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February 18, 2011

Headnote

National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* - Securities Act, s. 88 - Cease to be a reporting issuer - The issuer's securities are traded only on a market or exchange outside of Canada - Canadian residents own less than 2% of the issuer's securities and represent less than 2% of the issuer's total number of security holders; the issuer does not intend to do a public offering of its securities to Canadian residents, will not be a reporting issuer in any Canadian jurisdiction, is subject to the reporting requirements of foreign securities law, and all shareholders receive the same disclosure

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 88

In the Matter of
the Securities Legislation of
British Columbia, Alberta, Ontario and Québec
(the Jurisdictions)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of
Cliffs Natural Resources Inc.
(the Filer)

Decision

Background

The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer is not a reporting issuer (the Exemptive Relief Sought).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

- (a) the Ontario Securities Commission is the principal regulator for this application; and

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- (b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is a multi-national corporation listed on the New York Stock Exchange and the Euronext Paris under the ticker symbol “CLF”. The Filer was incorporated under the laws of the State of Ohio, U.S.A. on February 22, 1985. The principal office of the Filer is 200 Public Square, Suite 3300, Cleveland, Ohio, U.S.A., 44114-2544.
2. The Filer became a reporting issuer in each of the Jurisdictions following its acquisition, pursuant to a court-approved plan of arrangement (the Arrangement), of Freewest Resources Canada Inc. (Freewest) on January 27, 2010.
3. Under the Arrangement, the Filer issued 4,221,941 common shares of the Filer (the Common Shares) in exchange for common shares of Freewest and became a reporting issuer in the Jurisdictions.
4. The Filer is a Securities and Exchange Commission (SEC) foreign issuer that is subject to the reporting requirements of the *Securities Exchange Act of 1934*, as amended (the U.S. Legislation). The Filer qualifies as a “SEC foreign issuer” under National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*.
5. The Filer files all continuous disclosure reports required under U.S. securities laws with the SEC on Electronic Data-Gathering Analysis and Retrieval (EDGAR), where such information is publicly available. The Filer is not in default of any reporting or other requirement under the U.S. Legislation.
6. The Filer has never been a reporting issuer in any other Canadian jurisdiction apart from the Jurisdictions. The Filer has never issued any securities in Canada other than in connection with or pursuant to the Arrangement.
7. The Filer is applying for relief to not be a reporting issuer in the Jurisdictions pursuant to the modified approach for foreign issuers outlined in CSA Staff

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Notice 12-307 *Applications For A Decision That An Issuer Is Not A Reporting Issuer* (CSA Notice 12-307).

8. The Filer is not subject to the requirement to create an issuer profile supplement on SEDI by reason that it is a “foreign issuer (SEDAR)” as defined in National Instrument 13-101 *System for Electronic Document Analysis and Retrieval*. The Filer has never filed a notice of election to become an electronic filer on the System for Electronic Document Analysis and Retrieval.
9. The Common Shares are the only class of shares of the Filer that is currently outstanding.
10. Immediately prior to the Arrangement, the Filer had six registered shareholders resident in Canada, holding 823 Common Shares.
11. Under the Arrangement, the Filer issued a total of 4,221,941 Common Shares to the shareholders of Freewest, including 24,566 Common Shares that were issued to the Depositary Trust Company (DTC), a depositary for shareholders typically resident in the U.S.A.
12. Immediately after the Arrangement, assuming that all Common Shares issued to DTC were issued to shareholders resident in the United States and that all other Common Shares of the Filer issued under the Arrangement were issued to Canadian residents, residents of Canada held 4,198,198 Common Shares.
13. As of October 31, 2010, pursuant to a report provided by Computershare Investor Services Inc., the Filer’s transfer agent, the Filer had 138,845,539 Common Shares outstanding, of which only 5,484 Common Shares were held by registered shareholders with registered addresses in Canada, representing less than 0.004% of the total Common Shares issued and outstanding.
14. The Filer expects that a number of former Freewest shareholders that received the Common Shares would have sold those Common Shares, at least in part on the basis that the receipt of those Common Shares would be a taxable transaction for shareholders taxable under Canadian income tax legislation, and a rollover that would defer the tax payable would not be available for such shareholders.
15. No securities of the Filer have ever been listed, traded, or quoted on a marketplace in Canada as defined in National Instrument 21-101 *Marketplace Operation*.

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16. Based upon the foregoing, residents of Canada:
 - (a) do not directly or indirectly beneficially own more than 2% of each class or series of outstanding securities of the Filer worldwide; and
 - (b) do not directly or indirectly comprise more than 2% of the total number of securityholders of the Filer worldwide.
17. In the 12 months before applying for the decision, the Filer has not taken any steps that indicate there is a market for its securities in Canada. The Filer has no plans to seek a public offering of its securities in Canada and does not intend to have any of its securities listed or maintained on a Canadian marketplace or exchange.
18. The Filer has provided advance notice to Canadian resident securityholders in a press release that it has applied to the securities regulatory authorities for a decision that is not a reporting issuer in the Jurisdictions and, if that decision is made, the Filer will no longer be a reporting issuer in any jurisdiction in Canada.
19. The Filer is not eligible to file under the simplified procedure in CSA Notice 12-307 as the Filer is a reporting issuer whose outstanding securities at the date hereof are beneficially owned, directly or indirectly, by more than 50 persons and therefore not eligible to file a notice described in British Columbia Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status*.
20. The Filer otherwise meets the conditions of CSA Notice 12-307 as they apply to foreign issuers.
21. The Filer is not in default of any of the requirements of the Legislation of the Jurisdictions.
22. The Filer is subject to the reporting requirements of the U.S. Legislation applicable to corporations.
23. All of the Filer's security holders resident in each of the Jurisdictions will continue to have immediate access to the same continuous disclosure documents through the EDGAR database maintained by the SEC that are currently being provided to the securities regulatory authorities in each of the Jurisdictions.

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24. The Filer undertakes to concurrently deliver to its Canadian securityholders, all disclosure documents the Filer would be required under U.S. securities law or exchange requirements to deliver to U.S. resident securityholders.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Filer is not a reporting issuer.

Carol S. Perry
Ontario Securities Commissioner

Christopher Portner
Ontario Securities Commissioner