

=====

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

"Company") is the success

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 manufacturer

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, n

remediation costs at this site. The Company is participating in a RI/FS of
~~the site. Remedial action has not yet been completed. The~~ Company has joined
with the other potentially responsible parties in an interim removal action Xti

Wabush Mines owns a portion of the Twin Falls Hydro Generation facility which

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The information required by this item is inc's

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

Schedule II - ... X... X... X... X... X... X... X... X... X... X... X... Xg

J. H. Wade

Director

March 26, 1996

BF

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 ^{ive} ~~SX~~ ~~tiv~~ ~~corp~~ ~~vvt~~ ~~tn~~ ~~ecuti~~ ~~irt~~ ~~Noiffs~~ leve

voluntary or involuntary liquidation, dO

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

before any amount shall be paid or distributed among the ho'

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

this subsection, a special meeting of such holders for the purpose of electing such Director ct

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 CorXtCommo

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'crsXSUAL MEETINE soRiEE5nnus

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, NUMp

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, 'i

NUMBER
CU 17750

COMMON SHARES

THIS CERTIFICATE IS TRANSFERABLE
IN CLEVELAND OR IN NEW YORK

IP SHARES

CUSIP 185896 10 7
See Reverse For Certain Definitions

The Company is incorporated Under The Laws Of The State of Ohio.

THIS CERTIFICATE IS VALID IN ALL STATES AND IS SUBJECT TO THE REVERSE SIDE OF THIS CERTIFICATE

X185f

teE

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 _____

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 set forth in the Charter of the Company.

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 refere

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

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 unit~~4~~, dsh oooooo

applicable transfer taxes) was made; provided, however, that if the date of such surrender and payp

unaffiliated third party, (5) receive any compensation from the Company or any Subsidiary other nr

deemed to be references to the Common Shares of the corporation or business trust which

are listed or admitted to trading or, if the Common Shares are not listed or admitted to trading on any nat

election to adjust the number of Rights, indi

description of any Rights which have become void as a result thereof), and a brief stateme

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

connection with its administration of

breach by the Company of any covenant or condition contained in this Agreement
or in any Right Certificate; nor shall it

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

-nt

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

receive that

CLEVELAND-CLIFFS INC

By /s/ M. Thomas Moore

Chairman and Chief
Executive Officer

AMERITRUST COMPANY NATIONAL
ASSOCIATION

By /s/ flBy -fl

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

(To be executed if holde4

without alteration or enlargement or any change whatsoever.

Signatures must be guaranteed by a...eXr

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

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.

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CLEVELAND-CLIFFS INC

NOTE AGREEMENT

Dated as of December 15, 1995

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

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D= TABLE OF CONTENTS

(Not a part W

. 9
Section 5.2. Insurance

. 10
Section 5.KKKKKKKKKKKKKKKK. K. K.

Section 1.2. Commitment, Closing Date. Subject to@tat

Company shall provide such other information as each holder of the Notes shall reasonably determine is necessary XuhryXuzcccccc=

this Agreement or the Notes

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 (exec

are satisfied and (y) if the surviving '4

(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

-16-

Cleveland-Cliffs Inc

Note Agreement

comparative form the consolidated figX A

governmental agency, Federal or state, having jur

been designated as "Confidential" by the Company, other than (A) Materials that already were known to you prior to the time that

§ 10 = U . Similar law whether now or hereafter in effect (herein called the
"Bankruptcy Law") of any jurisdiction in respect of the Company
or any Subsidiary

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 conditions

"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

include (x) the portion of Debt of any Included Joint Venture that is allocable to the Company or any SubO

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

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

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

By /s/ Joseph A. T\$

NAME AND ADDRESS
OF P

OF NOTES TO BE

NAME AND ADDRESS
OF PURCHASER

PRINCIPAL AMOUNT
OF NOTES TO BE
PURCHASED

SUN LIFE ASSURANCIN

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@ pay inte

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 the Company being in violation of any other agreement, provision, or law applicable to the Company or its subsidiaries, directly or indirectly, or any of its subsidiaries, directly or indirectly, or any of its subsidiaries, directly or indirectly, or any of its subsidiaries, directly or indirectly.

a "purpose credit" within the meaning o

SUBSIDIARIES OF THE COMPANY

<TABLE>
<CAPTION>

PERCRRRRR

Pickands Radio Co. Ltd.
Robert Coal Compa'
Sel2

Quebec, Canada
Delaware

100
100

and nonassessable and are held of record by the Company.

11. The Note Agreements have been duly authorized, execut4e

Subsidiaries and the material properties of the Company and its Subsidiaries.

4. Financial

governmental authority or agency and will not conflict with or result
in any breach of any of the terms, conditions or provisions of, '00

consummation of the transactions provided for in the Agreements and compliance
by the Compè

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
LO	Mi	

<CAPTION>

Any lien arising under or pur2e

with an effective Election under Section 3, above.

For purposes of this Plan, the term "Accounting Date" means each March 3da

In the absence of bad faith or gross neglect of duty on his part, no member or former member of the R- R

_____ 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

Any election described in the preceding paragraph shall be irrevocable as to Director fees earned in any sèny sè

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 eff

other'ef' *

2882F

CLEVELAND-CLIFFS INC

Amendment No. 1 to The

- e 2. The Plan is hereby ~~amendy-in-a-meef----~~
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 441FOhioThe

IN WITNESS WHEREOF, this Amendment= ndment= = = e

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 ~

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 X¹ 1
Cleveland-Cliffs Iron X¹ 1-CC

[Signature of Indemnitee]

6

Exhibit 1

INDEMNIFICATION STATEMENT

STATE OF)
) ss:
COUNTY OF)

I, _____ being first duly sworn, do depose and say
as follows:

1. This Indemnification S

that my action or failure to act which is the subject o

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 sha

and income shall be borne by the Master Acco

contracts, waivers or other instruments that the Trustee shall deem necessary or desirable in the exercise of its powers under thn

amend, modify or terminate the Plan.

(c) At such times as may in the judgment of Cleveland-

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.

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-

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

Recutivéis T Bio

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~~ ^{property} ~~of the Trust~~ ^{of the Trust} ~~as of the date of termination~~ ^{as of the date of termination} shall have received consents from all ~~holders~~ ^{holders} ~~of the Trust~~ ^{of the Trust} ~~as of the date of termination~~ ^{as of the date of termination}

TRUST AGREEMENT

This Trust Agreemen

to such merger or consolidation;

(iii) Cleveland-Cliffs shall sell substantially all of its assets to another corporation which

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

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

11

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:

(e) The Trustee may consult with legal counsel, independent accountants and actuaries. The Trustee may also consult with legal counsel, independent accountants and actuaries. The Trustee may also consult with legal counsel, independent accountants and actuaries.

less than 90 days' notice to Cleveland-Cliffs and to the Directorsn

EXHIBIT 10(q)

[Conformed Copy]

FIRST AMENDMENT TO TRUST AGREEMENT NO. 4

This Amendment No. 1 to Trust Agreement made on April 9²⁵T

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 ExcOD

Trust Beneficiary have been discontinued pursuant to this Section 3(a), the
Trustee shall resume payments to such Trust Beneficiary onlpt

shall reflect the aggregate of' thal t't c

computations. Thereafter this Trust Agreement shall be construed as to the Trustee's duties and obligations hereunder in accordance with this Tr

assets to, the Trust, the Trusti 'h

By: Richard F. Novak

Its: Vice President - Human Resources

AMERITRUST COMPANY NATIONAL
ASSOCIATION

By: Gary W. Queen

Its: Senior Vice President

5058C

AMENDMENT NO. 1 TO TRUST AGREEMENT

This Amendment No. 1 to Trust Agreement made on May 12, 1989
by and between Cleveland-

Trust Agreement shall be amended as follows:

2

1. The Trust Agreement is hereby renamed "Trust Agreement No. 5, a00e

companies

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 bankin

XXXXXXXXXXXXXXXXXXXX MX X (1 H 1X11X(1X HXX XX 51 (1X X EXHIBIT 10(

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 and Cleveland-Cliffs agrees to be bound by the terms of this Trust Agreement.

successor shall not affect the Trustee's duties and responsibilities hereunder without the consent of the Trustee, and provided, further, that the failure of Cle\$e

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(

in Section 2(a) or 2(b). Such authorization shall be made (i) by the Directors of the Company (the

INDEMNIFICATION STATEMENT

STATE Oè

[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__.

In addition

Chief Executive Officer

[Signature of Indemnitee]

6

Exhibit 1

INDEMNIFICATION STATEMENT

STATE OF

)
)

N

less than 70% of the outstanding voting securities of the surviving or resulting corp

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 the

Participatingggggggg|g ag g g g wg g gagg gg aggi ag igssa ngg |wggg w wg

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

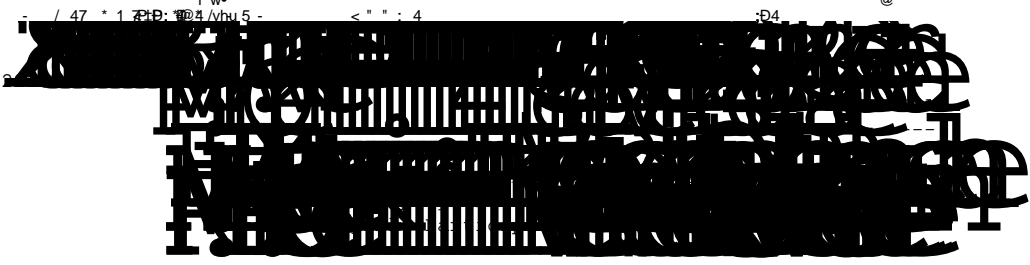
18

Employer. Unless Cleveland-Cliffs or any Participant shall have filed with the Trustee written exception or objection to any such statement and a

arising in connection with this Trust Agreement No. 7, i

which shall be independent and not subje

(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 Oia by e



Grade	Name	Title
56	M. T. Moore	Chairman and Chief Executive Officer

43 **4** **MICRO 4** **REVENUE**

36

(without the consent of any previously designateXd

of any deceased Participant if Cleveland-Cliffs consents to such inapplicability, which consent shall not unreasonably be withheld.

10

hereb C. Employment rights shall not be enlarged or affected

following:

(a) All documents, agre

that Trust Agreement No. 7 shall be amended as follows:

1. The second sentence of Section 1(b) of Trust Agreement No.

7 is hereby amended to read as follows:

TTTTTTTTTTT "TTTTTTTTTTT" cer 2 uessnd

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 sha -CC@iity ec C

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 ~~the~~ the seventh day of the month of

mortgages, options, contracts, waivers or other instruments that the
Trustee shall deem necessary or mortgages, instr

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).

of any such agreement not prohibited by law or otherwise in violation of any provision of the Internal Revenue Code, or any other law of the United States.

time to be by year or otherwise

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 Direct

(b) The Uhěhñh h · e hEe · h ě ·ú ·h · ú ·

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 npe

A Participant may change the dollar amount or percentage o

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, ~~ê~~X,

Participant shall be 100% vested in his or her Account and Deferred Share Award Account at all times.

owmarmr ' orCg

ARTICLE VI

PAYMENT nNTèa Shá#e Awar S X

Sh2RNTèa

(e) The Cash Dividend Benefit payable pursuant to

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 Com

Plan as of the Determination Date immediately preceding the Change in Control,
provided that any funds

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 'eof t pear bytf th tse Pla **

CLEVELAND-CLIFFS INC
LONG-TERM PERFORMANCE SHARE PROGRAM
JANUARY 1, 1996
(SUMMARY DESCUO*\$

Computation of Earnings Per Share
CLEVELAND- CoEE utnn

Income before extraordinary item	\$ 60.9	\$ 42.8	\$ 54.6
Extraordinary item	(3.1)	--	--
	-----	-----	-----
Net income	è		

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Exhibit 13(a)

In 1995, Cleveland-Cliffs earned \$57.8 mif

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%1995 &e C&rkint

was .2:1 at December 31, 1995 and .3:1 at December 31, 1994 and 1993. In
January, 1995 , 2:1 at De

Exhibit 13(b)

REPORT OF INDEPENDENT AUDIT(b)

STATEMENT OF CONSOLIDATED FINANCIAL POSITION
Cleveland-Cliffs Inc and Consolidated Subsidiaries

Exhibit 13(c)

<TABLE>
<CAPTION>

(In Millions)

Net Inc

0

0

0

0

0

0

0

0

0

0

0

0

0

0

0

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0

0

0

0

MI

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-
Proceeds from long-term ssssssssm long-ter

ACCOUNTING POLICIES

BASIS OF CONSOLIDATION: The consolidated financial statements include the accounts of the Company and its major subsidiaries.

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 tons o

Net assets

\$ 713.7
=====

\$ 694.4
=====

\$ 724.1
=====

Company' Xn

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.g1.55'416.g1.55'4
-----------------------------	--------	-------	------------------------

1.5				
LTV Common Stock	11.5	11.6	11.2	13.5
	-----	-----	-----	-----
-				
\$15.0	\$11.6	\$11.7	\$12.7	
	=====	=====	=====	
=====				
Held-to-Maturity				
- -----				
Debt Instru'4				

In the second quarter of 1995, the Company provided \$9.9 million of additional envi

of \$3.1 million after-tax (\$4.8 million before-tax).

The senior unsecured noteè ur

Unrecognized net asset

Awarded and restricted at end of year

10,8

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	IN	=====

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

i4:53

~~8095 (1990)~~
The Cleveland-Cliffs Iron Company
The Cleveland-Cliffs Steamship Company (1)
The Mesaba-Cliffs Mining Company (14)
Tilden Mining Company L.C. (15)
Virginia Eastern Shore Land Co. (1)
</TABLE>

Ohio
Delaware
Minnesota
Michigan
Delaware

(1) on ~~is a wholly-owned subsidiary~~ 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) ~~partnership~~ partnership is a Michigan partnership.
Cleveland-Cliffs Ore Corporation and Cliffs Marquette, Inc.,
on ~~is a wholly-owned subsidiary~~ ~~of Cleveland-Cliffs Iron Company~~, which s

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in

CLEVELAND-CLIFFS INC AND CONSOLIDATED SUBSIDIARIES
Schedule II - Valè