

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 8, 2012, at the 2012 Annual Meeting of Shareholders of Cliffs N



**CLIFFS NATURAL RESOURCES INC.
2012 INCENTIVE EQUITY PLAN**

**ARTICLE 1
GENERAL PURPOSE OF PLAN; DEFINITIONS**

1.1 *Name and p e*

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(kk) "Share" or "Shares" means one or more common shares, par value, \$.125 per share, of the Company.

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7.3 *Independent SARs*. Stock Apprecia

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Committee may also require th t

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9.2 *Terms and Conditions of Deferred Share Awards* . Defer

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- (h) sales or revenues, whether in general, by type of product or service, or by type of customer, or by growth;
- (i) production or sales volume, whether in general, by type of product or service, or by type of customer;
- (j) gross or operating margins, or gross or operating margin growth;
- (k) return measures, including pre-tax or after-tax, before or after depreciation

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10.4 *Adjustment of Performance Objectives*. The Committee may modify, amend or otherwise adjust the performance objectives specified for outstanding Performance Share and/or Performance Unit Awards if it determines that, due to an event as described below, an adjustment would be consistent with

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(d) *Termination for Cause*. If a Participant's employment with the Company or its Subsidiaries is terminated by the Company or Subsidiary for Cause, all Stock Options and Stock Appreciation Rights (or portions thereof), w

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by the Committee,t

**ARTICLE 14
EFFECT OF CHANGE IN CONTROL**

14.1



**CLIFFS NATURAL RESOURCES INC.
2012 EXECUTIVE MANAGEMENT PERFORMANCE INCENTIVE PLAN**

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may reduce or eliminate the amount of payment earned under the ob

(s) working capital targets, including net working capital, inventory, accounts payable, and accounts receivable measured in absolute terms or as turnover metrics (e.g., relative to sales or cost of goods sold, including number of days);

(t) completion of acquisitions of business or companies;

(u) completion of divestitures and asset sales;

(v) strategic partnering;

(w) geographic expansion goals;

(x) safety performance;

(y) management of employee practices and employee benefits;

(z) research and development and product development;

(aa) customer or employee satisfaction; and

(bb) any combination of any of the foregoing business criteria.

Section 5 above, if and when it deems appropriate. Awards will be paid to Participants in cash, subject to applicable withhold

Plan and all Awards granted hereunder shall be interpreted in a manner consistent with these intentions. Notwithstandin-

SECOND AMENDMENT
TO

EXECUTED
