

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 2**

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**Item 3.03. Material Modification to Rights of Security Holders.**

On February 20, 2013 ~



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CONFIDENTIAL

CONFIDENTIAL

EXECUTION VERSION

CLIFFS NATURAL RESOURCES INC  
9,000,000 Common Shares

Underwriting Agreement

February 14, 2013

J.P. Morgan Securities LLC  
Merrill Lynch, Pierce, Fenner & Smith  
J.P. Morgan  
Incorporated  
Representative

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SS  
L.P. LLC II

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At or prior to the App





(b) The Company understands that the Underwriters intend to make a public offering of the Shares as soon after the effectiveness of this Agreement as in the judgment of the Representatives is advisable, and initially to offer the Shares on the terms set forth in the Prospectus. The Company acknowledges and agrees that the  
that the U

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(b) *Pricing Disclosure Package.* The Pricing Disclosure Package as

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(e) *Incorporated Documents.* The do

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(h) *Organization and Good Standing.* The Company and each of its subsidiaries that, as of December 31, 2012, was a “significant subsidiary” (as such term

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(j) *Stock Options. The Compa*

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(q) *No*



(v) *No í Ą*

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(aa) *Compliance with and Liability under Environmental Laws.* (i) Except as

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(cc) *Compliance with ERISA.* (i) Each employee benefit plan

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(dd) *Disclosure Controls.* The Company (including its consolidated subsidiaries) maintaini

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(mm) *No Stabilization.* The Company has not taken, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(nn) *Margin Rules.* The application of the proceeds received by the Company from the issuance, sale and delivery of the Shares as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus will not violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of

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(b)



(e) *Ongoing Complianc*









(d) *No Material Adverse Change.* No event or condition of a type described in Section 3(g) hereof shall have occurred or shall exist, which event or condition is not described in the Pricing Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representative ~~individual~~

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(i) *No Legal Impediment to Issuance.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares.

(j) *Good Standing.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, satisfactory evidence of the good standing of the Company in the State of Ohio and of each Significant Subsidiary organized in the United States of America or any state ~~that the Company or its good standing of such Significant Subsidiary in the jurisdiction of its organization, in each case in writing or any standard form of~~ ~~the same in each of the applicable governmental authorities of such jurisdictions.~~ t Cp

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(b) *Indemnification of the Company.* Each Underwriter agrees ~~33~~ <sup>33</sup> to (

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12. Persons Entitled to Benefit of Agreement This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to in Section 7 hereof. Nothing in this Agreement is intended or shall s .s s

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Underwr

SIGNIFICANT SUBSIDIARIES

The K  
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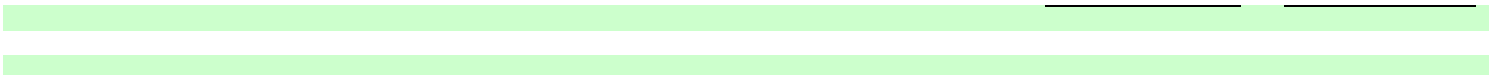
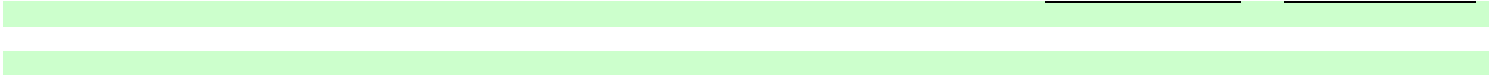
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Per Common  
Share





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**Applic**







CUSIP / ISIN for the Depositary Shares:

18683K 408 / US18683K4085

CUSIP / ISIN for the Mandatory Converti: 0

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**Cautionary Note on Forward-Looking Statements**

This document contains certain “forward-looking” statements within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by the use of predictive /

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Notwithstanding the foregoing, if (1) during the last 17 days of the 9

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The terms of the Preferred Stock will be s







3. Representations and Warranties of

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(d) *Regist*



(g) *No Material Adverse Change.* Since the date of the most recent financial statements of the Company included or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (i) there has not been (A) any material change in the capital stock (other than the issued e

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(i) *Capitalization.* The Company has an authorized capitalization as set forth in the Registration Statement, the Pricing Disclosure Package **hstP**

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(s) *No Violation or Default.* Neither the Company nor any Significant Subsidiary is (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default in the performance or observance of any term, covenant or condition contained in any indenture, morft in thel

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(v) *Legal Proceedings. Excep* n i ~

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(ff) *Hazardous Materials*. Except as described in the Registration Statement, the Pricing

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(hh)













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(d) *No Material Adverse Change*

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(h) *Opinion and 10b-5 Statement of Counsel for the Underwriters.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion and 10b-5 statement of Davis Polk & Wardwell LLP, counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to ~~pass~~ upon such matters.

(i) *No Legal Impediment to Issuance.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted, ~~ted~~ <sup>qn b</sup>

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(d) *Contr*

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(e) *Limitation on Liabilit*



(b) If, after giving effect to any a

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(b) If (i) this Agreement is terminated pursuant to Section 9, (ii) the Company for any reason fails to tender the Shares for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Shares for any reason permi

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(c) *Governing Law.* This Agreement (E

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If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

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Accepted: February 14, 2013

J.P. MORGAN SECURITIES LLC  
MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED  
CITIGROUP GLOBAL MARKETS INC.

For themselves and on behalf of the  
several Underwriters listed  
in Schedule 1 hereto.

J.P. MORGAN SECURITIES LLC

By: /s/ Santosh Sreenivasan  
Name: Santosh Sreenivasan  
Title: Managing Director

MERRILL LYNCH, PIERCE, FENNER & SMITH  
INCORPORATED

By: /s/ Greg Kelly  
Name: Greg Kelly  
Title: Managing Director and Global Head of Industrials  
Investment Banking.

CITIGROUP GLOBAL MARKETS INC.

By: /s/ Richard Blackett  
Name: Richard Blackett  
Title: Managing Director

*Signature Page to Depositary Shares Underwriting Agreement]*

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If declared, the expected dividend



**Applicable Market Value of  
the Common Shares**

**Conversion Rate per Share of Mandatory  
L**

Fundamental Change:

If a fundamental change (as defined in the Depositary Shares Preliminary Prospectus Supplement) occurs on or prior to February 1, 2010



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In consideration of the Underwriters' agreement to purchase and make the Public Offering of the Securities, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees that, without the priere

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The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Ag]b

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CERTIFICATE OF AMENDMENT BY DIRECTORS TO THE SECOND AMENDED ARTICLES OF INCORPORATION OF CLIFFS NATURAL RESOURCES INC.

The Board of Directors (the "Board") of Cliffs Natural Resources Inc. (the "Company"), in accordance with the Company's Second Amended Articles of Incorporation, as amended (the "Articles") and the Company's Second Amended Articles of Incorporation, as amended (the "Articles of Incorporation") and the authority conferred upon the Board and the Pricing Committee of the Board (the "Pricing Committee") and the creation, issuance and sale by the Company of shares of its Series A Preferred Stock upon such terms as may be fixed by the Pricing Committee. Pursuant to the resolutions of the Board and the authority conferred upon the Pricing Committee, the Pricing Committee adopted the following amendments to the Articles of Incorporation, as amended, to be effective as of the date of the filing of this Certificate of Amendment with the Secretary of State of the State of Colorado.







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(iii) Section 9(f) of this Subdivision, the Average VWAP per Common Share over the five consecutive Trading Day period ending on , , , , ,

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**“Exchange Property”** shall have the me







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“**Underwriting Agreement**” means the Underwriting Agreement relating to the Series A Preferred Stock and the Corporation’s depositary shares underlying the Series A Preferred Stock, dated as of February 1 7”

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(ii) To exercise the Fundam

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The exact Stock Price and Effective Dates may not be set for





(6) the event that a Hol tha 1 ;

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(h) To the extent a she



(i) the numerator of which shall be the sum of the number of Common Shares outstanding at the close of business on the

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Any adjustment made pursuant to this Section 9(c) of this Subdivision shall become effective immediately after the close of business on the effective date of such subdivision or combination.

(d) *Security or Asset Distribution.* The Cor

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(i) the n

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(i) *Adjustment for Tax Reasons.* The Corporation may make such increases in the Fixed Conversion Rates, in addition to those required by this Section 9 of this Subdivision, as the Corporation deems advisable in order to avoid or diminish any income tax to holders of the Common Shares resulting from any dividend or distribution of Common Shares (or issuance of rights or warrants to acquire Common Shares) or from any event treated as a

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(k) T

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fan r& m ]76 fo ce sposes old ppprovih the Fioprovili  
(n) If an adjustment to the Fixed Conversion Rate (an inversely proportional adjustment) shall be made to the Threshold Appreciation Price and the Initial Price solely for the purposes of determining which clause of the definition of "Conversion Rate" will apply on the Mandatory Conversion Date and (2) an inversely proportional adjustment also will be made to the Floor Price. Whenever any provision of this Subdivision requires the Corporation or the Board of Directors to calculate the VWAP per Common Share over a span of multiple days, the Board of Directors shall make all the adjustments in a timely manner, the Cup be made three or less days before the Mandatory Conversion Date.

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in each case, as a result of which the Common Shares would be converted into, or exchanged for, securities, cash or property (each, a **Reorganization Event**'), each share of

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Section 16. *Notices.* Any notice or demand that by any provision of this Subdivision is re

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FORM OF 7.00% SERIES A MANDATORY CONVERTIBLE  
PREFERRED STOCK, CLASS A

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IN WITNESS WHEREOF, Cliffs

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ASSIGNMENT

FOR VALUE

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THIS DEPOSIT AGREEMENT dated



“Closing Sale Price” of any sec~ K

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“Un













Delivery of the Mandatory Convertible Preferred Stock and







As promptly as practica



For purposes of this Section 2.









The person or

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The Depositary may, with the approval of the Corporation, appoint a Register o

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The Depositary may at any time be removed by the Corporation





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Upon the termination o n



Any and all notices



Section 7.07. *Inspection of Deposit Agreement and Certificate.* Copies of this feeent ann the Aies of fncpfation shi~~h~~e fienn~~h~~ thei

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SCHEDULE OF EXCHANGES

Cliffs Natural Resources Inc.  
Depository Shares, Each Representing a 1/40th Interest in 7.00% Series A Mandatory  
Convertible Preferred Stock, Clt ,iCl ,i1e40th


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**CERTIFICATE OF AMENDMENT BY DIRECTORS  
TO THE  
SECOND AMENDED ARTICLES OF INCORPORATION  
OF  
C X**





**“Certificated Series A P**



(iii)



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“Holder” as applied to



“**Officer**” means the Chairman of the Board

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**“Reorganization Valuation Period”** for any Reorganization Event means the five consecutive Trading Day period immediately preceding, but excluding, the effective date for such Reorganization Event.

**“Scheduled Trading Day”** means any day that is scheduled to be a Trading Day.

**“Securities Act”** means the S

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**“Underwriting Agree**





(ii) The person or person

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(ii) To exercise the Fundamen; ih

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(E) the instructions a Holder must follow to effect a  $\bar{R}$

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The exact S



(e) *Conversion Procedures upon Early Conversion.* (i) If a Holder elects to convert its shares of Series A Preferred Stock prior to the Manda oF







(h) To the extent a shelf registration statem

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(i) the numerator of which shall be the sum of the number of Common Shares outstanding at the close of business on the date fixed for such determination and the number of Common Shares issuable pursuant to such rights or warrants, and

(ii) the denominator of which shall be the sum of the number of Common Shares outstanding at the close of business on the date fixed for such determination and the number of Common Shares equal to the quotient of the aggregate offering p~t

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For purposes of this Sectio

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(i) the

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(i) *Adjustment for Tax Reasons.*

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(k) The Fixed Conversion Rati

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in each case







Section 16. *Notices.* Any notice or demand that by any provision of this Subdivision is requ



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REVERSE OF SECURITY

CLIFFS NATURAL RESOURCES INC.

7.00% Se

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ASSIGNMENT

FOR VALUE RECEIVED, the undersigned assigns and transe

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REVERSE OF SECURITY  
CLIFFS NATURAL DEF SECUR

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NOTICE OF

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JONES DAY

NORTH POINT • 901 LAKESIDE AVENUE • CLEVELAND, OHIO 44114.1190

TELEPHONE: +1.216.586.3939 • FACSIMILE: +1.216.579.0212

February 20, 2013

Cliffs Natural Resources Inc.  
200 Public Square  
Cleveland, Ohio 44114

Re: 10,350,000 Common Shares of Cliffs Natural Resources Inc.

Ladies and Gentlemen:

We have acted as counsel for Cliffs Natural Resources Inc., an Ohio corporation (the "*Company*"), in connection with

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