

RUSSEL METALS INC  
Form 40-F  
February 27, 2006

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

**FORM 40-F**

**REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934**

**OR**

**ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2005

Commission File Number 0-22774

**RUSSEL METALS INC.**

(Exact name of Registrant as specified in its charter)

**Canada**  
(Province  
or other  
jurisdiction  
of  
incorporation  
or  
Organization)

**6711**  
(Primary Standard  
Industrial  
Classification Code  
Number)

**41-1443629**  
(I.R.S. Employer  
Identification  
Number (if applicable))

**Suite 210, 1900 Minnesota Court, Mississauga, Canada ON L5N 3C9, (905) 819-7777**  
(Address and telephone number of Registrant's principal executive offices)

**FIL (US) Inc., c/o CT Corporation Suite 300, 801 West Tenth Street, Anchorage, Alaska 99801 U.S.A., (905) 819-7777**  
(Name, address (including zip code) and telephone number (including area code)  
of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act.  
**None**

Securities registered or to be registered pursuant to Section 12(g) of the Act.  
**None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.  
**6.375% Senior Notes Due March 1, 2014**

For annual reports, indicate by check mark the information filed with this Form:

Annual Information Form

Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

**Common Shares - 50,656,009**

Indicate by check mark whether the Registrant by filing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934 (the "Exchange Act"). If "Yes" is marked, indicate the file number assigned to the Registrant in connection with such Rule.

Yes  82 - \_\_\_\_\_

No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such other shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes

No

**Documents Included in this Form**

<b>No.</b>	<b>Documents</b>
1.	Annual Information Form of the Registrant for the fiscal year ended December 31, 2005, dated February 27, 2006.
2.	Management's Discussion and Analysis of the Registrant for the year ended December 31, 2005.
3.	Consolidated Financial Statements for the year ended December 31, 2005.

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**DISCLOSURE CONTROLS AND PROCEDURES**

Disclosure controls and procedures are defined by the Securities and Exchange Commission as those controls and other procedures that are designed to ensure that information required to be disclosed by the Registrant in reports filed or submitted by it under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. The Registrant's Chief Executive Officer and Chief Financial Officer have evaluated the Registrant's disclosure controls and procedures as of the end of the period covered by this Annual Report on Form 40-F and have determined that such disclosure controls and procedures are effective.

**CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING**

Since the most recent evaluation of the Registrant's internal control over financial reporting, there have not been any significant changes in the Registrant's internal control over financial reporting that has materially affected or is reasonably likely to materially affect, the Registrant's internal control over financial reporting.

The design of the Registrant's system of controls and procedures is based, in part, upon assumptions about the likelihood of future events. There can be no assurance that the design of such system of controls and procedures will succeed in achieving its goals under all potential future conditions, regardless of how remote.

**NOTICE OF PENSION FUND BLACKOUT PERIOD**

The Registrant was not required by Rule 104 of Regulation BTR to send any notice to any of its directors or executive officers during the year ended December 31, 2005.

**AUDIT COMMITTEE FINANCIAL EXPERT**

In 2005, the members of the audit committee of the Company were P. Brunet, C. R. Fiora, J. F. Dinning and R. Hartog. From October 27, 2004 to December 31, 2005, Mr. Brunet was a member of the audit committee. He served as Chair of the Committee from April 27, 2005, until his resignation from the board on December 31, 2005. Mr. Brunet was succeeded by Mr. Alain Benedetti as a board member and Chair of the Committee

on February 23, 2006.

The Registrant's board of directors has determined that the former Chair and the present Chair of the Committee are Chartered Accountants and each are considered to be audit committee financial experts as that term is defined in paragraph 8(b) of General Instruction B to the Form 40-F under the Securities Exchange Act of 1934, as amended. The Registrant's board of directors has also determined that all members of the audit committee are independent, as that term is defined in the applicable listing standards of the Nasdaq Stock Market, Inc.

#### **CODE OF ETHICS**

The Registrant has adopted a code of business conduct and ethics (the "code") that applies to all directors, officers and employees. The Registrant has posted the text of its code on its website. The text of the code can be viewed by visiting [www.russelmetals.com](http://www.russelmetals.com) and selecting the "about russel metals" icon.

#### **PRINCIPAL ACCOUNTANT FEES AND SERVICES**

##### **Audit Fees**

The aggregate fees charged by Deloitte & Touche LLP for audit services for the year ended December 31, 2005 were Cdn\$929,000 (2004: Cdn\$978,000).

##### **Audit Related Fees**

The aggregate fees charged by Deloitte & Touche LLP for the year ended December 31, 2005 for assurance and related services that are reasonably related to the performance of the audit or review of the Registrant's financial statements and are not reported above were Cdn\$692,000 (2004: Cdn\$718,000). Such services include work on: offering documents - \$Nil (2004: Cdn\$534,000); review of the Sarbanes-Oxley work prepared by the Company - Cdn\$655,000 (2004: \$138,000); and audits of employee benefit plans - Cdn\$37,000 (2004: Cdn\$46,000).

##### **Tax Fees**

The aggregate fees charged by Deloitte & Touche LLP for U.S. tax compliance and planning work for the year ended December 31, 2005 were Cdn\$154,000 (2003: Cdn\$213,000).

##### **Other Fees**

D&T did not charge any other fees in 2004 or 2005.

##### **Audit Committee Pre-Approval Policies**

Since the enactment of the Sarbanes-Oxley Act of 2002 on July 30, 2002, all non-audit services performed by the Registrant's auditor are required to be approved by the audit committee of the Registrant.

#### **OFF-BALANCE SHEET ARRANGEMENTS**

The Registrant is not a party to any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenues, or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

**TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS**

See "Management's Discussion and Analysis of Financial Condition and Results of Operations for the year ended December 31, 2005", included as Document No. 3 to this Annual Report.

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**UNDERTAKING AND CONSENT TO SERVICE OF PROCESS**

**A. Undertaking**

The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

**B. Consent to Service of Process**

The Registrant has previously filed with the Commission a Form F-X in connection with the 6.375% Senior Notes Due March 1, 2014.

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**EXHIBITS**

**The following exhibits are filed as part of this report:**

**Exhibit**

<b>No.</b>	<b>Title</b>
1.	Consent of Deloitte & Touche LLP.
31.	Certification of CEO and CFO Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.	Certification of CEO and CFO Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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**SIGNATURES**

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

RUSSEL METALS INC.

February 27, 2006

By: /s/ BRIAN R. HEDGES  
Brian R. Hedges  
Executive Vice President & CFO

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**EXHIBIT INDEX**

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