
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

November 11, 2008

Cliffs Natural Resources Inc.

(Exact name of registrant as specified in its charter)

Ohio

1-8944

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Ohio

10(a) Cliffs Natural Resources Inc. 2005 Voluntary Non-Qualified Deferred Compensation Plan, dated November 11, 2008 and effective as of January 1, 2005

10(b) Severance Agreement by and between Cliffs Natural Resources Inc. and its officers and mine managers

CLIFFS NATURAL RESOURCES INC. (formerly known as CLEVELAND-CLIFFS INC)

2005 VOLUNTARY NON-QUALIFIED
DEFERRED COMPENSATION PLAN
(EFFECTIVE AS OF JANUARY 1, 2005)

		<u>Page</u>
ARTICLE I	PURPOSE	1
1.1	Statement of Purpose; Effective Date.	1
ARTICLE II	DEFINITIONS	2
2.1	6-Month Date.	2
2.2	Account.	2
2.3	Base Salary.	2
2.4	Beneficiary.	2
2.5	Board.	2
2.6	Bonus.	2
2.7	Cash Award.	2
2.8	Cash Dividend Benefit.	2
2.9	Change in Control.	3
2.10	Code.	5
2.11	Committee.	5
2.12	Company.	5
2.13	Compensation.	5
2.14	Declared Rate.	5
2.15	Deferral Account.	5
2.16	Deferral Benefit.	5
2.17	Deferred Share Award Account.	5
2.18	Deferred Share Award Benefit.	5
2.19	Determination Date.	6
2.20	Disability.	6
2.21	Eligible Employee.	6
2.22	Emergency.	6
2.23	Employer.	6
2.24	Fair Market Value.	6
2.25	Matching Account.	6
2.26	Matching Amount.	6
2.27	Matching Formula.	6
2.28	1992 or 2007 Incentive Equity Plan.	7
2.29	Participant.	7
2.30	Participation Agreement.	7
2.31	Performance-Based Compensation.	7
2.32	Plan.	7
2.33	Plan Accounts.	7
2.34	Plan Year.	7
2.35	Profit Sharing Contribution.	7
2.36	Savings Plan.	7
2.37	Selected Affiliate.	7
2.38	Share.	8
2.39	Share Ownership Guidelines.	8
2.40	Share Award.	8
2.41	Subsidiary.	8
2.42	Termination of Service.	8
2.43	Unit.	8
ARTICLE III	ELIGIBILITY, PARTICIPATION AND DEFERRAL ELECTIONS	9
3.1	Eligibility.	9
3.2	Participation.	9
3.3	Deferral of Profit Sharing Contributions.	11
3.4	Ineligible Participant.	11
3.5	Persons Ceasing to be Eligible Employees.	12
ARTICLE IV	MATCHING AMOUNTS AND CREDITING OF DEFERRED COMPENSATION, MATCHING AMOUNTS AND CASH AWARDS	12
4.1	Matching Amounts.	12

4.2 Crediting Deferred Compensation, Matching Amounts and Cash Awards. 12

ARTICLE V	BENEFIT ACCOUNTS	13
5.1	Investment of Deferral and Matching Accounts.	13
5.2	Determination of Account.	13
5.3	Crediting of Interest.	13
5.4	Determination of Deferred Share Award Account.	13
5.5	Crediting and Deferral of Dividend Equivalents.	14
5.6	Statements.	14
5.7	Vesting of Account.	14
ARTICLE VI	PAYMENT OF BENEFITS	14
6.1	Payment of Deferral Benefit and Deferred Share Award Benefit.	14
6.2	Emergency Benefit.	14
6.3	Annual Installment Payments.	15
6.4	Form of Cash Dividend Benefit.	15
6.5	Form of Distribution Upon Death or Disability.	15
6.6	Share Ownership Guidelines.	15
6.7	Small Benefit.	16
6.8	Default Distribution Election.	16
6.9	Change in Control Distribution.	16
6.10	Transition Relief under Section 409A of the Code.	16
ARTICLE VII	BENEFICIARY DESIGNATION	16
7.1	Beneficiary Designation.	16
7.2	Amendments.	16
7.3	No Designation.	16
7.4	Effect of Payment.	17
ARTICLE VIII	ADMINISTRATION	17
8.1	Committee.	17
8.2	Agents.	17
8.3	Binding Effect of Decisions.	17
8.4	Indemnity of Committee.	17
ARTICLE IX	AMENDMENT AND TERMINATION OF PLAN	17
9.1	Amendment.	17
9.2	Termination.	18
ARTICLE X	MISCELLANEOUS	18
10.1	Funding.	18
10.2	Nonassignability.	18
10.3	Legal Fees and Expenses.	19
10.4	Withholding Taxes.	19
10.5	Captions.	20
10.6	Governing Law.	20
10.7	Successors.	20
10.8	Right to Continued Service.	20
10.9	Prior Plan Provisions.	20
10.10	Section 409A Compliance.	20
ANNEX A		A-1
ARTICLE I	ESTABLISHMENT	A-1
A 1.1	Establishment	A-1
A 1.2	Term of MSAP	A-1
ARTICLE II	DEFERRALS AND VOLUNTARY AMOUNTS	A-1
A 2.1	Special Definitions Applicable to the MSAP	A-1
ARTICLE III	IE PARTICIPATION	A-2
A 3.1	Participation	A-2
A 3.2	Duration of Participation	A-2
ARTICLE IV	DEFERRALS AND VOLUNTARY AMOUNTS	A-2
A 4.1	Amount of Deferral	A-2
A 4.2	A Of 9	

	X	
A 6.5	Statement of Accounts	A-4
A 6.6	Vesting of Accounts	A-5
ARTICLE VII	DISTRIBUTIONS	A-6
A 7.1	Distribution of Account	A-6
A 7.3	Form of Distribution	A-6
A 7.4	Facility of Payment	A-7
A 7.6	Payment of Small Accounts	A-7
ANNEX B		B-1
ARTICLE I	ESTABLISHMENT	B-1
B 1.1	Establishment	B-1
B 1.2	Term of OSAP	B-1
ARTICLE II	DEFINITIONS	B-1
B 2.1	Special Definitions Applicable to the OSAP	B-1
ARTICLE III	PARTICIPATION	B-2
B 3.1	Participation	B-2
B 3.2	Duration of Participation	B-2
ARTICLE IV	VOLUNTARY INVESTMENT OF DEFERRAL ACCOUNTS	B-2
B 4.1	Amount of Investment	B-2
ARTICLE V	MATCHING CONTRIBUTIONS	B-3
B 5.1	Matching Contributions	B-3
ARTICLE VI	PARTICIPANT ACCOUNTS	B-3
B 6.1	Establishment of Accounts	B-3
B 6.2	Crediting of Deferral Commitments and Matching Contributions	B-3
B 6.3	Determination of Accounts	B-4
B 6.4	Adjustments to Accounts	B-4
B 6.5	Statement of Accounts	B-4
B 6.6	Vesting of Accounts	B-5
ARTICLE VII	DISTRIBUTIONS	B-5
B 7.1	Distribution of Account	B-5
B 7.3	Form of Distribution	B-6
B 7.4	Facility of Payment	B-7
B 7.6	Payment of Small Accounts	B-7

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2005 VOLUNTARY NON QUALIFIED
DEFERRED COMPENSATION PLAN
(EFFECTIVE AS OF JANUARY 1, 2005)

ARTICLE I

PURPOSE

1.1 Statement of Purpose; Effective Date

ARTICLE II

DEFINITIONS

When used in this Plan and initially capitalized, except as may otherwise be provided in the MSAP and the OSAP or otherwise defined herein, the following words and phrases shall have the meanings indicated:

2.1 6-Month Date. “6-Month Date” means the first day next following six (6) months after the date of a Participant’s Termination of Service.

2.2 Account. “Account” means the sum of a Participant’s Deferral Account, Deferred Share Award Account and Matching Account under the Plan with respect to (i) amounts deferred after December 31, 2004 and (ii) any amounts previously deferred hereunder but which were not earned and vested prior to January 1, 2005, plus earnings and losses attributable thereto. “Account” does not include the Accounts and Plan benefits of any Eligible Employee which were earned and vested prior to January 1, 2005 (together with earnings, gains and losses thereon).

2.3 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.

2.4 Beneficiary. “Beneficiary” means the person or persons designated or deemed to be designated by the Participant pursuant to Article VII of the Plan and of Annex A and Annex B to receive benefits payable under the Plan in the event of the Participant’s death.

2.5 Board. “Board” means the Board of Directors of the Company.

2.6 Bonus. “Bonus” means a Participant’s annual bonus paid by an Employer to a Participant under the Cleveland-Cliffs Inc Management Performance Incentive Plan, Cleveland-Cliffs Inc Executive Management Performance Incentive Plan or Mine Performance Bonus 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.

2.7 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 or 2007 Incentive Equity Plans.

2.8 Cash Dividend Benefit. “Cash Dividend Benefit” means a fixed date distribution described in Section 5.5.

2.9 Change in Control.

(a) From January 1, 2005 through December 31, 2008, “Change in Control” means, with respect to any Participant, the first to occur of any of the following events:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act of 1934, as amended (the “Exchange Act”) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 30% or more of the combined voting power of the then outstanding securities of the Company (“Voting Stock”) during the 12-month period ending on the date of the most recent such acquisition; provided, however, that for purposes of this Section 2.9(a)(i), the following acquisitions shall not constitute a Change in Control: (A) any issuance of Voting Stock of the Company directly from the Company that is approved by the Incumbent Board (as defined in Section 2.9(a)(ii), below), (B) any acquisition by the Company of Voting Stock of the Company, (C) any acquisition of Voting Stock of the Company by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Subsidiary, or (D) any acquisition of Voting Stock of the Company by any Person pursuant to a Business Combination (as defined in Section 2.9(a)(ii) below) that complies with clauses (A), (B) and (C) of Section 2.9(a)(iii), below; or

(ii) individuals who, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board during any 12-month period; provided, however, that any individual becoming a director, or nomination for election by the Company’s shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination) shall be deemed to have been a member of the Incumbent Board; or

(iii) consummation of a reorganization, merger or consolidation involving the Company, a sale or other disposition of all or substantially all of the assets of the Company, or any other transaction involving the Company during the 12-month period ending on the date of the most recent such acquisition (each, a “Business Combination”), unless, in each case, immediately following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners of Voting Stock of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than 55% of the combined voting power of the then outstanding shares of Voting Stock of the entity resulting from such Business Combination (including, without limitation, an entity which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions relative to each other as their ownership, immediately prior to such Business Combination, of the Voting Stock of the Company, (B) no Person (other than the Company, such entity resulting from such Business Combination, or any employee benefit plan (or related trust) sponsored or maintained by the Company, any Subsidiary or such entity resulting from such Business

Combination) beneficially owns, directly or indirectly, 30% or more of the

(iv) combined voting power of the then outstanding shares of Voting Stock of the entity resulting from such Business Combination, and (C) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement or of the action of the Board providing for such Business Combination;

provided, however, that, with respect to such Eligible Employee, such event also constitutes a “change in control event” (as defined in Treasury Regulation Section 1.409A-3(i)(5)(i)) for purposes of Section 409A of the Code.

(b) On or after January 1, 2009, “Change in Control” means, with respect to any Participant, the first to occur of any of the following events:

(i) Any one person, or more than one person acting as a group acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than 50% of the total Fair Market Value or total voting power of the stock of the Company (subject to certain exceptions described below);

(ii) Any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Company possessing 35% or more of the total voting power of the stock of the Company;

(iii) A majority of members of the Board of the Company is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election; or

(iv) Any one person, or more than one person acting as a group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such person or persons) assets from the Company that have a total gross Fair Market Value equal to or more than 40% of the total gross Fair Market Value of all of the assets of the Company immediately prior to such acquisition or acquisitions.

Acquisitions of Company stock pursuant to a business combination or similar transaction, however, will not constitute a Change in Control if immediately after such business transaction:

- (I) the owners of Company stock immediately prior to the business transaction own more than 55% of the entity resulting from the business transaction in substantially the same proportions as their pre-business transaction ownership of Company stock;
- (II) no one person, or more than one person acting as a group, owns 30% or more of the combined voting power of the entity resulting from the business transaction; and

4

- (III) at least a majority of the members of the board of directors of the entity resulting from the business transaction were members of the incumbent Board of the Company when the business transaction agreement was signed or approved by the Company’s Board. For purposes of this exception, the incumbent Board of the Company means those directors who were serving as of August 11, 2008 or whose appointment or election was endorsed by a majority of the incumbent members prior to the date of such appointment or election.

Except as it pertains to subparagraph (II) above, persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

2.10 Code. “Code” means the Internal Revenue Code of 1986, as amended, and all lawful regulations and pronouncements promulgated thereunder.

2.11 Committee. “Committee” has the meaning set forth in Section 8.1.

2.12 Company. “Company” means Cliffs Natural Resources Inc. (formerly known as Cleveland-Cliffs Inc) and any successor thereto.

2.13 Compensation. “Compensation” means the Base Salary and Bonus payable with respect to an Eligible Employee for each calendar year.

2.14 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.

2.15 Deferral Account. “Deferral Account” means the account maintained on the books of the Employer pursuant to Article V 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 in cash under the Plan, and (iii) any Profit Sharing Contributions made on behalf of the Participant.

2.16 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.

2.17 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.

effective January 1, 2007) or the Northshore Mining Company and Silver Bay Power Company Retirement Savings Plan to which he or she is eligible to contribute.

2.37 Selected Affiliate. “Selected Affiliate” means any corporation or business organization during any period in which it is a member of a controlled group of corporations or trades or businesses within the meaning of Sections 414(b) and 414(c) of the Code provided that in such Code Sections “50%” shall be used wherever “80%” appears, which controlled group includes the Company, but, in each case, only during the periods any such corporation, business organization or member would be so considered under Section 414(b) or 414(c) of the Code.

2.38 Share. “Share” means a share of common stock of the Company.

2.39 Share Ownership Guidelines. “Share Ownership Guidelines” means the Cleveland-Cliffs Inc Directors’ and Officers’ Share Ownership Guidelines, as amended from time to time.

2.40 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 or 2007 Incentive Equity Plan.

2.41 Subsidiary. Subsidiary” means an entity in which the Company directly or indirectly beneficially owns 50% or more of the outstanding securities entitled to vote generally in the election of directors.

2.42 Termination of Service. “Termination of Service” means the “separation from service” for purposes of Section 409A of the Code of any Participant or former Participant from the Company and all Selected Affiliates, generally including the severance of such employee’s employment relationship with the Company and all Selected Affiliates for any reason, voluntarily or involuntarily, and with or without cause, including without limitation, quit, discharge, retirement, disability, death, failure to return to active employment at the end of a leave of absence (including military leave, sick leave, or other bona fide leave of absence) or permanent decrease in service to the Company and all Selected Affiliates to a level that is no more than twenty percent (20%) of its prior level, as described below. For this purpose, whether a separation from service has occurred is determined based on whether it is reasonably anticipated that no further services will be performed by such employee after a certain date or that the level of bona fide services the employee will perform after such date (whether as an employee or as an independent contractor) would permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding thirty-six (36) month period (or the full period of services if the employee has been providing services for less than thirty-six (36) months). The transfer of an employee from the Company or a Selected Affiliate to the Company or another Selected Affiliate shall not constitute a Termination of Service for purposes of this Plan.

2.43 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, spinoff or other similar event affecting Shares.

8

ARTICLE III

ELIGIBILITY, PARTICIPATION AND DEFERRAL ELECTIONS

3.1 Eligibility. Eligibility to participate in the Plan for any Plan Year with respect to deferral of Compensation or a Cash Award or Share Award is limited to Eligible Employees.

3.2 Participation. Participation in the Plan shall be limited to Eligible Employees who elect to participate in the Plan each year by filing a Participation Agreement with the Committee.

(a) Initial Deferral Election. No later than December 31 in each Plan Year, an Eligible Employee shall file a properly completed and executed Participation Agreement with the Committee. Such Participation Agreement may elect to defer:

(i) up to 50% of the Participant’s Base Salary to be paid in the next Plan Year;

(ii) up to 100% of the Participant’s Bonus to be paid for the next Plan Year which Bonus may be payable no later than the fifteenth (15th) day of the third (3rd) month of the second Plan Year following the filing of the Participation Agreement;

(iii) up to 100% of the Participant’s Cash Award payable for the performance period ending at the end of the next Plan Year and which would otherwise be payable no later than the fifteenth (15th) day of the third (3rd) month of the second Plan Year following the filing of the Participation Agreement; and

(iv) up to 100% of the Participant’s Share Award payable for the performance period ending at the end of the next Plan Year and which would otherwise be payable no later than the fifteenth (15th) day of the third (3rd) month of the second Plan Year following the filing of the Participation Agreement.

Any such deferral election shall specify the date or events when the deferred amount shall be paid or commence to be paid, other than in the event of death or Disability, which may be:

(1) at a fixed date which date shall be at least:

(A) one (1) year after the date s

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, unless such amendment is deemed necessary by the Company to bring this Plan into compliance with Section 409A of the Code or any other applicable law. Written notice of any amendment or other action with respect to the Plan shall be given to each Participant.

Notwithstanding the above paragraph, no future amendment to this Plan shall apply to any Participant's Plan benefits that were earned and vested on or before December 31, 2004, except to the extent expressly provided in such amendment.

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. In the event the Company elects to terminate the Plan as provided in this Section, no distribution of Accounts or payment of benefits shall occur as a result, except as otherwise provided in an amendment to this Plan, including without limitation an amendment to the Plan for the liquidation and termination of the Plan where:

(a) the termination and liquidation does not occur proximate to a downturn in the financial health of the Company and Affiliates;

(b) the Plan and all arrangements required to be aggregated with the Plan under Section 409A of the Code are terminated and liquidated;

(c) no payments, other than those that would be payable under the terms of the Plan and the aggregated arrangements if the termination and liquidation had not occurred, are made within twelve (12) months of the date the Company takes all necessary action to irrevocably terminate and liquidate the Plan;

(d) all payments are made within twenty-four (24) months of the date the Company takes all necessary action to irrevocably terminate and liquidate the Plan; and

(e) the Company or Subsidiaries do not adopt a new arrangement that would be aggregated with any terminated arrangement under Section 409A of the Code, at any time within three (3) years following the date of the date the Company takes all necessary action to irrevocably terminate and liquidate the Plan.

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 (that does not result in a change in the financial health of the Company), the Company shall create an irrevocable trust to hold funds to be used in payment of the obligations of the 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) 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 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 such assignment shall be void ab initio.

10.3 Legal Fees and Expenses. It is the intent of the Company and each Selected Affiliate that following a Change in Control, no Participant, former Employee or former Eligible Employee be required to incur the expenses associated with the enforcement of his or her 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

Plan or otherwise.

A 1.2 Term of MSAP. The MSAP shall terminate upon the earliest of (a) the termination of the Plan, or (b) the termination by the Company of the MSAP, each in accordance with section 9.2 of the Plan.

ARTICLE II

DEFINITIONS

A 2.1 Special Definitions Applicable to the MSAP. Unless provided otherwise in the MSAP, all capitalized terms shall have the same meanings as set forth in the Plan. For purposes of the MSAP, the following terms shall be defined as set forth below:

means the bookkeeping account maintained for each Participant showing his or her interest under the MSAP. An Account shall consist of a "Cash Account," a "Deferred Shares Account" and a "Matching Shares Account". The number of Shares in an Account shall be adjusted as appropriate to reflect any stock dividend, stock split, recapitalization, merger, spinoff or other similar event affecting Shares.

means an agreement by a Participant in a Participation Agreement (in accordance with Article III of the Plan) to have a specified percentage or dollar amount of his or her Bonus deferred under the MSAP for a specified period in the future.

means the Shares notionally credited to a Participant's Deferred Shares Account.

^{d.o.}
means any Participant who is required to file reports with the Securities and Exchange Commission pursuant to Section 16(a) of the Exchange Act, and any rules promulgated thereunder.

(a) Except as provided in Section A 6.7, each Participant shall at all times have a nonforfeitable interest in his or her Deferred Shares Account balance and his or her Cash Account balance.

(b) Matching Shares attributable to credits pursuant to Section A 5.1(a) in a Participant's Matching Shares Account with respect to a Plan Year, and additional Matching Shares attributable to dividend credits with respect to such Matching Shares pursuant to Section A 6.4(a)(i), shall become nonforfeitable as of the fifth anniversary of the crediting of the Matching Shares pursuant to Section A 5.1(a) (the "vesting period"), provided that:

(i) the Participant has remained in the continuous employ of the Company or a Selected Affiliate during the applicable vesting period; and

(ii) the Participant, during the applicable vesting period, does not receive a distribution of deemed Shares credited to his or her Deferred Shares Account as the result of the deferral by the Participant of the Bonus which relates to the crediting of the Matching Shares pursuant to Section A 5.1(a).

(c) Notwithstanding

(b) In the event that the distribution is made in installments, the amount of cash and the number of Shares to be distributed in each installment shall be equal to the quotient obtained by dividing the amount of cash and the number of Deferred Shares and nonforfeitable Matching Shares in the Participant's Account as of the date of such installment payment by the number of installment payments remaining to be made to such Participant at the time of calculation. Fractional Shares shall be rounded down to the nearest whole share, and such fractional amount shall be re-credited as a fractional Deferred Share or Matching Share in the Participant's Account.

(c) Notwithstanding any provision in the MSAP to the contrary, no Shares payable from the MSAP that relate to deferrals or matching contributions made on or after January 1, 2007, may be transferred, sold, exchanged or otherwise disposed by any Participant who is subject to the Share Ownership Guidelines unless and until such Participant is either in compliance with, or no longer subject to, such Share Ownership Guidelines, provided, however, that the Company shall withhold Shares to the extent necessary to satisfy federal, state or local income tax withholding requirements, as described in Section 10.4 of the Plan.

A 7.3 Facility of Payment. Whenever and as often as any Participant or his or her Beneficiary entitled to payments under the MSAP shall be under a legal disability or, in the sole judgment of the Committee, shall otherwise be unable to apply such payments to his or her own best interests and advantage, the Committee in the exercise of its discretion may direct all or any portion of such payments to be made in 1 ntsaf J

and/or restricted shares issued to a Participant pursuant to Section B 5.1(b), as the context requires.

means the last day of a calendar quarter.

means retirement from active employment with the Company and each of its Selected Affiliates on or after attaining age 65 or, if earlier, the age at which the Participant may retire with an unreduced normal retirement benefit under the tax-qualified pension benefit plan sponsored by the Company or a Selected Affiliate and applicable to the Participant, or early retirement under such plan with the consent of the Committee.

means the date provided herein or in the Plan for distribution of all or a portion of the amounts deferred during a Plan Year.

ARTICLE 11

thousandth (1/1000) of a Share determi

SEVERANCE AGREEMENT

THIS SEVERANCE AGREEMENT (this "Agreement"), dated as of this ___day of ___ is made and entered by and between Cliffs Natural Resources Inc., an Ohio corporation (the "Company"), and ___(the "Executive").

WITNESSETH:

WHEREAS, the Executive is a key employee of the Company or one or more of its Subsidiaries who is expected to make major contributions to the short- and long-term profitability, growth and financial strength of the Company;

WHEREAS, the Company recognizes that, as is the case for most publicly held companies, the possibility of a Change in Control (as defined below) exists;

WHEREAS, the Company desires to assure itself of both present and future continuity of management and desires to establish certain minimum severance benefits for certain of its executives, including the Executive, applicable in the event of a Change in Control;

WHEREAS, the Company wishes to ensure that its executives are not distracted from discharging their duties in respect of a proposed or actual transaction involving a Change in Control; and

WHEREAS, the Company desires to provide additional inducement for the Executive to continue to remain in the employ of the Company.

NOW, THEREFORE, the Company and the Executive agree as follows:

1. Certain Defined Terms. In addition to terms defined elsewhere herein, the following terms have the following meanings when used in this Agreement with initial capital letters:

- (a) "Base Pay" means the Executive's annual base salary rate as in effect from time to time.
- (b) "Board" means the Board of Directors of the Company.
- (c) "Cause" means that, prior to any termination pursuant to Section 3(b), the Executive shall have committed:
 - (i) and been convicted of a criminal violation involving fraud, embezzlement or theft in connection with his duties or in the course of his employment with the Company or any Subsidiary;
 - (ii) intentional wrongful damage to property of the Company or any Subsidiary;
 - (iii) intentional wrongful disclosure of secret processes or confidential information of the Company or any Subsidiary; or
 - (iv) intentional wrongful engagement in any Competitive Activity;

and any such act shall have been demonstrably and materially harmful to the Company. For purposes of this Agreement, no act or failure to act on the part of the Executive shall be deemed "intentional" if it was due primarily to an error in judgment or negligence, but shall be deemed "intentional" only if done or omitted to be done by the Executive not in good faith and without reasonable belief that the Executive's action or omission was in the best interest of the Company. Notwithstanding the foregoing, the Executive shall not be deemed to have been terminated for "Cause" hereunder unless and until there shall have been delivered to the Executive a copy of a resolution duly adopted by the affirmative vote of not less than three quarters of the Board then in office at a meeting of the Board called and held for such purpose, after reasonable notice to the Executive and an opportunity for the Executive, together with the Executive's counsel (if the Executive chooses to have counsel present at such meeting), to be heard before the Board, finding that, in the good faith opinion of the Board, the Executive had committed an act constituting "Cause" as herein defined and specifying the particulars thereof in detail. Nothing herein will limit the right of the Executive or his beneficiaries to contest the validity or propriety of any such determination.

- (d) "Change in Control" means the occurrence during the Term of a "Change in Control" as defined in the 2007 Incentive Equity Plan of the Company approved by Shareholders at the 2007 Annual Meeting of Shareholders, as amended from time to time thereafter.
- (e) "Code" shall mean the Internal Revenue Code of 1986 and regulations thereunder, both as amended from time to time.
- (f) "Competitive Activity" means the Executive's participation, without the written consent of an officer of the Company, in the management of any business enterprise if such enterprise engages in substantial and direct competition with the Company and such enterprise's sales of any product or service competitive with any product or service of the Company amounted to 10% of such enterprise's net sales for its most recently completed fiscal year and if the Company's net sales of said product or service amounted to 10% of the Company's net sales for its most recently completed fiscal year. "Competitive Activity" will not include (i) the mere ownership of securities in any such enterprise and the exercise of rights appurtenant thereto or (ii) participation in the management of any such enterprise other than in connection with the competitive operations of such enterprise.
- (g) "Controlled Group" means the Company and all other persons or entities that would be considered a single employer under Sections 414(b) and 414(c) of the Code.

(d) In the e

9. Competitive Activity; Confidentiality; Nonsolicitation. (a) During the Term and for a period ending two years following the Executive's Separation from Service, if the Executive shall have received or shall be receiving benefits under Section 4, and, if applicable, Section 5, the Executive shall not, without the prior written consent of the Company, which consent shall not be unreasonably withheld, engage in any Competitive Activity.
- (b) During the Term, the Company agrees that it will disclose to Executive its confidential or proprietary information (as defined in this Section 9(b)) to the extent necessary for Executive to carry out his obligations to the Company. The Executive hereby covenants and agrees that he will not, without the prior written consent of the Company, during the Term or thereafter disclose to any person not employed by the Company, or use in connection with engaging in competition with the Company, any confidential or proprietary information of the Company. For purposes of this Agreement, the term "confidential or proprietary information" will include all information of any nature and in any form that is owned by the Company and that is not publicly available (other than by Executive's breach of this Section 9(b)) or generally known to persons engaged in businesses similar or related to those of the Company. Confidential or proprietary information will include, without limitation, the Company's financial matters, customers, employees, industry contracts, strategic business plans, product development (or other proprietary product data), marketing plans, and all trade secrets and proprietary information of a confidential or proprietary nature. For purposes of the preceding two sentences, the term "Company" will also include any Subsidiary (collectively, the "Restricted Group"). The foregoing obligations imposed by this Section 9(b) will not apply (i) during the Term, in the course of the matters, For purpose of Restricted Group (HIT Team D). The f y inform

13. Successors and Binding Agreement.(a) (a) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation, or otherwise)

- (ii) specific reference to pertinent provisions of this Agreement on which the denial is based;
- (iii) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary; and
- (iv) an explanation of the claim review procedure.

A claimant whose claim is denied (or his duly authorized representative) may, within 30 days after receipt of denial of his claim, request a review of such denial by the Company by filing with the Secretary of the Company a written request for review of his claim. If the claimant does not file a request for review with the Company within such 30-day period, the claimant shall be deemed to have acquiesced in the original decision of the Company on his claim. If a written request for review is so filed within such 30-day period, the Company shall conduct a full and fair review of such claim. During such full review, the claimant shall be given the opportunity to review documents that are pertinent to his claim and to submit issues and comments in writing. The Company shall notify the claimant of its decision on review within 60 days after receipt of a request for review. Notice of the decision on review shall be in writing. If the decision on review is not furnished to the claimant within such 60-day period, the claim shall be deemed to have been denied on review.

- (e) Revocability of Action: Any action taken by the Company with respect to the rights or benefits under this Agreement of the Executive shall be revocable by the Company as to payments or distributions not yet made to such person, and acceptance of Severance Compensation or a Gross-up Payment under this Agreement constitutes acceptance of and agreement to the Company making any appropriate adjustments in future payments or distributions to such person to offset any excess or underpayment previously made to him.
 - (f) Requirement of Receipt: Upon receipt of any Severance Compensation or a Gross-up Payment hereunder, the Company reserves the right to require any Executive to execute a receipt evidencing the amount and payment of such Severance Compensation and/or Gross-up Payment.
18. Amendment and Termination. The Company reserves the right, except as hereinafter provided, at any time and from time to time, to amend, modify, change or terminate this Agreement and/or any Committee Action, including any Exhibit thereto; provided, however, that any such amendment, modification, change or termination that adversely affects the rights of the Executive under this Agreement may not be made without the written consent of the Executive; and provided further that any such amendment or termination shall be made only if permitted in accordance with the requirements of Section 409A of the Code.
18. Special Amendments. Notwithstanding any other provision of this Agreement, on or prior to the last day on which amendments can be made to this Agreement to bring it into compliance with or make it exempt from the requirements of Section 409A of the Code, such an amendment can be unilaterally made by:
- (a) The Company as long as a Change in Control has not occurred; or
 - (b) The Executive if a Change in Control has occurred.
- Notwithstanding the foregoing, in the event that the Treasury Regulations and other guidance available on such last day prohibit accelerating any payments into 2008 (or a subsequent year) and/or prohibit deferring any payments which would have been paid in 2008 (or a subsequent year) into a later year, then any such amendment pursuant to this Section will comply with such prohibitions. In addition, any such amendment shall not increase the severance benefits of the Executive beyond what are set forth in the Agreement.
19. Other Plans, etc. If the terms of this Agreement are inconsistent with the provisions of any other plan, program, contract or arrangement of the Company or any Subsidiary, to the extent such plan, program, contract or arrangement may be amended by the Company or a Subsidiary, the terms of this Agreement will be deemed to so amend such plan, program, contract or arrangement, and the terms of this Agreement will govern. This Agreement supersedes and replaces the Cleveland-Cliffs Inc Change in Control Severance Pay Plan.
20. Construction. The masculine gender, when used in this Agreement, shall be deemed to include the feminine gender and the singular number shall include the plural, unless the context clearly indicates to the contrary.
21. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered as of the date first above written.

CLIFFS NATURAL RESOURCES INC.

By:

Executive Vice President – Human & Technical Resources

Executive

