plans							
Restricted stock/stock options						.3	.3
Performance shares		2.1					(.8) 1.3
Repurchases of Common Shares						(10.7)	(10.7)
Other				(.6)			(.6)
BALANCE December 31, 1995	$ 16.8	$ 65.2	$386.1	$ .3	$ .1	$(123.8)	$

(2.1) $342.6

</TABLE>
See notes to consolidated financial statements.

ACCOUNTING POLICIES

BASIS OF CONSOLIDATION: The consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries, and references to the "Company" include the Company and consolidated subsidiaries. "Investments in Associated Companies" are comprised of partnerships and unconsolidated companies which the Company does not control. Such investments are accounted by the equity method (see Note C). The Company's share of earnings of mining partnerships and companies from which the Company purchases iron ore production is credited to cost of goods sold upon sale of the product.

BUSINESS: The Company's dominant business is the production and sale of iron ore pellets. The Company controls, develops, and leases reserves to mine owners; manages and owns interests in mines; sells iron ore; and owns interests in ancillary companies providing services to the mines. Iron ore production activities are conducted in the United States, Canada and Australia. The wholly-owned Australian operations had total revenues and pre-tax operating profit of $45.8 million and $13.0 million, $43.5 million and $5.4 million, and $41.9 million and $4.4 million, in 1995, 1994 and 1993, respectively. Total Australian assets, including long-term investments ($4.6 million, 1995, and $12.9 million, 1994) to fund eventual shutdown cost, were $31.8 million at December 31, 1995 (1994 - $38.8 million).

Iron ore is marketed in North America, Europe, Asia, and Australia. The three largest steel company customers' contributions to the Company's revenues were 17%, 11% and 10% in 1995; 14%, 14% and 12% in 1994; and 14%, 12% and 11% in 1993.

BUSINESS RISK: The North American steel industry experienced high operating rates and generally positive financial results in 1995 and 1994. The Company's integrated steel company partners and customers have generally improved their financial condition over the two-year period as a result of continued earnings and increased equity capital.

The improvement in most steel companies' financial positions has significantly reduced the major business risk faced by the Company in recent years, i.e., the potential financial failure and shutdown of significant customers or partners with a resulting unmitigated loss of ore sales or royalty and management fee income.

If any such shutdown were to occur without mitigation through replacement sales or cost reduction, it would represent a significant adverse financial development to the Company. The iron mining business has high operating leverage because "fixed" costs are a large portion of the cost structure. Therefore, loss of sales or other income due to failure of a customer or partner would have an adverse income effect proportionately greater than the revenue effect (see Note E - McLouth Bankruptcy).

USE OF ESTIMATES: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH EQUIVALENTS: The Company considers investments in highly liquid debt instruments with an initial maturity of three months or less, to be cash equivalents.

INVESTMENTS: The Company determines the appropriate classification of debt and equity securities at the time of purchase and reevaluates such designation as of each financial statement date.

Securities are classified as held-to-maturity when the Company has the intent and ability to hold the securities to maturity. Held-to-maturity securities are stated at cost and investment income is included in earnings.

The Company classifies certain highly liquid securities as trading securities. Trading securities are stated at fair value and unrealized holding gains and losses are included in income.

Securities that are not classified as held-to-maturity or trading are classified as available-for-sale. Available-for-sale securities are carried at fair value, with the unrealized holding gains and losses, net of tax, reported as a separate component of shareholders' equity.

FORWARD CURRENCY EXCHANGE CONTRACTS: The Company had $4.5 million and $6.0 million of Australian forward currency exchange contracts at December 31, 1995 and 1994, respectively, and $4.8 million and $6.0 million of Canadian forward currency exchange contracts at December 31, 1995 and 1994, respectively. These forward exchange contracts are hedging transactions that have been entered into with the objective of managing the risk of exchange rate fluctuations with respect to the ordinary local currency obligations of the Company's Australian and Canadian operations. Gains and losses are recognized in the same period as the hedged transaction. The fair value of these currency exchange contracts, which have varying maturity dates to December 30, 1996, is estimated to be $4.7 million for the Australian contracts and $4.8 million for the Canadian contracts, based on the December 31, 1995 forward rates.

The Company's exposure to risk associated with derivatives is limited to the above forward currency exchange contracts.

INVENTORIES: Product inventories, primarily finished products, are stated at the lower of cost or market. The cost of product inventories is determined using the last-in, first-out ("LIFO") method. The excess of current cost over LIFO cost of product inventories was $1.2 million and $.9 million at December 31, 1995 and 1994, respectively. The cost of other inventories is determined by the average cost method.

PROPERTIES: Depreciation of plant and equipment is computed principally by the straight-line method based on estimated useful lives. Depreciation is not reduced when operating units are temporarily idled. Depletion of mineral lands is computed using the units of production method based upon proven mineral reserves.

EXPLORATION, RESEARCH AND DEVELOPMENT COSTS: Exploration, research and continuing development costs of mining properties are charged to operations as incurred. Development costs which benefit extended periods are deferred and amortized over the period of benefit. At December 31, 1995, deferred development costs were less than $1.0 million. Startup costs of major new facilities are deferred and amortized over five years from commencement of commercial production.

INCOME PER COMMON SHARE: Income per common share is based on the average number of common shares outstanding during each period.

RECLASSIFICATIONS: Certain prior year amounts have been reclassified to conform to current year classifications.

NOTE A - ACCOUNTING AND DISCLOSURE CHANGES

In March, 1995, the Financial Accounting Standards Board issued Statement 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed Of," which requires the review for impairment of long-lived assets and certain identifiable intangibles whenever significant events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Although Statement 121 is effective for years beginning after December 15, 1995, the Company has elected to adopt the provisions of this standard for the year ended December 31, 1995. The Company has determined that no event or change in circumstance occurred in 1995 to indicate that a review for asset impairment was required.

In October, 1995, the Financial Accounting Standards Board issued Statement 123, entitled, "Accounting for Stock-Based Compensation," which establishes financial accounting and reporting standards for stock-based employee compensation plans. The standard is effective for years that begin after December 15, 1995. Management is evaluating the accounting and disclosure alternatives; however, no significant financial statement effect is expected.

NOTE B - NORTHSHORE MINE AND POWER PLANT ACQUISITION

On September 30, 1994, Cliffs Minnesota Minerals Company, a subsidiary of Cleveland-Cliffs Inc, acquired Cyprus Amax Minerals Company's iron ore operation and power plant (renamed Northshore Mining Company or "Northshore") in Minnesota. The principal Northshore assets acquired were 4 million annual

tons of active capacity for production of standard pellets (equivalent to 3.5 million tons of flux pellet capacity), supported by 6 million tons of active concentrate capacity, a 115 megawatt power generation plant, and an estimated 1.2 billion tons of magnetite crude iron ore reserves, leased mainly from the Mesabi Trust. Northshore has a long-term contract to sell 40 megawatts of excess capacity to an electric utility with approximately 16 years remaining at December 31, 1995.

The acquisition has been accounted for as a purchase transaction. Pro forma results of the Company's operations, assuming the acquisition had occurred at the beginning of 1993, are shown in the following table.

<TABLE>
<CAPTION>

	ProForma (Unaudited)	
	1994	1993*
<S>	<C>	<C>
Total Revenues (Millions)	$466.7	$415.0
Net Income		
Amount (Millions)	$ 47.0	$ 36.5
Per Common Share	$ 3.89	$ 3.04

<FN>
* Year 1993 results exclude the Company's $35.7 million before-tax ($23.2 million after-tax or $1.93 per share) recovery on the settlement of the Company's bankruptcy claim against LTV Steel Company, Inc. (an integrated steel company subsidiary of The LTV Corporation, or collectively "LTV").

</TABLE>

The pro forma results have been prepared for illustrative purposes only and do not purport to be indicative of what would have occurred had the acquisition actually been made at the beginning of 1993, nor of results which may occur in the future. Actual results could be significantly different under the Company's ownership due to, among other matters, differences in marketing, operating and investment actions which have been or may be taken by the Company.

In June 1995, a $6.0 million pellet expansion project, at Northshore, which involved the re-commissioning of an idled pelletizing unit, was completed. On an annualized basis, the expansion added approximately .9 million tons of pellets, a 23 percent expansion of Northshore production.

NOTE C - INVESTMENTS IN ASSOCIATED COMPANIES

The Company's investments in associated mining companies ("ventures") are accounted by the equity method and consist primarily of its 22.5625% interest in Empire Iron Mining Partnership ("Empire"), 15% interest in Hibbing Taconite Company ("Hibbing"), 40% interest in Tilden Mining Company L.C. ("Tilden"; formerly 33.33% interest in Tilden Magnetite Partnership and 60% interest in Tilden Mining Company), and 7.69% (7.01% in 1994) interest in Wabush Mines ("Wabush"). These ventures are managed by the Company in North America. The other interests are owned by U.S. and Canadian integrated steel companies.

Following is a summary of combined financial information of the operating ventures.

<TABLE>
<CAPTION>

	(In Millions)		
	1995	1994	1993
<S>	<C>	<C>	<C>
INCOME			
Gross revenue	$1,025.9	$ 968.2	$ 896.5
Equity income	143.3	99.5	82.2
FINANCIAL POSITION			
Properties - net	$ 761.5	$ 774.5	$ 812.4
Other assets	138.6	107.1	95.8
Debt obligations	(22.5)	(39.8)	(61.0)
Other liabilities	(163.9)	(147.4)	(123.1)

Net assets	$ 713.7	$ 694.4	$ 724.1
Company's equity in underlying net assets	$ 185.1	$ 253.6	$ 266.8
Company's investment	$ 152.0	$ 151.7	$ 152.2

</TABLE>

The Company manages and operates all of the ventures and leases or subleases mineral rights to certain ventures. In addition, the Company is required to purchase its applicable current share, as defined, of the production decided by the venture participants. The Company purchased $217.8 million in 1995 (1994-$212.5 million; 1993-$196.0 million) of iron ore from certain ventures. During 1995, the Company earned royalties and management fees of $49.5 million (1994-$44.7 million; 1993-$39.5 million) from ventures, of which $13.7 million in 1995 (1994-$12.7 million; 1993-$10.7 million) was paid by the Company as a participant in the ventures.

Costs and expenses incurred by the Company, on behalf of the ventures, are charged to such ventures in accordance with management and operating agreements. The Company's equity in the income of the ventures is credited to the cost of goods sold and includes the amortization to income of the excess of the Company's equity in the underlying net assets over its investment on the straight-line method based on the useful lives of the underlying assets. The difference between the Company's equity in underlying net assets and recorded investment results from the assumption of interests from former participants in the ventures, acquisitions, and the Tilden reorganization. The Company's equity in the income of ventures was $24.3 million in 1995 (1994-$19.5 million; 1993-$23.5 million).

In February, 1994, the Company reached agreement with Algoma Steel Inc. ("Algoma") and Stelco Inc. to restructure and simplify the Tilden Mine operating agreement effective January 1, 1994. The principal terms of the agreement are (1) the participants' tonnage entitlements and cost-sharing are based on a 6.0 million ton target normal production level instead of the previous 4.0 million ton base production level, (2) the Company's interest in Tilden has increased from 33.33% to 40.0% with an associated increase in the Company's obligation for its share of mine costs, (3) the Company is receiving a higher royalty, (4) the Company has the right to supply any additional iron ore pellet requirements of Algoma from Tilden or the Company, and (5) any partner may take additional production with payment of certain fees to Tilden. The parties implemented the general agreement effective January 1, 1994 and finalized the detailed provisions of the definitive agreement on September 30, 1995. The agreement has not had a material effect on the Company's consolidated financial statements.

The Company's effectively serviced share of long-term obligations of ventures, including current portion, was $6.3 million as of December 31, 1995 (1994-$9.2 million). In addition, the Company guaranteed $6.6 million of Empire long-term obligations which are effectively serviced by LTV and Wheeling-Pittsburgh Steel Corporation. The fair value of the guarantees is nominal because advances against the guarantees would be supported by ownership interests in Empire. The Company's share of the final principal payment, due in 1996, of the Empire long-term obligation is $3.9 million. The Company's share of plant and equipment and other property interests which secure the effectively serviced obligations was $45.0 million at December 31, 1995.

NOTE D - INVESTMENTS

Following is a summary of investment securities:

<TABLE>
<CAPTION>

	(In Millions)		
		Gross Unrealized	Estimated Fair
	Cost	Gains (Losses)	Value
<S>	<C>	<C>	<C>

December 31, 1995			
Long-Term Investments			
Available-for-Sale			
Debt Securities	$ .1	$ --	$ .1
LTV Common Stock	11.5	.1	11.6
	11.6	.1	11.7
Held-to-Maturity			
Australian Government Securities	4.6	.3	4.9
Total Long-Term Investments	$16.2	$ .4	$16.6
Marketable Securities			
Trading			
Debt Securities	$ 8.9	$ --	$ 8.9
December 31, 1994			
Long-Term Investments			
Available-for-Sale			
Debt Securities	$ .7	$ --	$ .7
LTV Common Stock	11.2	2.3	13.5
	11.9	2.3	14.2
Held-to-Maturity			
Australian Government Securities	12.9	(.3)	12.6
Total Long-Term Investments	$24.8	$2.0	$26.8
Marketable Securities			
Available-for-Sale			
Debt Securities	$ .8	$ --	$ .8

</TABLE>

The contractual maturities of the Available-for-Sale and Held-to-Maturity securities at December 31, 1995 and 1994 are shown below.

<TABLE>
<CAPTION>

	December 31, 1995 (In Millions)		December 31, 1994 (In Millions)	
	Cost	Estimated Fair Value	Cost	Estimated Fair Value
<S>	<C>	<C>	<C>	<C>
Available-for-Sale				
Debt Instruments:				
Due in one year or less	$ .1	$ .1	$ .8	$ .8
Due after three years	--	--	.7	.7
	.1	.1	1.5	

1.5				
LTV Common Stock	11.5	11.6	11.2	13.5
-				
	$11.6	$11.7	$12.7	
$15.0				
=====				
Held-to-Maturity				
- ----------				
Debt Instruments:				
Due in one year or less	$ 3.9	$ 4.1	$ 8.7	$ 8.6
Due after one year through three years	.7	.8	4.2	4.0
-				
	$ 4.6	$ 4.9	$12.9	
$12.6				
=====				

</TABLE>

In 1995, $8.3 million of Australian government securities matured and were converted to cash and cash equivalents. The redemption of these investments, previously classified as held-to-maturity securities, did not result in the recognition of gain or loss.

NOTE E - MCLOUTH BANKRUPTCY

On September 29, 1995, McLouth Steel Products Company ("McLouth"), a significant customer, petitioned for protection under Chapter 11 of the U.S. Bankruptcy Code. The Company has periodically extended credit to McLouth. At the time of the bankruptcy filing, the Company had an unreserved receivable from McLouth of $5.0 million, secured by liens on certain McLouth fixed assets. A $2.7 million reserve against the receivable was recorded in September, 1995 resulting in a $1.8 million after-tax charge. Since the petition, McLouth has maintained operations and the Company has continued pellet shipments. McLouth's liquidity is limited, and there is no assurance that McLouth will continue to operate. Future operating results would be adversely affected if the Company's total sales declined due to McLouth developments. The extent of such effect would be dependent on the timing and degree of replacement sales to other customers.

Sales to McLouth totaled 1.3 million tons for the year 1995 representing 12.5 percent of the Company's sales volume. Included in the Company's December 31, 1995 inventory was .1 million tons (which increased to a peak .2 million tons in January, 1996) consigned to McLouth in accordance with long-standing practice.

NOTE F - RESERVE FOR CAPACITY RATIONALIZATION

The Company initially established a reserve of $70 million in 1983 to provide for expected costs of reorienting its mining joint ventures and facilities to adjust to changed market conditions. During 1990, the Company increased the reserve by $24.7 million as a result of a restructuring of Savage River Mines under which the previous participants in the venture paid $19.0 million to the Company for closedown obligations. In 1993, $5.6 million, was charged to the reserve. During 1994 and 1995, $3.8 million and $.5 million, respectively, were credited to the reserve. The balance at December 31, 1995 was $34.8 million, with $7.1 million classified as a reduction of other current assets.

The reserve balance is principally for the planned shutdown of Savage River Mines in the first quarter of 1997 and the permanent shutdown of the Republic Mine. The Republic Mine shutdown was announced on January 30, 1996. The Savage River Mines shutdown provision has been funded.

NOTE G - ENVIRONMENTAL RESERVES

The Company has a formal code of environmental conduct which promotes environmental protection and restoration. The Company's obligations for known environmental problems at active mining operations, idle and closed mining operations and other sites have been recognized based on estimates of the cost of required investigation and remediation at each site. If the cost can only be estimated as a range of possible amounts with no specific amount being most likely, the minimum of the range is accrued in accordance with generally accepted accounting principles. Estimates may change as additional information becomes available. Actual costs incurred may vary from the estimates due to the inherent uncertainties involved. Any potential insurance recoveries have not been reflected in the determination of the financial reserves.

In the second quarter of 1995, the Company provided $9.9 million of additional environmental reserves which resulted in a $6.7 million special after-tax charge. The additional provision reflected a comprehensive review of available information on all known sites. Additional environmental reserves of $3.3 million were provided in other quarters as a result of other environmental reviews and determinations. Net payments in 1995 were $2.4 million.

At December 31, 1995, the Company had an environmental reserve of $22.9 million ($12.0 million at December 31, 1994), of which $4.4 million was current. The reserve includes the Company's obligations for:

- Federal and state Superfund and Clean Water Act sites where the Company is named as a potential responsible party, including the Cliffs-Dow and Kipling sites in Michigan, the Arrowhead Refinery site in Minnesota, the Summitville mine site in Colorado, and the Rio Tinto mine site in Nevada, all of which sites are independent of the Company's iron mining operations. The reserves are based on engineering studies prepared by outside consultants engaged by the potential responsible parties. The Company continues to evaluate the recommendations of the studies and other means of site clean-up. Significant site clean-up activities have taken place at Cliffs-Dow since late 1993. A Consent Decree has been reached among the federal and state governments and approximately 224 individuals and companies with respect to the Arrowhead site. Clean-up began in 1995 with significant funding provided by the federal and state governments. The Consent Decree has been entered by the U.S. District Court. The Company's share of Arrowhead costs totaled approximately $149,000, which included $23,000 of funded remediation costs and $126,000 of incurred legal and other costs.

- Wholly-owned active and idle operations, including the Northshore mine and Silver Bay power plant in Minnesota, acquired on September 30, 1994. The Northshore/Silver Bay reserve is based on an environmental investigation conducted by the Company and an outside consultant in connection with the purchase. Expenditures in 1995 totalled $.6 million.

- Other sites, including former operations, for which reserves are based on the Company's estimated cost of investigation and remediation of sites where expenditures may be incurred.

Estimated environmental expenditures under current laws and regulations are not expected to materially impact the Company's consolidated financial statements.

NOTE H - LONG-TERM OBLIGATIONS

<TABLE>
<CAPTION>

	(In Millions) December 31	
	1995	1994
<S>	<C>	<C>
Term notes	$70.0	$75.0
Less current portion	--	5.0
	$70.0	$70.0

</TABLE>

In December, 1995, the Company completed a private placement of $70.0 million of senior unsecured notes to an insurance company group. The proceeds were used to retire existing notes in the same amount, held by another group of insurance companies. The new notes due in December, 2005, have a fixed interest rate of 7.0 percent, and replace the existing notes, which had an average interest rate of 8.77 percent and remaining annual principal payments of $12.1 million per year in the years 1996 through 1999 and $7.2 million in the years 2000 through 2002. The retiring of the existing notes resulted in an extraordinary charge

of $3.1 million after-tax ($4.8 million before-tax).

The senior unsecured note agreement requires the Company to meet certain covenants related to net worth ($200.0 million at December 31, 1995), leverage, and other provisions. The Company was in compliance with the debt covenants at December 31, 1995.

Effective March 1, 1995, the Company terminated its $75 million three-year revolving credit agreement, which was scheduled to expire on April 30, 1995, and entered into a five-year, $100 million agreement. No borrowings are outstanding under the agreements.

NOTE I - RETIREMENT BENEFITS

Pensions

The Company and its managed ventures sponsor defined benefit pension plans covering substantially all employees. The plans are noncontributory and benefits generally are based on employees' years of service and average earnings for a defined period prior to retirement.

Pension costs, including the Company's proportionate share of the costs of ventures, were credits of $1.2 million and $2.7 million, in 1995 and 1993, respectively, and a cost of $ .2 million in 1994. The (credits) cost included credits of $3.6 million, $3.4 million, and $3.2 million in 1995, 1994, and 1993, respectively, related to a shutdown operation which increased the Capacity Rationalization Reserve and were not credited to income. Components of the pension (credits) costs were as follows:

<TABLE>
<CAPTION>

	(In Millions)		
	1995	1994	1993
<S>	<C>	<C>	<C>
Service cost	$ 3.4	$ 3.7	$ 3.0
Interest cost	15.3	14.4	13.4
Actual loss (return) on plan assets	(42.6)	1.5	(27.7)
Net amortization and deferral	22.7	(19.4)	8.6
	$ (1.2)	$ .2	$(2.7)

</TABLE>

Most of the Company's pension funds are held in diversified collective trusts with the funds contributed by partners in the ventures. Plan assets principally include diversified marketable equity securities and corporate and government debt securities, which are selected by professional asset managers.

The following table presents a reconciliation of the funded status of the Company's plans, including its proportionate share of the plans of ventures, at December 31, 1995 and 1994.

<TABLE>
<CAPTION>

	(In Millions)	
	1995	1994
<S>	<C>	<C>
Plan assets at fair value	$ 249.1	$ 228.4
Actuarial present value of benefit obligation:		
Vested benefits	187.9	156.7
Nonvested benefits	22.4	23.4
Accumulated benefit obligation	210.3	180.1
Effect of projected compensation levels	23.3	13.3
Projected benefit obligation	233.6	193.4
Plan assets in excess of projected benefit obligation	15.5	35.0
Unrecognized prior service costs	8.3	11.1

Unrecognized net asset at date of adoption of FAS 87, net of amortization	(26.2)	(34.1)
Unrecognized net loss	25.9	9.0
Prepaid cost	$ 23.5	$ 21.0

</TABLE>

At December 31, 1995, the Company recorded an additional liability of $1.6 million for certain plans where the fair value of plan assets was less than the accumulated benefit obligation. The minimum liability recognition resulted in the recording of a $1.6 million intangible asset.

The discount rate and weighted average rate of increase in compensation levels used in determining the actuarial present value of the projected benefit obligation were 7.25% and 4.1% at December 31, 1995 (8.5% and 4.0% at December 31, 1994), respectively. The expected long-term rate of return assumption utilized for determining pension (credit) cost for the years 1995, 1994 and 1993 was 8.5%, 8% and 9%, respectively. The assumption was changed to 8.75% on December 31, 1995 for year 1996 pension cost (credit) determination.

The Company has increased pension plan funding to the maximum amount deductible for income tax purposes. For Plan Year 1995 (largely funded in calendar year 1996), the Company expects to contribute $5.1 million, including its share of ventures' funding, an increase of $3.5 million from Plan Year 1994. In the event of plan termination, the sponsors could be required to fund shutdown and early retirement obligations which are not included in the accumulated benefit obligation.

Other Postretirement Benefits ("OPEB")
- ---

In addition to the Company's defined benefit pension plans, the Company and its managed ventures currently provide retirement health care and life insurance benefits to most full-time employees who meet certain length of service and age requirements (a portion of which are pursuant to collective bargaining agreements). These benefits are provided through programs administered by insurance companies whose charges are based on the benefits paid during the year. If such benefits are continued, most active employees would become eligible for these benefits when they retire.

The following table presents a reconciliation of the funded status of the Company's OPEB obligations, including its proportionate share of the obligations of ventures, at December 31, 1995 and 1994.

<TABLE>
<CAPTION>

	(In Millions)	
	1995	1994
<S>	<C>	<C>
Accumulated postretirement benefit obligation:		
Retirees	$ 67.5	$ 46.7
Fully eligible active plan participants	3.2	2.2
Other active plan participants	24.8	16.8
	95.5	65.7
Plan assets	(12.1)	(10.4)
Accumulated postretirement benefit cost obligation in excess of plan assets	83.4	55.3
Unrecognized prior service credit (cost)	(.1)	.1
Unrecognized gain (loss)	(9.2)	17.3
Accrued postretirement benefit cost	$ 74.1	$ 72.7

</TABLE>

Net periodic postretirement benefit cost, including the Company's proportionate share of the costs of ventures, includes the following components:

<TABLE>
<CAPTION>

	(In Millions)		
	1995	1994	1993

<S>	<C>	<C>	<C>
Service cost	$ 1.2	$ 1.1	$ 1.2
Interest cost	5.8	5.6	5.7
Return on plan assets	(.6)	(.5)	--
Net amortization and deferral	(.4)	.1	--
Net periodic postretirement benefit cost	$ 6.0	$ 6.3	$ 6.9

</TABLE>

As a result of recent experience, the Company has changed the medical cost trend rate assumption used in the calculation of its OPEB obligation at December 31, 1995. The new assumption reflects medical cost growth of 8.5% in 1996 decreasing by .5% per year to a growth rate of 5% for the year 2003 and annually thereafter. The previous assumption reflected medical cost growth of 13% in 1993, 11% in 1994, 9% in 1995, 7% in 1996, 5% in 1997 and annually thereafter. The medical cost trend rate assumption has a significant effect on the amounts reported. For example, changing the assumed medical cost trend rate by one percentage point in each year would change the accumulated postretirement benefit obligation, as of December 31, 1995 by $20.4 million, and the aggregate of the service and interest cost components of net periodic postretirement benefit cost for 1995 by $1.3 million. Amounts include the Company's proportionate share of the costs of ventures.

Plan assets include $9.3 million of deposits, relating to funded life insurance contracts, at January 1, 1994, that the Company determined were available to fund retired employees' life insurance obligations. As part of the 1993 labor contracts at Empire, Hibbing, and Tilden, Voluntary Employee Benefit Association Trusts ("VEBAs") have been established. Funding of the VEBAs began in 1994 to cover a portion of the postretirement benefit obligations of these ventures. As a participant, the Company's minimum annual contribution is $.8 million per year. The Company's estimated actual contribution will approximate $1.4 million per year based on its share of tons produced. The discount rate used in determining the accumulated postretirement benefit obligation was 7.25% at December 31, 1995 (8.5% and 7.25% at December 31, 1994 and 1993, respectively). The expected long-term rate of return on life insurance contract deposits was increased to 8.0% at December 31, 1995 from 5.5% at December 31, 1994 to reflect contract provisions. The expected return on VEBAs remained at 5.5%.

NOTE J - INCOME TAXES

<TABLE>
<CAPTION>
Significant components of the Company's deferred tax assets and liabilities as of December 31, 1995 and 1994 are as follows:

	(In Millions)	
	1995	1994
<S>	<C>	<C>
Deferred tax assets:		
Postretirement benefits other than pensions	$20.9	$21.4
Other liabilities	20.1	19.3
Deferred development	9.2	9.4
Reserve for capacity rationalization	7.3	6.7
Current liabilities	6.7	4.4
Product inventories	3.6	2.5
Other	2.4	7.4
Total deferred tax assets	70.2	71.1
Deferred tax liabilities:		
Investment in associated companies	24.5	26.2
Other	20.4	21.5
Total deferred tax liabilities	44.9	47.7
Net deferred tax assets	$25.3	$23.4

</TABLE>

<TABLE>
<CAPTION>
The components of provisions for income taxes before the extraordinary item are as follows:

	(In Millions)		
	1995	1994	1993
<S>	<C>	<C>	<C>
Current	$11.9	$16.5	$19.0
Deferred	(1.2)	(1.8)	2.1
	$10.7	$14.7	$21.1

</TABLE>

In 1995, the Company and the Internal Revenue Service reached agreement on several issues raised during the examination of the Company's federal income tax returns for the tax years 1986 through 1988. The income tax settlement favorably resolved a number of audit issues primarily arising from the Company's restructuring program in the late 1980s when mining partnerships were reorganized to cope with steel company bankruptcies and non-core businesses were divested. During that period, the Company had reserved the potential tax liabilities. Accordingly, a tax credit of $12.2 million was recorded in the second quarter of 1995. As a result of the settlement and its related impact on the tax years 1989 through 1993, the Company made additional tax and interest payments of $11.8 million in the third quarter of 1995 and is entitled to tax and interest refunds of $5.3 million. Additional cash benefits of the tax settlement will be realized for the tax year 1994 and thereafter.

The provision for income taxes included Australian federal income taxes of $3.7 million, $1.9 million, and $.9 million for the years 1995, 1994 and 1993, respectively.

The reconciliation of effective income tax rate before the extraordinary item and United States statutory rate is as follows:

<TABLE>
<CAPTION>

	1995	1994	1993
<S>	<C>	<C>	<C>
Statutory tax rate	35.0%	35.0%	35.0%
Increase (decrease) due to:			
Percentage depletion in excess of cost depletion	(7.8)	(7.9)	(4.5)
Effect of foreign taxes	1.7	.2	--
Prior years' tax adjustment	(15.2)	(1.5)	(3.0)
Corporate dividends received	--	(1.0)	(1.0)
Other items - net	1.3	.8	1.3
Effective tax rate	15.0%	25.6%	27.8%

</TABLE>

Prior years' tax adjustment in 1995 includes the effect of the $12.2 million tax credit.

NOTE K - BANKRUPTCY SETTLEMENT

Following a 1986 filing, LTV emerged from bankruptcy in June, 1993. In final settlement of its allowed claim, the Company received 2.3 million shares of LTV Common Stock and 4.4 million Contingent Value Rights, valued at $31.6 million and $4.1 million, respectively, resulting in a total gain in 1993 of $35.7 million ($23.2 million after-tax, or $1.93 per share). On July 13, 1993, the Company distributed to its common stockholders, a special dividend of 1.5 million shares of LTV Common Stock, valued at $20.4 million, and $12.0 million ($1.00 per share) cash.

On March 20, 1995, the Company received a second and final distribution of 22,689 shares of LTV Common Stock. The Company has retained the approximately 842,000 shares as an investment.

NOTE L - FAIR VALUES OF FINANCIAL INSTRUMENTS

The carrying amount and fair value of the Company's financial instruments at December 31, 1995 are as follows:

<TABLE>

<CAPTION>

	(In Millions)	
	Carrying Amount	Fair Value
<S>	<C>	<C>
Cash and cash equivalents	$139.9	$139.9
Marketable securities:		
Available-for-Sale	11.7	11.7
Held-to-Maturity	4.6	4.9
Trading	8.9	8.9
Total securities	25.2	25.5
Long-term debt	70.0	71.9

</TABLE>

The fair value of the Company's long-term debt was determined based on a discounted cash flow analysis and estimated borrowing rates.

The Company also has forward currency contracts at December 31, 1995 of $9.3 million with a fair value of $9.5 million.

NOTE M - STOCK PLANS

The 1987 Incentive Equity Plan authorizes the Company to make grants and awards of stock options, stock appreciation rights and restricted or deferred stock awards to officers and key employees, for up to 750,000 Common Shares (plus an additional 89,045 Common Shares reserved for issuance, but not issued, under the Company's 1979 Restricted Stock Plan). The 1992 Incentive Equity Plan authorizes the Company to issue up to 595,000 Common Shares upon the exercise of Options Rights, as Restricted Shares, in payment of Performance Shares or Performance Units that have been earned, as Deferred Shares, or in payment of dividend equivalents paid with respect to awards made under the Plan. Such shares may be shares of original issuance or treasury shares or a combination of both. Stock options may be granted at a price not less than the fair market value of the stock on the date the option is granted and must be exercisable not later than ten years and one day after the date of grant. Stock appreciation rights may be granted either at or after the time of grant of a stock option. Common Shares may be awarded or sold to certain employees with restrictions as to disposition over specified periods. The market value of restricted stock awards and Performance Shares is charged to expense over the vesting period. Option prices were adjusted in 1991 and 1993 to recognize the effect of special dividends to shareholders. Stock option, restricted stock award, and performance share activities are summarized as follows:

<TABLE>
<CAPTION>

	1995		1994		1993	
	Shares	Price	Shares	Price	Shares	Price
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Stock options:						
Options outstanding beginning of year	82,182	$ 8.51-37.13	105,125	$ 8.51-34.80	160,650	$6.68-37.50
Granted	5,000	39.44-40.56	5,500	35.50-37.13	5,000	32.56
Exercised	(14,407)	8.51-35.50	(27,943)	8.51-34.80	(60,525)	6.68 26.31
Cancelled	--	--	(500)	35.50	--	--
Options outstanding at end of year	72,775	8.51-40.56	82,182	8.51-37.13	105,125	8.51-34.80
Options exercisable at end of year	72,775	8.51-40.56	82,182	8.51-37.13	105,125	8.51-34.80
Restricted awards:						
Awarded and restricted at beginning of year	13,264		20,218		10,990	
Awarded during the year	--		8,000		15,277	
Vested	(2,410)		(14,954)		(6,049)	
Cancelled	--		--		--	

Awarded and restricted at end of year	10,854	13,264	20,218
Performance shares:			
Allocated at beginning of year	41,317	--	
Allocated during the year	47,450	42,067	
Forfeited	--	(750)	
Allocated end of year	88,767	41,317	
Reserved for future grants or awards at end of year	469,457	521,907	576,224

</TABLE>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
Cleveland-Cliffs Inc and Consolidated Subsidiaries

NOTE N - SHAREHOLDERS' EQUITY

As of December 31, 1995, the Company is authorized to issue up to 500,000 shares of Class A voting preferred stock, without par value, and up to 4,000,000 shares of Class B non-voting preferred stock, without par value.

A share purchase right ("Right") is attached to each of the Company's Common Shares outstanding as of December 31, 1995, or subsequently issued. Each Right entitles the holder to buy from the Company eleven one-thousandths (.011) of one Common Share at an exercise price per whole share of $39.11. The Rights become exercisable if a person or group acquires, or tenders for, 20% or more of the Company's Common Shares. The Company is entitled to redeem the Rights at 5 cents per Right at any time until ten days after any person or group has acquired 20% of the Common Shares and in certain circumstances thereafter. If a party owning 20% or more of the Company's Common Shares merges with the Company or engages in certain other transactions with the Company, each Right, other than Rights held by the acquiring party, entitles the holder to buy $78.22 worth of the shares of the surviving company at a 50% discount. The Rights expire on September 18, 1997 and are not exercisable until the occurrence of certain triggering events, which include the acquisition of, or a tender or exchange offer for, 15% or more of the Company's Common Shares. There are approximately 185,000 Common Shares reserved for these Rights.

In January, 1995, the Company announced a program to repurchase up to 600,000 of its Common Shares in the open market or in negotiated transactions. Under the continuing program, the Company repurchased 284,500 shares at an average price of $37.71 per share in open market transactions throughout 1995. The shares will initially be retained as Treasury Stock.

NOTE O - LITIGATION

The Company and its managed ventures are periodically involved in litigation incidental to their operations. Management believes that any pending litigation will not result in a material liability in relation to the Company's consolidated financial statements.

Exhibit 13(h)

QUARTERLY RESULTS OF OPERATIONS - (Unaudited)
(In Millions, Except Per Share Amounts)

<TABLE>
<CAPTION>

	1995				
	Quarters				
	First	Second	Third	Fourth	Year
<S>	<C>	<C>	<C>	<C>	<C>
Total Revenues	$63.6	$118.9	$144.6	$146.0	$473.1
Gross Profit	10.4	26.4	33.4	34.1	104.3
Net Income Before Extraordinary Item					
Amount	5.0	20.9	17.3	17.7	60.9
Per Common Share	.41	1.75	1.45	1.49	5.10
Extraordinary Item	--	--	--	(3.1)	(3.1)
Net Income					
Amount	5.0	20.9	17.3	14.6	57.8
Per Common Share	.41	1.75	1.45	1.23	4.84

</TABLE>

Second quarter results included two special items: a $12.2 million tax credit resulting from the settlement of prior years' tax issues, and a $6.7 million after-tax increase in the reserve for environmental expenditures. Third quarter results included a $1.8 million reserve against McLouth receivables. The fourth quarter included an extraordinary after-tax charge of $3.1 million for refinancing long-term debt. The 1995 results include the effects of operating Northshore for the full year.

<TABLE>
<CAPTION>

	1994				
	Quarters				
	First	Second	Third	Fourth	Year
<S>	<C>	<C>	<C>	<C>	<C>
Total Revenues	$49.5	$ 85.0	$111.0	$143.4	$388.9
Gross Profit	8.6	19.6	23.6	27.8	79.6
Net Income					
Amount	2.2	10.4	14.8	15.4	42.8
Per Common Share	.18	.86	1.23	1.27	3.54

</TABLE>

Fourth quarter results of operations included Northshore beginning October 1, 1994.

- ---

Common Share Price Performance and Dividends

<TABLE>
<CAPTION>

	Price Performance				Dividends	
	1995		1994			
	High	Low	High	Low	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>	<C>
First Quarter	$40-1/8	$36-1/2	$45-1/2	$36-3/8	$ .325	$ .30
Second Quarter	40-5/8	36-1/8	42-7/8	34-3/8	.325	.30
Third Quarter	46-3/4	38-5/8	42-1/8	35-5/8	.325	.30
Fourth Quarter	41-1/8	37	40-1/8	36-1/8	.325	.325
Year	46-3/4	36-1/8	45-12	34	$1.30	$1.225

</TABLE>

Exhibit 13(i)

STOCK EXCHANGE INFORMATION

The principal market for Cleveland-Cliffs Inc common shares (ticker symbol CLF) is the New York Stock Exchange. The common shares are also listed on the Chicago Stock Exchange.

SUMMARY OF FINANCIAL AND OTHER STATISTICAL DATA Exhibit 13(j)
CLEVELAND-CLIFFS INC AND CONSOLIDATED SUBSIDIARIES

<TABLE>
<CAPTION>

	1995	1994	1993
<S>	<C>	<C>	<C>
FINANCIAL (IN MILLIONS EXCEPT PER SHARE AMOUNTS)			
FOR THE YEAR			
Operating Earnings From Continuing Operations:			
Operating Revenues - Product Sales and Services	$ 411.2	$ 334.8	$ 268.1
- Royalties and Management Fees	49.5	44.7	39.7
- Total	460.7	379.5	307.8
Cost of Goods Sold and Operating Expenses and AS&G Expenses	371.5	315.8	268.5
Operating Earnings	89.2	63.7	39.3
Net Income (Loss) - From Continuing Operations (a)	57.8	42.8	54.6
- From Discontinued Operations	--	--	--
- Total	57.8	42.8	54.6
Net Income (Loss) Per Common Share - From Continuing Operations (a)	4.84	3.54	4.55
- From Discontinued Operations	--	--	--
- Total	4.84	3.54	4.55
Distributions to Common Shareholders:			
Quarterly Cash Dividends - Per Share	1.30	1.23	1.20
- Total	15.5	14.8	14.4
Special Dividends - Per Share	--	--	2.70 (b)
- Total	--	--	32.4 (b)
Spin-off of Securities - Per Share	--	--	--
- Total	--	--	--
Repurchase (Sale) of Common Shares	10.7	--	--
Capital Expenditures (c)	22.5	10.9	5.0
AT YEAR-END			
Cash and Marketable Securities	148.8	141.4	161.0
Total Assests	644.6	608.6	549.1
Long-Term Obligations Effectively Serviced (c)	76.3	84.2	88.6
Shareholders' Equity	342.6	311.4	280.4
Book Value Per Common Share	28.96	25.74	23.25
Market Value Per Common Share	41.00	37.00	37.38
IRON ORE PRODUCTION AND SALES STATISTICS (MILLIONS OF GROSS TONS)			
Production From Mines Managed by Cliffs:			
North America	39.6	35.2	32.3

Australia	1.5	1.5	1.5			
Total	41.1	36.7	33.8			
Cliffs' Share	11.3	8.3	6.8			
Cliffs' Sales From:						
North American Mines	10.4	8.2	6.4			
Austalian Mine	1.5	1.5	1.4			
Total	11.9	9.7	7.8			
OTHER INFORMATION						
Common Shares Outstanding (Millions) - Average For Year	11.9	12.1	12.0			
Common Shares Outstanding (Millions) - At Year End	11.8	12.1	12.1			
Common Shares Price Range - High	$46-3/4	$45-1/2	$37-1/2			
Common Shares Price Range - Low	36-1/8	34	28-3/4			
Employees at Year-End (d)	6,224	6,309	5,973			

<FN>
(a) Results include after-tax net contributions of special items and extraordinary charge of $2.4 million in 1995, recoveries on bankruptcy claims of $23.2 million ($1.93 per share) and $47.1 million ($4.03 per share) in 1993 and 1990, respectively, and a $38.7 million ($3.23 per share) after-tax charge for accounting changes in 1992. In addition, see notes B and E to the consolidated financial statements.

</TABLE>

<TABLE>
<CAPTION>

1992	1991	1990	1989	1988	1987
<C>	<C>	<C>	<C>	<C>	<C>
$266.9	$271.6	$272.2	$294.9	$247.9	$303.5
43.8	45.8	37.7	55.6	50.2	40.8
310.7	317.4	309.9	350.5	298.1	344.3
275.5	275.0	279.7	257.8	227.6	327.5
35.2	42.4	30.2	92.7	70.5	16.8
(7.9)	53.8	73.8	62.5	42.6	30.2
--	--	--	(1.9)	(3.4)	(17.5)
(7.9)	53.8	73.8	60.6	39.2	12.7
(.66)	4.55	6.31	5.37	3.12	1.88
--	--	--	(.17)	(.26)	(1.31)
(.66)	4.55	6.31	5.20	2.86	.57
1.18	1.03	.80	.40	--	--
14.1	12.1	9.3	4.7	--	--
--	4.00	--	--	.79 (b)	--
--	47.0	--	--	12.8 (b)	--
--	--	--	--	3.55 (b)	--
--	--	--	--	41.3 (b)	--
--	--	--	--	125.2	(62.4)
5.2	7.3	11.2	14.6	8.4	2.0
128.6	95.9	96.0	95.5	52.4	109.8
537.2	478.7	510.9	415.2	390.6	665.6

92.1	65.0	82.4	93.4	145.7	183.5
269.5	290.8	290.8	226.0	168.6	395.4
22.47	24.40	24.88	19.36	14.53	21.02
35.63	36.13	27.13	29.00	26.63	14.88
32.9	32.1	31.7	39.3	39.0	34.3
1.5	1.3	2.2	2.3	2.4	2.0
34.4	33.4	33.9	41.6	41.4	36.3
7.3	7.0	6.6	8.9	9.1	5.0
6.0	6.0	6.5	7.5	6.7	5.5
1.3	1.3	0.3	--	--	--
7.3	7.3	6.8	7.5	6.7	5.5
12.0	11.8	11.7	11.6	13.2	13.4
12.0	11.9	11.7	11.7	11.6	16.4
$40-3/8	$36-1/2	$35	$34	$28	$21-3/8
29-1/2	25	19-5/8	25-3/4	14-1/4	9-1/4
6,388	6,500	6,695	7,522	7,638	8,328

<FN>
(b) Includes securities at market value on distribution date.
(c) Includes Cliffs' share of associated companies and equipment acquired on operating leases.
(d) Includes employees of managed mining ventures.
At December 31, 1995, the Company had 3,185 shareholders of record.

</TABLE>

Exhibit 21

Subsidiaries of Cleveland-Cliffs Inc

Name of Subsidiary	Jurisdiction of Incorporation or Organization
Cleveland-Cliffs Company (1)	Ohio
Cleveland-Cliffs Ore Corporation (1), (2)	Ohio
Cliffs Biwabik Ore Corporation (2)	Minnesota
Cliffs Copper Corp.	Ohio
Cliffs Empire, Inc. (1), (3)	Michigan
Cliffs Engineering, Inc. (1)	Colorado
Cliffs Forest Products Company (1)	Michigan
Cliffs Fuel Service Company (1)	Michigan
Cliffs IH Empire, Inc. (1)	Michigan
Cliffs Marquette, Inc. (1), (2)	Michigan
Cliffs MC Empire, Inc. (1), (3)	Michigan
Cliffs Mining Company (9)	Delaware
Cliffs Mining Services Company	Delaware
Cliffs Minnesota Minerals Company	Minnesota
Cliffs Oil Shale Corp.	Colorado
Cliffs of Canada Limited (1)	Ontario, Canada
Cliffs Reduced Iron Corporation	Delaware
Cliffs Resources, Inc. (6)	Delaware
Cliffs Synfuel Corp.	Utah
Cliffs Tilden, Inc. (1), (15)	Michigan
Cliffs TIOP, Inc. (1), (15)	Michigan
Empire-Cliffs Partnership (3)	Michigan
Empire Iron Mining Partnership (7)	Michigan
Escanaba Properties Company (1), (8)	Michigan
Escanaba Properties Partnership (8)	Michigan
Hibbing Taconite Company, a joint venture (9)	Minnesota
Kentucky Coal Company	Delaware
Lake Superior & Ishpeming Railroad Company (6)	Michigan
Lasco Development Company (6)	Michigan
Marquette Iron Mining Partnership (2)	Michigan
Mattagami Mining Co. Limited (10)	Ontario, Canada
Mesabi Radio Corporation (10)	Minnesota
Minerais Midway Ltee-Midway Ore Company Ltd. (10)	Quebec, Canada
Mines Hilton Ltee-Hilton Mines, Ltd. (10)	Quebec, Canada
Northshore Mining Company (4)	Delaware
Northshore Sales Company (5)	Ohio
Northwest Iron Co. Ltd. (11)	Delaware
Peninsula Land Corporation (10)	Michigan

See footnote explanation on pages 67-68.

Name of Subsidiary	Jurisdiction of Incorporation or Organization
Pickands Erie Corporation (10)	Minnesota
Pickands Hibbing Corporation (9)	Minnesota
Pickands Mather & Co. International	Delaware
Pickands Mather Services Inc. (10)	Delaware
Pickands Radio Co. Ltd. (10)	Quebec, Canada
Robert Coal Company (12)	Delaware
Savage River Motor Inn Pty. Ltd. (13)	Tasmania
Seignelay Resources, Inc. (10)	Delaware
Silver Bay Power Company (5)	Delaware
Syracuse Mining Company (10)	Minnesota
Tetapaga Mining Company Limited (1)	Ohio

The Cleveland-Cliffs Iron Company	Ohio
The Cleveland-Cliffs Steamship Company (1)	Delaware
The Mesaba-Cliffs Mining Company (14)	Minnesota
Tilden Mining Company L.C. (15)	Michigan
Virginia Eastern Shore Land Co. (1)	Delaware

</TABLE>

---

(1) The named subsidiary is a wholly-owned subsidiary of The Cleveland-Cliffs Iron Company, which in turn is a wholly-owned subsidiary of Cleveland-Cliffs Inc.

(2) Marquette Iron Mining Partnership is a Michigan partnership. Cleveland-Cliffs Ore Corporation and Cliffs Marquette, Inc., wholly-owned subsidiaries of The Cleveland-Cliffs Iron Company, have a combined 100% interest in Marquette Iron Mining Partnership. Cleveland-Cliffs Ore Corporation also owns 100% of Cliffs Biwabik Ore Corporation.

(3) Empire-Cliffs Partnership is a Michigan partnership. Cliffs MC Empire, Inc. and Cliffs Empire, Inc., wholly-owned subsidiaries of The Cleveland-Cliffs Iron Company, have a combined 100% interest in Empire-Cliffs Partnership.

(4) The named subsidiary is a wholly-owned subsidiary of Cliffs Minnesota Minerals Company, which in turn is a wholly-owned subsidiary of Cleveland-Cliffs Inc.

(5) The named subsidiary is a wholly-owned subsidiary of Northshore Mining Company, which in turn is a wholly-owned subsidiary of Cliffs Minnesota Minerals Company.

(6) Cliffs Resources, Inc. owns a 99.5% interest in Lake Superior & Ishpeming Railroad Company. Lasco Development Company is a wholly-owned subsidiary of Lake Superior & Ishpeming Railroad Company.

(7) Empire Iron Mining Partnership is a Michigan partnership. The Cleveland-Cliffs Iron Company has a 22.56% indirect interest in the Empire Iron Mining Partnership.

(8) Escanaba Properties Partnership is a Michigan partnership. Escanaba Properties Company, a wholly-owned subsidiary of The Cleveland-Cliffs Iron Company, has a 87.5% interest in the Escanaba Properties Partnership.

(9) Cliffs Mining Company has a 10% and Pickands Hibbing Corporation, a wholly-owned subsidiary of Cliffs Mining Company, has a 5% interest in Hibbing Taconite Company, a joint venture.

(10) The named subsidiary is a wholly-owned subsidiary of Cliffs Mining Company, which in turn is a wholly-owned subsidiary of Cleveland-Cliffs Inc.

(11) Cliffs Mining Company owns a 72.4% interest in Northwest Iron Co. Ltd.

(12) The named subsidiary is a wholly-owned subsidiary of Kentucky Coal Company, which in turn is a wholly-owned subsidiary of Cleveland-Cliffs Inc.

(13) The named subsidiary is a wholly-owned subsidiary of Pickands Mather & Co. International, which in turn is a wholly-owned subsidiary of Cleveland-Cliffs Inc.

(14) The Cleveland-Cliffs Iron Company owns a 86.4% interest in The Mesaba-Cliffs Mining Company.

(15) Tilden Mining Company L.C. is a Michigan limited liability company. Cliffs Tilden, Inc. and Cliffs TIOP, Inc., wholly-owned subsidiaries of The Cleveland-Cliffs Iron Company, have a combined 40% interest in Tilden Mining Company L.C.

Exhibit 23

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in Post-Effective Amendment Number 1 to the Registration Statement (Form S-8 No. 33-4555) pertaining to the Restricted Stock Plan of Cleveland-Cliffs Inc, in the Registration Statement (Form S-8 No. 33-208033) pertaining to the 1987 Incentive Equity Plan of Cleveland-Cliffs Inc and the related prospectus and in the Registration Statement (Form S-8 No. 33-48357) pertaining to the 1992 Incentive Equity Plan and the related prospectus and in the Registration Statement (Form S-8 No. 33-56661) pertaining to the Northshore Mining Company and Silver Bay Power Company Retirement Savings Plan and the related prospectus of our report dated February 13, 1996, with respect to the consolidated financial statements and schedule of Cleveland-Cliffs Inc and consolidated subsidiaries included in this Annual Report (Form 10-K) for the year ended December 31, 1995.

ERNST & YOUNG LLP

Cleveland, Ohio
March 22, 1996

Exhibit 24

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned Directors and officers of Cleveland-Cliffs Inc, an Ohio corporation ("Company"), hereby constitute and appoint M. Thomas Moore, John S. Brinzo, Frank L. Hartman, and John E. Lenhard and each of them, their true and lawful attorney or attorneys-in-fact, with full power of substitution and revocation, for them and in their name, place and stead, to sign on their behalf as a Director or officer of the Company, or both, as the case may be, an Annual Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 on Form 10-K for the fiscal year ended December 31, 1995, and to sign any and all amendments to such Annual Report, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney or attorneys-in-fact, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as they might or could do in person, hereby ratifying and confirming all that said attorney or attorneys-in-fact or any of them or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Executed as of the 12th day of March, 1996.

/s/M. T. Moore
M. T. Moore
Chairman, President and Chief Executive Officer and Director (Principal Executive Officer)

/s/R. S. Colman
R. S. Colman, Director

/s/J. D. Ireland III
J. D. Ireland III, Director

/s/G. F. Joklik
G. F. Joklik, Director

/s/E. B. Jones
E. B. Jones, Director

/s/L. L. Kanuk
L. L. Kanuk, Director

/s/J. C. Morley
J. C. Morley, Director

/s/S. B. Oresman
S. B. Oresman, Director

/s/A. Schwartz
A. Schwartz, Director

/s/S. K. Scovil
S. K. Scovil, Director

/s/J. H. Wade
J. H. Wade, Director

/s/J. S. Brinzo
J. S. Brinzo
Executive Vice President-Finance
(Principal Financial Officer)

/s/R. Emmet
R. Emmet
Vice President and Controller
(Principal Accounting Officer)

<TABLE> <S> <C>

<ARTICLE> 5
<LEGEND>
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM STATEMENTS
OF CONSOLIDATED INCOME, CONSOLIDATED FINANCIAL POSITION AND COMPUTATION OF
EARNING PER SHARE AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH
FINANCIAL STATEMENTS.
</LEGEND>
<CIK> 0000764065
<NAME> CLEVELAND-CLIFFS INC
<MULTIPLIER> 1,000,000

<S> <C>
<PERIOD-TYPE> 12-MOS
<FISCAL-YEAR-END> DEC-31-1995
<PERIOD-START> JAN-01-1995
<PERIOD-END> DEC-31-1995
<CASH> 140
<SECURITIES> 9
<RECEIVABLES> 62
<ALLOWANCES> 8
<INVENTORY> 56
<CURRENT-ASSETS> 293
<PP&E> 260
<DEPRECIATION> (140)
<TOTAL-ASSETS> 645
<CURRENT-LIABILITIES> 104
<BONDS> 0
<COMMON> 17
<PREFERRED-MANDATORY> 0
<PREFERRED> 0
<OTHER-SE> 326
<TOTAL-LIABILITY-AND-EQUITY> 645
<SALES> 411
<TOTAL-REVENUES> 473
<CGS> 356
<TOTAL-COSTS> 372
<OTHER-EXPENSES> 23
<LOSS-PROVISION> 0
<INTEREST-EXPENSE> 6
<INCOME-PRETAX> 72
<INCOME-TAX> 11
<INCOME-CONTINUING> 61
<DISCONTINUED> 0
<EXTRAORDINARY> (3)
<CHANGES> 0
<NET-INCOME> 58
<EPS-PRIMARY> 4.84
<EPS-DILUTED> 0

</TABLE>

Exhibit 99(a)

CLEVELAND-CLIFFS INC AND CONSOLIDATED SUBSIDIARIES
Schedule II - Valuation and Qualifying Accounts
(Dollars in Millions)

<TABLE>
<CAPTION>

Classification	Balance at Beginning Of Year	Additions Charged to Cost and Expenses	Additions Charged to Other Accounts	Deductions	Balance at End Of Year
<S>	<C>	<C>	<C>	<C>	<C>
Year Ended December 31, 1995:					
Reserve for Capacity Rationalization	$ 34.3	$ --	$ 5.8	$ 5.3	$ 34.8
Allowance for Doubtful Accounts	19.5	--	.2	12.0	7.7
Other	18.6	2.5	2.2	10.5	12.8
Year Ended December 31, 1994:					
Reserve for Capacity Rationalization	$ 30.5	$ --	$ 6.9	$ 3.1	$ 34.3
Allowance for Doubtful Accounts	19.5	--	--	--	19.5
Other	13.7	.4	5.8	1.3	18.6
Year Ended December 31, 1993:					
Reserve for Capacity Rationalization	$ 36.1	$ --	$ 1.3	$ 6.9	$ 30.5
Allowance for Doubtful Accounts	20.8	--	--	1.3	19.5
Other	8.3	--	5.4	--	13.7

</TABLE>

Additions charged to other accounts in 1995, 1994 and 1993 were charged to revenues.

Deductions to the reserve for capacity rationalization represent charges associated with idle expense in 1995, 1994 and 1993. Deductions to the allowance for doubtful accounts in 1995 represent write-off of bankruptcy receivables against the reserve.