

SECURITIES AND EXCHANGE COMMISSION

FORM PRES14A

Preliminary proxy statements, special meeting

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FILER

WEIRTON STEEL CORP

CIK: **849979** | IRS No.: **061075442** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **PRES14A** | Act: **34** | File No.: **001-10244** | Film No.: **94522980**
SIC: **3312** Steel works, blast furnaces & rolling mills (coke ovens)

Business Address
400 THREE SPRINGS DR
WEIRTON WV 26062
3047972000

PRELIMINARY - Intended release date: April 26, 1994

WEIRTON STEEL CORPORATION
400 Three Springs Drive
Weirton, WV 26062

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
To Be Held May 26, 1994

Dear Stockholder:

NOTICE IS HEREBY GIVEN that a Special Meeting of Stockholders of Weirton Steel Corporation, a Delaware corporation (the "Company"), will be held at the Jefferson County Civic Arena, 3151 Johnson Road, Steubenville, Ohio on May 26, 1994, at 7:00 p.m., Eastern Daylight Time, for the following purposes:

1. To approve a proposal (the "Proposal") amending:

(A) Article FOURTH of the Company's Restated Certificate of Incorporation to increase the number of shares comprising the Company's authorized Common Stock, par value \$.01 per share ("Common Stock"), from 30.0 million shares to 50.0 million shares of Common Stock, provided that not less than 15.0 million of such increased number of shares of Common Stock are to be issued only in one or more BONA FIDE public offerings and up to 5.0 million of such increased number of shares of Common Stock are to be issued only pursuant to employee plans, as more fully described in the accompanying Proxy Statement;

(B) Article FIFTH of the Company's Restated Certificate of Incorporation to: (i) increase the number of directors of the Company from 13 to 14; (ii) create a new category of director to be known as the ESOP director; (iii) change the qualification requirements for independent directors; and (iv) impose age limits on directors, as more fully described in the accompanying Proxy Statement; and

(C) Article III, Section 2.2(b) of the By-laws to designate the ESOP director as an additional member of the Nominating Committee; and

2. To consider and act upon any other matters which

properly may come before the meeting or any adjournment thereof.

In accordance with the provisions of the By-Laws, the Board of Directors has fixed the close of business on April 25, 1994 as the date for the determination of the holders of record of stock entitled to notice of, and to vote at, the Special Meeting. A complete list of such stockholders will be open for examination by any stockholder for any purpose germane to the meeting for a period of at least 10 days prior to the meeting. The list will be available at the Company's office, 400 Three Springs Drive, Weirton, West Virginia during ordinary business hours.

The Board of Directors has unanimously approved the Proposal and unanimously recommends that the stockholders vote FOR the Proposal.

Your attention is directed to the accompanying Proxy Statement.

Stockholders who do not expect to attend the meeting in person are requested to date, sign and mail the enclosed Proxy as promptly as possible in the enclosed stamped envelope.

Participants in the Company's 1984 and 1989 Employee Stock Ownership Plans are requested to complete the enclosed Confidential Participant Instruction Form and return it to the ESOP Trustee in the enclosed stamped envelope.

By Order of the Board of Directors

/s/ William R. Kiefer
WILLIAM R. KIEFER,
Secretary

Weirton, West Virginia
April , 1994

PRELIMINARY

(Intended release date: April 26, 1994)

WEIRTON STEEL CORPORATION

400 Three Springs Drive

Weirton, WV 26062

PROXY STATEMENT

This Proxy Statement is furnished in connection with the solicitation by and on behalf of the Board of Directors of Weirton Steel Corporation, a Delaware corporation (the "Company"), of proxies and Confidential Participant Instruction Forms for use at a Special Meeting of Stockholders (the "Special Meeting") to be held on May 26, 1994, as stated in the accompanying Notice of Meeting, and any adjournment thereof. This Proxy Statement and the accompanying form of proxy are being mailed on or after April 26, 1994 to stockholders of record as of April 25, 1994 and to participants in the Company's 1984 and 1989 Employee Stock Ownership Plans (the "ESOPs").

SUMMARY OF PROXY STATEMENT PROPOSAL

This Proxy Statement presents a proposal (the "Proposal") for stockholder approval to amend the Company's Restated Certificate of Incorporation and By-laws as follows:

(i) Article FOURTH of the Restated Certificate of Incorporation would be amended to increase the Company's authorized capital from 30.0 million to 50.0 million shares of Common Stock to be issued as described herein;

(ii) Article FIFTH of the Restated Certificate of Incorporation would be amended to (a) increase the number of directors from 13 to 14, (b) create a new category of ESOP director, (c) change the qualification requirements to serve as an independent director of the Company and (d) impose an age limit on directors commencing a new term of office, all as described herein; and

(iii) Article III of the By-laws would be amended to designate the ESOP director as an additional member of the Nominating Committee of the Board of Directors.

The Proposal will require an affirmative vote by at least 80% of the eligible votes for passage. Stockholders are urged to review the Proposal carefully.

PROXIES

Proxies are solicited by the Board of Directors in order to provide every stockholder with an opportunity to vote on all matters that properly come before the Special Meeting, regardless of whether the stockholder attends in person.

The enclosed form of proxy provides a means for stockholders to vote on the Proposal and any other matters which may properly come before the meeting. When the enclosed proxy is properly signed, dated and returned, the shares represented by the proxy will be voted in accordance with the stockholder's directions.

If the enclosed form of proxy is executed and returned, it nevertheless may be revoked at any time before it has been voted by (i) a later dated, properly executed proxy, or (ii) a vote in person at the Special Meeting. If not revoked and no contrary instructions are specified, or no specific instructions are otherwise given, all shares covered by a properly signed and returned proxy will be voted by the persons appointed therein FOR the Proposal. In addition, the proxy will be voted in the discretion of the proxy holders with respect to such other business as may properly come before the meeting.

All expenses of soliciting proxies for the Special Meeting, including the cost of mailing, will be borne by the Company.

Directors, officers and regular employees of the Company may solicit proxies from stockholders personally or by means of telecommunications. Such persons will receive no additional compensation for those services. In addition, the Company is requesting brokerage firms, fiduciaries, custodians and other nominees holding stock in their name or custody, to forward proxy materials to beneficial owners and to seek instructions regarding proxies, and the Company will reimburse such persons for their expenses in so doing. Further, the Company has engaged Georgeson & Co. to solicit proxies on behalf of the Board of Directors from individuals (excluding individuals in their capacities as participants in the Company's ESOPs), brokers, nominees and institutional holders. It is anticipated that Georgeson & Co. will be paid a fee of \$_____ for its services and will be reimbursed for its reasonable expenses.

ESOP VOTING INSTRUCTION FORMS

Participants in the ESOPs are also receiving the Notice of Meeting and the Proxy Statement and will find enclosed a Confidential Participant Instruction Form ("Instruction Form") for use in instructing the trustee under the ESOPs as to how to vote the shares of stock allocated to their participant accounts in the ESOPs. The Instruction Form provides a means for

participants in the ESOPs to vote on the same issues to be presented to stockholders of record at the Special Meeting. The shares covered by the Instruction Forms will be voted by the trustee as specifically indicated by participants. Forms with no specific voting instructions will result in the related shares being voted by the trustee as uninstructed shares under the provisions of the ESOPs. The Instruction Form will also serve as a means for participants in the ESOPs to vote on amendments to those plans proposed by the Board of Directors to carry out some of the changes described in this Proxy Statement. ESOP participants will receive, in addition to this Proxy Statement, an ESOP Disclosure Supplement explaining the proposed changes to the ESOPs in more detail.

The Instruction Form may be changed or revoked only by a later Instruction Form received by the trustee prior to completion of the trustee's tabulation of votes to be cast at the Special Meeting. An Instruction Form may not be revoked at the Special Meeting. Since the trustee under the ESOPs is the only holder of record of voting stock owned by the ESOPs, only the trustee can cast a ballot at the Special Meeting on behalf of ESOP participants. A participant may vote in person only to the extent the participant has withdrawn shares of stock from the ESOPs as of the Record Date referred to below.

Tabulation of the Instruction Forms is performed by an independent third-party tabulator for, and reported confidentially to, the trustee under the ESOPs. The provisions of the ESOPs do not permit the Company to obtain voting information concerning individual participants.

Directors, officers and regular employees of the Company may solicit participants in the ESOPs to vote with regard to the proposed amendments. Such persons will receive no additional compensation for the performance of such services.

OUTSTANDING VOTING STOCK

Only holders of record of the Company's Common Stock, par value \$.01 per share ("Common Stock"), and Convertible Voting Preferred Stock, Series A, par value \$.10 per share ("Convertible Preferred Stock"), at the close of business on April 25, 1994 (the "Record Date") are entitled to vote on matters to be presented at the Special Meeting. On the Record Date, _____ shares of Common Stock and _____ shares of Convertible Preferred Stock were outstanding and entitled to vote. The holders of the Convertible Preferred Stock and the holders of the Common Stock will vote as a single class at the Special Meeting. Each share of Convertible Preferred Stock is entitled to ten votes and each share of Common Stock is entitled to one vote.

Common Stock and Convertible Preferred Stock allocated to the accounts of participants in the Company's ESOPs will be voted by the holder of record, United National Bank-North, as trustee, pursuant to confidential instructions from the respective participants and in accordance with the terms of the applicable ESOP. Common Stock for which no voting instructions are received and Convertible Preferred Stock which has not yet been allocated to the accounts of participants or for which no voting instructions are received, will be voted by the holder of record, United National Bank-North, as trustee, in accordance with the terms of the applicable ESOP.

QUORUM REQUIREMENTS

In order to transact business at the Special Meeting, there must be present, in person or by proxy, at least a majority of the total votes of the outstanding shares of Common Stock and Convertible Preferred Stock, without regard to any shares of stock whose voting power is restricted under Article ELEVENTH of the Company's Restated Certificate of Incorporation which deals with certain significant holders. At this time, the Board of Directors is aware of only one holder who would be so restricted under such provision. See "Security Ownership of Certain Beneficial Owners and Management." If a quorum is not present, the Special Meeting may be adjourned from time to time until a quorum is obtained.

AMENDMENT TO ARTICLE FOURTH OF THE RESTATED CERTIFICATE OF INCORPORATION INCLUDED IN THE PROPOSAL

The Proposal would amend Article FOURTH of the Company's Restated Certificate of Incorporation (the "Restated Certificate") to increase the Company's authorized Common Stock from 30.0 million shares to 50.0 million shares. Of the increased number of shares, not less than 15.0 million must be issued only in connection with one or more BONA FIDE public offerings and up to 5.0 million only to employee plans, as defined in Article ELEVENTH of the Restated Certificate. The Board of Directors believes that the Company must increase equity and reduce debt to improve its financial condition and that this should be done primarily by selling Common Stock in the public markets as favorable circumstances permit. To accomplish this goal, the Board is recommending that stockholders approve the Proposal which will give the Company the legal capacity to issue additional shares of Common Stock from time to time as approved by the Board.

See "Required Approval for Proposal" for additional steps required to issue shares.

Purpose of Increasing Authorized Common Stock

The Proposal would increase authorized shares of Common Stock to permit the Company's Board of Directors to sell shares of Common Stock to the public to deleverage the Company. As noted below, the Company does not have sufficient authorized but unreserved shares to permit a public offering or to provide for other significant issuances of stock. The 20.0 million additional shares of Common Stock being authorized by the Proposal may be used only for specific purposes. Thus, 15.0 million shares are to be used in BONA FIDE public offerings and 5.0 million shares are to be used for employee benefit plans, as defined in the Restated Certificate, except that any shares of Common Stock not sold through such plans after five years may be used in BONA FIDE public offerings.

The Company intends to commence an underwritten public offering of Common Stock and will seek to do so in the near future if the Proposal is approved and if market conditions permit. Depending upon market conditions, which would include obtaining satisfactory pricing for any such issue, management believes that 15.0 million of the newly-authorized shares of Common Stock could be sold by the Company in a public offering. To the extent that less than 15.0 million shares are sold in the first such offering, the Company would make additional offerings of Common Stock. As explained further under "Reasons for Increasing Authorized Capital - Employee Stock Plans," a total of 5.0 million shares of Common Stock are intended to be made available for purchases by employees over the next five years. To the extent such shares are not so purchased within the five-year period, the remaining shares would be available for BONA FIDE public offerings.

Under the Restated Certificate, 7.5 million shares of Preferred Stock without serial designation are authorized. On the Record Date, 5.2 million shares of Preferred Stock remained available for issuance. The Proposal does not affect the number of shares of Preferred Stock available for issuance. The Company has no agreements or current plans for issuing additional shares of Preferred Stock at this time, except as part of reissuing shares of Convertible Preferred Stock to the 1989 ESOP, as described under "Reasons for the Articles Fifth and III Amendments - New ESOP Director."

Reasons for Increasing Authorized Capital

Stockholders are urged to consider and approve the Proposal, which will increase authorized Common Stock, for the following reasons.

Lack of Authorized Shares. The Company has either issued or reserved for issuance substantially all 30.0 million shares of

Common Stock currently authorized by the Restated Certificate. At the Record Date, only 3,264,744 shares of Common Stock remained available for future issuance, of which 2,853,285 already had been reserved for use. The Proposal must be approved if the Company is to have the ability to sell Common Stock.

Need to Reduce Financial Leverage. The Company's capitalization, as shown below, includes three main elements: long-term debt obligations, redeemable stock, and stockholders' equity.

<TABLE>

<CAPTION>

	12/31/93	% of total	1/1/91	% of total
	-----	-----	-----	-----
(Dollars in millions)				
<S>	<C>	<C>	<C>	<C>
Long term debt incl. current	\$495.3	93%	\$398.9	55%
Redeemable stock	36.7	7%	3.9	1%
Stockholders' Eq	(1.4)	--%	316.5	44%
	-----	---	-----	---
Total Capital.	\$530.6	100%	\$719.3	100%

<FN>

* Includes the accounts of the Company's wholly owned subsidiary, Weirton Receivables, Inc. effective August 25, 1993.

</TABLE>

[TEXT]

The significant decline in the Company's stockholders' equity from January 1, 1991 through 1993 has been the result of its net losses over this period of \$335.7 million, which include a pretax restructuring charge of \$17.4 million and an after tax extraordinary charge of \$6.5 million, both of which were recognized in 1993, and the net after tax effect of changes in certain accounting procedures that reduced stockholders' equity by \$175.4 million. The Company's financial flexibility is severely restricted by its heavy debt load and lack of equity.

The Board of Directors believes that the Company must reduce its percentage of debt and improve its percentage of equity to levels comparable with its major competitors in the steel industry at the earliest possible date. The Board of Directors believes that sales of Common Stock to the public equity markets is the only way to accomplish that result in the near term. During 1993 and thus far in 1994, the Company believes that its major competitors have sold more than \$2.6 billion of equity securities in the public equity markets.

Borrowing Ability. The Company's existing long-term debt was incurred primarily to finance its recently completed capital program that allowed it to become a 100% continuously cast steel producer and renovate its hot strip mill. Management believes that the Company will, in the future, lack adequate financial flexibility unless stockholders' equity is increased.

Facilitating Capital Improvements. The Company competes in an industry which requires significant levels of capital spending to improve operations in order to satisfy customer requirements for improved quality at lower prices. The Company will not be able to finance requisite capital expenditures beyond the near term unless it substantially improves its capital structure. The Board of Directors believes that the Company can only improve its capital structure in the near term by selling Common Stock to the public markets.

Lower Borrowing Costs. The Company is considered highly leveraged by the financial markets because of its high percentage of debt to equity. Highly leveraged borrowers pay higher interest rates on their debt compared to borrowers who are not highly leveraged. A reduction in leverage could reduce current financing costs for the Company and should improve its ability to make future borrowings at lower rates.

Participation in the Public Capital Markets. Since commencing business in 1984, the Company has financed operations through debt and earnings and has never sold Common Stock in the public markets. The Company's 1984 ESOP sold Common Stock in June 1989 for the benefit of participants and to establish a public trading market for the Common Stock, but the Company did not receive proceeds from that sale. Although the Company did issue equity securities in three private transactions in recent years, these sales occurred primarily to allow the Company to maintain minimum equity levels under its debt covenants and one such issuance involved redeemable preferred stock, which is not included in stockholders' equity. During the same period, many of the Company's competitors in the steel industry have sold capital stock to reduce their leverage and help finance capital improvements. In addition to raising equity, one or more substantial public offerings of Common Stock by the Company could help improve trading conditions for the Common Stock by increasing the number of shares of Common Stock which public investors could buy from time to time.

Employee Stock Plans. The Proposal provides 5.0 million shares of Common Stock to implement plans encouraging employee stock ownership. The Board of Directors believes that continued employee ownership should be encouraged. The Company maintains a number of these plans, including the ESOPs. If the plans are to

be maintained for the long term or new plans are to be implemented, it will be necessary to increase the Company's authorized shares. The Board of Directors has committed the 5.0 million shares allocated under the Proposal for employee benefit plans to a new employee stock purchase plan to be submitted for stockholder approval at the 1994 Annual Meeting. The plan, intended to be a qualified stock purchase plan under Section 423(b) of the Internal Revenue Code of 1986, will permit employees (subject to individual limitations) to purchase through payroll deductions up to a total of 1.0 million shares of Common Stock annually at 85% of the lower of the market price for the stock at the beginning or the end of each calendar year. Employees purchasing stock will be required to hold it for a two year period following acquisition. Any shares not purchased in one year will be carried forward for purchase through the fifth year of the plan, when unpurchased shares will be made available for BONA FIDE public offerings by the Company.

Uses for Stock Sales Proceeds

The Board of Directors believes the Company should sell Common Stock publicly and use the proceeds for the purposes discussed below. The application of proceeds necessarily will depend on the size of Common Stock offerings and their timing.

1998 Senior Notes. Up to \$50.0 million of the Company's \$140.0 million outstanding principal amount of 11-1/2% Senior Notes due 1998 (the "Senior Notes") can be redeemed at the Company's option with the proceeds from the sale of capital stock. A partial prepayment of the Senior Notes would both reduce the amount of long-term debt of the Company and the interest required to be paid by the Company on the Senior Notes. The Company estimates that a \$50.0 million reduction in Senior Notes made from the proceeds of stock sales increasing stockholders' equity by _____ million would have resulted in a change in the Company's capitalization at December 31, 1993 to approximately ___% debt from 93% debt. Proceeds from stock sales may also be used to repurchase Senior Notes in the open market, which would further reduce interest costs and leverage.

Other Uses. Proceeds from stock sales may also be applied to reduce leverage effects from other sources, including by tendering for or repurchasing amounts of the Company's 10 7/8% Senior Notes due 1999, repaying or defeasing other debt, purchasing or redeeming other securities, reducing other liabilities, or contributing to the Company's pension fund.

If the Proposal is approved, the Company will have enhanced flexibility, subject to the approval of the Board of Directors, to take advantage of future opportunities to sell Common Stock as circumstances arise. There can be no assurance, however, that

the Company will succeed in completing one or more public offerings of Common Stock to improve its financial condition.

Certain Additional Considerations

At the Record Date, the Company estimates that employees and former employees held in the aggregate not less than 75% of the total eligible votes, either directly or through their accounts as participants in the ESOPs. Such percentage, if utilized collectively, is sufficient to elect all members of the Company's Board of Directors (except for those instances where the Restated Certificate requires that a director have specified qualifications), to approve issues presented to stockholders which require an affirmative vote by a majority of eligible votes, and to block the approval of issues presented to stockholders. Sales of Common Stock by the Company from shares newly authorized by the Proposal or by employees individually or through the ESOPs, or a combination of both, will have the effect of reducing the percentage of eligible votes held by employees. The aggregate effects of such reductions will depend on the rate at which shares are distributed or sold from the ESOPs, the size of Company primary offerings and the nature of the securities sold. To the extent employees acquire voting securities in the future, such as through stock purchase plans or the ESOPs, the effect of such reductions may be lessened.

On the assumption that the Company issues, on a primary basis, not less than 15.0 million shares in the first proposed public offering of Common Stock referred to under "Purpose of Increasing Authorized Common Stock," the Company estimates that total employee voting power immediately following such transaction will be reduced to approximately the 53% level. Under those circumstances, the voting power held by employees, if used collectively, would be able to elect all members of the Board of Directors, to approve stockholder issues requiring a majority vote or to block approval of such issues. Such voting power, if utilized collectively, would also remain sufficient to block passage of matters in the Restated Certificate requiring an 80% affirmative vote. These issues include mergers, sales of assets and liquidation, as well as transactions with significant stockholders and aspects of the Company's governance structure.

The number of shares of Common Stock which the Company can sell in one or more registered public offerings will also be affected by the number of shares of Common Stock held by other stockholders able to participate in any such offering. The only stockholder having such a right at this time is the independent fiduciary under the Company's pension plan, which holds the shares of Common Stock indicated under "Security Ownership of Certain Beneficial Owners and Management," and has registration rights for those shares permitting it to participate in Company

offerings. The Company anticipates that the fiduciary will seek to sell approximately [] million shares of Common Stock in the first public offering being considered by the Company following the Special Meeting. Under certain circumstances, the holder of the Company's Series B Preferred Stock also could elect to exchange such stock and participate in a public offering by the Company.

Depending on the prices obtained, stockholders of the Company may have their economic interest in the Company diluted by future stock sales. It is not possible to predict what will happen to the Company's stock prices in the future.

Stockholders are not entitled to preemptive rights to subscribe to any new stock issue by the Company to the exclusion of other prospective investors.

AMENDMENTS TO ARTICLE FIFTH OF THE RESTATED
CERTIFICATE OF INCORPORATION AND ARTICLE
III OF THE BY-LAWS INCLUDED IN THE PROPOSAL

This Articles FIFTH and III Amendments included in the Proposal (the "Articles FIFTH and III Amendments") will (i) increase the number of the Company's directors from 13 to 14, (ii) create a new category of director to be known as the ESOP director, (iii) change the definition of "independent" director, (iv) impose an age limit for commencing service as a director, and (v) amend the By-laws to increase the membership of the Nominating Committee of the Board of Directors to designate the ESOP director as the fifth member. For the convenience of stockholders, the text of the Articles FIFTH and III Amendments is set forth as Schedule A to this Proxy Statement. Portions of the text to be amended are marked to show the proposed changes.

The Board of Directors has approved the Articles FIFTH and III Amendments after consulting with various groups of the Company's ESOP participants and its principal union. The Board of Directors is recommending that stockholders approve the Articles FIFTH and III Amendments portion of the Proposal because the Board believes that such approval is in the best interests of the Company and its stockholders.

Reasons for the Articles FIFTH and III Amendments

The Board of Directors believes that the Articles FIFTH and III Amendments should be included in the Proposal for the following reasons.

Additional Qualifications for Independent Directors. The Articles FIFTH and III Amendments provide additional qualification requirements for service as an independent

director. In addition to never having been an employee of the Company or its predecessor (or their subsidiaries or affiliates), the new standards require that an independent director: (i) never have been an employee of the Company's principal union; (ii) not be an advisor or consultant to the Company or its principal union, or have been such within two years prior to service as a director; (iii) not have engaged in substantial financial transactions (defined as having a value of at least \$100,000 over any 12 of the preceding 24 months), or been affiliated with a person (except as a non-employee director) that has engaged in substantial financial transactions, with the Company or its subsidiaries or affiliates; and (iv) not be related to a person specified above.

The Board of Directors believes these additional requirements will provide greater assurance that the judgment of independent directors will not be influenced by financial or family ties to the Company. The Board believes that persons who serve as consultants or advisors to the Company or who engage in substantial financial transactions with it, either individually or through a business organization, have, or may be perceived as having, potential conflicts of interest between their personal or business interests and the interests of the Company. To avoid such potential conflicts, or the perception of conflicts, the Board of Directors believes that such persons should not be eligible to be independent directors.

The Board recognizes that the additional qualification standards will exclude persons with personal and business ties to the Company and, accordingly, eliminate some candidates otherwise highly qualified from serving as independent directors. However, the Board believes that the loss of such qualified candidates is not as significant as eliminating potential or perceived conflicts of interest. The new standards do allow the Board of Directors to make exceptions for the performance of services related to a director's position by an independent director from time to time, if approved by a vote of the Board.

NEW ESOP DIRECTOR. The Article FIFTH Amendment included in the Proposal also provides for the Board of Directors to be increased from 13 to 14 to create a new category of director to be designated as the ESOP director. When the Company established the 1989 ESOP, it funded that plan with 1.8 million shares of Convertible Preferred Stock which votes at a rate of 10 votes per share on all matters with the Common Stock. Participants who receive distributions of shares of Convertible Preferred Stock from the 1989 ESOP are entitled to cause the Company to repurchase the stock, and the Company has a further right of first refusal to acquire such stock upon any proposed transfer of it by a participant. Since 1989, the Company has acquired a total of 8,937 shares of Convertible Preferred Stock in this

manner and currently holds such stock in treasury. Under amendments being proposed to the 1989 ESOP which are subject to the approval of ESOP participants, the Company will establish a mechanism by which re-acquired shares of Convertible Preferred Stock will be contributed to the 1989 ESOP and allocated to participants, who consist only of Company employees, on a PER CAPITA basis.

Under the above circumstances, it is anticipated that the 1989 ESOP, until it is terminated with the consent of participants as provided in the plan, will always have approximately 18 million votes. In recognition of the 1989 ESOP having such number of votes, after discussions with ESOP participants, elected union officials and union designated members of the Board of Directors, and as further inducement for such persons and the 1984 and 1989 ESOP participants to vote for the Proposal, the Board of Directors agreed to increase the number of directors from 13 to 14 and to designate the new director as the ESOP director. In addition, an ESOP nominating committee would be created under amendments to both ESOPs being proposed by the Board of Directors, subject to the approval of ESOP participants. The ESOP nominating committee, which would consist of ESOP participants selected in accordance with the terms of the 1984 and 1989 ESOPs, will certify its selection of an ESOP director to the Board of Directors which will be required to nominate such person as the ESOP director for election by the stockholders.

The amendment to Article III of the By-laws provides that the ESOP director will become a member of the Nominating Committee of the Board of Directors established under the By-laws. Thus, the ESOP director will be one of five directors (the others being one management, one union and two independent directors) charged with recommending candidates to serve as independent directors.

The ESOP director must have the same qualifications as independent directors and will be subject to removal for cause in the same manner as all other directors. During a term, an ESOP director also may fail to remain qualified, such as by becoming an employee or consultant to the Company. However, the Proposal provides that during any such term, an ESOP director will not cease to be qualified solely by reason of having the certification of his or her qualification withdrawn or revoked by the ESOP nominating committee.

Age Limit for Directors. The Article FIFTH Amendment included in the Proposal provides that no person can qualify for election as a director of any category for a term commencing after that person's 65th birthday. Under this provision, a director who has his or her 65th birthday immediately following a

new term of office could serve until age 68. The Board of Directors believes that this limit establishes an objective policy which requires succession planning for directors.

Transition Regarding the Proposal

If the Proposal is approved, the Board of Directors expects that an amendment to the Restated Certificate will be filed with state authorities promptly after the Special Meeting and take effect immediately. Since two present independent directors, Messrs. Phillip H. Smith and Harvey L. Sperry, have terms scheduled to expire at the 1994 Annual Meeting and would cease to be qualified as such under the new standards, the new qualifications requirements would not be made to apply to either of them until the 1994 Annual Meeting. Mr. Smith is the parent of a Company employee, and Mr. Sperry is a member of a law firm which provides services to the Company. In addition, Mr. Smith could not otherwise be nominated for a new term at the 1994 Annual Meeting since he is now more than 65 years of age.

REQUIRED APPROVAL FOR PROPOSAL

Since all the amendments are included in the Proposal, it will require the affirmative vote of at least 80% of the eligible votes for passage. Eligible votes means those votes from shares whose voting power is not restricted. Abstentions and broker non-votes, which are entitled to be counted for quorum purposes, will be counted the same as votes against the proposed amendment.

Under the applicable provisions of Delaware law, there are no dissenters rights on the proposed amendment.

The Proposal was unanimously approved by the Board of Directors. However, the Restated Certificate requires, in addition to authorizing shares of capital stock for issuance, that the particular terms and conditions of stock issuances themselves be approved (with limited exceptions) by at least 90% of the entire Board of Directors. Accordingly, if the Proposal is approved by stockholders, the newly authorized shares may not be sold in public offerings or to employee plans (with limited exceptions) until such time as 90% of the entire Board of Directors agrees to the terms of issuance. The Board of Directors cannot predict whether a 90% vote of its members will be obtained with respect to any proposed issuance of stock.

The Board of Directors Urges

Stockholders to Approve the Proposal

SECURITY OWNERSHIP OF CERTAIN
BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of March 31, 1994, the only persons (including any group of persons) who, to the knowledge of the Company, may be deemed to be a beneficial owner of more than 5% of the Company's Common or Convertible Preferred Stock as of that date. A beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has the power to vote or direct the voting of the security or who has investment power over the security, which includes the power to dispose of or direct the disposition of the security.

<TABLE>
<CAPTION>

Name and address of Beneficial Owner	COMMON Aggregate Amount	STOCK % of Class
-----	-----	-----
<S>	<C>	<C>
United National Bank North as Trustee under the 1984 ESOP 1501 Market Street Wheeling, WV 26003	12,826,723(1)	48.0%
Wellington Management Co. 75 State Street Boston, MA 02109	1,399,100(3)	5.3%
U.S. Trust Company of CA Suite 2700 555 S. Flower Street Los Angeles, CA 90071	5,870,968(4)	21.9%

<FN>
(1) All shares have been allocated to the accounts of participants in the 1984 ESOP consisting of approximately 9,622 employees and former employees of the Company. Participants generally have full voting and limited dispositive power over securities allocated to their accounts.

- (3) The Company has received a copy of a Schedule 13-G filed with the Securities and Exchange Commission by Wellington Management Co. indicating that, at December 31, 1993, Wellington Management Co. had [shared] investment discretion over 1,399,100 shares of Common Stock.
- (4) According to a Schedule 13-G filed by U.S. Trust Company of California, N.A., at December 31, 1993, it held sole voting and investment discretion over the reported shares, which are held in a separate account in trust under the Company's qualified defined benefit pension plan.

</TABLE>
 <TABLE>
 <CAPTION>

Name and Address of Beneficial owner	CONVERTIBLE PREFERRED STOCK	
	Amount	% of Class
-----	-----	-----
<S>	<C>	<C>
United National Bank North as Trustee under the 1989 ESOP 1501 Market Street Wheeling, WV 26003	1,774,164(2)	98.6%

<FN>

- (2) Includes 801,063 shares allocated to the accounts of participants in the 1989 ESOP consisting of approximately 8,361 employees and former employees of the Company. Participants generally have full voting and limited dispositive power over securities allocated to their accounts.

</TABLE>

[TEXT]

The following table sets forth, as of March 31, 1994, the total number of shares of Common Stock owned beneficially by each director, including those shares of Common Stock, if any, allocated under the 1984 ESOP, and those shares of Common Stock, if any, allocated to a director's account under the terms of a deferred compensation plan, and the percentage of outstanding Common Stock represented thereby. The table also sets forth the number of shares of Convertible Preferred Stock, if any, allocated under the 1989 ESOP through the latest allocation date (December 31, 1993), and the percentage of outstanding Convertible Preferred Stock represented thereby. The same data

is supplied for all directors and officers as a group.

Unless otherwise indicated, and except for shares allocated to the accounts of employees and directors under the terms of the 1984 ESOP and 1989 ESOP, each beneficial owner has full voting and investment power over the shares shown in the table.

<TABLE>

<CAPTION>

Name and Address of Beneficial Owner	COMMON STOCK		CONV. PREFERRED STOCK	
	Amount	% of Class(1)	Amount	% of Class(1)
	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
James B. Bruhn	3,852	*	480	*
R.J. D'Anniballe, Jr.	--	--	--	--
Herbert Elish	155,513(2)	*	643	*
Mark G. Glyptis	2,265	*	161	*
Gordon C.Hurlbert	22,995(5)	*	--	--
Phillip A.Karber	--	--	--	--
F.James Rechin	12,110(5)	*	--	--
Richard Riederer	32,275(3)	*	503	*
Richard Schubert	300	*	--	--
Phillip H.Smith	13,000(5)	*	--	--
Harvey L. Sperry	23,947(5)	*	--	--
Thomas R. Sturges	14,999(5)	*	--	--
David I.J. Wang	26,141(5)	*	--	--
All Directors and executive officers as a Group(20 per)(4)	324,400	1.2%	5,077	*

<FN>

(1) An asterisk in this column indicates ownership of less than 1%.

(2) Includes 150,000 shares subject to options currently exercisable and 100 shares held for Mr. Elish's daughter.

(3) Includes 30,000 shares subject to options currently exercisable.

(4) Includes 180,000 shares subject to options currently exercisable and 100 shares held by immediate family members of Directors.

(5) Includes 22,995, 11,610, 23,647, 14,999, 7,682 and 16,141 shares credited to the accounts of Messrs. Hurlbert, Rechin, Sperry, Sturges, Smith, and Wang respectively, and held in trust under the Company's Deferred Compensation

Plan for Directors, over which shares the named individuals do not exercise voting and/or investment power until distribution.

</TABLE>

[TEXT]

OTHER BUSINESS

The Board of Directors is not aware of any matters to come before the Special Meeting other than those stated in this Proxy Statement. The Company's By-laws permit only those matters included in the Notice of Meeting to be properly brought before the Special Meeting. However, if any other matters are sought to be brought before the meeting, the persons appointed in the accompanying proxy intend to vote the shares represented thereby in accordance with their best judgment.

By Order of the Board of Directors

/s/ Herbert Elish
HERBERT ELISH,
Chairman, President and
Chief Executive Officer

Weirton, West Virginia
April , 1994

PROXY

WEIRTON STEEL CORPORATION

COMMON STOCK

Special Meeting of Stockholders May 26, 1994

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned stockholder of WEIRTON STEEL CORPORATION hereby appoints Herbert Elish, Gordon C. Hurlbert, and David I.J. Wang, and each or any one of them as the true and lawful attorneys, agents and proxies of the undersigned with full power of substitution and resubstitution for and in the name of the undersigned, to vote as set forth below all shares of Common stock, par value \$0.01 per share, of WEIRTON STEEL CORPORATION which the undersigned may be entitled to vote at the Special

Meeting of Stockholders to be held on May 26, 1994 at the Jefferson County Civic Arena, 3151 Johnson Road, Steubenville, Ohio , and at any and all adjournments or postponements thereof, with all powers which the undersigned would possess if personally present.

I. PROPOSAL AMENDING THE RESTATED CERTIFICATE OF INCORPORATION AND BY-LAWS

_____ FOR _____ AGAINST _____ ABSTAIN

To approve a proposal amending: (A) the Company's Restated Certificate of Incorporation increasing authorized Common Stock from 30 million shares to 50 million shares, with 15 million of such additional shares to be issued only in connection with one or more BONA FIDE underwritten public offerings and 5 million of such additional shares to be issued pursuant to employee plans; (B) the Company's Restated Certificate of Incorporation increasing the number of Directors of the Company from 13 to 14, creating a new category of ESOP director, changing the qualification requirements for independent directors, and imposing age limits on directors; and (C) the Company's By-Laws to designate the ESOP director as an additional member of the Nominating Committee.

The Board of Directors recommends a vote for the above Proposal.

(over)

(continued from other side)

II. OTHER MATTERS Considering and acting upon any other matters which may properly come before the meeting or any adjournment thereof.

If this card is properly executed, shares will be voted in the manner directed herein by the undersigned. if no direction is specified, all shares covered by this proxy will be voted FOR Proposal I.

Sign exactly as name(s) appear hereon. IMPORTANT: When signing as attorney, executor, administrator, trustee, guardian or corporate officer, please give

your full title as such. For joint accounts, all co-owners must sign.

SIGNATURE:

X _____

X _____

Date: _____, 1994

PLEASE MARK, SIGN, DATE AND MAIL THIS PROXY IN THE ENVELOPE PROVIDED.

SCHEDULE A:

FIFTH. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors of the Corporation which shall consist of fourteen (14) persons. The terms, classifications, qualifications and election of the Board of Directors and the filling of vacancies thereon shall be as provided herein or in the By-Laws to the extent not inconsistent with the provisions of this Certificate of Incorporation. The members of the Board of Directors shall be divided into three classes, namely Class I, Class II and Class III, each of which shall be, as nearly as possible, of equal size. The classification shall be such that the term of office of one class shall expire each succeeding year, with the term of office of Class I to expire at the 1991 annual meeting of stockholders, the term of office of Class II to expire at the 1992 annual meeting of stockholders, and the term of office of Class III to expire at the 1990 annual meeting of stockholders.

Members of the various classes of the Board of Directors shall consist only of those individuals who are at the time of their election an eligible candidate by virtue of satisfying the

qualifications described below and who thereafter continue to satisfy the qualifications described below. Except as set forth below with respect to an Agent no longer satisfying the definition of "Union," the term of office of any incumbent director shall be shortened and shall automatically expire, and such individual's seat shall immediately become vacant, by reason of such director's failure to continue to satisfy a qualification requirement after such director's election to the Board of Directors and initial qualification.

Three members of the Board of Directors shall be qualified to serve by virtue of being the then President (or other chief executive officer) of the Union and two other individuals who are designated by certification of the Executive Committee (or other executive person or body functioning as its successor) of the Union (collectively, the "Union Directors"). As used in this Restated Certificate of Incorporation, "Union" means the recognized collective bargaining agent ("Agent") referred to in subclause (z) of Section 8(a)(iii) of the Corporation's Employee Stock Ownership Plan (ESOP), in the form adopted as of January 11, 1984, so long as such Agent represents at least 50% of all employees of the Corporation, considering all bargaining units represented by such Agent.

Three members of the Board of Directors shall be qualified to serve by virtue of one of them being the officer designated as the chief executive officer of the Corporation and two others being employees of the Corporation who are not members of the Union and who are designated by certification of such chief executive officer (collectively, the "Management Directors").

Seven members of the Board of Directors shall be qualified to serve by virtue of being individuals who satisfy the criteria set forth in the definition of "Independent Director" contained in this paragraph (collectively, the "Independent Directors"). "Independent Director" shall mean an individual who: (a) is not, and has never been, an employee of the Corporation or its predecessor or any of their respective subsidiaries or affiliates or of the Union; (b) is not, and is not affiliated with a person that is, an advisor or consultant to the Corporation or any of its subsidiaries or affiliates or the Union or has been such within the two-year period preceding such individual's election or appointment as an Independent Director; (c) has not, and is not affiliated with a person (except solely by reason of being a director, trustee or person serving in a similar capacity not employed by such person) that has, had a Substantial Financial Transaction with the Corporation or any of its subsidiaries or affiliates within the two-year period preceding such individual's appointment or election as an Independent Director; and (d) is not a spouse, parent, sibling or child of any person described by (a) through (c). Notwithstanding the prior sentence, an

Independent Director may perform personal services related to the director's position for the Corporation or any of its subsidiaries or affiliates, if the Board of Directors so requests. For purposes of this paragraph, the definitions of "affiliate," "control" and "person" contained in Article ELEVENTH shall be applicable and the following additional definitions shall apply: (i) "subsidiary" of the Corporation means any corporation, a majority of the voting stock of which is owned, directly or indirectly through one or more other subsidiaries, by the Corporation; and (ii) "Substantial Financial Transaction" means one or more business transactions between a specified person on the one hand and the Corporation or any of its subsidiaries or affiliates on the other hand, wherein consideration has been paid or rendered for the sale, exchange, lease or other transfer for value of goods, services, money or other property, including without limitation the sale of securities, the fair market value of which during any 12-month period preceding the date of measurement has amounted to more than \$100,000."

One member of the Board of Directors (the "ESOP Director") shall be qualified to serve by virtue of (a) meeting the qualification requirements set forth in the preceding paragraph with respect to Independent Directors and (b) being designated by certification of the "ESOP Nominating Committee," as defined under the Corporation's 1984 and 1989 Employee Stock Ownership Plans (the "ESOPs") in the respective form of each such plan as in effect on the date the amendment to the Certificate of Incorporation effecting this change is filed with the Secretary of State of Delaware; provided, that, except as provided otherwise in this Article FIFTH with respect to the removal of directors, the ESOP Director so designated by such certification shall not cease to be qualified while serving such individual's term of office solely by virtue of such certification being withdrawn, lapsing or otherwise being revoked during such term.

No nomination of any candidate for election by stockholders as an Independent Director shall be eligible for consideration unless a written statement setting forth such candidate's name, qualifications, and background is delivered to the Nominating Committee of the Board of Directors (or if no such committee is then constituted, then to the Board of Directors) not less than sixty (60) days prior to the annual or special meeting at which an election for directors is to occur.

No director need be a stockholder of the Corporation. No director may be nominated or appointed for any term of office which would begin after such person's 65th birthday.

The names, categories of qualification and business addresses of those persons of each class to serve on the Board of

Directors commencing on the effective date hereof shall be as follows:

Class I: Term of office expiring at 1991 annual meeting of stockholders:

<TABLE>

<CAPTION>

Name	Category of Qualif.	Business Address
Warren E. Bartel	Management	400 Three Springs Weirton, WV 26062
Phillip H. Smith	Independent	3150 Oliver Plaza Pittsburgh, PA 15222-2602
Harvey L. Sperry	Independent	153 East 53rd St. New York, NY 10022
Thomas R. Sturges	Independent	245 Park Avenue Third Floor New York, NY 10167

</TABLE>

[TEXT]

Class II: Term of office expiring at 1992 annual meeting of stockholders:

<TABLE>

<CAPTION>

Name	Category of Qualif.	Business Address
Gordon C. Hurlbert	Independent	6 Gateway Center Room 997 Pittsburgh, PA 15222
Lawrence M. Isaacs	Independent	Susquehanna Univ. Selinsgrove, PA 17870
F. James Rechin	Independent	9646 Rollin Road Waite Hill, OH 44094
Richard F. Schubert	Independent	431 18th St. NW Washington, DC 20006

</TABLE>

[TEXT]

Class III: Term of office expiring at 1990 annual meeting of stockholders:

<TABLE>

<CAPTION>

Name	Category of Qualif.	Business Address
Irving Bluestone	Union	Wayne State Univ. 205 Reuther Library Detroit, MI 48202
Herbert Elish	Management	400 Three Springs Weirton, WV 26062
David M. Gould	Management	400 Three Springs Weirton, WV 26062
David L. Robertson	Union	337 Penco Road Weirton, WV 26062
Virgil Thompson	Union	2971 West Street Weirton, WV 26062

</TABLE>

[TEXT]

Subject to the foregoing and to the requirement set forth above that each director shall at all times satisfy the qualifications to be a director described herein for the particular category pursuant to which they were elected to be a director, at each annual meeting of stockholders the successors to the class of directors whose term shall then expire shall be elected to hold office for a term expiring at the third succeeding annual meeting and until their successors shall be duly elected and qualified.

Subject to the rights, if any, of the holders of any series of Preferred Stock then outstanding, any vacancy occurring in the Board of Directors, whether from death, resignation, retirement, disqualification, removal from office or other cause shall be filled from among eligible candidates of the same category (i.e., Union, Management, Independent or ESOP, as the case may be, including any required certification) as held the vacant seat immediately prior to the vacancy, solely by the concurring vote of a majority of the directors then in office, whether or not a quorum, and any director so chosen shall hold office for the remainder of the full term of the class of directors in which the vacancy occurred and until such director's successor shall have been duly elected and qualified (so long as such director remains qualified); provided, however, that (i) no Union Director shall be deemed to be disqualified during such director's then current term of office solely by virtue of the particular Agent no longer satisfying the definition of 'Union' set forth herein, but if,

upon the expiration of any Union Director's term or upon any vacancy of a Union Director's seat, the particular Agent does not satisfy such definition of 'Union,' such seat shall be filled only by a candidate qualified to serve as an Independent Director; and (ii) no ESOP Director shall be deemed to be disqualified during such director's then current term of office solely by virtue of the termination or discontinuation of the ESOPs, but if, upon the expiration of any ESOP Director's term or upon any vacancy of an ESOP Director's seat, the ESOPs have been terminated or otherwise discontinued, such seat shall be filled only by a candidate qualified to serve as an Independent Director.

No director may be removed except for cause and then only by an affirmative vote of at least two-thirds of the Eligible Votes at a duly constituted meeting of stockholders called for such purpose. At least 30, but not more than 60, days prior to such meeting of stockholders, written notice shall be sent to the director or directors whose removal will be considered at such meeting. Upon such affirmative vote to remove any director, the office of such removed director shall immediately become vacant and shall as promptly thereafter as practicable be filled as set forth above.