

CLEVELAND CLIFFS INC
 Form 5
 January 04, 2007

FORM 5

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

OMB APPROVAL
 OMB Number: 3235-0362
 Expires: January 31, 2005
 Estimated average burden hours per response... 1.0

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).
 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
MCALLISTER FRANCIS R
 (Last) (First) (Middle)

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

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

536 EAST PIKE, P.O. BOX 1330
 (Street)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

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

6. Individual or Joint/Group Reporting (check applicable line)

COLUMBUS, MT 53019
 (City) (State) (Zip)

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 at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|--|--|-----------------------------------|
| | | | | (A) Amount (D) Price | | | |
| Common Stock | | | | | 1,995.638 (1) (2) (3) | D | |

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

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SEC 2270 (9-02)

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

| 1. Title of Derivative | 2. Conversion | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if | 4. Transaction | 5. Number | 6. Date Exercisable and Expiration Date | 7. Title and Amount of Underlying Securities | 8. |
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-----------|---|--|----|
|------------------------|---------------|--------------------------------------|-------------------------------|----------------|-----------|---|--|----|

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| Security (Instr. 3) | or Exercise Price of Derivative Security | any (Month/Day/Year) | Code (Instr. 8) | of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | (Month/Day/Year) | (Instr. 3 and 4) | | | | |
|---------------------|--|----------------------|-----------------|---|----------------------------|------------------|--|--|---------------|------------|
| (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | | |
| Stock Units | | | | | | | | | Common Shares | 5,328.6657 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| MCALLISTER FRANCIS R 536 EAST PIKE P.O. BOX 1330 COLUMBUS, MT 53019 | X | | | |

Signatures

George W. Hawk, Jr. by Power of Attorney
Date: 01/04/2007

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) Cleveland-Cliffs Inc ("Company") declared dividends of \$.25 per share on the Common Stock of the Company, payable on June 1, 2006, to all holders of record as of May 19, 2006. The amount shown reflects .782 shares acquired pursuant to the Company's Dividend Reinvestment and Stock Purchase Plan ("Stock Purchase Plan"). The reporting person also acquired 2.615 restricted dividend reinvestment shares pursuant to the Nonemployee Directors' Compensation Plan ("Directors' Plan").
 - (2) On June 30, 2006, the common stock of the Company split 2-for-1, resulting in the reporting person's acquisition of 991.84 additional common shares.
 - (3) The Company declared a dividend of \$.125 per share on the Common Stock of the Company payable on September 1, and December 1, 2006, to all holders of record as of August 15, and November 24, 2006, respectively. The amount shown reflects 1.554 and 1.1981 shares acquired pursuant to the Company's Stock Purchase Plan on September and December, 2006 respectively. The reporting person also acquired 5.198 and 4.0079 restricted dividend reinvestment shares on September and December, 2006, respectively, pursuant to the Directors' Plan.
 - (4) Convertible into Common Shares on a 1-for-1 basis.
 - (5) Stock Units reflect Common Shares underlying deferred compensation credited to the account of the Reporting Person in payment of the Reporting Person's Meeting Fees and Retainer fees under the Directors' Plan. Each Stock Unit is generally distributable following termination of service as a Director.
 - (6) The total includes dividend reinvestment pursuant to the Directors' Plan. The number of deferred dividend reinvestment equivalent shares earned in the Directors' Plan is calculated using the closing market price at the end of each quarter for shares held in the Plan. The reporting person was credited with 8.3253, 17.376, and 13.7153 dividend reinvestment shares on 6/30/06, 9/29/06, and 12/29/06,

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respectively. On June 30, 2006, the common stock of the Company split 2-for-1, resulting in the reporting person's acquisition of 2,648.7872 additional shares.

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.