

TERRA INDUSTRIES INC  
Form 425  
March 12, 2009

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 8-K  
CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): March 11, 2009**

**TERRA INDUSTRIES INC.**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction  
of incorporation)

**1-8520**  
(Commission File Number)

**52-1145429**  
(IRS Employer  
Identification Number)

**Terra Centre**  
**600 Fourth Street, P.O. Box 6000**  
**Sioux City, Iowa**  
(Address of principal executive offices)

**51102-6000**  
(Zip Code)

Registrant's telephone number, including area code: **(712) 277-1340**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**ITEM 8.01 OTHER EVENTS**

On March 11, 2009, Terra Industries Inc. ( Terra ) issued a press release announcing its Board of Directors rejection of CF Industries Holdings, Inc. s ( CF Industries ) proposal of March 9, 2009. A copy of the press release, including the full text of Terra s letter to CF Industries, is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

(d) Exhibit

99.1 Press release issued March 11, 2009 by Terra.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**TERRA INDUSTRIES INC.**

By: /s/ John W. Huey

Name:

John W. Huey

Title: Vice President, General Counsel and  
Corporate Secretary

Date: March 11, 2009

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**EXHIBIT INDEX**

Exhibit Number	Description
99.1	Press release issued March 11, 2009 by Terra.