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leased or subleased reserves 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. T&E •



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mining operations managed by CCIC. T









ITEM 4. SUBMISSION OF MATTERS TO E BT

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**ITEM 7. (Continued)**

**Capitalization**

Long-term debt of the Company consists of \$70 milld

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**ITEM 7. (Continued)**

factors impacting th



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**ITEM 7. (Continued)**

The major business risk faced by the Company in iron ore is lower customer or venture partner consumptivby

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**ITEM 7. (Continued)**

**Market Risk**

The Company is subject to a variety of market ke





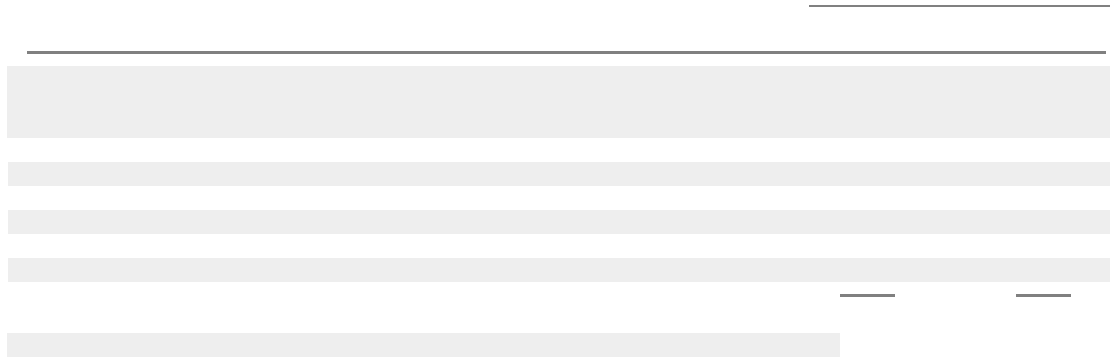


**ITEM 7.A. QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK.**

(Information : N/A) at C 2

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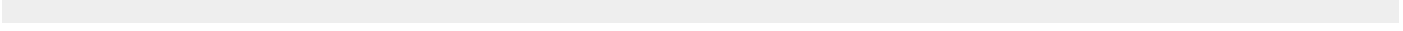
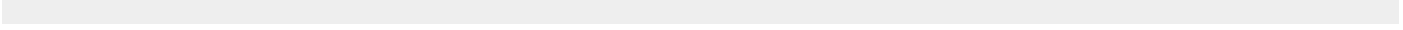
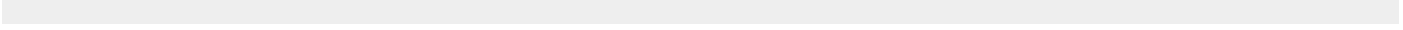
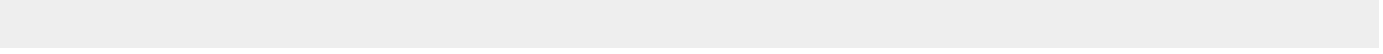






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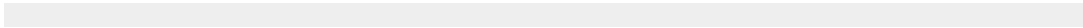
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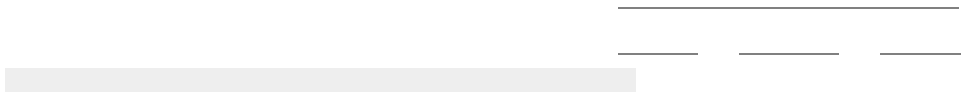












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**ITEM 8. (Continued)**

**Notes to Consolidated Financial Statements**

Cleveland-Cliffs Inc and Consolidated Subsidiaries

Company sold LTV approximately 1.0 million tons (.2 million tons in 2000). The Company had no trade receivables exposure related to these sales.

On April 23, 2001, Algoma Steel Inc. ("Algoma"), a 45 percent owner of Tilden Mine and a significant rail transportation customer of the Company, initiated a financial restructuring, and as part of the process obtained













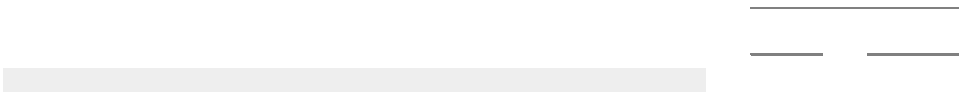
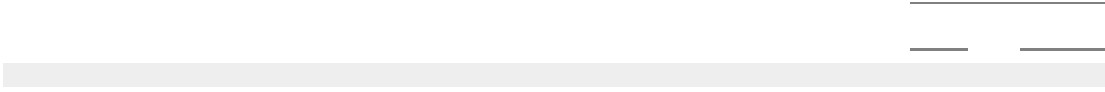
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**ITEM 8. (Continued)**

**Notes to Consolidated Financial Statements**  
Cleveland-Cliffs Inc and Consolidated Subsidiaries

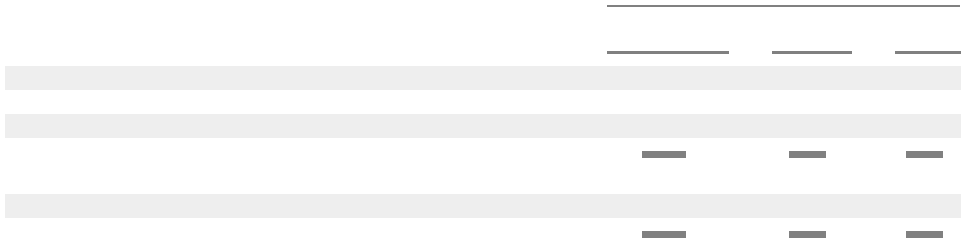
**Note 12 – Fair Value of Financial Instruments**

The carrying amount and fair value of

	_____		
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____









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ITEM 8. (Continued)

Notes to

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ITEM 9. CHANGES IN FINANCIAL STATEMENTS AND ACCOUNTING AND FINANCIAL DISCLOSURE





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<S>	<C>	<C>
Section 17.	Right Certificate Holder Not Deemed a Shareholder .....	46

Section 17. Right Certificate Holder Not Deemed a Shareholder ..... 46  
~~Section 17. Right Certificate Holder Not Deemed a Shareholder ..... 46~~



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 any such plan) who or that, together with all Affiliates and Associates of such Person, shall be the Beneficial Owner of 20% or more of the Common Shares then outstanding, PROVIDED, HOWEVER, that a Person will 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

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

(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 (by press release, filing made with the Seciw'A

of the close of business on the Record Date, 'A

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

-12-

the execution of such Right Certificate, shall be a proper officer

for each one-hundredth of a Common Share), and shall be subject to ad

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b ebm° nbým bñm nn'ñtebb n 'me by meabb a'e é an 'm

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

-21-

openy



recapitalization of the Company, or any merger or consolidation of the Company with

-24-

\ any Subsidiary or any other transaction or series of transactions (whether or not with or into or otherwise involvívãtoèr



Subsidiaries shall sell or otherwise transfer), in one or more transactions, assets or earning power (including, without limitation, securities creating no obligation on the part of the company or a

or earning power of the company and the Subsidiaries (taken as a whole,

(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 Cn gi

(g) If as a result of an adjustment made pursuant to Section 11(a) ~~hereof~~ ~~of~~ any Right thereafter exercised shall become entitled to receive any shares of capital stock of the Company other than Common Shares, ~~thereas~~ ~~of~~ such other shares so receivable upon exercise of any Right shall be subject to adjustment from time to time in a manner ~~the~~ ~~Compa~~ ~~a~~ <sup>ny</sup> other t

specified event, the Com









securities laws in connection with the issuance, transfer or exchange of Right  
Certificates.

(j) The Rights Agent shallCs



transfer), in



other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants

-64-

and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated; PROVIDED, HOWEVER, that nothing contained in this Section 31 shall affect the ability of the Company under the provisions of Section 26 to supplement or amend this Agreement to replace such' HOWEVE

Chicago Trust Company of New York (the "Rights Agent"), to purchase from the Company at any time after the Distribution Date (as such term is defined in the







Signatures on the foregoing Form of Assignment and Form of EleKmr

referred to above).

In the event (a "Flip-in Event"), that (i





Greater than or equal to .35 to 1  
</TABLE>

.200%

SECTION 3. REPRESENTATIONS AND WARRANTIES. (a) The Borrower hereby represents and warrants to each of the Banks, on and as of the date hereof, and then again represents and warrants to each of the Banks on and as of the Effective Date, that:

(i) This AmêCe S o

CLEVELAND-CLIFFS INC,

by /s/ Cynthia B. Bezik

-----  
Name: Cynthia B. Bezik

Title: Vice President and Treasurer

5

THE CHASE MANHATTAN BANK,  
indi

KEYBANK NATIONAL ASSOCIATION,

by /s/Thomas A. Crandell

-----

Name: Thomas A. Crandell

Title: Assistant Vice President







this Plan within which the Management Objectives relating to such Performance Share or Performance Unit are to be achieved.

"PERFORMANCE SHARE" means a bookkeeping entry that records the equivalent of one Common Share awarded pursuant to Section 7 of this Plan.

"PERFORMANCE UNIT" means a bookkeeping entry that records a unit equivalent to \$1.00 awarded pursuant to Section 7 of this Plan.

"RESTRICTED SHARES" mean Common Shares awarded or sold pursuant to Section 5 of this Plan as to which neither the substantial risk of forfeiture nor the restrictions on transfer referred to in Section 5 hereof has expi



(g) Each award or sale shall be evidenced by an agreement, which shall be executed on behalf of the Company by any officer thereof and delivered to and accepted by the Participant and shall contain syb



person may also make similar arrangements with respect to the payment of any taxes with respect to which withholding is not required.

13. PARTICIPATION BY EMPLOYEES OF A LESSOR \*





C

By: \_\_\_\_\_  
Nat

TRUST AGREEMENT NO. 1  
(Amended and Restated Effective June 1, 1997)  
-----

This Tr



payment of Benefit

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 rA

it from time to time in accordance with the pro









Cleveland- a aa;a; a a <ea ;el a<% aa eaa;/ea;a%aaa ead< ;aaanda a< edan<%a<aa

a;aLn;aaCleveland- a aa;aa%<aan ; a % nen;aa %na%<ael en;/e;a;%aèa ean eaad ea



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 anCer partiehe fis shhrr tee shhrr te

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.

TRUST AGREEMENT NO. 2

~~THIS TRUST AGREEMENT NO. 2 IS MADE ON THIS 12TH DAY OF JUNE, 1997, BY AND BETWEEN CLEVELAND-CLIFFS INC., AN OHIO CORPORATION ("CLEVELAND-CLIFFS"), AND KEYMADE ON I~~

nd \$

This Trust Agreement No. 2 (Amended and Restated Effective June 1, 1997) ("Trust Agreement No. 2") is made on this 12th day of June, 1997, by and between Cleveland-Cliffs Inc, an Ohio corporation ("Cleveland-Cliffs"), and Key

of Juio canogrfand





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 MinXn



such purchases or sales (accrued interest paid or receivable being shown  
separ o

(g) The Trustee is empowered to take all actions



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

cigo

-----  
KEYTRUST COMPANY OF OHIO, N.A.,  
as Trustee

By: /s/ Kelley Clark

-----  
Its: Vice A'A ---- F OHIO, N









Title: Vice President

-----  
and

Meg H. Halloran

-----  
Title: Trust OK' fi

FIFTH AMENDMENT TO TRUST AGREEMENT NO. 5

-----

WHEREAS, Cleveland- aA+-

attorney or other instrument."

3. A new subsection (j) shall be added to Section 8 of the Agreement to read as follows:

"(j) Each Executive who has full or parentsll o



FIRS







By: /

e wpe`" WHEREAS, nCndENEvePlyend Aelwies™ rinCC nd-Cliffs") and AmiT

FOURTH AMENDMENT  
TO  
TRUST AGREEMENT NO. 7

WHEREAS, Cleveland-Cliffs Inc ("Cleveland-Cliffs") and AmeriTrust  
Compd)upd)omp dAdAnst

ds Wòm pdTeidp `s wpe`" "Tp lepýndnt  
un

Sè CLEVELAND-CLIFFS INC  
C

future enter into, agreements with certain executives providing for additional service credit and/or other features for purposes of co





that any electio



then Cleveland-Cliffs may terminate his interest in any suchè

Claimant's request for review was in fact filed with the plan  
a

By /







provisions of the Cleveland-Cliffs Inc Nonemployee Directors' Supplemental Compensation Plan, effective July 1, 1995 ("Effective Date") as the same have been or in the future may be amended or restated, or any successor thereto ("Plan"), a copy of which is appended to this Agreement as Exhibit B;

WHEREAS, the Plan provides for the payment, following retirement from the Board of Directors ("Board") of the Company of post-retirement income to Directors who commence service on or after the Effective Date, and their beneficiaries, if applicable, as provided in the Plan, and the Company wishes to assure the payment to the Directors and to their beneficiaries (the Directors and their respective beneficiaries i ie

(b) Within 10Ctsu { bb in th h n h CEh on i{

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each Director. The Trustee shall dt'e

investment periods, pending distribution, or long-term investment o

Excesses to any accounts that ars

8.6 The Trustee shall be reimbursed by the Company for its reasonable expenses incurred in connection with the performance of its duties (including, but no

this Agreement.

8.13 Notwithstanding any other provision of this Agreement, in





accordance with the laws of the State of Ohi \*



30195 Chagrin Boulevard  
Suite 210N  
Pepper Pike, OH 44124

EXHIBIT B

CLEVELAND-CLIFFS INC  
NONEMPLOYEE DIRECTORS' SUPPLEMENTA

(a) The Company shall merge into itself, or be merged or con

Period or, if earlier, until the death of such Surviving Spouse. For purposes of this Section 3.2, "Surviving Spouse" means the person to whom a Participant

or to such other address as any party may have furnished to the other in writing and

-7-

in accordance herewith, except that notices of change of address shall be effective only upon receipt.

4.3 FORFEITURE OF POST-RETIREMENT INCOME. No post-retirement income







may be amended or restated, or any successor thereto ("Plan"), a copy of which is appended to this Agreement as Exhibit B;

WHEREAS, the Plan provides for the payment of cash and/or common ~~shares~~ the Company ("Common Shares") to Directors who elect to defer their compensation on or after the Effective Date, and to their beneficiaries, if applicable, as provided in the Plan, and the Company wishes to assure the payment to the Directors and to their beneficiaries (the Directors and their respective beneficiaries are collectively referred to as the "Trust Beneficiaries") of amounts due under the Plan (the amounts so payable are collectively referred to as the "Benefits");

WHEREAS, the Company wishes to establish a trust ("Trust") and to transfer to the Trust assets which shall be held subject to the claim





determination, or if the Trustee has actual knowledge or has determined that the Company is







correct copies of c



of Benefits or (ii) such time as the Trustee shall

arbitration shall be paid by the Trustee and considered an expense of the Trust under Section 8.7.

12.9 Each Director is an intended beneficiary under this Trust, and as an intended beneficiary shall be entitled to enforce all terms and provisions with the same force and effect as if such person ha\_iAtt

EXHIBIT A

11/20/96

CLEVELAND-CLIFFS INC

-----  
NONEMPLOYEE DIRECTORS' COMPENSATION PLAN PARTICIPANTS  
-----

Ronald C. Cambre  
Newmont Mining Corporation  
1700 Lincoln Street, Suite 2800  
Denver, CO 80203

Francis R. McAllister  
ASARCO Incorporated  
1150 North 7th Avenue  
Tucson, AZ 85705

Robert S. Colman  
Colman Partners, LLC

John C. Morley  
30195 Chagrin Tu

(d) "Administrator": The Board Affairs Committee of the Board or any successor committee designated by the Board.

(e) "Beneficiary": The person or persons (natural or oleCh

ලෙට්ටර්ස් ඉංග්ලිෂ් උපදේශන - ප්‍රවේශන පත්‍රිකා සඳහා සූදානම් කළ ලේඛන සඳහා

ඉංග්‍රීසි භාෂාවේ දැනටමත් දැනගන්නා කරුණු පිළිබඳව ප්‍රවේශන පත්‍රිකා සඳහා

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-th o r

the first day of the Plan Year which commences after the date such Participation Agreement is file

following the dividend payment date. Until a Director or his or her Beneficiary receives his or her entire Deferred Share Account,





(c) If no such designated Beneficiary aCn a 8

ARTICLE X. SHARES SUBJECT TO PLAN

10.1 Shares Subject to Plan. Subject to adjustment as provided in this Plan, the total number of Shares \$ \*





10  
00

NO 000

?0

SECOND AMENDMENT  
TM







CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by



