

# CLIFFS NATURAL RESOURCES INC.

## FORM 8-K (Current report filing)

Filed 05/05/05 for the Period Ending 04/29/05

Address	200 PUBLIC SQUARE STE. 3300 CLEVELAND, OH 44114-2315
Telephone	216-694-5700
CIK	0000764065
Symbol	CLF
SIC Code	1000 - Metal Mining
Industry	Metal Mining
Sector	Basic Materials
Fiscal Year	12/31

# CLEVELAND CLIFFS INC

## FORM 8-K (Unscheduled Material Events)

Filed 5/5/2005 For Period Ending 4/29/2005

Address	1100 SUPERIOR AVE 18TH FLR CLEVELAND, Ohio 44114
Telephone	216-694-5700
CIK	0000764065
Industry	Metal Mining
Sector	Basic Materials
Fiscal Year	12/31

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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):

April 29, 2005

Cleveland-Cliffs Inc

(Exact name of registrant as specified in its charter)

Ohio

1-8944

34-1464672

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

1100 Superior Avenue, Cleveland, Ohio

44114-2589

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

216-694-5700

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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### **Item 1.01. Entry into a Material Definitive Agreement.**

On April 29, 2005, Cleveland-Cliffs Inc (the "Company") entered into an Employment Agreement (the "Employment Agreement") with Joseph A. Carrabba, the newly appointed President and Chief Operating Officer of the Company. A brief description of the material terms and conditions of the Employment Agreement is contained in Item 5.02 of this Current Report on Form 8-K and incorporated into this Item 1.01 by reference.

### **Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.**

On May 3, 2005, Cleveland-Cliffs Inc (the "Company") announced in a press release (attached as Exhibit 99a) that Mr. Joseph A. Carrabba, 52, had accepted the position of President and Chief Operating Officer of the Company. With the appointment of Mr. Carrabba as President and Chief Operating Officer, the current title for John S. Brinzo, Chairman, President and Chief Executive Officer, will become Chairman and Chief Executive Officer. Mr. Carrabba accepted the Company's offer on April 29, 2005. Mr. Carrabba will begin his employment in late May.

Mr. Carrabba has had a mining career spanning over 30 years, of which has been spent in open pit mining operations and general management roles. Mr. Carrabba has been employed by the Rio Tinto Group of Melbourne, Australia since 1983. Mr. Carrabba was General Manager of Weipa Bauxite Operation Comalco Aluminum in North Queensland, Australia from 2000 to 2003, an 11 million ton aluminum mining operation, where he was heavily involved with process improvement. Since 2003, Mr. Carrabba was President and Chief Operating Officer of Diavik Diamond Mines, Inc. in Yellowknife, Northwest Territory, Canada, a subsidiary of Rio Tinto. Diavik Diamond Mines was newly commissioned in 2003 as a project with a start-up cost of approximately C\$1.3 billion.

Mr. Carrabba has no previous affiliation with the Company or any of its subsidiaries. He has no familial or business relationships with any of the current officers or Directors of the Company.

Under the terms of the Employment Agreement Mr. Carrabba will receive the following:

An annual base salary of \$450,000;

A signing bonus of \$250,000;

Mr. Carrabba will be eligible to participate in the Company's Management Performance Incentive Plan with no proration of bonus for 2005. The target cash bonus for 2005 is \$225,000 with a minimum payout of 100 percent of target in 2006;

Mr. Carrabba will receive a grant of 3,800 shares of restricted stock, with one-third of the grant vesting on each subsequent anniversary of the date of grant for three years;

Mr. Carrabba will be eligible to participate in the Company's Long-Term Equity Incentive Plan beginning January 1, 2005 through December 31, 2007 and will receive an award of 3,230 Performance Shares and 570 Retention Units under such plan; and

Mr. Carrabba will be eligible to participate in the Company's Supplemental Employee Retirement Plan and will be given an initial credit of \$1,000,000 to his cash balance account as of his first day of employment with the Company.

The Company will also enter into a Change of Control severance agreement with Mr. Carrabba providing for a severance payment of three years compensation (base salary plus target bonus) in the event his position is eliminated or substantially diminished following a change of control.

### **Item 9.01. Financial Statements and Exhibits.**

(c) Exhibits

99(a) Cleveland-Cliffs Inc published a news release dated May 3, 2005 captioned " Mining Industry Veteran Joseph A. Carrabba Joins Cleveland-Cliffs as President and Chief Operating Officer" as filed herewith



**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

*May 5, 2005*

Cleveland-Cliffs Inc

*By: George W. Hawk, Jr.*

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*Name: George W. Hawk, Jr.*

*Title: General Counsel and Secretary*

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Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.a	Cleveland-Cliffs Inc published a news release dated May 3, 2005 captioned "Mining Industry Veteran Joseph A. Carrabba Joins Cleveland-Cliffs as President and Chief Operating Officer"

**Cleveland-Cliffs Inc**  
1100 Superior Avenue  
Cleveland, Ohio 44114-2589

**NEWS RELEASE**

**Mining Industry Veteran Joseph A. Carrabba  
Joins Cleveland-Cliffs as President and Chief Operating Officer**

Cleveland, OH—May 3, 2005—Cleveland-Cliffs Inc (NYSE: CLF) today announced that Joseph A. Carrabba has accepted the position of president and chief operating officer of the Company. Upon assuming his new role, Carrabba will be responsible for all operations of Cleveland-Cliffs, and for all operational support functions such as technical services and supply-chain management.

Mr. Carrabba, 52, joins Cleveland-Cliffs from Rio Tinto, a global mining company, where he served for 22 years in a variety of leadership capacities at locations around the globe. He was most recently president and chief operating officer of Rio Tinto's Diavik Diamond Mines, Inc., in Canada's Northwest Territory.

Cleveland-Cliffs' Chairman and Chief Executive Officer John Brinzo said: "We feel extremely fortunate to have attracted a leader of Mr. Carrabba's caliber, and enthusiastically welcome him to the Cleveland-Cliffs team. Joe's vast experience in mining and mineral processing at locations world-wide, including Australia and Asia, aligns perfectly with our long-term strategic objective to extend our presence in the fastest growing iron ore markets in the world."

"Beyond his obvious operating experience," Brinzo continued, "Joe brings to Cliffs a wealth of knowledge regarding the commercial and distribution facets of the mining business. We look forward to his invaluable contributions as we pursue our goal of becoming a larger, international mining company."

Carrabba said, "I am most pleased to become a part of the Cleveland-Cliffs management team, particularly as the Company moves into the next exciting chapter of its evolution".

Carrabba, a native of Ohio, earned his Bachelor's Degree in Geology from Capital University and his MBA from Frostberg State University in Maryland.

\* \* \* \* \*

Cleveland-Cliffs Inc, headquartered in Cleveland, Ohio, is the largest producer of iron ore pellets in North America and sells the majority of its pellets to integrated steel companies in the United States and Canada. Cleveland-Cliffs Inc operates a total of six iron ore mines located in Michigan, Minnesota and Eastern Canada. The Company is majority owner of Portman Limited, the third-largest iron ore mining company in Australia, serving the Asian iron ore markets with direct-shipping fines and lump ore.

This news release contains predictive statements that are intended to be "forward-looking" within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. Although the Company believes that its forward-looking statements are based on reasonable assumptions, such statements are subject to risk and uncertainties. Reference is made to the detailed explanation of the many factors and risks that may cause such predictive statements to turn out differently, set forth in the Company's Annual Report for 2004, Reports on Form 10-K and Form 10-Q and previous news releases filed with the Securities and Exchange Commission, which are publicly available on Cleveland-Cliffs' website at: [www.cleveland-cliffs.com](http://www.cleveland-cliffs.com).

Contacts:

Media: (216) 694-4870

Financial Community: (800) 214-0739 or (216) 694-5459

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**End of Filing**

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