

CLEVELAND CLIFFS INC  
Form 4  
May 21, 2008

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
GALLAGHER DONALD J

(Last) (First) (Middle)  
1100 SUPERIOR AVENUE  
(Street)

CLEVELAND, OH 44114

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
CLEVELAND CLIFFS INC [CLF]

3. Date of Earliest Transaction  
(Month/Day/Year)  
05/19/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Pres. N. Am. Iron Ore

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
|                                 |                                      |  | Code                           | V   | Amount  | Price  |   |
| Common Stock                    | 05/19/2008                           |  | S                              |   | 444   | \$ 100.48  | D   |
| Common Stock                    | 05/19/2008                           |  | S                              |   | 300   | \$ 100.54  | D   |
| Common Stock                    | 05/19/2008                           |  | S                              |   | 400   | \$ 100.55  | D   |
| Common Stock                    | 05/19/2008                           |  | S                              |   | 300   | \$ 100.49  | D   |
| Common Stock                    | 05/19/2008                           |  | S                              |   | 200   | \$ 100.41  | D   |

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Common Stock 96,458 <sup>(2)</sup> I By VNQDC

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|----------------------------|
|  |  |                                      |  |                                |   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares |
|  |  |                                      |  |                                |   | Code   | V (A) (D)   |  |                            |
| Retention Units 2006-2008                  | <sup>(3)</sup>   |                                      |  |                                |   | <sup>(4)</sup>   | <sup>(4)</sup>  | Common Shares                              | 2,520                      |
| Retention Units 2007-2009                  | <sup>(3)</sup>   |                                      |  |                                |   | <sup>(6)</sup>   | <sup>(6)</sup>  | Common Shares                              | 3,750                      |

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

GALLAGHER DONALD J  
1100 SUPERIOR AVENUE  
CLEVELAND, OH 44114

Pres. N. Am. Iron Ore

## Signatures

Traci L. Forrester by Power Of Attorney

05/21/2008

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Total amount shown reflects the 2-for-1 stock split on May 15, 2008, which resulted in the reporting person's acquiring 18,606.024 additional common shares and 1,775 Restricted Stock Units.  
  
Held for the benefit of the Reporting Person by the Cleveland-Cliffs Inc Voluntary Non-Qualified Deferred Compensation Plan
- (2) (VNQDC). Total amount shown reflects the 2-for-1 stock split on May 15, 2008, which resulted in the reporting person's receiving 48,229 additional shares.
- (3) Each Retention Unit represents the value of one Common Share of the Company.  
  
Represents a grant of Retention Units to the Reporting Person from the Cleveland-Cliffs Inc 1992 Incentive Equity Plan (as Amended and Restated as of May 13, 1997). The Performance Period is for January 1, 2006 through December 31, 2008 (Incentive Period). Payment of the Retention Units will be made in cash after the completion of the Incentive Period based upon the employment by the Company of the Reporting Person and the market value of a Common Share of the Company on the last day of the Incentive Period.
- (4) Total amount shown reflects the 2-for-1 stock split on May 15, 2008, which resulted in the reporting person's acquiring 1,260 additional retention units.  
  
Represents a grant of Retention Units to the Reporting Person from the Cleveland-Cliffs Inc 2007 Incentive Equity Plan. The Performance Period is for January 1, 2007 through December 31, 2009 (Incentive Period). Payment of the Retention Units will be made in cash after the completion of the Incentive Period based upon the employment by the Company of the Reporting Person and the market value of a Common Share of the Company on the last day of the Incentive Period.
- (5) Total amount shown reflects the 2-for-1 stock split on May 15, 2008, which resulted in the reporting person's receiving 1,875 additional retention units.
- (6) Total amount shown reflects the 2-for-1 stock split on May 15, 2008, which resulted in the reporting person's receiving 1,875 additional retention units.
- (7) Total amount shown reflects the 2-for-1 stock split on May 15, 2008, which resulted in the reporting person's receiving 1,875 additional retention units.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.