

SCHNITZER STEEL INDUSTRIES INC  
Form SC TO-I/A  
November 07, 2006

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**SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**SCHEDULE TO  
(Amendment No. 2)**

**TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) OR 13(e)(1)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

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**Schnitzer Steel Industries, Inc.**  
(Name of Subject Company (Issuer) and Filing Person (Offeror))

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**OPTIONS TO PURCHASE CLASS A COMMON STOCK**  
(Title of Class of Securities)

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**806882106**  
(CUSIP Number of Class of Securities (Underlying Common Stock))

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**Richard Josephson, Vice President, General Counsel and Secretary  
Schnitzer Steel Industries, Inc.  
3200 N.W. Yeon Ave., P.O. Box 10047  
Portland, Oregon 97296-0047  
(503) 224-9900**  
(Name, Address and Telephone Number of Person Authorized to Receive Notices  
and Communications on Behalf of Filing Person)

Copy to:

**Margaret Hill Noto  
Stoel Rives LLP  
900 S.W. Fifth Avenue, Suite 2600  
Portland, OR 97204  
(503) 224-3380**

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**CALCULATION OF FILING FEE**

| <b>Transaction Valuation(1)</b> | <b>Amount of Filing Fee(2)</b> |
|---------------------------------|--------------------------------|
| \$9,587,516                     | \$1,025.86                     |

(1) Calculated solely for purposes of determining the filing fee. This amount assumes that all eligible options to purchase 313,625 shares of Class A common stock of Schnitzer Steel Industries, Inc. will be exchanged for restricted stock units ("RSUs") relating to 156,780 shares of Class A common stock of Schnitzer Steel Industries, Inc. pursuant to this offer, which may not occur. The aggregate value of such eligible options is approximately \$9,587,516, which is calculated based on the average of the high and low prices of Schnitzer Steel Industries, Inc. Class A common stock as reported on The NASDAQ Global Select Market on October 4, 2006.

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(2) The amount of the filing fee, calculated in accordance with Rule 0-11(b) of the Securities Exchange Act of 1934, as amended, and Fee Advisory #5 for Fiscal Year 2006 issued by the Securities and Exchange Commission, equals \$107.00 for each \$1,000,000 of the value of the transaction. The filing fee was previously paid in connection with the Schedule TO filing made with the Securities and Exchange Commission on October 10, 2006.

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☐ Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: Not applicable  
Form or Registration No.: Not applicable

Filing Party: Not applicable  
Date Filed: Not applicable

☐ Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- ☐ Third-party tender offer subject to Rule 14d-1.
- ☒ Issuer tender offer subject to Rule 13e-4.
- ☐ Going-private transaction subject to Rule 13e-3.
- ☐ Amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: ☒

## Schedule TO

### Introductory Statement

This Amendment No. 2 to Schedule TO is a final amendment which amends and supplements the Tender Offer Statement on Schedule TO filed with the Securities and Exchange Commission (the "SEC") on October 10, 2006 by Schnitzer Steel Industries, Inc. (the "Company"), as amended by Amendment No. 1 filed with the SEC on October 31, 2006, relating to the offer (the "Offer") by the Company to exchange outstanding options to purchase Class A Common Stock granted on July 25, 2006 ("Eligible Options") for restricted stock units. This Amendment No. 2 is intended to satisfy the reporting requirements of Rule 13e-4(c)(4) of the Securities Exchange Act of 1934, as amended.

This Amendment No. 2 amends and supplements the Schedule TO in order to:

- o report that the Offer expired at 5:00 p.m. (Pacific Time) on November 6, 2006 (the "Expiration Date") and the Company accepted all Eligible Options that were validly tendered and not subsequently properly withdrawn as of the Expiration Date; and
- o file as Exhibit (a)(1)(G) an email notifying option holders of the completion of the exchange offer.

### Item 12. Exhibits

| Exhibit Number | Description                                                                                                                                                                                                                                                    |
|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a)(1)(A)**    | Offer to Exchange Outstanding Options to Purchase Class A Common Stock Granted on July 25, 2006 for Restricted Stock Units.                                                                                                                                    |
| (a)(1)(B)*     | Election Form.                                                                                                                                                                                                                                                 |
| (a)(1)(C)*     | Withdrawal Form.                                                                                                                                                                                                                                               |
| (a)(1)(D)*     | Form of Letter from John D. Carter.                                                                                                                                                                                                                            |
| (a)(1)(E)*     | E-mail Communication to holders of Eligible Options.                                                                                                                                                                                                           |
| (a)(1)(F)**    | Form of Letter to holders of Eligible Options, dated October 31, 2006.                                                                                                                                                                                         |
| (a)(1)(G)      | E-mail Communication to option holders dated November 6, 2006.                                                                                                                                                                                                 |
| (b)            | Not applicable.                                                                                                                                                                                                                                                |
| (d)(1)***      | Schnitzer Steel Industries, Inc. 2001 Restated Voting Trust and Buy-Sell Agreement dated March 26, 2001. Filed as Exhibit 9.1 to Schnitzer Steel Industries, Inc.'s Form 10-K for the fiscal year ended August 31, 2001, and incorporated herein by reference. |
| (d)(2)***      | Schnitzer Steel Industries, Inc. 1993 Stock Incentive Plan. Filed as Exhibit 10.1 to Schnitzer Steel Industries, Inc.'s Form 10-Q for the fiscal quarter ended February 28, 2002, and incorporated herein by reference.                                        |
| (g)            | Not applicable.                                                                                                                                                                                                                                                |
| (h)            | Not applicable.                                                                                                                                                                                                                                                |

\* Previously filed with the Company's Schedule TO on October 10, 2006.

\*\* Previously filed as an exhibit to the Schedule TO (Amendment No. 1) filed with the SEC on October 31, 2006.

\*\*\* Incorporated by reference as indicated.

**SIGNATURE**

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

**SCHNITZER STEEL INDUSTRIES, INC.**

Date: November 7, 2006

By: /s/ RICHARD JOSEPHSON

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Richard Josephson,  
Vice President, General Counsel and Secretary

## INDEX TO EXHIBITS

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