

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

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

For the fiscal year ended December 31, 2010

or

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

For the transition period from _____ to _____

Commission File Number 1-134

CURTISS-WRIGHT CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware

13-0612970

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

10 Waterview Blvd. Parsippany, NJ

07054

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (973) 541-3700

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common stock, par value \$1 per share	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes 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 Securities Exchange Act of 1934 during the preceding 12 months (or for such 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

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Non-accelerated filer

(Do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company



Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the voting stock held by non-affiliates of the Registrant as of June 30, 2010 was approximately \$1.3 billion.

The number of shares outstanding of each of the Registrant's classes of Common stock as of January 31, 2011:

<u>Class</u>	<u>Number of shares</u>
Common stock, par value \$1 per share	46,315,608

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Proxy Statement of the Registrant with respect to the 2011 Annual Meeting of Stockholders to be held on May 6, 2011 are incorporated by reference into Part III of this Form 10-K.

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PART I

FORWARD-LOOKING STATEMENTS

Except for historical information, this Annual Report on Form 10-K may be deemed to contain “forward-looking statements” within the meaning of the Private Litigation Reform Act of 1995. Examples of forward-looking statements include, but are not limited to: (a) projections of or statements regarding return on investment, future earnings, interest income, sales, volume, other income, earnings or loss per share, growth prospects, capital structure, and other financial terms, (b) statements of plans and objectives of management, (c) statements of future economic performance, and (d) statements of assumptions, such as economic conditions underlying other statements. Such forward-looking statements can be identified by the use of forward-looking terminology such as “anticipates,” “believes,” “continue,” “could,” “estimate,” “expects,” “intend,” “may,” “might,” “outlook,” “potential,” “predict,” “should,” “will,” as well as the negative of any of the foregoing or variations of such terms or comparable terminology, or by discussion of strategy. No assurance may be given that the future results described by the forward-looking statements will be achieved. While we believe these forward-looking statements are reasonable, they are only predictions and are subject to known and unknown risks, uncertainties, and other factors, many of which are beyond our control, which could cause actual results, performance or achievement to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, those described in Part I, “Item 1A. Risk Factors” and elsewhere in this report and those described from time to time in our future reports filed with the Securities and Exchange Commission. Such forward-looking statements in this Annual Report on Form 10-K include, without limitation, those contained in Item 1. Business, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations, Item 8. Financial Statements and Supplementary Data including, without limitation, the Notes To Consolidated Financial Statements, and Item 11. Executive Compensation.

Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. These forward-looking statements speak only as of the date they were made, and we assume no obligation to update forward-looking statements to reflect actual results or changes in or additions to the factors affecting such forward-looking statements.

Item 1. Business.

BUSINESS DESCRIPTION

Curtiss-Wright Corporation is a diversified, multinational provider of highly engineered, technologically advanced products and services. We are the corporate descendants of the Wright brothers and Mr. Glenn Curtiss, the father of naval aviation. In 1929, the companies founded by these three great aviation pioneers merged to form the largest aircraft company at the time, Curtiss-Wright Corporation. Today, we design and manufacture highly engineered, advanced technologies that perform critical functions in demanding conditions in the defense, power generation, oil and gas, commercial aerospace, and general industrial markets, where performance and reliability are essential. The Company is incorporated under the laws of the State of Delaware.

Our strategy is to maintain a balanced portfolio to consistently grow sales and profitability by utilizing our technical capabilities to maintain and expand our leading niche market positions with highly engineered products and services. As a result of our strategy, we have achieved this balance with revenues generated from defense, power generation, oil and gas, commercial aerospace, and general industrial markets. In addition, to maintain a diversified business portfolio, we also continue to develop new core competencies, such as electronic technologies. We believe our ability to design and develop future generations of advanced electronics systems is a strategic growth area for the high performance platforms in our served markets, particularly in embedding computing and electronic systems. We intend to continue to execute our growth strategy which focuses on diversification in complementary markets that demand high performance and highly engineered products and services.

Our core competence is providing advanced technologies for customers operating in harsh environments. In addition to meeting demanding performance requirements, our technologies are intended to improve worker safety, minimize impact on the environment, and improve operating efficiency. We compete globally based on technology and pricing; however, significant engineering expertise is a limiting factor to competition, particularly in the U.S. government market. Our business is challenged by price pressure, environmental impact, and geopolitical events, such as the global war on terrorism and diplomatic accords. Our ability to provide high-performance, advanced technologies on a cost-effective basis is fundamental to our strategy for meeting customer demand.

Business Segments

We manage and evaluate our operations based on the products we offer and the different markets we serve. Based on this approach, we operate through three segments: Flow Control, Motion Control, and Metal Treatment. Our principal manufacturing facilities are located in the United States in New York, North Carolina, and Pennsylvania, and internationally in Canada and the United Kingdom.

Flow Control

Our Flow Control segment primarily designs, manufactures, and distributes highly engineered, critical-function products including valves, pumps, motors, generators, instrumentation, shipboard systems, and control electronics. These products manage the flow of liquids and gases, generate power, provide electronic operating systems, and monitor or provide critical functions. In 2010, net sales in our Flow Control segment of \$1,025 million represented 54% of our total net sales.

This segment's primary markets are naval defense, power generation, oil and gas, and general industrial.

In the naval defense market, we are a supplier to the U.S. Navy for a wide array of ship building programs including the nuclear aircraft carrier and submarine programs, offering power and propulsion technologies, instrumentation and control systems, auxiliary systems, and shipborne aircraft and helicopter landing systems. Government sales, primarily to the U.S. Navy as a subcontractor, comprised 34%, 30%, and 26% of segment sales in 2010, 2009, and 2008, respectively.

The Flow Control segment operates through four operating divisions: Electro-Mechanical Systems, Nuclear Group, Oil & Gas Systems, and Marine & Power Products. The segment has a global customer base with principal manufacturing operations in the United States, Canada, and the United Kingdom.

Electro-Mechanical Systems

Our Electro-Mechanical Systems division produces advanced electro-mechanical and pumping solutions for the naval defense, power generation, oil and gas, and other general industrial markets. The division designs and manufactures advanced critical function pumps, motors, generators, ship propulsors, mechanical seals, control rod drive mechanisms, power conditioning

electronics, pulse power supplies, integrated motor controls, composite materials applications, and protection technologies solutions.

This division develops, designs, manufactures, and performs qualification testing of critical-function, electro-mechanical solutions for its primary customer, the U.S. Navy, including main coolant pumps, various other critical-function pumps, extremely power-dense compact motors, main and ship service generators, secondary propulsion systems, and design engineering and testing services. The division has served the U.S. Navy for over 60 years and is a supplier or sole source provider of pumps that are used in the nuclear propulsion system. The division also overhauls and provides critical spares for units serving the fleet on operational platforms. Current platforms include the Nimitz and Ford class aircraft carriers and the Virginia, Los Angeles, Seawolf, and Ohio class submarines. We have also received funding for component development on the next generation Ohio class submarine program.

In addition, the division provides propulsion motors and main generators to the non-nuclear U.S. Navy, including the DDG 1000 destroyer program. We are strengthening our relationship with the U.S. Navy by participating in the design and development of major subsystems for the U.S. Navy's Electro-Mechanical Aircraft Launch System ("EMALS"), Advanced Arresting Gear ("AAG") aircraft retrieval system for installation on its future aircraft carrier fleet, and the advanced propulsion, pump and motor designs for the next generation submarine fleet. Electro-Mechanical Systems' products are also sold to complementary commercial markets, primarily nuclear power generation and oil and gas. We have been a supplier to the nuclear power market since its inception more than 50 years ago. We provide reactor coolant pumps, pump seals, and control rod drive mechanisms for commercial nuclear power plants. In 2008, we announced our first award for reactor coolant pumps for four new AP1000 nuclear power plants to be built in China. In 2009, we announced our first domestic new construction contract for three Westinghouse AP1000 power plants to be built in the United States. In the oil and gas market, we are utilizing our canned motor and pumping system expertise to partner with industry leaders to develop advanced systems for offshore recovery, production, and transmission. Current programs encompass sub-sea pumping and power-dense motors for compact, integrated compressor systems. This division also offers hazardous waste pumps for the Department of Energy ("DoE") and in-line pumps for the hydrocarbon processing industry.

In the general industrial market, we design, develop, and manufacture integrated motor-controls and protection technology solutions for original equipment manufacturers ("OEMs") and industrial customers. We engineer and manufacture a full range of rugged, reliable, and internationally compliant products that smoothly control the amount of electrical current provided to motors. Custom panel solutions include a variety of low and medium voltage components, such as starters, drives, contactors, breakers, and other related devices. While this is a highly competitive market, our installed base of over 100,000 control units with hundreds of custom designed systems supports customers in the industrial heating, ventilation, and air conditioning ("HVAC") market, as well as in the municipal services and energy processing markets, including petrochemicals, power generation, mining, and transportation.

Nuclear Group

The Nuclear Group division designs, manufactures, distributes, and qualifies flow control products for nuclear power plants, nuclear equipment manufacturers, hydroelectric energy producers, the DoE, and the Department of Defense ("DoD"). This division offers a wide range of critical hardware, including pumps, valves, pressure vessels, fastening systems, specialized containment doors, airlock hatches, electrical units, bolting solutions, nuclear storage solutions, machined products, and enterprise resource planning, as well as plant process controls, including electrical instrumentation, specialty hardware, and proprietary database solutions aimed at improving safety and plant performance, efficiency, reliability, and reducing costs. In addition, the division provides distribution and servicing of OEM components and spare parts, training, on-site services, staff augmentation, and engineering programs relating to nuclear power plants. We provide diagnostic equipment, consulting, inspection, and testing services that support plant-life extensions and power upgrades on 104 operating reactors in the United States, as well as operating reactors located throughout the world.

We maintain all of the regulatory certifications required to provide representations and certification and/or qualify value-added nuclear-grade products both domestically and internationally. We compete in this market through an expanded array of nuclear technology, industry-benchmarked quality assurance programs, strategic alliances, resident expertise, and customer recognition for our long-term service commitment to solving the unique challenges of the nuclear market.

Oil & Gas Systems

Our Oil and Gas Systems division designs and manufactures valves and vessel products for the oil and gas refining market. Primary products include coke deheading systems, fluidic catalytic cracking unit ("FCCU") components, relief valves, pressure

protection systems, engineering design tools for chemical refining and process industries, and web-enabled control systems for refinery monitoring and process control.

Our coke deheading system, which includes top and bottom unheading valves, isolation valves, cutting tools, and valve automation, process control, and protection systems, enables safer coke drum operation during the refining process. Included in this portfolio of products is the DeltaGuard® coke-drum unheading valve, an advancement in coke-drum unheading technology. Our patented technology is remotely operated, therefore inherently safe, easy to operate, reliable, cost effective, and can be configured for any coke-drum application.

We also offer a delayed coker operations optimization system featuring process control, interlocks, valve control solutions, batch process data acquisition, interactive operator batch sequence procedures, batch scheduler, batch sequence editor, risk management, asset protection, and predictive maintenance capabilities.

Our FCCU product portfolio includes custom-designed valves, engineered pressure vessels, and complementary components that operate in industrial process applications including fluid, residual, and catalytic cracking units as well as power generation, steel manufacture, and ore reduction. We manufacture, repair, and modify orifice chambers, hydrotreaters, and American Society of Mechanical Engineers code pressure vessels. In addition, we provide a wide array of field services, including equipment repair, modification, or replacement; inspection of valves, controls, pipes, and refractory linings; maintenance planning and scheduling for valves or control systems; diagnostic assistance with troubleshooting problems in critical components; and on-site system training. Due to the critical and severe service applications requiring highly engineered solutions, competition is limited to a few major competitors.

Our Farris safety relief valve and pressure protection system portfolio incorporates a broad range of valve sizes and ratings used in a wide range of chemical and process industry applications. The valves are marketed as individual components or at the subsystem/system level, with a global service and support network of Farris Authorized Service Team centers. The proprietary Farris iPRSM® provides a broad set of design and monitoring tools for process operators, incorporating the latest industry and regulatory standards.

In addition, we provide inspection, installation, repair and maintenance, and other field services for harsh environment flow control systems. Competition is mitigated by our technical expertise, proven technology, and extraordinary service.

We recently expanded our capabilities in the oil and gas market with the expansion of our Houston operations to include a state-of-the-art manufacturing facility to be used to build large thick-walled vessels (such as coke drums, fractionators, fluid catalytic cracking units and hydrotreaters) for the refining, chemical, and nuclear power industries.

Marine & Power Products

Our Marine & Power Products division produces high-performance, specialized valve solutions, designs and manufactures electro-mechanical systems, and develops, manufactures, and services specialized electronic instrumentation and control equipment.

Our valve solutions control the flow of liquids and gases for vessels, and equipment for the defense, power generation, and general industrial markets. We design, engineer, and manufacture spring-loaded, pilot-operated pressure relief valves and solenoid operated valves, as well as ball valves used in standard and advanced applications, including high-cycle, high-pressure, extreme temperature, and corrosive plant environments. Our products are highly engineered to meet stringent performance and reliability requirements. We provide engineering support, testing, repair, and consulting services globally.

Our valves are utilized in the nuclear propulsion system of virtually every nuclear submarine and aircraft carrier commissioned by the U.S. Navy. Current programs include the Virginia class submarine and Ford class aircraft carriers. In addition, we provide spares and repair work for various submarine classes, such as Los Angeles and Ohio, as well as the Nimitz class aircraft carriers.

In commercial markets, we provide specialized valves to commercial nuclear power plants and general processing industries worldwide. Competition is based upon quality of technology, price, installed base, and delivery times.

The Marine & Power Products division designs and manufactures electro-mechanical systems for securing and traversing helicopters aboard naval vessels. These shipboard helicopter handling systems are used by the U.S. Navy, U.S. Coast Guard and more than ten other navies around the world. In support of embarking helicopters onboard naval ships, we also produce aviation lighting and guidance systems and in-deck tie-downs and tracks. We also design and build shipboard specialized

structures, including telescopic hangars and doors. Specialized cable handling systems are designed and manufactured for towing active and passive sonar systems for both submarines and surface ships. For commercial markets, we provide specialized valves to commercial nuclear power plants, oil and gas refineries, production platforms and pipelines, and general processing industries worldwide. In addition, we are integrating our core hardware technology with engineering software to enhance product selection and inventory management. General industrial products include hydraulic power units and components primarily for the automotive and entertainment industries, specialty hydraulic valves, air-driven pumps, gas boosters, and directional control valves used in industrial applications such as car transport carriers. Competition is based upon quality of technology, price, installed base, and delivery times.

The Marine & Power Products division also develops, manufactures, tests, and services specialized electronic instrumentation and control equipment, including instrumentation for primary and secondary controls, steam generator control equipment, valve actuators, and valve and heater controls. This division provides custom designed and commercial-off-the-shelf (“COTS”) electronic circuit boards and systems to the U.S. Navy. It also provides advanced valve controllers and predictive maintenance systems for the oil and gas and general industrial market. There is strong competition in the COTS market, but competition is limited by significant qualification and performance requirements. The division also provides engineering and support services.

The following list defines our principle products and the markets served by the Flow Control segment.

Naval Defense

- **Nuclear propulsion system components**
 - Valves (globe, gate, control, safety, relief, solenoid, hydraulic operated gate)
 - Pumps
 - Motors and generators
 - Instrumentation and controls
- **Instrumentation and control systems**
- **Aircraft carrier launch and retrieval equipment**
 - Advanced electromagnetic systems
 - Flight critical components (aircraft shuttle components, holdback bars, capacity selector valves)
- **Submarines**
 - Cable handling systems for towed arrays
 - Sub-safe ball valves
- **Surface ships**
 - Helicopter handling and traverse systems
 - Tie-down components
 - Valve actuation and control systems
- **Non-nuclear products**
 - Smart leakless valves
 - Sub-safe ball valves
 - Jet-fuel pumping valves
 - Steam generator control equipment
 - Air driven fluid pumps
 - Engineering, inspection, and testing services

Oil & Gas Processing

- **Critical process valves**
 - DeltaGuard coker unheading valve
 - Boltless catalyst control slide valves
 - Butterfly and triple offset butterfly valves
 - Pilot-operated relief valves
 - Pressure relief valves
 - Safety valves
 - Solenoid, gate, and globe valves
 - Steam valves
- **Fluidic catalytic cracking equipment**
 - Air grids and cyclones
 - Risers, headers, and wye sections
- **Engineered process vessels**
 - Cat cracking reactors and regenerator heads
 - Hydrotreaters

- **Advanced valve controls and prognostics technology**
Digital valve controller with redundant technology
Signature recognition for fault and leak detection
Integrated valve, automation, safety, and control systems

Power Generation

- **Advanced motors and generators**
- **Pumps**
Reactor coolant and process
- **Valves**
Solenoid, ball, butterfly, check, pressure relief, safety and pilot-operated relief valves, and gate and globe (motor operated, air operated, pneumatically operated)
- **Control rod drive mechanisms**
- **Design and fabrication of nuclear facility airlocks, doors, hatches**
- **Instrumentation**
- **Diagnostic and test equipment**
- **Fluid sealing technologies**
- **Actuators**
Pneumatic and hydraulic
- **Plate heat exchangers**
- **Separation technologies**
- **Fasteners**
- **Advanced bolting technologies**
- **Spent fuel management technologies**
- **Equipment reliability services and software**
- **Engineering services**
- **Equipment qualification, commercial grade dedication**
- **Inventory management systems**

General Industrial

- **Valves**
Directional control and pneumatic
- **Power Control Systems**
Integrated motor-control systems
Variable frequency drives
Pump control panels
Low voltage solid state starters
Medium voltage controls
Protective technology solutions
- **Critical machinery fault detection and prognostics systems**

Customer Concentration and Backlog

Backlog for this segment at December 31, 2010, was \$1,149 million, of which 48% (\$552 million) is expected to be shipped after one year, compared with backlog of \$1,182 million at December 31, 2009. Sales to this segment's largest customer represented approximately 10%, 13%, and 11% of this segment's sales in 2010, 2009, and 2008, respectively. Additionally, sales to our largest naval defense customer accounted for 10%, 11%, and 10% of this segment's net sales in 2010, 2009, and 2008. The loss of these customers would have a material adverse effect on the business of this segment and the combined loss of these customers would have a material adverse effect on the Corporation.

Motion Control

Our Motion Control segment designs, develops, manufactures and maintains sophisticated, high-performance mechanical actuation and drive systems, specialized sensors, motors, and electronic controller units, and mission-critical embedded computing components and control systems. In 2010, net sales in our Motion Control segment of \$647 million represented 34% of our total net sales.

This segment's primary markets are ground defense, aerospace defense, commercial aerospace, and general industrial.

Our Motion Control segment is managed through three operating divisions: Flight Systems, Integrated Sensing, and Embedded Computing. The segment has a global customer base with principal manufacturing operations throughout the United States, Canada, and Europe.

Flight Systems

Our Flight Systems division's product offerings to the commercial and aerospace defense markets consist of electromechanical and hydro-mechanical actuation control components and systems that are designed to position aircraft control surfaces or operate flaps, slats, and utility systems such as canopies, cargo doors, weapons bay doors, or other moving devices used on aircraft. Aircraft applications include actuators and electro-mechanical control systems for the Boeing 737, 747, 747-8, 767, 777, 787 civil air transports, the Lockheed Martin F-16 Falcon fighter jet, the Boeing F/A-18 Hornet fighter jet, the F-22 Raptor fighter jet, the P-8 Poseidon, the Bell Boeing V-22 Osprey, and the Sikorsky Black Hawk and Seahawk helicopters. The Flight Systems division is also developing flight control actuators and weapons handling systems for Lockheed Martin's F-35 Lightning II Joint Strike Fighter ("F-35 JSF") program. The F-35 JSF is the next-generation fighter aircraft being designed for use by all three branches of the U.S. military as well as by several foreign governments. The F-22 Raptor is nearing the end of its production life and is expected to be completed in 2011. This division also provides commercial airlines, the military and general aviation customers with component overhaul and repair of hydraulic, mechanical, and electro-mechanical components and component exchange services for a wide array of aircraft.

Flight Systems also designs, manufactures, and distributes electro-mechanical and electro-hydraulic actuation components and systems and electronic controls for military tracked and wheeled vehicles within the ground defense market as well as for commercial markets utilizing drive technology. These products consist of turret aiming and stabilization, weapons handling systems, and suspension systems for armored military vehicles. In addition, we provide a range of general industrial products, such as fuel control valves for large commercial transport ships, stabilization systems, and a variety of commercial servo valves.

Flight Systems products are sold primarily through a direct domestic sales force and international network of independent sales representatives. Sales are made directly to OEMs, airlines, and government agencies.

Our Flight Systems products are sold in competition with a number of other suppliers, some of whom have broader product lines and greater financial, technical, and human resources. The competitive environment for these products is focused on a short list of companies, with recent strategic trends at the prime contractor level resulting in a smaller market of vertically integrated suppliers, while prime contractors specialize in integration and final assembly. Price, technical capability, performance, service, and investment are the primary forces of competition, together with an ability to offer solutions to perform control and actuation functions on new production programs.

Integrated Sensing

Our Integrated Sensing division develops and manufactures a range of sensors, controllers, and electronic control units for commercial, aerospace defense, and general industrial markets. These products include position, pressure, and temperature sensors, solenoids and solenoid valves, cooling fans and motors, smoke detection sensors, torque sensing, ice detection and protection equipment, air data computers, flight data recorders, joysticks, and electronic signal conditioning and control equipment. The division also provides electric motors with controllers, rotary sensors, controllers, and smaller electromechanical actuation subsystems for flight, engine, and environmental control for aircraft and space applications. This division's products are sold primarily to prime contractors and system integrators (both directly and through a network of independent sales representatives) on a worldwide basis. Position sensors are used on primary flight control systems and engine controls on Airbus and Boeing aircraft, most notably for the Airbus A320 single-aisle aircraft, as well as regional and business aircraft, and on many U.S. and European military aircraft. Air data, flight recorder, and ice detection and protection equipment are supplied to many helicopter applications, including the Apache, Blackhawk, Stallion, and Chinook platforms. We also sell our products for use in a wide range of industrial applications such as off-highway vehicles, powered mobility vehicles, process controls, and motorsports.

In 2010, the Integrated Sensing division acquired Specialist Electronics Services, Ltd. ("SES"), which designs and manufactures rugged and security encrypted data recorders and media, processors, control display units, and software for aerospace and defense applications. Key platforms include fixed-wing, rotary-wing and unmanned aircraft, tactical vehicles, and naval vessels. Proprietary technologies include high integrity mission computing, engine monitoring, multi-channel video

and data mission recording, rugged and extreme environmental computing, and software for synchronous data replay and analysis.

Competitive differentiators for Integrating Sensing include technical leadership and support, product price, and customer service. For that reason Integrated Sensing products are marketed through facilities in the United Kingdom, Germany, and the United States, and manufacturing facilities have been established in Mexico and China.

Embedded Computing

Our Embedded Computing division designs, develops, and manufactures rugged embedded computing board-level modules and integrated subsystems, primarily for the aerospace and ground defense markets, and supports the U.S. government's increased focus on Intelligence, Surveillance, and Reconnaissance ("ISR") applications. Using standard, commercially available electronics technologies, coupled with application-domain specific knowledge, we offer COTS hardware and software modules based on open industry standards. We also offer high performance electronic packaging and thermal management systems using custom and standards-based enclosures.

Our advanced subsystems are integrated using standard modules and custom modules based on in-house intellectual property content as well as third-party technology. We also offer a broad array of support services that include life-cycle management, technical support, training, and custom engineering of modules and fully integrated subsystems. We are a single source supplier for high density radar processing, data communications, digital signal processing, video and graphics, recording and network storage, analog acquisition and reconstruction, radar, and integrated subsystems. Our COTS modules and integrated subsystems are designed to perform in harsh conditions where space, weight, and power constraints are critical. Our rugged products perform in extreme temperatures and environments, enduring high shock and vibration, as well as in commercial environments for use in laboratory and benign environment applications.

Embedded Computing's subsystem products are used in a wide variety of mission-critical applications for military ground vehicles, including fire control, aiming, and stabilization, munitions loading, and environmental processors. These products are used on demanding combat platforms such as the Bradley Fighting Vehicle, the Abrams Tank, and the Stryker family of vehicles, which are all part of the U.S. Army's modernization and transformation efforts. Our modules, which feature high performance commercial processors on open standard board architectures, are used in numerous active programs, including the Improved Bradley Acquisition System and the Improved Tow Acquisition System.

The division drafts and defines embedded standards, which address the more demanding performance and data bandwidth requirements of emerging applications. Embedded Computing supplies technologically advanced military platforms including the F-22 Raptor, F-35 JSF, and P-8 Poseidon and U.S. Marine Corps' Ground/Air Task Orientation Radar program.

Embedded Computing also provides the advanced mission management system, flight control computers, and the sensor management units for advanced aerospace platforms including the Global Hawk, the U.S. Air Force's high-altitude and high-endurance unmanned aerial vehicle, as well as the U.S. Navy's Broad Area Maritime Surveillance ("BAMS") variant of the Global Hawk platform.

This division's products are manufactured at its operations located in North America and Europe. Our products are sold primarily to prime contractors and subsystem suppliers located primarily in the United States, United Kingdom, and Canada, both directly and through a network of independent sales representatives. In recent years, competition in the embedded electronic systems market has migrated away from traditional board competitors toward fully integrated subsystem and system providers, selling to prime and second-tier defense and aerospace companies. Competition in this market is based on quality of technology, price, and delivery time to market.

In 2010, the Embedding Computing division expanded its system integration capabilities with the acquisition of Hybricon Corporation ("Hybricon"), which designs and manufactures custom and standards-based enclosures and electronic backplanes. Hybricon is a supplier of high performance electronic packaging for the aerospace, defense and commercial markets, and also provides electronic subsystem integration expertise. Additionally, Hybricon is a supplier of embedded COTS system architectures.

The following list defines our principle products and the markets served by the Motion Control segment.

Commercial Aerospace

- **Commercial Jet Transports, Business and Regional Jets**
 - Secondary flight control actuation systems and electromechanical trim actuators
 - Aircraft cargo door and utility actuation systems
 - Fire detection and suppression control systems
 - Position sensors
 - Pressure sensors
 - Solenoids and solenoid valves
 - Throttle quadrants
 - Fans and motors
- **Helicopters**
 - Rotor ice protection systems
 - Flight data recorders
 - Air data computers
 - Logic control modules and utility control electronics
 - Mission video displays, distribution systems, recorders and associated products
- **Repair and Overhaul Services**
 - Component overhaul and logistics support services

Aerospace Defense

- **Transport and fighter aircraft**
 - Weapons bay door actuation systems
 - Weapons handling systems
 - Secondary flight control actuation
 - Rotary actuation for environmental control systems
 - Video displays, recorders, and radar converters
 - Position sensors
 - Solenoids and solenoid valves
 - Throttle quadrants
 - Fans and motors
- **Helicopters**
 - Radar warning systems
 - Acoustic processing systems
 - Flight data recorders
 - Air data computers
 - Position sensors
 - Logic control modules and utility control electronics
 - Mission video displays, distribution systems, recorders and associated products
- **Unmanned aerial vehicles**
 - Integrated mission management and flight control computers
 - Sensor management systems
 - Weapons handling systems
 - Position sensors

Ground Defense

- **Tanks and light armored vehicles**
 - Digital electromechanical aiming and stabilization systems
 - Fire control, sight head, and environmental control processors
 - Single Board Computers for target acquisition systems
 - Hydro-pneumatic suspension systems
 - Ammunition handling systems
 - Mission computing systems
 - Power management systems
 - Position sensors

Naval Defense

- **Marine Propulsion**
Marine engine diesel valve injection systems

Other Military & Government

- **High performance data communication products**
Power conversion products
- **Space programs**
Control electronics and sensors
- **Security systems**
Perimeter intrusion detection equipment
- **FAA**
Airport surface detection equipment radar video processing

General Industrial Markets

- **Automated industrial equipment**
Air, sea, and ground simulation
Fractional horse power (“HP”) specialty motors
Force transducers
Joysticks
Sensors

Customer Concentration and Backlog

Sales by this segment to its largest customer accounted for 10% of its net sales in 2010, and 11% in 2009 and 2008, respectively. The loss of this customer would have a material adverse effect on the Motion Control segment. Direct and end-use sales of this segment to government agencies, primarily the U.S. Government, in 2010, 2009, and 2008, accounted for 64%, 70%, and 64%, respectively, of total Motion Control net sales. Although the loss of this business would have a material adverse affect on Motion Control, no single prime contractor to the U.S. Government to which we are a subcontractor provided greater than 10% of Motion Control revenue during any of the last three years.

Backlog for this segment at December 31, 2010, was \$519 million, of which 77% (\$400 million) is expected to be shipped after one year, compared with a backlog of \$443 million at December 31, 2009. Raw materials are generally available in adequate quantities from a number of suppliers; however, we utilize sole-source suppliers in this segment. Thus, the failure and/or inability of a sole-source supplier to provide product to Motion Control could have an adverse impact on our financial performance. While alternatives could be identified to replace a sole source supplier, a transition could result in increased costs and manufacturing delays.

Metal Treatment

Our Metal Treatment segment provides metallurgical processing services on customer-supplied metal components to improve their strength, durability, and service life. In 2010, net sales of our Metal Treatment segment of \$221 million contributed 12% to our total net sales.

This segment’s primary markets are commercial and defense aerospace, oil and gas, power generation, and general industrial markets, including automotive, transportation, construction equipment, and miscellaneous metal working industries.

This segment provides four primary technical services on highly stressed, critical function metal parts: shot peening, heat treating, laser peening, and specialty coatings.

Shot Peening

Shot peening is a process by which the durability of metal parts is enhanced by bombarding the part’s surface with spherical media, such as steel shot or ceramic or glass beads, to compress the outer layer of the metal. In addition, shot peen forming shapes metal panels with aerodynamic curvatures, which are assembled as wing skins of commercial and military aircraft. Currently, we conduct shot peen forming on wing panels and other components for Airbus, Boeing, and other aerospace OEMs.

Heat treating

Heat treating is a process of exposing metal parts to precisely controlled temperature cycles to change the mechanical and metallurgical properties of the metal.

Laser Peening

Laser peening is an advanced metal surface treatment process that utilizes a unique high energy laser developed by the Lawrence Livermore National Laboratory and adapted for use by Metal Treatment engineers. The laser peening process is being used in production to extend the life of critical industrial and flight turbine engine components. Future applications include high value, extreme service components in aircraft structures, oil and gas, medical implant, and marine applications. We retain the exclusive worldwide rights to the intellectual property necessary for the use of this laser architecture on laser peening of commercial products.

Specialty coatings

Specialty coatings primarily consist of the application of solid film lubricant and corrosion resistant protective coatings to metal components used in critical applications for a broad range of industries. The coatings are applied by either an air spray or a dipping and spinning process for bulk applications. We have diversified our capabilities into the growing medical market by the addition of a vapor deposition process to apply parylene coatings to medical devices, including rubber/silicone seals and wire forming mandrels used in the manufacture of catheters. Parylene coatings provide resistance to solvents, moisture, and are biocompatible.

In addition to shot peening, laser peening, heat treating, and specialty coatings, other metal treatment services that are provided by our Metal Treatment segment include nondestructive inspection, plating, anodizing, and reed valve manufacturing.

Through a combination of acquisitions and new plant openings, we continue to increase Metal Treatment's network of regional facilities. Metal Treatment operations are now conducted from 65 facilities located in the United States, Canada, United Kingdom, France, Germany, Sweden, Belgium, Italy, Spain, Austria, Ireland, and China. Our Metal Treatment services are marketed directly by our employees. Although numerous companies compete in this field and many customers have the resources to perform such services themselves, we believe that our technical knowledge and quality of workmanship provide a competitive advantage. We compete in this segment on the basis of quality, service, and price.

Customer Concentration and Backlog

Our largest customer in this segment accounted for approximately 10% of its sales during 2010, 11% during 2009, and 9% during 2008. Although the active customer base is in excess of 5,000, the loss of this customer would have a material adverse effect on our Metal Treatment segment.

The backlog of Metal Treatment was \$2 million as of December 31, 2010 and 2009, substantially all of which is expected to be recognized in the first quarter of 2011. Due to the nature of our metal treatment services, we operate with a very limited backlog of orders and services that are provided primarily on new manufactured parts. Thus, the backlog of this segment is not indicative of our future sales, and as a result, this segment's sales and profitability are closely aligned with general industrial economic conditions and, in particular, the commercial aerospace market.

The following list defines our principle products and the markets served by the Metal Treatment segment.

Commercial Aerospace

- **Shot peen forming**
 - Wing skins
- **Shot peening**
 - Aircraft structural components
 - Landing gear components
 - Turbine engine rotating components
- **Heat Treating**
 - Aluminum structural components
- **Laser peening**
 - Turbine engine rotating components
- **Coatings**

Fasteners
Sliding components
Silicone/rubber medical components

General Industrial

- **Shot Peening**
 - Highly stressed metal components susceptible to fatigue
 - Welded components subject to distortion
 - Architectural structures
 - Engine and transmission components
- **Heat Treating**
 - Miscellaneous engine, transmission, and structural components
 - Miscellaneous aluminum and steel components
- **Coatings**
 - Fasteners
 - Brake and suspension components
 - Sliding components
 - Miscellaneous components subject to corrosion and sliding wear

Defense

- **Shot Peening**
 - Helicopter and fighter aircraft structural and turbine engine components

OTHER INFORMATION

Certain Financial Information

For information regarding sales by geographic region, see Note 18 to the Consolidated Financial Statements contained in Part II, Item 8, of this Annual Report on Form 10-K.

In 2010, 2009, and 2008, our foreign operations generated 36%, 35%, and 57%, respectively, of our pre-tax earnings.

Government Sales

Our direct sales to the U.S. Government and sales for U.S. Government and foreign government end use represented 41%, 42%, and 36% of consolidated revenue during 2010, 2009, and 2008, respectively. U.S. Government sales, both direct and indirect, are generally made under standard types of government contracts, including fixed price, fixed price-redeterminable, and cost plus fixed or award fees.

In accordance with normal practice in the case of U.S. Government business, contracts and orders are subject to partial or complete termination at any time, at the option of the customer. In the event of a termination for convenience by the government, there generally are provisions for recovery of our allowable incurred costs and a proportionate share of the profit or fee on the work completed, consistent with regulations of the U.S. Government. Fixed-price redeterminable contracts, generally on naval programs, usually provide that we absorb the majority of any cost overrun. In the event that there is a cost underrun, the customer recoups a portion of the underrun based upon a formula in which the customer's portion increases as the underrun exceeds certain established levels.

Generally, long-term contracts with the U.S. Government require us to invest in and carry significant levels of inventory. However, where allowable, we utilize progress payments and other interim billing practices on nearly all of these contracts, thus reducing the overall working capital requirements. It is our policy to seek customary progress payments on certain of our contracts. Where we obtain such payments under U.S. Government prime contracts or subcontracts, the U.S. Government has either title to or a secured interest in the materials and work in process allocable or chargeable to the respective contracts. (See Notes 1.F, 3, and 4 to the Consolidated Financial Statements, contained in Part II, Item 8, of this Annual Report on Form 10-K). In the case of most Motion Control and Flow Control segment products for U.S. Government end use, the contracts typically provide for the retention by the customer of stipulated percentages of the contract price pending completion of contract closeout conditions.

Patents

We own and are licensed under a number of United States and foreign patents and patent applications, which have been obtained or filed over a period of years. We also license intellectual property to and from third parties. Specifically, the U.S. Government has licenses in our patents that are developed in performance of government contracts, and it may use or authorize others to use the inventions covered by such patents for government purposes. Additionally, unpatented research, development, and engineering skills, some of which have been acquired by us through business acquisitions, make an important contribution to our business. While our intellectual property rights in the aggregate are important to the operation of our business, we do not consider the successful conduct of our business or business segments to be materially dependent upon the timing of expiration or protection of any one or group of patents, patent applications, or patent license agreements under which we now operate.

Research and Development

We conduct research and development activities under customer-sponsored contracts, shared development contracts, and our own independent research and development activities. Customer-sponsored research and development costs are charged to costs of goods sold when the associated revenue is recognized. Funds received under shared development contracts are a reduction of the total development expenditures under the shared contract and are shown net as research and development costs. Company-sponsored research and development costs are charged to expense when incurred. Customer-sponsored research and development activity amounted to \$26 million, \$29 million, and \$32 million, in 2010, 2009, and 2008, respectively, and were attributed to customers within our Flow Control and Motion Control segments. Research and development expenses incurred by us amounted to \$54 million in 2010, \$55 million in 2009, and \$50 million in 2008.

Environmental Protection

We are subject to federal, state, local, and foreign laws, regulations, and ordinances that govern activities or operations that may have adverse environmental effects, such as discharges to air and water. These laws, regulations, and ordinances may also apply to handling and disposal practices for solid and hazardous waste and impose liability for the costs of cleaning up and for certain damages resulting from sites of past spills, disposals, or other releases of hazardous substances.

At various times, we have been identified as a potentially responsible party pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (“CERCLA”), and analogous state environmental laws, for the cleanup of contamination resulting from past disposals of hazardous wastes at certain current and former facilities and at sites to which we, among others, sent wastes in the past. CERCLA requires potentially responsible persons to pay for cleanup of sites from which there has been a release or threatened release of hazardous substances. Courts have interpreted CERCLA to impose strict joint and several liability on all persons liable for cleanup costs. As a practical matter, however, at sites where there are multiple potentially responsible persons, the costs of cleanup typically are allocated among the parties according to a volumetric or other standard.

Information concerning our specific environmental liabilities is described in Notes 1.N and 15 to the Consolidated Financial Statements contained in Part II, Item 8, of this Annual Report on Form 10-K.

Executive Officers

Martin R. Benante, age 58, has served as the Chairman of the Board of Directors and Chief Executive Officer of the Corporation since April 2000. He has been a Director of the Corporation since 1999.

David J. Linton, age 55, has served as Co-Chief Operating Officer of the Corporation since November 2008 and President of Curtiss-Wright Flow Control Corporation since May 2004; prior to his promotion to Co-Chief Operating Officer Mr. Linton served as Vice President of the Corporation from May 2004, Vice President of Program Management, Raytheon Network Centric Systems from November 2003 to April 2004; Chief Executive Officer, Cordiem, Inc. from April 2001 to March 2003; Vice President and General Manager of Electric Systems, Hamilton Sundstrand Corporation, June 1998 to April 2001.

David C. Adams, age 56, has served as Co-Chief Operating Officer since November 2008 and prior to his promotion served as Vice President of the Corporation from November 2005 and President of Curtiss-Wright Controls from June 2005; Senior Vice President, Electronic Systems of Curtiss-Wright Controls from February 2004 to June 2005; Group Vice President, Integrated Sensing from April 2002 to February 2004.

Thomas P. Quinly, age 52, has served as Vice President of the Corporation since November 2010 and President of Curtiss-Wright Controls, Inc. since November 2008; Senior Vice President, Embedded Computing of Curtiss-Wright Controls, Inc. since 2004.

Glenn E. Tynan, age 52, has served as Vice President of Finance and Chief Financial Officer of the Corporation since June 2002; Controller of the Corporation from June 2000 to May 2002.

Michael J. Denton, age 55, has served as Vice President, Secretary, and General Counsel of the Corporation since August 2001.

Glenn G. Coleman, age 43, has served as Vice President and Corporate Controller of the Corporation since May 2008. Prior to his appointment, Mr. Coleman spent the preceding 10 years with Alcatel Lucent (formerly Lucent Technologies) in various positions, including Finance Vice President, Wireless Business Group from June 2007 to December 2007 and Finance Vice President, Americas Controller from January 2002 to May 2007.

Harry S. Jakubowitz, age 58, has served as Vice President of the Corporation since May 2007 and as Treasurer of the Corporation since September 2005; Director of Taxes of the Corporation from June 2002 to September 2005.

Employees

At the end of 2010, we had approximately 7,600 employees, 10% of which are represented by labor unions and covered by collective bargaining agreements.

Available information

We file annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and proxy statements for our annual stockholders' meetings, as well as any amendments to those reports, with the Securities and Exchange Commission ("SEC"). The public may read and copy any of our materials filed with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site at www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including our filings. These reports are also available free of charge through our web site at www.curtisswright.com as soon as reasonably practicable after we electronically file that material with, or furnish it to, the SEC.

Item 1A. Risk Factors.

We have summarized below the significant, known material risks to our business. Our business, financial condition, and results of operations and cash flows could be materially and adversely impacted if any of these risks materialize. Additional risk factors not currently known to us or that we believe are immaterial may also impair our business, financial condition, and results of operations. The risk factors below should be considered together with information included elsewhere in this Annual Report on Form 10-K as well as other required filings by us to the Securities Exchange Commission, such as our Form 10-Q's, Form 8-K's, proxy statements for our annual shareholder meetings, and subsequent amendments, if any.

A substantial portion of our revenues and earnings depends upon the continued willingness of the U.S. Government and our other customers in the defense industry to buy our products and services.

In 2010, approximately 41% of our revenues were derived from or related to defense programs, with approximately 17% attributable to U.S. Navy procurements. U.S. defense spending has historically been cyclical, and defense budgets tend to rise when perceived threats to national security increase the level of concern over the country's safety. At other times, spending by the military can decrease. While Department of Defense funding has grown rapidly over the past few years, there is no assurance this trend will continue. Competing demands for federal funds can put pressure on all areas of discretionary spending, which could ultimately impact the defense budget. A decrease in U.S. government defense spending or changes in spending allocation could result in one or more of our programs being reduced, delayed, or terminated. Reductions in defense industry spending may or may not have an adverse effect on programs for which we provide products and services. In the event expenditures are reduced for products we manufacture or services we provide and are not offset by revenues from foreign sales, new programs, or products or services that we currently manufacture or provide, we may experience a reduction in our revenues and earnings and a material adverse effect on our business, financial condition, and results of operations. Further, there can be no assurance that our significant customers will continue to buy our products and services at current or increased levels.

As a U.S. Government contractor, we are subject to a number of procurement rules and regulations.

We must comply with and are affected by laws and regulations relating to the award, administration, and performance of U.S. Government contracts. Government contract laws and regulations affect how we do business with our customers and, in some instances, impose added costs on our business. A violation of specific laws and regulations could result in the imposition of fines and penalties or the termination of our contracts or debarment from bidding on contracts. These fines and penalties could be imposed for failing to follow procurement integrity and bidding rules, employing improper billing practices or otherwise failing to follow cost accounting standards, receiving or paying kickbacks, or filing false claims. We have been, and expect to continue to be, subjected to audits and investigations by government agencies. The failure to comply with the terms of our government contracts could harm our business reputation. It could also result in our progress payments being withheld.

In some instances, these laws and regulations impose terms or rights that are more favorable to the government than those typically available to commercial parties in negotiated transactions. For example, the U.S. Government may terminate any of our government contracts and, in general, subcontracts, at its convenience as well as for default based on performance. Upon termination for convenience of a fixed-price type contract, we normally are entitled to receive the purchase price for delivered items, reimbursement for allowable costs for work-in-process, and an allowance for profit on work actually completed on the contract or adjustment for loss if completion of performance would have resulted in a loss. Upon termination for convenience of a cost reimbursement contract, we normally are entitled to reimbursement of allowable costs plus a portion of the fee. Such allowable costs would normally include our cost to terminate agreements with our suppliers and subcontractors. The amount of the fee recovered, if any, is related to the portion of the work accomplished prior to termination and is determined by negotiation.

A termination arising out of our default could expose us to liability and have a material adverse effect on our ability to compete for future contracts and orders. In addition, on those contracts for which we are teamed with others and are not the prime contractor, the U.S. Government could terminate a prime contract under which we are a subcontractor, irrespective of the quality of our services as a subcontractor.

In addition, our U.S. Government contracts typically span one or more base years and multiple option years. The U.S. Government generally has the right to not exercise option periods and may not exercise an option period if the agency is not satisfied with our performance on the contract or does not receive funding to continue the program. U.S. Government procurement may adversely affect our cash flow or program profitability.

A significant reduction in the purchase of our products by the U.S. government would have a material adverse effect on our business. The risk that governmental purchases of our products may decline stems from the nature of our business with the U.S. government, where they may:

- terminate, reduce or modify contracts or subcontracts if its requirements or budgetary constraints change;
- cancel multi-year contracts and related orders if funds become unavailable; and
- shift its spending priorities.

In addition, as a defense contractor, we are subject to risks in connection with government contracts, including without limitation:

- the frequent need to bid on programs prior to completing the necessary design, which may result in unforeseen technological difficulties and/or cost overruns;
- the difficulty in forecasting long-term costs and schedules and the potential obsolescence of products related to long-term, fixed price contracts;
- contracts with varying fixed terms that may not be renewed or followed by follow-on contracts upon expiration;
- cancellation of the follow-on production phase of contracts if program requirements are not met in the development phase;
- the failure of a prime contractor customer to perform on a contract; and
- the fact that government contract wins can be contested by other contractors.

Our business could be adversely affected by a negative audit by the U.S. Government.

We operate in a highly regulated environment and have been, and expect to continue to be, routinely audited by the U.S. Government and others. On a regular basis, we monitor our policies and procedures with respect to our contracts to ensure consistent application under similar terms and conditions and to assess compliance with all applicable government regulations. Negative audit findings could result in termination of a contract, forfeiture of profits, or suspension of payments. From time to time we are subject to U.S. Government investigations relating to our operations. Government contractors that are found to have violated the law, such as the False Claims Act or the Arms Export Control Act, or are indicted or convicted for violations of other federal laws, or are found not to have acted responsibly as defined by the law, may be subject to significant fines. Such convictions could also result in suspension or debarment from government contracting for some period of time. Given our dependence on government contracting, suspension or debarment could have a material adverse effect on our business.

Our operating results are subject to fluctuations.

Our business is subject to changes in economic cycles and fluctuations in the timing of government procurement activities. As a result, our annual and quarterly operating results may fluctuate. It is possible that our operating results may not meet the expectations of securities analysts or investors. Similarly, securities analysts may issue reports downgrading our common stock. These events could cause the market price of our common stock to decline.

Future terror attacks, war, natural disasters, or other events beyond our control could adversely impact our businesses.

Despite our concerted effort to minimize risk to our production capabilities and corporate information systems and to reduce the effect of unforeseen interruptions to us through business continuity planning and disaster recovery plans, terrorist attacks, war, natural disasters, such as hurricanes, floods, tornados, pandemic diseases, or other events such as strikes by a significant customer's or supplier's workforce could adversely impact demand for or supply of our products and could also cause disruption to our facilities or systems which could also interrupt operational processes and adversely impact our ability to manufacture our products and provide services and support to our customers. We operate facilities in areas of the world that are exposed to natural disasters, such as but not limited to hurricanes, floods, tornados, and pandemic diseases. For example, Hurricanes Ike and Gustav in 2008 caused disruption to the oil and gas market for our products and services. Similarly, the terrorist attacks of September 11, 2001 and subsequent terrorist attacks worldwide caused decreased demand in the commercial aerospace market for our products and commercial overhaul and repair services. Financial difficulties of our customers, delays by our customers in production of their products, high fuel prices, the concern of another major terrorist attack, and the overall decreased demand for our customers' products could adversely affect our operating results and financial position.

The success of our growth strategy is dependent upon our ability to complete acquisitions and integrate acquired businesses.

Our strategy includes growth through acquisitions. As a result, our future growth depends in part on our ability to implement our acquisition strategy and successfully integrate acquired businesses into our existing operations. If we are unable to identify suitable candidates, negotiate appropriate acquisition terms, obtain financing, and successfully integrate acquired businesses into our existing operations, our growth strategy may not be successful. In addition, acquisitions involve numerous risks, including difficulties in the assimilation of the operations, technologies, services, and products of the acquired company, the potential loss of key employees of the acquired company, and the diversion of our management's attention from other business concerns. This is the case particularly in the fiscal quarters immediately following the completion of an acquisition since the operations of the acquired business are integrated into the acquiring businesses' operations during this period. We cannot be sure that we will accurately anticipate all of the changing demands that any future acquisition may impose on our management, our operational and management information systems, and our financial systems. Once integrated, acquired operations may not achieve levels of revenue, profitability, or productivity comparable to those of our existing operations or may otherwise not perform as we expected. We may fail to discover liabilities relating to a pending acquisition during the due diligence investigation, liabilities for which we, as the successor owner, might be responsible. Although we seek to minimize the impact of potential undiscovered liabilities by structuring acquisitions to minimize liabilities and obtaining indemnities and warranties from the selling party, these methods may not fully protect us from the impact of undiscovered liabilities. For example, indemnities or warranties are often limited in scope, amount, or duration, and may not fully cover the liabilities for which they were intended. If indemnities or warranties are limited, the liabilities that are not covered by the limited indemnities or warranties could have a material adverse effect on our business and financial condition.

We use estimates when accounting for contracts. Changes in estimates could affect our profitability and overall financial position.

Long-term contract accounting requires judgment relative to assessing risks, estimating contract revenues and costs, and making assumptions for schedule and technical issues. Due to the size and nature of many of our contracts, the estimation of total revenues and costs at completion is complicated and subject to many variables. For example, assumptions have to be made regarding the length of time to complete the contract since costs also include expected increases in wages and prices for materials. Similarly, assumptions have to be made regarding the future impact of efficiency initiatives and cost reduction efforts. Incentives, awards, price escalations, or penalties related to performance on contracts are considered in estimating revenue and profit rates and are recorded when there is sufficient information to assess anticipated performance. Because of the significance of the judgments and estimation processes described above, it is possible that materially different amounts could be obtained if different assumptions were used or if the underlying circumstances were to change. Changes in underlying assumptions, circumstances, or estimates may have a material adverse effect upon future period financial reporting and performance. See “Critical Accounting Estimates and Policies” in Part II, Item 7.

Our earnings and margins may vary based on the mix of our contracts and programs.

At December 31, 2010, our backlog included both cost reimbursable and fixed-price contracts. Cost reimbursable contracts generally have lower profit margins than fixed-price contracts. Production contracts are mainly fixed-price contracts, and developmental contracts are generally cost reimbursable contracts. Our earnings and margins may vary materially depending on the types of long-term government and commercial contracts undertaken, the nature of the products produced or services performed under those contracts, the costs incurred in performing the work, the achievement of other performance objectives, and the stage of performance at which the right to receive fees, particularly under incentive and award fee contracts, is finally determined.

Under fixed-price contracts, we receive a fixed price irrespective of the actual costs we incur and, consequently, any costs in excess of the fixed price are generally absorbed by us. Under time-and-materials contracts, we are paid for labor at negotiated hourly billing rates and for certain expenses. Under cost-reimbursable contracts, subject to a contract-ceiling amount in certain cases, we are reimbursed for allowable costs and paid a fee, which may be fixed or performance based. However, if our costs exceed the contract ceiling or are not allowable under the provisions of the contract or applicable regulations, we may not be able to obtain reimbursement for all such costs and may have our fees reduced or eliminated. The failure to perform to customer expectations and contract requirements can result in reduced fees and may affect our financial performance for the affected period. Under each type of contract, if we are unable to control costs we incur in performing under the contract, our financial condition and operating results could be materially adversely affected. Cost over-runs also may adversely affect our ability to sustain existing programs and obtain future contract awards.

Our backlog is subject to reduction and cancellation, which could negatively impact our revenues and results of operations.

Backlog represents products or services that our customers have committed by contract to purchase from us. Backlog as of December 31, 2010 was \$1.7 billion. Backlog is subject to fluctuations and is not necessarily indicative of future sales. The U.S. government may unilaterally modify or cancel its contracts. In addition, under certain of our commercial contracts, our customers may unilaterally modify or terminate their orders at any time for their convenience. Accordingly, certain portions of our backlog can be cancelled or reduced at the option of the U.S. government and commercial customers. Our failure to replace cancelled or reduced backlog could negatively impact our revenues and results of operations.

Our future financial results could be adversely impacted by asset impairment charges.

At December 31, 2010, we had goodwill and other intangible assets of approximately \$934 million, net of accumulated amortization, which represented approximately 42% of our total assets. Our goodwill is subject to an impairment test on an annual basis and is also tested whenever events and circumstances indicate that goodwill may be impaired. Any excess goodwill resulting from the impairment test must be written off in the period of determination. Intangible assets (other than goodwill) are generally amortized over the useful life of such assets. In addition, from time to time, we may acquire or make an investment in a business that will require us to record goodwill based on the purchase price and the value of the acquired assets. We may subsequently experience unforeseen issues with such business that adversely affect the anticipated returns of the business or value of the intangible assets and trigger an evaluation of the recoverability of the recorded goodwill and intangible assets for such business. Future determinations of significant write-offs of goodwill or intangible assets as a result of an impairment test or any accelerated amortization of other intangible assets could have a material adverse impact on our results of operations and financial condition.

We operate in highly competitive markets.

We compete against companies that often have greater sales volumes and financial, research, human, and marketing resources than we have. In addition, some of our largest customers could develop the capability to manufacture products or provide services similar to products that we manufacture or services that we provide. This would result in these customers supplying their own products or services and competing directly with us for sales of these products or services, all of which could significantly reduce our revenues. Furthermore, we are facing increased international competition and cross-border consolidation of competition. Our management believes that the principal points of competition in our markets are technology, product quality, performance, price, service, contractual terms, previous installation history, technical expertise, investment, and timeliness of delivery. If we are unable to compete successfully with existing or new competitors in these areas, our business, financial condition, and results of operations could be materially and adversely impacted.

Our future growth and continued success is dependent upon our key personnel.

Our success is dependent upon the efforts of our senior management personnel and our ability to attract and retain other highly qualified management and technical personnel. We face competition for management and qualified technical personnel from other companies and organizations. Therefore, we may not be able to retain our existing management and technical personnel or fill new management or technical positions or vacancies created by expansion or turnover at our existing compensation levels. Although we have entered into change of control agreements with some members of senior management, we do not have employment contracts with our key executives. We have made a concerted effort to reduce the effect of the loss of our senior management personnel through management succession planning. The loss of members of our senior management and qualified technical personnel could have a material and adverse effect on our business.

Our international operations are subject to risks and volatility.

During 2010, approximately 29% of our consolidated revenue was from customers outside of the United States, and we have operating facilities in foreign countries. Doing business in foreign countries is subject to numerous risks, including without limitation: political and economic instability; the uncertainty of the ability of non-U.S. customers to finance purchases; restrictive trade policies; and complying with foreign regulatory and tax requirements that are subject to change. While these factors or the impact of these factors are difficult to predict, any one or more of these factors could adversely affect our operations. To the extent that foreign sales are transacted in foreign currencies and we do not enter into currency hedge transactions, we are exposed to risk of losses due to fluctuations in foreign currency exchange rates, particularly for the Canadian dollar, the Euro, Swiss franc, and the British pound. Significant fluctuations in the value of the currencies of the countries in which we do business could have an adverse effect on our results of operations.

We may be unable to protect the value of our intellectual property.

Obtaining, maintaining, and enforcing our intellectual property rights and avoiding infringing on the intellectual property rights of others are important factors to the operation of our business. While we take precautionary steps to protect our technological advantages and intellectual property and rely in part on patent, trademark, trade secret, and copyright laws, we cannot assure that the precautionary steps we have taken will completely protect our intellectual property rights. Because patent applications in the United States are maintained in secrecy until either the patent application is published or a patent is issued, we may not be aware of third-party patents, patent applications, and other intellectual property relevant to our products that may block our use of our intellectual property or may be used in third-party products that compete with our products and processes. When others infringe on our intellectual property rights, the value of our products is diminished, and we may incur substantial litigation costs to enforce our rights. Similarly, we may incur substantial litigation costs and the obligation to pay royalties if others claim we infringed on their intellectual property rights. When we develop intellectual property and technologies in connection with U.S. Government contracts, the government has the royalty-free right to use that property.

In addition to our patent rights, we also rely on unpatented technology, trade secrets, and confidential information. Others may independently develop substantially equivalent information and techniques or otherwise gain access to or disclose our technology. We may not be able to protect our rights in unpatented technology, trade secrets, and confidential information effectively. We require each of our employees and consultants to execute a confidentiality agreement at the commencement of an employment or consulting relationship with us. There is no guarantee that we will succeed in obtaining and retaining executed agreements from all employees or consultants. Moreover, these agreements may not provide effective protection of our information or, in the event of unauthorized use or disclosure, they may not provide adequate remedies.

Our operations are subject to numerous domestic and international laws, regulations, and restrictions, and noncompliance with these laws, regulations, and restrictions could expose us to fines, penalties, suspension, or debarment, which could have a material adverse effect on our profitability and overall financial condition.

We have contracts and operations in many parts of the world subject to United States and foreign laws and regulations, including the False Claims Act, regulations relating to import-export control (including the International Traffic in Arms Regulation promulgated under the Arms Export Control Act), technology transfer restrictions, repatriation of earnings, exchange controls, the Foreign Corrupt Practices Act, and the anti-boycott provisions of the U.S. Export Administration Act. Although we have implemented policies and procedures and provided training that we believe is sufficient to address these risks, we cannot guarantee that our operations will never fail to comply with these laws and regulations. Failure by us or our sales representatives or consultants to comply with these laws and regulations could result in administrative, civil, or criminal liabilities and could, in the extreme case, result in suspension or debarment from government contracts or suspension of our export privileges, which could have a material adverse effect on our business.

We are subject to liability under environmental laws.

Our business and facilities are subject to numerous federal, state, local, and foreign laws and regulations relating to the use, manufacture, storage, handling, and disposal of hazardous materials and other waste products. Environmental laws generally impose liability for investigation, remediation, and removal of hazardous materials and other waste products on property owners and those who dispose of materials at waste sites whether or not the waste was disposed of legally at the time in question. We are currently addressing environmental remediation at certain current and former facilities, and we have been named as a potentially responsible party along with other organizations in a number of environmental clean-up sites and may be named in connection with future sites. We are required to contribute to the costs of the investigation and remediation and to establish reserves in our financial statements for future costs deemed probable and estimable. Although we have estimated and reserved for future environmental remediation costs, the final resolution of these liabilities may significantly vary from our estimates and could potentially have an adverse effect on our results of operations and financial position.

Unanticipated changes in our tax provisions or exposure to additional income tax liabilities could affect our profitability.

Our business operates in many locations under government jurisdictions that impose income taxes. Changes in domestic or foreign income tax laws and regulations, or their interpretation, could result in higher or lower income tax rates assessed or changes in the taxability of certain revenues or the deductibility of certain expenses, thereby affecting our income tax expense and profitability. In addition, audits by income tax authorities could result in unanticipated increases in our income tax expense.

Our current debt, and debt we may incur in the future, could adversely affect our business and financial position.

As of December 31, 2010, we had \$397 million of debt outstanding, of which \$394 million is long-term debt. Our debt consists primarily of principal payable under our fixed rate senior notes and principal payable at a variable rate of interest under our revolving line of credit. Our level of debt could have significant consequences for our business including: requiring us to use our cash flow to pay principal and interest on our debt, reducing funds available for acquisitions and other investments in our business; making us vulnerable to economic downturns and increases in interest rates; limiting us from obtaining additional debt; and impacting our ability to pay dividends.

A percentage of our workforce is employed under collective bargaining agreements.

Approximately 10% of our workforce is employed under collective bargaining agreements, which from time to time are subject to renewal and negotiation. We cannot ensure that we will be successful in negotiating new collective bargaining agreements, that such negotiations will not result in significant increases in the cost of labor, or that a breakdown in such negotiations will not result in the disruption of our operations. Although we have generally enjoyed good relations with both our unionized and non-unionized employees, if we are subject to labor actions, we may experience an adverse impact on our operating results.

Substantial defaults by our customers related to accounts receivable or the loss of significant customers could have a significant negative impact on our business, results of operations, financial condition or liquidity.

A significant portion of our working capital consists of accounts receivable from customers. If customers responsible for a significant amount of accounts receivable were to become insolvent or otherwise unable to pay for products and services, or were to become unwilling or unable to make payments in a timely manner, our business, results of operations, financial condition or liquidity could be adversely affected. An economic or industry downturn could adversely and materially affect the

servicing of these accounts receivable, which could result in longer payment cycles, increased collection costs, and defaults in excess of management's expectations.

We rely on certain suppliers as a sole source of components for some of our products.

Our manufacturing processes for our products often consist of the assembly of purchased components that are generally available from a number of different suppliers, though several suppliers are our sole source of certain components. If a sole-source supplier should cease or otherwise be unable to deliver such components, our operating results could be adversely impacted. In addition, if our suppliers are unable to keep up with our demand for purchased components and we are unable to locate additional sources of supply, our operating results could be adversely impacted.

Our earnings and margins depend in part on subcontractor performance, as well as raw material and component availability and pricing.

Our businesses depend on suppliers and subcontractors for raw materials and components. At times subcontractors perform services that we provide to our customers. We depend on these subcontractors and vendors to meet their contractual obligations in full compliance with customer requirements. These supply networks can sometimes experience price fluctuations. Our ability to perform our obligations as a prime contractor may be adversely affected if one or more of these suppliers are unable to provide the agreed-upon supplies or perform the agreed-upon services in a timely and cost-effective manner. While we have attempted to mitigate the effects of increased costs through price increases, there are no assurances that higher prices can effectively be passed through to our customers or that we will be able to offset fully or on a timely basis the effects of higher raw materials costs through price increases.

Our business involves risks associated with complex manufacturing processes.

Our manufacturing processes depend on certain sophisticated and high-value equipment. Unexpected failures of this equipment may result in production delays, revenue loss, and significant repair costs. In addition, equipment failures could result in injuries to our employees. Moreover, the competitive nature of our businesses requires us to continuously implement process changes intended to achieve product improvements and manufacturing efficiencies. These process changes may at times result in production delays, quality concerns, and increased costs. Any disruption of operations at our facilities due to equipment failures or process interruptions could have a material adverse effect on our business.

The airline industry is heavily regulated, and if we fail to comply with applicable requirements, our results of operations could suffer.

Governmental agencies throughout the world, including the U.S. Federal Aviation Administration, or the FAA, prescribe standards and qualification requirements for aircraft components, including virtually all commercial airline and general aviation products. Specific regulations vary from country to country, although compliance with FAA requirements generally satisfies regulatory requirements in other countries. We include, with the products that we sell to our aircraft manufacturing customers, documentation certifying that each part complies with applicable regulatory requirements and meets applicable standards of airworthiness established by the FAA or the equivalent regulatory agencies in other countries. In order to sell our products, we and the products we manufacture must also be certified by our individual OEM customers. If any of the material authorizations or approvals qualifying us to supply our products is revoked or suspended, then the sale of the subject product would be prohibited by law, which would have an adverse effect on our business, financial condition, and results of operations.

From time to time, the FAA or equivalent regulatory agencies in other countries propose new regulations or changes to existing regulations, which are usually more stringent than existing regulations. If these proposed regulations are adopted and enacted, we may incur significant additional costs to achieve compliance, which could have a material adverse effect on our business, financial condition, and results of operations.

Our future success will depend, in part, on our ability to develop new technologies.

Virtually all of the products produced and sold by us are highly engineered and require sophisticated manufacturing and system-integration techniques and capabilities. The commercial and government markets in which we operate are characterized by rapidly changing technologies. The product and program needs of our government and commercial customers change and evolve regularly. Accordingly, our future performance depends in part on our ability to identify emerging technological trends, develop and manufacture competitive products, and bring those products to market quickly at cost-effective prices.

If we fail to satisfy our contractual obligations or meet performance standards, our contracts may be terminated and we may incur significant costs or liabilities, including liquidated damages and penalties.

In general, our contracts may be terminated for our failure to satisfy our contractual obligations or to meet performance standards. In addition, some of our contracts contain substantial liquidated damages provisions and financial penalties related to our failure to satisfy our contractual obligations or performance failures. Consequently, as a result of the above matters, we may incur significant costs or liabilities, including penalties, which could have a material adverse effect on our financial condition and results of our operation.

Potential product liability risks exist from the products that we sell.

Our businesses expose us to potential product liability risks that are inherent in the design, manufacture, and sale of our products and the products of third-party vendors that we use or resell. We currently maintain what we believe to be suitable and adequate product liability insurance. There can be no assurance, however, that we will be able to maintain our product liability insurance on acceptable terms or that our product liability insurance will provide adequate protection against potential liabilities. In the event of a claim against us, a lack of sufficient insurance coverage could have a material adverse effect on our business, financial condition, and results of operations. Moreover, even if we maintain adequate insurance, any successful claim could have a material adverse effect on our business, financial condition, results of operations, and on the ability to obtain suitable or adequate insurance.

Increasing costs of certain employee and retiree benefits could adversely affect our results of operations.

Our earnings may be positively or negatively impacted by the amount of income or expense we record for our pension and other postretirement benefit plans. GAAP requires that we calculate income or expense for the plans using actuarial valuations. These valuations reflect assumptions relating to financial market and other economic conditions. Changes in key economic indicators can change the assumptions. The most significant year-end assumptions used to estimate pension or other postretirement benefit expense for the following year are the discount rate, the expected long-term rate of return on plan assets, expected future medical cost inflation, and expected compensation increases. In addition, we are required to make an annual measurement of plan assets and liabilities, which may result in a significant change to equity through a reduction or increase to other comprehensive income. For a discussion regarding how our financial statements can be affected by pension and other postretirement benefit plans accounting policies, see “Management’s Discussion and Analysis—Critical Accounting Estimates and Policies—Pension and Other Postretirement Benefits” in Part II, Item 7. Although GAAP expense and pension or other postretirement contributions are not directly related, the key economic factors that affect GAAP expense would also likely affect the amount of cash the company would contribute to the pension or other postretirement plans. Potential pension contributions include both mandatory amounts required under federal law, Employee Retirement Income Security Act, and discretionary contributions to improve the plans’ funded status.

Our operating results and financial condition may be adversely impacted by the current worldwide economic conditions.

We currently generate significant operating cash flows, which combined with access to the credit markets provides us with significant discretionary funding capacity. However, current uncertainty in the global economic conditions resulting from the recent disruption in credit markets poses a risk to the overall economy that could impact consumer and customer demand for our products, as well as our ability to manage normal commercial relationships with our customers, suppliers, and creditors. If the current situation deteriorates significantly, our business could be negatively impacted, including such areas as reduced demand for our products from a slow-down in the general economy or supplier or customer disruptions resulting from tighter credit markets.

Intrusion on our systems could damage our business.

Despite our implementation of firewalls, switchgear, and other network security measures, our servers, databases, and other systems may be vulnerable to computer hackers, physical or electronic break-ins, sabotage, computer viruses, worms and similar disruptions from unauthorized tampering with our computer systems. We will continue to review and enhance our computer systems to try to prevent unauthorized and unlawful intrusions, but in the future it is possible that we may not be able to prevent all intrusions and such intrusions could result in our network security or computer systems being compromised and possibly result in the misappropriation or corruption of proprietary or personal information or cause disruptions in our services. We might be required to expend significant capital and resources to protect against, remediate or alleviate problems caused by such intrusions. Any intrusion, and the negative publicity arising from such occurrence, could have a material adverse effect on our business, financial condition, and results of operations.

There are risks associated with owning our common stock.

Like any equity security, our common stock is subject to a number of risks that may adversely impact our share price including: there is a limited trading market in our common stock; we may not in the future be able to pay dividends on our common stock; we may issue common stock for acquisitions or other purposes that could be dilutive to current stockholders; and we have various anti-takeover defenses such as our rights plan and our ability to issue preferred stock that may discourage a potential acquirer.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

At December 31, 2010, we had 164 facilities worldwide, including manufacturing, metal treatment service, aerospace component overhaul, engineering, selling, and other facilities and administrative offices. Of these, we owned 45 locations and leased the remaining 119 facilities.

Our principal physical properties as of December 31, 2010, are described below:

Location	Description	Segment	Total Sq. Ft. Owned ⁽¹⁾
Cheswick, Pennsylvania	Manufacturing	Flow Control	698,000
East Farmingdale, New York	Manufacturing	Flow Control	265,000
Mississauga, Ontario, Canada	Manufacturing	Flow Control	195,000
Chester, Wales United Kingdom	Metal Treatment Services – Shot Peening and Wing Forming	Metal Treatment	200,000
Shelby, North Carolina	Manufacturing	Motion Control	168,000

The aggregate remaining properties leased and owned, by each business segment, are as follows:

Segment	Description	Total Sq. Ft. Owned ⁽¹⁾	Total Sq. Ft. Leased ⁽¹⁾
Metal Treatment	Metal treatment service and other facilities and administrative offices	919,000	862,000
Motion Control	Manufacturing, aerospace component overhaul, engineering, and other facilities	139,000	852,000
Flow Control	Manufacturing, engineering, and other facilities	350,000	1,117,000

(1) Sizes are approximate. Unless otherwise indicated, all owned properties are owned in fee, are not subject to any major encumbrance, and are occupied primarily by factory and/or warehouse operations.

The Company also leases 30,000 square feet of office space for its corporate headquarters located in Parsippany, New Jersey.

Our Cheswick, Pennsylvania facility is our largest location and is considered material to our business operations. The loss of this facility could result in significant manufacturing delays. The buildings on the properties referred to in this Item are well maintained, in good condition, and are suitable and adequate for the uses presently being made of them. Management believes the productive capacity of our properties is adequate to meet our anticipated volume for the foreseeable future.

Item 3. *Legal Proceedings.*

In the ordinary course of business, we and our subsidiaries are subject to various pending claims, lawsuits, and contingent liabilities. We do not believe that the disposition of any of these matters, individually or in the aggregate, will have a material adverse effect on our consolidated financial position or results of operations.

We have been named in approximately 126 pending lawsuits that allege injury from exposure to asbestos. In addition, to date, we have secured dismissals with prejudice and without prejudice in approximately 157 and 207 lawsuits, respectively, and are currently in discussions for similar dismissal of several other lawsuits, and have not been found liable or paid any material sum of money in settlement in any case. We believe that the minimal use of asbestos in our past and current operations and the relatively non-friable condition of asbestos in our products makes it unlikely that we will face material liability in any asbestos litigation, whether individually or in the aggregate. We do maintain insurance coverage for these potential liabilities and we believe adequate coverage exists to cover any unanticipated asbestos liability.

Item 4. *(Removed and Reserved).*

PART II

Item 5. Market for the Registrant's Common Equity and Related Stockholder Matters and Issuer Purchases of Securities.

MARKET INFORMATION

Our Common Stock is listed and traded on the New York Stock Exchange under the symbol CW.

<u>Stock Price Range</u>	2010		2009	
	High	Low	High	Low
Common Stock				
First Quarter	\$ 36.48	\$ 28.32	\$ 36.06	\$ 22.62
Second Quarter	37.54	28.92	33.20	27.33
Third Quarter	31.49	26.11	36.67	27.52
Fourth Quarter	34.01	28.78	35.20	27.97

As of January 1, 2011, we had approximately 5,470 registered shareholders of our Common Stock, \$1.00 par value.

DIVIDENDS

Our quarterly dividend payments were constant in 2009 and 2010. In the third quarter of 2007, we increased our quarterly dividend payment to \$0.08 per share, a 33% increase over the prior dividend of \$0.06 per share and the fourth increase in the dividend since 2000.

	2010	2009
Common Stock		
First Quarter	\$ 0.08	\$ 0.08
Second Quarter	0.08	0.08
Third Quarter	0.08	0.08
Fourth Quarter	0.08	0.08

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information regarding our equity compensation plans as of December 31, 2010, the end of our most recently completed fiscal year:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants, and rights	Weighted average exercise price of outstanding options, warrants, and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by security holders	5,191,047(a)	\$31.09	925,675(b)
Equity compensation plans not approved by security holders	None	Not applicable	Not applicable

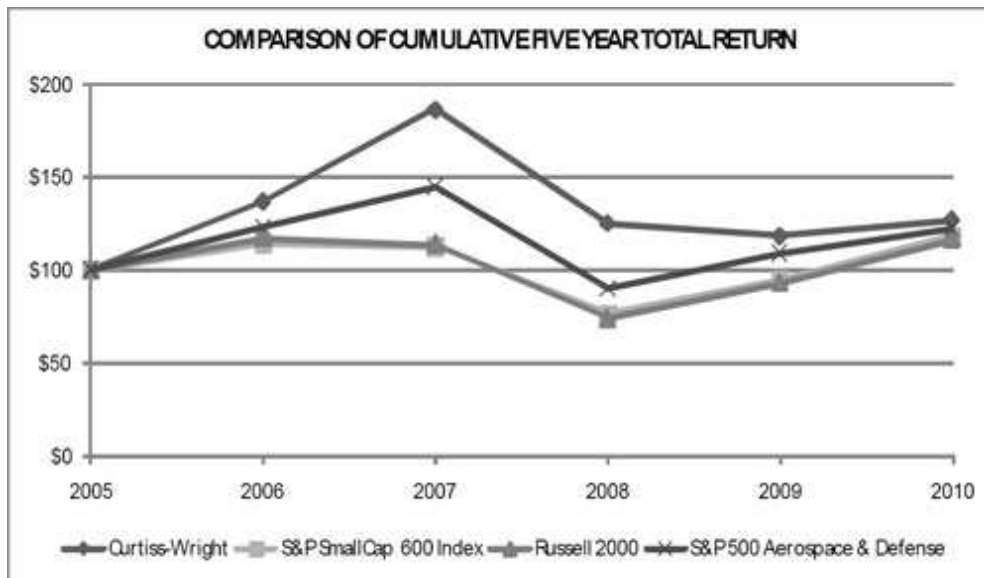
- (a) Consists of 4,958,569 shares issuable upon exercise of outstanding options and vesting of performance shares, restricted shares, and restricted stock units under the 2005 Long-Term Incentive Plan and the 1995 Long-Term Incentive Plan, 159,523 shares issuable under the Employee Stock Purchase Plan, and 72,955 shares outstanding under the 2005 Stock Plan for Non-Employee Directors and the 1996 Stock Plan for Non-Employee Directors.

- (b) Consists of 333,140 shares available for future option grants under the 2005 Long-Term Incentive Plan, 545,132 shares remaining available for issuance under the Employee Stock Purchase Plan, and 47,403 shares remaining available for issuance under the 2005 Stock Plan for Non-Employee Directors.

The following performance graph does not constitute soliciting material and should not be deemed filed or incorporated by reference into any of our other filings under the Securities Act or the Securities Exchange Act of 1934, except to the extent we specifically incorporate this information by reference therein.

PERFORMANCE GRAPH

The following graph compares the annual change in the cumulative total return on our Company's Common Stock during the last five fiscal years with the annual change in the cumulative total return of the Russell 2000 Index, the S&P SmallCap 600 Index, and the S&P 500 Aerospace & Defense Index. The graph assumes an investment of \$100 on December 31, 2005 and the reinvestment of all dividends paid during the following five fiscal years.



Company / Index	2005	2006	2007	2008	2009	2010
Curtiss-Wright Corp	100	136.83	186.32	124.99	118.48	126.87
S&P SmallCap 600 Index	100	114.07	112.68	76.63	94.86	118.55
Russell 2000	100	117.00	113.79	74.19	92.90	116.40
S&P 500 Aerospace & Defense	100	123.12	144.67	89.96	108.97	122.48

Item 6. Selected Financial Data .

The data presented in the following table are derived from the audited financial statements.

	CONSOLIDATED SELECTED FINANCIAL DATA				
	2010	2009	2008	2007	2006
	(In thousands, except per share data)				
Net sales	\$ 1,893,134	\$ 1,809,690	\$ 1,830,140	\$ 1,592,124	\$ 1,282,155
Net earnings	106,598	95,221	109,390	104,328	80,569
Total assets	2,242,018	2,142,041	2,042,030	1,985,560	1,592,156
Total debt	396,644	\$ 465,093	\$ 516,709	511,904	364,874
Basic earnings per share	\$ 2.33	\$ 2.10	\$ 2.45	\$ 2.35	\$ 1.84
Diluted earnings per share	\$ 2.30	\$ 2.08	\$ 2.41	\$ 2.32	\$ 1.82
Cash dividends per share	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.28	\$ 0.24

All per share amounts have been adjusted to reflect our 2-for-1 stock split on April 21, 2006.

See notes to the consolidated financial statements for additional financial information.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations .

Analytical Definitions

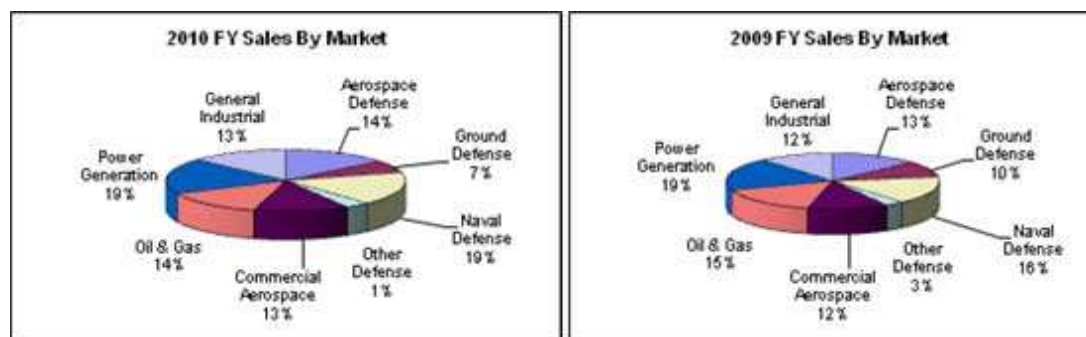
Throughout management's discussion and analysis of financial condition and results of operations, the terms "incremental" and "organic" are used to explain changes from period to period. The term "incremental" is used to highlight the impact acquisitions had on the current year results, for which there was no comparable prior-year period. Therefore, the results of operations for acquisitions are incremental for the first twelve months from the date of acquisition. The remaining businesses are referred to as the "organic". The definition of "organic" excludes the effect of foreign currency translation.

Therefore, in 2010, our organic growth calculations do not include the operating results related to our 2010 acquisitions of Hybricon Corporation and Specialist Electronics Services, Ltd. as they are considered incremental. For the twelve months ended December 31, 2010, our organic growth calculations also exclude approximately one month of operating results for Nu Torque, two months of operating results for EST Group, Inc., and eleven months of operating results for Skyquest Systems Ltd. These businesses were acquired on January 16, 2009, March 5, 2009, and December 18, 2009, respectively. Our organic growth calculations also exclude approximately five months operating results for our Eaton product line divestiture which was sold on May 6, 2009. The results of operations for these businesses have been removed from the comparable prior year periods for purposes of calculating organic growth figures and are included as a reduction of our incremental results of operations from our acquisitions.

COMPANY ORGANIZATION

Our Management's Discussion and Analysis of Financial Condition and Results of Operations begins with an overview of our company, followed by economic and industry-wide factors impacting our company and the markets we serve, a discussion of the overall results of operations, and finally a more detailed discussion of those results within each of our reportable operating segments.

We manage and evaluate our operations based on the products and services we offer and the different industries and markets we serve. Based on this approach, we have three reportable segments: Flow Control, Motion Control, and Metal Treatment. For further information on our products and services and the major markets served by our three segments, refer to the Business Description in Part I, Item I of this Annual Report on Form 10-K. The following charts represent our sales by market for 2010 and 2009:



Market Analysis and Economic Factors

In 2010, Curtiss-Wright generated strong financial performance due to continued demand for our highly engineered, advanced products and services, improved operating performance, and the diversification of our core markets: defense, power generation, oil and gas, commercial aerospace, and general industrial. Despite ongoing concerns about the pace of the recovery in global demand and various large defense program cancellations, Curtiss-Wright produced healthy sales and profit due to our highly diversified product portfolio and three operating segments that are solidly positioned in our core markets.

Solid overall defense sales growth of 3% was driven by increased demand for our technologies across several branches of the military. In particular, we experienced strong growth in our naval market of 12% due to the ramp-up in production on the

Virginia class submarine program and CVN-79 Ford class aircraft carrier, as well as the Electro-Mechanical Aircraft Launch System and Advanced Arresting Gear programs used in the takeoff and landing of aircraft on naval ships. In aerospace defense, we achieved growth of 11%, benefiting from strong growth in unmanned aerial vehicles, most notably on the Global Hawk program, as well as increased content on various aircraft and helicopter programs. These markets were offset by a 28% decline in ground defense due to reductions in reset and modernization opportunities on various ground vehicles, primarily due to reduced spending on the Bradley Fighting Vehicle, as well as the cancellation of the Future Combat Systems (“FCS”) program. Across our defense business, we saw increased demand for our embedded computing technologies on new domestic programs and upgrades, which is in-line with the government’s continued focus on expanding ISR applications, as well as a steady rise in sales to foreign military platforms.

Following a period of significant growth in the overall defense budget and related supplemental budgets seen in the previous decade, future defense spending is expected to moderate and eventually flatten out in the coming years, as several large development programs have been delayed or cancelled, and the current Administration looks to decrease troops stationed abroad.

Our commercial markets grew 6% in 2010, driven by rebounds in several of our key markets as the global financial crisis abated and the U.S. economy began to show signs of improvement. In particular, we experienced a significant turnaround in our general industrial market, which increased 18% over the prior year, in addition to an increase of 11% in our commercial aerospace market and an increase of 3% in our power generation market. These increases were partially offset by weaker sales in our oil & gas markets of 4% due to customer delays and reduced capital spending on larger projects, primarily from domestic customers.

Economic Factors Impacting Our Markets

Looking forward, we believe that certain industries within our commercial markets will continue to experience pressure as the global economy begins to rebound, but our unique and highly engineered products, which are typically provided through long-term programs, will continue to generate demand. U.S. defense spending levels are expected to slow moderately over the next few years with a repositioning of the U.S. defense budget, while higher costs for labor will likely reduce funding available for certain development and production programs. We expect the commercial aerospace market to increase in the near-term as new program deliveries successfully ramp production and drive demand for more fuel efficient designs and the global economic recovery stimulates the travel and transportation industries. In addition, we expect continued growth in our power generation market, fueled by global nuclear power construction, as well as our oil and gas market, due to the ongoing focus on resource independence and environmental issues.

General Economy

Many of our industrial businesses are driven in large part by global economic growth, especially in the United States. In 2010, the U.S. economy, as measured by real gross domestic product (“GDP”), grew at a modest pace during the first half of the year, reflecting the beginning of a turnaround from the global economic recession that led to severely restricted access to capital, reduced economic demand and significant declines in energy demand. However, the broader economy slowed down considerably in the second half of 2010. Industrial production and capacity utilization rates were similarly strong in the first half of the year. However, the U.S. recovery appeared to lose some of its momentum in the third quarter of 2010 and concerns for a double-dip recession resurfaced, as the continued weak housing market and lack of job creation diminished consumer confidence. Additionally, industrial production fell in September for the first time in more than a year, signaling a slight cooling in manufacturing activity, as total production and manufacturing output both moderated through the second half of the year. However, full year 2010 industrial production posted its strongest increase on an annual basis since 1998, rising 5.8% in 2010 after falling 9.3% in 2009.

In 2011, the broader economy is expected to continue to recover, and we are cautiously optimistic that our commercial and industrial markets will continue to improve.

Defense

During 2010 approximately 41% of our business is in the military sector, predominantly in the United States, and characterized by long-term programs and contracts driven primarily by the U.S. Department of Defense (“DoD”) budgets and funding levels. In 2010, U.S. military spending levels, as measured by the U.S. DoD funding, began to slow after years of strong growth. However, increased ISR funding in 2010 was one of the key positives as it relates to our business, as our embedded computing products and electronics systems provided increased growth, and are expected to continue to receive solid funding moving forward. The U.S. defense budget request for 2011, a leading indicator of our defense market, increased approximately 2% in the President’s latest proposal, including supplemental spending of approximately \$159 billion, although it is expected that the final defense budget passed by Congress may result in slightly lower funding levels. The FY 2011 defense budget begins to

implement several of the recommendations of the Quadrennial Defense Review completed in early 2010 and will play a key role in shaping future military budgets.

We have a well-diversified portfolio of products and services that supply all branches of the U.S. military, with content on many high performance defense platforms including: aircraft carriers, submarines, destroyers, and the F-18 Super Hornet for the U.S. Navy; the U.S. Coast Guard Deepwater program; the F-35 JSF, P-8 Poseidon, F-16 Falcon, F-22 Raptor, V-22 Osprey, and Unmanned Aerial Vehicle programs, such as the Global Hawk, for the U.S. Air Force; and the UH-60 Black Hawk, AH-64 Apache, and CH-47 Chinook helicopters, the Abrams Tank, the Bradley Fighting Vehicle, and the Stryker for the U.S. Army. In addition, we are involved in many of the future military systems that are currently in development, such as the U.S. Army's Ground Combat Vehicle, and the U.S. Navy's BAMS variant of the Global Hawk platform. We also provide a variety of products to non-U.S. military programs in Europe, the Asia Pacific region, the Middle East, South America, and Canada.

In naval defense, the Fiscal Year 2011 budget indicates continued support and funding for the U.S. Navy's shipbuilding program, and includes beginning construction of two Virginia class submarines in FY2011, additional funding for the restart of the DDG 51 class destroyer construction program, and continued development of the Ohio class SSBN submarine replacement program ("ORP"). The ORP program has been targeted to receive \$672 million of Research and Development ("R&D") funding in FY 2011, followed by more than \$1 billion expected in FY 2012. The U.S. Navy is expected to procure 9 new ships in Fiscal Year 2011 and 50 ships through Fiscal Year 2015. In addition to the increase in production from one to two Virginia class submarines per year starting in Fiscal Year 2011, as part of an eight submarine multi-year contract, work on the new CVN-79 Ford class aircraft carrier is expected to ramp up significantly in 2011 as part of the 5-year build cycle on aircraft carriers. Overall, the FY 2011 budget includes increased funding for the U.S. Navy shipbuilding program, with plans to balance capability, affordability, and industrial base stability.

In aerospace defense, we anticipate incremental funding on programs such as the F-35, Global Hawk, and P-8 as they transition from development to production programs, as well as strong demand for helicopters, which continue to be in high utilization in both Iraq and Afghanistan. However, we expect our performance in this market to be offset by the winding down of the F-22 program and lower volumes on the F-16.

In ground defense, new production orders and resets on the Bradley Fighting Vehicle slowed as U.S. military ground forces shifted from Iraq to Afghanistan, lessening the need for an equivalent complement of wheeled vehicles given the mountainous terrain. While we anticipate ground vehicle upgrades and modernization programs will continue to be funded, the timing is uncertain following years of rapid growth from the supplemental defense budgets. However, current platforms, such as the Abrams, Bradley, and Stryker, have strong long-run momentum, and we anticipate future spending will continue to leverage technology upgrades onto these programs, as well as the development of newer manned and unmanned platforms.

While the core defense budget is expected to grow moderately, reductions in supplemental spending, as well as the trimming of procurement and investment accounts, could negatively impact overall demand for some of our technologies. In the near-term, however, the global war on terror, emerging security challenges around the globe, and the need to replace worn-out equipment make precipitous reductions unlikely. While DoD funding fluctuates year-by-year and program-by-program, the primary risk facing us would be the termination of a nuclear program, such as the aircraft carrier or submarine. Although we monitor the budget process as it relates to programs in which we participate, we cannot predict the ultimate impact of future DoD budgets.

Commercial Aerospace

Approximately 13% of our revenue is derived from the global commercial aerospace market. Our primary focus in this market is OEM products and services for commercial jets. However, we have expanded into the regional and business jet sectors with new content on the Cessna, Embraer, and Learjet platforms, and we are providing increasing content to commercial helicopters. Our Motion Control segment primarily provides flight control and utility actuation systems, sensors, and other electronics to Boeing as well as electronic products to Airbus. Our Metal Treatment segment forms all of the wing skins for Airbus aircraft, as well as the Boeing 747-8 aircraft, and also services highly stressed components on turbine engines, landing gear, and aircraft structures. Demand for our commercial aerospace products and services is primarily driven by increased customer production levels, including new platforms for both Boeing and Airbus, increased demand for Sikorsky helicopters, and our successful introduction of new products for existing programs.

The commercial aerospace business is expected to improve in 2011. The largest driver of the commercial aerospace business is OEM parts, which is highly dependent on new aircraft production. Industry data supports a modest increase in commercial aircraft deliveries over the next few years, as 2011 will mark the first year in a multi-year production up-cycle for the commercial aerospace market due to announced increases in production by both Boeing and Airbus, with OEM-oriented companies expected to perform well over this timeframe. Industry experts also expect an improving outlook for both regional and business jets. Global airline traffic is another indicator for long-term growth in the commercial aerospace industry, and economic growth is one of the primary drivers of global airline traffic demand. According to the International Air Transport

Association, the airline industry is expected to see a strong cyclical upswing in revenues, improved utilization of capacity by airlines and solid global airline traffic in 2011, although it is still likely to feel the effects of higher fuel prices and economic uncertainty.

Oil and Gas

Approximately 14% of our revenue is derived from the oil and gas market. We provide critical-function valves, process vessels, and control electronics to this market through our Flow Control segment as well as Metal Treatment services on highly stressed metal components. Our significant portfolio of advanced technologies for this market includes integrated systems technologies developed for secondary refining processes such as delayed coking, catalytic cracking, and hydrotreating, as well as a large portfolio of safety-related valve and pressure protection technologies, and digital process control electronics, which provide protection throughout the entire refinery, as well as in petrochemical and other processing plants. We recently expanded our offering in this market through the development of a state-of-the-art manufacturing facility to be used to build large, thick-walled vessels (such as coke drums, fractionators, fluid catalytic cracking units and hydrotreaters) for the refining, chemical and nuclear power industries.

The most prevalent driver impacting this market is capital spending by refiners for maintenance, upgrades, capacity expansion, safety improvements, and compliance with environmental regulations, which is experienced by both our domestic and international customers. Refiner profitability and global crude oil prices in general will impact their capital spending levels. In 2010, the oil and gas market was negatively impacted by a reduction in new capital equipment orders due to the lack of capital spending, the aftermath of the BP oil spill and general economic uncertainty. While oil prices began improving throughout the year, refinery margins remained low and led to reduced capital expenditures in 2010, which is likely to continue into the first half of 2011. Crude oil prices increased more than 28% during 2010 and are forecast to continue to grow in 2011, albeit at a slower pace, according to the Energy Information Administration, as the world economy recovers and demand continues to outpace supply.

However, we believe a base level of maintenance capital spending will result in continued demand for our products, in particular for our pressure-relief valve technologies and field services, as refineries opportunistically service or upgrade equipment which has been operating at full capacity in recent years. We also expect to see increased demand for our complete coker deheading system, which includes top and bottom unheading valves, isolation valves, cutting tools, and valve automation, process control, and protection systems, which enables safer coke drum operation during the refining process. Additionally, global environmental concerns will drive incremental spending to comply with more stringent emissions standards. Finally, as global dependence on natural resources persists, oil exploration deepens, and transport requirements widen, we anticipate additional opportunities will arise for flow control products to meet these challenges and we continue to take a long-term view that energy and energy production, transmission, and consumption will provide a foundation of economic strength.

Power Generation

Approximately 19% of our revenue is derived from the commercial power generation market, where we supply a variety of highly engineered products and services, including reactor coolant pumps, control rod drive mechanisms, valves, motors, nuclear storage solutions, containment doors, bolting solutions, and enterprise resource planning and plant process controls through our Flow Control segment. In addition, we are one of a small number of companies that provides N-stamp quality assurance certification necessary for supplying nuclear plant equipment. Many of the companies that originally participated in the nuclear power plant construction market years ago have since exited this market.

Our strong growth in recent years is a result of the U.S. plant recertification process. Nearly all of the 104 operating U.S. nuclear power plants have applied for or will be applying for plant life extensions as they reach the end of their current 40-year operating lives. As of December 31, 2010, approximately 61 plants have received plant life extensions, applications from 22 additional plants have been submitted and are pending approval, and letters of intent to apply have been submitted from 16 more plants with expected application submittal dates from 2011 through 2017. We provide diagnostic equipment, consulting, inspection and testing services that support plant life extensions and power uprates on the 104 operating reactors in the U.S., as well as operating reactors located throughout the world.

In addition to plant recertifications, there are several emerging factors that could precipitate an expansion in global commercial nuclear power demand over the next several years. Continued growth in global demand for electricity, especially in developing countries with limited supply, will require increased capacity. The Energy Information Administration forecasts that electricity demand will increase at an average annual rate of 1% through 2035. In addition, the continued supply constraints and environmental concerns attributed to the current dependence on fossil fuels have led to a reassessment of the value of nuclear technology as the most efficient and environmentally friendly source of energy available today. As a result, we expect growth opportunities in this market both domestically and internationally, although the timing of orders remains uncertain.

Domestically, applications for approximately 30 new power plants have been submitted to the Nuclear Regulatory Commission (“NRC”). Thus far, the Westinghouse AP1000 reactor design has been selected for 14 of the potential new reactors. Our Flow Control segment has significant content on the AP1000 reactor, the only Generation III+ advanced design certified by the NRC.

Internationally, new nuclear plant construction is active. Currently there are approximately 62 new reactors under construction in 15 countries, 147 more planned, and another 299 proposed. In particular, China intends to expand its nuclear power capabilities significantly through the construction of new nuclear power plants over the next several years.

General Industrial

Approximately 13% of our revenue is derived from the general industrial market, which consists primarily of metal treatment services, industrial sensors, and motor and machine control systems for OEMs and industrial customers, including the HVAC, automotive, construction, transportation and entertainment industries. Our performance in this market is typically sensitive to the performance of the U.S. and global economies.

For 2010, we experienced a broad increase in our general industrial market, as we began to see signs of an economic recovery in the U.S. This demand was primarily related to improved performance in sensors and controls systems, metal treatment services, and commercial HVAC products. We also had solid sales in our automotive market to both domestic and international customers, due to the increase in global auto production. Looking ahead, based on expectations for a continued, yet modest, global economic turnaround in 2011, the general industrial market is likely to experience modest growth based on improved volumes across several industries in which we participate.

RESULTS OF OPERATIONS

Year Ended December 31, 2010 Compared with Year Ended December 31, 2009

For the year ended December 31, 2010, sales for the Corporation were \$1,893 million. This was an increase of \$83 million, or 5%, from \$1,810 million in 2009. The increase in sales was largely driven by an increase in organic sales of \$55 million, or 3%, over the prior year. This was driven by increases in all three segments: \$33 million in our Flow Control segment, \$19 million in our Metal Treatment segment, and \$3 million in our Motion Control segment. Incremental sales from our 2009 and 2010 acquisitions were \$26 million or 1%. The remaining sales increase of \$3 million was due to the favorable effects of foreign currency translation.

In 2010, we experienced organic sales growth across most major markets. Our general industrial, commercial aerospace, power generation, and defense markets all increased over the prior year. We achieved strong, double-digit organic sales growth in our general industrial market, with improvements in all three segments. Our Motion Control and Metal Treatment segments experienced substantial increases in demand for our industrial control and embedded computing products as well as our shot peening, heat treating, and coating services, respectively. Strong growth in our commercial aerospace market resulted from increased demand for our sensors and controls products used on various commercial aircraft as well as the ramp-up of production on the Boeing 787 program. Our power generation market showed modest growth over the prior year. While we experienced growth in most commercial markets, we continue to be challenged in the oil and gas market due to delays in new order placement for our traditional valve products. The growth within our defense markets was driven by strong increases in the aerospace and naval markets within our Motion Control and Flow Control segments, respectively. Most notably, the improvements were driven by increased sales supporting ISR applications, including the Global Hawk Unmanned Aerial Vehicle and various helicopter programs, as well as the Virginia class submarine program. These increases were largely offset by declines in the ground defense market within our Motion Control segment, which was due to lower sales of embedded computing products for tanks and light armored vehicles, such as the Stryker and Bradley Fighting Vehicles, as well as lower sales due to the cancellation of the FCS program.

Backlog increased 3% to \$1,670 million at December 31, 2010, from \$1,627 million at December 31, 2009. New orders increased by \$188 million (\$1,918 million versus \$1,730 million), or 11%, during 2010. This increase is attributable to a large number of orders, distributed across our ground defense, aerospace defense, commercial aerospace, and oil and gas markets, partially offset by the timing of new orders on long-term naval defense contracts. Acquisitions contributed an incremental \$34 million to new orders from the comparable period in 2009.

Operating income for 2010 was \$180 million, which increased \$11 million, or 6%, from \$169 million in 2009. Organic operating income increased by approximately \$21 million, or 12%, but was partially offset by \$10 million of unfavorable foreign currency translation. Our segment organic operating margin was 11.8% for 2010, a 110 basis point improvement, compared to 10.7% in the prior year. Our Metal Treatment, Flow Control, and Motion Control segments’ organic operating income increased 32%, 15% and 8%, respectively, mainly due to both improved absorption on increased sales volumes and benefits generated from our cost reduction and restructuring programs. Please refer to Note 10 to the Consolidated Financial

Statements for more information regarding our restructuring. Non-segment operating expense increased by \$7 million, mainly due to higher medical and pension expenses. Our 2009 and 2010 acquisitions had a minimal impact on operating income during 2010.

Net earnings for 2010 totaled \$107 million or \$ 2.30 per diluted share, an increase of 12% as compared to \$95 million or \$2.08 per diluted share in 2009. As compared to the prior year period, the higher operating income, noted above, was supplemented by a \$3 million decrease in interest expense. The decrease in interest expense was due to both lower average interest rates and lower average outstanding debt. Our effective tax rate for 2010 was 32.7% as compared to 34.4% in 2009. The lower effective tax rate was mainly due to higher foreign tax credits that were generated by a repatriation of cash from certain foreign locations in the fourth quarter of 2010.

Year Ended December 31, 2009 Compared with Year Ended December 31, 2008

For the year ended December 31, 2009, sales for the Corporation were \$1,810 million. This was a decrease of \$20 million, or 1%, from \$1,830 million in 2008. The decrease in sales was largely driven by a decrease in organic sales of \$37 million or 2%. The decline in organic sales was driven by a reduction in our Metal Treatment segment of \$51 million and partially offset by an increase in our Motion Control segment of \$15 million. Organic sales for our Flow Control segment were essentially flat over the prior year period. Incremental sales from our 2008 and 2009 acquisitions and divestitures were \$43 million or 2%. The remaining sales decline of \$27 million or 1% was due to the unfavorable effects of foreign currency translation.

Across the Corporation, we experienced significant reductions in organic sales within our general industrial, oil and gas, and commercial aerospace markets due to generally weak global economic conditions. The decline in sales to the general industrial market is attributed to depressed sales for our automotive, industrial control products, and services across all of our segments. Economic pressures on our customers in the oil and gas market caused delays for new order placement for our coker valve products as well as other valves and services within our Flow Control segment. Similarly in our commercial aerospace market, we experienced a decline in demand within our Metal Treatment segment and, to a lesser extent, delayed orders for integrated sensing products within our Motion Control segment. While challenged in several markets, we continued to experience strong growth in our power generation and defense markets which partially offset the aforementioned decreases. The increase within our power generation markets, primarily in our Flow Control segment, resulted from higher sales of valves and engineering services to plant operators, as well as reactor coolant pumps for the AP1000 nuclear reactors. An increase was realized across all our defense markets. Our Motion Control segment had strong growth in the aerospace, ground and naval defense markets and our Flow Control segment had strong growth in the naval defense market. Most notably, the growth in our naval and aerospace defense markets was driven by increased sales on the Ford class aircraft carrier and Global Hawk Unmanned Aerial Vehicle programs, respectively.

Backlog decreased 3% to \$1,627 million at December 31, 2009, from \$1,679 million at December 31, 2008. New orders declined by \$502 million (\$1,730 million versus \$2,232 million), or 22%, during 2009. In 2008, we received a large order in excess of \$300 million related to our next-generation reactor coolant pumps for the AP1000 nuclear power plants that did not recur in the current year. Acquisitions contributed an incremental \$44 million to new orders from the comparable period in 2008.

Operating income for 2009 was \$169 million, which decreased \$27 million, or 14%, from \$197 million in 2008. Organic operating income decreased by approximately \$30 million in 2009, while our 2008 and 2009 acquisitions had \$6 million in incremental operating losses. Our Metal Treatment and Flow Control segments' organic operating income declined 57% and 14%, respectively, mainly due to under-absorption of overhead costs resulting from significantly lower volumes in our general industrial and oil and gas markets, offset partially by cost reduction programs. The decrease in our Metal Treatment and Flow Control segments was partially offset by an increase in the Motion Control segment's organic operating income of 35%. This increase was the result of several nonrecurring events that negatively impacted the margins in 2008 as well as current year benefits generated from our cost reduction and restructuring programs. Organic research and development, selling, general, and administrative costs remained essentially flat as a percentage of sales over the prior year due to cost reduction programs. Please refer to Note 10 to the Condensed Consolidated Financial Statements for more information regarding our restructuring. Foreign currency translation had an additional favorable impact of \$8 million on our results in 2009 versus 2008.

Net earnings for 2009 totaled \$95 million or \$2.08 per diluted share, a decrease of 13% compared to \$109 million or \$2.41 per diluted share in 2008. Compared to the prior year period, the lower operating income, noted above, was partially offset by a \$4 million decrease in interest expense and a \$10 million decrease in tax expense. Interest expense decreased for 2009, compared to 2008, due to lower average interest rates partially offset by higher average outstanding debt. Our effective tax rate for 2009 was 34.4% compared to 35.3% in the same period of 2008. Our 2009 effective tax rate included a tax benefit principally due to a Canadian tax rate change which was partially offset by an increase in state tax expense. The 2009 effective tax rate was also favorably impacted by an increase in research and development tax credits from our Canadian and U.K. operations.

Segment Performance

We operate in three principal operating segments on the basis of products and services offered and markets served: Flow Control, Motion Control, and Metal Treatment. See Note 18 to the Consolidated Financial Statements for further segment financial information. The following table sets forth revenues, operating income, operating margin, and the percentage changes on those items, for 2010 as compared with the prior year periods, by operating segment:

	Year Ended December 31,			Percent Changes	
	2010	2009	2008	2010 vs. 2009	2009 vs. 2008
(In thousands, except percentages)					
Sales:					
Flow Control	\$ 1,024,828	\$ 985,172	\$ 971,744	4.0%	1.4%
Motion Control	647,031	621,038	594,376	4.2%	4.5%
Metal Treatment	221,275	203,480	264,020	8.7%	(22.9%)
Total Curtiss Wright	\$ 1,893,134	\$ 1,809,690	\$ 1,830,140	4.6%	(1.1%)
Operating Income:					
Flow Control	\$ 104,391	\$ 92,721	\$ 102,394	12.6%	(9.4%)
Motion Control	80,410	80,949	60,359	(0.7%)	34.1%
Metal Treatment	25,842	19,891	52,142	29.9%	(61.9%)
Total Segments	210,643	193,561	214,895	8.8%	(9.9%)
Corporate & Other	(30,820)	(24,242)	(18,333)	27.1%	32.2%
Total Curtiss Wright	\$ 179,823	\$ 169,319	\$ 196,562	6.2%	(13.9%)
Operating Margins:					
Flow Control	10.2%	9.4%	10.5%		
Motion Control	12.4%	13.0%	10.2%		
Metal Treatment	11.7%	9.8%	19.7%		
Total Segments	11.1%	10.7%	11.7%		
Total Curtiss-Wright	9.5%	9.4%	10.7%		

Flow Control

Year Ended December 31, 2010 Compared with Year Ended December 31, 2009

Our Flow Control segment reported sales of \$1,025 million for 2010. This was a year over year increase of \$40 million, or 4%, from \$985 million. Organic sales increased \$33 million, or 3%, over the same period from the prior year; however, increases in our defense markets of \$32 million, power generation market of \$7 million, and general industrial market of \$3 million, were partially offset by a decrease in the oil and gas market of \$9 million. In addition, our 2009 acquisitions of EST and Nu-Torque contributed \$3 million in incremental sales. The remaining sales increase of \$5 million was due to the favorable effect of foreign currency translation.

The increase in organic sales in our defense markets was driven by strong increases in production on the Virginia class submarine programs due to the advanced procurement for the ramp up in production from one to two submarines per year. In addition, we had strong increases in production on the CVN-79 Ford class aircraft carrier programs, in particular pumps and generators, as well as increased sales of our helicopter handling systems. These increases in naval defense were partially offset by lower sales on the CVN-78 Ford class aircraft carrier program, as our efforts shift toward the CVN-79, and a reduction in production on the DDG1000 destroyer program as we completed the third and final ship in the fourth quarter of 2010. Our commercial markets were relatively flat from the prior year period, as organic growth in our power generation market and general industrial market were offset by declines in the oil and gas market. Our power generation market showed modest growth over the prior year. We continued to experience increased demand for upgrades and plant maintenance on domestic

nuclear reactors as well as increases in our domestic sales of our next-generation reactor coolant pumps for the AP1000 nuclear reactors; however, these increases were largely offset by lower AP1000 sales in China. The organic growth in our general industrial market was mainly due to higher demand for our industrial control products due to the timing of order placement in the HVAC industry. Within our oil and gas market, we experienced a decrease in domestic sales of our engineered process vessels and continued to experience delays in new order placement for our traditional valve products; however, these declines were mostly offset by a strong increase for our coker valve products in the international market.

Backlog decreased 3% to \$1,149 million at December 31, 2010 from \$1,182 million at December 31, 2009. New orders increased by \$8 million (\$988 million versus \$980 million), or 1%, during 2010. This increase was mainly due to growth in orders within our international oil and gas market, partially offset by the timing of new orders on long-term naval defense contracts. Acquisitions contributed an incremental \$3 million to new orders from the comparable period in 2009.

Operating income for 2010 was \$104 million for our Flow Control segment. This was an increase of \$12 million, or 13%, compared to \$93 million in 2009. Organic operating income increased by approximately \$14 million, or 15% from the prior year. Despite increased strategic investments in the AP1000 program and consolidation costs in our oil and gas business, our organic operating margin increased 100 basis points. This was mainly impacted by improved absorption on increased sales volume and benefits generated by our cost reduction and restructuring programs, which more than offset the \$2 million gain recognized on the acquisition of Nu-Torque in 2009. Foreign currency translation had an unfavorable impact of \$2 million on our results in 2010 versus 2009.

Year Ended December 31, 2009 Compared with Year Ended December 31, 2008

Our Flow Control segment reported sales of \$985 million for 2009. This was a year-over-year increase of \$13 million, or 1%, from \$972 million. The increase was mainly due to our 2009 acquisitions of EST and Nu-Torque, partially offset by our divestiture, which previously generated \$20 million, or 2% of incremental sales. Organic sales were flat for 2009; however, we saw strong increases in both our power generation and defense markets of \$41 million and \$35 million, respectively. These increases were offset by declines in the oil and gas market of \$52 million and the general industrial market of \$25 million. The remaining sales decline of \$6 million was due to unfavorable effects of foreign currency translation.

Organic sales remained flat compared to the prior year; however, we experienced significant fluctuations across all of our major markets. Increased sales to the power generation market were mainly driven by domestic nuclear sales, as we experienced increased demand for plant maintenance projects. These projects, driven by timing of refurbishment cycles, can vary in timing from period to period. We also experienced increased sales of our next generation reactor coolant pump for the AP1000 nuclear reactors being constructed in China and the United States. Increased sales to the defense market were mainly due to our naval defense programs and the production on Ford class aircraft carriers, most notably our Electro-Magnetic Aircraft Launching System. Our Virginia class submarine production and development programs also had increased sales. Offsetting these increases were decreased sales to the domestic oil and gas market which resulted from delays in the timing of new order placement for our coker products resulting from more restrictive financial markets, reduced energy demand, and weak economic conditions globally. Traditional oil and gas valve products also generated lower sales due to a downturn in capital spending and maintenance expenditures by our customers. Partially offsetting the decreased sales to the domestic oil and gas market was increased demand for our international services in refinery repairs, maintenance, and spares. Our general industrial market declined due to lower demand for our industrial control products and automotive products resulting from depressed economic conditions.

Backlog increased 1% to \$1,182 million at December 31, 2009 from \$1,167 million at December 31, 2008. New orders declined by \$347 million (\$980 million versus \$1,327 million), or 26%, during 2009. This decrease was a result of a large order in excess of \$300 million in the prior year related to our next-generation reactor coolant pumps for the AP1000 nuclear power plants that did not recur in the current year. Acquisitions contributed an incremental \$17 million to new orders from the comparable period in 2008.

Operating income for 2009 was \$93 million for our Flow Control segment. This was a decrease of \$10 million, or 9%, compared to \$102 million in 2008. Organic operating income decreased \$14 million from the prior year. Organic operating income margins decreased 150 basis points to 9.1% in 2009 from 10.6% in 2008. Our organic operating income was primarily impacted by a shift in sales mix toward lower margin products as well as changes in long-term contracts both in the current year and prior year. Operating margins were also negatively impacted by the under-absorption of overhead costs resulting from significantly lower volumes in the oil and gas and general industrial markets. These declines were partially offset by increased volumes in our commercial nuclear power market and benefits generated from our cost reduction and restructuring programs. Our 2009 acquisitions contributed \$2 million of incremental operating income in 2010, primarily due to a gain of \$2 million recognized on the acquisition of Nu-Torque, which was accounted for as a bargain purchase under acquisition

accounting that became effective January 1, 2009. Foreign currency translation had an additional favorable impact of \$3 million or 3% on our results in 2009 versus 2008.

Motion Control

Year Ended December 31, 2010 Compared with Year Ended December 31, 2009

Our Motion Control segment reported sales of \$647 million for 2010. This was an increase of approximately \$26 million, or 4%, from \$621 million in 2009. This increase was mainly due to our 2009 and 2010 acquisitions of Skyquest Systems Ltd., Hybricon Corporation, and Specialist Electronics Services, Ltd., which generated \$24 million, or 4%, in incremental sales. Organic sales increased by \$3 million, or less than 1%, for 2010; however, strong increases in our general industrial market of \$16 million, commercial aerospace market of \$16 million, and aerospace defense market of \$19 million were largely offset by a decrease in our ground defense market of \$49 million. The remaining sales decline of \$1 million was due to the unfavorable effects of foreign currency translation.

Due to improving economic conditions, organic sales in our commercial markets grew 16% over the prior year, surpassing 2009 and 2008 results. This was driven by both increases in both the general industrial and commercial aerospace markets. The increase in organic sales in our general industrial market was due to demand for both embedded computing and controller products to a broad range of customers. The organic sales growth realized in our commercial aerospace market is the result of increased demand for our sensors and controls products on commercial aircraft as well as higher sales of flight controls on the Boeing 787 series aircraft. Offsetting the positive performance in these commercial markets was a decline in organic sales in our defense markets; however, a decrease in the ground defense market was partially offset by an increase in the aerospace defense market. The decrease in the ground defense market was driven by both the cancellation of the FCS program and by lower sales of embedded computing products for tanks and light armored vehicles, such as the Stryker and Bradley Fighting Vehicles. The increase in the aerospace defense market was driven primarily by higher sales for our embedded computing products on the Global Hawk Program as well as various integrated sensing products on international aircraft and helicopter programs. These increases were partially offset by a reduction in production and spares for the F-22 program.

Backlog increased 17% to \$519 million at December 31, 2010 from \$443 million at December 31, 2009. New orders increased by \$162 million (\$709 million versus \$547 million), or 30%, during 2010. This increase was attributable to a large number of orders, primarily distributed across our commercial aerospace, ground defense and aerospace defense markets. Acquisitions contributed an incremental \$32 million to new orders from the comparable period in 2009.

Operating income for 2010 was \$80 million for our Motion Control segment. This was essentially flat compared to \$81 million in 2009. Organic operating income increased by approximately \$6 million, or 8%, over the prior year. Organic operating margin increased 100 basis points, mainly due to both improved absorption on increased sales volumes in our commercial markets and benefits generated from our cost reduction and restructuring programs. Our 2010 acquisitions had a minimal impact on our operating income for the year. Foreign currency translation had an unfavorable impact of \$7 million on our results in 2010 versus 2009.

Year Ended December 31, 2009 Compared with Year Ended December 31, 2008

Our Motion Control segment reported sales of \$621 million for 2009. This was an increase of approximately \$27 million, or 4%, from \$594 million. This increase was mainly due to our 2008 acquisitions of VMetro ASA and Mechetronics Holdings Limited, partially offset by our 2008 divestiture, which generated \$21 million, or 4%, in incremental sales. Organic sales increased by \$15 million, or 3%, for 2009; however, a strong increase in the defense markets of \$40 million was largely offset by decreases in the commercial aerospace markets of \$14 million and general industrial markets of \$13 million due to the economic slowdown. The remaining sales decline of \$9 million was due to the unfavorable effects of foreign currency translation.

Organic sales growth was realized across all of our major defense markets. We experienced an increase in our aerospace and ground defense markets of \$27 million and \$9 million, respectively. The increase in the aerospace defense market was mainly due to increased demand for our integrated sensing and embedded computing products on domestic and international military programs, such as the Global Hawk, F-22 Raptor, F-35 JSF, and various helicopter programs including the Blackhawk. The improvement in the ground defense market was driven primarily by higher sales of embedded computing products for tanks and light armored vehicles. Increased production on the TOW Improved Target Acquisition System accounted for the majority of this sales increase, while the remaining increase in ground defense sales was due to higher production and development on the Expeditionary Fighting Vehicle, Stryker, and Abrams Fighting Vehicle platforms. Partially offsetting the increase in our defense markets was a decline in sales in the commercial aerospace and general industrial markets. The decrease in sales to the

commercial aerospace and general industrial markets was mainly due to lower demand for both our embedded computing and sensor and controller products which is attributable to weak global economic conditions.

Backlog decreased 13% to \$443 million at December 31, 2009, from \$510 million at December 31, 2008. New orders declined by \$94 million (\$547 million versus \$642 million), or 15%, during 2009. This was mainly due to reductions in our commercial aerospace and general industrial markets. Acquisitions contributed an incremental \$26 million to new orders from the comparable period in 2008.

Operating income for 2009 was \$81 million for our Motion Control segment. This was an increase of \$21 million, or 34%, from \$60 million in 2008. The segment realized incremental losses of approximately \$8 million in 2009, which are mainly related to intangible amortization expenses that generally run higher in the earlier years. Organic operating income increased by \$21 million as organic operating income margins increased 320 basis points to 13.3% in 2009 from 10.1% in 2008. There were several nonrecurring events that negatively impacted the margins in 2008, including the Eclipse bankruptcy, lower margins due to delays on the Boeing 700 series platforms, and a write-off of deferred contract costs after receipt of a contract cancellation in the fourth quarter. Conversely, the 2009 margins were positively impacted by favorable mix, increased volume on contracts, and benefits generated from our cost reduction and restructuring programs. Foreign currency translation had an additional favorable impact of \$8 million, or 13%, on our results in 2009 versus 2008.

Metal Treatment

Year Ended December 31, 2010 Compared with Year Ended December 31, 2009

Our Metal Treatment segment reported sales of \$221 million in 2010. This was an increase of \$18 million, or 9%, from \$203 million in the prior year. Organic sales increased \$19 million, or 9%, in 2010. The organic sales increase was mainly due to a strong increase in the general industrial market of \$16 million and commercial aerospace market of \$3 million. The increase in sales in the general industrial market was mainly the result of increases in demand for shot peening, heat treating, and coating services. Increased sales in the commercial aerospace market were driven by higher demand for shot peening and heat treating services. Foreign currency translation had an unfavorable impact of \$1 million on our results in 2010 versus 2009.

Operating income for 2010 was \$26 million for our Metal Treatment segment. This was an increase of \$6 million, or 30%, as compared to \$20 million in 2009. Organic operating income increased by approximately \$6 million, or 32%, for the year. Organic operating margin increased 200 basis points. The increase was mainly due to benefits generated by our cost reduction and restructuring programs, which were partially offset by higher compensation expenses and start-up costs for expansion into international markets. Foreign currency translation had a minimal impact on our operating income in 2010.

Year Ended December 31, 2009 Compared with Year Ended December 31, 2008

Our Metal Treatment segment reported sales of \$203 million for the year ended 2009. This was a decrease of \$61 million, or 23%, from \$264 million. Organic sales decreased \$51 million, or 19%, in 2009. Organic Sales to the general industrial, commercial aerospace, and oil and gas market decreased by \$36 million, \$11 million, and \$7 million, respectively. The decline in sales was due to the weak global economic environment which resulted in a reduction in demand across all primary service offerings, most notably shot peening services. The decrease in organic sales was partially offset by our 2008 acquisition of PCS which contributed \$2 million in sales. The remaining sales decline of \$11 million was due to the unfavorable effect of foreign currency translation.

Operating income for 2009 was \$20 million for our Metal Treatment Segment. This was a decrease of \$32 million, or 62%, compared to \$52 million for the year ended 2008. Organic operating income decreased by approximately \$30 million from the prior year, while incremental operating income had a minimal impact. Organic operating income declined, primarily due to lower volumes and the under-absorption of overhead costs as a result of the rapid decline in sales. The impact of this decline was partially offset by benefits generated from our cost reduction and restructuring programs. Foreign currency translation negatively impacted operating income for 2009 by \$3 million.

Corporate and Other Expenses

Non-segment operating costs consist mainly of pension expense associated with the Curtiss-Wright Pension Plans, environmental remediation and administrative expenses, unallocated medical costs associated with the pooling of self-insurance costs, net foreign transaction gains/losses, certain legal costs, and other income and expense not directly associated with the ongoing performance of the segments. We had non-segment operating costs of \$31 million, \$24 million, and \$18 million in 2010, 2009, and 2008, respectively.

Pension expense associated with the Curtiss-Wright Pension Plans was \$21 million, \$18 million, and \$8 million in 2010, 2009, and 2008, respectively. The 2009 pension expense included the correction of an immaterial error related to prior periods. In addition, in 2009, the pension expense included a settlement charge resulting from the retirement of a key executive and his election to receive his pension benefit as a single lump sum payout. Excluding these adjustments, the increasing pension expense over the three year period was due to increased service, interest costs, and the recognition of previously unamortized losses. For further information on the changes in pension expense, see Note 16 to the Consolidated Financial Statements

Net foreign exchange transaction losses amounted to \$1 million, \$2 million, and \$5 million in 2010, 2009, and 2008, respectively. The higher 2008 loss was primarily due to a forward currency transaction to provide downside protection of the cash purchase price for the VMETRO acquisition.

Interest Expense

Interest expense decreased \$3 million in 2010 compared to 2009. The decrease was the result of lower debt levels and average interest rates. Our average outstanding debt decreased 11% in 2010, which was mainly due to making additional payments on our revolver. Our average borrowing rate decreased 11 basis points primarily due to the retirement of our 2003 senior notes in September 2010, which had a higher fixed interest rate than our revolver.

Provision for Income Taxes

Our effective tax rates for 2010, 2009, and 2008, are 32.7%, 34.4%, and 35.3%, respectively. For further information on the changes in effective tax rates, see Note 11 to the Consolidated Financial Statements.

Liquidity and Capital Resources

Sources and Uses of Cash

We derive the majority of our operating cash inflow from receipts on the sale of goods and services and cash outflow for the procurement of materials and labor; cash flow is therefore subject to market fluctuations and conditions. A substantial portion of our business is in the defense sector, which is characterized by long-term contracts. Most of our long-term contracts allow for several billing points (progress or milestone) that provide us with cash receipts as costs are incurred throughout the project rather than upon contract completion, thereby reducing working capital requirements. In some cases, these payments can exceed the costs incurred on a project.

Operating Activities

	December 31, 2010	December 31, 2009
Working Capital	\$ 472,088	\$ 313,182
Ratio of Current Assets to Current Liabilities	2.1 to 1	1.6 to 1
Cash and Cash Equivalents	\$ 68,119	\$ 65,010
Days Sales Outstanding	49 days	44 days
Inventory Turns	4.5	4.3

Our working capital was \$472 million at December 31, 2010, an increase of \$159 million from the working capital at December 31, 2009, of \$313 million. Excluding the impact of cash and the working capital changes from our acquisitions and divestitures, our working capital increased \$153 million. This increase was mainly caused by a decrease in short-term debt, which was mainly due to the repayment of \$75 million of private placement debt that matured in September of 2010 and an increase in accounts receivable of \$57 million, the result of both higher trade receivables and unbilled receivables on long-term contracts.

During 2010, we incurred additional liabilities of \$3 million related to business restructuring initiatives. These costs were in addition to the \$6 million in 2009 and \$7 million in 2008. The majority of the restructuring costs related to our 2009 and 2010 restructuring initiatives has been paid and was funded through normal operations. We estimate annualized cash savings from these initiatives to be approximately \$20 to \$25 million after the completion of the restructuring activities.

During the fourth quarter of 2010, we initiated additional restructuring activities within our Oil and Gas division of our Flow Control segment, incurring \$0.5 million of additional expense. We expect to incur additional expenses of \$2.5 million related to these initiatives during 2011. We estimate annualized cash savings from this initiative to be \$2 million. Please see Note 10 to the Consolidated Financial Statements for more information regarding our restructuring initiatives.

Investing Activities

We have acquired forty-seven businesses since 2001 and expect to continue to seek acquisitions that are consistent with our long-term growth strategy. A combination of cash resources, funds available under our credit agreement, and proceeds from our Senior Notes were utilized to fund our acquisitions, net of dispositions, which totaled \$42 million and \$68 million in 2010 and 2009, respectively. As indicated in Note 2 to the Consolidated Financial Statements, some of our acquisition agreements contain purchase price adjustments and contingent payments, such as potential earn-out payments and working capital adjustments. During 2010, we paid a net amount of \$0.4 million in such payments relative to prior year acquisitions. Additional acquisitions will depend, in part, on the availability of financial resources at a cost of capital that meet our stringent criteria. As such, future acquisitions, if any, may be funded through the use of our cash and cash equivalents, through additional financing available under the credit agreement, or through new financing alternatives.

Our capital expenditures were \$53 million in 2010, \$76 million in 2009, and \$104 million in 2008. Capital expenditures relate primarily to new and replacement machinery and equipment, the expansion of new product lines within the business segments, and the construction of new facilities or upgrade of existing facilities.

Financing Activities

On August 10, 2007, the Company and certain of its subsidiaries amended and refinanced its existing credit facility and entered into a Second Amended and Restated Credit Agreement (“Credit Agreement”). The proceeds available under the Credit Agreement are to be used for working capital, internal growth initiatives, funding of future acquisitions, and general corporate purposes. Our available credit under the credit facility increased from \$400 million to \$425 million from a syndicate of banks, led by Bank of America, N.A. and JP Morgan Chase Bank, N.A. as the co-arrangement banks. The Credit Agreement also contains an accordion feature which can expand the overall credit line to a maximum aggregate amount of \$600 million. The consortium membership has remained relatively the same. The Credit Agreement extended the maturity from July 23, 2009 to August 10, 2012, at which time all amounts then outstanding under the Credit Agreement will be due and payable. In addition, the Credit Agreement provides for improved pricing and more favorable covenant terms, reduced facility fees, and increased availability of the facility for letters of credit. Borrowings under the Credit Agreement bear interest at a floating rate based on market conditions. In addition, our interest rate and level of facility fees are dependent on certain financial ratio levels, as defined in the Credit Agreement. We are subject to annual facility fees on the commitments under the Credit Agreement. In connection with the Credit Agreement, we paid customary transaction fees that have been deferred and are being amortized over the term of the Credit Agreement. We are required under the Credit Agreement to maintain certain financial ratios and meet certain financial tests, the most restrictive of which is a debt to capitalization limit of 60% and a cross default provision with our other senior indebtedness. As of December 31, 2010, we were in compliance with all covenants and had the flexibility to issue additional debt of approximately \$1.3 billion without exceeding the covenant limit defined in the Credit Agreement. We would consider other financing alternatives to maintain capital structure balance and ensure compliance with all debt covenants. We had \$110 million and \$100 million in borrowings outstanding (excluding letters of credit) under the Credit Agreement at December 31, 2010 and December 31, 2009, respectively. The unused credit available under the Credit Agreement at December 31, 2010 was \$258 million. The Corporation believes that its Credit Agreement with the bank consortium provides sufficient short-term access to financing should our operating cash flows be insufficient to fund our operations.

On December 1, 2005, we issued \$150 million of 5.51% Senior Series Notes (the “2005 Notes”). Our 2005 Notes mature on December 1, 2017 and are senior unsecured obligations, equal in right of payment to our existing senior indebtedness. We, at our option, can prepay at any time all or any part of our 2005 Notes, subject to a make-whole payment in accordance with the terms of the Note Purchase Agreement. In connection with our 2005 Notes, we paid customary fees that have been deferred and are being amortized over the term of our 2005 Notes. We are required under the Note Purchase Agreement to maintain certain financial ratios, the most restrictive of which is a debt to capitalization limit of 60%. The note also contains a cross default provision with our other senior indebtedness. As of December 31, 2010, we were in compliance with all covenants.

On September 25, 2003 we issued \$200 million of Senior Notes (the “2003 Notes”). The 2003 Notes consist of \$75 million of 5.13% Senior Notes that matured and were paid on September 25, 2010 and \$125 million of 5.74% Senior Notes that mature on September 25, 2013. Our 2003 Notes are senior unsecured obligations and are equal in right of payment to our existing senior indebtedness. We, at our option, can prepay at any time all or any part of our 2003 Notes, subject to a make-whole

payment in accordance with the terms of the Note Purchase Agreement. In connection with our 2003 Notes, we paid customary fees that have been deferred and are being amortized over the terms of the 2003 Notes. We are required under the Note Purchase Agreement to maintain certain financial ratios, the most restrictive of which is a debt to capitalization limit of 60% and a cross default provision with our other senior indebtedness.

Our industrial revenue bonds, which are collateralized by real estate, were \$9 million at December 31, 2010 and December 31, 2009. The loans outstanding under the 2003 and 2005 Notes, Revolving Credit Agreement, and Industrial Revenue Bonds had variable interest rates averaging 3.78% for 2010 and 3.89% for 2009.

Our current portion of long-term debt and short-term debt was \$3 million at December 31, 2010, and \$81 million at December 31, 2009. Our long-term debt was \$394 million at December 31, 2010, an increase of \$10 million from \$384 million at December 31, 2009.

Future Commitments

Cash generated from operations, which includes interest payments of approximately \$18 million to \$25 million, estimated income tax payments of approximately \$55 million to \$65 million, and additional working capital requirements should be considered adequate to meet our planned capital expenditures of approximately \$80 million to \$90 million and expected dividend payments of approximately \$15 million. There can be no assurance, however, that we will continue to generate cash from operations at the current level. If cash generated from operations is not sufficient to support these operating requirements and investing activities, we may be required to reduce capital expenditures, borrow from our existing credit line, refinance a portion of our existing debt, or obtain additional financing.

In 2010, we made contributions of approximately \$7 million to our pension plans. We expect to make contributions to the Curtiss-Wright Pension plan of approximately \$36 million in 2011 and \$4.4 million to our foreign pension plans. We expect to make cumulative contributions of \$195 million through 2015 to the Curtiss-Wright Pension plan. For more information on our pension and other post retirement benefits plans, please see Note 16 to the Consolidated Financial Statements.

The following table quantifies our significant future contractual obligations and commercial commitments as of December 31, 2010:

(In thousands)	Total	2011	2012	2013	2014	2015	Thereafter
Debt Principal Repayments	\$ 396,606	\$ 2,602	\$ 110,101	\$ 125,105	\$ 108	\$ 110	\$ 158,580
Interest Payment on Fixed Rate Debt	76,752	15,440	15,440	13,514	8,265	8,265	15,828
Operating Leases	166,161	24,283	23,889	21,704	19,568	20,808	55,909
Total	\$ 639,519	\$ 42,325	\$ 149,430	\$ 160,323	\$ 27,941	\$ 29,183	\$ 230,317

We do not have material purchase obligations. Most of our raw material purchase commitments are made directly pursuant to specific contract requirements.

We enter into standby letters of credit agreements and guarantees with financial institutions and customers primarily relating to guarantees of repayment on our Industrial Revenue Bonds, future performance on certain contracts to provide products and services, and to secure advance payments we have received from certain international customers. At December 31, 2010, we had contingent liabilities on outstanding letters of credit due as follows:

(In thousands)	Total	2011	2012	2013	2014	2015	Thereafter (1)
Letters of Credit	\$ 57,184	\$ 32,049	\$ 7,539	\$ 3,665	\$ 958	\$ 242	\$ 12,731

(1) Amounts indicated as Thereafter are letters of credit which expire during the revolving credit agreement term but will automatically renew on the date of expiration. In addition, amounts exclude bank guarantees of approximately \$2 million.

Critical Accounting Estimates and Policies

Our consolidated financial statements and accompanying notes are prepared in accordance with generally accepted accounting principles in the United States of America. Preparing consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. These estimates and assumptions are affected by the application of our accounting policies. Critical accounting policies are those that require application of management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain and may change in subsequent periods. We believe that the following are some of the more critical judgment areas in the application of our accounting policies that affect our financial condition and results of operations:

Revenue Recognition

The realization of revenue refers to the timing of its recognition in our accounts and is generally considered realized or realizable and earned when the earnings process is substantially complete and all of the following criteria are met: 1) persuasive evidence of an arrangement exists; 2) delivery has occurred or services have been rendered; 3) our price to our customer is fixed or determinable; and 4) collectability is reasonably assured.

We record sales and related profits on production and service type contracts as units are shipped and title and risk of loss have transferred or as services are rendered. This method is used in our Metal Treatment segment and in some of the business units within the Motion Control and Flow Control segments that serve non-military markets.

For certain contracts in our Flow Control and Motion Control segments that require performance over an extended period before deliveries begin, sales and estimated profits are recorded by applying the percentage-of-completion method of accounting. The percentage-of-completion method of accounting is used primarily for our defense contracts and certain long-term commercial contracts. This method recognizes revenue and profit as the contracts progress towards completion. For certain contracts that contain a significant number of performance milestones, as defined by the customer, sales are recorded based upon achievement of these performance milestones. The performance milestone method is an output measure of progress towards completion made in terms of results achieved. For certain fixed price contracts, where none or a limited number of milestones exist, the cost-to-cost method is used, which is an input measure of progress toward completion. Under the cost-to-cost input method, sales and profits are recorded based on the ratio of costs incurred to an estimate of costs at completion. Under our percentage-of-completion methods of accounting, a single estimated total profit margin is used to recognize profit for each contract over its entire period of performance.

Application of percentage-of-completion methods of revenue recognition requires the use of reasonable and dependable estimates of the future material, labor, and overhead costs that will be incurred and a disciplined cost estimating system in which all functions of the business are integrally involved. These estimates are determined based upon industry knowledge and experience of our engineers, project managers, and financial staff. These estimates are significant and reflect changes in cost and operating performance throughout the contract and could have a significant impact on our operating performance. Adjustments to original estimates for contract revenue, estimated costs at completion, and the estimated total profit are often required as work progresses throughout the contract and more information is obtained, even though the scope of work under the contract may not change. These changes are recorded on a cumulative basis in the period they are determined to be necessary.

Under the percentage-of-completion method of accounting, provisions for estimated losses on uncompleted contracts are recognized in the period in which the likelihood of such losses are determined. However, costs associated with costs deferred in anticipation of future contract sales and certain loss development contracts may be deferred if follow-on production orders are deemed probable. Amounts representing contract change orders are included in revenue only when they can be estimated reliably and their realization is reasonably assured. Certain contracts contain provisions for the redetermination of price and, as such, management defers a portion of the revenue from those contracts until such time as the price has been finalized.

Some of our customers withhold certain amounts from the billings they receive. These retainages are generally not due until the project has been completed and accepted by the customer.

Inventory

Inventory costs include materials, direct labor, and purchasing and manufacturing overhead costs, which are stated at the lower of cost or market, where market is limited to the net realizable value. We estimate the net realizable value of our inventories

and establish reserves to reduce the carrying amount of these inventories to net realizable value, as necessary. We continually evaluate the adequacy of the inventory reserves by reviewing historical scrap rates, on-hand quantities as compared with historical and projected usage levels, and other anticipated contractual requirements. The stated inventory costs are also reflective of the estimates used in applying the percentage-of-completion revenue recognition method.

We purchase materials for the manufacture of components for sale. The decision to purchase a set quantity of a particular item is influenced by several factors including: current and projected price, future estimated availability, existing and projected contracts to produce certain items, and the estimated needs for our businesses.

For certain of our long-term contracts, we utilize progress billings, which represent amounts billed to customers prior to the delivery of goods and services and are recorded as a reduction to inventory and receivables. Amounts are first applied to unbilled receivables and any remainder is then applied to inventory. Progress billings are generally based on costs incurred, including direct costs, overhead, and general and administrative costs.

Pension and Other Postretirement Benefits

In consultation with our actuaries, we determine the appropriate assumptions for use in determining the liability for future pension and other postretirement benefits. The most significant of these assumptions include the number of employees who will receive benefits, their tenure, their salary levels, their projected mortality, expected return on plan assets, the discount rates used to determine plan obligations, and the trends in the costs of medical and other health care benefits in the case of the postretirement benefit obligations. Changes in these assumptions, if significant in future years, may have an effect on our pension and postretirement expense, associated pension and postretirement assets and liabilities, and our annual cash requirements to fund these plans.

The discount rate used to determine the plan benefit obligations as of December 31, 2010, and the annual periodic costs for 2011, was reduced from 6.0% to 5.25% for the Curtiss-Wright Pension Plan and the EMD postretirement benefit plan to reflect current economic conditions. The rate reflects the hypothetical rate at which the projected benefit obligations could be effectively settled or paid out to participants on that date. We determined our discount rate based on a range of factors, including the rates of return on high-quality, fixed-income corporate bonds available at the measurement date and the related expected duration for the obligations. The discount rate for the Curtiss-Wright Restoration and postretirement benefit plans decreased to 5.0% and 4.0%, respectively, in 2010 to reflect the shorter duration of liabilities of these plans. These changes caused an increase to the benefit obligation. The rate of compensation increase for the pension plans remained at a weighted 4.0%, but was updated to reflect a graded scale of 5.0% to 3.0% that decrements as pay increases. We believe this better reflects the experience over the past years and the Company's expectation of future salary increases. We also utilized the RP 2000 mortality tables updated with generational projections, which assumes mortality improvements into the future for the U.S. pension and postretirement benefit plans.

The overall expected return on assets assumption is based primarily on the expectations of future performance. Expected future performance is determined by weighting the expected returns for each asset class by the plan's asset allocation. The expected returns are based on long-term capital market assumptions provided by both our actuaries and investment consultants. We have consistently used the 8.5% rate as a long-term overall average return, and consider this rate to be a reasonable assumption of the future long-term investment returns.

The long-term medical trend assumptions start with a current rate that is in line with expectations for the near future. The trend's rate is then graded down over time until it reaches an ultimate rate that is close to expectations for growth in GDP. The reasoning is that medical trends cannot continue to be higher than the rate of GDP growth in the long term. The health care cost trend rates used to determine the benefit obligations of the plans as of December 31, 2010, and the annual periodic costs for 2011 were on an initial trend of 8.5% grading down to an ultimate trend of 5.5% in 2014. In 2010 we modified the EMD postretirement benefit design for post-65 retirees, effectively capping the plan to future medical inflation. Any change in the expectation of these rates to return to a normal level should not have a material impact on the amount of expense we recognize.

The timing and amount of future pension income or expense to be recognized each year is dependent on the demographics and expected earnings of the plan participants, the expected interest rates in effect in future years, inflation, and the actual and expected investment returns of the assets in the pension trust.

The funded status of our domestic qualified pension plan decreased by \$46 million in 2010, primarily due to the decline in the discount rate used to value plan obligations at December 31, 2010. This decline was partially offset by asset returns of 13.3% for the year. However, the sharp decline in the financial markets in 2008 and the lower interest rate environment has increased our future cash funding requirements and future pension expense. We expect to contribute approximately \$195 million to this

plan over a five year period beginning in 2011. Additionally, we expect pension expense of \$30 million associated with this plan in 2011.

The following table reflects the impact of changes in selected assumptions used to determine the funded status of the Company's U.S. qualified and nonqualified pension plans as of December 31, 2010 (in thousands, except for percentage point change):

Assumption	Percentage Point Change	Increase in Benefit Obligation	Increase in Expense
Discount rate	(0.25%)	\$ 13,556	\$ 1,906
Rate of compensation increase	0.25%	3,036	817
Expected return on assets	(0.25%)	—	788

See Note 16 to the Consolidated Financial Statements for further information on our pension and postretirement plans, including an estimate of future cash contributions.

Environmental Reserves

We provide for environmental reserves on a site-by-site basis when, in conjunction with internal and external legal counsel, it is determined that a liability is both probable and estimable. In many cases, the liability is not fixed or capped when we first record a liability for a particular site. If only a range of potential liability can be estimated and no amount within the range is more probable than another, a reserve will be established at the low end of that range. At sites involving multiple parties, we accrue environmental liabilities based upon our expected share of the liability, taking into account the financial viability of our other jointly liable partners. Judgment is required when we make assumptions and estimate costs expected to be incurred for environmental remediation activities because of, among other factors, difficulties in assessing the extent and type of environmental remediation to be performed, the impact of complex environmental regulations and remediation technologies, and agreements between potentially responsible parties to share in the cost of remediation. In estimating the future liability and continually evaluating the sufficiency of such liabilities, we weigh certain factors including our participation percentage due to a settlement by or bankruptcy of other potentially responsible parties, a change in the environmental laws requiring more stringent requirements, an increase or decrease in the estimated time required to remediate, a change in the estimate of future costs that will be incurred to remediate the site, and changes in technology related to environmental remediation. We do not believe that continued compliance with environmental laws applicable to our operations will have a material adverse effect on our financial condition or results of operation. However, given the level of judgment and estimation used in the recording of environmental reserves, it is reasonably possible that materially different amounts could be recorded if different assumptions were used or if circumstances were to change, such as environmental regulations or remediation solution remedies.

As of December 31, 2010, our environmental reserves totaled \$20.8 million, the majority of which is long term. Approximately 41.9% of the environmental reserves represent the current value of our anticipated remediation costs and are not discounted primarily due to the uncertainty of timing of expenditures. The remaining environmental reserves are discounted to reflect the time value of money since the amount and timing of cash payments for the liability are reasonably determinable. All environmental reserves exclude any potential recovery from insurance carriers or third-party legal actions.

Purchase Accounting

We apply the purchase method of accounting to our acquisitions. Under this method, we allocate the cost of business acquisitions to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition, commonly referred to as the purchase price allocation. As part of the purchase price allocations for our business acquisitions, identifiable intangible assets are recognized as assets apart from goodwill if they arise from contractual or other legal rights, or if they are capable of being separated or divided from the acquired business and sold, transferred, licensed, rented, or exchanged. The purchase price is allocated to the underlying tangible and intangible assets acquired and liabilities assumed based on their respective fair market values, with any excess recorded as goodwill. We determine the fair values of such assets and liabilities, generally in consultation with third-party valuation advisors. Such fair value assessments require significant judgments and estimates such as projected cash flows, discount rates, royalty rates, and remaining useful lives that can differ materially from actual results. The analysis, while substantially complete, is finalized no later than twelve months from the date of acquisition. The fair value of assets acquired (net of cash) and liabilities assumed of our 2010 acquisitions were estimated to be \$50 million and \$8 million, respectively. See Note 2 to the Consolidated Financial Statements for further information on our purchase accounting.

Goodwill

We have \$694 million in goodwill as of December 31, 2010. Generally, the largest separately identifiable asset from the businesses that we acquire is the value of their assembled workforces, which includes the additional benefit received from management, administrative, marketing, business development, scientific, engineering, and technical employees of the acquired businesses. The success of our acquisitions, including the ability to retain existing business and to successfully compete for and win new business, is based on the additional benefit received from management, administrative, marketing, and business development, scientific, engineering, and technical skills and knowledge of our employees rather than on productive capital (plant and equipment, technology, and intellectual property). Therefore, since intangible assets for assembled workforces are part of goodwill, the substantial majority of the intangible assets for our acquired business acquisitions are recognized as goodwill.

The recoverability of goodwill is subject to an annual impairment test based on the estimated fair value of the underlying businesses. The test is performed in the fourth quarter, which coincides with the completion of our five-year strategic operating plan. Additionally, goodwill is tested for impairment when an event occurs or if circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount.

In our approach, we estimate the fair value of our reporting units considering both comparative market multiples as well as estimated discounted cash flows for the reporting units. The first step is to identify any potential impairment by comparing the carrying value of the reporting unit to its fair value. As a supplement, we conduct additional sensitivity analysis to assess the risk for potential impairment based upon changes in the key assumptions such as the discount rate, expected long-term growth rate, and cash flow projections. If an impairment is identified, the second step is to measure the impairment loss by comparing the implied fair value of goodwill with the carrying value of the goodwill on the reporting unit. Based upon the completion of our annual test, we determined that there was no impairment of value and that all reporting units' fair values were substantially in excess of their carrying amounts.

Other Intangible Assets

Other intangible assets are generally the result of acquisitions and consist primarily of purchased technology, customer related intangibles, and trademarks. Intangible assets are recorded at their fair values as determined through purchase accounting, based on estimates and judgments regarding expectations for the estimated future after-tax earnings and cash flows arising from follow on sales. Definite-lived intangible assets are amortized on a straight-line basis over their estimated useful lives, which range from 1 to 20 years, while indefinite-lived intangible assets are not amortized. Indefinite-lived intangible assets are reviewed for impairment annually based on the discounted future cash flows. Additionally, we review the recoverability of all intangible assets, including the related useful lives, whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. We would record any impairment in the reporting period in which it has been identified. Based upon the completion of our annual impairment review, we determined that there was no impairment of value.

Recently Issued Accounting Pronouncements

New accounting pronouncements have been issued which are not effective until after December 31, 2010. For further discussion of new accounting standards, see Note 1 to the Consolidated Financial Statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk .

We are exposed to certain market risks from changes in interest rates and foreign currency exchange rates as a result of our global operating and financing activities. We seek to minimize any material risks from foreign currency exchange rate fluctuations through our normal operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. We do not use such instruments for trading or other speculative purposes. We used forward foreign currency contracts to manage our currency rate exposures during the year ended December 31, 2010. Information regarding our accounting policy on financial instruments is contained in Note 1-L to the Consolidated Financial Statements.

The market risk for a change in interest rates relates primarily to our debt obligations. Our interest rate exposure was 70% and 76% fixed at December 31, 2010 and December 31, 2009, respectively. The variable rates on the Industrial Revenue Bonds are based on market rates. As of December 31, 2010, a change in interest rates of 1% would have an impact on consolidated interest expense of approximately \$1 million. Information regarding our 2005 and 2003 Notes, Revolving Credit Agreement, and Interest Rates Swaps is contained in Note 12 to the Consolidated Financial Statements.

Financial instruments expose us to counter-party credit risk for non-performance and to market risk for changes in interest and foreign currency rates. We manage exposure to counter-party credit risk through specific minimum credit standards, diversification of counter-parties, and procedures to monitor concentrations of credit risk. We monitor the impact of market risk on the fair value and cash flows of our investments by investing primarily in investment grade interest-bearing securities, which have short-term maturities. We attempt to minimize possible changes in interest and currency exchange rates to amounts that are not material to our consolidated results of operations and cash flows.

Although the majority of our sales, expenses, and cash flows are transacted in U.S. dollars, we do have market risk exposure to changes in foreign currency exchange rates, primarily as it relates to the value of the U.S. dollar versus the Canadian dollar, the British pound, the Euro, the Norwegian kroner, and the Swiss franc. Any significant change against the U.S. dollar in the value of the currencies of those countries in which we do business could have an effect on our business, financial condition, and results of operations. If foreign exchange rates were to collectively weaken or strengthen against the dollar by 10%, net earnings would have been reduced or increased, respectively, by approximately \$6 million as it relates exclusively to foreign currency exchange rate exposures.

C CONSOLIDATED STATEMENTS OF EARNINGS

For the years ended December 31,

	2010	2009	2008
	<i>(In thousands, except per share data)</i>		
Net sales	\$ 1,893,134	\$ 1,809,690	\$ 1,830,140
Cost of sales	1,271,381	1,214,159	1,214,061
Gross profit	621,753	595,531	616,079
Research and development expenses	(54,131)	(54,645)	(49,615)
Selling expenses	(111,773)	(106,187)	(107,308)
General and administrative expenses	(276,026)	(265,380)	(262,594)
Operating income	179,823	169,319	196,562
Interest expense	(22,107)	(25,066)	(29,045)
Other income, net	579	1,006	1,585
Earnings before income taxes	158,295	145,259	169,102
Provision for income taxes	(51,697)	(50,038)	(59,712)
Net earnings	\$ 106,598	\$ 95,221	\$ 109,390
Net earnings per share:			
Basic earnings per share	\$ 2.33	\$ 2.10	\$ 2.45
Diluted earnings per share	\$ 2.30	\$ 2.08	\$ 2.41

See notes to consolidated financial statements

CONSOLIDATED BALANCE SHEETS

At December 31,

	2010	2009
	<i>(In thousands, except share data)</i>	
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 68,119	\$ 65,010
Receivables, net	461,632	404,539
Inventories, net	281,103	285,608
Deferred tax assets, net	48,568	48,777
Other current assets	40,605	33,567
Total current assets	900,027	837,501
Property, plant, and equipment, net	397,280	401,149
Goodwill	693,572	648,452
Other intangible assets, net	240,197	242,506
Deferred tax assets, net	1,033	1,994
Other assets	9,909	10,439
Total assets	\$ 2,242,018	\$ 2,142,041
LIABILITIES		
Current liabilities:		
Current portion of long-term and short-term debt	\$ 2,602	\$ 80,981
Accounts payable	133,180	129,880
Accrued expenses	99,966	90,855
Income taxes payable	3,111	4,212
Deferred revenue	146,770	167,683
Other current liabilities	42,310	50,708
Total current liabilities	427,939	524,319
Long-term debt	394,042	384,112
Deferred tax liabilities, net	26,815	25,549
Accrued pension and other postretirement benefit costs	166,591	120,930
Long-term portion of environmental reserves	19,091	18,804
Other liabilities	47,437	41,570
Total liabilities	1,081,915	1,115,284
Contingencies and Commitments (Note 12, 15, 17, and 19)		
STOCKHOLDERS' EQUITY		
Common stock, \$1 par value, 100,000,000 shares authorized at December 31, 2010 and 2009; 48,557,638 and 48,213,472 shares issued at December 31, 2010 and 2009, respectively; outstanding shares were 46,133,766 at December 31, 2010 and 45,624,179 at December 31, 2009	48,558	48,214
Additional paid in capital	130,093	111,707
Retained earnings	1,072,459	980,590
Accumulated other comprehensive loss	(2,813)	(19,605)
	1,248,297	1,120,906
Less: Common treasury stock, at cost (2,423,872 shares at December 31, 2010 and 2,589,293 shares at December 31, 2009)	(88,194)	(94,149)
Total stockholders' equity	1,160,103	1,026,757
Total liabilities and stockholders' equity	\$ 2,242,018	\$ 2,142,041

See notes to consolidated financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31,

	2010	2009	2008
	(In thousands)		
Cash flows from operating activities:			
Net earnings	\$ 106,598	\$ 95,221	\$ 109,390
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	79,946	76,480	74,251
Net loss on sales and disposals of long-lived assets	1,446	1,917	804
Gain on bargain purchase	—	(1,937)	—
Deferred income taxes	2,828	(6,470)	(6,370)
Share-based compensation	13,378	15,264	13,663
Changes in operating assets and liabilities, net of businesses acquired and disposed of:			
(Increase) decrease in receivables	(60,208)	9,250	(20,230)
Decrease (increase) in inventories	10,640	17,819	(46,564)
Increase (decrease) in progress payments	6,493	(8,573)	8,227
Increase (decrease) in accounts payable and accrued expenses	9,925	(30,565)	8,582
(Decrease) increase in deferred revenue	(20,913)	28,724	33,332
Decrease in income taxes payable	(1,122)	(11,326)	(4,044)
Increase in net pension and postretirement liabilities	24,528	19,654	11,416
Decrease in other current and long-term assets	1,205	2,319	2,250
Decrease in other current and long-term liabilities	(3,034)	(11,198)	(4,886)
Total adjustments	65,112	101,358	70,431
Net cash provided by operating activities	171,710	196,579	179,821
Cash flows from investing activities:			
Proceeds from sales and disposals of long-lived assets	744	3,789	8,143
Acquisitions of intangible assets	(1,608)	(673)	(311)
Additions to property, plant, and equipment	(52,980)	(75,643)	(103,657)
Acquisition of businesses, net of cash acquired	(42,200)	(68,623)	(48,557)
Net cash used for investing activities	(96,044)	(141,150)	(144,382)
Cash flows from financing activities:			
Borrowings of debt	513,100	711,059	598,000
Principal payments on debt	(581,771)	(762,759)	(622,580)
Proceeds from exercise of share-based payments	10,560	10,557	9,905
Dividends paid	(14,729)	(14,559)	(14,381)
Excess tax benefits from share-based compensation	985	378	1,544
Net cash used for financing activities	(71,855)	(55,324)	(27,512)
Effect of exchange-rate changes on cash	(702)	4,200	(13,742)
Net increase (decrease) in cash and cash equivalents	3,109	4,305	(5,815)
Cash and cash equivalents at beginning of year	65,010	60,705	66,520
Cash and cash equivalents at end of year	\$ 68,119	\$ 65,010	\$ 60,705
Supplemental disclosure of investing activities:			
Fair value of assets acquired from current year acquisitions	\$ 49,939	\$ 81,103	\$ 133,159
Additional consideration paid (received) on prior year acquisitions	1,153	1,835	(1,447)
Liabilities assumed from current year acquisitions	(8,206)	(12,102)	(75,156)
Cash acquired	(686)	(276)	(7,999)
Gain on bargain purchase	—	(1,937)	—
Acquisition of businesses, net of cash acquired	\$ 42,200	\$ 68,623	\$ 48,557

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock	Additional Paid in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Comprehensive Income (Loss)	Treasury Stock
January 1, 2008	\$ 47,715	\$ 79,550	\$ 807,413	\$ 93,327		\$ (113,220)
Comprehensive income:						
Net earnings	—	—	109,390	—	\$ 109,390	—
Pension and postretirement adjustment, net	—	—	—	(87,313)	(87,313)	—
Foreign currency translation adjustments, net	—	—	—	(78,743)	(78,743)	—
Total comprehensive loss					\$ (56,666)	
Adjustment for pension and postretirement measurement date change, net						
	—	—	(2,494)	178		
Dividends paid	—	—	(14,381)	—		—
Stock options exercised, net	188	6,050	—	—		5,439
Share-based compensation	—	9,278	—	—		4,385
Other	—	(378)	—	—		378
December 31, 2008	\$ 47,903	\$ 94,500	\$ 899,928	\$ (72,551)		\$ (103,018)
Comprehensive income:						
Net earnings	—	—	95,221	—	\$ 95,221	—
Pension and postretirement adjustment, net	—	—	—	16,350	16,350	—
Foreign currency translation adjustments, net	—	—	—	36,596	36,596	—
Total comprehensive income					\$ 148,167	
Dividends paid						
	—	—	(14,559)	—		—
Stock options exercised, net	311	6,085	—	—		4,727
Share-based compensation	—	11,431	—	—		3,833
Other	—	(309)	—	—		309
December 31, 2009	\$ 48,214	\$ 111,707	\$ 980,590	\$ (19,605)		\$ (94,149)
Comprehensive income:						
Net earnings	—	—	106,598	—	\$ 106,598	—
Pension and postretirement adjustment, net	—	—	—	(14,791)	(14,791)	—
Foreign currency translation adjustments, net	—	—	—	31,583	31,583	—
Total comprehensive income					\$ 123,390	
Dividends paid						
	—	—	(14,729)	—		—
Stock options exercised, net	344	6,937	—	—		4,026
Share-based compensation	—	11,768	—	—		1,610
Other	—	(319)	—	—		319
December 31, 2010	\$ 48,558	\$ 130,093	\$ 1,072,459	\$ (2,813)		\$ (88,194)

See notes to consolidated financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Curtiss-Wright Corporation and its subsidiaries (the “Corporation”) is a diversified multinational manufacturing and service company that designs, manufactures, and overhauls precision components and systems and provides highly engineered products and services to the aerospace, defense, automotive, shipbuilding, processing, oil, petrochemical, agricultural equipment, railroad, power generation, security, and metalworking industries. Operations are conducted through 56 manufacturing facilities and 61 metal treatment service facilities.

A. Principles of Consolidation

The consolidated financial statements include the accounts of Curtiss-Wright and its majority-owned subsidiaries. All intercompany transactions and accounts have been eliminated.

B. Use of Estimates

The financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States of America, which requires management to make estimates and judgments that affect the reported amount of assets, liabilities, revenue, and expenses and disclosure of contingent assets and liabilities in the accompanying financial statements. The most significant of these estimates includes the estimate of costs to complete long-term contracts under the percentage-of-completion accounting methods, the estimate of useful lives for property, plant, and equipment, cash flow estimates used for testing the recoverability of assets, pension plan and postretirement obligation assumptions, estimates for inventory obsolescence, estimates for the valuation and useful lives of intangible assets, warranty reserves, legal reserves, and the estimate of future environmental costs. Actual results may differ from these estimates.

C. Revenue Recognition

The realization of revenue refers to the timing of its recognition in the accounts of the Corporation and is generally considered realized or realizable and earned when the earnings process is substantially complete and all of the following criteria are met: 1) persuasive evidence of an arrangement exists; 2) delivery has occurred or services have been rendered; 3) the Corporation’s price to its customer is fixed or determinable; and 4) collectability is reasonably assured.

The Corporation records sales and related profits on production and service type contracts as units are shipped and title and risk of loss have transferred or as services are rendered, net of estimated returns and allowances. Sales and estimated profits under certain long-term contracts are recognized under the percentage-of-completion methods of accounting, whereby profits are recorded pro rata, based upon current estimates of direct and indirect costs to complete such contracts. In addition, the Corporation also records sales under certain long-term government fixed price contracts upon achievement of performance milestones as specified in the related contracts. Losses on contracts are provided for in the period in which the losses become determinable. Revisions in profit estimates are reflected on a cumulative basis in the period in which the basis for such revision becomes known. The excess of the billings over cost and estimated earnings on long-term contracts is included in deferred revenue.

D. Cash and Cash Equivalents

Cash equivalents consist of money market funds and commercial paper that are readily convertible into cash, all with original maturity dates of three months or less.

E. Inventory

Inventories are stated at lower of production cost (principally average cost) or market. Production costs are comprised of direct material and labor and applicable manufacturing overhead.

F. Progress Payments

Certain long-term contracts provide for interim billings as costs are incurred on the respective contracts. Pursuant to contract provisions, agencies of the U.S. Government and other customers are granted title or a secured interest for materials and work-in-process included in inventory to the extent progress payments are received. Accordingly, these receipts have been reported as a reduction of unbilled receivables and inventories, as presented in Notes 3 and 4 to the Consolidated Financial Statements.

G. Property, Plant, and Equipment

Property, plant, and equipment are carried at cost less accumulated depreciation. Major renewals and betterments are capitalized, while maintenance and repairs that do not improve or extend the life of the asset are expensed in the period they are incurred. Depreciation is computed using the straight-line method based upon the estimated useful lives of the respective assets.

Average useful lives for property, plant, and equipment are as follows:

Buildings and improvements	5 to 40 years
Machinery, equipment, and other	3 to 15 years

H. Intangible Assets

Intangible assets are generally the result of acquisitions and consist primarily of purchased technology, customer related intangibles, trademarks and service marks, and technology licenses. Definite lived intangible assets are amortized on a straight-line basis over their estimated useful lives, which range from 1 to 20 years, while indefinite lived intangible assets are not amortized. Indefinite lived intangible assets are reviewed for impairment annually based on the discounted future cash flows. See Note 7 to the Consolidated Financial Statements for further information on other intangible assets.

I. Impairment of Long-Lived Assets

The Corporation reviews the recoverability of all long-lived assets, including the related useful lives, whenever events or changes in circumstances indicate that the carrying amount of a long-lived asset might not be recoverable. If required, the Corporation compares the estimated fair value determined by either the undiscounted future net cash flows, or appraised value, to the related asset's carrying value to determine whether there has been an impairment. If an asset is considered impaired, the asset is written down to fair value, which is based either on discounted cash flows or appraised values in the period the impairment becomes known. In 2010, the Corporation recognized a \$1.5 million impairment related to two facilities where it was determined that their carrying value exceeded their estimated fair value. In 2009, the Corporation recognized a \$1.1 million impairment related to two facilities that were associated with the business restructuring plan. There were no such impairments recorded in 2008.

J. Goodwill

Goodwill results from business acquisitions. The Corporation accounts for business acquisitions by allocating the purchase price to tangible and intangible assets and liabilities. Assets acquired and liabilities assumed are recorded at their fair values, and the excess of the purchase price over the amounts allocated is recorded as goodwill. The recoverability of goodwill is subject to an annual impairment test or whenever an event occurs or circumstances change that would more likely than not result in an impairment. The impairment test is based on the estimated fair value of the underlying businesses. Goodwill impairment tests performed as of October 31, 2010, 2009, and 2008 concluded that no impairment charges were required as of those dates. See Note 6 to the Consolidated Financial Statements for further information on goodwill.

K. Pre-Contract Costs

The Corporation, from time to time, incurs costs to begin fulfilling the statement of work under a specific anticipated contract that has yet to be obtained from a customer. If it is determined that the recoveries of these costs are probable, the costs will be capitalized, excluding any start-up costs which are expensed as incurred. When circumstances change and the contract is no longer deemed probable, the capitalized costs will be recognized in earnings. There were no costs in 2010 and 2009 that were written off. There were \$1.6 million in capitalized costs that were deemed not probable and expensed into earnings during 2008. Capitalized pre-contract costs were \$0.7 million and \$3.7 million at December 31, 2010 and 2009, respectively.

L. Fair Value of Financial Instruments

Accounting guidance requires certain disclosures regarding the fair value of financial instruments. Due to the short maturities of cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses, the net book value of these financial instruments is deemed to approximate fair value. See Notes 8 and 12 to the Consolidated Financial Statements for further information.

M. Research and Development

The Corporation funds research and development programs for commercial products and independent research and development and bid and proposal work related to government contracts. Development costs include engineering and field support for new customer requirements. Corporation-sponsored research and development costs are expensed as incurred.

Research and development costs associated with customer-sponsored programs are capitalized to inventory and are recorded in cost of sales when products are delivered or services performed. Funds received under shared development contracts are a reduction of the total development expenditures under the shared contract and are shown net as research and development costs.

N. Environmental Costs

The Corporation establishes a reserve for a potential environmental remediation liability on a site by site basis when it concludes that a determination of legal liability is probable and the amount of the liability can be reasonably estimated based on current law and existing technologies. Such amounts, if quantifiable, reflect the Corporation's estimate of the amount of that liability. If only a range of potential liability can be estimated and no amount within the range is more probable than another, a reserve will be established at the low end of that range. At sites involving multiple parties, the Corporation accrues environmental liabilities based upon its expected share of the liability, taking into account the financial viability of other jointly liable partners. Such reserves, which are reviewed quarterly, are adjusted as assessment and remediation efforts progress or as additional information becomes available. Approximately 41.9% of the Corporation's environmental reserves as of December 31, 2010, represent the current value of anticipated remediation costs and are not discounted primarily due to the uncertainty of timing of expenditures. The remaining environmental reserves are discounted to reflect the time value of money since the amount and timing of cash payments for the liability are reliably determinable. All environmental reserves exclude any potential recovery from insurance carriers or third-party legal actions. See Note 15 to the Consolidated Financial Statements for additional information.

O. Accounting for Share-Based Payments

The Corporation follows the fair value based method of accounting for share-based employee compensation, which requires the Corporation to expense all share-based employee compensation. Share-based employee compensation is primarily a non-cash expense since the Corporation settles these obligations by issuing the shares of Curtiss-Wright Corporation instead of settling such obligations with cash payments.

Compensation expense for all non-qualified share options, performance shares, performance-based restricted shares, time-based restricted stock, and performance-based restricted stock units is recognized on a graded schedule over the requisite service period for the entire award based on the grant date fair value.

P. Capital Stock

The Corporation is authorized to repurchase 900,000 shares under its existing stock repurchase program. Purchases are authorized to be made from time to time in the open market or through privately negotiated transactions depending on market and other conditions, whenever management believes that the market price of the stock does not adequately reflect the true value of the Corporation and, therefore, represents an attractive investment opportunity. The shares are held at cost and reissuance is recorded at the weighted-average cost. Through December 31, 2010, the Corporation had repurchased 210,930 shares under this program. There was no stock repurchased during 2010, 2009, and 2008 and the Corporation does not expect to repurchase any shares during 2011.

Q. Earnings Per Share

The Corporation is required to report both basic earnings per share ("EPS"), based on the weighted-average number of Common shares outstanding, and diluted earnings per share, based on the basic EPS adjusted for all potentially dilutive shares issuable. The calculation of EPS is disclosed in Note 13 to the Consolidated Financial Statements.

R. Income Taxes

The Corporation accounts for income taxes using the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. The effect on deferred tax assets and liabilities

of a change in tax laws is recognized in the results of operations in the period the new laws are enacted. A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets unless it is more likely than not that such assets will be realized.

The Corporation records amounts related to uncertain income tax positions by 1) prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements and 2) the measurement of the income tax benefits recognized from such positions. The Corporation's accounting policy is to classify uncertain income tax positions that are not expected to be resolved in one year as a non-current income tax liability and to classify interest and penalties as a component of "Interest expense" and "General, and administrative expenses", respectively. See Note 11 to the Consolidated Financial Statements for further information.

S. Foreign Currency

For operations outside the United States of America that prepare financial statements in currencies other than the U.S. dollar, the Corporation translates assets and liabilities at period-end exchange rates and income statement amounts using weighted-average exchange rates for the period. The cumulative effect of translation adjustments is presented as a component of accumulated other comprehensive income within stockholders' equity. This balance is affected by foreign currency exchange rate fluctuations and by the acquisition of foreign entities. Gains/(losses) from foreign currency transactions are included in general and administrative expenses within the results of operations, which amounted to \$(4.2) million, \$(4.7) million, and \$14.3 million for the years ended December 31, 2010, 2009, and 2008, respectively.

T. Derivatives

The Corporation uses financial instruments, such as forward exchange and currency option contracts, to hedge a portion of existing and anticipated foreign currency denominated transactions. The purpose of the Corporation's foreign currency risk management program is to reduce volatility in earnings caused by exchange rate fluctuations. All of the derivative financial instruments are recorded at fair value based upon quoted market prices for comparable instruments, with the gain or loss on these transactions recorded into earnings in the period in which they occur. These gains/(losses) are classified as general and administrative expenses in the Consolidated Statements of Earnings and amounted to \$3.1 million, \$2.5 million and \$(19.1) million for the years ended December 31, 2010, 2009 and 2008, respectively. The Corporation does not use derivative financial instruments for trading or speculative purposes.

U. Recently Issued Accounting Standards

Adoption of New Standards

Disclosure of Supplementary Pro Forma Information for Business Combinations

In December 2010, new guidance was issued that clarifies proforma disclosures for material business combination(s). The new guidance clarifies that when an entity discloses proforma information for material business combination(s), the entity should disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. The amendments in the update also expand the supplemental proforma disclosures to include a description of the nature and amount of material, nonrecurring proforma adjustments directly attributable to the business combination included in the reported proforma revenue and earnings. The adoption of this guidance did not have an effect on our disclosures.

Improving Disclosures About Fair Value Measurements

In February 2010, new guidance was issued which adds new requirements for disclosures about transfers into and out of Level 1 and 2 measurements and separate disclosures about purchases, sales, issuances, and settlements related to Level 3 measurements.

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

The guidance also clarifies existing fair value disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value. In addition, employers' disclosures about postretirement benefit plan assets are required to disclose classes of assets instead of major categories of assets. The new guidance was effective for the first reporting period

beginning after December 15, 2009, except for the requirement to provide the Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which will be effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The adoption of this guidance did not have a material impact on our disclosures. See Note 8 to the Consolidated Financial Statements for additional information.

Amendments to Certain Recognition and Measurement Requirements

In February 2010, new guidance was issued to provide certain recognition and disclosure requirements surrounding subsequent events, which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. This guidance requires U.S. Securities and Exchange Commission (“SEC”) filers to evaluate subsequent events through the date that the financial statements are issued and by removing the requirement for SEC filers to disclose the date through which subsequent events have been evaluated. The new guidance was effective upon issuance.

Standards Issued But Not Yet Effective

Revenue Recognition – Milestone Method

In April 2010, new guidance was issued that provides the criteria that should be met for determining whether the milestone method of revenue recognition is appropriate, as well as the associated disclosure requirements. The new guidance clarifies that a vendor can recognize consideration that is contingent on achieving a milestone as revenue in the period in which the milestone is achieved only if the milestone meets all criteria to be considered substantive. The new guidance is effective for fiscal years beginning after June 15, 2010. We do not anticipate that the adoption of this guidance will have a material impact on the Corporation’s results of operations or financial condition.

Revenue Arrangements with Multiple Deliverables

In September 2009, new guidance was issued on revenue arrangements with multiple deliverables. The new guidance modifies the requirements for determining whether a deliverable can be treated as a separate unit of accounting by removing the criteria that verifiable and objective evidence of fair value exists for undelivered items, establishes a selling price hierarchy to help entities allocate arrangement consideration to separate units of account, requires the relative selling price allocation method for all arrangements, and expands required disclosures. The new guidance is effective for fiscal years beginning after June 15, 2010. We do not anticipate that the adoption of this guidance will have a material impact on the Corporation’s results of operations or financial condition.

Certain Revenue Arrangements That Include Software Elements

In September 2009, guidance was issued on certain revenue arrangements that include software elements. The guidance amended past guidance on software revenue recognition to exclude from scope all tangible products containing both software and non-software elements that function together to interdependently deliver the product’s essential functionality. The new guidance is effective for fiscal years beginning after June 15, 2010. We do not anticipate that the adoption of this guidance will have a material impact on the Corporation’s results of operations or financial condition.

2. ACQUISITIONS AND DISPOSITION OF LONG LIVED ASSET

The Corporation acquired two businesses in 2010; both of which are described in more detail below. In 2009, the Corporation acquired five businesses and disposed of one product line, with three of the acquired businesses described in more detail below. The two remaining acquisitions in 2009 had an aggregate purchase price of \$5.5 million and were purchased by the Flow Control segment. The disposition of a product line in the Flow Control segment for \$2.5 million was not reported as discontinued operations as the amount was not considered significant. The Corporation also acquired four businesses and disposed of one business in 2008. Three of the acquired businesses and the disposition are described in more detail below. The acquisitions have been accounted for as purchases under the guidance for business combinations, where the excess of the purchase price over the estimated fair value of the net tangible and intangible assets acquired is generally recorded as goodwill. In 2009, one of the acquisitions, Nu-Torque, resulted in an excess of the fair value of assets acquired over the purchase price, and was accounted for as a bargain purchase under the revised accounting standard for business combinations effective in 2009. The bargain purchase resulted in a gain in the consolidated statement of earnings and was recorded in general and administrative expenses. The Corporation allocates the purchase price, including the value of identifiable intangibles with a

finite life based upon analysis, including input from third party appraisals. The analysis, while substantially complete, is finalized no later than twelve months from acquisition.

The results of the acquired businesses have been included in the consolidated financial results of the Corporation from the date of acquisition in the segment indicated as follows:

FLOW CONTROL

EST Group, Inc.

On March 5, 2009, the Corporation acquired all the issued and outstanding stock of EST Group, Inc. (“EST”), and certain assets and liabilities from Township Line Realty, L.P. for \$40.0 million in cash. Under the terms of the Stock Purchase Agreement, the Corporation deposited \$4.2 million into escrow as security for potential indemnification claims against the seller. An escrow of \$0.9 million was established to indemnify the Corporation for a pending product warranty claim outstanding at the time of acquisition. This holdback will be released to either the Corporation or seller upon resolution of the warranty claim. Management funded the purchase from the Corporation’s revolving credit facility.

The purchase price of the acquisition has been allocated to the net tangible and intangible assets acquired with the remainder recorded as goodwill on the basis of estimated fair values, as follows:

(In thousands)

Accounts receivable	\$	3,244
Inventory		4,208
Property, plant, and equipment		7,325
Other current assets		1,109
Intangible assets		12,500
Current and non-current liabilities		(2,758)
Net tangible and intangible assets		25,628
Purchase price		40,000
Goodwill	\$	14,372

The Corporation has determined that the goodwill is tax deductible.

EST provides engineered products and comprehensive repair services for heat management and cooling systems utilized in the energy and defense markets. EST had 99 employees as of the date of the acquisition and is headquartered in Hatfield, PA with an additional location in Baytown, TX, and a sales office in the Netherlands. Revenues of the acquired business were \$19.6 million for the fiscal year ended September 30, 2008.

Nu-Torque

On January 16, 2009, the Corporation acquired certain assets of the Nu-Torque division (“Nu-Torque”) of Tyco Valves & Controls LP. The purchase price of the acquisition was \$5.3 million in cash after giving effect to post-closing customary adjustments as provided for in the Asset Purchase Agreement and the assumption of certain liabilities of Nu-Torque. Management funded the purchase from the Corporation’s revolving credit facility.

The acquisition has been accounted for as a bargain purchase under the guidance for business combinations. The purchase price of the acquisition has been allocated to the net tangible and intangible assets acquired, with the excess of the fair value of assets acquired over the purchase price recorded as a gain. The Corporation has estimated that \$0.8 million of the acquired intangible assets will be tax deductible.

(In thousands)

Accounts receivable	\$	853
Inventory		4,329
Property, plant, and equipment		161
Other current assets		47
Intangible assets		2,900
Current and non-current liabilities		(1,021)
Net tangible and intangible assets		7,269
Purchase price		5,332
Gain on Bargain Purchase	\$	1,937

Nu-Torque is a designer and manufacturer of electric and hydraulic valve actuation and control devices primarily for Navy ships. Nu-Torque is located in Redmond, WA and had 37 employees as of the date of the acquisition. Revenues of the acquired business were \$7.9 million for the fiscal year ended September 30, 2008.

MOTION CONTROL

Specialist Electronics Services Limited

On June 21, 2010, the Corporation acquired all the issued and outstanding stock of Specialist Electronics Services Ltd. ("SES") for £15.0 million (\$22.1 million), net of cash acquired. Under the terms of the Share Purchase Agreement, the Corporation deposited £1.9 million (\$2.8 million) into escrow as security for potential indemnification claims against the seller. The escrow amount will be held for a period of twenty-four months, provided that 50% of the escrow will be released after twelve months subject to amounts held back for pending claims. Management funded the purchase from a combination of cash generated from foreign operations and the Corporation's revolving credit facility.

The purchase price of the acquisition has been allocated to the net tangible and intangible assets acquired with the remainder recorded as goodwill on the basis of estimated fair values, as follows:

(US dollars in thousands)

Accounts receivable	\$	1,683
Inventory		977
Property, plant, and equipment		74
Other current assets		25
Intangible assets		8,115
Current and non-current liabilities		(2,188)
Deferred Income Taxes		(2,255)
Net tangible and intangible assets		6,431
Purchase price		22,131
Goodwill	\$	15,700

The goodwill of £10.6 million (\$15.7 million) consists largely of synergies achieved through the introduction of SES products to the Corporation's distribution channels as well as synergies achieved from combining the operations of SES with the Corporation's United Kingdom based operations. The Corporation has determined that the goodwill will not be deductible for tax purposes.

SES provides a range of rugged products for airborne and other severe environments, with particular expertise in solid state data recording, computing and control display units. Key platforms include fixed-wing, rotary-wing, and unmanned aircraft, tactical vehicles, and navy vessels. SES is located in Camberley, United Kingdom and had 41 employees as of the date of the acquisition. Revenues of the acquired business were £4.7 million (\$7.5 million) for the fiscal year ended May 31, 2010.

Hybricon Corporation

On June 1, 2010, the Corporation acquired all the issued and outstanding stock of Hybricon Corporation (“Hybricon”) for \$19.0 million in cash. Under the terms of the Stock Purchase Agreement, the Corporation deposited \$2.3 million into escrow as security for potential indemnification claims against the seller. The escrow amount will be held for a period of eighteen months, provided that 50% of the escrow will be released after twelve months subject to amounts held back for pending claims. Management funded the purchase from the Corporation’s revolving credit facility.

The purchase price of the acquisition has been allocated to the net tangible and intangible assets acquired with the remainder recorded as goodwill on the basis of estimated fair values, as follows:

(In thousands)

Accounts receivable	\$	2,273
Inventory		2,075
Property, plant, and equipment		151
Other current assets		68
Intangible assets		6,677
Current and non-current liabilities		(1,420)
Deferred income taxes		(2,287)
<hr/>		
Net tangible and intangible assets		7,537
Purchase price		18,976
<hr/>		
Goodwill	\$	11,439

The goodwill of \$11.4 million consists largely of synergies from combining the operations of Hybricon with the Corporation’s Electronic Systems business in Littleton, MA as well as value associated with the acquisition’s assembled workforce. The Corporation has determined that the goodwill will not be deductible for tax purposes.

Hybricon designs and manufactures custom and standards-based enclosures and electronic backplanes for defense and commercial applications, and is a leading supplier for predominant embedded commercial-off-the-shelf system architectures. Hybricon had 72 employees as of the date of the acquisition and was located in Ayer, MA prior to their relocation to the existing Curtiss-Wright facility in Littleton, MA in December 2010. Revenues of the acquired business were \$16.8 million for the fiscal year ended June 30, 2009.

Skyquest Systems Limited

On December 18, 2009, the Corporation acquired all of the issued and outstanding capital stock of Skyquest Systems Limited (“SSL” or “Skyquest”). The purchase price of the acquisition, subsequent to customary adjustments provided for in the Stock Purchase Agreement, was £9.8 million (\$15.8 million) in cash and the assumption of certain liabilities.

In addition, the Stock Purchase Agreement provides for additional consideration to the selling shareholders contingent upon SSL exceeding certain sales targets over a two-year period. Based on the estimated amount of sales over the two year measurement period, the Corporation recorded a liability of the estimated fair value of the contingent consideration in the amount of £1.8 million (\$2.9 million). Based on fiscal 2010 sales results, Skyquest did not attain the contingent consideration target for the first measurement period, resulting in a gain from operations of £0.4 million (\$0.7 million). The remaining liability for contingent consideration is £1.4 million (\$2.2 million) as of December 31, 2010. Under the terms of the Stock Purchase Agreement, the Corporation deposited £1.5 million (\$2.4 million) into escrow as security for potential indemnification claims against the seller. Any amount of holdback remaining after the claims for indemnification have been settled will be paid as follows: (i) an initial release of one-third of the holdback less amounts held in reserve to cover pending claims for indemnification in 12 months after the closing date and (ii) a final release of the remaining balance of the holdback less amounts held in reserve to cover pending claims for indemnification in 24 months after the closing date. Since no claims were raised during the 12 months following the closing, one-third of the funds held in escrow was released to the seller. Management funded the acquisition from the Corporation’s available cash.

The purchase price of the acquisition has been allocated to the net tangible and intangible assets acquired with the remainder recorded as goodwill on the basis of estimated fair values, as follows:

(US dollars in thousands)

Accounts receivable	\$	1,635
Inventory		1,448
Property, plant, and equipment		189
Other current assets		52
Intangible assets		7,748
Current Liabilities		(1,519)
Deferred Income Taxes		(2,270)
Contingent consideration		(2,925)
Net tangible and intangible assets		4,358
Purchase price		15,790
Goodwill	\$	11,432

Skyquest is a supplier of aircraft video displays, recorders, and video/radar converters for surveillance aircraft applications in the aerospace and defense markets. Skyquest's display and recorder technology supports demanding airborne surveillance missions with proven reliability in harsh environments. Key products include the Video Management System, which provides fully integrated systems that enable observers and pilots to independently select, view, and record images with maximum fidelity. Skyquest also develops lightweight, airworthy standard and High Definition video recorders for airborne surveillance.

Located in Basildon, United Kingdom, SSL was formed from two businesses, Skyquest Ltd. and Real-Time Vision Ltd., founded in 1996 and 1998, respectively. SSL is a part of the Corporation's Motion Control segment within the Embedded Computing division. Revenues of the acquired business were £5.0 million (\$8.0 million) for the year ended December 31, 2009.

VMETRO ASA

On October 15, 2008, the Corporation completed a voluntary cash tender offer for all of the issued and outstanding capital stock of VMETRO ASA ("VMETRO") at Norwegian Kroner ("NOK") 12.06 per share. The purchase price of the acquisition was NOK 292.3 million (\$46.3 million) in cash and the assumption of NOK 148 million (\$23.5 million) of net debt. Management funded the acquisition from the Corporation's revolving credit facility. VMETRO is part of the Corporation's Motion Control segment within the Embedded Computing division. Revenues of the purchased business were 307 million NOK (\$52.5 million) for the period ended December 31, 2007.

The purchase price of the acquisition has been allocated to the net tangible and intangible assets acquired, with the remainder recorded as goodwill, on the basis of estimated fair values. The excess of the purchase price over the fair value of the net assets acquired is NOK 287 million (\$49.3 million) at December 31, 2010. The goodwill is not deductible for tax purposes.

As part of the acquired liabilities of VMETRO, the Corporation established a \$7.6 million restructuring accrual as of the acquisition date for costs to exit the activities of certain facilities, including lease cancellation costs and external legal and consulting fees, as well as severance and relocation costs for certain employees of the acquired business. The major activities of these closed facilities have been integrated into other existing embedded computing facilities. Employees identified for involuntary termination consist of engineers, sales personnel, and administrative and executive staff. The exit activities were completed in the third quarter of 2010. See Note 10 to the Consolidated Financial Statements for further financial information regarding this restructuring accrual.

VMETRO is a supplier of commercial off-the-shelf board and system-level embedded computing products for applications in aerospace, defense, industrial, communication, and medical markets. Key products provide real-time computing capabilities, high-density radar processing, data recording, and network storage systems. Application of these products as components or subsystems enables improved response time and critical protection in server and storage appliances, utility mapping, and ground penetrating radar.

VMETRO operates globally with its headquarters and principal engineering located in Oslo, Norway. Additional sales, engineering, and distribution networks are established in Germany, France, the United States, and the United Kingdom.

Mechetronics Holdings Limited

On October 1, 2008, the Corporation acquired all of the issued and outstanding capital stock of Mechetronics Holding Ltd. and all subsidiaries (“Mechetronics”). The purchase price of the acquisition, subject to customary adjustments provided for in the Stock Purchase Agreement, was £1.3 million (\$2.3 million) in cash and the assumption of certain liabilities. Management funded the acquisition from the Corporation’s available cash. The business is a part of the Corporation’s Motion Control segment within the Integrated Sensing division. Revenues of the purchased business were approximately £5.0 million (\$10.0 million) for the period ended July 31, 2008.

The purchase price of the acquisition has been allocated to the net tangible and intangible assets acquired, with the remainder recorded as goodwill, on the basis of estimated fair values. The excess of the purchase price over the fair value of the net assets acquired is £2.2 million (\$3.5 million) at December 31, 2010. The goodwill is not deductible for tax purposes.

Mechetronics is a global supplier of solenoids and solenoid valves to OEMs. A solenoid is an electromagnetic actuator used as a mechanical switch or integrated with a valve to provide control in pneumatic or hydraulic systems. The Mechetronics products are used in a variety of applications including business machines, switchgear and vehicle braking systems.

Mechetronics operations are headquartered in a 27,000 square-foot facility in Bishop Auckland, United Kingdom, and include a new production facility opened in Zhuhai, China in 2007.

Curtiss-Wright Accessory Services

On May 9, 2008, the Corporation sold its third-party commercial aerospace repair and overhaul business located in Miami, Florida for \$8.0 million. The determination was made to divest the business because third-party repair work was not considered a core business of the Corporation. This business was part of the Motion Control segment and contributed \$18.5 million in sales and \$1.8 million in pretax income for the year ended December 31, 2007. On the date of sale, the business had assets of \$8.7 million and liabilities of \$1.1 million, which combined with transaction costs of \$0.7 million, resulted in a \$0.3 million loss, which is classified as a reduction of Other Income, net on the Consolidated Statements of Earnings. The Corporation did not report the disposal as discontinued operations as the amounts are not considered significant. On March 31, 2008, the Corporation performed a goodwill impairment test of the portion of the reporting unit that was retained and concluded that no impairment charges were required.

METAL TREATMENT

Parylene Coating Services

On September 4, 2008, the Corporation acquired certain assets and certain liabilities of Parylene Coating Services, Inc. (“PCS”). The purchase price of the acquisition was \$7.6 million after giving effect to customary post-closing adjustments as provided for in the Asset Purchase Agreement (“APA”) and the assumption of certain liabilities of PCS. Management funded the purchase from the Corporation’s revolving credit facility.

The purchase price of the acquisition has been allocated to the net tangible and intangible assets acquired with the remainder recorded as goodwill on the basis of fair values. The excess of the purchase price over the fair value of the net assets acquired is \$5.0 million at December 31, 2010. The Corporation has determined that the goodwill is tax deductible.

PCS applies parylene coatings primarily for the medical device industry. PCS applies parylene coatings to medical devices, including coronary artery stents, rubber/silicone seals, and wire forming mandrels used in the manufacture of catheters. The conformal coating provides lubricity; resistance to solvents, radiation, and bacteria; and is also biocompatible. In addition to medical applications, parylene coatings are uniquely suited for use in niche electronic, oil and gas, and general industrial applications. PCS is headquartered and operates one facility in Katy, Texas. Revenues of the acquired business were \$2.6 million for the year ended December 31, 2007.

3. RECEIVABLES

Receivables include current notes, amounts billed to customers, claims, other receivables, and unbilled revenue on long-term contracts, consisting of amounts recognized as sales but not billed. Substantially all amounts of unbilled receivables are expected to be billed and collected in the subsequent year.

Credit risk is generally diversified due to the large number of entities comprising the Corporation's customer base and their geographic dispersion. The Corporation is either a prime contractor or subcontractor to various agencies of the U.S. Government. Revenues derived directly and indirectly from government sources (primarily the U.S. Government) were 41%, 42%, and 36% of consolidated revenues in 2010, 2009, and 2008, respectively. Accounts receivable due directly or indirectly from these government sources represented 35% of net receivables for December 31, 2010 and 34% for 2009. No single commercial customer accounted for more than 10% of the Corporation's net receivables as of December 31, 2010 and 2009.

The Corporation performs ongoing credit evaluations of its customers and establishes appropriate allowances for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends, and other information. The composition of receivables is as follows as of December 31:

<i>(In thousands)</i>	2010	2009
Billed receivables:		
Trade and other receivables	\$ 282,483	\$ 264,191
Less: Allowance for doubtful accounts	(3,972)	(3,997)
Net billed receivables	278,511	260,194
Unbilled receivables:		
Recoverable costs and estimated earnings not billed	210,766	163,115
Less: Progress payments applied	(27,645)	(18,770)
Net unbilled receivables	183,121	144,345
Receivables, net	\$ 461,632	\$ 404,539

The net receivable balance at December 31, 2010, included \$4.3 million related to the Corporation's 2010 acquisitions.

4. INVENTORIES

Inventoried costs contain amounts relating to long-term contracts and programs with long production cycles, a portion of which will not be realized within one year. Inventories are valued at the lower of cost (principally average cost) or market. The composition of inventories is as follows as of December 31:

<i>(In thousands)</i>	2010	2009
Raw material	\$ 147,950	\$ 131,108
Work-in-process	69,302	67,351
Finished goods and component parts	73,419	84,674
Inventoried costs related to U.S. Government and other long-term contracts	41,029	53,597
Gross inventories	331,700	336,730
Less: Inventory reserves	(41,596)	(39,739)
Progress payments applied, principally related to long-term contracts	(9,001)	(11,383)
Inventories, net	\$ 281,103	\$ 285,608

The net inventory balance at December 31, 2010 included \$3.1 million related to the Corporation's 2010 acquisitions.

5. PROPERTY, PLANT, AND EQUIPMENT

The composition of property, plant, and equipment is as follows as of December 31:

<i>(In thousands)</i>	2010	2009
Land	\$ 22,315	\$ 20,970
Buildings and improvements	175,832	170,468
Machinery, equipment, and other	605,233	574,541
Property, plant, and equipment, at cost	803,380	765,979
Less: Accumulated depreciation	(406,100)	(364,830)
Property, plant, and equipment, net	\$ 397,280	\$ 401,149

Depreciation expense for the years ended December 31, 2010, 2009, and 2008 was \$53.9 million, \$50.1 million, and \$47.2 million, respectively.

6. GOODWILL

Goodwill consists primarily of the excess purchase price of acquisitions over the fair value of the net assets acquired.

The changes in the carrying amount of goodwill for 2010 and 2009 are as follows:

<i>(In thousands)</i>	Flow Control	Motion Control	Metal Treatment	Consolidated
December 31, 2008	\$ 285,592	\$ 294,836	\$ 28,470	\$ 608,898
Goodwill from 2009 acquisitions	15,612	11,782	—	27,394
Change in estimate to fair value of net assets acquired in prior year	(37)	(3,662)	—	(3,699)
Additional consideration of prior years' acquisitions	544	619	3	1,166
Foreign currency translation adjustment	6,340	7,971	382	14,693
December 31, 2009	\$ 308,051	\$ 311,546	\$ 28,855	\$ 648,452
Goodwill from 2010 acquisitions		27,139		27,139
Change in estimate to fair value of net assets acquired in prior year	16			16
Additional consideration of prior years' acquisitions		(1,066)		(1,066)
Other adjustments		(902)		(902)
Foreign currency translation adjustment	1,980	17,890	63	19,933
December 31, 2010	\$ 310,047	\$ 354,607	\$ 28,918	\$ 693,572

During 2010, the Corporation finalized the allocation of the purchase price for all businesses acquired prior to 2010. None of the goodwill on the 2010 acquisitions is deductible for tax purposes, while approximately \$14.4 million of the goodwill on acquisitions made during 2009 is deductible for tax purposes.

The Corporation completed its annual goodwill impairment testing as of October 31, 2010, 2009, and 2008 and concluded that there was no impairment of value.

As of January 1, 2010, one of the Corporation's Canadian entities changed its functional currency from the U.S. dollar to the Canadian dollar. The nature of this operation's cash flow changed from predominantly U.S. dollar to the Canadian dollar, therefore requiring the change in functional currency. In accordance with the guidance on foreign currency translation, an adjustment of \$13.4 million, attributable to current-rate translation, was recorded to goodwill. This adjustment resulted in an increase to goodwill and is reported within the "Foreign currency translation adjustment" caption above.

7. OTHER INTANGIBLE ASSETS, NET

Intangible assets are generally the result of acquisitions and consist primarily of purchased technology, customer related intangibles, and trademarks. Intangible assets are amortized over useful lives that range between 1 and 20 years.

The following table summarizes the intangible assets acquired (including their weighted-average useful lives) by the Corporation during 2010 and 2009. No indefinite lived intangible assets were purchased in 2010 or 2009.

<i>(In thousands, except years data)</i>	2010		2009	
	Amount	Years	Amount	Years
Technology	\$ 5,384	7.0	\$ 10,675	9.3
Customer related intangibles	10,721	11.9	16,427	13.1
Other intangible assets	295	3.0	1,586	7.0
Total	\$ 16,400	10.1	\$ 28,688	11.3

The following tables present the cumulative composition of the Corporation's acquired intangible assets as of December 31:

<i>(In thousands)</i> 2010	Accumulated		
	Gross	Amortization	Net
Technology	\$ 148,820	\$ (54,994)	\$ 93,826
Customer related intangibles	189,567	(68,663)	120,904
Other intangible assets	37,005	(11,538)	25,467
Total	\$ 375,392	\$ (135,195)	\$ 240,197

<i>(In thousands)</i> 2009	Accumulated		
	Gross	Amortization	Net
Technology	\$ 135,879	\$ (44,051)	\$ 91,828
Customer related intangibles	174,884	(54,614)	120,270
Other intangible assets	38,887	(8,479)	30,408
Total	\$ 349,650	\$ (107,144)	\$ 242,506

The following table presents the changes in the net balance of other intangible assets during 2010:

<i>(In thousands)</i>	Technology	Customer Related Intangibles	Other Intangible Assets	Total
	December 31, 2009	\$ 91,828	\$ 120,270	\$ 30,408
Acquired during 2010	5,384	10,721	295	16,400
Amortization expense	(9,171)	(12,807)	(4,055)	(26,033)
Other adjustments	2,756	(526)	(2,230)	—
Foreign currency translation adjustment	3,029	3,246	1,049	7,324
Total	\$ 93,826	\$ 120,904	\$ 25,467	\$ 240,197

As of January 1, 2010, one of the Corporation's Canadian entities changed its functional currency from the U.S. dollar to the Canadian dollar. The nature of this operation's cash flow changed from predominantly U.S. dollar to the Canadian dollar, therefore requiring the change in functional currency. In accordance with the guidance on foreign currency translation, an adjustment of \$5.5 million, attributable to current-rate translation, was recorded to intangible assets. This adjustment resulted in an increase to other intangible assets and is reported within the

“Foreign currency translation adjustment” caption above.

Amortization expense for the years ended December 31, 2010, 2009, and 2008 was \$26.0 million, \$26.4 million, and \$27.0 million, respectively. The estimated future amortization expense of purchased intangible assets is as follows:

(In thousands)

2011	\$	23,880
2012		22,395
2013		20,847
2014		19,606
2015		18,622

Included in other intangible assets at December 31, 2010 and 2009, are \$9.9 million of intangible assets not subject to amortization. The Corporation completed its annual test of impairment of indefinite lived intangible assets during the fourth quarter of 2010, 2009, and 2008, and concluded there was no impairment of value.

8. FAIR VALUE OF FINANCIAL INSTRUMENTS

Forward Foreign Exchange and Currency Option Contracts

The Corporation uses financial instruments, such as forward foreign exchange and currency option contracts, to hedge a portion of existing and anticipated foreign currency denominated transactions. The purpose of the Corporation's foreign currency risk management program is to reduce volatility in earnings caused by exchange rate fluctuations. Guidance on accounting for derivative instruments and hedging activities requires companies to recognize all of the derivative financial instruments as either assets or liabilities at fair value in the Consolidated Balance Sheets based upon quoted market prices for comparable instruments.

The net fair value of these instruments is \$0.2 million at December 31, 2010. These instruments are classified as other current liabilities and other current assets. The Corporation utilizes the bid ask pricing that is common in the dealer markets. The dealers are ready to transact at these prices which use the mid-market pricing convention and are considered to be at fair market value. Based upon the fair value hierarchy, all of the foreign exchange derivative forwards are valued at a Level 2. See tables below for information on the location and amounts of derivative fair values in the Consolidated Balance Sheets and derivative gains and losses in the Consolidated Statements of Earnings.

		Fair Values of Derivative Instruments (In thousands)			
		Asset Derivative		Liability Derivative	
		December 31,		December 31,	
		2010	2009	2010	2009
Foreign exchange contracts:					
Transactional	Other Current Assets	\$ 324	\$ —	Other Current Liabilities	\$ 309 \$ 342
Forecasted	Other Current Assets	208	41	Other Current Liabilities	— —
Total		\$ 532	\$ 41		\$ 309 \$ 342

Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in Income on Derivatives	Amount of Gain (Loss) Recognized in Income on Derivatives	
		Twelve Months Ended 2010	2009
(In thousands)			
Foreign exchange contracts:			
Transactional	General and Administrative Expenses	\$ 2,567	\$ 649
Forecasted	General and Administrative Expenses	547	1,377
Total		\$ 3,114	\$ 2,026

Debt

The estimated fair value amounts were determined by the Corporation using available market information which is primarily based on quoted market prices for the same or similar issues as of December 31, 2010. The estimated fair values of the Corporation's fixed rate debt instruments at December 31, 2010, aggregated \$301.6 million compared to a carrying value of \$275.0 million.

The carrying amount of the variable interest rate debt approximates fair value because the interest rates are reset periodically to reflect current market conditions.

The fair values described above may not be indicative of net realizable value or reflective of future fair values. Furthermore, the use of different methodologies to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

9. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses consist of the following as of December 31:

<i>(In thousands)</i>	2010	2009
Accrued compensation	\$ 67,249	\$ 60,188
Accrued commissions	7,568	6,901
Accrued interest	3,231	4,339
Accrued taxes other than income taxes	2,163	1,935
Accrued insurance	5,108	5,312
Other	14,647	12,180
Total accrued expenses	\$ 99,966	\$ 90,855

Other current liabilities consist of the following as of December 31:

<i>(In thousands)</i>	2010	2009
Warranty reserves	\$ 14,841	\$ 13,479
Litigation reserves	10,633	11,505
Additional amounts due to sellers on acquisitions	5,582	11,817
Restructuring accrual	929	2,807
Reserves on loss contracts	1,736	1,731
Current deferred tax liability	2,640	2,740
Current portion of pension and other postretirement liabilities	2,487	2,375
Loss on forward foreign currency contracts	765	342
Current portion of environmental reserves	1,659	2,087
Other	1,038	1,825
Total other current liabilities	\$ 42,310	\$ 50,708

The accrued expenses and other current liabilities at December 31, 2010 included \$0.6 million and \$0.2 million respectively, related to the Corporation's 2010 acquisitions.

The Corporation provides its customers with warranties on certain commercial and governmental products. Estimated warranty costs are charged to expense in the period the related revenue is recognized based on the terms of the product warranty, the related estimated costs, and quantitative historical claims experience. These estimates are adjusted in the period in which actual results are finalized or additional information is obtained. The following table presents the changes in the Corporation's warranty reserves:

<i>(In thousands)</i>	2010	2009
Warranty reserves at January 1,	\$ 13,479	\$ 10,775
Provision for current year sales	7,838	7,536
Current year claims	(5,140)	(4,012)
Change in estimates to pre-existing warranties	(1,514)	(1,942)
Increase due to acquisitions	25	648
Foreign currency translation adjustment	153	474
Warranty reserves at December 31,	\$ 14,841	\$ 13,479

10. FACILITIES RELOCATION AND RESTRUCTURING

In connection with the acquisitions of VMETRO and Mechetronics in 2008, the Corporation established a restructuring accrual of \$7.6 million that was recorded against goodwill in accordance with the guidance on Business Combinations. These acquisitions are consolidated into the Motion Control segment. The accrual was established as of December 31, 2008 for \$7.1 million. Based upon further analysis of the restructuring activities an additional \$0.5 million was recorded in 2009. The restructuring accrual consisted of costs to exit the activities of certain facilities, including lease cancellation costs and external legal and consulting fees, as well as costs to relocate or involuntarily terminate certain employees of the acquired business. As of December 31, 2010, the Corporation has completed its actions under the VMETRO and Mechetronics restructuring plans.

During 2009, the Corporation committed to a plan to restructure existing operations through a reduction in workforce and consolidation of operating locations both domestically and internationally. The decision was based on a review of various cost savings initiatives undertaken in connection with the development of the Corporation's budget and operating plan. This plan impacted all three of the Corporation's operating segments and resulted in costs incurred of \$5.6 million. During 2010, the Corporation continued its restructuring initiatives and incurred an additional \$3.0 million consisting of severance costs to involuntarily terminate certain employees; relocation costs; exit activities of certain facilities, including lease cancellation costs; and external legal and consulting fees. These costs were recorded in the Consolidated Statement of Earnings with the majority of the costs affecting the general and administrative expenses, cost of sales, and selling expenses for \$1.7 million, \$1.2 million, \$0.1 million, respectively. The liability is included within other current liabilities. As of December 31, 2010, the company completed its actions under this restructuring plan.

A summary by segment of the components of facilities relocation and corporate restructuring charges for acquisitions and ongoing operations and an analysis of related activity in the accrual as of December 31, 2010 is as follows:

	<u>Severance and Benefits</u>	<u>Facility Closing Costs</u>	<u>Relocation Costs</u>	<u>Total</u>
Flow Control				
December 31, 2008	\$ —	\$ —	\$ —	\$ —
Provisions	909	100	656	1,665
Payments	(852)	(100)	(656)	(1,608)
Adjustments	—	—	—	—
Net currency translation adjustment	—	—	—	—
December 31, 2009	\$ 57	\$ —	\$ —	\$ 57
Provisions	895	732	352	1,979
Payments	(900)	(522)	(352)	(1,774)
Adjustments	—	—	—	—
Net currency translation adjustment	—	—	—	—
December 31, 2010	\$ 52	\$ 210	\$ —	\$ 262

	Severance and Benefits	Facility Closing Costs	Relocation Costs	Total
Motion Control				
December 31, 2008	\$ 3,616	\$ 1,902	\$ 628	\$ 6,146
Provisions	3,492	90	50	3,632
Payments	(5,497)	(934)	(553)	(6,984)
Adjustments	—	—	—	—
Net currency translation adjustment	(66)	22	—	(44)
December 31, 2009	\$ 1,545	\$ 1,080	\$ 125	\$ 2,750
Provisions	668	71	103	842
Payments	(1,714)	(621)	(228)	(2,563)
Adjustments	(358)	(497)	—	(855)
Net currency translation adjustment	(23)	(28)	—	(51)
December 31, 2010	\$ 118	\$ 5	\$ —	\$ 123
Metal Treatment				
December 31, 2008	\$ —	\$ —	\$ —	\$ —
Provisions	282	524	—	806
Payments	(282)	(524)	—	(806)
Adjustments	—	—	—	—
Net currency translation adjustment	—	—	—	—
December 31, 2009	\$ —	\$ —	\$ —	\$ —
Provisions	—	66	153	219
Payments	—	(66)	(153)	(219)
Adjustments	—	—	—	—
Net currency translation adjustment	—	—	—	—
December 31, 2010	\$ —	\$ —	\$ —	\$ —
Total Curtiss-Wright				
December 31, 2008	\$ 3,616	\$ 1,902	\$ 628	\$ 6,146
Provisions	4,683	714	706	6,103
Payments	(6,631)	(1,558)	(1,209)	(9,398)
Adjustments	—	—	—	—
Net currency translation adjustment	(66)	22	—	(44)
December 31, 2009	\$ 1,602	\$ 1,080	\$ 125	\$ 2,807
Provisions	1,563	869	608	3,040
Payments	(2,614)	(1,209)	(733)	(4,556)
Adjustments	(358)	(497)	—	(855)
Net currency translation adjustment	(23)	(28)	—	(51)
December 31, 2010	\$ 170	\$ 215	\$ —	\$ 385

Oil and Gas Restructuring Initiative

During the fourth quarter of 2010, the Corporation initiated a restructuring plan within its Oil and Gas division, of the Flow Control segment. The initiative will streamline our workflow and consolidate existing facilities. The Corporation is anticipating incurring approximately \$3 million of costs associated with this initiative. During the fourth quarter, the Corporation incurred approximately \$0.5 million of severance and benefits expense associated with this initiative, which was recorded in general and administrative expenses, while the remainder is expected to be incurred in 2011.



11. INCOME TAXES

Earnings before income taxes for the years ended December 31 consist of:

<i>(In thousands)</i>	2010	2009	2008
Domestic	\$ 100,948	\$ 94,695	\$ 71,976
Foreign	57,347	50,564	97,126
	\$ 158,295	\$ 145,259	\$ 169,102

The provision for income taxes for the years ended December 31 consists of:

<i>(In thousands)</i>	2010	2009	2008
Current:			
Federal	\$ 25,856	\$ 33,046	\$ 28,644
State	7,357	6,486	8,906
Foreign	15,663	16,974	28,532
	48,876	56,506	66,082
Deferred:			
Federal	5,517	(4,324)	(5,410)
State	(208)	1,600	(1,704)
Foreign	(1,630)	(3,799)	388
	3,679	(6,523)	(6,726)
Valuation allowance	(858)	55	356
Provision for income taxes	\$ 51,697	\$ 50,038	\$ 59,712

The effective tax rate varies from the U.S. federal statutory tax rate for the years ended December 31, principally:

	2010	2009	2008
U.S. federal statutory tax rate	35.0%	35.0%	35.0%
Add (deduct):			
State and local taxes, net of federal benefit	2.5	2.7	2.6
Rate changes	—	0.4	0.1
R&D tax credits	(3.3)	(1.7)	(1.2)
Foreign rate differential	(1.8)	(0.8)	(1.3)
All other, net	0.3	(1.2)	0.1
Effective tax rate	32.7%	34.4%	35.3%

The 2010 effective tax rate included a tax benefit of \$4.2 million due to foreign cash repatriation. This was offset by a \$0.8 million charge to write off a portion of deferred tax assets related to postretirement health care obligations. New health care legislation impacting the tax deductible prescription drug costs related to Medicare Part D will reduce the amount of the federal subsidy beginning in 2013 and reduce the deductible temporary difference relating to the benefit obligation. There was also a favorable impact as a result of a U.K. tax rate change which was offset by an unfavorable change in state tax rates. During 2010, the Company recorded a decrease of \$1.0 million in the valuation allowance primarily related to the utilization of net operating loss carryforwards. The 2009 effective tax rate included a tax benefit of \$1.4 million principally due to a Canadian tax rate change which was offset by \$2.0 million increase in the state tax expense, net of federal benefit, principally as a result of a reduction in state rates thereby reducing the state deferred tax assets. The 2009 effective tax rate was also favorably impacted by an increase in research and development tax credits from the Canadian and U.K. operations. During 2009, the valuation allowance increased principally due to foreign translation of \$0.6 million. During 2008, a valuation allowance of \$5.0 million was established through purchase accounting and an additional valuation allowance of \$0.4 million was established through income tax provision. The components of the Corporation's deferred tax assets and liabilities at December 31 are as follows:

<i>(In thousands)</i>	2010	2009
Deferred tax assets:		
Environmental reserves	\$ 7,854	\$ 7,961
Inventories	15,875	15,206
Postretirement/postemployment benefits	14,271	15,751
Incentive compensation	7,276	4,639
Accrued vacation pay	4,905	4,892
Warranty reserves	3,964	3,632
Legal reserves	3,997	3,764
Share-based payments	8,798	7,826
Pension plans	45,833	40,177
Net operating loss	6,843	5,405
Deferred revenue	5,491	9,135
Other	11,590	8,857
Total deferred tax assets	136,697	127,245
Deferred tax liabilities:		
Depreciation	35,364	31,195
Goodwill amortization	39,987	32,532
Other intangible amortization	33,007	31,192
Other	3,219	3,920
Total deferred tax liabilities	111,577	98,839
Valuation allowance	4,974	5,924
Net deferred tax assets	\$ 20,146	\$ 22,482

Deferred tax assets and liabilities are reflected on the Corporation's consolidated balance sheet at December 31 as follows:

<i>(In thousands)</i>	2010	2009
Net current deferred tax assets	\$ 48,568	\$ 48,777
Net current deferred tax liabilities	2,640	2,740
Net noncurrent deferred tax assets	1,033	1,994
Net noncurrent deferred tax liabilities	26,815	25,549
Net deferred tax assets	\$ 20,146	\$ 22,482

The Corporation has income tax net operating loss carryforwards related to international operations of approximately \$25.7 million of which \$17.3 million have an indefinite life and \$8.4 million expire through 2019. The Corporation has state income tax net operating loss carryforwards of approximately \$3.3 million which expire through 2029. The Corporation has recorded a deferred tax asset of \$6.8 million reflecting the benefit of the loss carryforwards.

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative loss incurred over the three year period ended December 31, 2010 in one of the Corporation's foreign locations. Such objective evidence limits the ability to consider other subjective evidence such as projections for future growth. The Corporation has a valuation allowance of \$5.0 million, as of December 31, 2010, in order to measure only the portion of the deferred tax asset that more likely than not will be realized. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period are reduced or if objective negative evidence in the form of cumulative losses is no longer present and additional weight may be given to subjective evidence such as projections for growth.

Income tax payments of \$55.7 million were made in 2010, \$69.5 million in 2009, and \$65.3 million in 2008.

No provision has been made for U.S. federal or foreign taxes on certain foreign subsidiaries' undistributed earnings considered to be permanently reinvested, which at December 31, 2010 was \$154.5 million. It is not practicable to



estimate the amount of tax that would be payable if these amounts were repatriated to the United States; however, it is expected there would be minimal or no additional tax because of the availability of foreign tax credits.

Interest costs related to unrecognized tax benefits are classified as a component of "Interest expense" in the accompanying Consolidated Statements of Earnings. Penalties are recognized as a component of "General and administrative expenses." The Corporation has recognized a liability for interest of \$0.5 million and penalties of \$0.3 million as of December 31, 2010. These amounts were essentially unchanged from 2009 and 2008.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

<i>(In thousands)</i>	2010	2009	2008
Balance at January 1,	\$ 3,374	\$ 4,445	\$ 4,502
Additions for tax positions of prior periods	6	53	595
Additions for tax positions related to the current year	1,954	369	358
Settlements	(161)	(424)	(347)
Lapses of statute of limitations	(680)	(1,100)	(398)
Foreign currency translation	(3)	31	(265)
Balance at December 31,	\$ 4,490	\$ 3,374	\$ 4,445

In many cases the Corporation's uncertain tax positions are related to tax years that remain subject to examination by tax authorities. The following describes the open tax years, by major tax jurisdiction, as of December 31, 2010:

United States (Federal)	2008 - present
United States (Various states)	1998 - present
United Kingdom	2004 - present
Canada	2005 - present

It is reasonably possible that the amount of the remaining liability for unrecognized tax benefits could change; however, the Corporation does not expect any significant changes to the estimated amount of liability associated with its uncertain tax positions through the next twelve months. Included in the total unrecognized tax benefits at December 31, 2010, 2009 and 2008 is \$2.9 million, \$2.3 million and \$3.4 million, respectively, that if recognized, would favorably affect the effective income tax rate.

12. DEBT

Debt consists of the following as of December 31:

<i>(In thousands)</i>	2010	2009
Industrial Revenue Bonds, due from 2011 through 2023	\$ 9,102	\$ 9,198
Revolving Credit Agreement, due 2012	110,000	100,000
5.13% Senior Notes due 2010	—	74,957
5.74% Senior Notes due 2013	125,038	125,052
5.51% Senior Notes due 2017	150,000	150,000
Other debt	2,504	5,886
Total debt	396,644	465,093
Less: Current portion of long-term debt and short-term debt	2,602	80,981
Total Long-term debt	\$ 394,042	\$ 384,112

The weighted-average interest rate of the Corporation's Industrial Revenue Bonds was 0.57% and 0.81% in 2010 and 2009, respectively. The weighted-average interest rate of the Corporation's Revolving Credit Agreement was 0.80% and 1.60% in 2010 and 2009, respectively.

The fair value of the Corporation's debt is prepared in accordance with the requirements of U.S. GAAP, as noted in Note 8 of the Consolidated Financial Statements. The estimated fair value amounts were determined by the Corporation using available market information which is primarily based on quoted market prices for the same or similar issues. The carrying amount of the Revolving Credit Agreement and Industrial Revenue Bonds approximates fair value as the interest rates on this variable



debt are reset periodically to reflect market conditions and rates. Fair values for the Corporation's fixed rate debt totaled \$302 million and \$362 million at December 31, 2010 and 2009, respectively. These fair values were estimated by management. The fair values described above may not be indicative of net realizable value or reflective of future fair values. Furthermore, the use of different methodologies to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

Aggregate maturities of debt are as follows:

<i>(In thousands)</i>	
2011	\$ 2,602
2012	110,101
2013	125,105
2014	108
2015	110
Thereafter	158,580
Total	\$ 396,606

Interest payments of \$21 million, \$24 million, and \$27 million were made in 2010, 2009, and 2008, respectively.

On August 10, 2007, the Corporation and certain of its subsidiaries amended and refinanced its existing credit facility and entered into a Second Amended and Restated Credit Agreement ("Credit Agreement"). The proceeds available under the Credit Agreement are to be used for working capital, internal growth initiatives, funding of future acquisitions, and general corporate purposes. The Corporation's available credit under the credit facility increased from \$400 million to \$425 million from a syndicate of banks, led by Bank of America, N.A. and JP Morgan Chase Bank, N.A. as the co-arrangement banks. The Credit Agreement also contains an accordion feature which can expand the overall credit line to a maximum aggregate amount of \$600 million. The consortium membership has remained relatively the same. The Credit Agreement extends the maturity from July 23, 2009 to August 10, 2012, at which time all amounts then outstanding under the Credit Agreement will be due and payable. In addition, the Credit Agreement provides for improved pricing and more favorable covenant terms, reduced facility fees, and increased availability of the facility for letters of credit. Borrowings under the Credit Agreement bear interest at a floating rate based on market conditions. In addition, the interest rate and level of facility fees are dependent on certain financial ratio levels, as defined in the Credit Agreement. The Corporation is subject to annual facility fees on the commitments under the Credit Agreement. In connection with the Credit Agreement, the Corporation paid customary transaction fees that have been deferred and are being amortized over the term of the Credit Agreement. The Corporation is required under the Credit Agreement to maintain certain financial ratios and meet certain financial tests, the most restrictive of which is a debt to capitalization limit of 60% and a cross default provision with other senior indebtedness. As of December 31, 2010, the Corporation had the flexibility to issue additional debt of approximately \$1.3 billion without exceeding the covenant limit defined in the Credit Agreement. The Corporation would consider other financing alternatives to maintain capital structure balance and ensure compliance with all debt covenants. The Corporation had \$110 million and \$100 million in borrowings outstanding (excluding letters of credit) under the Credit Agreement at December 31, 2010 and 2009, respectively. The unused credit available under the Credit Agreement at December 31, 2010 and 2009 was \$258 million and \$267 million, respectively.

On December 1, 2005, the Corporation issued \$150.0 million of 5.51% Senior Notes (the "2005 Notes"). The 2005 Notes mature on December 1, 2017. The Notes are senior unsecured obligations and are equal in right of payment to the Corporation's existing senior indebtedness. The Corporation, at its option, can prepay at any time all or any part of the 2005 Notes, subject to a make-whole amount in accordance with the terms of the Note Purchase Agreement. In connection with the Notes, the Corporation paid customary fees that have been deferred and will be amortized over the terms of the Notes. The Corporation is required under the Note Purchase Agreement to maintain certain financial ratios, the most restrictive of which is a debt to capitalization limit of 60% and a cross default provision with the Corporation's other senior indebtedness. On September 25, 2003, the Corporation issued \$200 million of Senior Notes (the "2003 Notes"). The 2003 Notes consist of \$75 million of 5.13% Senior Notes that matured on September 25, 2010 and \$125 million of 5.74% Senior Notes that mature on September 25, 2013. The \$75 million 5.13% Senior Notes were paid during the third quarter of 2010 by drawing down on our revolver. The 2003 Notes are senior unsecured obligations and are equal in right of payment to the Corporation's existing senior indebtedness. The Corporation, at its option, can prepay at any time all or any part of the 2003 Notes, subject to a make-whole amount in accordance with the Note Purchase Agreement. The Corporation paid customary fees that have been deferred and will be amortized over the terms of the 2003 Notes. The Corporation is required under the Note Purchase Agreement to maintain certain financial ratios, the most restrictive of which is a debt to capitalization limit of 60% and a cross default provision with the Corporation's other senior indebtedness.

At December 31, 2010, substantially all of the industrial revenue bond issues are collateralized by real estate, machinery, and equipment. Certain of these issues are supported by letters of credit, which total \$9 million. The Corporation had various other letters of credit totaling \$49 million. Substantially all letters of credit are included under the Credit Agreement.

13. EARNINGS PER SHARE

The Corporation is required to report both basic earnings per share (“EPS”), based on the weighted-average number of Common shares outstanding, and diluted earnings per share, based on the basic EPS adjusted for all potentially dilutive shares issuable.

At December 31, 2010 and 2009, the Corporation had non-qualified share options outstanding of 1,068,000 shares and 1,038,602 shares, respectively, which were not included in the computation of diluted EPS because to do so would have been anti-dilutive. Earnings per share calculations for the years ended December 31, 2010, 2009, and 2008, are as follows:

<i>(In thousands, except per share data)</i>	Net Income	Weighted-Average Shares Outstanding	Earnings Per Share
2010:			
Basic earnings per share	\$ 106,598	45,823	\$ 2.33
Effect of dilutive securities:			
Employee share-based compensation awards		426	
Deferred director share-based compensation		73	
Diluted earnings per share	\$ 106,598	46,322	\$ 2.30
2009:			
Basic earnings per share	\$ 95,221	45,237	\$ 2.10
Effect of dilutive securities:			
Employee share-based compensation awards		389	
Deferred director share-based compensation		69	
Diluted earnings per share	\$ 95,221	45,695	\$ 2.08
2008:			
Basic earnings per share	\$ 109,390	44,716	\$ 2.45
Effect of dilutive securities:			
Employee share-based compensation awards		596	
Deferred director share-based compensation		62	
Diluted earnings per share	\$ 109,390	45,374	\$ 2.41

14. SHARE-BASED COMPENSATION PLANS

The Corporation maintains three share-based compensation plans under which it utilizes five different forms of employee and non-employee share-based compensation awards, as explained in further detail below, which include non-qualified stock options, time-based restricted stock and restricted share units, and performance-based share units. In addition, under its employee benefit program, the Corporation also provides an Employee Stock Purchase Plan available to most active employees. Certain awards provide for accelerated vesting if there is a change in control.

The compensation cost for employee and non-employee director share-based compensation programs during 2010, 2009, and 2008 is as follows:

<i>(In thousands)</i>	2010	2009	2008
Non-qualified stock options	\$ 6,825	\$ 6,272	\$ 5,645
Employee stock purchase options	1,291	3,560	2,782
Performance share units	2,079	2,184	2,027
Restricted stock and restricted share units	2,533	2,700	2,348
Other share-based payments	650	548	861
Total share-based compensation expense before income taxes	\$ 13,378	\$ 15,264	\$ 13,663

Other share-based payments include restricted stock awards to non-employee directors, who are treated as employees as prescribed by guidance on share-based payments. The compensation cost recognized follows the cost of the employee, which is primarily reflected as general and administrative expenses in the consolidated statements of earnings. No costs were capitalized during 2010, 2009, or 2008.

1995 Long-Term Incentive Plan and 2005 Long-Term Incentive Plan

Awards under the 1995 Long-Term Incentive Plan (the “1995 LTI Plan”) consisted of three components – performance units (cash), non-qualified stock options, and non-employee director grants. Under the 1995 LTI Plan approved by stockholders in 1995 and as amended in 2002 and 2003, an aggregate total of 4,000,000 shares of Common stock were approved for issuance. Issuances of Common stock to satisfy employee option exercises will be made from the Corporation’s treasury stock. The Corporation does not expect to repurchase any shares in 2011 to replenish treasury stock for issuances made to satisfy stock option exercises. The performance units that are paid in cash are recorded as liabilities, while other awards are reflected in equity.

Effective May 19, 2005, stockholders approved the 2005 Long-Term Incentive Plan (the “2005 LTI Plan”) (collectively with the 1995 LTI Plan, the “LTI Plans”), which superseded the 1995 LTI Plan. The shares that were registered and not yet issued under the 1995 LTI Plan were deregistered and then registered under the 2005 LTI Plan. There are no new awards being granted under the 1995 LTI Plan and no remaining allowable shares for future awards under the 1995 LTI Plan. As of December 31, 2010 there were options representing a total of 0.6 million shares outstanding under the 1995 plan.

Awards under the 2005 LTI Plan consist of four ongoing components – performance units (cash), non-qualified stock options, performance share units, and time-based restricted stock and restricted share units. Under the 2005 LTI Plan, an aggregate total of 5,000,000 shares (as adjusted for subsequent stock splits and dividends) of Common stock were registered. Issuances of Common stock to satisfy employee option exercises will be made from the Corporation’s treasury stock. The Corporation does not expect to repurchase any shares in 2011 to replenish treasury stock for issuances made to satisfy stock option exercises. No more than 200,000 shares of Common stock or 100,000 shares of restricted stock may be awarded in any year to any one participant in the 2005 LTI Plan.

Under the LTI Plans, the Corporation awarded total performance units (cash) of 14.1 million, 13.7 million, and 13.6 million in 2010, 2009, and 2008, respectively, to certain key employees. The performance units are denominated in U.S. dollars and are contingent upon the Corporation’s satisfaction of performance objectives keyed to achieving profitable growth over a period of three fiscal years commencing with the fiscal year following such awards. The anticipated cost of such awards is expensed over the three-year performance period, which amounted to \$6.5 million, \$8.1 million, and \$9.4 million in 2010, 2009, and 2008, respectively. The actual cost of the performance units may vary from the total value of the awards depending upon the degree to which the key performance objectives are met.

Under the LTI Plans, the Corporation grants non-qualified stock options to key employees in the first and fourth quarter of each year. Stock options granted under the LTI Plans expire ten years after the date of the grant and are generally exercisable as follows: up to one-third of the grant after one year, up to two-thirds of the grant after two years, and in full three years from the date of grant.

Under the 2005 LTI Plan, the Corporation grants performance share units as well as time-based restricted stock and restricted share units to officers and certain key executives, which are denominated in shares and share-based units based on the fair market value of the Corporation’s Common stock on the date of grant. The performance share units were granted to officers of the Corporation in the fourth quarter of 2010, 2009 and 2008 and are contingent upon the satisfaction of performance objectives keyed to achieving profitable growth compared to budget and peers over a period of three fiscal years commencing with the fiscal year following such award. Restricted stock was granted to officers and certain key executives in November 2008 as shares and as restricted share units in 2009 and 2010 which, under the terms of the agreements, will completely vest in

2011, 2012, and 2013, respectively. The Corporation granted additional restricted share units to two key officers in September 2007 and 2006, which, under the terms of the agreements, will vest in 2016.

As of December 31, 2010, there are 925,675 remaining allowable shares for issuance under the 2005 LTI Plan.

Non-Qualified Stock Options (NQSO)

The fair value of the NQSO's was estimated at the date of grant using a Black-Scholes option pricing model with the assumptions noted in the following table. Expected volatilities are based on historical volatility of the Corporation's stock and other factors. The Corporation uses historical data to estimate the expected term of options granted. The risk-free rate for periods within the contractual life of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

	2010	2009	2008
Risk-free rate	1.68%	2.53%	2.72%
Expected volatility	30.50%	29.67%	29.37%
Expected dividends	1.07%	1.22%	1.06%
Expected term (in years)	6	6	6
Weighted-average grant-date fair value of options	\$ 8.52	\$ 9.19	\$ 8.99

A summary of employee stock option activity under the LTI Plans is as follows:

	Shares (000's)	Weighted- Average Exercise Price	Weighted- Average Remaining Contractual Term in Years	Aggregate Intrinsic Value (000's)
Outstanding at December 31, 2009	3,099	\$ 30.66		
Granted	815	29.88		
Exercised	(112)	16.45		
Forfeited	(59)	33.66		
Outstanding at December 31, 2010	3,743	\$ 30.87	7.1	\$ 8,718
Exercisable at December 31, 2010	2,214	\$ 31.37	5.7	\$ 4,056

The total intrinsic value of stock options exercised during 2010, 2009, and 2008 was \$1.8 million, \$1.9 million, and \$5.1 million, respectively. The table above represents the Corporation's estimate of options fully vested and/or expected to vest as expected forfeitures are not material to the Corporation and therefore are not reflected in the table above.

As noted above, NQSO grants have a graded vesting schedule. Compensation cost is recognized on a straight-line basis over the requisite service period for each separately vesting portion of each award as if each award, was in substance, multiple awards. During 2010, 2009, and 2008, compensation cost associated with NQSO of \$6.8 million, \$6.3 million, and \$5.6 million respectively, was charged to expense. As of December 31, 2010, there was \$5.0 million of unrecognized compensation cost related to nonvested stock options, which is expected to be recognized over a weighted-average period of 1.6 years.

Cash received from option exercises during 2010, 2009, and 2008 was \$1.8 million, \$2.3 million, and \$2.6 million, respectively. The total tax benefit generated from options exercised during 2010, 2009, and 2008, was \$0.6 million, \$0.5 million, and \$1.6 million, respectively. Tax benefits received on exercised options which were subject to expense under U.S. GAAP have been credited to deferred taxes up to the amount of benefit recorded in the income statement, with the difference charged to additional paid in capital, while tax benefits received on exercised options that were not subject to expense have been credited to additional paid in capital.

Time Based Restricted Stock and Share Unit and Performance-Share Units

Since 2005, the Corporation granted performance share units to certain employees under the 2005 LTI Plan, whose vesting is contingent upon meeting various company-wide performance goals around net income targets, both against budget and as a percentage of sales against a peer group. The non-vested shares are subject to forfeiture if established performance goals are not met, or employment is terminated other than due to death, disability, or retirement. The shares are nontransferable while



subject to forfeiture. Time-based restricted stock or restricted share units have also been granted to key executives during 2010, 2009, and 2008. The non-vested restricted stock is subject to forfeiture if employment is terminated other than due to death or disability, and the units are subject to forfeiture if employment is terminated other than due to death, disability, or retirement and are nontransferable while subject to forfeiture. A summary of the Corporation's non-vested performance-share units, restricted stock, and restricted share units for 2010 is as follows:

	Shares/Units (000's)	Weighted- Average Fair Value	Weighted- Average Remaining Contractual Term in Years	Aggregate Intrinsic Value (000's)
Nonvested at December 31, 2009	1,064	\$ 34.02		
Granted	328	29.88		
Vested	(78)	44.51		
Forfeited	(98)	33.94		
Nonvested at December 31, 2010	1,216	\$ 32.24	1.1	\$ 40,361
Expected to vest at December 31, 2010	754	\$ 31.57	2.4	\$ 25,039

The grant-date fair values of performance share-units are based on the closing market price of the stock on the date of grant, and compensation cost is amortized to expense on a straight-line basis over the three-year requisite service period. As forfeiture assumptions change, compensation cost will be adjusted on a cumulative basis in the period of the assumption change. The grant date fair values of the restricted stock and restricted share units are based on the closing market price of the stock at the date of grant. The restricted stock and restricted share units contain only a service condition, and thus compensation cost is amortized to expense on a straight-line basis over the requisite service period, which ranged from 3.0 years to 10.1 years. As of December 31, 2010, there was \$13.8 million of unrecognized compensation cost related to non-vested performance shares, restricted stock, and restricted stock units, which is expected to be recognized over a period of 2.4 years.

Employee Stock Purchase Plan

The Corporation's 2003 Employee Stock Purchase Plan ("ESPP") enables eligible employees to purchase the Corporation's Common stock at a price per share equal to 85% of the fair market value at the end of each offering period. Each offering period of the ESPP lasts six months, commencing on January 1st and July 1st of each year. Participation in the offering is limited to 10% of an employee's base salary (not to exceed amounts allowed under Section 423 of the Internal Revenue Code), may be terminated at any time by the employee, and automatically ends on termination of employment with the Corporation. A total of 2,000,000 shares of Common stock have been reserved for issuance under the ESPP. The Common stock to satisfy the stock purchases under the ESPP will be newly issued shares of Common stock. During 2010, there were 344,166 shares purchased under the ESPP. As of December 31, 2010, there were 0.5 million shares available for future offerings, and the Corporation has withheld \$4.5 million from employees, the equivalent of 159,523 shares. Compensation cost is recognized on a straight-line basis over the six-month vesting period during which employees perform related services. The Corporation recognized \$0.2 million of tax benefit associated with disqualifying dispositions during 2010, all of which was credited to additional paid in capital. Effective as of January 1, 2010, the plan's look-back feature was eliminated from the ESPP.

1996 Stock Plan for Non-Employee Directors and 2005 Stock Plan for Non-Employee Directors

The 2005 Stock Plan for Non-Employee Directors ("2005 Stock Plan"), approved by the stockholders in 2005, provided for the grant of stock awards and, at the option of the non-employee directors, the deferred payment of regular stipulated compensation and meeting fees in equivalent shares. Under the 2005 Stock Plan, the Corporation's non-employee directors each receive an annual restricted stock award, which is subject to a three-year restriction period commencing on the date of the grant. For 2010 and 2009, the value of the award granted in the first quarter was \$70,000 per director, respectively, and in 2008, the value of the award granted was \$50,000 per director. These restricted stock awards are subject to forfeiture if the non-employee director resigns or retires by reason of his or her decision not to stand for re-election prior to the lapsing of all restrictions, unless the restrictions are otherwise removed by the Committee on Directors and Governance. The cost of the restricted stock awards will be amortized over the three year restriction period from the date of grant, or such shorter restriction period as determined by the removal of such restrictions. Newly elected non-employee directors also receive a one-time five year restricted stock award, which during 2008 was valued at \$25,000. In 2009 and 2010 there were no newly elected non-employee directors. The total number of shares of Common stock available for grant under the 2005 Stock Plan may not

exceed 100,000 shares. During 2010, 2009 and 2008, the Corporation awarded 18,456, 18,168, and 11,628, respectively, shares of restricted stock under the 2005 Stock Plan, of which 9,228, 12,490, and 6,120 shares, respectively, have been deferred by certain directors.

The 1996 Stock Plan for Non-Employee Directors (“1996 Stock Plan”), approved by the stockholders in 1996, authorized the grant of restricted stock awards and, at the option of the non-employee directors, the deferred payment of regular stipulated compensation and meeting fees in equivalent shares. Prior to the effective date of the 2005 Stock Plan, newly elected non-employee directors received similar compensation under the terms of the 1996 Stock Plan upon their election to the Board.

Pursuant to election by non-employee directors to receive shares in lieu of payment for earned and deferred compensation under the 2005 and 1996 Stock Plans, the Corporation had provided for an aggregate additional 72,955 and 69,468 shares at an average price of \$29.00 and \$27.64, respectively, as of December 31, 2010 and 2009, respectively. During 2010 and 2009, the Corporation issued 10,836 and 9,833 shares, respectively, in compensation pursuant to such elections.

15. ENVIRONMENTAL COSTS

The Corporation has continued the operation of the ground water and soil remediation activities at the Wood-Ridge, New Jersey, site through 2010. The cost of constructing and operating this site was provided for in 1990 when the Corporation established a reserve to remediate the property. Even though this property was sold in December 2001, the Corporation retained the responsibility for this remediation in accordance with the sale agreement. The reserve balance as of December 31, 2010, was \$7.4 million, a \$1.3 million increase from the prior year.

The Corporation has been named as a potentially responsible party, as have many other corporations and municipalities, in a number of environmental clean-up sites. The Corporation continues to make progress in resolving these claims through settlement discussions and payments from established reserves. Significant sites remaining open at the end of the year are: Caldwell Trucking landfill superfund site, Fairfield, New Jersey; Sharkey landfill superfund site, Parsippany, New Jersey; and Chemsol, Inc. superfund site, Piscataway, New Jersey. The Corporation believes that the outcome for any of these remaining sites will not have a materially adverse effect on the Corporation’s results of operations or financial condition.

In the first quarter of 2005, the Corporation sold its Fairfield, New Jersey, property, which was formerly an operating facility for the Corporation’s Motion Control segment. Under the sale agreement, the Corporation has retained the responsibility to continue the ongoing environmental remediation on the property. At the date of the sale, remediation costs associated with the Fairfield site were anticipated to be incurred over three to five years with an estimated cost of \$1.5 million. As of December 31, 2010, the Corporation’s reserve balance was \$0.8 million, which is essentially unchanged from the prior year.

In 1992, the Corporation was named as a PRP in the Caldwell Trucking superfund site. Through 2010, the majority of the costs for this site have been for the soil and groundwater remediation. As of December 31, 2010, the Corporation’s reserve balance was \$4.5 million, which largely represents continuing operation and maintenance costs over the next 30 years.

The Corporation maintains several NRC licenses necessary for the continued operation of the EMD facility in Cheswick, Pennsylvania. In connection with these licenses, the NRC requires financial assurance from the Corporation in the form of a parent company guarantee representing estimated environmental decommissioning and remediation costs associated with the commercial operations covered by the licenses. In addition, the Corporation has obligations for additional environmental remediation costs at this facility, which are ongoing. The Corporation has partial environmental insurance coverage specifically for this facility. The policy provides coverage for losses due to on or off-site pollution conditions, which are pre-existing and unknown. As of December 31, 2010, the Corporation’s reserve balance was \$7.8 million, which is a \$0.6 million decrease from the prior year.

The Corporation’s aggregate environmental obligation at December 31, 2010 was \$20.8 million compared to \$20.9 million at December 31, 2009. Approximately 41.9% of the Corporation’s environmental reserves as of December 31, 2010, represent the current value of anticipated remediation costs and are not discounted primarily due to the uncertainty of timing of expenditures. The remaining environmental reserves are discounted using an appropriate discount rate to reflect the time value of money since the amount and timing of cash payments for the liability are reliably determinable. All environmental reserves exclude any potential recovery from insurance carriers or third-party legal actions. As of December 31, 2010, the undiscounted cash flows associated with the discounted reserves were \$20.0 million and are anticipated to be paid over the next 30 years.

16. PENSION AND OTHER POSTRETIREMENT BENEFIT PLANS

The Corporation maintains eleven separate and distinct pension and other postretirement defined benefit plans, consisting of four domestic pensions and other postretirement benefit plans and seven separate foreign pension plans. The Corporation maintains the following domestic plans: a qualified pension plan, a non-qualified pension plan, and a postretirement health-benefits plan (the “Curtiss-Wright Plans”), and a postretirement health benefits plan for EMD employees.

The foreign plans consist of three defined benefit pension plans in the United Kingdom, two in Mexico, and one plan each in Canada and Switzerland. In 2010, the defined benefit plan in Norway was terminated and replaced with a defined contribution plan. The total projected benefit obligation related to all foreign plans is \$78.4 million as of December 31, 2010. Each plan and further information on the Norway plan termination is described below.

Domestic Plans

The Curtiss-Wright Plans

The Corporation maintains a defined benefit pension plan, the CW Pension Plan, covering all employees under four benefit formulas: a non-contributory non-union and union formula for all Curtiss-Wright (“CW”) employees and a contributory union and non-union benefit formula for employees at the EMD business unit.

The formula for CW non-union employees is composed of a “traditional” benefit based on years of credited service, the five highest consecutive years’ compensation during the last ten years of service, and a “cash balance” benefit. CW union employees who have negotiated a benefit under the CW Pension Plan are entitled to a benefit based on years of service multiplied by a monthly pension rate. Employees become participants under the CW Pension Plan after one year of service and are vested after three years of service. The formula for EMD employees covers both union and non-union employees and is designed to satisfy the requirements of relevant collective bargaining agreements. Employee contributions are withheld each pay period and are equal to 1.5% of salary. The benefits for the EMD employees are based on years of service and compensation.

Effective February 1, 2009, the Corporation amended the CW Pension Plan to close the traditional benefit to new entrants. All new employees hired on or after the effective date will be eligible for the cash balance benefit. The amendment does not affect CW employees that are subject to collective bargaining agreements or employees of EMD.

At December 31, 2010 and 2009, the Corporation had a noncurrent pension liability of \$112.1 million and \$65.9 million, respectively. The Corporation made \$0.8 million of contributions to the CW Pension Plan in 2010 and we expect to make a contribution of approximately \$36.0 million in 2011 and cumulative contributions of approximately \$195.0 million through 2015.

The Corporation also maintains a non-qualified restoration plan (the “CW Restoration Plan”) covering those employees of CW and EMD whose compensation or benefits exceed the IRS limitation for pension benefits. Benefits under the CW Restoration Plan are not funded, and, as such, the Corporation had an accrued pension liability of \$18.6 million and \$16.0 million as of December 31, 2010 and 2009, respectively. The Corporation’s contributions to the CW Restoration Plan are expected to be \$0.9 million in 2011.

The Corporation provides postretirement health benefits to certain employees (the “CW Retirement Plan”). In 2002, the Corporation restructured the postretirement medical benefits for certain active employees, effectively freezing the plan. The obligation associated with these active employees was transferred to the CW Pension Plan. The plan continues to be maintained for retired employees. The Corporation had an accrued postretirement benefit liability of \$0.6 and \$0.7 million as of December 31, 2010 and 2009, respectively. Benefits under the plan are not funded. The Corporation’s contributions to the CW Retirement Plan are not expected to be material in 2011.

EMD Plan

The Corporation, through an administration agreement with Westinghouse, maintains the Westinghouse Government Services Group Welfare Benefits Plan (the “EMD Retirement Plan”), a retiree health and life insurance plan for substantially all of the Curtiss-Wright EMD employees. The EMD Retirement Plan provides basic health and welfare coverage on a non-contributory basis. Benefits are based on years of service and are subject to certain caps. Effective January 1, 2011, the Corporation modified the benefit design for post-65 retirees by introducing Retiree Reimbursement Accounts (“RRA’s) to participants in lieu of the traditional benefit delivery. Participant accounts will be funded a set amount annually

that can be used to purchase supplemental coverage on the open market, effectively capping the benefit. The plan was amended and remeasured for accounting purposes on November 1, 2010, the date the plan changes were communicated to participants. This change reduced the benefit obligation by approximately \$7.0 million.

The Corporation had an accrued postretirement benefit liability at December 31, 2010 and 2009 of \$19.4 million and \$29.1 million, respectively. Pursuant to the Asset Purchase Agreement, the Corporation has a discounted receivable from Washington Group International to reimburse the Corporation for a portion of these postretirement benefit costs. At December 31, 2010 and 2009, the discounted receivable included in other assets was \$2.7 million and \$2.9 million, respectively. The Corporation expects to contribute \$1.5 million to the EMD Retirement Plan during 2011.

Foreign Plans

Indal Technologies Hourly Plan (Canada)

The Pension Plan for Hourly Employees of Indal Technologies, Inc. (“Indal Plan”) commenced on March 1, 2005 in connection with the acquisition of Indal by the Corporation. This non-contributory defined benefit plan provides monthly benefits to eligible members equal to a member’s credited service multiplied by a fixed dollar amount. As of December 31, 2010 and 2009, the Corporation had an accrued pension liability of \$0.4 million and \$0.2 million, respectively. The Corporation’s contributions to the Indal Plan are expected to be \$0.3 million in 2011.

Metal Improvement Company – Salaried Staff Pension Scheme (U.K.)

The Corporation maintains the Salaried Staff Pension scheme (“MIC Plan”) for the benefit of Metal Treatment employees in the U.K. This contributory plan provides defined benefits to eligible members equal to one-sixtieth of final pensionable salary for each year of pensionable service. Members contribute at the rate of 6% of their pensionable salary, and the Corporation funds the balance of the cost to provide benefits. The plan provides for early retirement at reduced benefits and was closed to new entrants as of January 1, 2004. As of December 31, 2010 and 2009, the Corporation had an accrued pension liability of \$5.2 million and \$4.1 million, respectively. The Corporation’s contributions to the MIC Plan are expected to be approximately \$0.9 million in 2011.

Penny & Giles Pension Plan (U.K.)

The Penny & Giles Pension Plan (“P&G Plan”) is a contributory plan that provides for both defined benefit and defined contribution benefits. Defined benefit members are entitled to final salary related benefits equal to one-sixtieth of final pensionable salary for each year of pensionable service. The P&G Plan provides for early retirement at reduced benefits and was closed to new entrants at time of acquisition in 2002. The following disclosures include information for the Penny & Giles defined benefit section only, which represents the majority of the P&G Plan’s costs. As of December 31, 2010 and 2009, the Corporation had an accrued pension liability of \$5.3 million and \$1.9 million, respectively. The Corporation’s contributions to the P&G Plan are expected to be approximately \$2.0 million in 2011.

Mechtronics Limited Retirement Benefits Scheme (U.K.)

The Corporation assumed defined benefit obligations as a result of our Mechtronics acquisition on October 1, 2009. The plan is based on final pensionable salary and years of service. As a result of the restructuring of Mechtronics and the consolidation of U.K. operations, there are no active employees in the pension plan as of December 31, 2010 as the employees became deferred vested participants. See Note 10 to the Consolidated Financial Statements for further information regarding the restructuring. As of December 31, 2010 and 2009, the Corporation had an accrued pension liability of \$4.8 million and \$3.6 million, respectively. The Corporation’s contributions to the plans are expected to be \$0.4 million in 2011.

Curtiss Wright Antriebstechnik GmbH (“CWAT”) Pension Plan (Switzerland)

CWAT sponsors a defined contribution plan covering 84 employees as of December 31, 2010. Under Swiss Law, there is a guaranteed minimum benefit requirement which must be valued as a defined benefit obligation for U.S. GAAP purposes. As of December 31, 2010 and 2009, the Corporation had an accrued pension liability of \$2.4 million and \$1.4 million, respectively. The Corporation’s contributions to the plans are expected to be \$0.8 million in 2011.

The Corporation assumed defined benefit obligations as a result of our IMC Magnetics acquisition in 2008. Under Federal Labor Law in Mexico, all full-time employees of PSI de Mexico are entitled to benefits under two plans: Seniority Premium and Termination Indemnity. The Seniority Premium plan enables employees to receive benefits in the event of death, disability, dismissal, voluntary separation, and retirement. Benefits under voluntary separation and retirement are subject to certain requirements. The benefit is equal to 12 days of salary per year of accreditable service, payable in a lump sum. The Termination Indemnity enables employees to receive benefits in the event of dismissal or retirement. The benefit is equal to three months of salary plus bonuses, plus twenty days of salary plus bonus per year of accredited service, payable in a lump sum. As of December 31, 2010 and 2009, the Corporation had an accrued pension liability of \$0.3 million and \$0.2 million, respectively. The Corporation's contributions to the plans are expected to be immaterial in 2011.

VMETRO ASA Pension Plan

The Corporation assumed defined benefit obligations as a result of our VMETRO acquisition on October 15, 2008. The group pension plan entitles the employees of the Norwegian companies with future benefits based on years of service, the wage level at time of retirement, and benefits from the national insurance plan. Effective December 31, 2010, the Corporation terminated the existing defined benefit plan and replaced it with a defined contribution plan covering employee service beginning on January 1, 2011. The plan termination resulted in one-time curtailment and settlement gains of approximately \$1.6 million in 2010. The Corporation did not have an accrued pension liability as of December 31, 2010. As of December 31, 2009, the Corporation had an accrued pension liability of \$0.3 million.

The following table details the components of net periodic pension expense for all Pension Plans:

Components of net periodic benefit expense: (In thousands)	2010	2009	2008
Service cost	\$ 33,332	\$ 27,067	\$ 23,197
Interest cost	25,248	24,234	21,069
Expected return on plan assets	(28,904)	(29,039)	(30,170)
Amortization of prior service cost	1,111	646	635
Recognized net actuarial loss	1,815	2,287	718
Cost of settlements/curtailments	(1,245)	1,418	119
Net periodic benefit cost	\$ 31,357	\$ 26,613	\$ 15,568

Net periodic benefit cost, specifically service and interest cost, has increased over the reported periods due to growth in headcount and service accruals related to existing employees under the age and service-based formula in the plan. The 2009 expense includes a \$2.0 million correction of an immaterial error in the Curtiss-Wright Pension and Restoration plans. The actuarial calculation error resulted in an understatement of expense in the 2009 valuation. The additional \$2.0 million is reflected in each component of expense.

The "Cost of settlements/curtailments" indicated above represent events that are accounted for under guidance on employers' accounting for settlements and curtailments of defined benefit pension plans. In 2010, the gain resulted from the termination of the defined benefit plan in Norway, offset by settlement charges due to workforce reductions in Mexico and retirements in Switzerland. In 2009, a settlement charge of \$1.5 million resulted from the retirement of a key executive and his subsequent election to receive his pension benefit as a single lump sum payout. As a result of this single lump sum payout, special settlement requirements were triggered. This charge was partially offset by curtailment gains associated with reductions in workforce in Norway and Mexico. The settlement charge in 2008 is resulting from the retirement of an employee in Switzerland.

The following table details the components of net periodic expense for the CW and EMD Postretirement Benefit Plans:

<i>(In thousands)</i>	2010	2009	2008
Service cost	\$ 578	\$ 666	\$ 684
Interest cost	1,342	1,601	1,778
Amortization of prior service cost	(105)	—	—
Recognized net actuarial gain	(1,132)	(853)	(575)
Net periodic postretirement benefit cost	\$ 683	\$ 1,414	\$ 1,887

In the following table, the pension benefits information is a consolidated disclosure of all domestic and foreign plans described earlier. The postretirement benefits information includes the domestic CW and EMD postretirement benefit plans, as there are no foreign postretirement benefit plans. All plans were valued using a December 31, 2010 measurement date to comply with the requirements of U.S. GAAP to measure plan assets and benefit obligations as of the date of the employer's fiscal year-end statement of financial position.

	Pension Benefits		Postretirement Benefits	
<i>(In thousands)</i>	2010	2009	2010	2009
Change in benefit obligation:				
Beginning of year	\$ 443,801	\$ 398,713	\$ 29,874	\$ 28,818
Service cost	33,332	27,067	578	666
Interest cost	25,248	24,234	1,342	1,601
Plan participants' contributions	2,257	2,150	455	382
Amendments	594	4,547	(6,978)	—
Actuarial loss (gain)	43,651	14,011	(3,391)	358
Benefits paid	(25,717)	(28,752)	(2,015)	(2,038)
Retiree drug subsidy received	—	—	107	87
Curtailments	(821)	(808)	—	—
Settlements	(1,471)	(2,777)	—	—
Currency translation adjustments	431	5,416	—	—
End of year	\$ 521,305	\$ 443,801	\$ 19,972	\$ 29,874
Change in plan assets:				
Beginning of year	\$ 350,370	\$ 298,891	\$ —	\$ —
Actual return on plan assets	40,967	70,970	—	—
Employer contribution	5,466	6,717	1,560	1,656
Plan participants' contributions	2,257	2,150	455	382
Benefits paid	(25,717)	(28,752)	(2,015)	(2,038)
Settlements	(1,471)	(3,709)	—	—
Plan terminations	(128)	—	—	—
Currency translation adjustments	455	4,103	—	—
End of year	\$ 372,199	\$ 350,370	\$ —	\$ —
Funded status	\$ (149,106)	\$ (93,431)	\$ (19,972)	\$ (29,874)
	Pension Benefits		Postretirement Benefits	
<i>(In thousands)</i>	2010	2009	2010	2009
Amounts recognized on the balance sheet				
Current liabilities	(916)	(710)	(1,571)	(1,665)
Noncurrent liabilities	(148,190)	(92,721)	(18,401)	(28,209)
Total	\$ (149,106)	\$ (93,431)	\$ (19,972)	\$ (29,874)
Amounts recognized in accumulated other comprehensive income (AOCI)				
Net actuarial loss (gain)	106,752	76,383	(12,768)	(10,509)
Prior service cost	7,889	8,322	(6,873)	—
Total	\$ 114,641	\$ 84,705	\$ (19,641)	\$ (10,509)
Amounts in AOCI expected to be recognized in net periodic cost in the coming year:				
Loss (gain) recognition	4,948	2,938	(925)	(624)
Prior service cost recognition	1,196	1,110	(629)	—
Accumulated benefit obligation	\$ 476,792	\$ 394,084	N/A	N/A
Information for pension plans with an accumulated benefit obligation in excess of plan assets:				
Projected benefit obligation	497,237	425,090	N/A	N/A
Accumulated benefit obligation	462,416	382,646	N/A	N/A

Fair value of plan assets

353,473

333,816

N/A

N/A

Plan Assumptions

<i>(In thousands)</i>	Pension Benefits		Postretirement Benefits	
	2010	2009	2010	2009
Weighted-average assumptions in determination of benefit obligation:				
Discount rate	5.16%	5.89%	5.21%	5.98%
Rate of compensation increase	3.99%	4.04%	N/A	N/A
Health care cost trends:				
Rate assumed for subsequent year	N/A	N/A	8.50%	9.50%
Ultimate rate reached in 2014 and 2012, respectively	N/A	N/A	5.50%	5.50%
Weighted-average assumptions in determination of net periodic benefit cost:				
Discount rate	5.89%	5.89%	5.98%	6.00%
Expected return on plan assets	8.09%	8.15%	N/A	N/A
Rate of compensation increase	4.04%	4.02%	N/A	N/A
Health care cost trends:				
Rate assumed for subsequent year	N/A	N/A	9.50%	8.50%
Ultimate rate reached in 2014 and 2012, respectively	N/A	N/A	5.50%	5.50%

The discount rate for each plan is determined by discounting the plan's expected future benefit payments using a yield curve developed from high quality bonds that are rated Aa or better by Moody's as of the measurement date. The yield curve calculation matches the notional cash inflows of the hypothetical bond portfolio with the expected benefit payments to arrive at one effective rate for each plan.

The overall expected return on assets assumption is based on a combination of historical performance of the pension fund and expectations of future performance. Expected future performance is determined by weighting the expected returns for each asset class by the plan's asset allocation. The expected returns are based on long-term capital market assumptions utilizing a ten-year time horizon through consultation with investment advisors. While consideration is given to recent performance and historical returns, the assumption represents a long-term prospective return.

The effect on the CW and EMD Retirement Plans of a 1% change in the health care cost trend is as follows:

<i>(In thousands)</i>	1% Increase		1% Decrease	
Total service and interest cost components	\$	2	\$	(1)
Postretirement benefit obligation	\$	31	\$	(28)

Pension Plan Assets

The overall objective for plan assets is to earn a rate of return over time to meet anticipated benefit payments in accordance with plan provisions. The long-term investment objective of the domestic retirement plans is to achieve a total rate of return, net of fees, which exceeds the actuarial overall expected return on assets assumption used for funding purposes and which provides an appropriate premium over inflation. The intermediate-term objective of the domestic retirement plans, defined as three to five years, is to outperform each of the capital markets in which assets are invested, net of fees. During periods of extreme market volatility, preservation of capital takes a higher precedence than outperforming the capital markets.

The Corporation's Retirement Plan Committee is responsible for formulating investment policies, developing investment manager guidelines and objectives, and approving and managing qualified advisors and investment managers. The guidelines established define permitted investments within each asset class and apply certain restrictions such as limits on concentrated holdings, and prohibits selling securities short, buying on margin, and the purchase of any securities issued by the Corporation.

The Corporation maintains the funds of the CW Pension Plan under a trust and are diversified across investment classes and among investment managers to achieve an optimal balance between risk and return. In accordance with this policy, the Corporation has established target allocations for each asset class and ranges of expected exposure. The Corporation's domestic retirement assets are invested within this allocation structure in three major categories: domestic equity securities, international equity securities, and debt securities. Below are the Corporation's actual and established target allocations for the CW Pension Plan, representing 84% of consolidated assets:

Asset class	As of December 31,		Target	Expected
	2010	2009	Exposure	Range
Domestic equities	52%	49%	50%	40%-60%
International equities	16%	17%	15%	10%-20%
Total equity	68%	66%	65%	55%-75%
Fixed income	32%	34%	35%	25%-45%

The Corporation may from time to time require the reallocation of assets in order to bring the retirement plans into conformity with these ranges. The Corporation may also authorize alterations or deviations from these ranges where appropriate for achieving the objectives of the retirement plans.

Foreign plan assets represent 16.1% of consolidated plan assets, with the majority of the assets supporting the U.K. plans. The U.K. foreign plans follow a similar asset allocation strategy, while other plans are more heavily weighted in fixed income resulting in a weighted expected return on assets assumption of 5.99% for all foreign plans.

Fair Value Measurements

The following table presents consolidated plan assets using the fair value hierarchy as of December 31, 2010:

Asset Category	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	\$ 7,354	\$ 989	\$ 6,365	\$ —
Equity Securities:				
U.S. Large Cap (a)	120,865	120,475	390	—
U.S. Small Cap (b)	28,048	28,048	—	—
Foreign Large Cap (c)	60,355	60,355	—	—
Foreign Mid Cap	116	116	—	—
Foreign Index Funds (d)	26,062	68	25,994	—
Balanced Funds (e)	5,432	—	5,432	—
Total Equities	\$ 240,878	\$ 209,062	\$ 31,816	\$ —
Fixed Income Securities:				
U.S. Corporate Bonds (f)	18,120	—	18,120	—
U.S. Government Bonds	1,427	1,427	—	—
U.S. Fixed Income Mutual Fund (g)	54,808	54,808	—	—
US Other Fixed Income (h)	21,658	—	21,658	—
Foreign Government Bonds (i)	4,788	1,509	3,279	—
Foreign Corporate Bonds (i)	3,215	1,494	1,721	—
Foreign Government Index Funds (j)	1,449	—	1,449	—
Foreign Corporate Bond Index Funds (j)	8,802	—	8,802	—
Total Fixed Income Securities	\$ 114,267	\$ 59,238	\$ 55,029	\$ —
Alternative Investments:				
Insurance Contracts (k)	8,903	—	—	8,903
Total Alternative Investments	\$ 8,903	\$ —	\$ —	\$ 8,903
Real Estate:				
Foreign Real Estate (l)	797	—	—	797
Total Real Estate	\$ 797	\$ —	\$ —	\$ 797
Total Assets	\$ 372,199	\$ 269,289	\$ 93,210	\$ 9,700

The following table presents consolidated plan assets using the fair value hierarchy as of December 31, 2009:

Asset Category	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	\$ 11,217	\$ 6,101	\$ 5,116	\$ —
Equity Securities:				
U.S. Large Cap (a)	120,665	120,665	—	—
U.S. Small Cap (b)	20,917	20,917	—	—
Foreign Large Cap (c)	52,183	52,017	166	—
Foreign Mid Cap	85	85	—	—
Foreign Index Funds (d)	18,827	—	18,827	—
Balanced Funds (e)	3,005	—	3,005	—
Total Equities	\$ 215,682	\$ 193,684	\$ 21,998	\$ —
Fixed Income Securities:				
U.S. Corporate Bonds (f)	24,506	12	24,390	104
U.S. Fixed Income Mutual Fund (g)	67,450	67,450	—	—
U.S. Other Fixed Income (h)	3,482	—	3,482	—
Foreign Government Bonds (i)	6,082	1,617	4,465	—
Foreign Corporate Bonds (i)	4,267	1,545	2,344	378
Foreign Government Index Funds (j)	1,240	—	1,240	—
Foreign Corporate Bond Index Funds (j)	7,216	—	7,216	—
Total Fixed Income Securities	\$ 114,243	\$ 70,624	\$ 43,137	\$ 482
Alternative Investments:				
Insurance Contracts (k)	8,162	—	—	8,162
Total Alternative Investments	\$ 8,162	\$ —	\$ —	\$ 8,162
Real Estate:				
Foreign Real Estate (l)	1,066	—	—	1,066
Total Real Estate	\$ 1,066	\$ —	\$ —	\$ 1,066
Total Assets	\$ 350,370	\$ 270,409	\$ 70,251	\$ 9,710

(a) This category comprised of two growth and two value-oriented portfolios of U.S. securities benchmarked against the S&P 500 index. 2010 also includes a minor holding of a U.S. equity index fund in Switzerland.

(b) This category consists of a portfolio of US securities benchmarked against the Russell 2000 index.

(c) This category consists of two international mutual funds benchmarked against the MSCI EAFE index. 2010 also includes individual foreign equity holdings in the CW Pension Plan.

(d) This category is comprised primarily of global equity index mutual funds associated with the U.K.-based pension plans.

- (e) This category consists of one pooled balanced fund associated with the Canadian plan comprised of 60% equities and 40% fixed income/cash.
- (f) This category consists of a portfolio of domestic fixed income securities benchmarked against the Barclays Capital Aggregate Bond Index, with the majority of the portfolio comprised of corporate bonds.
- (g) This category consists of an actively-managed bond mutual fund comprised of domestic investment-grade debt, fixed-income derivatives, and below investment-grade issues.
- (h) This category consists of U.S. mortgage backed securities, asset backed securities, municipal bonds, and convertible debt.
- (i) These categories consist of bond mutual funds for institutional investors associated with plans in Switzerland and the U.K.
- (j) These categories consist of bond index mutual funds for institutional investors in the U.K. aiming to capture the returns of the iBoxx and Non-Gilt indices for corporates and the FTSE A index for government bonds (gilts).
- (k) This category consists of a guaranteed investment contract (GIC) in Switzerland. Amounts contributed to the plan are guaranteed by a foundation for occupational benefits that in turn entered into a group insurance contract and the foundation pays a guaranteed rate of interest that is reset annually.
- (l) This category consists of real estate investment trusts in Switzerland.

Valuation

Equity securities and exchange-traded equity and bond mutual funds are valued using a market approach based on the quoted market prices of identical instruments. Pooled institutional funds are valued at their net asset values and are calculated by the sponsor of the fund.

Fixed income securities are primarily valued using a market approach utilizing various underlying pricing sources and methodologies. Real estate investment trusts are priced at net asset value based on valuations of the underlying real estate holdings using inputs such as discounted cash flows, independent appraisals, and market-based comparable data.

Cash balances in the United States are held in a pooled fund and classified as a Level 2 asset. Non-U.S. cash is valued using a market approach based on quoted market prices of identical instruments.

The following table presents a reconciliation of Level 3 assets held during the year ended December 31, 2010 and 2009:

	Insurance Contracts	Corporate Bonds	Real Estate	Total
December 31, 2008	\$ 6,936	\$ 1,765	\$ 1,146	\$ 9,847
Actual return on plan assets:				
Relating to assets still held at the reporting date	128	22	65	215
Relating to assets sold during the period	—	36	—	36
Purchases, sales, and settlements	840	39	(145)	734
Transfers in and/or out of Level 3	—	(1,380)	—	(1,380)
Foreign currency translation adjustment	258	—	—	258
December 31, 2009	\$ 8,162	\$ 482	\$ 1,066	\$ 9,710
Actual return on plan assets:				
Relating to assets still held at the reporting date	163	—	31	194
Relating to assets sold during the period	—	12	—	12
Purchases, sales, and settlements	(290)	—	(365)	(655)
Transfers in and/or out of Level 3	—	(494)	—	(494)
Foreign currency translation adjustment	868	—	65	933
December 31, 2010	\$ 8,903	\$ —	\$ 797	\$ 9,700



Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid from the plans:

<i>(In thousands)</i>	Pension Plans	Postretirement Plans	Total
2011	\$ 33,392	\$ 1,571	\$ 34,963
2012	35,608	1,588	37,196
2013	37,352	1,577	38,929
2014	39,413	1,571	40,984
2015	40,563	1,561	42,124
2016 - 2020	225,957	7,680	233,637

Other Pension and Postretirement Plans

The Corporation offers all of its domestic employees the opportunity to participate in a defined contribution plan. Costs incurred by the Corporation in the administration and record keeping of the defined contribution plan are paid for by the Corporation and are not considered material.

In addition, the Corporation had foreign pension costs under various defined contribution plans of \$2.8 million, \$2.6 million, and \$2.6 million in 2010, 2009, and 2008, respectively.

17. LEASES

The Corporation conducts a portion of its operations from leased facilities, which include manufacturing and service facilities, administrative offices, and warehouses. In addition, the Corporation leases vehicles, machinery, and office equipment under operating leases. The leases expire at various dates and may include renewals and escalations. Rental expenses for all operating leases amounted to \$31.2 million in 2010, \$29.2 million in 2009, and \$29.0 million in 2008.

At December 31, 2010, the approximate future minimum rental commitments under operating leases that have initial or remaining non-cancelable lease terms in excess of one year are as follows:

<i>(In thousands)</i>	Rental Commitments
2011	\$ 24,283
2012	23,889
2013	21,704
2014	19,568
2015	20,808
Thereafter	55,909
Total	\$ 166,161

On June 25, 2010, the Corporation entered into an agreement for the construction and lease of a new manufacturing facility. The new facility will consist of two buildings totaling approximately 118,000 square feet situated on 12.5 acres in Baytown, Texas, and will serve as a manufacturing and fabrication facility for the Oil and Gas division in the Flow Control segment. Under the agreement, the Corporation is obligated to pay annual fixed rent of \$1.4 million for twenty years, with five years of free rent at the end of the term resulting in an initial term of 25 years.

18. INDUSTRY SEGMENTS

The Corporation manages and evaluates its operations based on the products and services it offers and the different markets it serves. Based on this approach, the Corporation has three reportable segments: Flow Control, Motion Control, and Metal Treatment. The Flow Control segment primarily designs, manufactures, distributes, and services a broad range of highly engineered flow control products including valves, pumps, motors, generators, instrumentation, and control electronics for severe service military and commercial applications. The Motion Control segment primarily designs, develops, and manufactures mechanical systems, drive systems, and mission-critical embedded computing products and sensors mainly for the aerospace and defense industries. Metal Treatment provides various metallurgical services, principally shot peening, laser peening, coatings, anodizing, and heat treating. The segment provides these services to a broad spectrum of customers in various industries, including aerospace, automotive, construction equipment, oil and gas, petrochemical, and metal working.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. Interest expense and income taxes are not reported on an operating segment basis because they are not considered in the segments' performance evaluation by the Corporation's Chairman and CEO, its chief operating decision-maker.

During 2010, 2009, and 2008, the Corporation had no direct defense customer or commercial customer representing more than 10% of consolidated revenue.

	December 31,		
	2010	2009	2008
	<i>(In thousands)</i>		
Net sales			
Flow Control	\$ 1,024,860	\$ 985,201	\$ 971,776
Motion Control	653,030	624,932	598,998
Metal Treatment	222,160	204,857	264,944
Less: Intersegment Revenues	(6,916)	(5,300)	(5,578)
Total Consolidated	\$ 1,893,134	\$ 1,809,690	\$ 1,830,140
Operating income (expense)			
Flow Control	\$ 104,391	\$ 92,721	\$ 102,394
Motion Control	80,410	80,949	60,359
Metal Treatment	25,842	19,891	52,142
Corporate and Eliminations (1)	(30,820)	(24,242)	(18,333)
Total Consolidated	\$ 179,823	\$ 169,319	\$ 196,562
Depreciation and amortization expense			
Flow Control	\$ 35,086	\$ 35,582	\$ 35,104
Motion Control	27,903	25,210	23,882
Metal Treatment	15,498	14,473	14,176
Corporate and Eliminations	1,459	1,216	1,089
Total Consolidated	\$ 79,946	\$ 76,481	\$ 74,251
Segment assets			
Flow Control	\$ 1,102,417	\$ 1,099,960	\$ 984,753
Motion Control	873,074	771,355	772,675
Metal Treatment	233,356	232,658	235,413
Corporate and Eliminations	33,171	38,068	49,189
Total Consolidated	\$ 2,242,018	\$ 2,142,041	\$ 2,042,030
Capital expenditures			
Flow Control	\$ 18,795	\$ 43,781	\$ 64,795
Motion Control	18,178	11,816	18,002
Metal Treatment	13,884	16,853	19,436
Corporate and Eliminations	2,123	2,082	750
Total Consolidated	\$ 52,980	\$ 74,532	\$ 102,983

(1) Corporate and Eliminations includes pension expense, environmental remediation and administrative expenses, legal, foreign currency transactional gains and losses, and other expenses.

Reconciliations

	December 31,		
	2010	2009	2008
	<i>(In thousands)</i>		
Earnings before taxes:			
Total segment operating income	\$ 210,643	\$ 193,561	\$ 214,895
Corporate and administrative	(30,820)	(24,242)	(18,333)
Other income, net	579	1,006	1,585
Interest expense	(22,107)	(25,066)	(29,045)
Total consolidated earnings before tax	\$ 158,295	\$ 145,259	\$ 169,102
Assets:			
Total assets for reportable segments	\$ 2,208,847	\$ 2,103,973	\$ 1,992,841
Non-segment cash	299	4,460	5,988
Other assets	32,872	33,608	43,201
Total consolidated assets	\$ 2,242,018	\$ 2,142,041	\$ 2,042,030

Geographic Information

	December 31,		
	2010	2009	2008
	<i>(In thousands)</i>		
Revenues			
United States of America	\$ 1,340,754	\$ 1,283,174	\$ 1,328,071
United Kingdom	115,331	104,606	164,409
Canada	58,855	63,644	62,437
Other foreign countries	378,194	358,266	275,223
Consolidated total	\$ 1,893,134	\$ 1,809,690	\$ 1,830,140
Long-Lived Assets			
United States of America	\$ 285,035	\$ 285,392	\$ 262,925
United Kingdom	39,479	46,384	42,563
Canada	33,578	32,405	30,096
Other foreign countries	39,188	36,968	28,448
Consolidated total	\$ 397,280	\$ 401,149	\$ 364,032

19. CONTINGENCIES AND COMMITMENTS

Legal Proceedings

In January 2007, a former executive was awarded approximately \$9.0 million in punitive and compensatory damages plus legal costs related to a gender bias lawsuit filed in 2003. The Corporation recorded a \$6.5 million reserve related to the lawsuit. In August of 2009, the New Jersey Appellate Division reversed in part and affirmed in part the judgment of the trial court, resulting in the setting aside of the punitive damage award and the front pay award of the Plaintiff's compensatory damages award. The Plaintiff filed a Petition for Certification with the Supreme Court of New Jersey requesting review of the Appellate Division's decision. In November of 2009, the Supreme Court of New Jersey granted Plaintiff's Petition for Certification. In March 2010, both parties presented arguments before the Supreme Court of New Jersey. In December 2010, the Supreme Court of New Jersey issued an opinion reversing the Appellate Division's decision, and reinstating the judgment rendered by the trial court. In December 2010, the Corporation filed a Motion for Reconsideration with the Supreme Court of New Jersey. In the motion, the Corporation requested that the Supreme Court of New Jersey remand the case back to the lower Appellate Division to resolve certain arguments raised by the Corporation regarding the appropriateness of damages but not reviewed by the Appellate Division as result of the Appellate Division setting aside the liability. The Corporation continues to wait for a decision on its Motion for Reconsideration. Based upon the Supreme Court of New Jersey's ruling in December 2010, the Corporation recorded an additional reserve of \$4.1 million in the fourth quarter of 2010. The total reserve related to the lawsuit as of December 31, 2010 is \$10.6 million.

Consistent with other entities its size, the Corporation is party to a number of legal actions and claims, none of which individually or in the aggregate, in the opinion of management, are expected to have a material adverse effect on the Corporation's results of operations or financial position.

Environmental Matters

The Corporation, through its Flow Control segment, has several NRC licenses necessary for the continued operation of its commercial nuclear operations. In connection with these licenses, the NRC required financial assurance from the Corporation in the form of a parent company guarantee, representing estimated environmental decommissioning and remediation costs associated with the commercial operations covered by the licenses. The guarantee for the decommissioning costs of the refurbishment facility, which is estimated for 2017, is \$4.4 million. See Note 15 to the Consolidated Financial Statements for further information.

Letters of Credit and Other Arrangements

The Corporation enters into standby letters of credit agreements and guarantees with financial institutions and customers primarily relating to guarantees of repayment on certain Industrial Revenue Bonds, future performance on certain contracts to provide products and services, and to secure advance payments the Corporation has received from certain international customers. At December 31, 2010, 2009, and 2008, the Corporation had contingent liabilities on outstanding letters of credit of \$47.0 million, \$47.3 million, and \$54.0 million, respectively.

20. ACCUMULATED OTHER COMPREHENSIVE INCOME

Accumulated other comprehensive loss as of December 31, 2010 and 2009 consisted of:

<i>(In thousands)</i>	Pre-tax amount	Deferred tax (asset) liability	Net of tax amount
2010			
Foreign currency translation adjustments	\$ 57,242	\$ 998	\$ 58,240
Pension and postretirement adjustments:			
Net actuarial gain	(93,984)	33,778	(60,206)
Prior service costs	(1,016)	169	(847)
Total pension and postretirement adjustments	(95,000)	33,947	(61,053)
Accumulated other comprehensive (loss)/income	\$ (37,758)	\$ 34,945	\$ (2,813)

<i>(In thousands)</i> 2009	Pre-tax amount	Deferred tax (asset) liability	Net of tax amount
Foreign currency translation adjustments	\$ 28,526	\$ (1,869)	\$ 26,657
Pension and postretirement adjustments:			
Net actuarial gain	(65,874)	24,870	(41,004)
Prior service costs	(8,322)	3,064	(5,258)
Total pension and postretirement adjustments	(74,196)	27,934	(46,262)
Accumulated other comprehensive (loss)/income	\$ (45,670)	\$ 26,065	\$ (19,605)

Other comprehensive income (loss) for the periods ending December 31, 2010, 2009 and 2008 were as follows:

<i>(In thousands)</i> 2010	Pre-tax amount	Tax (expense) benefit	Net of tax amount
Foreign currency translation adjustments	\$ 28,716	\$ 2,867	\$ 31,583
Pension and postretirement adjustments:			
Net actuarial (loss)/gain	(28,110)	8,908	(19,202)
Prior service cost	7,306	(2,895)	4,411
Total pension and postretirement adjustments	(20,804)	6,013	(14,791)
Other comprehensive income	\$ 7,912	\$ 8,880	\$ 16,792

<i>(In thousands)</i> 2009	Pre-tax amount	Tax (expense) benefit	Net of tax amount
Foreign currency translation adjustments	\$ 40,586	\$ (3,990)	\$ 36,596
Pension and postretirement adjustments:			
Net actuarial gain/(loss)	29,712	(10,855)	18,857
Prior service cost	(3,937)	1,430	(2,507)
Total pension and postretirement adjustments	25,775	(9,425)	16,350
Other comprehensive income/(loss)	\$ 66,361	\$ (13,415)	\$ 52,946

<i>(In thousands)</i> 2008	Pre-tax amount	Tax (expense) benefit	Net of tax amount
Foreign currency translation adjustments	\$ (84,951)	\$ 6,208	\$ (78,743)
Pension and postretirement adjustments:			
Net actuarial (loss)/gain	(138,550)	52,040	(86,510)
Prior service cost	(1,260)	457	(803)
Total pension and postretirement adjustments	(139,810)	52,497	(87,313)
Other comprehensive (loss)/income	\$ (224,761)	\$ 58,705	\$ (166,056)

As of January 1, 2010, one of the Corporation's Canadian entities changed its functional currency from the U.S. dollar to the Canadian dollar. The nature of this operation's cash flow changed from predominantly U.S. dollar to the Canadian dollar, therefore requiring the change in functional currency. In accordance with the guidance on foreign currency translation, an adjustment of \$18.6 million, attributable to current-rate translation of non-monetary assets, was recorded in the first quarter of 2010 to the currency translation account. This adjustment resulted in an increase to total comprehensive income and is reported within the "Foreign currency translation adjustments" caption above.



21. SUBSEQUENT EVENTS

On January 7, 2011, the Corporation acquired all the issued and outstanding stock of Predator Systems Incorporated (“PSI”) for \$13.3 million in cash. Management funded the purchase from the Corporation’s revolving credit facility. PSI designs and manufactures motion control components and subsystems for ground defense, ordnance guidance, and aerospace applications. PSI will operate within the Flight Systems division of the Corporation’s Motion Control segment. Revenues of the acquired business were approximately \$8 million for the year ended December 31, 2010.

On January 31, 2011, the Corporation signed a definitive purchase agreement to acquire the assets of BASF’s Surface Technologies business from BASF Corporation. Management anticipates funding the acquisition from the Corporation’s revolving credit facility. The Surface Technologies business is a supplier of metallic and ceramic thermal spray coatings primarily for the aerospace and power generation markets. BASF’s Surface Technologies business will operate within the Corporation’s Metal Treatment segment. BASF’s Surface Technologies had revenues of approximately \$29 million for the year ended December 31, 2010.

22. QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

<i>(In thousands, except per share data)</i>	First	Second	Third	Fourth
2010				
Net sales	\$ 441,775	\$ 462,165	\$ 465,813	\$ 523,381
Gross profit	137,984	154,383	155,717	173,669
Net earnings	16,335	25,898	27,784	36,581
Earnings per share:				
Basic earnings per share	0.36	0.57	0.61	0.80
Diluted earnings per share	0.35	0.56	0.60	0.79
Dividends per share	0.08	0.08	0.08	0.08
2009				
Net sales	\$ 423,792	\$ 447,371	\$ 435,750	\$ 502,777
Gross profit	135,760	144,582	142,315	172,874
Net earnings	15,805	24,454	20,115	34,847
Earnings per share:				
Basic earnings per share	\$ 0.35	\$ 0.54	\$ 0.44	\$ 0.77
Diluted earnings per share	0.35	0.54	0.44	0.76
Dividends per share	0.08	0.08	0.08	0.08

See notes to the consolidated financial statements for additional financial information.

Report of the Corporation

The consolidated financial statements appearing in Item 8 of this Annual Report on Form 10-K have been prepared by the Corporation in conformity with accounting principles generally accepted in the United States of America. The financial statements necessarily include some amounts that are based on the best estimates and judgments of the Corporation. Other financial information in this Annual Report on Form 10-K is consistent with that in the financial statements.

The Corporation maintains accounting systems, procedures, and internal accounting controls designed to provide reasonable assurance that assets are safeguarded and that transactions are executed in accordance with the appropriate corporate authorization and are properly recorded. The accounting systems and internal accounting controls are augmented by written policies and procedures, organizational structure providing for a division of responsibilities, selection and training of qualified personnel, and an internal audit program. The design, monitoring, and revision of internal accounting control systems involve, among other things, management's judgment with respect to the relative cost and expected benefits of specific control measures. Management of the Corporation has completed an assessment of the Corporation's internal controls over financial reporting and has included "Management's Annual Report on Internal Control Over Financial Reporting" in Item 9A of this Annual Report on Form 10-K.

Deloitte & Touche LLP, our independent registered public accounting firm, performed an integrated audit of the Corporation's financial statements that also included forming an opinion on the internal controls over financial reporting of the Corporation for the year ended December 31, 2010. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. The objective of their audit is the expression of an opinion on the fairness of the Corporation's financial statements in conformity with accounting principles generally accepted in the United States of America, in all material respects, and on the internal controls over financial reporting as of December 31, 2010.

The Audit Committee of the Board of Directors, composed entirely of directors who are independent of the Corporation, appoints the independent registered public accounting firm for ratification by stockholders and, among other things, considers the scope of the independent registered public accounting firm's examination, the audit results, and the adequacy of internal accounting controls of the Corporation. The independent registered public accounting firm and the internal auditor have direct access to the Audit Committee, and they meet with the committee from time to time, with and without management present, to discuss accounting, auditing, non audit consulting services, internal control, and financial reporting matters.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Curtiss-Wright Corporation
Parsippany, New Jersey

We have audited the accompanying consolidated balance sheets of Curtiss-Wright Corporation and subsidiaries (the “Company”) as of December 31, 2010 and 2009, and the related consolidated statements of earnings, stockholders’ equity, and cash flows for each of the three years in the period ended December 31, 2010. Our audits also included the financial statement schedule listed in the Index at Item 15. These financial statements and financial statement schedule are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2010 and 2009, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2010, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company’s internal control over financial reporting as of December 31, 2010, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 24, 2011 expressed an unqualified opinion on the Company’s internal control over financial reporting.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey
February 24, 2011

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Curtiss-Wright Corporation
Parsippany, New Jersey

We have audited the internal control over financial reporting of Curtiss-Wright Corporation and subsidiaries (the "Company") as of December 31, 2010, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2010, based on the criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement schedule as of and for the year ended December 31, 2010 of the Company and our report dated February 24, 2011 expressed an unqualified opinion on those financial statements and financial statement schedule.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey
February 24, 2011

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls And Procedures.

Disclosure Controls and Procedures

As of December 31, 2010, the Corporation's management, including the Corporation's Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the Corporation's disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based on such evaluation, the Corporation's Chief Executive Officer and Chief Financial Officer concluded that the Corporation's disclosure controls and procedures are effective as of December 31, 2010 insofar as they are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and they include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

Management's Annual Report On Internal Control Over Financial Reporting

The Corporation's management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934, as amended.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of the future effectiveness of controls currently deemed effective are subject to the risk that controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with the policies or procedures.

The Corporation's management assessed the effectiveness of the Corporation's internal control over financial reporting as of December 31, 2010. In making this assessment, the Corporation's management used the criteria established by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework.

Based on management's assessment, management believes that as of December 31, 2010, the Corporation's internal control over financial reporting is effective based on the established criteria.

The Corporation's internal controls over financial reporting as of December 31, 2010 have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, and their report thereon is included in Item 8 of this Annual Report on Form 10-K.

Changes in Internal Control over Financial Reporting

There were no changes in the Corporation's internal control over financial reporting during the most recently completed fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

The information required by Items 10, 11, 12, 13, and 14 of Part III of this Annual Report on Form 10-K, to the extent not set forth herein, is incorporated herein by reference from the registrant's definitive proxy statement relating to the annual meeting of stockholders to be held on May 6, 2011 which definitive proxy statement shall be filed with the Securities and Exchange Commission within 120 days after the end of the fiscal year to which this report relates. Information required by Item 401(b) of Regulation S-K is included in Part I of this report under the caption "Executive Officers" and information required by Item 201(d) of Regulation S-K is included in Part II of this report under the caption "Securities Authorized For Issuance Under Equity Compensation Plans".

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) Financial Statements and Footnotes	Page
1. The following are documents filed as part of this report in Part II, Item 8:	
Consolidated Statements of Earnings	47
Consolidated Balance Sheets	48
Consolidated Statements of Cash Flows	49
Consolidated Statements of Stockholders' Equity	50
Notes to Consolidated Financial Statements	51
2. Financial Statement Schedule	
Schedule II—Valuation and Qualifying Accounts	99
All other financial statement schedules have been omitted because they are either not required, not applicable or the required information is shown in the Consolidated Financial Statements or Notes thereto.	
(b) Exhibits	
2.1 Agreement and Plan of Merger and Recapitalization, dated as of February 1, 2005, by and between the Registrant and CW Merger Sub, Inc. (incorporated by reference to Exhibit 2.1 to Form 8-K filed February 3, 2005).	
3.1 Amended and Restated Certificate of Incorporation (incorporated by reference to Form 8-A/A filed May 24, 2005).	
3.2 Amended and Restated By-Laws (incorporated by reference to Form 8-K filed November 17, 2008).	
3.3 Form of stock certificate for Common Stock (incorporated by reference to Form 8-K filed November 17, 2008).	
4.1 Agreement to furnish to the Commission upon request a copy of any long-term debt instrument where the amount of the securities authorized thereunder does not exceed 10% of the total assets of the Registrant and its subsidiaries on a consolidated basis (incorporated by reference to Exhibit 4 to Form 10-K for the year ended December 31, 1985).	
10.1 Curtiss-Wright Corporation 2005 Omnibus Long-Term Incentive Plan, amended and restated effective January 1, 2010 (incorporated by reference to Appendix B to Proxy Statement filed March 19, 2010).*	
10.2 Form of Long Term Incentive Award Agreement, between the Registrant and the executive officers of the Registrant (incorporated by reference to Exhibit 10.3 to Form 10-K for the year ended December 31, 2005).*	

- 10.3 Revised Standard Employment Severance Agreement with Senior Management of the Registrant (incorporated by reference to Exhibit 10 to Form 10-Q for the quarter ended June 30, 2001).*
- 10.4 Amended and Restated Retirement Benefits Restoration Plan as amended January 1, 2010 (filed herewith).*
- 10.5 Amended and Restated Curtiss-Wright Corporation Retirement Plan and Instrument of Amendment No. 1, as amended through January 1, 2010(filed herewith). *
- 10.6 Restated and Amended Curtiss-Wright Corporation Savings and Investment Plan, dated January 1, 2010 (filed herewith).*
- 10.7 Instrument of Amendment No. 1 to the Restated and Amended Curtiss-Wright Corporation Savings and Investment Plan, dated January 1, 2010(filed herewith).*
- 10.8 Form of indemnification Agreement entered into by the Registrant with each of its directors (incorporated by reference to Exhibit 10 to Form 10-K for the year ended December 31, 2008).
- 10.9 Amended and Restated Curtiss-Wright Electro-Mechanical Corporation Savings Plan, dated January 1, 2010 (filed herewith) *
- 10.10 Curtiss-Wright Corporation 2005 Stock Plan for Non-Employee Directors (incorporated by reference to Appendix C to Proxy Statement filed April 5, 2005).*
- 10.11 Amended and Revised Curtiss-Wright Corporation Executive Deferred Compensation Plan, as amended November 2006 (incorporated by reference to Exhibit 10 to Form 10-K for the year ended December 31, 2006) *
- 10.12 Change In Control Severance Protection Agreement, dated July 9, 2001, between the Registrant and Chief Executive Officer of the Registrant (incorporated by reference to Exhibit 10.1 to Form 10-Q for the quarter ended September 30, 2001).*
- 10.13 Standard Change In Control Severance Protection Agreement, dated July 9, 2001, between the Registrant and Key Executives of the Registrant (incorporated by reference to Form 10-Q for the quarter ended September 30, 2001).*
- 10.14 Trust Agreement, dated January 20, 1998, between the Registrant and PNC Bank, National Association (incorporated by reference to Exhibit 10(a) to Form 10-Q for the quarter ended March 31, 1998).*
- 10.15 Consulting Agreement, dated April 30, 2010, between the Registrant and Edward Bloom (incorporated by reference to Exhibit 10 to Form 10-Q for the quarter ended March 31, 2009).*
- 10.16 Curtiss-Wright Corporation 2003 Employee Stock Purchase Plan (incorporated by reference to Appendix VII to Proxy Statement filed March 28, 2003).*
- 10.17 Curtiss-Wright Corporation Employee Stock Purchase Plan, as amended, effective January 1, 2010 (incorporated by reference to Exhibit 10 to Form 10-K/A for the year ended December 31, 2009).*
- 10.18 Note Purchase Agreement between the Registrant and certain Institutional Investors, dated September 25, 2003 (incorporated by reference to Exhibit 10.1 to Form 8-K filed October 3, 2003).
- 10.19 Restrictive Legends on Notes subject to Purchase Agreement between the Registrant and certain Institutional Investors, dated September 25, 2003 (incorporated by reference to Exhibit 10.2 to Form 8-K filed October 3, 2003).
- 10.20 Note Purchase Agreement between the Registrant and certain Institutional Investors, dated December 1, 2005 (incorporated by reference to Exhibit 10.1 to Form 8-K filed December 5, 2005).

- 10.21 Restrictive Legends on Notes subject to Purchase Agreement between the Registrant and certain Institutional Investors, dated December 1, 2005 (incorporated by reference to Exhibit 10.2 to Form 8-K filed December 5, 2005).
- 10.22 2006 Modified Incentive Compensation Plan (incorporated by reference to Appendix B to Company's 2006 Definitive Proxy Statement on Schedule 14A filed March 29, 2006). *
- 10.23 Restricted Stock Unit Agreement, dated October 9, 2006, by and between the Registrant and David Linton (incorporated by reference to Exhibit 10 to Form 8-K filed October 11, 2006). *
- 10.24 Restricted Stock Unit Agreement, dated October 23, 2007, by and between the Registrant and David Linton (incorporated by reference to Exhibit 10 to Form 8-K filed October 25, 2007). *
- 10.25 Restricted Stock Unit Agreement, dated October 9, 2006, by and between the Registrant and David Adams (incorporated by reference to Exhibit 10 to Form 8-K filed October 16, 2006). *
- 10.26 Restricted Stock Unit Agreement, dated October 23, 2007, by and between the Registrant and David Adams (incorporated by reference to Exhibit 10 to Form 8-K filed October 25, 2007). *
- 10.27 Second Amended and Restated Credit Agreement dated as of August 10, 2008 among the Registrant, and Certain Subsidiaries as Borrowers; the Lenders parties thereto; Bank of America, N.A., as Administrative Agent; Swingline Lender, and L/C Issuer; J.P. Morgan Chase Bank, N.A., as Syndication Agent; and Sun Trust Bank and Citibank N.A., as Co-Documentation Agents (incorporated by reference to Exhibit 10 to Form 10-K/A for the year ended December 31, 2008)
- 21 Subsidiaries of the Registrant (filed herewith)
- 23 Consent of Independent Registered Public Accounting Firm (filed herewith).
- 31.1 Certification of Martin R. Benante, Chairman and CEO, Pursuant to Rule 13a – 14(a) (filed herewith).
- 31.2 Certification of Glenn E. Tynan, Chief Financial Officer, Pursuant to Rule 13a – 14(a) (filed herewith).
- 32 Certification of Martin R. Benante, Chairman and CEO and Glenn E. Tynan, Chief Financial Officer, Pursuant to 18 U.S.C. Section 1350 (filed herewith).

*Indicates contract or compensatory plan or arrangement

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
SCHEDULE II – VALUATION and QUALIFYING ACCOUNTS
for the years ended December 31, 2010, 2009, and 2008
(In thousands)

Description	Balance at Beginning of Period	Additions		Deductions (Describe)	Balance at End of Period
		Charged to Costs and Expenses	Charged to Other Accounts (Describe)		
Deducted from assets to which they apply:					
Year-ended December 31, 2010					
Reserves for inventory obsolescence	\$ 39,739	\$ 14,472	\$ 782 (A)	\$ 13,397 (B)	\$ 41,596
Reserves for doubtful accounts	3,997	2,753	50 (A)	2,828 (C)	3,972
Tax valuation allowance	5,924	(858)	(92) (A)	—	4,974
Total	\$ 49,660	\$ 16,367	\$ 740	\$ 16,225	\$ 50,542
Year-ended December 31, 2009					
Reserves for inventory obsolescence	\$ 34,283	\$ 12,931	\$ 1,751 (A)	\$ 9,226 (B)	\$ 39,739
Reserves for doubtful accounts	4,824	3,633	66 (A)	4,526 (C)	3,997
Tax valuation allowance	5,375	55	494 (A)	—	5,924
Total	\$ 44,482	\$ 16,619	\$ 2,311	\$ 13,752	\$ 49,660
Year-ended December 31, 2008					
Reserves for inventory obsolescence	\$ 30,999	\$ 9,525	\$ 884 (A)	\$ 7,125 (B)	\$ 34,283
Reserves for doubtful accounts	5,347	4,153	(115) (A)	4,561 (C)	4,824
Tax valuation allowance	—	356	5,019 (A)	—	5,375
Total	\$ 36,346	\$ 14,034	\$ 5,788	\$ 11,686	\$ 44,482

Notes:

- (A) Primarily amounts acquired from business combinations and currency translation adjustments.
(B) Write-off and sale of obsolete inventory.
(C) Write-off of bad debt and collections on previously reserved accounts.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CURTISS-WRIGHT CORPORATION
(Registrant)

Date: February 24, 2011

By: /s/ Martin R. Benante

Martin R. Benante
Chairman and CEO

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Date: February 24, 2011

By: /s/ Glenn E. Tynan

Glenn E. Tynan
Chief Financial Officer

Date: February 24, 2011

By: /s/ Glenn Coleman

Glenn Coleman
Controller

Date: February 24, 2011

By: /s/ Martin R. Benante

Martin R. Benante
Director

Date: February 24, 2011

By: /s/ S. Marce Fuller

S. Marce Fuller
Director

Date: February 24, 2011

By: /s/ Allen A. Kozinski

Allen A. Kozinski
Director

Date: February 24, 2011

By: /s/ Carl G. Miller

Carl G. Miller
Director

Date: February 24, 2011

By: /s/ William B. Mitchell

William B. Mitchell
Director

Date: February 24, 2011

By: /s/ John R. Myers

John R. Myers
Director

Date: February 24, 2011

By: /s/ John B. Nathman

John B. Nathman
Director

Date: February 24, 2011

By: /s/ William W. Sihler

William W. Sihler
Director

Date: February 24, 2011

By: /s/ Albert E. Smith

Albert E. Smith
Director

**CURTISS-WRIGHT CORPORATION
RETIREMENT BENEFITS
RESTORATION PLAN
with respect to
Deferred Compensation after December 31, 2004**

(As Amended and Restated Effective January 1, 2009)

I. Purpose of Plan

This Curtiss-Wright Corporation Retirement Benefits Restoration Plan (“the Plan”) was established to provide a means of paying those benefits that would be payable under the Curtiss-Wright Corporation Retirement Plan (the “C-W Retirement Plan”), were it not for the limitations now or hereafter imposed by any provision of the Internal Revenue Code (the “Code”) or the Employee Retirement Income Security Act of 1974 (“ERISA”).

Effective as of October 29, 2002, the Plan was amended to provide a means of paying benefits to certain highly compensated and managerial employees who are not participants in the C-W Retirement Plan, but are participants in Curtiss-Wright Electro-Mechanical Division Pension Plan (the “EMD Plan”). The provisions that are applicable specifically to employees who are not participants in the C-W Retirement Plan are set forth in the Appendices to the Plan. Effective January 1, 2007 the EMD Plan was merged into the C-W Retirement Plan which has been reflected in this Plan document as appropriate and is referred to as the EMD Plan.

Effective as of January 1, 2009, the Plan is amended and restated for documentary compliance with Section 409A of the Internal Revenue Code. Effective January 1, 2008 the Plan is amended for changes in the vesting schedule associated with C-W Participants’ benefits accrued after December 31, 2007 and for changes to service requirements for C-W Participants’ Early and Normal retirement benefits eligibility.

II. Administration of the Plan

This Plan shall be administered by the Curtiss-Wright Administrative Committee (the “Committee”) as delegated to it by the Board of Directors of Curtiss-Wright Corporation (the “Corporation”). All questions arising in connection with the interpretation and application of this Plan shall be determined by the Committee and such determinations of the Committee shall be final, conclusive and binding upon all persons.

III. Participation in the Plan

- (a) Except to the extent provided in Article IV, hereof, all participants in the C-W Retirement Plan (who are not EMD Participants) shall be eligible to participate in this Plan whenever their benefits under the C-W Retirement Plan as from time to time in effect would be limited as a result of any provision of the Code (including, but not limited to, Sections 401(a)(17) and 415 thereof) or ERISA (“C-W Participants”).
- (b) An employee of the Corporation or of any subsidiary who is not a C-W Participant shall be eligible to participate in this Plan only in accordance with the provisions of an Appendix to the Plan.

IV. Benefits for C-W Participants

Each C-W Participant (and/or, to the extent consistent with this Plan and elections made hereunder, his spouse or other beneficiary under the C-W Retirement Plan) shall receive a supplemental retirement benefit under this Plan equal to the excess, if any, of

- (a) the benefit that would have been payable to him, her or them under the C-W Retirement Plan, computed on the basis of the Participant's:
- (1) pre-September 1, 1994 basic salary and cash payments to the Participant under the Corporation's Modified Incentive Compensation Plan (the "IC Plan"); plus
 - (2) his or her "compensation," as defined in the C-W Retirement Plan, from on and after September 1, 1994;
- in either event calculated without regard to any C-W Retirement Plan provision incorporating or reflecting (i) limitations imposed by Section 401 (a) (17) of the Code on the amount of compensation that may be taken into account under the C-W Retirement Plan or (ii) limitations imposed by Section 415 of the Code or ERISA on the maximum amount of benefits payable under the C-W Retirement Plan, over
- (b) the benefit payable under the C-W Retirement Plan, computed otherwise as above but limited by any provision incorporating or reflecting such Code or ERISA limitations.

The supplemental retirement benefit otherwise payable hereunder as related to periods of employment prior to September 1, 1994 shall be payable to or in respect of a C-W Participant only if, or to the extent that, the Participant during such period or periods made the contributions under this Plan required by Article V hereof.

For benefits accrued and vested prior to January 1, 2005, the supplemental retirement benefit shall be payable at the same time and otherwise in accordance with all the terms and conditions applicable to the C-W Participant's benefit under the C-W Retirement Plan except that the Participant may make different elections under this Plan with respect to the forms in which payment is to be received than he or she makes under the C-W Retirement Plan. The right of the C-W Participant to make different elections under this Plan than under the C-W Retirement Plan is subject to the qualification that no election to take a single or partial lump sum under this plan shall be effective until sixty days after the election is made. Any actuarial or other adjustments of the amounts payable to an individual under this Plan shall be made on the same basis as such adjustments are or would have been made on the corresponding benefit under the C-W Retirement Plan.

Payment of benefits accrued and/or vested after December 31, 2004 is covered in Article VII of the Plan.

V. Contributions of C-W Participants

For any period of employment prior to September 1, 1994 to be counted with respect to a C-W Participant's entitlement under this Plan, the Participant must have made contributions to the Corporation with respect to such period equal to 3% of that portion, if any, of his or her basic salary and cash payments to him or her under the IC Plan that, under Section 401(a) (17) of the Code, were not, or would not have been, permitted to be taken into account under the Curtiss-Wright Corporation Contributory Retirement Plan. For purposes of the preceding sentence the term "basic salary" shall have the

meaning set forth in subparagraph 4(e) and the last unnumbered subparagraph of paragraph 4 of Article VII of the Curtiss-Wright Corporation Contributory Retirement Plan as in effect on December 31, 1988. Amounts equivalent to interest shall accrue on a C-W Participant's contributions under this Plan at the same rate, to the same extent and under the same circumstances (except as provided in paragraph (a) of Article X of this Plan) as shall apply to interest on the Participant's contributions under the Curtiss-Wright Corporation Contributory Retirement Plan.

VI. C-W Participant Vesting

Benefits accrued by C-W Participants prior to January 1, 2008 are 100% vested after five years of vesting service. Vesting service will be determined under this Plan by reference to the definition of Vesting Service contained in the C-W Retirement Plan; however any change in the vesting schedule under the C-W Retirement Plan will not change the vesting schedule under this Plan. An amendment to this plan will be required to change the vesting schedule applied to Participants of this Plan.

Benefits accrued by C-W Participants after December 31, 2007 will be 100% vested after three years of vesting service. Vesting service will be determined under this Plan by reference to the definition of Vesting Service contained in the C-W Retirement Plan; however any change in the vesting schedule under the C-W Retirement Plan will not change the vesting schedule under this Plan. An amendment to this plan will be required to change the vesting schedule applied to Participants of this Plan.

VII. Payment of Benefits

This Article VII reflects the rules governing distributions of benefits made under the Plan with respect to Participants whose benefits accrue and vest and who incur a Separation from Service with the Company on or after January 1, 2005. This Article VII replaces and incorporates prior Article VII which governed distribution of benefits under the Plan and provided C-W Participants the opportunity to make distribution elections in accordance with certain transition rules set forth in Treasury Regulations and other guidance promulgated under Section 409A of the Code.

- (a) The portion of a C-W Participant's benefit that the Participant had earned and had become vested in prior to January 1, 2005 (the "Pre-2005 Benefit") shall continue to be governed by the provisions of the Plan as in effect on October 3, 2004.
 - (b) For purposes of the Plan and Appendices, "Separation from Service" means, as to a particular Participant, a termination of services provided by the Participant to the Company, whether voluntarily or involuntarily, as determined by the Committee in accordance with Section 409A of the Code and Treasury Regulation Section 1.409A-1(h). In determining whether a Participant has experienced a Separation from Service, the following provisions shall apply:
 - (1) For a Participant who provides services to the Company as an employee, a Separation from Service shall occur when the Participant has experienced a termination of employment with the
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Company. A Participant shall be considered to have experienced a termination of employment for this purpose when the facts and circumstances indicate that the Participant and the Company reasonably anticipate that either (A) no further services will be performed by the Participant for the Company after the applicable date, or (B) that the level of bona fide services the Participant will perform for the Employer after such date will permanently decrease to no more than 20% of the average level of bona fide services performed by the Participant over the immediately preceding 36-month period (or the full period of services to the Employer if the Participant has been providing services to the Employer less than 36 months). However, if the Participant is on military leave, sick leave, or other bona fide leave of absence, the employment relationship between the Participant and the Company shall be treated as continuing intact, provided that the period of such leave does not exceed 6 months, or if longer, so long as the Participant retains a right to reemployment with the Employer under an applicable statute or by contract. If the period of a military leave, sick leave, or other bona fide leave of absence exceeds 6 months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship shall be considered to be terminated for purposes of this Plan as of the first day immediately following the end of such 6-month period. In applying the provisions of this paragraph, a leave of absence shall be considered a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for the Employer.

- (2) For purposes of this definition of "Separation from Service," the term "Company" means Curtiss-Wright Corporation or any subsidiary of the Company that the Participant last performed services for or was employed by, as applicable, on the date of his or her Separation from Service, and all other entities that are required to be aggregated together and treated as the employer under Treasury Regulation Section 1.409A-1(h)(3).
 - (c) A C-W Participant who has earned a Post-2004 Benefit and who has not previously filed an election with respect to the time and form of payment of benefits under the Plan as permitted under prior Article VII and Section 409A transition guidance, shall file an election with the Committee within 30 days of becoming a Participant in the Plan, but in no event later than December 31st of the year in which he or she becomes a Participant in the Plan, specifying the time at which payment of his Post-2004 Benefit shall commence payment and the form in which his Post-2004 Benefit shall be paid. A Participant may select any form of payment available to the Participant under the C-W Retirement Plan and may select different payment forms for the portions of his Post-2004 Benefit that are determined by reference to Section 4 (cash balance benefit) and Section 6 (traditional benefit) of the C-W Retirement Plan. A Participant shall be permitted to elect only one of the following commencement dates: (i) within 90 days after the Participant's Separation from Service; (ii) within
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90 days after the later of the Participant's 55th birthday or his Separation from Service; (iii) within 90 days of the January 1 following the end of the calendar year in which the Participant separates from service; or (iv) within 90 days after the January 1 following the later of the Participant's 55th birthday or his Separation from Service.

- (d) In the event a C-W Participant fails to file a completed election form under Paragraph (b) by December 31st of his or her initial year of participation in the Plan, the Participant shall be deemed to have elected payment to commence within 90 days of his Separation from Service in the form of a single life annuity if the Participant is unmarried, or in the form of a joint and 50% survivor annuity with his spouse as contingent annuitant, if the Participant is married.
 - (e) A C-W Participant's election under Paragraph b or c may not be changed or revoked in the event a Participant terminates employment during his initial year of Participation provided, however, that a Participant who has elected an annuity form of payment may select a different form of annuity.
 - (f) With respect to years after a Participant's initial year of participation, a Participant will be permitted to change an election under Paragraph (b) or (c), however such change will be subject to the subsequent deferral rules of Treasury Regulation 1.409A-2(b).
 - (g) Effective August 1, 2008, where the present lump sum value of benefits payable to any participant under the Plan, determined as provided in Section IV is less than the limit under Sec. 402(g)(1)(B) of the Code as in effect for the Plan Year in which his Separation from Service occurs, such Deferral Amount shall be paid in a single lump sum in accordance with this Section VII, and any prior election in accordance with this Section VII with respect to such Deferral Amount shall be void.
 - (h) In the event a Participant separates from service with the Corporation at a time when he is deemed to be a key employee, as determined in accordance with Section 416(i) of the Code (without regard to paragraph (5) thereof), any payments due him within the first six months following his Separation from Service shall be accumulated and paid to him in one lump sum during the seventh month following his Separation from Service. Key employees shall be identified on a calendar year basis and shall be subject to the six-month delay in the event their Separation from Service occurs within the 12-month period commencing April 1 following the end of the calendar year determination period.
 - (i) In the event of the death of a C-W Participant with an accrued and vested benefit in this Plan on or after January 1, 2009 but prior to commencement of benefits, benefits shall be paid as follows:
 - 1. If the present lump sum value of the benefit as of the date of the Participant's death is equal to or greater than \$25,000, the benefit will be paid as a life annuity to his or her Surviving Spouse determined based on the life of the Surviving Spouse and which will
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commence as of the first day of the month following the death of the Participant; but in no event more than 90 days following the death of the Participant.

2. If the present lump sum value of the benefit determined as the date of the Participant's death is less than \$25,000, the benefit will be paid to the Surviving Spouse in the form of a lump sum on the first day of the month following the death of the Participant but in no event more than 90 days following the death of the Participant.
3. Surviving Spouse has the same meaning as in the C-W Retirement Plan; however, an amendment to the definition in the C-W Retirement Plan will not change the definition in this Plan. An amendment to this Plan will be required to change the definition of Surviving Spouse.

IX. Amendment and Termination of the Plan

This Section IX governs amendment and termination of the Plan and each of its Appendices.

- (a) Amendment. The Board of Directors of the Corporation may amend the Plan from time to time, provided however, that no amendment shall reduce or eliminate any benefit to the extent that the right thereto shall have accrued prior to such amendment. In the event of an amendment that would reduce or eliminate any such accrued benefit then or thereafter payable pursuant to this Plan, the Corporation shall remain liable for the payment of the accrued benefits at substantially the same time and under substantially the same conditions as the accrued benefits that would have been payable under this Plan.
 - (b) Termination and liquidation. The Board of Directors may terminate and liquidate the Plan and distribute all benefits hereunder in accordance with the requirements of Treasury Regulation 1.409A-3(j)(4)(ix)(A), (B) or (C) promulgated under Section 409A of the Code (or any similar successor provision), which regulation generally provides that a deferred compensation arrangement such as the Plan may be terminated within twelve (12) months following a dissolution or change in control of the Company or may be terminated if the Company also terminates all other similar deferred compensation arrangements and distributes all benefits under the Plan not less than twelve (12) months and not more than twenty-four (24) months following such termination; provided however, that no termination and liquidation shall reduce or eliminate any benefit to the extent that the right thereto shall have accrued prior to such amendment. In the event of a termination and liquidation that would reduce or eliminate any such accrued benefit then or thereafter payable pursuant to this Plan, the Corporation shall remain liable for the payment of the accrued benefits at substantially the same time and under substantially the same conditions as the accrued benefits that would have been payable under this Plan.
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X. Operational Provisions of the Plan

This Section X governs administration of benefits provided under the Plan and each of its Appendices

(a) Funding of Benefit Payments

All benefits provided for in this Plan shall be paid in cash from the general funds of the Corporation, without interest (except as provided in the last sentence of Article V of this Plan). No special or separate fund shall be established and no segregation of assets shall be made in connection with such benefits, the contributions by participants under the Curtiss-Wright Corporation Contributory Retirement Plan, or amounts equivalent to interest. However, the Corporation may at its election establish a bookkeeping reserve in respect of its obligations hereunder. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship, between the Corporation and any participant in this Plan or any other person. The rights that any participant in this Plan or any other person shall have to receive benefits hereunder shall be limited to the rights of an unsecured general creditor of the Corporation.

(b) Alienation of Benefits

The benefits payable under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy of any kind, either voluntary or involuntary; and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge or otherwise dispose of any right to benefits payable hereunder shall be null and void and without effect.

(c) Interpretation of Sections 401(a)(17) and 415 of the Internal Revenue Code as Amended

Any reference in this Plan to Sections 401(a) (17) or 415 of the Code or to ERISA shall be deemed to apply to the same as they may from time to time be amended or supplemented.

(d) No Employment Rights

Nothing in this Plan shall be construed as conferring upon any person any right to be continued as an employee or as affecting the right to discharge an employee.

(e) Governing Law

This Plan shall be construed, administered and enforced according to the laws of the State of New Jersey.

(f) Claims Procedures

The Committee shall establish a procedure for claims to benefits under the Plan, which procedure shall comply with the requirements of Sec. 503 of ERISA.

(g) Tax Withholding

The Corporation shall have the right to deduct from each payment made under the Plan any amount required to be withheld for taxes.

(h) Plan Construction

The Plan is not intended to be qualified under Sec. 401(a) of the Code and is intended to constitute an unfunded deferred compensation plan for a select group of management or highly compensated employees, within the meaning of Secs 201(2), 301(3), and 401(a)(1) of ERISA.

(i) Section 409A Construction

To the extent that the Plan is subject to Section 409A of the Code, the Plan shall be construed and interpreted to the maximum extent reasonably possible to avoid the imputation of any tax, penalty or interest pursuant to Section 409A of the Code. If any portion of a Participant's benefits under the Plan is required to be included in income by the Participant prior to receipt due to a failure of the Plan to comply with the requirements of Section 409A of the Code and related Treasury Regulations, the Committee may determine that such Participant shall receive a distribution from the Plan in an amount equal to the lesser of (i) the portion of his or her benefits hereunder required to be included in income as a result of the failure of the Plan to comply with the requirements of Section 409A of the Code and related Treasury Regulations, or (ii) the Participant's unpaid benefits hereunder.

**APPENDIX A
BENEFITS PAYABLE TO EMD PARTICIPANTS
ON THE BASIS OF COMPENSATION EARNED
AND SERVICE RENDERED BEFORE OCTOBER 29, 2002**

Curtiss-Wright Electro-Mechanical Corporation (CWEMC), a subsidiary of Curtiss-Wright Flow Control Corporation ("CWFC"), a subsidiary of the Corporation, owns certain assets and conducts certain operations (collectively, "the EMD business") that were acquired from Westinghouse Government Services Company LLC ("WGSC"), pursuant to an agreement effective as of October 29, 2002 between CWFC and WGSC (the "Agreement"). Prior to the acquisition of the EMD business by CWFC, eligible employees at the EMD business participated in the Westinghouse Government Services Group Executive Pension Plan (the "Predecessor Plan"), a non-qualified supplemental executive pension plan maintained by WGSC. Benefit accruals under the Predecessor Plan had been frozen as of July 1, 2001, in accordance with the terms thereof.

Pursuant to the terms of the Agreement, CWFC assumed the liability for the provision of benefits in accordance with the terms of the Predecessor Plan to certain participants in the Predecessor Plan who are described in this Appendix A as the EMD Participants.

1. Participants Covered by Appendix A

In accordance with the terms of the Agreement, the provisions of this Appendix A shall be applicable only to the EMD Participants.

2. Definitions

Terms used in this Appendix A which are defined in the EMD Plan shall have the same meanings unless otherwise expressly stated in this Appendix A.

For purposes of this Appendix A, the following terms shall have the following meanings:

"EMD Participant" means an Executive who was employed at the EMD business as of October 29, 2002 or who had terminated employment at the EMD business and commenced receiving benefits under the Predecessor Plan prior to October 29, 2002.

"EMD Plan" means the Curtiss-Wright Electro-Mechanical Division Pension Plan, as amended and merged into the C-W Retirement Plan effective January 1, 2007.

"Executive" means an employee at the EMD business who was employed in a corporate grade 40 or above position, as determined under the employment practices of WGSC, prior to July 1, 2001, and who had been notified in writing that he had become a participant in the Predecessor Plan prior to July 1, 2001. For purposes of the requirements of Section 4(a)(i) of this Appendix A and for purposes of Section 9 of this Appendix A, employment during the period from July 1, 2001 in a corporate grade 40 or above position, as determined under the employment practices of WGSC, and employment subsequent to October 29, 2002 in any comparable position, as determined under the employment practices then in effect at the EMD business, shall be deemed employment as an Executive.

“Executive Pension Base” means the amount of the EMD Participant’s executive pension base accrued under the terms of the Predecessor Plan as of June 30, 2001.

“Executive Pension Supplement” means the pension provided under the provisions of Section 5 or 6 of this Appendix A.

“Maximum Contribution” has the same meaning as defined in the Predecessor Plan.

“Qualified Plan Benefit” means the amount of the EMD Participant’s qualified plan benefit determined under the terms of the Predecessor Plan as of June 30, 2001.

“Retirement Eligible” means that the Executive is accruing Eligibility Service and (i) has attained age 65 and completed five or more years of Eligibility Service, (ii) has attained age 60 and completed 10 or more years of Eligibility Service, or (iii) has attained age 58 and completed 30 or more years of Eligibility Service.

3. Continuation of Benefits for Retired EMD Participants

Subject to the provisions of Sections 7, 8, and 9 of this Appendix A, each EMD Participant who had been receiving benefits from WGSC, or any subsidiary or affiliate thereof, pursuant to and in accordance with the terms of the Predecessor Plan, as of the effective date of the Agreement, shall continue to receive such benefits, in the same amount, from the Corporation or a subsidiary thereof, pursuant to and in accordance with the terms of this Plan.

4. Qualification for Benefits; Mandatory Retirement

- (a) Qualification for Benefits. Subject to Article X(f) and other applicable provisions of the Plan, if any, each EMD Participant who was an active employee at the EMD business subsequent to the effective date of the Agreement shall be entitled to the benefits of this Appendix A on separation of service from the EMD business and the Corporation, provided that such EMD Participant: (i) has been employed in a position that meets the definition of Executive for five or more continuous years immediately preceding the earlier of the EMD Participant’s actual retirement date or the EMD Participant’s Normal Retirement Date; (ii) has made the Maximum Contribution during each year of Eligibility Service from the date he or she first became an Executive until the earliest of his or her date of death, actual retirement date, Normal Retirement Date or June 30, 2001; (iii) is a participant in the EMD Plan or in a defined benefit or defined contribution plan of, or made available to employees of, the Corporation if any; and (iv) is Retirement Eligible on the date of voluntary or involuntary separation of service from the EMD business or the Corporation or, in the case of a Surviving Spouse benefit, satisfies the requirements for benefits under Section 6 of this Appendix A.
 - (b) Mandatory Retirement. Pursuant to this Plan, the Corporation shall be entitled, at its option, to retire any Executive who has attained sixty-five years of age and who, for the two-year period immediately before his or her retirement, has participated in this Plan, if such Executive is entitled to an immediate nonforfeitable annual retirement benefit from a pension,
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profit-sharing, savings or deferred compensation plan, or any combination of such plans, of the Corporation and its subsidiaries, which equals, in the aggregate, at least the statutory minimum as set forth in 29 U.S.C.A. § 631(c). The calculation of such (or greater) amount shall be performed in a manner consistent with 29 U.S.C.A. § 631(c)(2).

5. Calculation of Executive Pension Supplement

The Executive Pension Supplement for an EMD Participant who meets the qualifications of Section 4 of this Appendix A retiring on an Early or Normal Retirement Date shall be calculated as follows:

- (a) If the EMD Participant (i) has attained age 60 and completed 10 or more years of Eligibility Service, or (ii) has attained age 65, the Executive Pension Supplement is determined by subtracting the EMD Participant's Qualified Plan Benefit that would be payable if he or she elected a Life Annuity Option (after any reduction for early retirement, if applicable) from his or her Executive Pension Base.
- (b) If the EMD Participant has not met the requirements of Section 5(a) of this Appendix A but has attained age 58 and completed 30 or more years of Eligibility Service, the Executive Pension Supplement is determined by subtracting the EMD Participant's Qualified Plan Benefit that would be payable if he or she elected a Life Annuity Option (before any reduction for retirement prior to age 60) from his or her Executive Pension Base.

6. Death in Active Service

- (a) Eligibility For an Immediate Benefit. If an EMD Participant dies in active service and, on his or her date of death, satisfies the requirements of the Surviving Spouse Benefit for Death Before Retirement provisions of the EMD Plan and satisfied the requirements of Section 4(a)(ii) and (iii) of this Appendix A at the time of death, a Surviving Spouse benefit shall also be payable under this Plan. The duration portion of the requirement of Section 4(a)(i) of this Appendix A that the EMD Participant be employed in a position that meets the definition of Executive for five or more continuous years is waived in this case.

The Surviving Spouse Benefit under this Section 6(a) shall be the Executive Pension Supplement reduced in the same manner as though the benefit were payable under the EMD Pension Plan. For purposes of this paragraph, the Executive Pension Supplement shall be calculated as follows:

- (1) If the EMD Participant had attained age 60 or had completed 30 years of Eligibility Service, the Executive Pension Supplement would be calculated as described in Section 5(a);
 - (2) If the EMD Participant did not meet either of the requirements set forth in subparagraph (i) above, the Executive Pension Supplement would be 80% of the difference between the
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Executive Pension Base and the unreduced Qualified Plan Benefit.

- (b) Eligibility for a Deferred Benefit. If an EMD Participant dies in active service who does not satisfy the requirements of Section 6(a) above but who satisfied the requirements of the Surviving Spouse Benefits for Certain Vested Employees provisions of the EMD Plan and satisfied the requirements of Section 4(a)(ii) and (iii) at the time of death, a Surviving Spouse benefit shall also be payable under this Plan. The duration portion of the requirement of Section 4(a)(i) of the Plan that the EMD Participant be employed in a position that meets the definition of Executive for five or more continuous years is waived in this case.

The Surviving Spouse benefit under this Section 6(b) shall be the Executive Pension Supplement reduced in the same manner as though the benefit were payable under the EMD Pension Plan. For purposes of this paragraph, the Executive Pension Supplement shall be calculated by subtracting the EMD Participant's Qualified Plan Benefit (before any reductions) from his or her Executive Pension Base.

7. Payment of Benefits – Retirement Eligibility Before January 1, 2005

No benefits shall be payable under this Plan to any EMD Participant whose employment terminates for any reason other than death prior to satisfying the definition of Retirement Eligible hereunder.

The Executive Pension Supplement shall be paid in monthly installments, each equal for 1/12th of the annual amount determined in Section 5 or 6, whichever is applicable. If the EMD Participant or Surviving Spouse is eligible for Plan benefits, such payments shall commence at the same time as payments under the EMD Pension Plan, if any. If the EMD Participant or Surviving Spouse is eligible for Plan benefits and is receiving payments from a defined benefit or defined contribution plan of, or made available to employees of, the Corporation, but not from the EMD Pension Plan, payments shall commence at the same time as payments under such plan, provided the requirements of Section 4(a)(iv) have been met. The payments shall be payable for the life of the EMD Participant or the EMD Participant's Surviving Spouse, as the case may be.

Unless the Committee determines otherwise, the EMD Participant may elect that the Executive Pension Supplement determined in Section 6 be paid in accordance with any of the optional forms of payment, other than as a lump sum, then available under the EMD Pension Plan, subject to the same reductions or other provisions that apply to the elected form of payment under the EMD Pension Plan. Any election hereunder as to optional forms of payment may be revoked prior to the effective date of such election, but may not be revoked on or after the EMD Participant's actual retirement date for any reason. All elections hereunder become effective on the EMD Participant's actual retirement date.

Regardless of the form of payment elected by the EMD Participant, after the EMD Participant retires and begins receiving an Executive Pension Supplement a minimum of 60 times the monthly payment he or she would have received on a life annuity basis is guaranteed hereunder.

Surviving Spouse benefits under this Plan will be paid in accordance with the form of payment made for Surviving Spouse Benefits under the EMD Pension Plan. Once a Surviving Spouse Benefit determined under Section 6(a) has commenced, a minimum of 60 times the monthly benefit payable to the Surviving Spouse is guaranteed hereunder.

In the event that an EMD Participant retires or otherwise ceases to be an Employee of EMD or the Corporation, and is later rehired by one of those entities, the additional provisions set forth in Section 9 will apply.

8. Conditions to Receipt of Executive Pension Supplement

Payments of benefits under this Plan to EMD Participants are subject to the condition that the recipient shall not engage directly or indirectly in any business which is at the time competitive with any business or part thereof, or activity then conducted by, the Corporation, any of its subsidiaries or any other corporation, partnership, joint venture or other entity of which the Corporation directly or indirectly holds a 10% or greater interest (together, the "Company") in the area in which such business, or part thereof, or activity is then being conducted by the Company, unless such condition is specifically waived with respect to such recipient by the Corporation's Board of Directors. Breach of the condition contained in the preceding sentence shall be deemed to occur immediately upon an EMD Participant's engaging in competitive activity. Payments suspended for breach of the condition shall not thereafter be resumed whether or not the EMD Participant terminates the competitive activity. A recipient shall be deemed to be engaged in such a business indirectly if he or she is an employee, officer, director, trustee, agent or partner of, or a consultant or advisor to or for, a person, firm, corporation, association, trust or other entity which is engaged in such a business or if he or she owns, directly or indirectly, in excess of five percent of any such firm, corporation, association, trust or other entity. The ongoing condition of this Section 8 shall not apply to an EMD Participant age 65 or older.

9. Rehired Executives

- (a) Retired EMD Participants Rehired as Executives. If an EMD Participant who retired from the EMD business or any other business of the Corporation, and who is receiving an Executive Pension Supplement on a monthly basis, or a participant in the Predecessor Plan who received a lump sum payment under the Predecessor Plan is rehired in an Executive position in the EMD business or in any other operations of the Corporation, the following provisions apply:
 - (1) For an EMD Participant who elected a monthly Executive Pension Supplement, the Plan will:
 - (i) suspend all future Executive Pension Supplement payments; and
 - (ii) (B) if, but only if, the EMD Participant is Retirement Eligible at the time of subsequent actual retirement, recommence Executive Pension Supplement payments at the time of the Executive's subsequent actual retirement date, as long as
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the EMD Participant then meets all Plan benefit qualification requirements.

At subsequent actual retirement, the EMD Participant may re-elect any form of payment of his or her Executive Pension Supplement then permitted under the Plan.

- (iii) For a participant in the Predecessor Plan who received payment of an Executive Pension Supplement in the form of a lump sum, no further benefits will be paid under this Appendix A and he or she shall not again become a participant.
- (b) Former Executives with Vested Pensions Rehired as Executives. If the employment of an EMD Participant who then was eligible only for a vested pension under the relevant qualified defined benefit or defined contribution plan, if any, and not for a benefit under this Plan or the Predecessor Plan, was terminated and the EMD Participant is rehired at the EMD business or any other business of the Corporation, no benefits will be paid under this Appendix A.
- (c) Retired EMD Participants Rehired in Non-Executive Positions. If an EMD Participant who retired from the EMD business or from any other business of the Corporation and who is receiving an Executive Pension Supplement on a monthly basis, or a participant in the Predecessor Plan who received a lump sum payment under the Predecessor Plan is rehired at the EMD business or any other business of the Corporation in a non-Executive position, the following provisions apply:
 - (1) For an EMD Participant who elected a monthly Executive Pension Supplement, the Plan will:
 - (i) suspend all future Executive Pension Supplement payments; and
 - (ii) if, but only if, the EMD Participant is still Retirement Eligible at the time of subsequent actual retirement, recommence Executive Pension Supplement payments at the time of the EMD Participant's subsequent actual retirement, without recalculation of amount.

At subsequent actual retirement, the EMD Participant may re-elect any form of payment of his or her Executive Pension Supplement then permitted under the Plan.

- (2) For a participant in the Predecessor Plan who received payment of an Executive Pension Supplement in the form of a lump sum, no further benefits will be paid under this Appendix A and he or she shall not again become a participant.
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10. Payment of Benefits for EMD Participants who become Retirement Eligible after December 31, 2005

This Section 10 reflects the rules governing distributions of benefits made under the Plan with respect to Participants who become Retirement Eligible and incur a Separation from Service (as defined in Article VII of the Plan) with the Company on or after January 1, 2005. This Section 10 replaces and incorporates prior Section 10 which provided Participants the opportunity to make distribution elections in accordance with certain transition rules set forth in Treasury Regulations and other guidance promulgated under Section 409A of the Code.

- (a) Notwithstanding any other provision of the Plan to the contrary, an EMD Participant shall file an election with the Committee on or before December 31, 2005 (which election may have been subsequently updated by December 31, 2006, then December 31, 2007 and then finally December 31, 2008 under Section 409A transition guidance) specifying the time at which payment of his benefit hereunder shall commence, which election shall be effective only if the Participant subsequently becomes Retirement Eligible. In the event an EMD Participant has not filed an election in accordance with the first sentence of this paragraph (a), he shall file an election with the Committee within 30 days of his or her initial participation in Plan, but in no event later than December 31st of the year of his or her initial participation, specifying the time at which payment of his benefit hereunder shall commence.. A Participant shall be permitted to elect only one of the following commencement dates: (i) within 90 days after the Participant's Separation from Service, or (ii) within 90 days after the January 1 following his Separation from Service. Payment shall be made in the form of a life annuity if the Participant is single and in the form of a 50% survivor annuity with his spouse as contingent annuitant, if the Participant is married.
 - (b) In the event a Participant fails to make an election in accordance with Paragraph (a) the Participant shall be deemed to have elected payment to commence within 90 days of his Separation from Service in the form of a single life annuity, if the Participant is unmarried, or in the form of a joint and 50% survivor annuity with his spouse as contingent annuitant, if the Participant is married.
 - (c) A Participant's election (or deemed election) under Paragraph (a) or (b) may not be changed or revoked in the event a Participant terminates employment during his or her initial year of participation.
 - (d) With respect to years after a Participant's initial year of participation, a Participant will be permitted to change an election under Paragraph (a), (b) or (c), however such change will be subject to the subsequent deferral rules of Treasury Regulation 1.409A-2(b).
 - (e) Effective August 8, 2008, where the present lump sum value of benefits payable to any participant under the Plan, determined as of his Separation from Service is less than the limit under Sec. 402(g)(1)(B) of
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the Code as in effect for the Plan Year in which his Separation from Service occurs, such Deferral Amount shall be paid to him in a single lump sum in accordance with this Section 10, and any prior election in accordance with this Section 10 with respect to such Deferral Amount shall be void.

- (f) In the event a Participant separates from service at a time when he is deemed to be a key employee, as determined in accordance with Section 416(i) of the Code (without regard to paragraph (5) thereof), any payments due him within the first six months following his Separation from Service shall be accumulated and paid to him in one lump sum during the seventh month following his Separation from Service. Key employees shall be identified on a calendar year basis and shall be subject to the six-month delay in the event their Separation from Employment occurs within the 12-month period commencing April 1 following the end of the calendar year determination period.
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APPENDIX B**BENEFITS PAYABLE TO EMD PARTICIPANTS
ON THE BASIS OF COMPENSATION EARNED
AND SERVICE RENDERED AFTER OCTOBER 29, 2002****I. Participants Covered By Appendix B**

All participants in the Curtiss-Wright Electro-Mechanical Division Pension Plan merged into the Curtiss-Wright Retirement Plan effective January 1, 2007 (the "EMD Plan") shall be eligible to participate in the benefits described in this Appendix B, whenever their benefits under the EMD Plan as from time to time in effect would be limited as a result of any provision of the Code (including, but not limited to, Sections 401(a)(17) and 415 thereof) or ERISA ("EMD Participants").

2. Benefits for EMD Participants

- (a) Each EMD Participant (and/or, to the extent consistent with the Plan and elections made hereunder, his spouse or other beneficiary under the EMD Plan) shall receive a supplemental retirement benefit under this Plan equal to the excess, if any, of:
- (1) the benefit that would have been payable to him under the EMD Plan, computed on the basis of his "Compensation" and "Credited Service" as defined in the EMD Plan, from and after October 29, 2002, calculated without regard to any EMD Plan provision incorporating or reflecting (i) limitations imposed by Section 401 (a)(17) of the Code on the amount of compensation that may be taken into account under the EMD Retirement Plan, or (ii) limitations imposed by Section 415 of the Code or ERISA on the maximum amount of benefits payable under the EMD Plan, over
 - (2) the benefit payable under the EMD Plan, computed otherwise as above but limited by any provision incorporating or reflecting such Code or ERISA limitations.

3. Payment of Benefits for EMD Participants Prior to January 1, 2005

For Participants who become Retirement Eligible (as defined in Appendix A) prior to January 1, 2005, the supplemental retirement benefit shall be payable in the form of a single life annuity unless the Participant files an election prior to his benefit commencement date selecting another form of annuity that is available to the Participant under the EMD Retirement Plan.

4. Payment of Benefits for EMD Participants After December 31, 2004

This Section 4 reflects the rules governing distributions of benefits made under the Plan with respect to EMD Participants who incur a Separation from Service (as defined in Article VII of the Plan) with the Company on or after January 1,

2005. This Section 10 replaces and incorporates prior Section 10 which provided Participants the opportunity to make distribution elections in accordance with certain transition rules set forth in Treasury Regulations and other guidance promulgated under Section 409A of the Code.

- (a) A Participant who becomes Retirement Eligible after December 31, 2004 shall file an election with the Committee on or before December 31, 2005 (which election may have been subsequently updated by December 31, 2006, then December 31, 2007 and then finally December 31, 2008 under Section 409A transition guidance) specifying the time at which payment of his supplemental retirement benefit shall commence. In the event an EMD Participant has not filed an election in accordance with the first sentence of this paragraph (b), he shall file an election with the Committee within 30 days of his or her initial participation date in the Plan, but in no event later than December 31st of the year of his or her initial participation in the Plan, specifying the time at which payment of his supplemental retirement benefit shall commence. The Participant shall be permitted to elect only one of the following commencement dates: (i) within 90 days after the Participant's Separation from Service; (ii) within 90 days after the later of the Participant's Separation from Service or the earliest date the Participant would have been eligible to retire under the EMD Plan; (iii) within 90 days of the January 1 following the end of the calendar year in which the Participant separates from service; or (iv) within 90 days after the January 1 following the later of the Participant's Separation from Service or the earliest date the Participant would have been eligible to retire under the EMD Plan.
 - (b) In the event a Participant fails to make an election in accordance with Paragraph (a) the Participant shall be deemed to have elected payment to commence within 90 days of his Separation from Service in the form of a single life annuity if the Participant is unmarried, or in the form of a joint and 50% survivor annuity with his spouse as contingent annuitant, if the Participant is married.
 - (c) A Participant's election (or deemed election) under Paragraph (a) or (b) may not be changed or revoked in the event a Participant terminates employment during his or her initial year of participation.
 - (d) With respect to years after a Participant's initial year of participation, a Participant will be permitted to change an election under Paragraph (b) or (c), however such change will be subject to the subsequent deferral rules of Treasury Regulation 1.409A-2(b).
 - (e) Effective August 1, 2008, where the present lump sum value of benefits payable to any participant under the Plan, determined as of his Separation from Service is less than the limit under Sec. 402(g)(1)(B) of the Code as in effect for the Plan Year in which his Separation From Service occurs, such Deferral Amount shall be paid to him in a single lump sum in accordance with this Section 2, and any prior election in accordance with this Section 4 with respect to such Deferral Amount shall be void.
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- (f) In the event a Participant separates from service at a time when he is deemed to be a key employee, as determined in accordance with Section 416(i) of the Code (without regard to paragraph (5) thereof), any payments due him within the first six months following his Separation From Service shall be accumulated and paid to him in one lump sum during the seventh month following his Separation From Service. Key employees shall be identified on a calendar year basis and shall be subject to the six-month delay in the event their Separation From Service occurs within the 12-month period commencing April 1 following the end of the calendar year determination period.
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**CURTISS-WRIGHT CORPORATION
RETIREMENT PLAN**

**AMENDED AND RESTATED,
effective as of JANUARY 1, 2010,
except as otherwise specified**

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CURTISS-WRIGHT CORPORATION RETIREMENT PLAN
AS AMENDED AND RESTATED EFFECTIVE JANUARY 1, 2010,
except as otherwise specified

PREAMBLE

The Curtiss-Wright Contributory Retirement Plan (the "Prior Plan"), a defined benefit pension plan, was established effective May 1, 1953 for eligible non-union Employees of the Curtiss-Wright Corporation (the "Company"). The benefits under the Prior Plan were also available to the Company's union employees whose collective bargaining units negotiated for these benefits.

Effective December 31, 1991, the Curtiss-Wright Pension Plan was merged into the Prior Plan. The Prior Plan was in full force and operation through August 31, 1994.

Effective September 1, 1994, the Prior Plan was renamed the Curtiss-Wright Corporation Retirement Plan (the "Plan") and was amended and restated in its entirety (the "September 1, 1994 Restatement"). Also effective September 1, 1994, the Metal Improvement Company, Inc. Retirement Income Plan and the Curtiss-Wright Flight Systems/Shelby, Inc. Contributory Retirement Plan were merged into the Plan. The September 1, 1994 Restatement included special effective dates for certain provisions thereof, in accordance with the requirements of the Tax Reform Act of 1986, the Omnibus Budget Reconciliation Act of 1986, the Omnibus Budget Reconciliation Act of 1987, the Technical and Miscellaneous Revenue Act of 1988, the Omnibus Budget Reconciliation Act of 1989, the Unemployment Compensation Amendments of 1992, the Omnibus Budget Reconciliation Act of 1993 and regulations and rulings thereunder. Subsequent to the September 1, 1994 Restatement, the Plan was amended from time to time.

Effective January 1, 2001, the Plan was amended and restated in its entirety (the "January 1, 2001 Restatement"), and included special effective dates for certain provisions thereof, in accordance with the requirements of the Uruguay Round Agreements Act, the Uniformed Services Employment and Reemployment Rights Act of 1994, the Small Business Job Protection Act of 1996, the Taxpayer Relief Act of 1997, the Internal Revenue Service Restructuring and Reform Act of 1998, the Community Renewal Tax Relief Act of 2000, or the Economic Growth and Tax Relief Reconciliation Act of 2001 and regulations and rulings thereunder. Subsequent to the January 1, 2001 Restatement, the Plan has been amended from time to time.

Effective January 1, 2007 the Curtiss Wright Electro-Mechanical Division Pension Plan was merged into the Plan, and is now designated as the EMD Component of the Plan.

The Company hereby amends and restates the Plan in its entirety, effective as of January 1, 2010; provided, however, that the effective date of any provision or provisions of the Plan shall, to the extent required by specific provisions of the Plan, the Economic Growth and Tax Relief Reconciliation Act of 2001 (with technical corrections made by the Job Creation and Worker Assistance Act of 2002), the Pension Funding Equity Act of 2004, the American Jobs Creation Act of 2004, the Pension Protection Act of 2006, the Heroes Earnings Assistance and Relief Tax Act of 2008 and the Worker, Retiree, and Employer Recovery Act of 2008.

Until the applicable effective dates of the provisions of the Plan as hereby amended and restated, the January 1, 2001 Restatement shall continue in full force and effect and its provisions shall be amended and restated as of the applicable effective dates described herein, without any termination or gap or lapse in time or effect.

The amount of benefits, forms of benefit, benefits payable upon a Participant's death, and commencement of benefits for Participants who are non-union employees are set forth in Articles 4, 5, 6, 7, and 8. The amount of benefits, benefits payable upon death, and commencement of benefits for Participants who are union employees are set forth in Article 9.

ARTICLE 1: DEFINITIONS

Wherever used herein, the following terms shall have the following meanings unless the context otherwise requires:

- 1.01** “**Actuarial Equivalent**” means the value determined on the basis of applicable factors set forth below, or as otherwise specifically set forth in the Plan.
- (a) All lump sums other than those attributable to the Cash Balance Account that are paid to participants after age fifty-five (55), regardless of whether the participant terminated prior to age fifty-five (55), will use an immediate annuity factor times the early retirement factor at that age. All lump sums other than those attributable to the Cash Balance Account paid before age fifty-five (55) will use a deferred annuity factor deferred to age sixty-five (65). For calculating the Cash Balance Account, the Escalating Annuity Benefit is adjusted to payment age as described in Articles 4.07(b) and (c), multiplied by the complete expectation of life of the Participant, at the date of determination, based on the IRS Mortality Table.
 - (b) For a non-escalating annuity that commences prior to Early Retirement Date, the 1983 GAM table for Males and Females with an eighty percent (80%) weighting on the male table’s q and a twenty percent (20%) weighting on the female table’s q. The interest rate is six percent (6%). The early retirement reduction factor will be based on benefit payments that would have commenced at age sixty-five (65), reduced without subsidy to an age below fifty-five (55).
 - (c) For calculating Joint & Survivor reduction factors which are applied to a Life Annuity benefit, the applicable mortality table and interest rate shall be the mortality table derived by using a fixed blend of fifty percent (50%) of the male mortality rates and fifty percent (50%) of the female mortality rates from the 1983 Group Annuity Mortality Table with ages set forward two (2) years for participants and ages set back one (1) year for beneficiaries and an interest rate of seven percent (7%).
 - (d) For calculating lump sum factors for benefits other than escalating benefits, converting the Cash Balance Account into an immediate level annuity, deriving the employee annuity associated with employee contributions with interest at a specified date, the applicable mortality table and interest rate shall be the IRS Mortality Table and the IRS Interest Rate.
 - (e) All lump sums that are paid to participants will use an immediate annuity factor times the early retirement factor at that age. The early retirement factor for benefits commencing prior to age 55 for the non-escalating annuity benefit is actuarially reduced from age 65 using the IRS Interest Rate and the IRS Mortality Table. For the escalating annuity benefit, early retirement factors for all ages are actuarially reduced, as described in Article 4.07(b) and (c).
 - (f) For converting an amount payable as an escalating annuity to a lump sum, the amount of the annuity shall be multiplied by the complete expectation of life of the Participant, at the date of determination, based on the IRS Mortality Table. For converting an amount payable as an escalating annuity to any other form of
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benefit, the amount shall first be converted to a lump sum as above, the lump sum shall be converted to an immediate single life annuity using whatever factors are then otherwise used in the Plan to convert annuities to lump sums, and the single life annuity will be converted to any other form of annuity using whatever factors are otherwise used in the Plan to convert single life annuities to other forms of annuities.

- (g) Notwithstanding the foregoing, in calculating the amount of a lump sum payment with an Annuity Starting Date on or after January 1, 2008, in no event shall the lump sum payment be less than the lump sum amount determined on the basis of the IRS Interest Rate and the IRS Mortality Table in accordance with the terms of the Plan as in effect on December 31, 2007.

- 1.02** “**Administrative Committee**” shall mean the person(s) appointed by the Company to act on behalf of the Company as the sponsor and “named fiduciary” (within the meaning of Section 402(a)(2) of ERISA), as appropriate, with respect to Plan administrative matters. When performing any activity or exercising any authority under the provisions of the Plan, the Administrative Committee shall be deemed to act solely on behalf of the Company, and not in an individual capacity.
- 1.03** “**Affiliated Company**” means any company not participating in the Plan which is a member of a controlled group of corporations, as defined in Section 414(b) of the Code, which also includes as a member the Company; any trade or business under common control, as defined in Section 414(c) of the Code, with the Company; any organization, whether or not incorporated, which is a member of an affiliated service group, as defined in Section 414(m) of the Code, which includes the Company; and any other entity required to be aggregated with the Company pursuant to regulations under Section 414(o) of the Code. Notwithstanding the foregoing sentence, for purposes of Article 6.10 and Article 1.25, the definitions in Sections 414(b) and (c) of the Code shall be modified as provided in Section 415(h) of the Code.
- 1.04** “**Age**” means the age attained by a Participant, expressed in years and months.
- 1.05** “**Annuity Starting Date**” means the first day of the period for which an amount is payable as an annuity or, if a benefit is not payable in the form of an annuity, the first day on which all events have occurred which entitle the Participant to such benefit. The Annuity Starting Date for a Participant receiving payments under the provisions of Article 9.02(c) shall be his Normal Retirement Date.
- 1.06** “**Average Compensation**” means the average of a Participant’s Compensation over the sixty (60) consecutive months within the last one hundred twenty (120) months which produces the highest average. If the Participant has less than sixty (60) months of Service, Compensation is averaged over the Participant’s months of Service from the date of his employment to his date of termination of employment. Average Compensation shall be determined in accordance with such uniform rules uniformly applicable to all employees similarly situated as shall be prescribed by the Administrative Committee.

With respect to any Participant who is rehired by the Company after January 31, 2010, the Average Compensation of such Participant for purposes of calculating his or her Normal Retirement Benefit in accordance with Article 6.01 shall be frozen as of his or

her previous termination of employment date. Notwithstanding the preceding sentence, a rehired Participant's Compensation earned after rehire after January 31, 2010 will be taken into considerations when calculated his or her pay based credits in accordance with Article 4.02.

- 1.07** “**Beneficiary**” means the individual or entity designated as such by a Participant pursuant to the Plan or otherwise entitled to receive any payment pursuant to the Plan upon the death of the Participant. If with respect to any payment no individual or entity has been designated by a Participant, or no designated Beneficiary survives the Participant, the Participant's Beneficiary shall be (a) the Participant's surviving Spouse, if living at the time of such payment; or in default thereof (b) the Participant's estate.
- 1.08** “**Board of Directors**” means the Board of Directors of the Company.
- 1.09** “**Casual Employee**” means an Employee who, under the Company's generally applicable payroll and human resources practices,
- (a) is hired for an assignment of a limited nature and duration, which shall not exceed 90 days; and
 - (b) is classified as being in inactive status upon the completion of an assignment, subject to recall for another assignment of limited nature and duration.
- 1.10** “**Code**” means the Internal Revenue Code of 1986, as amended from time to time, and the corresponding provisions of any subsequently enacted Federal tax laws.
- 1.11** “**Company**” means Curtiss-Wright Corporation, including any affiliate or subsidiary of the Company which shall adopt this Plan for its employees, with the approval of the Company, and any other corporation, partnership, business association or proprietorship which shall have assumed in writing the obligations of the Plan and Trust, with the approval of the Company, including any successor as a result of a statutory merger, purchase of assets or any other form of reorganization of the business of the Company.
- 1.12** “**Compensation**” means, except as defined in Article 6.12(b), all of each Participant's regular or base salary or wages, including overtime pay, commissions and payments under the Company's incentive compensation plans or bonus plans.

Compensation shall include only that Compensation which is actually paid to the Participant during the applicable period, provided, however, payments under the Company's cash based incentive compensation plans and for accrued vacation pay shall be taken into account in the periods to which such payments relate. Except as provided elsewhere in this Plan, the applicable period shall be the Plan Year. Effective January 1, 2009, Compensation shall also include “differential wage payments” pursuant to the Heroes Earnings Assistance and Relief Tax Act of 2008.

Compensation shall also include any amount which is contributed by the Company pursuant to a salary reduction agreement and which is not includable in the gross income of the Employee under a “qualified cash or deferred arrangement,” as defined in Section 401(k) of the Code, or under a “cafeteria plan,” as defined in Section 125 of the Code, or under a qualified transportation fringe as defined in Section 132(f) of the Code. Compensation shall also include any amount that would have been payable to the

Employee but for a deferral election made by the Employee under the Curtiss-Wright Corporation Executive Deferred Compensation Plan, which amount shall be deemed to have been paid at the time at which it would have been paid in the absence of such election, provided, however, that no amount shall be included in an Employee's Compensation pursuant to this sentence if the inclusion of such amount would cause the Plan to fail to comply with any nondiscrimination provision of the Code.

For Plan Years beginning on or after January 1, 2002, the annual compensation of each Participant taken into account under the Plan shall not exceed \$200,000, as adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code. In determining benefit accruals in Plan Years beginning on or after January 1, 2002, the annual compensation limit described in this paragraph shall be taken into account, for determination periods beginning before January 1, 2002.

For Plan Years beginning on or after January 1, 1994 and prior to January 1, 2002, the annual Compensation of each Employee taken into account under the Plan shall not exceed the OBRA '93 annual compensation limit. The OBRA '93 annual compensation limit is \$150,000, as adjusted by the Commissioner for increases in the cost of living in accordance with Section 401(a)(17)(B) of the Code. The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding twelve (12) months, over which compensation is determined (determination period) beginning in such calendar year.

For Plan Years beginning on or after January 1, 1994 and prior to January 1, 2002, (i) any reference in this Plan to the limitation under Section 401(a)(17) of the Code shall mean the OBRA '93 annual compensation limit set forth in this provision; and (ii) if Compensation for any Plan Year beginning before January 1, 1994 is taken into account in determining an Employee's contributions or benefits for the current year, the compensation for such prior year is subject to the applicable annual compensation limit in effect for that prior year.

Effective on and after January 1, 1989 and before January 1, 1994, Compensation taken into account for any purpose under the Plan, including the determination of Average Compensation, shall not exceed \$200,000 per year. As of January 1 of each calendar year on and after January 1, 1990 and before January 1, 1994, the applicable limitation as determined by the Commissioner of Internal Revenue for that calendar year shall become effective as the limitation on Compensation to be taken into account under the Plan for such calendar year and all prior calendar years, in lieu of the \$200,000 limitation set forth above, or as previously adjusted.

Special Provisions applicable under Prior Plan:

- (a) Notwithstanding any provision in this Plan to the contrary, however, subject to any limitations imposed under Section 401(a)(17) of the Code, effective for periods prior to September 1, 1994, Compensation shall mean:
- (i) for each calendar month prior to July 1, 1970, 1/12th of his basic salary (on an annual basis) in effect at the beginning of each Plan Year; and
 - (ii) for each calendar month after June 30, 1970, 1/12th of the sum of his basic salary (on an annual basis) in effect at the beginning of each Plan
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Year, plus any cash payments he received in the prior Plan Year under the Company's Modified Incentive Compensation Plan;

and shall remain constant throughout each particular Plan Year (except for the effect on the last half of the 1970 Plan Year of cash payments received in 1969 under the Company's Modified Incentive Compensation Plan) regardless of increases or decreases in actual salary. In the case of an Employee not eligible to participate under the Plan at the beginning of a Plan Year, his Compensation for the remaining months of that Plan Year shall be 1/12th of his basic salary (on an annual basis) in effect on his eligibility date.

- (b) For purposes only of subparagraphs 3(c)(i)(B) of Article III of the Prior Plan, Compensation means:
- (i) prior to July 1, 1970, the basic salary or basic wages actually paid to the Employee in the particular Plan Year;
 - (ii) after June 30, 1970, the basic salary or basic wages plus cash payments under the Company's Modified Incentive Compensation Plan actually paid to the Employee in the particular Plan Year; and
 - (iii) after July 1, 1982, basic salary, basic wages or compensation received under either the Company's Modified Incentive Compensation Plan or the Metal Improvement Company bonus plan shall not be considered under this Plan as reduced on account of any deferral or contribution which is made pursuant to the Curtiss-Wright Corporation Deferred Compensation Plan (a tax qualified defined contribution plan, subsequently renamed the Curtiss-Wright Corporation Savings and Investment Plan, herein, "the Savings Plan"). Basic salary, basic wages or Compensation received under either the Company's Modified Incentive Compensation Plan or the Metal Improvement Company bonus plan shall be calculated as if no deferral or contributions were made to the Savings Plan.

"Basic salary or basic wages" of an Employee means his basic salary or basic wages only, and shall in no case include any amounts paid to him as overtime, bonuses, deferred compensation or additional compensation of any sort.

1.13 "Covered Compensation" means, for any Participant, the average of the taxable wage bases in effect under Section 230 of the Social Security Act for each year in the 35-year period ending with the year in which the Participant attains his Social Security Retirement Age. No increase in Covered Compensation shall decrease a Participant's Accrued Benefit under the Plan. In determining a Participant's Covered Compensation for any Plan Year, the taxable wage base for the current Plan Year and any subsequent Plan Year shall be assumed to be the same as the taxable wage base in effect as of the beginning of the Plan Year for which the determination is made.

1.14 "Credited Service" means completed years and calendar months of employment and shall include the following:

- (a) All periods of employment of an Employee with the Company, and periods of employment with an Affiliated Company while such Affiliated Company is a participating employer in the Plan.
- (b) A period of Leave of Absence recognized under Article 2.03.
- (c) For periods on or after May 1, 1966 and before December 31, 1991, Credited Service of an Employee eligible to participate in this Plan shall include Service which would be creditable under the Curtiss-Wright Pension Plan for any periods of his employment not included as Credited Service under paragraphs (a) and (b) above.
- (d) For a continuous period up to two years while an Employee is in receipt of Disability Payments as provided in Article 2.03(b).

Notwithstanding any provision in this Plan to the contrary, for purposes of determining Credited Service, an Employee shall be credited with a calendar month of Service for a month in which such Participant completes one (1) Hour of Service. This provision shall apply only in the month of hire and the month of separation of Service.

Special Provisions applicable under Prior Plan

For purposes of determining Credited Service for the Prior Plan, the following provisions shall apply:

- (i) Only Employees who were participants under the terms of the Prior Plan shall be entitled to Credited Service.
- (ii) Credited Service shall mean completed years and calendar months of employment, including periods of employment with the Company or an Affiliated Company following his most recent date of hire preceding December 31, 1991.

Special Provisions applicable to Employees of Acquired Entities

The Credited Service of Employees who were formerly employed by entities that were acquired by the Company shall be subject to the special rules set forth in Schedule J.

- 1.15** “**Disability Payments**” means payments received under the Company’s long-term or short-term disability plans, payments received under the workers’ compensation law (excluding statutory payments for loss of any physical or bodily member such as a leg, arm or finger), or solely with respect to an Employee who is not covered by the Company’s long-term disability plan, payments of a Social Security disability pension received on account of a disability incurred while an Employee.
- 1.16** “**Early Retirement Date**” means the date on which a Participant has attained at least age fifty-five (55) and completed at least five (5) Years of Credited Service, or three (3) Years of Credited Service, effective January 1, 2008.
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A Participant who terminates employment after satisfying the service requirement for Early Retirement and who thereafter reaches the age requirement contained herein shall be entitled to receive his benefits pursuant to Article 6.03 of the Plan.

1.17 “Effective Date” The original effective date of the Prior Plan was May 1, 1953. The effective date of this amendment and restatement of the Plan is January 1, 2010, except as otherwise provided herein, or as required by applicable law.

1.18 “Employee” means any person employed by the Company who receives compensation other than a pension, severance pay, retainer, or fee under contract but excluding:

- (a) Any Leased Employee; and
- (b) Any person deemed to be an independent contractor by the Company and paid by the Company in accordance with its practices for the payment of independent contractors, including the provision of tax reporting on Internal Revenue Service Form 1099, notwithstanding any subsequent reclassification of such person for any purpose under the Code, whether agreed to by the Company or adjudicated under applicable law.

The term “employee,” as used in the Plan, means any individual who is employed by the Company or an Affiliated Company as a common law employee of the Company or an Affiliated Company, regardless of whether the individual is an “Employee,” and any Leased Employee.

1.19 “ERISA” means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the corresponding provisions of any subsequently enacted pension laws.

1.20 “Fiduciary” means any person that exercises any discretionary authority or discretionary control respecting the management or disposition of Plan assets or renders any investment advice for a fee or other compensation or exercises any discretionary authority or responsibility for the administration of the Plan.

1.21 “Highly Compensated Employee” means, for a Plan Year, any employee of the Company or an Affiliated Company (whether or not eligible for membership in the Plan) who:

- (a) was a 5 percent owner of the Company (as defined in Section 416(i) of the Code) for such Plan Year or the prior Plan Year, or
 - (b) for the preceding Plan Year received remuneration (as defined in Article 6.10(b)) in excess of \$80,000, and, pursuant to the Company's top-paid group election, was among the highest 20 percent of employees of the Company for the preceding Plan Year when ranked by remuneration paid for that year and excluding, for the purpose of such determination, employees described in Section 414(q)(5) of the Code. The \$80,000 dollar amount in the preceding sentence shall be adjusted from time to time for cost of living in accordance with Section 414(q) of the Code.
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Notwithstanding the foregoing, employees who are nonresident aliens and who receive no earned income from the Company or an Affiliated Company which constitutes income from sources within the United States shall be disregarded for all purposes of this Article 1.21.

The Company's top-paid group election, shall be used consistently in determining Highly Compensated Employees for determination years of all employee benefit plans of the Company and Affiliated Companies for which Section 414(q) of the Code applies (other than a multiemployer plan) that begin with or within the same calendar year, until such election is changed by Plan amendment in accordance with IRS requirements.

The provisions of this Article 1.21 shall be further subject to such additional requirements as shall be described in Section 414(q) of the Code and its applicable regulations, which shall override any aspects of this Article 1.21 inconsistent therewith.

"Highly Compensated Former Employee" means for a Plan Year any former employee of the Company or an Affiliated Company who had terminated employment prior to the Plan Year and who was a Highly Compensated Employee for either the year of termination or any Plan Year ending on or after the employee's 55th birthday.

1.22 "Hour of Service" means:

- (a) Each hour for which an Employee is paid, or entitled to payment, for the performance of duties for the Company. These hours will be credited to the Employee for the computation period in which the duties are performed; and
- (b) Each hour for which an Employee is paid, or entitled to payment, by the Company on account of a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or Leave of Absence. No more than five hundred one (501) Hours of Service will be credited under this paragraph for any single continuous period (whether or not such period occurs in a single computation period); and
- (c) Each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Company. The same Hours of Service will not be credited both under paragraph (a) or paragraph (b), as the case may be, and under this paragraph (c). These hours will be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement or payment is made.

Hours of Service will also be credited for any individual considered an Employee for purposes of this Plan under Section 414(n) or (o) of the Code and the regulations thereunder.

Notwithstanding any provision in this Plan to the contrary, Hours of Service shall not be credited for severance pay.

The Hours of Service credited shall be determined as required by Section 2530.200b-2(b) and (c) of the Labor Regulations.

- 1.23** “**IRS Interest Rate**” means, effective January 1, 2008, the annual rate of interest prescribed under Section 417(e)(3)(C) of the Code (as in effect on and after the first day of the 2008 Plan Year), as determined for the first full calendar month preceding the applicable Stability Period. For Plan Years beginning before January 1, 2008, IRS Interest Rate means the annual rate of interest on 30-year Treasury Securities as specified by the Commissioner of Internal Revenue for the first full calendar month preceding the applicable Stability Period, which rate is the interest rate published in Federal Reserve release H.15, or its successor, as the average yield on a 30-year Treasury Constant Maturities for said month.
- 1.24** “**IRS Mortality Table**” means, effective January 1, 2008, the mortality table prescribed in Section 417(e)(3)(B) of the Code (as in effect on and after the first day of the 2008 Plan Year). However, when determining the amount of a benefit with an Annuity Starting Date prior to January 1, 2008 and on or after December 31, 2002, the IRS Mortality Table means the mortality table prescribed by Revenue Ruling 2001-62.
- 1.25** “**Leased Employee**” means any person (other than a common law employee of the Company) who, pursuant to an agreement between the Company and any other person (“leasing organization”), has performed services for the Company or any related persons determined in accordance with Section 414(n)(6) of the Code on a substantially full-time basis for a period of at least one year and such services are performed under the primary direction of or control by the Company. In the case of any person who is a Leased Employee before or after a period of service as an Employee, the period during which he has performed services as a Leased Employee for the Company or Affiliated Company shall be counted solely for purposes of determining eligibility to participate in the Plan and vesting in the Plan to the extent such service would be recognized for other Employees; however, the Leased Employee shall not, by reason of that status, become a Participant in the Plan or accrue any benefit under the plan for the period during which he was a Leased Employee.
- 1.26** “**Leave of Absence**” means any leave of absence which may be granted by the Company in accordance with reasonable standards and policies uniformly observed and consistently applied and may include, by way of illustration and not limitation, leaves of absence granted because of illness of the Employee or of his family members, but shall specifically exclude any period during which the Employee is in receipt of Disability Payments.
- 1.27** “**Life Annuity**” means, for other than the Escalating Annuity Benefit, a benefit payable in equal monthly amounts for the life of the annuitant and ceasing with the payment made on the first day of the month in which the annuitant dies, or, for the Escalating Annuity Benefit, the benefit form described in the second paragraph of Article 4.01.
- 1.28** “**Limitation Year**” means the Plan Year.
- 1.29** “**Maternity/Paternity Leave**” means a temporary cessation from active employment with the Company or with any Affiliated Company, for any of the following reasons:
- (a) the pregnancy of the Employee;
 - (b) the birth of a child of the Employee;
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- (c) the placement of a child with the Employee in connection with the adoption of such child by the Employee; or
- (d) the caring for such child for a period beginning immediately following such birth or placement; provided, however, that in order for an Employee's absence to qualify as a Maternity/Paternity Leave of Absence, the Employee must furnish the Administrative Committee in a timely manner, with such information and documentation as the Administrative Committee may reasonably request to establish that the absence from work is for reasons referred to above and the number of days for which there was such absence.

1.30 “**Normal Retirement Age**” means the later of:

- (a) the date a Participant attains age sixty-five (65); or
- (b) the fifth (5th) anniversary (the third (3rd) anniversary effective January 1, 2008) of the date as of which the Participant commenced employment.

A Participant shall become fully vested in his Normal Retirement Benefit upon attaining his Normal Retirement Age.

1.31 “**Normal Retirement Date**” means the first day of the month coinciding with or next following the Participant's Normal Retirement Age.

1.32 “**Participant**” means a person who meets the requirements of Article 2, 9 or 10 for participation in the Plan, including a former Participant.

1.33 “**Plan**” means the Curtiss-Wright Corporation Retirement Plan, as set forth herein and as it may be amended.

1.34 “**Plan Year**” means the calendar year:

1.35 “**Prior Plan**” means Curtiss-Wright Contributory Retirement Plan, established on May 1, 1953, and which was in full force and operation through August 31, 1994.

1.36 “**Qualified Joint and Survivor Annuity**” means an immediate annuity for the life of the Participant with a survivor annuity for the life of the Spouse, which is equal to one-half of the amount which is payable during the joint lives of the Participant and the Spouse, and which is the amount of benefit which can be purchased with the actuarial equivalent of the Participant's vested retirement benefit.

1.37 “**Service**” means all periods of employment with the Company. The period of employment begins when a Participant first completes one (1) Hour of Service and ends on the earlier of the date the Employee resigns, is discharged, retires, dies or, if the Employee is absent for any other reason, on the first anniversary of the first day of such absence (with or without pay) from the Company. If an Employee is absent for any reason and returns to the employ of the Company before incurring a One-Year Break in Service, he will receive credit for his period of absence up to a maximum of twelve (12) months. Service subsequent to a One-Year Break in Service will be credited as a separate period of employment.

- 1.38** “**Social Security Retirement Age**” means age 65 with respect to a Participant who was born before January 1, 1938; age 66 with respect to a Participant who was born after December 31, 1937 and before January 1, 1955; and age 67 with respect to a Participant who was born after December 31, 1954.
- 1.39** “**Spouse**” means a person of the opposite sex of the Participant who is the Participant’s husband or wife as provided in the Defense of Marriage Act of 1996, and any former Spouse to the extent provided under a qualified domestic relations order as described in Section 414(p) of the Code (“QDRO”).
- 1.40** “**Stability Period**” means the Plan Year in which occurs the Annuity Starting Date for the distribution.
- 1.41** “**Temporary Employee**” means an Employee who, under the Company’s generally applicable payroll and human resources practices,
- (a) is hired for a specific assignment of limited scope that will have a duration of at least 90 days; and
 - (b) is hired subject to the condition that he will be terminated upon completion of such specific assignment.
- 1.42** “**Trust**” means the trust created by the Trust Agreement.
- 1.43** “**Trust Agreement**” means the agreement entered into with a bank or trust company establishing the Trust under the Plan for the purpose of holding contributions under the Plan and for the payment of benefits under the Plan, as such agreement may be amended from time to time.
- 1.44** “**Trust Fund**” means the assets of the Trust.
- 1.45** “**Trustee**” means the person or persons acting as trustee or trustees hereunder at any time or from time to time. A Trustee shall be deemed to be a “named fiduciary” pursuant to Section 402(a)(1) of ERISA.
- 1.46** “**Vesting Year of Service**” means any Plan Year during which the Employee is credited with at least one thousand (1,000) Hours of Service. Vesting Years of Service shall include all Years of Service determined as of August 31, 1994, for which such Employee received a Year of Service for vesting purposes under the terms of the Prior Plan, or under the terms of either the Metal Improvement Company Retirement Income Plan or the Curtiss-Wright Flight Systems/Shelby, Inc. Retirement Plan. If the Company maintains the Plan of a predecessor employer, Service with such employer will be treated as Service for the Company.
- Special Provisions applicable to Employees of Acquired Entities
- The Vesting Years of Service of Employees who were formerly employed by entities that were acquired by the Company shall be subject to the special provisions set forth in Schedule J.
- 1.47** “**Year of Eligibility Service**” means, with respect to any Employee, the 12-month period of employment with the Company or any Affiliated Company, whether or not as
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an Employee, beginning on the date he first completes an Hour of Service upon hire or rehire, or any Plan Year beginning after that date, in which he first completes at least 1,000 Hours of Service.

- 1.48** “**Year of Credited Service**” means each year with the Company with respect to which benefits are treated as accruing on behalf of the Participant for such year pursuant to Article 1.14 of the Plan.
- 1.49** “**Year of Service**” means, unless otherwise indicated, twelve (12) consecutive months of Service.
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ARTICLE 2: ELIGIBILITY

2.01 Eligibility for Participation.

- (a) Any nonrepresented Employee and any represented Employee whose union has negotiated a benefit under this Plan, not described in this paragraph (a), shall be eligible to participate in the Plan as of the date he completes his Year of Eligibility Service, provided that he then satisfies the following eligibility requirements:
- (i) He shall be a salaried or hourly Employee; and
 - (ii) He shall either be employed by the Company in the United States, or, if he is in the employ of a participating subsidiary and/or constituent corporation now or hereafter organized under the laws of a country, or political subdivision thereof, foreign to the United States of America, he shall be a citizen of the United States of America.

Notwithstanding any provision hereof to the contrary, an Employee who is hired or rehired after January 31, 2010 (or any Employee acquired by the Company or an Affiliated Company after January 31, 2010) shall not be eligible to accrue benefits under Article 6 of the Plan. Such Employee shall be eligible to accrue benefits under Article 4 of the Plan, and any other benefits not specifically excluded in the preceding sentence.

- (b) In addition to the above, any nonrepresented Employee and any represented Employee whose union had negotiated a benefit under this Plan, employed by the Company as of September 1, 1994, became a Participant under this Plan as of September 1, 1994.
- (c) Special Provisions applicable to Employees of Acquired Entities: The eligibility of Employees who were formerly employed by entities that were acquired by the Company and Employees who are employed at facilities or operations that were acquired by the Company subsequent to the acquisition thereof, and the Vesting Years of Service of Employees who were formerly employed by entities that were acquired by the Company shall be subject to the special rules set forth in Schedule J.
- (d) Notwithstanding any provision hereof to the contrary, an Employee who is classified as a Casual Employee or as a Temporary Employee shall not be eligible to become a Participant in the Plan even in the event that such Casual Employee or Temporary Employee shall work 1,000 hours for the Company.
- (e) Notwithstanding any provision herein foregoing, effective February 1, 2010, any Employee who was (1) a Participant in the Plan; (2) accruing benefits under the provisions of Article 6; and (3) was on an approved Leave of Absence before February 1, 2010 shall continue to be eligible to accrue benefits under the provisions of Article 6 if he or she returns from an approved Leave of Absence after January 31, 2010 and satisfies either (i) or (ii) below:
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- (i) if the Leave of Absence was as a result of military service, the Employee must return to the Company while his reemployment rights were protected by law.
- (ii) if the Leave of Absence was not covered under (i) above, the Employee must return to the employ of the Company on or before the expiration of the Leave of Absence.

If the Employee does not satisfy either (i) or (ii) above, he or she will not be eligible to accrue benefits under Article 6 of the Plan. He or she shall be eligible to accrue benefits under Article 4 of the Plan and any other benefits not specifically excluded in the preceding sentence.

- (f) An Employee who has transferred from an eligible to an ineligible location under the provisions of Article 16(d)(i) will continue to accrue benefits under the provisions of Article 6, even if such Employee subsequently transfers to another location after January 31, 2010.
- (g) An Employee who has transferred from a represented position to a nonrepresented position under the provisions of Article 16(d)(iii) after January 31, 2010 shall not be eligible to accrue benefits in accordance with the provisions of Article 6 on or after the date of such transfer.

2.02 Break in Service.

There are no Breaks in Service under the terms of this Plan. All periods of employment shall be aggregated for the purpose of determining whether an Employee has satisfied the requirements of Section 2.01.

2.03 Treatment of Periods of Military Service, Disability and other Leaves of Absence.

- (a) Notwithstanding any provision hereof, a Participant's Service, as taken into account under the Plan for purposes of vesting and for purposes of determining eligibility for and the amount of his retirement benefits hereunder, in accordance with Articles 4, 6 and 9, shall include, to the extent required by law, any period of absence from service with the Company due to a period of service in the uniformed services of the United States which occurs after the date the Participant meets the eligibility requirements for membership in the Plan. If he shall have returned to the service of the Company after having applied to return while his reemployment rights were protected by law, the Participant shall be deemed to have earned Compensation during the period of absence at the rate he would have received had he remained employed as an Employee for that period or, if such rate is not reasonably certain, on the basis of the Participant's rate of compensation during the 12-month period immediately preceding such period of absence (or if shorter, the period of employment immediately preceding such period).
 - (b) In the event a Participant incurs a disability while an Employee and becomes entitled to Disability Payments on account of such disability, the Participant shall continue to accrue benefits under the provisions of Articles 4 and 6 and shall
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continue to be credited with Vesting Years of Service for the period he is in receipt of the Disability Payments, up to a maximum continuous period of twenty-four months (including any applicable waiting period for such Disability Payments provided that after the expiration of such waiting period the Participant becomes entitled to Disability Payments). For purposes of computing the benefit accrued by a Participant under this paragraph (b), a Participant shall be deemed to have earned Compensation during the period he is accruing a benefit under this paragraph (b) at the rate of Compensation he was receiving immediately prior to the date he ceased active employment on account of the disability. A Participant who is entitled to Disability Payments and who is credited with at least five Vesting Years of Service (three Vesting Years of Service effective January 1, 2008) may elect at any time by written advance application to the Administrative Committee to cease further accruals under the provisions of this paragraph (b) and in lieu thereof to commence receipt of payments under the applicable provisions of the Plan.

A Participant who made the election in the preceding sentence after January 31, 2010 shall not be eligible to accrue benefits determined in accordance with Article 6 if he or she is rehired after January 31, 2010. A Participant, who is entitled to Disability Payments and is rehired after January 31, 2010 with the Company, before the end of the twenty-four month period described above, shall continue to be eligible to accrue benefits under the Provisions of Article 6. A Participant who is rehired after January 31, 2010, and after the end of the twenty-four month period described above shall not be eligible to accrue benefits under Article 6 of the Plan on or after such rehire date. He or she shall be eligible to accrue benefits under Article 4 of the Plan and any other benefits not specifically excluded in the preceding sentence.

- (c) Notwithstanding any provisions of the Plan to the contrary, an Employee's period of Leave of Absence not otherwise included under paragraph (a) or (b) above, shall be included for purposes of determining vesting and for purposes of determining the amount of his retirement benefits hereunder in accordance with Articles 4, 6, and 9, provided that the Employee returns to the employ of the Company at or before the expiration of the Leave of Absence. If the Employee receives credit for service under the preceding sentence, the Employee shall be deemed to have earned Compensation during the Leave of Absence at the rate of pay he was receiving immediately prior to his Leave of Absence.
 - (d) Notwithstanding any provisions of the Plan to the contrary, an Employee who dies or incurs a disability on or after January 1, 2007 while performing qualified military service shall be treated as if he returned to the service of the Company on the day preceding his death or disability and terminated employment the following day.
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ARTICLE 3: COMPANY CONTRIBUTIONS

3.01 Amount.

Effective September 1, 1994, no contribution shall be required of any Participant as a condition of his participation in the Plan. The Company shall contribute to the Plan, for each Plan Year at least the amount, if any, necessary to satisfy the minimum funding requirements of the Code for such Plan Year.

3.02 Payment.

Company contributions for any Plan Year shall be paid in cash to the Trustee no later than the date prescribed by Section 412 of the Code and the regulations thereunder for meeting the minimum funding requirements for such Plan Year.

3.03 Forfeitures.

Any forfeitures arising under the Plan shall be used to reduce the Company's contribution.

3.04 Return of Company Contributions.

A contribution made by the Company may be returned to the Company if:

- (a) the contribution is made by the reason of a mistake of fact, provided such contribution is returned within one year of the mistaken payment; or
- (b) the contribution is conditioned on its deductibility for Federal income tax purposes and such deduction is disallowed, provided such contribution is returned within one year of the disallowance of the deduction for Federal income tax purposes and provided further that each contribution shall be deemed to be conditioned on its deductibility, unless otherwise stated in writing by the Company); or
- (c) the contribution is made prior to the receipt of a determination letter from the Internal Revenue Service as to the initial qualification of the Plan under Section 401(a) of the Code and no favorable determination letter is received; provided that any contribution made incident to that initial qualification must be returned to the Company within one year after the initial qualification is denied, but only if the application for qualification is made by the time prescribed by law for filing the Company's return for the taxable year in which the Plan is adopted, or such later date as the Secretary of the Treasury may prescribe.

The amount of any contribution which may be returned shall be reduced to reflect its proportionate share of any net investment loss in the Trust Fund. In the event paragraph (c) applies, the returned contribution may include any net investment earnings or gains in the Trust Fund.

ARTICLE 4: CASH BALANCE ACCOUNT

4.01 Escalating Annuity Benefit and Cash Balance Account.

Effective September 1, 1994, an Escalating Annuity Benefit shall be established and maintained for each Participant to which credits shall be made pursuant to the provisions of this Article 4. The amount of Escalating Annuity Benefit credited to any Participant shall be in addition to any other benefits credited under this Plan. The lump sum value of a Participant's Escalating Annuity Benefit, determined in accordance with Article 1.01, shall be referred to as his Cash Balance Account.

The normal form of retirement benefit for the Escalating Annuity Benefit is a life annuity payable monthly, commencing at Normal Retirement Date, under which the monthly benefit is automatically increased at the beginning of each calendar year after benefit commencement. The percentage of increase, or escalator, applicable to a calendar year is (i) for increases prior to 1997, the applicable rate from Article 4.03(a), and (ii) for increases after 1996, the 30-year Treasury Bond rate for December of the prior year.

4.02 Pay Based Credits.

There shall be credited to the Cash Balance Account of each Participant three percent (3%) of the Participant's Compensation earned during that Plan Year, such amount being credited as of the first day of the Plan Year.

4.03 Cost of Living Adjustment.

For each Participant who has not commenced to receive his Escalating Annuity Benefit, such benefit shall be increased in the manner described in paragraph (b) below by a Cost of Living Adjustment determined in accordance with paragraph (a) below, except that for active Participants beyond Normal Retirement Age, (a) and (b) below will not apply and (c) below will apply:

- (a) The Cost of Living Adjustments shall be as follows:
 - (i) 6.880% for calendar year 1994; however, for the period from September 1, 1994 to December 31, 1994, the equivalent rate of 2.24266% is credited.
 - (ii) 8.688% for calendar year 1995.
 - (iii) 6.230% for calendar year 1996.
 - (iv) 6.550% for calendar year 1997.
 - (v) for years subsequent to 1997, the 30-year Treasury Bond rate for December of the prior year.
 - (b) The Participant's Escalating Annuity Benefit shall be increased at the end of each Plan Year described in (a) above by an amount equal to the Cost of Living
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Adjustment for such year multiplied by the Participant's Escalating Annuity Benefit on the first day of such year inclusive of the Pay Based Credits allocated to such year under 4.02 above.

The amount of a Participant's Escalating Annuity Benefit at any date shall be the amount of the Benefit on the first day of the month containing such date. The value of a Participant's Escalating Annuity Benefit on the first day of a month shall be determined by increasing the value of the Benefit as of the first day of the Plan Year containing such month by any Pay Based Credits earned in such year and then by multiplying the sum by a Cost of Living Factor based on (a) above and the number of months from the beginning of the year to the first day of the month of determination.

- (c) Participants who remain active employees beyond Normal Retirement Age will not receive Cost of Living Adjustments in accordance with (a) and (b) above, but will instead have their Escalating Annuity Benefits increased at the end of each Plan Year by the 30-year Treasury Bond rate for December of the prior year. If the amount of an Escalating Annuity Benefit is to be determined as of a date other than the beginning or end of a Plan Year, the rules of the second paragraph of (b) above shall be applied but using the 30-year Treasury Bond rate for December of the prior year in lieu of the rates set forth in (a) above. Such increase will be in addition to any Pay Based Credits earned under Article 4.02 above.

4.04 Vesting.

The interest of a Participant in his Escalating Annuity Benefit shall be vested in accordance with Article 5 of this Plan.

4.05 Distribution of Escalating Annuity Benefit and Cash Balance Account.

- (a) A Participant shall be entitled to commence distribution of his Escalating Annuity Benefit upon (i) retirement on his Normal Retirement Date or Early Retirement Date, as the case may be, or (ii) the date he separates from Service with the Company with a vested benefit.
- (b) A Participant's Escalating Annuity Benefit shall be distributable pursuant to a form of payment permissible under Article 7 as elected by the Participant.

4.06 Death Benefit.

- (a) If a Participant who has an Escalating Annuity Benefit dies before commencement of the payment of such Benefit, the Participant's Beneficiary shall receive an annuity that is the Actuarial Equivalent of the Escalating Annuity Benefit, payable for the life of the Beneficiary. Payment of the annuity shall commence on what would have been the Participant's Normal Retirement Date (or the first day of the month following his date of death, if later), unless the Beneficiary elects earlier commencement.
 - (b) In lieu of the annuity described in Article 4.06(a), a Beneficiary may elect to receive the Participant's Cash Balance Account in a single sum. Payment shall
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be made at such time as the Beneficiary elects. In the event the Beneficiary is the Participant's estate, the death benefit shall automatically be paid to the estate in one lump sum.

- (c) Subject to the spousal consent requirements of Article 8.01 of the Plan, the Participant may, by written designation filed with the Administrative Committee, designate one Beneficiary to receive payment under this Article 4 and may rescind or change any such designation.
- (d) In the absence of spousal consent under Article 8.01, the Actuarial Equivalent of any vested Escalating Annuity Benefit shall be paid to the surviving Spouse as a single life annuity over the Spouse's life. In no event shall the amount of the annuity payable to the surviving Spouse be less than the amount that would be payable under Article 8.01.

4.07 Amount of Escalating Annuity Benefits.

- (a) A Participant's accrued benefit under this Article 4 as of any date is his Escalating Annuity Benefit as of such date.
- (b) If the Participant's benefit commences prior to Normal Retirement Date, the amount of Escalating Annuity commencing at any earlier benefit commencement date shall be the amount of his accrued Escalating Annuity Benefit multiplied by an early retirement factor. For the purpose of this Article 4.07 the early retirement factor shall be the ratio of 18.75 to the complete expectation of life at the Participant's age at benefit commencement, such expectation being calculated using the IRS Mortality Table.
- (c) If the Participant's benefit commences on or after Normal Retirement Date, the amount of Escalating Annuity commencing at any such benefit commencement date shall be the amount of his accrued Escalating Annuity Benefit multiplied by a late retirement factor. For the purpose of this Article 4.07 the late retirement factor shall be the ratio of 18.75 to the complete expectation of life at the Participant's age at benefit commencement, such expectation being calculated using the IRS Mortality Table.
- (d) The lump sum value of the Escalating Annuity Benefit described in (b) or (c) above shall be the Actuarial Equivalent of such Escalating Annuity Benefit and any other form of annuity benefit shall be the Actuarial Equivalent of the lump sum so determined.

4.08 Supplemental Credits.

- (a) Supplemental Credits shall be provided in accordance with the provisions of Schedule K 1.
 - (b) For purposes of Article 4.03(b), the Supplemental Credits added to a Participant's Escalating Annuity Benefit in accordance with this Article 4.08 shall be treated in the same manner as the Pay Based Credits earned by the Participant during the year in which such supplemental credits were added.
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- (c) The supplemental credits added to a Participant's Escalating Annuity Benefit in accordance with this Article 4.08 shall be payable in the same manner and under the same conditions as amounts credited to his Escalating Annuity Benefit under Article 4.02.
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ARTICLE 5: VESTING

5.01 Vesting Schedule.

(a) Normal Retirement Benefit determined under Article 6.01.

Effective January 1, 2008, upon termination of Service prior to Normal Retirement Date, the interest of a Participant in that portion of his Normal Retirement Benefit that is determined in accordance with Article 6.01 shall be vested in accordance with the following schedule, based on the number of Vesting Years of Service of the Participant on the date of his termination of employment:

<i>Vesting Years of Service as of Date of Termination:</i>	<i>Nonforfeitable Percentage:</i>
Less than 3	0%
3 or more	100%

Prior to January 1, 2008, upon termination of Service prior to Normal Retirement Date, the interest of a Participant in that portion of his Normal Retirement Benefit that is determined in accordance with Article 6.01 shall be vested in accordance with the following schedule, based on the number of Vesting Years of Service of the Participant on the date of his termination of employment:

<i>Vesting Years of Service as of Date of Termination:</i>	<i>Nonforfeitable Percentage:</i>
4 or less	0%
5 or more	100%

(b) Normal Retirement Benefit derived from Cash Balance Account as determined under Article 4.

(i) Vesting Schedule Effective January 1, 2008

Upon termination of Service prior to attaining his Normal Retirement Age, the interest of a Participant in the portion of his Normal Retirement Benefit that is derived from his Cash Balance Account, as determined in accordance with Article 4 shall be vested in accordance with the following schedule based on the number of Vesting Years of Service of the Participant on the date of his termination of Service:

<i>Vesting Years of Service as of Date of Termination:</i>	<i>Nonforfeitable Percentage:</i>
Less than 3	0%
3 or more	100%

(ii) Participant employed prior to June 1, 1997:

Upon termination of Service prior to attaining his Normal Retirement Age, the interest of a Participant who commenced employment with the Company or an Affiliated Company on or after June 1, 1997 in the portion of his Normal Retirement Benefit that is derived from his Cash Balance Account, as determined in accordance with Article 4 shall be vested in accordance with the following schedule based on the number of Vesting Years of Service of the Participant on the date of his termination of Service:

<i>Vesting Years of Service as of Date of Termination:</i>	<i>Nonforfeitable Percentage:</i>
4 or less	0%
5 or more	100%

(iii) Participant employed prior to June 1, 1997:

Upon termination of Service prior to attaining his Normal Retirement Age, the interest of a Participant who commenced employment with the Company or an Affiliated Company prior to June 1, 1997 in the portion of his Normal Retirement Benefit that is derived from his Cash Balance Account, as determined in accordance with Article 4 shall be vested in accordance with the following schedule based on the number of Vesting Years of Service of the Participant on the date of his termination of Service:

<i>Vesting Years of Service as of Date of Termination:</i>	<i>Nonforfeitable Percentage:</i>
1	20%
2	40%
3	60%
4	80%
5	100%

(c) Special Provision for Reductions in Force.

The provisions of paragraphs (a) and (b) above shall be subject to the provisions of Schedule K 2, if and to the extent applicable, with respect to Participants whose employment with the Company is terminated on account of a reduction in force.

(d) Special Provision for Reductions in Force.

The provisions of paragraphs (a) and (b) above shall be subject to the provisions of Schedule K 2, if and to the extent applicable, with respect to Participants whose employment with the Company is terminated on account of a reduction in force.

5.02 Break in Service.

There are no Breaks in Service under the terms of this Plan. All periods of employment shall be aggregated for the purpose of determining a Participant's Vesting Years of Service and for the purpose of determining whether a Participant's nonforfeitable percentage in accordance with Article 5.01.

5.03 Forfeiture and Restoration of Vesting Years of Service and Credited Service.

- (a) In the case of a termination of a Participant's employment from the Company for any reason, if as of the date of such termination the Participant was not fully vested in his retirement benefit, the Participant may elect, subject to the limitations of Articles 4, 6 and 7 and to the provisions of paragraph (d) below, to receive a distribution of the entire vested portion of such retirement benefit and the nonvested portion will be treated as a forfeiture.
 - (b) If a Participant received a distribution from the Plan and subsequently resumes covered employment under the Plan, the following shall apply:
 - (i) The Participant's Vesting Years of Service shall be restored.
 - (ii) Repayment of any distribution from the Plan shall not be permitted.
 - (iii) If the Participant had less than three Vesting Years of Service at the time of his termination (five years prior to January 1, 2008), his Years of Credited Service shall also be restored, and the forfeited portion of his Company-derived retirement benefit, determined as of the time of his termination, shall be restored to him, without interest from the time of the distribution to the date the Participant resumes covered employment, but subject to the provisions of Article 4.07.
 - (iv) If the Participant had three or more Vesting Years of Service at the time of his termination (five years prior to January 1, 2008) received a distribution representing less than his entire Company-derived retirement benefit, all of his Years of Credited Service shall be restored.
 - (v) If the Participant had three or more Vesting Years of Service at the time of his termination (five years prior to January 1, 2008), and received a single sum representing all of his retirement benefit, his Years of Credited Service shall not be restored to him.
 - (vi) If a Participant's Credited Service is restored in accordance with subparagraph (b)(iii), or (b)(iv), then, upon subsequent retirement or termination of employment, the Participant's retirement benefit shall be reduced by the Actuarial Equivalent value of any benefit previously distributed to him.
 - (vii) For Participants who terminate employment after January 1, 2008, three Years of Vesting Service shall be substituted for five Years of Vesting Service in subparagraphs (i), (iii), (iv) and (v) above.
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- (c) If a Participant terminated employment from the Company, but did not receive a distribution from the Plan in accordance with paragraph (a) above, and subsequently resumes covered employment under the Plan, the following shall apply;
- (i) The Participant's Vesting Years of Service shall be restored.
 - (ii) The Participant's Credited Service shall be restored.
- (d) If the present value of a Participant's vested retirement benefit derived from Company and Participant contributions exceeds \$1,000, and the retirement benefit is immediately distributable, the Participant and the Participant's Spouse (or where either the Participant or the Spouse has died, the survivor) must consent to any distribution of such retirement benefit. The consent of the Participant and the Participant's Spouse shall be obtained in writing within the ninety (90) day period ending on the Annuity Starting Date. The Plan Administrator shall notify the Participant and the Participant's Spouse of the right to defer any distribution until the Participant's retirement benefit is no longer immediately distributable. Such notification shall include a general description of the material features, the consequences of failing to defer distribution, and an explanation of the relative values of, the optional forms of benefit available under the Plan in a manner that would satisfy the notice requirements of Sections 411(a)(11) and 417(a)(3) of the Code, and shall be provided no less than thirty (30) days and no more than ninety (90) days prior to the Annuity Starting Date.

Notwithstanding the foregoing, only the Participant need consent to the commencement of a distribution in the form of a Qualified Joint and Survivor Annuity while the retirement benefit is immediately distributable. Neither the consent of the Participant nor the Participant's Spouse shall be required to the extent that a distribution is required to satisfy Section 401(a)(9) or Section 415 of the Code.

For purposes of this Article 5.03, a retirement benefit is immediately distributable if any part of the retirement benefit could be distributed to the Participant (or surviving Spouse) before the Participant attains (or would have attained if not deceased) the Normal Retirement Age.

5.04 Applicability of Prior Vesting Schedule.

- (a) Notwithstanding the vesting schedules set forth in Article 5.01, the vested percentage of a Participant's retirement benefit shall not be less than the vested percentage attained under the terms of the Prior Plan as of August 31, 1994.
 - (b) A Participant with at least three (3) Years of Service as of September 1, 1994 may elect to have his nonforfeitable percentage computed under the Prior Plan. For Plan Years beginning before December 31, 1988, or with respect to Participants who fail to complete at least one Hour of Service in a Plan Year beginning after December 31, 1988, five (5) shall be substituted for three (3) in the preceding sentence. If a Participant fails to make such election, then such Participant shall be subject to the vesting schedules set forth in Article 5.01. The
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Participant's election period shall commence on the effective date of Article 5.01 as amended and shall end sixty (60) days after the latest of:

- (i) the adoption date of such amendment,
- (ii) the effective date of such amendment, or
- (iii) the date the Participant receives written notice of such amendment from the Company or Plan Administrator.

Notwithstanding the foregoing, any Employee who was a Participant as of the effective date of the amendment of Article 5.01 and who completed three (3) Years of Service shall be subject to the vesting schedule determined without regard to such amendment, provided that such schedule provides, in all circumstances, a nonforfeitable percentage that is no less than the percentage determined Article 5.01 as amended. For Plan Years beginning before December 31, 1988, or with respect to Employees who fail to complete at least one Hour of Service in a Plan Year beginning after December 31, 1988, five (5) shall be substituted for three (3) in the preceding sentence.

This election herein above shall also be applicable when a Top-Heavy Plan reverts to non-Top-Heavy status.

ARTICLE 6: AMOUNT AND COMMENCEMENT OF RETIREMENT BENEFIT

6.01 Normal Retirement.

In addition to the portion of his Normal Retirement benefit that is determined in accordance with Article 4, a Participant who retires on his Normal Retirement Date shall be entitled to a Normal Retirement Benefit determined in accordance with this Article 6.01 and subject to the minimum benefit provisions of Article 6.02. The Participant shall be entitled to receive a Normal Retirement Benefit, the Actuarial Equivalent of which is equal to the sum of (a) and (b) below:

(a) Service Before September 1, 1994.

- (i) For Participants in covered employment on or after September 1, 1994, the Normal Retirement Benefit attributable to Service before September 1, 1994 shall be the amount determined in subparagraph (a)(ii). For Participants in covered employment on or after September 1, 1994 and who remain in covered employment on or after January 1, 1997, the Normal Retirement Benefit attributable to Service before September 1, 1994 shall be the greater of the amount determined in subparagraph (a)(ii) or the amount determined in subparagraph (a)(iii).
- (ii) The amount determined in this subparagraph (a)(ii) shall be the product of the Participant's accrued benefit under the Prior Plan as of August 31, 1994 and a fraction, the numerator of which is the amount determined in (A) and the denominator of which is the amount determined in (B), as follows:
 - (A) The greater of (I) the Participant's Average Compensation as of August 31, 1994 or (II) the Participant's Average Compensation at retirement.
 - (B) The Participant's Average Compensation as of August 31, 1994,

With respect to a Participant with a "frozen Section 401(a)(17) benefit", within the meaning of Article 6.02(b), the amount shall be determined by adjusting the frozen December 31, 1993 accrued benefit and the frozen accrued benefit for the period from January 1, 1994 to August 31, 1994 separately, using in the denominator, the Participant's Average Final Compensation as of December 31, 1993 and August 31, 1994 respectively, in each case, as limited by Section 401(a)(17).

If a Participant elects pursuant to Article 6.07(c) to receive a distribution of his employee contributions to the Plan, prior to his Annuity Starting Date, the accrued benefit under the Prior Plan as of August 31, 1994, adjusted as provided in this subparagraph, shall be reduced by the Actuarial Equivalent of the amount actually distributed to the Participant.

(iii) The amount determined in this subparagraph shall be the portion of Participant's accrued benefit under the Prior Plan, as of August 31, 1994, that is attributable only to employer contributions, with the portion of the accrued benefit attributable to employer contributions under the Prior Plan, multiplied by the fraction described in subparagraphs (ii)(A) and (B), increased by the Actuarial Equivalent value of the Participant's contributions, provided, however, that this increase shall not apply, if the Participant elects pursuant to Article 6.07(c) to receive a distribution of his employee contributions to the Plan, prior to his Annuity Starting Date.

(b) Service After August 31, 1994.

The Normal Retirement Benefit attributable to Service after August 31, 1994 shall be equal to one and one-half (1½%) percent of Average Compensation in excess of Covered Compensation multiplied by the Participant's total number of Years of Credited Service after August 31, 1994, up to a maximum of 35 years, plus one percent (1%) of Average Compensation up to Covered Compensation multiplied by the Participant's total number of Years of Credited Service after August 31, 1994, up to a maximum of 35 years.

(c) Effective January 1, 1997, in addition to the benefits described in Article 4.02 and paragraphs (a) and (b) above, the Normal Retirement Benefit of certain participants shall be increased. Participants described in Part A of Schedule I shall receive the increase set forth in subparagraphs (c)(i) through (c)(iii) herein. Participants described in Part B of Schedule I shall receive the increase set forth in subparagraph (c)(iv) herein, adjusted for optional form of payment as provided in Article 7.02.

(i) The benefit described in Article 6.01(a) shall be increased by the sum of (A) and (B) below:

- (A) the applicable factor in Schedule I 1 multiplied by the employer accrued benefit under Article 6.01(a), as of the date of determination, but in no event later than December 31, 2000,
- (B) the applicable factor in Schedule I 1 multiplied by the employer accrued benefit under Article 6.01(a) as of the date of determination, but in no event later than December 31, 2000, multiplied by a Participant's Years of Credited Service after December 31, 1997 and before January 1, 2001.

(ii) The benefit described in Article 6.01(b) shall be increased by the sum of (A) and (B) below:

- (A) the product of the applicable factor in Schedule I 1, multiplied by the fraction 10/3, multiplied by the sum of:
 - (l) one and one-half percent (1½%) of Average Compensation in excess of Covered Compensation, with Average Compensation determined as of the date of determination, but in no event later than
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December 31, 2000, and Covered Compensation determined as of December 31, 1997, plus

- (II) one percent (1%) of Average Compensation, as determined in accordance with subparagraph (A)(I) above, up to Covered Compensation, with Covered Compensation determined as of December 31, 1997.
 - (B) the product of the applicable factor in Schedule I 1, multiplied by a Participant's Years of Credited Service after December 31, 1997 and before January 1, 2001, multiplied by the sum of:
 - (I) one and one-half percent (1½%) of Average Compensation in excess of Covered Compensation, with Average Compensation and Covered Compensation determined as of the date of determination, but in no event later than December 31, 2000, plus
 - (II) one percent (1%) of Average Compensation up to Covered Compensation, with Covered Compensation and Average Compensation determined in accordance with subparagraph (B)(I) above.
 - (iii) The benefit described in Article 4.02 shall be increased by the sum of (A) to (D) below:
 - (A) the applicable factor described in Schedule I 1 multiplied by the Participant's Cash Balance Account as of December 31, 1997.
 - (B) the applicable factor described in Schedule I 1 multiplied by the credit to the Participant's Cash Balance Account for the 1998 Plan Year.
 - (C) the applicable factor described in Schedule I 1 multiplied by the credit to the Participant's Cash Balance Account for the 1999 Plan Year.
 - (D) the applicable factor described in Schedule I 1 multiplied by the credit to the Participant's Cash Balance Account for the 2000 Plan Year.
 - (iv) The additional benefits set forth in Part B of Schedule I 1.
 - (v) In the event the limitation on Compensation in Section 401(a)(17) of the Code is increased at any time by statute or regulation, but not by application of the cost-of-living adjustment factor in Section 401(a)(17)(b) of the Code, all accruals under this Article 6.01(c) shall cease as of the effective date of said increase.
 - (d) Effective January 1, 2000, in addition to the benefit described in Article 4.02 and paragraphs (a), (b) and (c) above, the Normal Retirement Benefit of certain
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participants shall be increased. Participants described in Schedule I 2 shall receive the increase set forth in subparagraphs (d)(i) through (d)(iii) herein.

- (i) The sum of the benefits described in Article 6.01(a) and 6.01(c)(i) shall be increased by the sum of (A) and (B) below:
 - (A) the applicable factor in Schedule I 2 multiplied by the employer accrued benefit under Article 6.01(a) and 6.01(c)(i) as of the date of determination, but in no event later than December 31, 2003,
 - (B) the applicable factor in Schedule I 2 multiplied by the employer accrued benefit under Article 6.01(a) and 6.01(c)(i) as of the date of determination, but in no event later than December 31, 2003, multiplied by a Participant's Years of Credited Service after December 31, 2000 and before January 1, 2004.
 - (ii) The benefit described in Article 6.01(b) and 6.01(c)(ii) shall be increased by the sum of (A) and (B) below:
 - (A) the product of the applicable factor in Schedule I 2, multiplied by three (3.0), multiplied by the sum of:
 - (I) one and one-half percent of Average Compensation in excess of Covered Compensation, with Average Compensation determined as of the date of determination, but in no event later than December 31, 2003, and Covered Compensation determined as of December 31, 2000, plus
 - (II) one percent of Average Compensation, as determined in accordance with subparagraph (A)(I) above, up to Covered Compensation, with Covered Compensation determined as of December 31, 2000, plus
 - (III) the accrued benefit provided under Article 6.01(c)(ii)(A) and 6.01(c)(ii)(B).
 - (B) the product of the applicable factor in Schedule I 2, multiplied by a Participant's Years of Credited Service after December 31, 2000 and before January 1, 2004, multiplied by the sum of:
 - (I) one and one-half percent (1½%) of Average Compensation in excess of Covered Compensation, with Average Compensation and Covered Compensation determined as of the date of determination, but in no event later than December 31, 2003, plus
 - (II) one percent (1%) of Average Compensation up to Covered Compensation, with Covered Compensation and Average Compensation determined in accordance with subparagraph (I) above.
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- (iii) The benefit described in Article 4.02 and 6.01(c)(iii) shall be increased by the sum of (A) to (D) below:
- (A) the applicable factor described in Schedule I 2, multiplied by the Participant's Cash Balance Account as of December 31, 2000.
 - (B) the applicable factor described in Schedule I 2, multiplied by the credit to the Participant's Cash Balance Account for the 2001 Plan Year.
 - (C) The applicable factor described in Schedule I 2, multiplied by the credit to the Participant's Cash Balance Account for the 2002 Plan Year.
 - (D) The applicable factor described in Schedule I 2, multiplied by the credit to the Participant's Cash Balance Account for the 2003 Plan Year.
- (iv) If the Internal Revenue Service, upon timely application, determines that this Article 6.01(d) causes the Plan to lose its status as a qualified plan under Section 401(a) of the Code, then this paragraph (d) shall be void *ab initio*.
- (e) Effective January 1, 2004, in addition to the benefit described in Article 4.02 and paragraphs (a), (b), (c) and (d) above, the Normal Retirement Benefit of certain participants shall be increased. Participants described in Part A of Schedule I 3 shall receive the increase set forth in subparagraphs (e)(i) through (e)(iii) herein. Participants described in Part B of Schedule I 3 shall receive the increase set forth in subparagraph (e)(iv) herein, adjusted for optional form of payment as provided in Article 7.02.
- (i) The sum of the benefits described in Article 6.01(a), 6.01(c)(i) and 6.01(d)(i) shall be increased by the sum of (A) and (B) below:
 - (A) the applicable factor in Schedule I 3, multiplied by the employer accrued benefit under Article 6.01(a), 6.01(c)(i) and 6.01(d)(i) as of the date of determination, but in no event later than December 31, 2006,
 - (B) the applicable factor in Schedule I 3, multiplied by the employer accrued benefit under Article 6.01(a), 6.01(c)(i) and 6.01(d)(i) as of the date of determination, but in no event later than December 31, 2006, multiplied by a Participant's Years of Credited Service after December 31, 2003 and before January 1, 2007.
 - (ii) The benefit described in Article 6.01(b), 6.01(c)(ii) and 6.01(d)(ii) shall be increased by the sum of (A) and (B) below:
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- (A) the product of the applicable factor in Schedule I 3, multiplied by three (3.0), multiplied by the sum of:
 - (I) one and one-half percent (1½%) of Average Compensation in excess of Covered Compensation, with Average Compensation determined as of the date of determination, but in no event later than December 31, 2006, and Covered Compensation determined as of December 31, 2003, plus
 - (II) one percent (1%) of Average Compensation, as determined in accordance with subparagraph (I) above, up to Covered Compensation, with Covered Compensation determined as of December 31, 2003, plus
 - (III) the accrued benefit provided under Article 6.01(c)(ii)(A), 6.01(c)(ii)(B), 6.01(d)(ii)(A) and 6.01(d)(ii)(B).
 - (B) the product of the applicable factor in Schedule I 3, multiplied by a Participant's Years of Credited Service after December 31, 2003 and before January 1, 2007, multiplied by the sum of:
 - (I) one and one-half percent (1½%) of Average Compensation in excess of Covered Compensation, with Average Compensation and Covered Compensation determined as of the date of determination, but in no event later than December 31, 2006, plus
 - (II) one percent (1%) of Average Compensation up to Covered Compensation, with Covered Compensation and Average Compensation determined in accordance with subparagraph (I) above.
 - (iii) The benefit described in Article 4.02, 6.01(c)(iii) and 6.01(d)(iii) shall be increased by the sum of (A) to (D) below:
 - (A) the applicable factor described in Schedule I 3, multiplied by the Participant's Cash Balance Account as of December 31, 2003.
 - (B) the applicable factor described in Schedule I 3, multiplied by the credit to the Participant's Cash Balance Account for the 2004 Plan Year.
 - (C) the applicable factor described in Schedule I 3, multiplied by the credit to the Participant's Cash Balance Account for the 2005 Plan Year.
 - (D) the applicable factor described in Schedule I 3, multiplied by the credit to the Participant's Cash Balance Account for the 2006 Plan Year.
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- (iv) The additional benefits set forth in Part B of Schedule I 3.
 - (v) In the event the limitation on Compensation in Section 401(a)(17) of the Code is increased at any time by statute or regulation (but not by application of the cost-of-living adjustment factor in Section 401(a)(17)(b) of the Code), all accruals under this Article 6.01(e) shall cease as of the effective date of said increase.
 - (vi) If the Internal Revenue Service, upon timely application, determines that this Article 6.01(e) causes the Plan to lose its status as a qualified plan under Section 401(a) of the Code, then this paragraph (e) shall be void *ab initio*.
- (f) Effective January 1, 2007, in addition to the benefit described in Article 4.02 and paragraphs (a), (b), (c), (d) and (e) above, the Normal Retirement Benefit of certain participants shall be increased. Participants described in Schedule I 4 shall receive the increase set forth in subparagraphs (f)(i) through (f)(iii) herein.
- (i) The sum of the benefits described in Article 6.01(a), 6.01(c)(i), 6.01(d)(i), and 6.01(e)(i) shall be increased by the sum of (A) and (B) below:
 - (A) the applicable factor in Schedule I 4, multiplied by the employer accrued benefit under Article 6.01(a), 6.01(c)(i), 6.01(d)(i) and 6.01(e)(i) as of the date of determination, but in no event later than December 31, 2009,
 - (B) the applicable factor in Schedule I 4, multiplied by the employer accrued benefit under Article 6.01(a), 6.01(c)(i), 6.01(d)(i) and 6.01(e)(i) as of the date of determination, but in no event later than December 31, 2009, multiplied by a Participant's Years of Credited Service after December 31, 2006 and before January 1, 2010.
 - (ii) The benefit described in Article 6.01(b), 6.01(c)(ii), 6.01(d)(ii) and 6.01(e)(ii) shall be increased by the sum of (A) and (B) below:
 - (A) the product of the applicable factor in Schedule I 4, multiplied by three (3.0), multiplied by the sum of:
 - (I) one and one-half percent (1½%) of Average Compensation in excess of Covered Compensation, with Average Compensation determined as of the date of determination, but in no event later than December 31, 2009, and Covered Compensation determined as of December 31, 2006, plus
 - (II) one percent (1%) of Average Compensation, as determined in accordance with subparagraph (I) above, up
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- to Covered Compensation, with Covered Compensation determined as of December 31, 2006, plus
- (III) the accrued benefit provided under Article 6.01(c)(ii)(A), 6.01(c)(ii)(B), 6.01(d)(ii)(A), 6.01(d)(ii)(B), 6.01(e)(ii)(A) and 6.01(e)(ii)(B).
- (B) the product of the applicable factor in Schedule I 3, multiplied by a Participant's Years of Credited Service after December 31, 2006 and before January 1, 2010, multiplied by the sum of:
- (I) one and one-half percent (1½%) of Average Compensation in excess of Covered Compensation, with Average Compensation and Covered Compensation determined as of the date of determination, but in no event later than December 31, 2009, plus
 - (II) one percent (1%) of Average Compensation up to Covered Compensation, with Covered Compensation and Average Compensation determined in accordance with subparagraph (I) above.
- (iii) The benefit described in Article 4.02, 6.01(c)(iii), 6.01(d)(iii) and 6.01(e)(iii) shall be increased by the sum of (A) to (D) below:
- (A) the applicable factor described in Schedule I 4, multiplied by the Participant's Cash Balance Account as of December 31, 2006.
 - (B) the applicable factor described in Schedule I 4, multiplied by the credit to the Participant's Cash Balance Account for the 2007 Plan Year.
 - (C) the applicable factor described in Schedule I 4, multiplied by the credit to the Participant's Cash Balance Account for the 2008 Plan Year.
 - (D) the applicable factor described in Schedule I 4, multiplied by the credit to the Participant's Cash Balance Account for the 2009 Plan Year.
- (iv) In the event the limitation on Compensation in Section 401(a)(17) of the Code is increased at any time by statute or regulation (but not by application of the cost-of-living adjustment factor in Section 401(a)(17)(b) of the Code), all accruals under this Article 6.01(f) shall cease as of the effective date of said increase.
- (v) If the Internal Revenue Service, upon timely application, determines that this Article 6.01(f) causes the Plan to lose its status as a qualified plan under Section 401(a) of the Code, then this paragraph (f) shall be void *ab initio*.
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6.02 Minimum Retirement Benefits.

- (a) A minimum retirement benefit equal to the greater of (i) or (ii) below shall be provided for “contributing participants” as such term is defined under the Prior Plan, who attained age fifty-five (55) with sixty (60) months of contributory Service ending on August 31, 1994:
 - (i) the Normal Retirement Benefit under the Plan; or
 - (ii) the Participant’s Prior Plan Benefit determined pursuant to Article 6.11.
- (b) Notwithstanding any provision of the Plan to the contrary, the annual normal retirement benefit of a Participant who is affected by the imposition of the OBRA '93 annual compensation limit, as described in Article 1.12, shall be equal to the greater of:
 - (i) the Participant’s retirement benefit calculated under the provisions of the Plan as determined with regard to such limitation, or
 - (ii) a retirement benefit equal to the Participant’s accrued benefit determined as of December 31, 1993, plus the Participant’s accrued benefit based solely on service after such date under the provisions of the Plan as determined with regard to such imposition.

For purposes of this Article 6.02, the accrued benefit determined as of December 31, 1993 shall be equal to the greater of (A) the Participant’s accrued benefit determined as of December 31, 1993, as determined with regard to the limitation on Compensation as in effect prior to the imposition of the OBRA '93 annual compensation limit, or (B) the Participant’s accrued benefit determined as of December 31, 1988, plus the Participant’s accrued benefit based solely on service after such date under the provisions of the Plan as determined with regard to such limitation, and such amount shall be deemed to the “frozen Section 401(a)(17) benefit” for purposes of Article 6.01(a).

6.03 Early Retirement.

If a Participant’s Service terminates on or after the Participant’s Early Retirement Date, the Participant shall be entitled to receive his Normal Retirement Benefit determined as of the date on which the Participant terminated Service; provided, however, that in no event shall the Normal Retirement Benefit of any Participant who continues to perform Service after the Early Retirement Date be reduced as a result of such continued Service. Should the Participant elect to receive his Normal Retirement Benefit prior to the Normal Retirement Age, the Participant shall be entitled to a retirement benefit that is equal to his Normal Retirement Benefit multiplied by the applicable Early Retirement Factor set forth in Schedule A 1. The Early Retirement Benefit shall be payable in one of the forms provided in Article 7 of the Plan and shall commence on the first day of the month following the date on which the Participant terminates Service, unless the Participant elects a later commencement date, which commencement date shall not be later than his Normal Retirement Date.

6.04 Deferred Retirement.

If a Participant should continue Service beyond his Normal Retirement Age, the Participant shall continue his accrual of benefits in accordance with Article 6.01 of the Plan and the benefit payable upon his retirement shall be subject to the provisions of Article 6.09.

6.05 Termination of Service After August 31, 1994.

A Participant who separates from Service shall be entitled to receive a distribution equal to the Actuarial Equivalent of his nonforfeitable interest, determined in accordance with Article 5.01(a), in the portion of his Normal Retirement Benefit determined under this Article 6. In the event of such an election, the vested retirement benefit shall commence as soon as administratively practicable following the Participant's separation from Service. The vested retirement benefit shall be payable in one of the forms provided in Article 7 of the Plan.

6.06 Employee Contributions.

- (a) Effective September 1, 1994, no contribution shall be required of any Participant as a condition of his participation in the Plan. The provisions of the Prior Plan shall govern mandated employee contributions required before September 1, 1994.
- (b) For periods on or after January 1, 1988, interest on the employee contributions shall be calculated pursuant to Section 411(c)(2)(C)(iii)(I) of the Code. For the period from January 1, 1976 to January 1, 1988, interest shall be equal to 5%. Prior to January 1, 1976, interest shall be equal to the rate in effect under the terms of the Prior Plan.
- (c) A Participant may request a distribution of his employee contributions plus accrued interest thereon at any time, in writing, on a form or forms prescribed by the Administrative Committee. Such distribution shall be in a lump sum cash payment equal to the aggregate of his employee contributions plus accrued interest thereon. The distribution shall reduce the Participant's retirement benefit under Article 6.01(a)(i) by the Actuarial Equivalent of the amount distributed.
- (d) If a Participant is employed on or after January 1, 1997, employee contributions that have not been returned to the Participant as of his Annuity Starting Date shall be converted into an additional benefit of Actuarial Equivalent value in the application of Article 6.01(a)(ii) in the form of benefit selected by the Participant in accordance with Article 7.02.

6.07 Deferred Commencement of Benefits.

- (a) Subject to Article 7.03 of the Plan, a Participant may elect, in the form and manner prescribed by the Administrative Committee, to defer payment of his nonforfeitable interest, determined in accordance with Article 5.01, in that portion of his Normal Retirement Benefit determined in accordance with Article 6.01 to a date specified by the Participant.
 - (b) If payment of the Participant's vested Normal Retirement Benefit commences after the Participant's Normal Retirement Date, the Participant shall be entitled to
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a retirement benefit that is equal to his Normal Retirement Benefit multiplied by the applicable Deferred Retirement Factor determined in accordance with Schedule A 2.

6.08 Deductions for Disability Benefits.

In determining benefits payable to any Participant, a deduction shall be made equivalent to all or any part of the following benefits payable to such pensioner by reason of any law of the United States, or any political subdivision thereof, which has been or shall be enacted, provided that such deduction shall be to the extent that such benefits have been provided by premiums, taxes or other payments paid by or at the expense of the Company:

- (a) Disability benefits, other than a Primary Insurance Amount payable under the Federal Social Security Act as now in effect or as hereafter amended.
- (b) Workers' Compensation (including hearing, pulmonary, ocular, and other occupational diseases and accident claims but excluding statutory payments for loss of any physical or bodily members such as leg, arm or finger) for Workers' Compensation awards granted subsequent to March 1, 1978, for Wood-Ridge and Nuclear facilities; January 9, 1978 for Curtiss-Wright Flight Systems, Inc.; May 5, 1978 for Target Rock Corp.; July 28, 1987 for Buffalo facility; and March 1, 1978 for the Corporate Office.

6.09 Mandatory Commencement of Benefits.

Unless a Participant elects otherwise, in accordance with the provisions of Article 7, payment of the Participant's vested retirement benefit must commence not later than the sixtieth (60th) day after the close of the Plan Year in which occurs the latest of:

- (a) the Participant attains the earlier of age sixty-five (65) and the Normal Retirement Age,
- (b) the date the Participant's Service terminates or
- (c) the tenth (10th) anniversary of the year in which the Participant commenced Plan participation.

6.10 Maximum Retirement Benefit.

- (a) Subject to the following provisions and the limitations set forth in Section 415 of the Code, any regulations or rulings thereunder and notwithstanding any provision of the Plan to the contrary, the maximum annual Pension payable to a Participant under the Plan in the form of a single life annuity, when added to any pension attributable to contributions of the Company or an Affiliated Company provided to the Participant under any other qualified defined benefit plan, shall be equal to the lesser of (1) the dollar limitation described in Section 415(b)(1)(A) of the Code or (2) the Participant's average annual remuneration during the three consecutive calendar years of his service with the Company or Affiliated Company affording the highest such average or during all of the years of such service if less than three years.
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- (b) For purposes of this Article 6.10, the term “remuneration” with respect to any Participant shall mean the wages, salaries, and other amounts paid in respect of such Participant by the Company or an Affiliated Company for personal services actually rendered and shall include, but not by way of limitation, bonuses, overtime payments, and commissions and shall exclude deferred compensation, stock options, and other distributions which receive special tax benefits under the Code. Remuneration shall also include any pre-tax contributions under a “qualified cash or deferred arrangement” (as defined under Section 401(k) of the Code and its applicable regulations) or under a “cafeteria plan” (as defined under Section 125 of the Code and its applicable regulations) or under a “qualified transportation fringe” (as defined under Section 132(f) of the Code and its applicable regulations).

Effective January 1, 2008, remuneration shall also include amounts required to be recognized under the provisions of Section 1.415(c)-2(e) of the Treasury Regulations. Remuneration shall not exceed the limitation on compensation under Section 401(a)(17) of the Code.

- (c) Notwithstanding the provisions of paragraph (a) above, the maximum annual pension payable to a Participant who has a “freeze date” shall not be less than his “old law benefit.” A Participant’s “old law benefit” at any date is the maximum benefit he would be entitled to receive at such date, determined without regard to any changes in the terms and conditions of the Plan after December 8, 1994, without regard to any benefits that accrue under the Plan after his freeze date, and without regard to any cost of living changes that become effective after his freeze date. The “freeze date” of a Participant whose pension commences on or after January 1, 1995, and before January 1, 2000 shall be December 31, 1999.
- (d) In the case of a Participant of the Plan whose benefits have not yet commenced as of January 1, 2001, the benefit payable to the Spouse under a Qualified Joint and Survivor Annuity or under a qualified preretirement survivor annuity shall be subject to the dollar limitation which would apply if the benefits were payable to the Participant in the form of a life annuity. The amount of the benefit payable to the Spouse, and which is subject to the preceding sentence, shall be computed from the Participant’s accrued benefit, determined in accordance with Article 4 and Article 6, and before application of this Article 6.10.
- (e) If the benefit is payable neither as a life annuity nor as a Qualified Joint and Survivor Annuity, the maximum limitation shall be the Actuarial Equivalent of the maximum limitation otherwise applicable. Actuarial Equivalent for purposes of this paragraph shall be determined in accordance with Section 415(b) of the Code and the regulations or rulings issued thereunder and using the Plan’s optional form of payment factors, or, if less, using factors calculated from the IRS Mortality Table, if applicable, and either:
- (i) if the benefit is not subject to the provisions of Section 417(e)(3) of the Code, an interest rate of 5 percent, or
 - (ii) if the benefit is subject to the provisions of Section 417(e)(3) of the Code:
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- (A) an interest rate of 5.5 percent for distributions made in Plan Years beginning in 2004 and 2005; and
- (B) the IRS Interest Rate for distributions made in Plan Years beginning in 2006 or any subsequent Plan Year.

However, in the case of a Participant or Beneficiary whose Annuity Starting date occurs during calendar year 2004, the amount payable under any form of payment subject to the provisions of Section 417(e)(3) of the Code and subject to adjustment under the preceding paragraph shall not be less than the amount that would have been payable had the amount payable been determined using the IRS Interest Rate in effect on December 31, 2003.

- (f) Notwithstanding anything hereinabove to the contrary, the limitations, adjustments and other requirements prescribed in this Article 6.10 shall at all times comply with the provisions of Section 415 of the Code and the regulations thereunder, the terms of which are specifically incorporated herein by reference.

6.11 Prior Plan Benefit.

(a) Applicability of Prior Plan Benefit

The provisions of this Article 6.11 shall be applicable to:

- (i) any Participant who terminated from employment with the Company prior to September 1, 1994 and who was fully vested in his benefits under the Prior Plan; and
- (ii) any Participant who attained age fifty-five (55) and had completed sixty (60) continuous months of contributory active service as of August 31, 1994, and who remained in employment with the Company subsequent to that date.

(b) Normal Retirement Benefit.

- (i) A Participant who retires on his Normal Retirement Date shall be entitled to his Normal Retirement Benefit calculated as of the date he retires. The Normal Retirement Benefit of a Participant shall be an annual annuity benefit, payable in monthly installments, equal to the sum of the following:
 - (A) a Past Service Benefit, if he (i) became an active Participant as of May 1, 1953, (ii) remained a continuous Participant, whether active or suspended, during the period of his employment on and after May 1, 1953, and made contributions while an active Participant during such period; plus
 - (B) a Future Service Benefit, if he made contributions while an active Participant; plus
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- (C) a Supplemental Benefit, if made contributions while an active Participant; plus
 - (D) a Pension Equivalent Benefit; and minus
 - (E) the value of contributions that the Participant would have made, from September 1, 1994 to the Participant's retirement date, assuming, for this purpose that the provisions of the Prior Plan remained in effect for such period and the Participant had elected to make contributions in accordance with such provisions.
- (ii) The amounts taken into account for purposes of subparagraph (b)(i) shall be determined as follows:
- (A) The Past Service Benefit of a Participant eligible therefor shall be equal to three-quarters of one percent (3/4%) of his "annual earnings" as of May 1, 1953, multiplied by the number of his Years of Credited Service prior to May 1, 1953.
 - (B) The Future Service Benefit of a Participant eligible therefor shall be one percent (1%) of his annual earnings for each year of active participation during which he made contributions under the Prior Plan.
 - (C) The "Supplemental Benefit" of a Participant eligible therefor shall be the benefit calculated under either (I) or (II) below, whichever shall be applicable:
 - (I) If the Participant shall have been a continuous Participant, whether active or suspended, for the period from his eligibility date to his Normal Retirement Date and made contributions at all times while an active Participant under the Prior Plan during such period, two percent (2%) of his "final average earnings" in excess of \$3,600 as determined below, multiplied by the sum of his years of Credited Service (not in excess of fifteen (15) years). For purposes of the preceding sentence, "final average annual earnings in excess of \$3,600" means:
 - (1) for an Employee with five (5) or more years of active participation, the average of the excess of his annual earnings over \$3,600 for the five (5) consecutive years of his active participation during his final years of active participation, but not in excess of ten (10), which produce the highest such average, or
 - (2) for an Employee with less than five (5) years of active participation, the average of his annual earnings in excess of \$3,600 actually paid to him for the period of his service, not in excess of five (5)
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years, ending with his last year of active participation.

- (II) If the Participant shall not have been a continuous Participant, whether active or suspended, for the period from his eligibility date to his Normal Retirement Date, or did not make contributions at all times while an active Participant under the Prior Plan during such period, an amount calculated under (I) above, as if the Participant had, in fact, been a continuous Participant for such period and made contributions at all times under the Prior Plan, while an active Participant therein, multiplied by a fraction, the numerator of which shall be the sum of his Years of Credited Service (not limited to fifteen (15) years) on the basis of which the Participant shall actually accrue a Past and/or Future Service Benefit under the Plan, and the denominator of which shall be the sum of his Years of Service, whether or not regarded as Credited Service for purposes of the Plan and not limited to fifteen (15) years, on the basis of which the Participant would have been entitled to accrue a Past and/or Future Service Benefit under the Plan if he had, in fact, been a continuous Participant for such period and made contributions while an active Participant therein.

- (D) The "Pension Equivalent Benefit" of a Participant eligible therefor shall be the monthly pension benefit in accordance with Schedule B; provided, however, that the portion, if any, of such Pension Equivalent Benefit which shall have been based upon Years of Credited Service for which the Participant also is entitled to Past and/or Future Service Benefits under this Article 6.11 shall be reduced by the amount of such Past and/or Future Service Benefits.

(c) Death Benefit.

In the event an inactive Participant to whom this Article 6.11 is applicable shall die before retirement, a death benefit shall be payable to his beneficiary equal to the aggregate of his contributions, plus interest, and any applicable annuity.

(d) Severance of Employment Benefit.

(i) After Vesting Date.

If the employment of a Participant who has made contributions while an active Participant shall be severed after he shall have completed five (5) Years of Credited Service, and before he has reached his Early Retirement Date, he shall be entitled to a Severance of Employment Benefit which shall be an annual annuity benefit commencing as of the first of the month next following his sixty-fifth (65th) birthday, which shall be equal to his Normal Retirement Benefit, determined in accordance with

paragraph (b) above based upon his Years of Credited Service and years of active participation on the date of his severance of employment. In the calculation of the Supplemental Benefit of a Participant who severs his employment under this paragraph (d)(i), the denominator of the fraction referred to in subparagraph (b)(ii)(C)(II) shall include Years of Service the Participant would have had at his Normal Retirement Date, if he had remained in the employ of the Company until such date. Such Participant may elect, by filing a written request therefor with the Administrative Committee on such form and on such terms and conditions as the Administrative Committee may prescribe, to receive an annual annuity benefit commencing as of the first of any month following his fifty-fifth (55th) birthday, in which event such annual annuity benefit shall be the actuarial equivalent benefit calculated under the preceding sentences of this subparagraph (d)(i), based upon the early retirement reduction factors set forth Schedule C. The first payment of a benefit under this subparagraph (d)(i) will commence the first of the month next following receipt by the Administrative Committee of all completed necessary forms and documentation. On or after January 1, 1976, one (1) Year of Service toward eligibility for a vested benefit in accordance with this paragraph will be credited for any Participant who works at least one thousand (1,000) hours in any calendar year.

In lieu of the foregoing annuity benefits, the Participant may elect, by filing a written request therefor with the Administrative Committee on such form and on such terms and conditions as the Administrative Committee may prescribe, at any time after the date of his severance of employment and prior to the commencement of said annuity benefit, to receive in a lump sum cash payment the aggregate of his contributions, plus interest, and a deferred pension benefit equal to the benefit hereto paid for solely through Company Contributions. In the event that the Participant makes the election described in the foregoing sentence and further elects to commence receipt of such benefit prior to his Normal Retirement Date, such benefit will be reduced in accordance with the factors set forth in Schedule D.

(ii) Prior to Vesting Date.

If the employment of a Participant who has made contributions while an active Participant shall be severed prior to satisfying the applicable age and service conditions prescribed in paragraph (d)(i) above, he shall be entitled, without request therefor, to a Severance of Employment Benefit equal to the aggregate of his contributions plus interest.

(e) Optional Survivor Benefit.

The Participant's fifty-five percent (55%) optional survivor benefit and/or contingent annuitant benefit shall be reduced by a percentage as set forth below for each full month or fraction thereof in effect for such Participant.

The appropriate percentages are:

<i>For Coverage While The Participant's Age Is</i>	<i>Monthly Percentage</i>
under 35	0.01%
35 – 45	0.02%
45 – 54 and 11 months	0.04%

Any reduction for the optional survivor benefit and/or contingent annuitant option provided by the terms of the Plan as of January 1, 2006 shall be eliminated with respect to any Participant or surviving Spouse whose Annuity Starting Date had not occurred as of December 31, 2005.

(f) Optional Annuity Benefits for Deferred Vested Participant.

A Deferred Vested Participant may elect, by filing a written request therefor with the Administrative Committee on such form and on such terms and conditions as the Administrative Committee may prescribe to receive his deferred vested benefit in either of the following optional annuity forms:

- (i) A benefit with a survivor benefit adjustment, under which his surviving Spouse will receive fifty-five percent (55%) of such annuity benefit after the death of the Participant. For a Participant receiving a benefit with a survivor benefit adjustment, the reduced amount of his monthly benefit shall be equal to an amount determined by multiplying the monthly benefit otherwise payable to the Participant by ninety percent (90%) if the Participant's age and his designated Spouse's age are the same; or, if such ages are not the same, such percentage shall be increased by one-half of one percent (1/2%), up to a maximum of one hundred percent (100%) for each year that the designated Spouse's age exceeds the Participant's age and shall be decreased by one-half of one percent (1/2%) for each year that the designated Spouse's age is less than the Participant's age.
 - (ii) A "Contingent Annuity Option" of seventy-five percent (75%) or one hundred percent (100%) with respect to the total of the Supplemental Benefit amount included within his annuity benefit, under which an annuity, on such terms as the Administrative Committee may prescribe, shall be payable for the Participant's life and continue after his death, in the same or lesser amount, to and for the life of a selected contingent annuitant; provided, however, that if such selected contingent annuitant is other than the Participant's Spouse or physically or mentally disabled child, the amount payable under the option shall be adjusted, if necessary, so that the reduction in the Supplemental Benefit otherwise payable to the Participant on account of the option does not exceed forty percent (40%). Such annuity shall be the actuarial equivalent of the aforesaid Supplemental Benefit amount, determined in accordance with Schedule E. Election of a seventy-five (75%) percent or one hundred percent (100%) option shall ordinarily be made at least one year prior to the commencement date of the Participant's annuity benefit which includes a Supplemental Benefit; otherwise, the Administrative Committee may require evidence satisfactory to it of the Participant's good health.
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- (g) For purposes of determining a Participant's minimum benefit in accordance with this Article 6.11, the following definitions shall apply:
- (i) Credited Service. The term "credited service" shall have the following meanings:
- (A) Service Prior to May 31, 1953. Only Employees who become contributing active Participants as of May 31, 1953 shall be entitled to "credited service" under this paragraph (f)(i) for any periods prior to May 31, 1953. Such "credited service" shall mean completed years and calendar months of employment prior to May 31, 1953, including the following periods:
- (I) the period of employment of an Employee with the Company, following his most recent date of hire preceding May 31, 1953 and prior to his sixty-eighth (68th) birthday;
 - (II) the period of employment of an Employee with the Company receding his most recent date of hire and prior to his sixty-eighth (68th) birthday; provided, however, that the period of his employment preceding a break in employment, except a break in employment of any duration during the interval commencing August 1, 1945, and ending on or before December 31, 1949, of two (2) or more years shall not be taken into account;
 - (III) any periods of approved Leave of Absence or military leave during the period(s) defined in (I) and/or (II) above.
- (B) Service Commencing on or After May 31, 1953. "Credited service" after May 31, 1953 shall mean completed years and calendar months of employment commencing on or after May 31, 1953 and shall include the following periods:
- (I) the periods of employment of an Employee with the Company while eligible to participate under the Plan following his most recent date of hire and prior to the earlier of his retirement or termination of employment;
 - (II) the period of employment of an Employee with the Company preceding his most recent date of hire; provided, however, that the period of his employment preceding a break in employment, except a break in employment of any duration of two (2) or more years shall not be taken into account;
 - (III) any periods of leave of absence approved by the Company in writing, or military leave during the period defined in (I) and (II) above.
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- (C) Pension Plan Equivalent Service. On and after May 1, 1966, "credited service" of an Employee eligible to participate in this Plan shall include Service which would be creditable under the Curtiss-Wright Pension Plan for any period(s) of his employment not included as Credited Service under subparagraphs (I) and (II) above.
- (ii) Years of Participation. The term "years of participation" shall be Years of Credited Service while a continuous Participant; "years of active participation" shall mean Years of Credited Service while an active Participant, whether or not interrupted by a period or periods of suspended participation; and "years of contributory active participation" shall mean Years of Credited Service while (a) an active Participant prior to May 1, 1966 and (b) a contributing active Participant after May 1, 1966, whether or not interrupted by a period or periods of suspended participation.
- (iii) "Annual Earnings" for periods prior to September 1, 1994 shall mean:
- (A) for each calendar month prior to July 1, 1970, one-twelfth (1/12) of his basic salary, on an annual basis, in effect at the beginning of each Plan Year; and
- (B) for each calendar month after June 30, 1970, one-twelfth (1/12) of the sum of his basic salary, on an annual basis, in effect at the beginning of each Plan Year, plus any cash payments he received in the prior Plan Year under the Company's incentive compensation plan;
- (iv) "Interest" for deferred vested Participants who terminated employment prior to September 1, 1994 means interest calculated from the first day of the Plan Year next following the Participant's contribution, compounded annually to the first of any month in which (A) there shall occur an event under the Plan calling for the distribution of an amount plus interest or (B) the Participant's retirement, whichever first occurs. Interest to May 1, 1966 shall be calculated at the rate of two percent (2%) compounded annually; interest from May 1, 1966 to January 1, 1971 shall be calculated at the rate of three and one-half percent (3½%) compounded annually; and interest from January 1, 1971 to December 31, 1975 shall be calculated at the rate of four and one-half percent (4½%) compounded annually. Interest from January 1, 1976 to December 31, 1987 shall be calculated at the rate of five percent (5%) compounded annually; and interest from January 1, 1988 at one hundred twenty percent (120%) of the Federal mid-term rate as at the beginning of the Plan Year compounded annually.
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6.12 Supplemental Benefit.

- (a) The Board of Directors shall have the authority to cause a benefit, calculated in accordance with paragraph (b) below, to be paid to any one or more of the individuals identified in Schedule H. The supplemental benefit shall be in addition to any benefit payable under the Plan.
- (b) The supplemental benefit shall be as specified herein for the individuals listed in Schedule H. Such payment shall be payable either in the form of an annuity described in paragraph (c) below, payable beginning at normal retirement date, or, at the election of the Participant, with spousal consent if necessary, in the form of a lump sum payment on the first day of any month following the sale of the Corporation's Buffalo facility and the completion of the applicable forms and waiting period as specified in Article 7.09. In lieu of lump sum payment as described above, the Participant may elect to commence his annuity at the same time the lump sum would have been payable.
- (c) The supplemental benefit shall be paid in accordance with Article 7.01(a) for an unmarried Participant or Article 7.01 (b) for a married Participant, unless the Participant elects the following optional form of payment: cash lump sum. In order to derive the life annuity described by Article 7.01(a), the lump sum listed in Schedule H will be divided by a deferred annuity factor, using the PBGC interest rates - as described in Article 1.01. Article 7.01(b) annuities are derived by using the basis stipulated in Article 1.01. Early retirement annuities are the actuarial equivalent of normal retirement annuities using the immediate PBGC interest rate and the P 84 (0) mortality table as stated in Article 1.01.

6.13 Reemployment Following Commencement of Annuity Payments.

Notwithstanding any provisions of the Plan to the contrary, in the event a Participant who is in receipt of annuity payments is reemployed by the Company or an Affiliated Company, payment of such benefit payments shall continue. Upon the Participant's subsequent termination of employment with the Company and all Affiliated Companies, the Participant shall be entitled to an additional benefit based on the formula then in effect and his Years of Credited Service and Compensation earned after his date of reemployment and such additional benefit shall be subject to and payable in accordance with the provisions of Article 7.

In the event a Participant dies while in active service, the additional benefit shall be payable in accordance with Article 4.06 or Article 8 or 9, as applicable.

ARTICLE 7: FORM OF BENEFIT PAYMENT

7.01 Normal Form of Payment.

Unless a Participant has elected pursuant to Article 7.02 of the Plan that his vested Normal Retirement Benefit be paid in another form or to a Beneficiary other than his surviving Spouse, a Participant's vested Normal Retirement Benefit shall be paid in whichever of the following forms is applicable:

- (a) If the Participant does not have a Spouse at the time payment of his vested Normal Retirement Benefit commences, the vested Normal Retirement Benefit shall be payable in the form of a Life Annuity.
- (b) If the Participant has a Spouse at the time payment of the vested Normal Retirement Benefit commences, and the Participant terminates Service after attaining the earlier of his Normal Retirement Age or his Early Retirement Date, the Participant's vested Normal Retirement Benefit shall be payable in the form of a Qualified Joint and Survivor Annuity which is the Actuarial Equivalent of the vested Normal Retirement Benefit payable to the Participant as a Life Annuity.

Effective January 1, 2008, notwithstanding any provision hereof to the contrary, if a Participant is permitted, in accordance with Article 7.02, to elect to receive a benefit in the form of a lump sum payment, then in no event shall a Participant's benefit, as payable in the normal form determined in accordance with this Article 7.01, be less than the Actuarial Equivalent of the lump sum amount payable to the Participant in accordance with Article 7.02(b).

7.02 Optional Forms of Payment for All Benefits.

- (a) In lieu of the form of payment provided in Article 7.01, a Participant may elect in the manner prescribed by the Administrative Committee and during the election period described in paragraph (c) below of, a form of benefit payment provided under paragraph (b) below; provided, however, that any election, made by a Participant who has a Spouse, not to have payment of the Participant's benefits made in the form of a Qualified Joint and Survivor Annuity under Article 7.01(b), shall not be effective unless:
 - (i) The Spouse of the Participant consents in writing to the election; the election designates a specific Beneficiary, including any class of beneficiaries or any contingent beneficiaries, which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further spousal consent); and the Spouse's consent acknowledges the effect of such election and is witnessed by a member of the Administrative Committee or a Notary Public. Additionally, a Participant's waiver of the Qualified Joint and Survivor Annuity shall not be effective unless the election designates a form of benefit payment which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further spousal consent).
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- (ii) If it is established to the satisfaction of the Administrative Committee that the required consent may not be obtained because there is no Spouse, because the Spouse cannot be located, or because of such other circumstances as provided in Treasury regulations under the applicable provisions of the Code, a waiver will be deemed a qualified election.
- (iii) The Participant elects an annuity form under paragraph (b)(ii) below with his Spouse as Beneficiary.

Any consent by a Spouse (or establishment that the consent of a Spouse may not be obtained) shall be effective only with respect to such Spouse. At any time during the election period described in Article 7.02(c), a Participant may, without the consent of the Participant's Spouse, revoke an election to have payment of the retirement benefit made in a form other than a Qualified Joint and Survivor Annuity.

- (b) In the event an election is validly made and in effect pursuant to paragraph (a) of the Plan not to receive payment of benefits in the normal form provided in Article 7.01, then the benefit payable to a Participant shall be the Actuarial Equivalent of the retirement benefit otherwise payable to the Participant in the form of a Life Annuity. A Participant may, in the form and manner prescribed by the Administrative Committee, elect any one of the following optional forms of payment:
 - (i) a Life Annuity payable monthly to the Participant;
 - (ii) an immediate joint and survivor annuity commencing on or after the Participant's Early Retirement Date, or date of termination of employment, if later, under which one hundred percent (100%), seventy-five percent (75%), sixty-six and two-thirds percent (66-2/3%) or fifty percent (50%) of the amount payable to the Participant for his life is continued thereafter for the life of a contingent annuitant designated by him, for a period not in excess of the joint life expectancies of the Participant and the Participant's Beneficiary;
 - (iii) a lump sum payment; provided the amount of the lump sum payment at the Annuity Starting Date exceeds \$5,000, or
 - (iv) one-half (1/2) as a lump sum payment and one-half (1/2) as an annuity.

A Participant may make separate elections of an optional form of benefit with respect to the portion of his benefit payable under Article 4 and the benefit payable under Article 6. However, both benefits together, as provided under Articles 4 and 6, must commence simultaneously.

- (c) Any election not to receive payment of benefits under the Plan in the normal form provided in Article 7.01 of the Plan shall be made at any time during the election period in writing. Any such election may be revoked in writing, and a new election made, at any time during the election period. The election period shall be the ninety (90) day period ending on the Annuity Starting Date.
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7.03 Minimum Distributions and Limitation on Optional Forms of Payment.

- (a) Notwithstanding any other Plan provision, all distributions required under this Article 7.03 shall be determined and made in accordance with Sections 1.401(a)(9)-2 through 1.401(a)(9)-9 of the Treasury Regulations issued under Section 401(a)(9) of the Code, including the incidental death benefit provisions of Section 401(a)(9)(G) of the Code. Further, such regulations shall override any Plan provision that is inconsistent with Section 401(a)(9) of the Code. If a Participant dies after payments have commenced, any payments continuing on to his Spouse or Beneficiary shall be distributed at least as rapidly as under the method of distribution being used as of the Participant's date of death.
- (b) The following rules shall apply to all distributions:
- (i) Any additional benefits accruing to a Participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.
 - (ii) If the Participant's benefit is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and non-spouse Beneficiary, annuity payments to be made on or after the Participant's required beginning date to the designated beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2 of Section 1.401(a)(9)-6 of the Treasury Regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a non-spouse Beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain. If the Annuity Starting Date occurs in a calendar year which precedes the calendar year in which the Participant reaches age 70, in determining the applicable percentage, the Participant/Beneficiary's age difference is reduced by the number of years that the Participant is younger than age 70 on the employee's birthday in the calendar year that contains the Annuity Starting Date.
 - (iii) If the Participant's benefit is being distributed in the form of a period certain and life annuity option, the period certain may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations for the calendar year that contains the Annuity Starting Date. If the Annuity Starting Date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the Annuity Starting Date.
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(iv) For purposes of this Article, the following definitions shall apply:

- (A) Designated beneficiary. The individual who is designated as the beneficiary under Article 1.07 is the designated beneficiary under Section 401(a)(9) of the Code and Section 1.401(a)(9)-4, Q&A-1, of the Treasury Regulations.
- (B) Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date.
- (C) Life Expectancy. Life expectancy as computed using the Single Life Table in Section 1.401(a)(9)-(9) of the Treasury Regulations.
- (D) Required beginning date. With respect to a Participant who is a 5-percent owner as defined in Section 416 (i) of the Code, the April 1 of the calendar year following the calendar year in which the Participant attains age 70½ and, with respect to a Participant who is not a 5-percent owner, the April 1 following the later of the calendar year in which the Participant attains age 70½ or the calendar year in which the Participant retires.

7.04 Notice to Married Participants.

No less than thirty (30) days and no more than ninety (90) days prior to the Annuity Starting Date, the Administrative Committee shall furnish any Participant who has a Spouse, by mail or personal delivery, with a written explanation of (a) the terms and conditions of the Qualified Joint and Survivor Annuity provided in Article 7.01 of the Plan, (b) the Participant's right to make, and the effect of, an election to waive the Qualified Joint and Survivor Annuity form of benefit, (c) the rights of the Participant's Spouse under Article 7.02(b) of the Plan to consent to a waiver of the Qualified Joint and Survivor Annuity form, and (d) the right to make, and the effect of, a revocation of an election to waive payment in the form of a Qualified Joint and Survivor Annuity. Within thirty (30) days following receipt by the Administrative Committee of a Participant's written request, the Participant shall be furnished an additional written explanation, in terms of dollar amounts, of the financial effect of an election not to receive the Qualified Joint and Survivor Annuity. For notices given in Plan Years beginning after December 31, 2006, such notification shall also include a description of how much larger benefits may be if the commencement of distributions is deferred. The Administrative Committee shall not be required to comply with more than one such request.

7.05 Mandatory Cashout of Small Benefits.

Notwithstanding any provision of the Plan to the contrary, in any case, a lump sum payment of Actuarial Equivalent value shall be made in lieu of all benefits in the event:

- (a) the Participant's Annuity Starting Date occurs on or after his Normal Retirement Date and the present value of his benefit determined as of his Annuity Starting Date amounts to \$5,000 or less, or
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- (b) the Participant's Annuity Starting Date occurs prior to his Normal Retirement Date and the present value of his benefit determined as of his Annuity Starting Date amounts to \$1,000 or less.

In determining the amount of a lump sum payment payable under this paragraph, Actuarial Equivalent value shall mean a benefit, in the case of a lump sum benefit payable prior to a Participant's Normal Retirement Date, of equivalent value to the benefit which would otherwise have been provided commencing at the Participant's Normal Retirement Date, or if larger, the benefit which would otherwise have been provided commencing at the earliest date he could have commenced payment. In the event the present value of a benefit exceeds \$1,000 upon its initial determination as to its present value, the present value of the benefit shall be redetermined annually as of the first day of each subsequent Plan Year. The determination as to whether a lump sum payment is due shall be made as soon as practicable following the Participant's termination of service. Any lump sum benefit payable shall be made as soon as practicable following the determination that the amount qualifies for distribution under the provisions of this paragraph. In no event shall a lump sum payment be made following the date pension payments have commenced as an annuity.

Notwithstanding any provision of the Plan to the contrary, a Participant who is entitled to a pension upon his termination of employment and who has not reached his Normal Retirement Date shall be entitled to elect to receive his pension in one lump sum of Actuarial Equivalent value to the pension payable at his Annuity Starting Date provided that the amount of the lump sum payment exceeds \$1,000 but does not exceed \$5,000 at the time of payment. The Participant may elect to receive the lump sum payment as soon as practicable following his termination of employment or as of the first day of any later month that precedes his Normal Retirement Date. Such election shall be made in accordance with such administrative rules as the Administrative Committee shall prescribe. Spousal Consent to the Participant's election of the lump sum is not required. A Participant who is entitled to elect a distribution under this paragraph shall not be entitled to receive payment in any other form of payment offered under the Plan.

7.06 Annuity Contract Nontransferable.

Any annuity contract distributed herefrom must be nontransferable.

7.07 Conflicts With Annuity Contracts.

The terms of any annuity contract purchased and distributed by the Plan to a Participant, Spouse or Beneficiary shall comply with the requirements of this Plan.

7.08 Rollovers.

- (a) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Article 7.08, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.
 - (b) The following definitions apply to the terms used in this Article 7.08:
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- (i) An “eligible rollover distribution” is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee’s designated beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; and the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities) and any distribution where all otherwise eligible distributions are expected to total less than \$200;

A portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to (1) an individual retirement account or annuity described in Section 408(a) or (b) of the Code; (2) for taxable years beginning after December 31, 2001 and before January 1, 2007; to a qualified trust which is part of a defined contribution plan that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible; or (3) for taxable years beginning after December 31, 2006, to a qualified trust or to an annuity contract described in Section 403(b) of the Code, if such trust or contract provides for separate accounting for amounts so transferred (including interest thereon), including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

- (ii) An “eligible retirement plan” is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, a Roth individual retirement account described in Section 408A of the Code (effective January 1, 2008), a qualified trust described in Section 401(a) of the Code, an annuity contract described in Section 403(b) of the Code, or an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan;
- (iii) A “distributee” includes an Employee or former Employee. In addition, the Employee’s or former Employee’s surviving spouse and the Employee’s or former Employee’s spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse; and
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- (iv) A “direct rollover” is a payment by the Plan to the eligible retirement plan specified by the distributee.
- (c) Effective April 1, 2007, a distributee also includes a non-spouse Beneficiary. In the case of a nonspouse beneficiary, the direct rollover may be made only to an individual retirement account or annuity described in Sections 408(a) or 408 (b) of the Code (“IRA”) that is established on behalf of the designated beneficiary and that will be treated as an inherited IRA pursuant to the provisions of Section 402(c)(11) of the Code. Also, in this case, the determination of any required minimum distribution under Section 401(a)(9) of the Code that is ineligible for rollover shall be made in accordance with Notice 2007-7, Q&A 17 and 18, 2007-5 I.R.B. 395.

In the event that the provisions of this Article or any part thereof cease to be required by law as a result of subsequent legislation or otherwise, this Article or any applicable part thereof shall be ineffective without the necessity of further amendments to the Plan.

7.09 Waiver of Thirty (30) Day Notice Period.

The notice required by Section 1.411(a)-11(c) of the Treasury Regulations must be provided to a Participant no less than thirty (30) days and no more than ninety (90) days before the Annuity Starting Date.

A Participant may, after receiving the notice required under Sections 411 and 417 of the Code, affirmatively elect to have his benefit commence sooner than 30 days following his receipt of the required notice, provided all of the following requirements are met:

- (i) the Plan Administrator clearly informs the Participant that he has a period of at least 30 days after receiving the notice to decide when to have his benefit begin, and if applicable, to choose a particular optional form of payment;
- (ii) the Participant affirmatively elects a date for benefits to begin, and if applicable, an optional form of payment, after receiving the notice;
- (iii) the Participant is permitted to revoke his election until the later of his Annuity Starting Date or seven (7) days following the day he received the notice;
- (iv) the Participant's Annuity Starting Date is after the date the notice is provided; and
- (v) payment does not commence less than seven (7) days following the day after the notice is received by the Participant.

7.10 Delayed Commencement of Normal Retirement Benefit.

- (a) Notwithstanding any provision hereof to the contrary, in the event a Participant's pension otherwise required to commence on the Participant's Normal Retirement Date is delayed because the Administrative Committee is unable to locate the Participant or for any other reason, the Administrative Committee shall
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commence payment within 90 days after the date the Participant is located. Unless the Participant elects an optional form of payment in accordance with the provisions of Article 7.02, payment shall be in the normal (automatic) form set forth in Article 7.01(a) or 7.01(b), as applicable to the Participant on his Annuity Starting Date. The pension payable to the Participant as of his Annuity Starting Date shall be of Actuarial Equivalent to the pension otherwise payable to the Participant on his Normal Retirement Date.

In the event a Participant whose pension is delayed beyond his Normal Retirement Date as described in the foregoing paragraph dies prior to his Annuity Starting Date, and is survived by a Spouse, the Spouse shall be entitled to receive a survivor annuity under the provisions of Article 7.01(b), computed as Actuarial Equivalent of the pension otherwise payable to the Participant on his Normal Retirement Date.

For purposes of this paragraph (a), Actuarial Equivalent shall be determined in the same manner as provided in Article 6.07(b).

- (b) In lieu of the pension otherwise payable under paragraph (a) above, a Participant described in paragraph (a) above may elect to receive his pension as of his Normal Retirement Date in accordance with subparagraph (b)(i) or subparagraph (b)(ii) below:
- (i) Annuity with Partial Lump Sum . A Participant may elect to receive a pension payable in the amount that would have been payable to the Participant if payments had commenced on the Participant's Normal Retirement Date ("retroactive Annuity Starting Date") in the form elected by the Participant; plus one lump sum payment equal to the sum of the monthly payments the Participant would have received during the period beginning on his Normal Retirement Date and ending with the month preceding his Annuity Starting Date, together with interest at the annual rate specified in Article 4.03(a)(v), compounded annually. The amount of such monthly payments shall be determined as of the Participant's Normal Retirement Date on the basis of the actual form of payment in which the Participant's pension is payable under Article 7.01 or 7.02, as applicable. The lump sum shall be paid on or as soon as practicable following the date the Participant's pension commences. An election under this subparagraph (b)(i) shall be subject to the following requirements:
- (A) The Participant's benefit, including any interest adjustment, must satisfy the provisions of Section 415 of the Code, both at the retroactive Annuity Starting Date and at the actual commencement date, except that if payments commence within 12 months of the retroactive Annuity Starting Date, the provisions of Section 415 of the Code need only be satisfied as of the retroactive Annuity Starting Date.
- (B) Spousal Consent to the retroactive Annuity Starting Date is required unless:
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- (1) the amount of the survivor annuity payable to the spouse determined as of the retroactive Annuity Starting Date under the form elected by the Participant is no less than the amount the spouse would receive under the Qualified Joint and Survivor Annuity on the actual commencement date; or
 - (2) the Participant's spouse on his retroactive Annuity Starting Date is not his spouse on his actual commencement date and is not treated as his spouse under a qualified domestic relations order.
- (C) The Participant may not elect the lump sum optional form of payment under Article 7.02.
- (ii) Lump Sum Payment . A Participant shall receive payment of his pension in the form of one lump sum payment determined as if his Normal Retirement Date was his Annuity Starting Date ("retroactive Annuity Starting Date"). Such election shall be subject to the following requirements:
- (A) the Participant's benefit, including any interest adjustment, must satisfy the provisions of Sections 415 of the Code, both at the retroactive Annuity Starting Date and at the actual commencement date;
 - (B) the lump sum payment shall not be less than the amount that would have been payable on the retroactive Annuity Starting Date if the lump sum amount had been calculated using the IRS Interest Rate and IRS Mortality Table in effect on the date of distribution;
 - (C) the lump sum payment shall be increased by an amount of interest credited at the annual rate specified in Article 4.03(a)(v) from the Participant's Normal Retirement Date to his actual commencement date; and
 - (D) Spousal Consent to the retroactive Annuity Starting Date is required unless the Participant's spouse on his retroactive Annuity Starting Date is not his spouse on his actual commencement date and is not treated as his spouse under a qualified domestic relations order.

A Participant may make an election under this paragraph (b) in accordance with such administrative rules as shall be prescribed by the Administrative Committee.

7.11 Limitation on Benefits In the Event of a Liquidity Shortfall.

Notwithstanding any provisions of the Plan to the contrary, in the event the Plan has a liquidity shortfall within the meaning of Section 401(a)(32) of the Code, the Trustee shall, as directed by the Administrative Committee, cease payment during the period of such liquidity shortfall of (a)

any payment in excess of the monthly amount payable under a single life annuity (plus any social security supplements described in Section 411(a)(9) of the Code) to any Participant or Beneficiary whose Annuity Starting Date occurs during such period, (b) any payment for the purchase of an irrevocable commitment from an insurer to pay benefits, or (c) any other payment specified in regulations promulgated under Section 401(a)(32) of the Code.

7.12 Limitations Based on Funded Status of the Plan.

Notwithstanding any provision of the Plan to the contrary, the following provisions shall apply as required by Section 436 of the Code effective for Plan Years beginning on or after January 1, 2008, except to the extent the exception under Section 436(d)(4) of the Code applies:

- (a) In the event the Plan's adjusted funding target attainment percentage for a Plan Year is less than 60 percent, benefit accruals shall cease during the period benefit accruals are restricted under the provisions of Section 436(e) of the Code. The benefit accruals that were not permitted to accrue pursuant to the application of the provisions of the preceding sentence shall be restored automatically as of the 436 measurement date the limitations under Section 436(e) of the Code cease to apply, if (i) the continuous period of the limitation is 12 months or less, and (ii) the Plan's enrolled actuary certifies that the adjusted funding target attainment percentage for the Plan would not be less than 60 percent taking into account the restored benefit accruals for the prior Plan Year.
 - (b) In the event the Plan's adjusted funding target attainment percentage for a Plan Year falls below the threshold defined under Section 436(d)(1) and/or (3) of the Code, the Trustee shall, as directed by the Administrative Committee, cease payment of any prohibited payment during the period specified in, and to the extent necessary to comply with the provisions of Section 436(d) of the Code.
 - (c) In no event shall a prohibited payment be paid during any period the Employer is a debtor in a case under Title 11, United States Code, or similar federal or state law, to the extent necessary to comply with the provisions of Section 436(d)(2) of the Code.
 - (d) In no event shall an amendment that has the effect of increasing liabilities of the Plan by reason of increases in benefits, establishment of new benefits, changing the rate of benefit accrual, or changing the rate at which benefits become nonforfeitable become effective during the period such amendment would violate the provisions of Section 436(c) of the Code.
 - (e) If an optional form of benefit that is otherwise available under the terms of the Plan is not available because of the application of Section 436(d)(1) or (2) of the Code, the Participant or Beneficiary, as applicable, shall be eligible to elect another form of benefit available under the Plan or to defer payment to a later date (to the extent permitted under applicable qualification requirements).
 - (f) If an optional form of benefit that is otherwise available under the terms of the Plan is not available because of the application of Section 436(d)(3) of the Code, a Participant or Beneficiary, as applicable, shall be eligible to defer his entire payment to a later date (to the extent permitted under applicable qualification
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requirements) or to bifurcate the benefit into unrestricted and restricted portions. If a Participant or Beneficiary elects to bifurcate the benefit, the Participant or Beneficiary shall be eligible to elect, with respect to the unrestricted portion of the benefit, any optional form otherwise available under the Plan with respect to the Participant's or Beneficiary's entire benefit and in such a case, if the Participant or Beneficiary elects payment of the unrestricted portion of the benefit in the form of a prohibited payment, the Participant or Beneficiary shall be eligible to elect:

- (i) to receive payment of the restricted portion of the benefit in any optional form of benefit under the Plan that is not a prohibited payment and that would have been permitted with respect to the Participant's or Beneficiary's entire benefit; or
- (ii) if the Administrative Committee has determined in a consistent and nondiscriminatory manner that a Participant or Beneficiary may defer only the restricted portion of his benefit, to defer commencement of the restricted portion of his benefit until after the restrictions on prohibited payments lapse (to the extent permitted under applicable qualification requirements) and receive said amount in any optional form of payment available under the Plan. Such election shall be subject to any other applicable qualification requirements, shall be treated as a new Annuity Starting Date, and shall be made in accordance with all Plan rules regarding elections of forms of benefit.

For purposes of this Article 7.12, the terms "adjusted funding target attainment percentage," "prohibited payment," "unrestricted portion of the benefit," and "restricted portion of the benefit" shall have the meanings given under Section 436 of the Code, the regulations thereunder, and any applicable Internal Revenue Service guidance.

In the event that the provisions of this Article 7.12 or any part thereof cease to be required by law as a result of subsequent legislation or otherwise, this Article 7.12 or any applicable part thereof shall be ineffective without the necessity of further amendments to the Plan.

7.13 Limitations on Unpredictable Contingent Event Benefit.

Notwithstanding any provision of the Plan to the contrary, with respect to Plan Years beginning on or after January 1, 2008, if a Participant or Beneficiary is entitled to an "unpredictable contingent event benefit" (as defined under Section 436(b) of the Code) with respect to any event occurring during any Plan Year, such unpredictable contingent event benefit shall not be provided to such Participant or Beneficiary if the Plan's adjusted funding target attainment percentage (as defined in Article 7.12) for such Plan Year is less than 60 percent or would be less than 60 percent taking into account such occurrence; provided, however, that such unpredictable contingent event benefit shall become payable if and when the Plan meets the exemption under Section 436(b)(2) of the Code.

In the event that the provisions of this Article 7.13 or any part thereof cease to be required by law as a result of subsequent legislation or otherwise, this Article 7.13 or any applicable part thereof shall be ineffective without the necessity of further amendments to the Plan.

ARTICLE 8: DEATH BENEFITS

8.01 Pre-Retirement Death Benefit.

- (a) If a Participant who has a vested interest in his retirement benefit dies before payment of his benefit commences, then his Beneficiary shall be entitled to receive a pre-retirement death benefit. For a Participant who was an Employee in active employment at the time of his death, the benefit shall be equal to the amount the Participant would have received pursuant to Article 6.01(a) and Article 6.01(b), if the benefit to which the Participant had been entitled at his date of death had commenced in the form of a one hundred percent (100%) joint and survivor annuity in the month next following the month in which his Normal Retirement Date had occurred (or next following the month in which his date of death occurred, if later); for a Participant who was not an Employee in active employment at the time of his death (including a Participant who was accruing benefits or receiving payments under Article 6.05), the benefit shall be equal to the amount the Participant would have received pursuant to Article 6.01(a) and Article 6.01(b), if the benefit to which the Participant had been entitled at his date of death had commenced in the form of a fifty percent (50%) joint and survivor annuity in the month next following the month in which his Normal Retirement Date had occurred (or next following the month in which his date of death occurred, if later). The benefit payable to the Beneficiary shall be reduced in accordance with Schedule A 1 to reflect its commencement prior to the Participant's Normal Retirement Date and on or after the Participant's 55th birthday if the Beneficiary elects early commencement. The benefit payable hereunder shall commence as of the first day of the month following the month in which the Participant's Normal Retirement Date would have occurred. However, the Participant's Beneficiary may elect to begin receiving payments as of the first day of any month following the Participant's death. If the Beneficiary elects to commence receipt of payment prior to the Participant's 55th birthday, the reduction for early commencement shall be the Actuarial Equivalent from age 65.
 - (b) The death benefit payable in accordance with this Article 8.01 shall be in addition to any death benefit payable in accordance with Article 4.06.
 - (c) Notwithstanding paragraphs (a) and (b) above, a lump sum payment of Actuarial Equivalent value shall be paid to the Beneficiary, without his or her consent, in lieu of the monthly benefit if the present value of the benefit payable as of the date payments commence to the Beneficiary amounts to \$5,000 or less. In the event the present value of a Beneficiary's benefit exceeds \$5,000 upon an initial determination as to its present value and distribution of the benefit is deferred, the present value of the Beneficiary's benefit shall be re-determined annually as of the first day of each subsequent Plan Year. The lump sum payment shall be made as soon as practicable following the Participant's date of death or such later date that a determination is made that the amount qualifies for distribution under this paragraph. In no event shall a lump sum payment be made following the date benefit payments have commenced to the Beneficiary as an annuity.
 - (d) In the event a Participant entitled to a death benefit under paragraph (a) dies in active employment with his estate as his Beneficiary, the death benefit shall be
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calculated assuming the Beneficiary is the same age as the Participant and, in lieu of the annuity form of payment, the death benefit shall be paid in one lump sum under Article 8.03.

- (e) Notwithstanding any provision to the contrary, if a Participant who has a vested interest in his retirement benefit dies after January 1, 2007 while performing qualified military service pursuant to the Heroes Earnings Assistance and Tax Relief Act of 2008 and before payment of his benefit commences, then that Participant shall be treated as an Employee in active service for purposes of this Article.

8.02 Post-Retirement Death Benefit.

Upon the death after retirement of a Participant who contributed for sixty (60) consecutive months ending August 31, 1994, and attained age fifty-five (55) on or before August 31, 1994, his Death Benefit shall be equal to:

- (a) \$1,000; plus
- (b) the greater of (i) his Compensation (on an annual basis) in effect on the January 1 next preceding his retirement date, reduced by 1/60th of such amount on the first day of each month following his retirement date, and (ii) \$2,000; less
- (c) Any amounts under a Group Life Insurance Plan of the Company which were paid to such Participant during his lifetime or are payable by reason of his death.

8.03 Payment to Beneficiary.

The Beneficiary entitled to a benefit pursuant to Article 8.01(a) may elect to receive the benefit in a lump sum, payable at the election of the Beneficiary, at any time following the Participant's death. The death benefit payable to a Beneficiary pursuant to Article 8.02 shall be paid in a lump sum as soon as practicable after the date of the Participant's death.

8.04 Required Distributions.

- (a) If a Participant dies after distribution of his interest in the Plan has commenced in accordance with Article 7 of the Plan, the remaining portion of the Participant's interest in the Plan shall be distributed at least as rapidly as the method of distribution being used as of the date of the Participant's death pursuant to Article 7 of the Plan.
 - (b) If the Participant dies before distribution of his interest in the Plan has commenced, the Participant's entire interest in the Plan shall be distributed no later than five (5) years after the date of the Participant's death except to the extent provided in paragraphs (i) or (ii) below:
 - (i) if any portion of the Participant's interest in the Plan is payable to (or for the benefit of) a designated Beneficiary, distribution of the Participant's interest in the Plan may be made over the life of such designated Beneficiary (or over a period not extending beyond the life expectancy of such designated Beneficiary), commencing no later than one year after
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the date of such Participant's death or such later date as may be provided in Treasury Regulations under the applicable provisions of the Code; and

- (ii) if the designated Beneficiary is the Participant's surviving Spouse, the date on which the distributions are required to begin in accordance with paragraph (i) immediately above shall not be earlier than the date on which the Participant would have attained age seventy and one-half (70 1/2), and if the surviving Spouse dies before the distributions to such Spouse begin, subsequent distributions shall be made as if the surviving Spouse were the Participant.

(c) For purposes of this Article 8.04:

- (i) the life expectancy of the Participant and, if applicable, the Participant's Spouse (other than in the case of a Life Annuity) may be determined but not more frequently than annually, and
- (ii) any amount paid to a child shall be treated as if it had been paid to the surviving Spouse if such amount will become payable to the surviving Spouse when such child reaches the age of majority (or such other designated event permitted under Treasury Regulations).

8.05 Return of Contributions.

- (a) Upon receipt of proof, satisfactory to the Administrative Committee, of the death of a Participant, provided no other benefit is payable under the Plan on his account except as set forth in Article 8.05(b) below, the amount of his employee contributions at the time of the Participant's death which have not been distributed to the Participant shall be payable in one sum to his Beneficiary, if living.
 - (b) If the Participant's Beneficiary is the Participant's Spouse, the Spouse shall receive the amount of employee contributions which have not been distributed in one sum, in addition to, and without any reduction for, any other benefit the spouse is entitled to receive under any other provision of this Plan.
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ARTICLE 9: RETIREMENT BENEFITS UNDER COLLECTIVE BARGAINING AGREEMENTS

9.01 Eligibility for Employees Subject to a Collective Bargaining Agreement.

- (a) Each Employee whose employment is covered by a collective bargaining agreement to which the Company is a party and which provides for coverage under the Plan, who, on or after September 15, 1952, shall have attained the age of sixty-five (65), shall have completed ten (10) or more Years of Credited Service and shall have ceased active Service shall be a Participant and shall be entitled to receive a pension determined under this Article 9.
- (b) Effective January 1, 1976, an Employee to whom paragraph (a) applies and who begins employment with the Company five (5) or more years before the Normal Retirement Age shall be a Participant in the Plan and entitled to a benefit after reaching Normal Retirement Age based upon actual Years of Credited Service.
- (c) Effective January 1, 1989, each Employee to whom paragraph (a) applies who, on or after September 15, 1952, shall have completed five (5) or more Years of Credited Service shall be a Participant, and after ceasing active Service, shall be entitled to receive a pension benefit under the Plan regardless of the number of years of participation before retirement age.
- (d) Effective January 1, 2008, each Employee to whom paragraph (a) applies who, on or after September 15, 1952, shall have completed three (3) or more Years of Credited Service shall be a Participant, and after ceasing active Service, shall be entitled to receive a pension benefit under the Plan regardless of the number of years of participation before retirement age.

9.02 Amount, Form, and Commencement of Retirement Benefit.

The monthly amount of pension payable to a pensioner retired pursuant to the provisions of Article 9.01 of the Plan shall be as follows:

- (a) Normal Retirement.
 - (i) Wood-Ridge and Nuclear Facilities.

With respect to any such pensioner whose Credited Service was with the Wood-Ridge and Nuclear Facilities:

- (A) With benefits payable commencing prior to October 1, 1962, \$6.00 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1974 but prior to October 1, 1976, and \$6.25 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1976.
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- (B) With benefits payable commencing on and after October 1, 1962 and prior to October 1, 1965, \$6.25 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1974 but prior to October 1, 1976, and \$6.50 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1976.
 - (C) With benefits payable commencing on and after October 1, 1965 and prior to October 1, 1968, \$6.50 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1974 but prior to October 1, 1976, and \$6.75 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1976.
 - (D) With benefits payable commencing on and after October 1, 1968 and prior to October 1, 1971, \$7.50 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1974 but prior to October 1, 1976, and \$7.75 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1976.
 - (E) With benefits payable commencing on and after October 1, 1971 and prior to October 1, 1974, \$8.25 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1974 but prior to October 1, 1976, and \$8.50 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1976.
 - (F) With benefits payable commencing on and after October 1, 1974 and prior to October 1, 1976, \$9.00 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1974.
 - (G) With benefits payable commencing on and after October 1, 1976, \$10.00 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1976.
- (ii) Buffalo Facility.

With respect to any such pensioner whose Credited Service was with the Buffalo Facility:

- (A) With benefits payable commencing prior to October 1, 1962, \$4.75 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1969.
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- (B) With benefits payable commencing on or after October 1, 1962 and prior to October 1, 1965, \$5.00 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1969.
 - (C) With benefits payable commencing on or after October 1, 1965 and prior to October 1, 1968, \$5.25 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1969.
 - (D) With benefits payable commencing on or after October 1, 1968 and prior to October 1, 1971, \$6.25 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1970.
 - (E) With benefits payable commencing on or after October 1, 1971 and prior to October 1, 1973, \$6.25 multiplied by his Years of Credited Service for benefit payments due prior to February 1, 1972, becoming the sum of \$6.25 multiplied by his Years of Credited Service prior to January 1, 1972 and \$7.00 multiplied by his Years of Credited Service on and after January 1, 1972, for benefit payments due on and after February 1, 1972.
 - (F) With benefits payable commencing on or after October 1, 1973, the sum of \$6.50 multiplied by his Years of Credited Service prior to January 1, 1972 and \$7.00 multiplied by his Years of Credited Service on and after January 1, 1972.
 - (G) With benefits payable commencing on or after October 1, 1974, the sum of \$8.00 multiplied by his Years of Credited Service prior to January 1, 1972 and \$7.00 multiplied by his Years of Credited Service on and after January 1, 1972 for payments due on and after October 1, 1974.
 - (H) With benefits payable commencing on or after October 1, 1975, \$8.00 multiplied by his Years of Credited Service for payments due on and after October 1, 1975.
 - (I) With benefits payable commencing on or after November 1, 1977 and prior to November 1, 1978, the sum of \$8.00 multiplied by his Years of Credited Service prior to January 1, 1978 and \$9.00 multiplied by his Years of Credited Service on and after January 1, 1978.
 - (J) With benefits payable commencing on or after November 1, 1978, the sum of \$8.00 multiplied by his Years of Credited Service prior to January 1, 1978 and \$10.00 multiplied by his Years of Credited Service on and after January 1, 1978.
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- (K) With benefits payable commencing on or after November 2, 1980, the sum of:
- (1) \$8.00 multiplied by his Years of Credited Service prior to January 1, 1978,
 - (2) \$10.00 multiplied by his Years of Credited Service from January 1, 1978 through November 1, 1980,
 - (3) \$11.00 multiplied by his Years of Credited Service from November 2, 1980 through November 1, 1981,
 - (4) \$12.00 multiplied by his Years of Credited Service on and after November 2, 1981 through May 4, 1985,
 - (5) \$13.00 multiplied by his Years of Credited Service on and after May 4, 1985 through July 23, 1993, and
 - (6) \$17.00 multiplied by his Years of Credited Service on and after July 24, 1993.

(iii) Curtiss-Wright Flight Systems, Inc. Facility.

With respect to any such pensioner whose Credited Service was with the Curtiss-Wright Flight Systems, Inc. Facility:

- (A) With benefits payable commencing prior to October 1, 1962, \$4.75 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1969.
- (B) With benefits payable commencing on or after October 1, 1962 and prior to October 1, 1965, \$5.00 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1969.
- (C) With benefits payable commencing on or after October 1, 1965 and prior to October 1, 1968, \$5.25 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1969.
- (D) With benefits payable commencing on or after October 1, 1968, \$6.25 multiplied by his Years of Credited Service.

(iv) Marquette Metal Products Company.

With respect to any such pensioner whose Credited Service was with The Marquette Metal Products Company:

- (A) With benefits payable commencing prior to October 1, 1962, \$4.75 multiplied by his Years of Credited Service for any pension
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payments due for months commencing on and after October 1, 1969.

- (B) With benefits payable commencing on or after October 1, 1962 and prior to October 1, 1965, \$5.00 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1969.
 - (C) With benefits payable commencing on or after October 1, 1965 and prior to October 1, 1968, \$5.25 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1969.
 - (D) With benefits payable commencing on or after October 1, 1968 and prior to October 1, 1971, \$6.25 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after October 1, 1970.
 - (E) With benefits payable commencing on or after October 1, 1971 and prior to October 1, 1973, \$6.25 multiplied by his Years of Credited Service for benefit payments due prior to February 1, 1972, becoming the sum of \$6.25 multiplied by his Years of Credited Service prior to October 1, 1971 and \$7.00 multiplied by his Years of Credited Service on and after October 1, 1971 for benefit payments due on and after February 1, 1972.
 - (F) With benefits payable commencing on or after October 1, 1973, the sum of \$6.50 multiplied by his Years of Credited Service prior to October 1, 1971 and \$7.00 multiplied by his Years of Credited Service on and after October 1, 1971.
 - (G) With benefits payable commencing on or after October 1, 1974, the sum of \$7.50 multiplied by his Years of Credited Service prior to October 1, 1971 and \$7.50 multiplied by his Years of Credited Service on and after October 1, 1971.
 - (H) With benefits payable commencing on or after October 1, 1975, the sum of \$7.50 multiplied by his Years of Credited Service prior to October 1, 1971 and \$8.00 multiplied by his Years of Credited Service on and after October 1, 1971.
 - (I) With benefits payable commencing on or after October 1, 1976, the sum of \$7.50 multiplied by his Years of Credited Service prior to October 1, 1971 and \$9.00 multiplied by his Years of Credited Service on and after October 1, 1971 and \$10.00 multiplied by his Years of Credited Service on and after November 1, 1979.
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(v) Target Rock Corporation.

With respect to any such pensioner whose Credited Service was with Target Rock Corporation, subsequently known as Curtiss-Wright Flow Control Corporation:

- (A) With benefits commencing on or after June 1, 1967 and prior to October 1, 1968, \$6.25 multiplied by his Years of Credited Service, for any pension payments due for months commencing on and after February 1, 1972.
 - (B) With benefits payable commencing on or after October 1, 1968 and prior to October 1, 1971, \$7.25 multiplied by his Years of Credited Service, for any pension payments due for months commencing on and after February 1, 1972.
 - (C) With benefits payable commencing on or after October 1, 1971 and prior to June 1, 1975, his Years of Credited Service multiplied by \$6.25 for any pension payments due for months commencing on and after October 1, 1971 but prior to February 1, 1972 and by \$8.00 for any pension payments due for months commencing on or after February 1, 1972.
 - (D) With benefits payable commencing on or after June 1, 1975 and prior to May 1, 1977, \$9.00 multiplied by his Years of Credited Service for any pension payments due for months commencing on and after June 1, 1975.
 - (E) With benefits payable commencing on or after May 1, 1977, the sum of \$9.00 multiplied by his Years of Credited Service prior to May 1, 1977 and \$10.00 multiplied by his Years of Credited Service on and after May 1, 1977 for any pension payments due for months commencing on and after May 1, 1977.
 - (F) \$11.00 multiplied by his Years of Credited Service on or after May 1, 1981 for any pension payments due for months commencing on and after May 1, 1981, \$12.00 multiplied by his Years of Credited Service on and after May 5, 1982 for any pension payments due for months commencing on and after May 5, 1982, \$13.00 multiplied by his Years of Credited Service on and after May 7, 1984 for any pension payments due for months commencing on and after May 7, 1984, \$14.00 multiplied by his Years of Credited Service on and after May 6, 1985 for any pension payments due for months commencing on and after May 6, 1985, and \$15.00 multiplied by his Years of Credited Service on and after May 5, 1986 for any pension payments due for months commencing on and after May 5, 1986.
 - (G) \$17.00 multiplied by his Years of Credited Service with Target Rock Corporation, now known as Curtiss-Wright Flow Control Corporation, on or after August 1, 1994 for any pension payments
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due for months commencing on or after August 1, 1994. The benefit under this subparagraph (G) is only available for those union members who did not elect to participate in the Curtiss-Wright Corporation Savings and Investment Plan.

- (H) \$19.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after August 1, 1997 for any pension payments due for months commencing on or after August 1, 1997;
 - (I) \$21.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after August 1, 1998, for any pension payments due for months commencing on or after August 1, 1998;
 - (J) \$23.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after January 1, 2001, for any pension payments due for months commencing on or after January 1, 2001;
 - (K) \$25.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after January 1, 2002, for any pension payments due for months commencing on or after January 1, 2002;
 - (L) \$28.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after January 1, 2003, for any pension payments due for months commencing on or after January 1, 2003.
 - (M) \$30.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after January 1, 2004, for any pension payments due for months commencing on or after January 1, 2004.
 - (N) \$32.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after January 1, 2005, for any pension payments due for months commencing on or after January 1, 2005.
 - (O) \$34.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after January 1, 2006, for any pension payments due for months commencing on or after January 1, 2006.
 - (P) \$36.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after January 1, 2007, for any pension payments due for months commencing on or after January 1, 2007.
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- (Q) \$38.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after January 1, 2008, for any pension payments due for months commencing on or after January 1, 2008.
- (R) \$41.00 multiplied by his years of Credited Service with Curtiss-Wright Flow Control Corporation on or after January 1, 2009, for any pension payments due for months commencing on or after January 1, 2009.

(vi) Metal Improvement Company, LLC - Columbus Division.

With respect to any such pensioner whose Credited Service is with the Metal Improvement Company, LLC - Columbus Division:

- (A) With benefits commencing on or after January 1, 1996, \$10.00 multiplied by his Years of Credited Service on or after January 1, 1996, for any pension payments due for months commencing on or after January 1, 1996;
- (B) With benefits commencing on or after January 1, 2001, \$20.00 multiplied by his Years of Credited Service on or after January 1, 2001, for any pension payments due for months commencing after January 1, 2001.
- (C) With benefits commencing on or after January 1, 2003, \$24 multiplied by his Years of Credited Service on or after January 1, 2003, or any pension payments due for months commencing after January 1, 2003.
- (D) With benefits commencing on or after January 1, 2005, \$28.00 multiplied by his Years of Credited Service on or after January 1, 2005, or any pension payments due for months commencing after January 1, 2005.
- (E) With benefits commencing on or after January 1, 2009, \$33.00 multiplied by his Years of Credited Service on or after January 1, 2009, or any pension payments due for months commencing after January 1, 2009.

Service for vesting purposes shall commence January 1, 1996.

(vii) Metal Improvement Company, LLC - Vernon Division.

With respect to any such pensioner whose Credited Service was with the Metal Improvement Company, LLC - Vernon Division:

- (A) With benefits commencing on or after October 1, 1996, \$6.50 multiplied by his Years of Credited Service on or after October 1, 1996, for any pension payments due for months commencing on or after October 1, 1996.
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- (B) With benefits commencing on or after January 1, 2000, \$7.50 multiplied by his Years of Credited Service on or after January 1, 2000, for any pension payments due for months commencing on or after January 1, 2000.
- (C) With benefits commencing on or after J January 1, 2001, \$8.50 multiplied by his Years of Credited Service on or after January 1, 2001, for any pension payments due for months commencing on or after January 1, 2001.
- (D) With benefits commencing on or after January 1, 2002, \$9.50 multiplied by his Years of Credited Service on or after January 1, 2002, for any pension payments due for months commencing on or after January 1, 2002.
- (E) With benefits commencing on or after January 1, 2005, \$12.50 multiplied by his Years of Credited Service on or after January 1, 2005, for any pension payments due for months commencing on or after January 1, 2005.
- (F) With benefits commencing on or after January 1, 2006, \$15.00 multiplied by his Years of Credited Service on or after January 1, 2006, for any pension payments due for months commencing on or after January 1, 2006.
- (G) With Benefits commencing on and after January 1, 2010, \$18.00 multiplied by his years of credited service on and after January 1, 2010, for any pension payments due for months commencing on and after January 1, 2010.

Service for vesting purposes shall commence October 1, 1996.

(viii) Metal Improvement Company, LLC - Addison Division.

With respect to any such pensioner whose Credited Service was with the Metal Improvement Company, LLC - Addison Division:

- (A) With benefits commencing on or after November 1, 1996, \$4.00 multiplied by his Years of Credited Service on or after November 1, 1996, for any pension payments due for months commencing on or after November 1, 1996.
 - (B) With benefits commencing on or after January 1, 2000, \$5.00 multiplied by his Years of Credited Service on or after January 1, 2000, for any pension payments due for months commencing on or after January 1, 2000.
 - (C) With benefits commencing on or after January 1, 2001, \$6.00 multiplied by his Years of Credited Service on or after
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January 1, 2001, for any pension payments due for months commencing on or after January 1, 2001.

- (D) With benefits commencing on or after January 1, 2002, \$8.00 multiplied by his Years of Credited Service on or after January 1, 2002, for any pension payments due for months commencing on or after January 1, 2002.
- (E) With benefits commencing on or after January 1, 2005, \$12.00 multiplied by his Years of Credited Service on or after January 1, 2005, for any pension payments due for months commencing on or after January 1, 2005.
- (F) With benefits commencing on or after January 1, 2006, \$15.00 multiplied by his Years of Credited Service on or after January 1, 2006 for any pension payments due for months commencing on or after January 1, 2006.

Service for vesting purposes shall commence November 1, 1996.

(ix) Metal Improvement Company, Inc. - Long Island Division.

With respect to any such pensioner whose credited service was with the Metal Improvement Company - Long Island Division:

- (A) With benefits commencing on or after April 1, 1998, \$3.00 multiplied by his years of credited service on or after April 1, 1998, for any pension payments due for months commencing on or after April 1, 1998.
- (B) With benefits commencing on or after January 1, 2003, \$6.00 multiplied by his years of credited service on or after January 1, 2003, for any pension payments due for months commencing on or after January 1, 2003.
- (C) With benefits commencing on or after January 1, 2006, \$9.00 multiplied by his years of credited service on or after January 1, 2006, for any pension payments due for months commencing on or after January 1, 2006.
- (D) With benefits commencing on or after January 1, 2008, \$12.00 multiplied by his years of credited service on or after January 1, 2008, for any pension payments due for months commencing on or after January 1, 2008.
- (E) With benefits commencing on or after January 1, 2010, \$15.00 multiplied by his years of credited service on or after January 1, 2010, for any pension payments due for months commencing on or after January 1, 2010.

Service for vesting purposes shall commence April 1, 1998.

(x) Metal Improvement Company, Inc. - Wakefield Division.

With respect to any such pensioner whose credited service was with the Metal Improvement Company - Wakefield Division:

- (A) With benefits commencing on or after June 1, 1999, \$8.00 multiplied by his years of credited service on or after January 1, 1999, for any pension payments due for months commencing on or after June 1, 2001.
- (B) With benefits commencing on or after January 1, 2001, \$10.00 multiplied by his years of credited service on or after January 1, 2001, for any pension payments due for months commencing on or after January 1, 2001.
- (C) With benefits commencing on or after January 1, 2003, \$13.00 multiplied by his years of credited service on or after January 1, 2003, for any pension payments due for months commencing on or after January 1, 2003.

Service for vesting purposes shall commence June 1, 1999.

(xi) Metal Improvement Company - Lynwood Division:

With respect to any such pensioner whose credited service was with the Metal Improvement Company - Lynwood Division:

- (A) With benefits commencing on or after May 1, 2001, \$6.50 multiplied by his years of credited service on or after May 1, 2001, for any pension payments due for months commencing on or after May 1, 2001.
- (B) With benefits commencing on or after January 1, 2007, \$10.00 multiplied by his years of credited service on or after January 1, 2007, for any pension payments due for months commencing on or after January 1, 2007.
- (C) With benefits commencing on or after January 1, 2010, \$14.00 multiplied by his years of credited service on or after January 1, 2010, for any pension payments due for months commencing on or after January 1, 2010.

Service for vesting purposes shall commence May 1, 2001.

(b) Early Retirement.

- (i) On or after January 1, 1989 any Participant described in Article 9.01 who has attained age fifty-five (55), but not age sixty-five (65), and who has five (5) or more Years of Credited Service (three (3) or more Years of Credited Service for purposes of vesting effective January 1, 2008) may
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retire at his option, and for any such Participant who retires with benefits which first could commence on or after October 1, 1965, the monthly pension payable to him shall be either:

- (A) a pension commencing at age sixty-five (65) determined in accordance with Article 9.02(a) of the Plan and based upon his Credited Service at the time of his early retirement, or
- (B) a pension commencing on the first day of the month selected by him at the time of his early retirement which is after such retirement and prior to age sixty-five (65), in an amount equal to the amount that would have been payable at age sixty-five (65) on the basis of his Credited Service at the time of early retirement, multiplied by the applicable percentage set forth in Schedule F.

(ii) A Participant who retires under the provisions of paragraph (a)(v) and this paragraph (b) may elect to have his pension benefit otherwise payable to him under the provisions of paragraph (a)(v) or (e), as applicable, adjusted as follows:

- (A) With respect to months for which a benefit is payable to the Participant up to and including the month he attains age 62, his pension benefit shall be equal to the sum of his benefit determined under paragraph (a)(v) or the reduced amount of such pension if he has a survivor benefit in accordance with paragraph (e), plus \$100.00 reduced by 45/100 of 1% for each complete calendar month by which he is under age 62 at the date such early retirement benefits commence.
- (B) With respect to months for which a benefit is payable to him following his attainment of age 62, an amount equal to the amount specified in (A) hereof less \$100.00.
- (C) Such election shall be made within the 90-day election period preceding the Participant's Annuity Starting Date and in accordance with such administrative rules as the Administrative Committee shall prescribe in accordance with applicable law.

(c) Total and Permanent Disability Retirement.

- (i) A Participant described in Article 9.01 with at least five (5) Years of Credited Service (three (3) Years of Credited Service for purposes of vesting effective January 1, 2008) who is actually at work for the Company or is on an Company-approved Leave of Absence on or after January 1, 1989, who subsequent to September 15, 1952 becomes totally and permanently disabled prior to attaining age sixty-five (65), shall be eligible for a disability pension as hereinafter provided.
 - (ii) An Participant shall be deemed to be totally and permanently disabled, for purposes of this paragraph when on the basis of medical evidence satisfactory to the Company he is found to be wholly and permanently
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prevented from engaging in any occupation or employment for wage or profit as a result of bodily injury or disease, either occupational or non-occupational in cause, provided, however, that no Employee shall be deemed to be totally and permanently disabled for the purposes of the Plan if his disability resulted from an intentional self-inflicted injury, or a hostile act of a foreign power, or resulted from service in the Armed Forces of any country, unless his benefits could first commence on or after January 1, 1989, and he has accumulated five (5) Years of Credited Service since such hostile act or since leaving service in such Armed Forces.

- (iii) The monthly pension payable to a disability pensioner shall be in accordance with Article 9.02(a) of the Plan, based on Credited Service at the date of disability.
 - (iv) In addition to the monthly pension provided for in subparagraph (iii), there shall be payable to a disability pensioner during the continuance of his total and permanent disability, until he attains age sixty-five (65), or, if earlier, until the date at which such disability pensioner becomes or could have become entitled to an unreduced Federal Social Security benefit for age or for disability, a monthly amount equal to:
 - (A) \$5.20 multiplied by his Years of Credited Service at the date of disability, but not more than \$130, with respect to a monthly pension that first could commence prior to October 1, 1968,
 - (B) \$6.00 multiplied by his Years of Credited Service at the date of disability, but not more than \$150, with respect to a monthly pension that first could commence on or after October 1, 1968, and
 - (C) \$10.00 multiplied by his Years of Credited Service at the date of disability, but not more than \$250, with respect to a monthly pension that first could commence on or after March 1, 1978.
 - (v) Any disability pensioner may be required to submit to medical examination at any time during retirement prior to age sixty-five (65), but not more often than semi-annually, to determine whether he is eligible for continuance of the disability pension. If, on the basis of such examination, it is found that he is no longer disabled or if he engages in gainful employment, except for purposes of rehabilitation as determined by the Company, his disability pension will cease. In the event the disability pensioner refuses to submit to medical examination, his pension will be discontinued until he submits to examination.
 - (vi) In the event a Participant in receipt of a pension under this paragraph (c) dies prior to his Normal Retirement Date, a survivor annuity shall be payable to his spouse provided the Participant had been married to his Spouse for at least one (1) year immediately prior to his date of death. In such event the survivor annuity shall be equal to the survivor benefit that would have been payable to the Spouse under paragraph (e)(iii) if such
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coverage had been in effect on the day preceding the Participant's date of death.

(d) Retention of Deferred Pension.

- (i) A Participant described in Article 9.01 who loses Credited Service in accordance with Article 9.03(c) of the Plan prior to the age at which he is eligible for early retirement in accordance with Article 9.02(b) of the Plan, shall be eligible for a deferred pension; provided, that:
 - (A) If such loss was on or after September 15, 1957 and prior to September 30, 1962, such Participant then had at least twenty (20) Years of Credited Service; or
 - (B) If such loss was on or after September 30, 1962 and prior to September 30, 1965, such Participant either:
 - (1) then had at least ten (10) Years of Credited Service and had attained his fortieth (40th) birthday; or
 - (2) then had at least twenty (20) Years of Credited Service accrued through (i) the calendar year 1962 or (ii) the date of his loss of Credited Service, whichever is earlier; or
 - (C) If such loss was on or after September 30, 1965, such Employee then had at least ten (10) Years of Credited Service; or
 - (D) If such loss was on or after January 1, 1989, such Employee then had at least five (5) Years of Credited Service.
- (ii) The monthly amount of such deferred pension commencing at age sixty-five (65) for Employees eligible therefor in accordance with Article 9.02(a) of the Plan shall be as shown in Schedule G 1 for the Wood-Ridge Facility, Schedule G 2 for the Buffalo Facility, Schedule G 3 for the Curtiss-Wright Flight Systems Facility, and Schedule G 4 for the Target Rock Facility. The deferred pension rates for Marquette Metal Products Company facility are the same rates as shown in Article 9.02(a)(iv) for the Marquette Metal Products Company facility.
- (iii) For Employees who became eligible for a deferred pension before January 1, 1976:

Upon written request to the Company by a Participant eligible for a deferred pension in accordance with this paragraph, such deferred pension shall be payable on the first day of the month following the later of (A) the month in which such Participant attains age sixty-five (65), or effective October 1, 1962, age sixty (60), or (B) the month during which the Company receives such written request, provided, that any deferred pension commencing after age sixty (60) and prior to age sixty-five (65) and shall be the amount in accordance with Article 9.02(a) of the Plan, reduced in accordance with the early retirement factors set forth in

Schedule D for each complete calendar month by which such Participant is under the age of sixty-five (65) at the time such deferred pension commences. The written request must be received by the Company not earlier than sixty (60) days prior to his sixtieth (60th) birthday.

- (iv) For Participants who became eligible for a deferred pension on or after January 1, 1976:

Such deferred pension benefit shall be payable on the first day of the month following the later of (A) the month in which such Participant attains age fifty-five (55), or (B) sixty (60) days from the date the Company receives such written request; provided that any deferred pension benefit commencing after age fifty-five (55) and prior to age sixty-five (65) shall be the amount in accordance with Article 9.02(a) of the Plan, reduced in accordance with the early retirement factors set forth in Schedule D for each complete calendar month by which such Participant is under the age of sixty-five (65) at the time such deferred pension commences. The written request must be received by the Company not earlier than sixty (60) days prior to his fifty-fifth (55th) birthday.

- (e) Optional Survivor Benefit Election.

- (i) A Participant who has attained age fifty-five (55), retiring with benefits payable commencing on or after January 1, 1989, in accordance with the normal, early or total and permanent disability retirement provisions of this Article, or a Participant who loses Seniority on or after January 1, 1989 and is eligible for a deferred pension benefit in accordance with paragraph (d), will, unless waived, receive an adjusted amount of monthly pension benefit to provide that, if his or her designated Spouse shall be living at his or her death, after the survivor benefit becomes effective, a survivor benefit shall be payable to such Spouse during his or her further lifetime.

- (A) The Participant may designate as a beneficiary of a survivor benefit only the person who is his or her Spouse at such time and who has been his or her Spouse for at least one (1) year immediately prior to the date of benefit commencement. Such designation must be accompanied by proof of marriage and date of birth of Spouse.

In the event a married Participant has been married to his spouse for less than one year on his Annuity Starting Date, he shall nevertheless be treated as having been married for one year for purposes of applying the provisions of this paragraph (e); provided, however, that no right or benefit shall vest to any spouse until the date on which the Participant has been married to such spouse for one year. In the event of the death of the Participant's Spouse or divorce of the Participant and his Spouse prior to the first anniversary of the date of marriage, the Participant shall be treated as unmarried as of the first day of the month following the date of death or divorce, and payment thereafter shall be made in

accordance with the provisions of paragraph (a). No adjustments will be made to amounts previously paid to the Participant. In the event of divorce or death of the Participant prior to the first anniversary of the date of marriage, the surviving Spouse shall lose any rights under the provisions of this paragraph (e).

- (B) A Participant who is entitled to a total and permanent disability benefit prior to attaining age sixty-five (65) shall have such benefit adjusted to provide a survivor benefit, if not waived, effective the first day of the month following his sixty-fifth (65th) birthday.
 - (C) A survivor benefit shall be irrevocable at or after its effective date, if the Participant and the designated Spouse both shall be living at such time.
 - (D) The survivor benefit shall become effective, if not waived, on the commencement date of the Participant's monthly benefit and payable on and after the first day of the month following the pensioner's death.
- (ii) For a Participant receiving a pension benefit with a survivor benefit adjustment in accordance with paragraph (i), the reduced amount of his monthly pension benefit referred to in paragraph (i) shall be equal to an amount determined by multiplying the monthly pension benefit otherwise payable to the Employee by ninety percent (90%), if the Participant's age and his designated Spouse's age are the same (the age of each for the purposes hereof being the age at his or her last birthday prior to the effective date of the survivor benefit); or, if such ages are not the same, such percentage shall be increased by one-half of one percent (1/2%), up to a maximum of one hundred percent (100%), for each year that the designated Spouse's age exceeds the Participant's age, and shall be decreased by one-half of one percent (1/2%) for each year that the designated Spouse's age is less than the Participant's age.
 - (iii) The survivor benefit payable in accordance with paragraph (i) to the surviving Spouse of a retired Participant who dies after such benefit becomes effective shall be a monthly benefit for the further lifetime of such surviving Spouse equal to one hundred percent (100%) (fifty-five percent (55%) prior to January 1, 2008) of the reduced amount of such Participant's monthly pension benefit as determined in accordance with Article 9.02(a) of the Plan for any such Participant with benefits payable commencing on or after October 1, 1965.
 - (iv) Effective August 23, 1984, a survivor benefit, if not waived, in the form of a Qualified Preretirement Survivor Annuity shall be paid to a surviving Spouse of a vested active Participant not eligible for early retirement, or of a vested deferred Participant who was credited with at least one (1) Hour of Service subsequent to August 22, 1984 and is not eligible for early retirement, commencing at the date the Participant would have been eligible for early retirement, and the amount of the pension otherwise
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payable to the Participant shall be reduced in accordance with the tables below.

<i>For Coverage While The Participant's Age Is</i>	<i>Monthly Percentage</i>
under 35	0.01%
35 – 45	0.02%
45 – 54 and 11 months	0.04%

Notwithstanding the above, the reduction for coverage for the Qualified Preretirement Survivor Annuity shall be eliminated on and after January 1, 2006 with respect to any Participant or surviving spouse whose Annuity Starting Date had not occurred as of December 31, 2005.

(v) Effective August 23, 1984, a survivor benefit, may not be waived by the participant without the consent of the Participant's Spouse. Such consent for a waiver must be in writing and either notarized or witnessed by a member of the Board of Administration. Notwithstanding this consent requirement, if the Participant establishes to the satisfaction of the Board of Administration that such written consent cannot be obtained because:

(A) there is no Spouse;

(B) the Spouse cannot be located; and

(C) of other circumstances if the Secretary of the Treasury may by regulation prescribe the participant's election to waive coverage will be considered valid if made within the Applicable Election Period.

(vi) In the event the Normal form survivor benefit provided for in Article 9.02(e)(iii) is properly waived, the benefit payable to a Participant shall be the Actuarial Equivalent of the retirement benefit otherwise payable to the Participant in the form of a Life Annuity. A Participant may, in the form and manner prescribed by the Administrative Committee, further elect a monthly benefit payable to the Participant for his or her lifetime and for the further lifetime of such surviving Spouse equal to fifty percent (50%) of the reduced amount of such Participant's monthly pension benefit as determined in accordance with Article 9.02(a) of the Plan.

(f) Participants Not Actively at Work.

The absence of a Participant from active work at the time he would be eligible to retire under the Plan shall not preclude his retirement without return to active work, provided that such absence is due to lay-off, medical leave or other Company approved leave of absence commencing subsequent to September 15, 1952 and provided there has been no loss of Credited Service.

(g) Pension Payments.

- (i) Pensions shall be paid monthly. The first monthly payment of an Participant's pension other than for total and permanent disability shall be on the first day of the month following the month in which the Participant actually retires or, in the case of early retirement, the later date selected by the Employee in accordance with paragraph (b)(i) or (ii), and the pension shall be payable monthly during his lifetime thereafter.
- (ii) Total and permanent disability pensions shall be payable to the disability pensioner (A) on the first day of the month following the date the required proof of such disability is received by the Company, or (B) the first day of the month following the completion of a period of total and permanent disability of six (6) months, whichever is later, and thereafter shall be payable monthly during the continuance of total and permanent disability while he remains eligible for such benefits.
- (iii) In determining the pension payable to any pensioner, a deduction shall be made equivalent to all or any part of the following benefits payable to such pensioner by reason of any law of the United States, or any political subdivision thereof, which has been or shall be enacted; provided, that such deduction shall be to the extent that such benefits have been provided by premiums, taxes or other payments paid by or at the expense of the Company:
 - (A) Workers' Compensation (except fixed statutory payments for loss of any bodily member); provided, however, that this subparagraph shall not be applicable with respect to the monthly pension payable to any pensioner for months commencing on and after October 1, 1965 except as provided in subparagraph (C) below.
 - (B) Disability benefits, other than a Primary Insurance Amount payable under the Federal Social Security Act as now in effect or as hereafter amended, or a benefit specified in subparagraph (ii) above.
 - (C) Workers' Compensation (including hearing, pulmonary, ocular, and other occupational disease and accident claims, but excluding statutory payments for loss of any physical or bodily members such as a leg, arm or finger) for Workers' Compensation awards granted subsequent to March 1, 1978, for Wood-Ridge and Nuclear, January 9, 1978 for Caldwell facility, May 5, 1978 for Target Rock, and August 1, 1988 for Buffalo.

(h) Death Benefits.

- (i) If a Participant who has a vested interest in his retirement benefit dies before payment of his benefits commence, then his surviving spouse shall be entitled to receive a benefit under this Article 9.02. The benefit shall be equal to the amount the Participant would have received pursuant to this Article 9.02, if the benefit to which Participant had been entitled at his
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date of death had commenced in the form described in paragraph (e) of a joint and survivor annuity in the month next following the month in which his Normal Retirement Date had occurred (or next following the month in which his date of death occurred, if later). The benefit payable hereunder shall commence as of the first day of the month following the later of the Participant's Normal Retirement Date would have occurred. However, the Participant's Spouse may elect to begin receiving payments as of the first day of any earlier month following the later of the month in which occurs the Participant's death or the date the Participant would have attained age 55. If the Beneficiary elects to commence receipt of payment prior to the Participant's 55th birthday, the reduction for early commencement shall be the Actuarial Equivalent from age 65.

The benefit payable to the Spouse shall commence on the Participant's Normal Retirement Date or his date of death, if later. However, if the Participant had met the requirements for an early retirement benefit or was in receipt of payments under paragraph (c) upon his date of death, the Spouse may elect to commence payment as of the first day of any earlier month following the Participant's date of death. In the case of any other Participant, the Spouse may elect to commence payment as of the first day of any earlier month following the later of the Participant's 55th birthday or his date of death.

In any case in which the surviving Spouse's benefit commences prior to the Participant's Normal Retirement Date, the amount of the surviving Spouse's benefit shall be adjusted to reflect a reduction for early commencement equivalent to the reduction that would have been applied in determining the amount of the Participant's pension under the provisions of paragraph (b) or (d), as applicable, had the Participant begun to receive his pension as of such commencement date. No reduction shall apply if the Participant died while in receipt of payments under paragraph (c).

- (ii) Upon the death of a pensioner who retired with benefits which first could commence on or after October 1, 1965 in accordance with the early, normal, automatic, or total and permanent disability retirement provisions of the Plan, the lump sum death benefit under the Plan shall be \$1,000, reduced by any amounts under a Group Life Insurance Plan of the Company which were paid to the pensioner during his lifetime or are payable by reason of his death.

Notwithstanding any provision in this Plan to the contrary, a pensioner whose Credited Service was with the Buffalo Facility, the death benefit shall be increased to \$2,000 effective September 1, 1994 and \$3,000 effective September 1, 1995.

- (iii) Payment of the death benefit after retirement shall be made in a lump sum to a surviving beneficiary designated by the pensioner or, otherwise, to his estate.
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- (iv) There shall be no lump sum death benefit under the Plan at any time by reason of the death of a Participant eligible for, or in receipt of, a deferred pension as provided for in Article 9.02(d) of the Plan.

9.03 Credited Service.

The following provisions shall apply to Participants to whom Article 9.01 of the Plan applies:

- (a) Credited Service Prior to September 15, 1952.
- (i) Credited Service prior to September 15, 1952 shall be computed to the nearest one-tenth (1/10) year and shall be the sum of:
- (A) the number of years following the Participant's Seniority date with the Company and preceding September 15, 1952, plus
- (B) any period or periods of Service as an hourly or salaried employee of the Company preceding the Participant's Seniority date with the Company, provided that if there was an interval equal to two (2) years or more between periods of employment with the Company beginning with the last day of active Service in the employment immediately preceding such interval, no Service prior to such interval shall be counted, except this provision shall not apply to any such interval commencing on or after August 1, 1945, and ending on or before December 31, 1949.
- (b) Credited Service Subsequent to September 15, 1952.
- (i) Subparagraph (A) shall be applicable for the period of time prior to January 1, 1976. Subparagraphs (B) and (C) shall be applicable to the period of time subsequent to January 1, 1976.
- (A) For purposes of vesting and for purposes of accrual of benefits prior to January 1, 1976, Credited Service, commencing with September 15, 1952 and thereafter, shall be computed for each calendar year for each Participant on the basis of total hours compensated by the Company during such calendar year and prior to his attaining age sixty-eight (68). Any calendar year in which the Employee has one thousand seven hundred (1,700) or more compensated hours shall be counted a full calendar year. Where his total hours compensated during a calendar year are less than one thousand seven hundred (1,700) hours, a proportionate credit shall be given to the nearest one-tenth (1/10) of a year. For the calendar year 1952, no more than a year's credit will be given including credit for Service prior to September 15, 1952.
- (B) For the purpose of vesting only, Credited Service commencing with January 1, 1976 shall be computed for each calendar year for each Participant on the basis of total hours compensated by the Company during such calendar year. Any calendar year in which
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the Participant has one thousand (1,000) or more compensated hours shall be counted a full calendar year. Where his total hours compensated during a calendar year are less than one thousand (1,000) hours, a proportionate credit shall be given to the nearest one-tenth (1/10) of a year.

- (C) For the purpose of accrual of benefits after January 1, 1976, subparagraph (A) shall continue to apply.
- (ii) For the purpose of computing Credited Service, hours of pay at premium rate shall be computed as straight time hours.
 - (iii) For the purpose of computing compensated hours under subparagraph (i) of this Article 9.03(b), a Participant who, after September 15, 1952, shall be absent from work because of occupational injury or disease incurred in the course of his employment with the Company, and on account of such absence receives Workers' Compensation while on Company approved Leave of Absence, shall be credited with the number of hours that he would have been regularly scheduled to work during such absence, provided that no Participant shall be credited with Service under this paragraph after retirement.
 - (iv) Any Employee who may be transferred subsequent to September 15, 1952 from employment that is not eligible for the benefits of the Plan, to employment that is eligible for such benefits, shall have credited to the nearest one-tenth (1/10) of a year any Credited Service he had as of the date of such transfer, for purposes of vesting; provided, that there shall be no duplication of Credited Service, nor, Credited Service of more than one (1) year in respect to any calendar year.
 - (v) A Participant who has Seniority and who:
 - (A) leaves the employment of the Company to enter the Armed Forces of the United States and retains re-employment rights with the Company under the re-employment provisions of the Universal Military Training and Service Act of 1948, as amended, or any other law protecting his right to reemployment and who, during the period he retains such re-employment rights, returns to work for the Company or reports to the Company and is given leave of absence or laid off status, shall be credited with Future Service at the rate of forty (40) hours per week during the period he would normally have worked for the Company during the period he was in the Armed Forces (or the number of hours that the Company is regularly scheduled to work if less than forty (40) hours), or
 - (B) after September 30, 1968, is given a medical leave of absence approved by the Company, shall be credited with Future Service at the rate of forty (40) hours per week during the period he would normally have worked for the Company while on such medical leave of absence; provided, that the Participant otherwise had at least one hundred seventy (170) compensated hours during the
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calendar year in which such medical leave of absence commenced, except this subparagraph shall not apply to any absence to which paragraph (iii) would apply.

(c) Loss of Credited Service.

- (i) After September 15, 1952, a Participant will lose all Credited Service for purposes of the Plan and if re-employed shall be considered as a new Employee of the Company for purposes of the Plan:
- (A) if the Participant quits,
 - (B) if the Participant is discharged or released,
 - (C) if the Participant loses his Seniority for any other reason.

The provisions of this paragraph shall not affect a Participant's entitlement to any benefit under the Plan for which he is eligible at the time of his loss of Credited Service.

- (ii) Effective January 1, 1976 for purposes of vesting and accrual of benefits, any Employee under the Plan whose employment is terminated and is later re-employed by the Company will be entitled to Credited Service as follows:
- (A) if entitled to a vested benefit at the time of termination, the pre-break and post-break Service will be aggregated;
 - (B) if not entitled to a vested benefit at the time of termination, the pre-break and post-break Service subsequent to January 1, 1976 will be aggregated only if his period of absence is less than five (5) years.

(d) Restoration of Lost Credited Service.

- (i) Anything in the Plan to the contrary notwithstanding, any Participant who has Seniority with the Company on or after September 30, 1968 will be entitled to have any Credited Service with such Company, which he previously lost in accordance with Article 9.03(c)(i) or (ii), restored for purposes of entitlement to and computation of any benefit under the Plan, provided that:
- (A) In the case of a Participant who lost such Credited Service prior to October 1, 1968 and who (i) has Seniority on September 30, 1968, such Participant applies to such Company for restoration of such lost Service prior to July 1, 1969 or (ii) does not have Seniority on September 30, 1968 but thereafter acquires Seniority, such Participant applies for restoration of such lost Credited Service within ninety (90) days of re-employment by such Company.
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- (B) Effective January 1, 1976 any Participant having Seniority with the Company on or after January 1, 1976 will be entitled to have any Credited Service with the Company which he had previously lost in accordance with Article 9.03(c) of the Plan restored automatically.
- (ii) Effective January 1, 1976, any Employee included in Article 9.03(c)(i)(B) and (ii)(B) shall be entitled to the benefit specified in this paragraph (d).
- (e) Notwithstanding any provision hereof to the contrary, for the purpose of determining whether a Participant who is described in Article 9.01 shall be fully vested in the benefit determined in accordance with Article 9.02, all periods of employment recognized as Vesting Years of Service for purposes of Article 5 shall be taken into account as Credited Service under paragraph (b).

9.04 Definitions.

For purposes of this Article 9, the following definitions shall apply:

- (a) "Board of Administration" means equal members which shall be appointed by the Company and equal members which shall be appointed by the respective union. Such Board of Administration shall have the powers enumerated in the collective bargaining agreements providing for participation in the Plan.
 - (b) "Salaried or Hourly Employee" means an Employee who is carried on the payroll records of the Company as receiving Compensation on a weekly, bi-weekly, semi-monthly, monthly or annual basis.
 - (c) "Seniority" shall have the meaning as defined under the applicable collective bargaining agreement.
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ARTICLE 10: MERGER OF METAL IMPROVEMENT COMPANY, INC. AND CURTISS-WRIGHT FLIGHT SYSTEMS/SHELBY, INC. CONTRIBUTORY RETIREMENT PLANS

10.01 Merger Date.

As of September 1, 1994 (the "Merger Date"), the Metal Improvement Company, Inc. Retirement Income Plan and Curtiss-Wright Flight Systems/Shelby, Inc. Contributory Retirement Plan (individually, a "Merged Plan" or, collectively, "Merged Plans") were merged into the Plan. The following provisions shall apply under the Plan to the individuals at Metal Improvement Company, Inc. and Curtiss-Wright Flight Systems/Shelby, Inc. who were non-union Employees on the Merger Date or non-union Employees hired after the Merger Date.

10.02 Eligibility.

- (a) Notwithstanding any other provision of this Plan to the contrary, a non-union Employee of either Metal Improvement Company, Inc. or Curtiss-Wright Flight Systems/Shelby, Inc. employed by said companies on August 31, 1994 shall become a Participant of this Plan on the Merger Date.
- (b) Any future Employee of Metal Improvement Company, Inc. or Curtiss-Wright Flight Systems/Shelby, Inc. shall be eligible to participate in the Plan as of the Entry Date (as defined in Schedule J) coinciding with or next following the date he completes his Year of Eligibility Service. Effective January 1, 2005, employees enter the Plan following completion of one Year of Service in accordance with Article 2.01.

10.03 Retirement Benefits.

- (a) With respect to a "participant" in either of the Merged Plans who retired, died, became disabled, or terminated Service with "vested benefits" under either of the Merged Plans prior to September 1, 1994 (irrespective of whether benefits have commenced as of that date), the Plan will pay to, or in respect of, that "participant" the benefits provided under the applicable section of the respective Merged Plan in accordance with the terms thereof (and that person shall have no rights under the other terms of this Plan).
- (b) With respect to a Participant who satisfies the eligibility requirements of Article 10.02, if he retires, dies, becomes disabled or terminates Service on or after September 1, 1994, the Plan will pay to, or in respect of, that Participant the benefits provided under Articles 4, 6 and 8 in accordance with Articles 4, 6, 7 and 8.

For purposes of determining a Participant's benefit under this paragraph (b), references to Prior Plan in Article 6 of the Plan shall mean the respective Merged Plan.

For purposes of Article 1.06 of the Plan, a Participant's earnings with Metal Improvement Company, Inc. or Curtiss-Wright Flight Systems/Shelby, Inc. prior to September 1, 1994 shall be included in the calculation of Final Average Compensation.

- (c) For purposes of determining a Participant's benefits under this Article 10, a Participant shall be credited with his participation in the respective Merged Plan as of August 31, 1994.
- (d) Notwithstanding any provision in this Plan to the contrary, any former participant under the Metal Improvement Company, Inc. Retirement Income Plan shall not qualify for a death benefit under Article 8.02.

10.04 Prior Accrued Benefit.

Notwithstanding any other provision of this Plan to the contrary, in respect of periods prior to August 31, 1994, a Participant who was formerly covered under either of the Merged Plans shall be credited with an accrued benefit under this Plan equal to his "retirement benefit" under the respective Merged Plan as of August 31, 1994.

10.05 Vesting.

- (a) With respect to a Participant who satisfies the eligibility requirements of Article 10.02 of the Plan, he shall be vested in his retirement benefits in accordance with Article 5 of the Plan.
- (b) Notwithstanding the provisions of Article 5 of the Plan, the vesting percentage of a Participant, who is described in paragraph (a) and who was a participant in either of the Merged Plans as of August 31, 1994 in his or her retirement benefit shall not be less than the vesting percentage as provided under the terms of the respective Merged Plan.
- (c) For purposes of Article 5 of the Plan, a Participant who is described in paragraph (a) shall receive vesting credit for his number of full Years of Service under the terms of the respective Merged Plan as of August 31, 1994, and his number of Hours of Service for the period from January 1, 1994 to August 31, 1994, to the extent credited for vesting purposes under the respective Merged Plan as of August 31, 1994.

10.06 Transfer of Assets.

As of a date fixed in accordance with applicable law, the assets held under the Merged Plans were transferred to the Trust Fund.

ARTICLE 11: ADMINISTRATION

11.01 Plan Administrator.

The Chairman of the Board of Directors shall appoint an Administrative Committee. The Administrative Committee shall consist of three (3) or more persons designated by the Chairman of the Board of Directors. Members of the Administrative Committee and its officers and agents may participate in the benefits under this Plan if otherwise eligible to do so. The members of the Administrative Committee shall serve at the pleasure of the Chairman of the Board of Directors and the Chairman of the Board of Directors shall appoint successors to fill any vacancies in the Administrative Committee.

11.02 Administrative Committee's Authority and Powers.

The Administrative Committee (or its delegate) may act on the Company's behalf as the sponsor and "named fiduciary" of the Plan with respect to Plan administrative matters. Acting on behalf of the Company, and subject to the terms of the Plan, the Trust Agreement and applicable resolutions of the Board, the Administrative Committee (or its delegate) has full and absolute discretion and authority to control and manage the operation and administration of the Plan, and to interpret and apply the terms of the Plan and the Trust Agreement. This full and absolute discretion and authority includes, but is not limited to, the power to:

- (a) interpret, construe, and apply the provisions of the Plan and Trust Agreement, and any construction adopted by the Administrative Committee in good faith shall be final and binding;
- (b) adopt Plan amendments that (1) are required by ERISA or other applicable law or regulation governing qualification of employee benefit plans, or are necessary for Plan administration, and which do not materially increase costs to the Plan or the Company or materially change Participants' benefits under the Plan, (2) implement special rules for acquisitions, sales, and other dispositions, or (3) clarify ambiguous or unclear Plan provisions; provided that such amendments will be made in writing and will be made according to procedures established by the Administrative Committee;
- (c) review appeals from the denial of benefits; and
- (d) manage the cost and financial aspects of the Plan.

The Administrative Committee may employ, appoint, and dismiss advisors and advisory committees as the Administrative Committee deems necessary to carry out the provisions of the Plan and the Trust Agreement, including attorneys, accountants, actuaries, clerks, or other agents, and may delegate any of its authority and duties to such persons.

11.03 Delegation of Duties.

The Administrative Committee may delegate such of its duties and may engage such experts and other persons as it deems appropriate in connection with administering the Plan.

11.04 Compensation.

No member of the Administrative Committee shall receive any compensation for his services as such.

11.05 Exercise of Discretion.

Any person with any discretionary power in the administration of the Plan shall exercise such discretion in a nondiscriminatory manner and shall discharge his duties with respect to the Plan in a manner consistent with the provisions of the Plan and with the standards of fiduciary conduct contained in Title I, Part 4, of ERISA.

11.06 Fiduciary Liability.

In administering the Plan, neither the Administrative Committee nor any member of the Administrative Committee nor any person to whom the Administrative Committee delegates any duty or power in connection with administering the Plan shall be liable, except in the case of his own willful misconduct, for:

- (a) any action or failure to act,
- (b) the payment of any amount under the Plan,
- (c) any mistake of judgment, or
- (d) any neglect, omission or wrongdoing of any other member of the Administrative Committee.

No member of the Administrative Committee shall be personally liable under any contract, agreement, bond, or other instrument made or executed by him or on his behalf as a member of the Administrative Committee.

11.07 Indemnification by Company.

To the extent not compensated by insurance or otherwise, the Company shall indemnify and hold harmless each member of the Administrative Committee, and each partner and employee of the Company designated by the Administrative Committee to carry out any fiduciary responsibility with respect to the Plan, from any and all claims, losses, damages, expenses (including counsel fees approved by the Company) and liabilities (including any amount paid in settlement with the approval of the Company), arising from any act or omission of such member, or partner or employee, except where the same is judicially determined or is determined by the Company to be due to willful misconduct of such member or employee. No assets of the Plan may be used for any such indemnification.

11.08 Plan Participation by Fiduciaries.

No person who is a fiduciary with respect to the Plan shall be precluded from becoming a Participant upon meeting the requirements for eligibility.

11.09 Payment of Expenses.

Reasonable expenses of the Plan may be paid from Plan assets, unless paid by the Company. The Company is entitled to reimbursement of direct expenses properly and actually incurred in providing services to the Plan, in accordance with applicable provisions of ERISA.

ARTICLE 12: AMENDMENT AND TERMINATION OF PLAN

12.01 Amendment.

The Company may at any time and from time to time amend the Plan by written instrument, provided, that:

- (a) no amendment that affects the rights and obligations of the Trustee shall be effective without the written consent of the Trustee, unless such amendment is necessary for the qualification of the Plan under Section 401(a) of the Code or to avoid actual or potential liability of the Company with respect to the Plan, including, without limitation, liability to make future contributions;
- (b) no amendment shall cause the Trust Fund to be used other than for the exclusive benefit of Participants and their Beneficiaries;
- (c) if any amendment changes the vesting provisions of the Plan, within sixty (60) days after receiving written notice of such amendment, or such longer period as may be prescribed by Section 411 of the Code or the regulations promulgated thereunder, a Participant who has completed at least three (3) Years of Service may file with the Administrative Committee an election to have his vested interest in his retirement benefit computed under the Plan's vesting provisions as applicable to such Participant immediately prior to the amendment; and
- (d) any party will be protected in assuming that this Agreement has not been amended until such party has received written notice of the amendment.

No amendment to the Plan, including a change in the actuarial basis for determining optional or early retirement benefits, shall be effective to the extent that it has the effect of decreasing a Participant's retirement benefit. Notwithstanding the preceding sentence, a Participant's retirement benefit may be reduced to the extent permitted under Section 412(c)(8) of the Code (as it read before the first day of the 2008 Plan Year) or Section 412(d)(2) of the Code (as it reads for Plan Years beginning on and after January 1, 2008), or to the extent permitted under the Sections 1.411(d)-3 and 1.411(d)-4 of the Treasury Regulations. For purposes of this Article 12.01, a Plan amendment which has the effect of eliminating or reducing an early retirement benefit or a retirement-type subsidy; or eliminating an optional form of benefit, with respect to benefits attributable to Service before the amendment shall be treated as reducing retirement benefits. In the case of a retirement-type subsidy, the preceding sentence shall apply only with respect to a Participant who satisfies, either before or after the amendment, the pre-amendment conditions for the subsidy. In general, a retirement-type subsidy is a subsidy that continues after retirement, but does not include a qualified disability benefit, a medical benefit, a social security supplement, a death benefit (including life insurance). Furthermore, if the vesting schedule of a plan is amended, in the case of an Employee who is a Participant as of the later of the date such amendment is adopted or becomes effective, the nonforfeitable percentage, determined as of such date, of such Employee's employer-derived retirement benefit will not be less than the percentage computed under the Plan without regard to such amendment.

12.02 Procedure for Amendment.

Any modification or amendment of or to any or all of the provisions of the Plan shall be made by a written resolution of either the Company or the Administrative Committee, which shall be delivered to the Trustee and, where required, to the Board of Administration as defined in 9.04(a).

12.03 Company's Right to Terminate Plan.

The Company intends to maintain the Plan as a permanent tax-qualified retirement plan. Nevertheless, the Company reserves the right to terminate the Plan, in whole or in part, at any time and from time to time, for any reason whatsoever.

12.04 Consequences of Termination.

- (a) If the Plan is terminated in whole or in part, or if Company contributions are completely discontinued, each Participant affected by such termination or discontinuance shall be fully vested in his retirement benefit as of the date of such termination or discontinuance of Company contributions. The Administrative Committee shall determine the date and manner of distribution of the retirement benefits of all affected Participants.
- (b) The Administrative Committee shall give prompt notice to each Participant or, if deceased, his Beneficiary affected by the Plan's complete or partial termination, or the discontinuance of Company contributions.
- (c) The balance, if any, of the residual assets held by the Trust Fund after all liabilities have been extinguished, shall revert to the Company, but only after the satisfaction of liabilities with respect to the Participants under the Plan.

12.05 Special Restrictions on Benefits.

The Plan limits the benefit payable to any Participant who is a Highly Compensated Employee upon Plan termination to a benefit that is nondiscriminatory under Section 401(a)(4) of the Code. Prior to Plan termination, the Plan restricts the annual payments to any Participant who is a "restricted employee", unless:

- (a) After payment of the benefit, the value of Plan assets equals or exceeds 110% of the value of current liabilities (as defined in Section 412(l) of the Code); or
- (b) the value of the benefit is less than 1% of the value of current liabilities; or
- (c) the value of the benefit does not exceed \$5,000.

The total payments in a Plan Year may not exceed an amount equal to: (1) the payments the Participant would receive under a single life annuity which is the Actuarial Equivalent of the Participant's Accrued Benefit and the Participant's other benefits (other than a social security supplement); plus (2) the amount of the payment the Participant would receive under a social security supplement. "Other benefits" include loans in excess of the limitations under Section 72(p)(2)(A) of the Code, any periodic income, any withdrawal values payable to a living Employee, and any death benefits not provided by insurance on the Participant's life.

For purposes of this Article 12.05, the term "restricted employee" means an employee of the Company, including all employees who are not Employees under the Plan, who is among the twenty-five (25) employees with the highest Compensation, determined without taking account of the limitations of Section 401(a)(17) of the Code, for the Plan Year or any prior Plan Year.

These limitations shall not restrict the payment of any death benefit to any Beneficiary.

ARTICLE 13: MERGER OF PLAN AND TRANSFER OF ASSETS OR LIABILITIES

13.01 Merger or Transfer.

The Plan shall not be merged or consolidated with, nor shall any Plan assets or liabilities be transferred to, any other plan, unless each Participant (if the other plan then terminated) would receive a benefit that is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation or transfer (if the Plan had then terminated).

13.02 Transfer from Trust.

At a Participant's request and pursuant to uniform rules prescribed by the Administrative Committee, the Administrative Committee may instruct the Trustee to transfer the Participant's Account to another qualified plan described in Section 401(a) of the Code in which the Participant is participating at the time of such transfer.

13.03 Transfer to Trust and Transfer Account.

- (a) At a Participant's request, the Administrative Committee shall instruct the Trustee to accept a transfer of assets from another qualified plan described in Section 401(a) of the Code which assets are attributable to the Participant's interest in such other plan. The transferred amount shall be maintained in the Trust Fund on behalf of the Participant as a separate account under the Plan, designated the "Transfer Account."
 - (b) Any portion of the Transfer Account (whether the whole, the lesser amount or none) may be commingled with other assets of the Trust Fund for investment. In any event, the balance in the Transfer Account shall be adjusted to reflect its proportionate share of the Trust Fund's earnings, gains, losses and expenses.
 - (c) Unless the Participant has elected otherwise in the form and manner prescribed by the Administrative Committee, payment of the Transfer Account shall be made at the same time and in the same form as the retirement benefit and shall be in addition to the retirement benefit.
 - (d) A Participant's interest in his Transfer Account shall be at all times and in all events fully vested and nonforfeitable.
 - (e) The Participant's account will continue to retain all rights and protections ascribed to it pursuant to Section 411(d)(6) of the Code.
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ARTICLE 14: SPECIAL PROVISIONS FOR NON-KEY EMPLOYEES

14.01 Effective Date.

If the Plan is or becomes top heavy in any Plan Year, the provisions of this Article will supersede any conflicting provisions in the Plan.

14.02 Determination of Top-Heavy Status.

- (a) This Plan is top heavy if any of the following conditions exists:
 - (i) If the top-heavy ratio for this Plan exceeds sixty (60%) percent and this Plan is not part of any required aggregation group or permissive aggregation group of plans.
 - (ii) If this Plan is a part of a required aggregation group of plans but not part of a permissive aggregation group and the top-heavy ratio for the group of plans exceeds sixty (60%) percent.
 - (iii) If this Plan is a part of a required aggregation group and part of a permissive aggregation group of plans and the top-heavy ratio for the permissive aggregation group exceeds sixty (60%) percent.
 - (b) For purposes of this Article, the following terms shall have be defined as follows:
 - (i) Top-heavy ratio :
 - (A) If the Company maintains one or more defined benefit plans and the Company has not maintained any defined contribution plans which during the five (5) year period ending on the determination date(s) has or has had account balances, the top-heavy ratio for this Plan alone or for the required or permissive aggregation group as appropriate is a fraction, the numerator of which is the sum of the present value of retirement benefits of all Key Employees as of the determination date(s), and the denominator of which is the sum of present value of retirement benefits, both computed in accordance with Section 416 of the Code and the regulations thereunder. Both the numerator and denominator of the top-heavy ratio are increased to reflect any contribution not actually made as of the determination date, but which is required to be taken into account on that date under Section 416 of the Code and regulations thereunder. In determining the present values of retirement benefits under the Plan for an employee as of the applicable determination date, the numerator and denominator shall be increased by the distributions made with respect to the employee under the Plan and any plan aggregated with the Plan under Section 416(g)(2) of the Code during the one-year period (five-year period in the case of a distribution made for a reason other than severance from employment, death, or disability)
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ending on the applicable determination date and any distributions made with respect to the employee under a terminated plan which, had it not been terminated, would have been in the required aggregation group.

- (B) If the Company maintains one or more defined contribution plans and the Company maintains or has maintained one or more defined benefit plans which during the five (5) year period ending on the determination date(s) has or has had any retirement benefits, the top-heavy ratio for any required or permissive aggregation group as appropriate is a fraction, the numerator of which is the sum of account balances under the aggregated defined contribution plan or plans for all Key Employees, determined in accordance with (a) above, and the present value of retirement benefits under the aggregated defined benefit plan or plans for all Key Employees as of the determination date(s), and the denominator of which is the sum of the account balances under the aggregated defined contribution plan or plans for all Participants, determined in accordance with (a) above, and the present value of retirement benefits under the defined benefit plan or plans for all Participants as of the determination date(s), all determined in accordance with Section 416 of the Code and the regulations thereunder. The retirement benefits under a defined benefit plan in both the numerator and denominator of the top-heavy ratio are increased for any distribution of a retirement benefit made in the five (5) year period ending on the determination date. In determining the present values of retirement benefits under the Plan for an employee as of the applicable determination date, the numerator and denominator shall be increased by the distributions made with respect to the employee under the Plan and any plan aggregated with the Plan under Section 416(g)(2) of the Code during the one-year period (five-year period in the case of a distribution made for a reason other than severance from employment, death, or disability) ending on the applicable determination date and any distributions made with respect to the employee under a terminated plan which, had it not been terminated, would have been in the required aggregation group.
- (C) For purposes of subparagraphs (A) and (B) the value of account balances and the present value of retirement benefits will be determined as of the most recent valuation date that falls within or ends with the twelve (12) month period ending on the determination date, except as provided in Section 416 of the Code and the regulations thereunder for the first and second Plan Years of a defined benefit plan. The account balances and retirement benefits of a Participant (1) who is not a Key Employee but who was a Key Employee in a prior year, or (2) who has not performed services for any Company maintaining the Plan at any time during the one-year period ending on the applicable determination date will be disregarded. The calculation of the top-heavy ratio, and the
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extent to which distributions, rollovers, and transfers are taken into account will be made in accordance with Section 416 of the Code and the regulations thereunder. Deductible employee contributions will not be taken into account for purposes of computing the top-heavy ratio. When aggregating plans the value of account balances and retirement benefits will be calculated with reference to the determination dates that fall within the same calendar year.

The retirement benefit to a Participant other than a Key Employee shall be determined under (a) the method, if any, that uniformly applies for accrual purposes under all defined benefit plans maintained by the Company, or (b) if there is no such method, as if such benefit accrued not more rapidly than the slowest accrual rate permitted under the fractional rule of Section 411(b)(1)(c) of the Code.

(ii) Permissive aggregation group :

The required aggregation group of plans plus other plan or plans of the Company which, when considered as a group with the required aggregation group, would continue to satisfy the requirements of Sections 401(a)(4) and 410 of the Code.

(iii) Required aggregation group :

- (A) Each qualified plan of the Company in which at least one Key Employee participates or participated at any time during the determination period (regardless of whether the Plan has terminated), and
- (B) any other qualified plan of the Company which enables a plan described in subparagraph (A) to meet the requirements of Section 401(a)(4) or 410 of the Code.

(iv) Determination date :

For any Plan Year subsequent to the first Plan Year, the last day of the preceding Plan Year. For the first Plan Year of the Plan, the last day of that year.

(v) Key Employee :

Any employee or former employee (including any deceased employee) who at any time during the Plan Year that includes the applicable determination date was an officer of the Company or an Affiliated Company having compensation greater than \$130,000 (as adjusted under Section 416(i)(1) of the Code for Plan Years beginning after December 31, 2002), a 5-percent owner (as defined in Section 416(i)(1)(B)(i) of the Code) of the Company or an Affiliated Company, or a 1-percent owner (as defined in Section 416(i)(1)(B)(ii) of the Code) of the Company or an Affiliated Company)

having compensation greater than \$150,000 (the determination of who is a key employee shall be made in accordance with Section 416(i) of the Code and the applicable regulations and other guidance of general applicability issued thereunder) where applicable, on the basis of the Employee's remuneration which, with respect to any Employee, shall mean the wages, salaries, and other amounts paid in respect of such Employee by the Company or an Affiliated Company for personal services actually rendered, determined before any pre-tax contributions under "qualified cash or deferred arrangement," as defined under Section 401(k) of the Code and its applicable regulations, or under a "cafeteria plan" as defined under Section 125 of the Code and its applicable regulations, or under a "qualified transportation fringe," as defined in Section 132(f) of the Code and its applicable regulations, and shall include, but not by way of limitation, bonuses, overtime payments, and commissions; and shall exclude deferred compensation, stock options, and other distributions which receive special tax benefits under the Code.

(vi) Non-Key Employee:

Any Employee or former Employee (and his Beneficiaries) who is not a Key Employee.

14.03 Minimum Benefit.

- (a) Notwithstanding any other provision in the Plan to the contrary, except as otherwise provided in paragraphs (c), (d) and (e) below, a Participant who is a Non-Key Employee and has completed one thousand (1,000) Hours of Service will accrue a benefit (to be provided solely by the Company contributions and expressed as a Life Annuity commencing at Normal Retirement Age) of not less than two (2%) percent of his or her highest average Compensation for the five (5) consecutive years for which the Participant had the highest Compensation multiplied by the number of Years of Vesting Service, not in excess of ten (10), during the Plan Years for which the Plan is top-heavy. For purposes of the preceding sentence, Years of Vesting Service shall be disregarded to the extent that such Years of Vesting Service occur during a Plan Year when the Plan benefits (within the meaning of Section 410(b) of the Code) no Key Employee or former Key Employee. The aggregate Compensation for the years during such five (5) year period in which the Participant was credited with a Year of Service will be divided by the number of years in order to determine average Annual Compensation. The minimum accrual is determined without regard to any Social Security contribution. The minimum accrual applies even though under other Plan provisions the Participant would not otherwise be entitled to receive an accrual, or would have received a lesser accrual for the year because (i) the Non-Key Employee fails to make mandatory contributions to the Plan, (ii) the Non-Key Employee's Compensation is less than a stated amount, (iii) the Non-Key Employee is not employed on the last day of the accrual computation period, or (iv) the Plan is integrated with Social Security.
- (b) For purposes of computing the minimum retirement benefit, Compensation shall mean Compensation as defined in Article 1.12 of the Plan.
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- (c) The provision in paragraph (a) shall not apply to any Participant to the extent the Participant is covered under any other plan or plans of the Company. Such other plan or plans must provide a minimum two (2%) percent top heavy Benefit Accrual or a five (5%) percent top-heavy contribution.
- (d) All accruals of employer-derived benefits, whether or not attributable to years for which the Plan is top heavy, may be used in computing whether the minimum accrual requirements of paragraph (c) are satisfied.

14.04 Minimum Vesting.

For any Plan Year in which this Plan is top heavy, the following vesting schedule shall automatically apply to this Plan. The vesting schedule applies to all benefits within the meaning of Section 411(a)(7) of the Code, except those attributable to employee contributions, including benefits accrued before the effective date of Section 416 and benefits accrued before the Plan became top heavy. Further, no reduction in vested benefits may occur in the event the Plan's status as top heavy changes for any Plan Year. However, this Article does not apply to the account balances of any Employee who does not have an Hour of Service after the Plan has initially become top heavy and such Employee's account balance attributable to Company contributions and forfeitures will be determined without regard to this Article.

*Vesting Years of Service
as of Date of Termination:*

Nonforfeitable Percentage:

Less than 3
3 or more

0%
100%

ARTICLE 15: GENERAL PROVISIONS

15.01 Trust Fund Sole Source of Payments for Plan.

The Trust Fund shall be the sole source for the payment of all Participant's retirement benefits. In no event shall assets of the Company be applied for the payment of Plan benefits.

15.02 Exclusive Benefit.

The Plan is established for the exclusive benefit of the Participants and their Beneficiaries, and the Plan shall be administered in a manner consistent with the provisions of Section 401(a) of the Code and of ERISA.

15.03 Binding Effect.

This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties to this Agreement and upon any and all persons interested in this Agreement, presently or in the future.

15.04 Nonalienation.

- (a) Except as required by any applicable law or by paragraph (c), no benefit under the Plan shall in any manner be anticipated, assigned or alienated, and any attempt to do so shall be void. However, payment shall be made in accordance with the provisions of any judgment, decree, or order which:
 - (i) creates for, or assigns to, a spouse, former spouse, child, or other dependent of a Participant the right to receive all or a portion of the Participant's benefits under the Plan for the purpose of providing child support, alimony payments, or marital property rights to that spouse, former spouse, child, or dependent,
 - (ii) is made pursuant to a State domestic relations law,
 - (iii) does not require the Plan to provide any type of benefit, or any option, not otherwise provided under the Plan, and
 - (iv) otherwise meets the requirements of Section 206(d) of ERISA, as amended, as a "qualified domestic relations order," as determined by the Administrative Committee.
 - (b) If the present value of any series of payments meeting the criteria set forth in (a)(i) through (a)(iv) above amounts to \$5,000 or less, a lump sum payment of the Actuarial Equivalent of such benefit, determined in the manner described in Article 7.05, shall be made in lieu of the series of payments.
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- (c) A Participant's benefits under the Plan shall be offset by the amount the Participant is required to pay to the Plan under the circumstances set forth in Section 401(a)(13)(C) of the Code.
- (d) A Participant's benefit under the Plan shall be distributed as required because of the enforcement of a federal tax levy made pursuant to Section 6331 of the Code or the collection by the United States on a judgment resulting from an unpaid tax assessment.

15.05 Claims Procedure.

All claims for benefits under the Plan by a Participant not covered under a collective bargaining agreement or his Beneficiary with respect to benefits not received by such person shall be made in writing to the Administrative Committee, which shall designate one of its members to review such claims. If the reviewing member believes that a claim should be denied, he shall notify the claimant in writing of the denial within ninety (90) days after his receipt of the claim, unless special circumstances require an extension of time for processing the claim. Such notice shall:

- (a) set forth the specific reasons for the denial, making reference to the pertinent provisions of the Plan or the Plan documents on which the denial is based;
- (b) describe any additional material or information that should be received before the claim may be acted upon favorably, and explain why such material or information, if any, is needed; and
- (c) inform the person making the claim of his right pursuant to this Article to request review of the decision by the Administrative Committee.

Any such person who believes that he has submitted all available and relevant information may appeal the denial of a claim to the Administrative Committee by submitting a written request for review to the Administrative Committee within sixty (60) days after the date on which such denial is received. Such period may be extended by the Administrative Committee for good cause. The person making the request for review may examine pertinent Plan documents. The request for review may discuss any issues relevant to the claim. The Administrative Committee shall decide whether or not to grant the claim within sixty (60) days after receipt of the request for review, but this period may be extended by the Administrative Committee for up to an additional sixty (60) days in special circumstances. If such an extension of time for review is required because of special circumstances, written notice of the extension shall be furnished to the claimant prior to the commencement of the extension. The Administrative Committee's decision shall be in writing, shall include specific reasons for the decision and shall refer to pertinent provisions of the Plan or of the Plan documents on which the decision is based.

All claims for benefits under the Plan by a Participant covered under a collective bargaining agreement, or his Beneficiary, who has been denied a benefit, or feels aggrieved by any other act of the Board of Administration, shall be entitled to request a hearing before the Board of Administration of the Plan. Such request, together with a written statement of the claimant's position, shall be filed with the Board of Administration no later than ninety (90) days after receipt of the written notification. The Board of Administration shall schedule an opportunity for a full and fair hearing of the issue within the next sixty (60) days. The decision following such hearing shall be made within sixty (60) days and shall be communicated in writing to the claimant. The decision of the Board of Administration shall be final and binding upon all parties

concerned. In the event the Board of Administration cannot reach a majority decision, an impartial chairman shall be appointed by the Board of Administration.

15.06 Location of Participant or Beneficiary Unknown.

In the event that all, or any portion, of the distribution payable to a Participant or his Beneficiary hereunder shall, at the expiration of five (5) years after it shall become payable, remain unpaid solely by reason of the inability of the Administrative Committee, after sending a registered letter, return receipt requested, to the last known address, and after further diligent effort, to ascertain the whereabouts of such Participant or his Beneficiary, the amount so distributable shall be forfeited and shall be used to reduce the cost of the Plan. In the event a Participant or Beneficiary is located subsequent to his benefit being forfeited, such benefit shall be restored.

15.07 Applicable Law.

Except as otherwise expressly required by ERISA, this Agreement shall be governed by the laws of the State of New Jersey, where it was entered into and where it shall be enforced.

15.08 Rules of Construction.

Whenever the context so admits, the use of the masculine gender shall be deemed to include the feminine and vice versa; either gender shall be deemed to include the neuter and vice versa; and the use of the singular shall be deemed to include the plural and vice versa.

ARTICLE 16: TRANSFERS

If an Employee during his period of employment with the Company and all Affiliated Companies is transferred to or from a position eligible to accrue benefits under the provisions of Article 4, 6 or 9 to a position that is ineligible for benefits under the applicable Article, the following provisions shall apply:

- (a) Vesting Service. An Employee's Vesting Years of Service shall be determined on the basis of his period of employment with the Company and all Affiliated Companies (unless otherwise specified in Schedule J).
 - (b) Credited Service for Purposes of Determining Eligibility for Benefits . For purposes of determining an Employee's eligibility for benefits under the Plan (but not the amount of any benefit unless otherwise specified in paragraph (d) below), an Employee's years of Credited Service shall be determined on the basis of his period of employment with the Company and all Affiliated Companies.
 - (c) Eligibility for Benefits. Upon an Employee's termination of employment with the Company and all Affiliated Companies, an Employee shall be entitled to a Normal, Early, Disability or Vested Retirement Benefit under the applicable provisions of the Plan if, at the time of his termination of employment, he has satisfied the age, service, and any other requirements of the Plan for such benefit.
 - (d) Rules for Determining the Amount of Benefit .
 - (i) If an Employee who is accruing benefits under the provisions of Article 6 is transferred to a position with the Company or to an Affiliated Company and on account of such transfer the Employee would be ineligible to accrue further benefits under the provisions of Article 6, the following provisions shall apply:
 - (A) Credited Service for Benefit Accrual Purposes . All service with the Company or an Affiliated Company in such transferred position shall be included in determining the Employee's years of Credited Service for purposes of determining the amount of the Employee's benefit under Article 6 except that any service rendered while the Employee is eligible to accrue benefits under Article 9 or is eligible to participate in another qualified defined benefit pension plan shall be excluded.
 - (B) Average Compensation . Compensation (as defined in Article 1.12) paid by the Company or an Affiliated Company to the Employee while employed in such transferred position shall be included in determining an Employee's Average Compensation.
 - (ii) If an Employee who is accruing benefits under the provisions of Article 4 is transferred to a position with the Company or to an Affiliated Company and on account of such transfer the Employee would be ineligible to accrue further benefits under the provisions of Article 4, benefits shall
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continue to accrue under the provisions of Article 4 after the date of transfer except that if the Employee is transferred to a position in which he is eligible to participate in a qualified defined contribution plan which provides for employer contributions (other than salary deferrals under Section 401(k) of the Code) the Employee shall cease to accrue benefits under Article 4.02 based on Compensation paid to the Employee by the Company or an Affiliated Company while in the transferred position.

- (iii) If an Employee who is accruing benefits under the provisions of Article 9 is transferred to a position with the Company or to an Affiliated Company in which he is ineligible to accrue further benefits under the provisions of Article 9, the Employee's service rendered while in such ineligible position shall not be included in his Credited Service for purposes of determining the amount of his benefit under Article 9. Accordingly, If a participant transfers to a position where he is no longer eligible to participate in Article 9, he will not earn Credited Service under Article 9 while in that ineligible position.
 - (iv) If an Employee is transferred from a position that is ineligible to accrue benefits under the provisions of Article 4, 6 or 9 to a position that is eligible to accrue benefits under one of those Articles, the following provisions shall apply:
 - (A) Compensation paid to such Employee prior to the date of transfer shall be disregarded in determining the amount of the Employee's benefit under Article 4 or 6, as applicable, unless the Employee is transferred from a position eligible to accrue benefits under Article 9 in which case Compensation paid to the Employee while covered by Article 9 shall be recognized in determining the Employee's Average Compensation under Article 6, if applicable.
 - (B) For purposes of determining the amount of an Employee's benefit under Article 4, 6 or 9, service rendered prior to the date the Employee became employed in a position eligible to accrue benefits under Article 4, 6 or 9 shall be disregarded in determining the Employee's Credited Service under the applicable Article.
 - (C) Post-January 31, 2010 Transfers. An Employee who is transferred after January 31, 2010 from a position that is ineligible to accrue benefits under the provisions of Article 4, 6 or 9 to a position that is eligible to accrue benefits under Article 4 or 6 shall only be eligible to accrue benefits in accordance with Article 4 and any other benefits not specifically excluded in the preceding sentence.
 - (e) Transfers Involving a Non-U.S. Affiliated Company. Notwithstanding the preceding provisions of this Article 16, any period of employment with a non-U.S. Affiliated Company shall be recognized solely for the purpose of determining an Employee's Vesting Years of Service under subparagraph (i) above [and for purposes of determining an Employee's eligibility for benefits under subparagraph (ii)]. Such period of employment shall be excluded in determining
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the amount of a Participant's benefit under paragraph (d) and any Compensation paid during such period of employment shall likewise be excluded.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by an officer duly authorized on this 1st day of November, 2010.

CURTISS-WRIGHT CORPORATION

By: _____

SCHEDULE A 1: EARLY RETIREMENT FACTORS ON OR AFTER SEPTEMBER 1, 1994

ALL RETIREES and TERMINATED NON-UNION EMPLOYEES on and AFTER 9/1/94

AGE	55	56	57	58	59	60	61	62	63	64
0/12	.75000	.78000	.81000	.84000	.87000	.90000	.92000	.94000	.96000	.98000
1/12	.75250	.78250	.81250	.84250	.87250	.90167	.92167	.94167	.96167	.98167
2/12	.75500	.78500	.81500	.84500	.87500	.90333	.92333	.94333	.96333	.98333
3/12	.75750	.78750	.81750	.84750	.87750	.90500	.92500	.94500	.96500	.98500
4/12	.76000	.79000	.82000	.85000	.88000	.90667	.92667	.94667	.96667	.98667
5/12	.76250	.79250	.82250	.85250	.88250	.90833	.92833	.94833	.96833	.98833
6/12	.76500	.79500	.82500	.85500	.88500	.91000	.93000	.95000	.97000	.99000
7/12	.76750	.79750	.82750	.85750	.88750	.91167	.93167	.95167	.97167	.99167
8/12	.77000	.80000	.83000	.86000	.89000	.91333	.93333	.95333	.97333	.99333
9/12	.77250	.80250	.83250	.86250	.89250	.91500	.93500	.95500	.97500	.99500
10/12	.77500	.80500	.83500	.86500	.89500	.91667	.93667	.95667	.97667	.99667
11/12	.77750	.80750	.83750	.86750	.89750	.91833	.93833	.95833	.97833	.99833

Rule of 80

For a Participant who retires on or after his attainment of age 55, if the sum of the Participant's age and his years of Credited Service exceeds 80 as of his Annuity Starting Date, the product of (i) 1% and (ii) the excess of (A) the sum of his age and his years of Credited Service, over (B) 80, will be added to early retirement factor otherwise applicable in accordance with the table set forth in this Schedule, provided, however, that the resulting factor may not exceed 100%.

SCHEDULE A 2: DEFERRED RETIREMENT FACTORS ON OR AFTER SEPTEMBER 1, 1994**Deferred Retirement Factors**

<i>Age</i>	<i>Factor</i>	<i>Age</i>	<i>Factor</i>
66	1.1049	71	1.9071
67	1.2244	72	2.1505
68	1.3608	73	2.4355
69	1.5175	74	2.7710
70	1.6980	75	3.1687

The factors set forth in the table shall be interpolated based on the Participant's age at his Annuity Starting Date, expressed in years and completed months.

SCHEDULE B: RETIREMENT PLAN RATES IN FORCE FOR PURPOSES OF ARTICLE 6.13(B)(II)(D)**BUFFALO FACILITY**

\$ 8.00 per month per year of credited service prior to 1/1/78
\$10.00 per month per year of credited service from 1/1/78 thru 11/1/80
\$11.00 per month per year of credited service from 11/2/80 thru 11/1/81
\$12.00 per month per year of credited service from 11/2/81 thru 5/3/85
\$13.00* per month per year of credited service from 5/4/85 thru 7/23/93
\$17.00* per month per year of credited service from 7/24/93

* Does not apply to Local 212

FLIGHT SYSTEMS

\$ 6.25 per month per year of credited service

TARGET ROCK

\$ 9.00 per month per year of credited service prior to 5/1/77
\$10.00 per month per year of credited service from 5/1/77 thru 4/30/81
\$11.00 per month per year of credited service from 5/1/81 thru 5/4/82
\$12.00 per month per year of credited service from 5/5/82 thru 5/6/84
\$13.00 per month per year of credited service from 5/7/84 thru 5/5/85
\$14.00 per month per year of credited service from 5/6/85 thru 5/4/86
\$15.00 per month per year of credited service from 5/5/86

CORPORATE

\$10.00 per month per year of credited service

SCHEDULE C: EARLY RETIREMENT FACTORS FOR DEFERRED VESTED EMPLOYEES WHO TERMINATED EMPLOYMENT PRIOR TO SEPTEMBER 1, 1994 AND PRIOR TO AGE 55 (CONTRIBUTORS)

Twelfths of Year	AGE	55	56	57	58	59	60	61	62	63	64
0/12		.50000	.53333	.56667	.60000	.63333	.66667	.73333	.80000	.86667	.93333
1/12		.50278	.53611	.56945	.60278	.63611	.67222	.73889	.80556	.87222	.93889
2/12		.50556	.53889	.57222	.60556	.63889	.67778	.74444	.81111	.87778	.94444
3/12		.50833	.54167	.57500	.60833	.64167	.68333	.75000	.81667	.88333	.95000
4/12		.51111	.54445	.57778	.61111	.64445	.68889	.75556	.82222	.88889	.95556
5/12		.51389	.54722	.58056	.61389	.64722	.69444	.76111	.82778	.89444	.96111
6/12		.51667	.55000	.58333	.61667	.65000	.70000	.76667	.83333	.90000	.96667
7/12		.51944	.55278	.58611	.61944	.65278	.70556	.77222	.83889	.90556	.97222
8/12		.52222	.55556	.58889	.62222	.65556	.71111	.77778	.84444	.91111	.97778
9/12		.52500	.55833	.59167	.62500	.65833	.71667	.78333	.85000	.91667	.98333
10/12		.52778	.56111	.59444	.62778	.66111	.72222	.78889	.85556	.92222	.98889
11/12		.53056	.56389	.59722	.63056	.66389	.72778	.79444	.86111	.92778	.99444

SCHEDULE D: EARLY RETIREMENT FACTORS FOR EARLY COMMENCEMENT OF DEFERRED VESTED PENSIONS

AGE of RETIRED EMPLOYEE at COMMENCEMENT of PENSION

Twelfths of Year	55	56	57	58	59	60	61	62	63	64
0/12	28.0%	35.2%	42.4%	49.6%	56.8%	64.0%	71.2%	78.4%	85.6%	92.8%
1/12	28.6	35.8	43.0	50.2	57.4	64.6	71.8	79.0	86.2	93.4
2/12	29.2	36.4	43.6	50.8	58.0	65.2	72.4	79.6	86.8	94.0
3/12	29.8	37.0	43.2	51.4	58.6	65.8	73.0	80.2	87.4	94.6
4/12	30.4	37.6	44.8	52.0	59.2	66.4	73.6	80.8	88.0	95.2
5/12	31.0	38.2	45.4	52.6	59.8	67.0	74.2	81.4	88.6	95.8
6/12	31.6	38.8	46.0	53.2	60.4	67.6	74.8	82.0	89.2	96.4
7/12	32.2	39.4	46.6	53.8	61.0	68.2	75.4	82.6	89.8	97.0
8/12	32.8	40.0	47.2	54.4	61.6	68.8	76.0	83.2	90.4	97.6
9/12	33.4	40.6	47.8	55.0	62.2	69.4	76.6	83.8	91.0	98.8
10/12	34.0	41.2	48.4	55.6	62.8	70.0	77.2	84.4	91.6	98.8
11/12	34.6	41.8	49.0	56.2	63.4	70.6	77.8	85.0	92.2	99.4

NOTE:

Factors are for non-union, non-contributors who terminated employment prior to 9/1/94 and prior to attaining age 55; factors are also applicable for union employees who terminate prior to age 55. Factors are effective as of September 1, 1965.

SCHEDULE E: JOINT AND SURVIVOR FACTORS

(Partial List of Factors)

PENSIONER		BENEFICIARY		100%	50%	75%	66%
MEN	WOMEN	MEN	WOMEN				
65	0	0	35	0.6491	0.7872	0.7115	0.7350
65	0	0	36	0.6518	0.7892	0.7139	0.7373
65	0	0	37	0.6546	0.7912	0.7164	0.7397
65	0	0	38	0.6575	0.7934	0.7191	0.7423
65	0	0	39	0.6607	0.7956	0.7219	0.7449
65	0	0	40	0.6640	0.7981	0.7249	0.7477
65	0	0	41	0.6675	0.8006	0.7280	0.7507
65	0	0	42	0.6711	0.8032	0.7312	0.7537
65	0	0	43	0.6749	0.8059	0.7347	0.7569
65	0	0	44	0.6790	0.8088	0.7382	0.7603
65	0	0	45	0.6832	0.8117	0.7419	0.7638
65	0	0	46	0.6876	0.8148	0.7458	0.7675
65	0	0	47	0.6922	0.8181	0.7499	0.7713
65	0	0	48	0.6969	0.8214	0.7541	0.7753
65	0	0	49	0.7019	0.8249	0.7585	0.7794
65	0	0	50	0.7072	0.8285	0.7630	0.7836
65	0	0	51	0.7125	0.8321	0.7677	0.7881
65	0	0	52	0.7182	0.8359	0.7726	0.7926
65	0	0	53	0.7239	0.8399	0.7776	0.7973
65	0	0	54	0.7299	0.8438	0.7828	0.8021
65	0	0	55	0.7361	0.8480	0.7881	0.8071
65	0	0	56	0.7424	0.8521	0.7935	0.8122
65	0	0	57	0.7490	0.8565	0.7991	0.8174
65	0	0	58	0.7557	0.8609	0.8048	0.8227
65	0	0	59	0.7626	0.8653	0.8107	0.8282
65	0	0	60	0.7697	0.8699	0.8167	0.8337
65	0	0	61	0.7769	0.8744	0.8227	0.8393
65	0	0	62	0.7842	0.8790	0.8289	0.8450
65	0	0	63	0.7917	0.8837	0.8352	0.8508
65	0	0	64	0.7993	0.8884	0.8415	0.8566
65	0	0	65	0.8070	0.8931	0.8479	0.8624
65	0	0	66	0.8147	0.8979	0.8543	0.8683
65	0	0	67	0.8225	0.9026	0.8607	0.8742
65	0	0	68	0.8302	0.9073	0.8671	0.8801
65	0	0	69	0.8380	0.9118	0.8734	0.8858
65	0	0	70	0.8458	0.9164	0.8797	0.8916
65	0	0	71	0.8535	0.9210	0.8859	0.8973
65	0	0	72	0.8611	0.9254	0.8920	0.9029
65	0	0	73	0.8687	0.9297	0.8982	0.9084
65	0	0	74	0.8761	0.9339	0.9041	0.9138
65	0	0	75	0.8834	0.9381	0.9099	0.9191

SCHEDULE F: EARLY RETIREMENT FACTORS (UNION EMPLOYEES)**AGE of RETIRED EMPLOYEE****TWELFTHS**

OF YEAR	55	56	57	58	59	60	61	62	63	64
0/12	58.00%	63.40%	68.80%	74.20%	79.60%	85.00%	88.00%	91.00%	94.00%	97.00%
1/12	58.45	63.85	69.25	74.65	80.05	85.25	88.25	91.25	94.25	97.25
2/12	58.90	64.30	69.70	75.10	80.50	85.50	88.50	91.50	94.50	97.50
3/12	59.35	64.75	70.15	75.55	80.95	85.75	88.75	91.75	94.75	97.75
4/12	59.80	65.20	70.60	76.00	81.40	86.00	89.00	92.00	95.00	98.00
5/12	60.25	65.65	71.05	76.45	81.85	86.25	89.25	92.25	95.25	98.25
6/12	60.70	66.10	71.50	76.90	82.30	86.50	89.50	92.50	95.50	98.50
7/12	61.15	66.55	71.95	77.35	82.75	86.75	89.75	92.75	95.75	98.75
8/12	61.60	67.00	72.40	77.80	83.20	87.00	90.00	93.00	96.00	99.00
9/12	62.05	67.45	72.85	78.25	83.65	87.25	90.25	93.25	96.25	99.25
10/12	62.50	67.90	73.30	78.70	84.10	87.50	90.50	93.50	96.50	99.50
11/12	62.95	68.35	73.75	79.15	84.55	87.75	90.75	93.75	96.75	99.75

NOTE:

Effective date of factors: September 1, 1965.

With respect to Early Retirement Pensions determined in accordance with Article 9.02(b), the factors determined in accordance with the table set forth above are subject to an increase of 2/10 of 1% (1/10 of 1% for benefits commencing prior to October 1, 1968), for each 1/10 year of credited service in excess of 20.0 years up to a maximum increase of 10% (30% prior to January 1, 2001), provided, however, that the total Early Retirement Pension shall not be an amount greater than the normal pension.

SCHEDULE G 1: WOOD-RIDGE DEFERRED PENSION RATES

The monthly amount of such deferred pension commencing at age 65 for an employee eligible therefor in accordance with paragraph 13 shall be as follows:

1. For any such employee whose loss of credited service is prior to September 30, 1962, \$2.25 multiplied by his years of credited service.
 2. For any such employee whose loss of credited service is on or after September 30, 1962 and prior to September 30, 1965, \$2.75 multiplied by his years of credited service.
 3. For any such employee whose loss of credited service is on or after September 30, 1965 and prior to September 30, 1968, \$4.25 multiplied by his years of credited service.
 4. For any such employee whose loss of credited service is on or after September 30, 1968 and prior to September 30, 1969, \$5.25 multiplied by his years of credited service.
 5. For any such employee whose loss of credited service is on or after September 30, 1969 and prior to September 30, 1970, \$5.75 multiplied by his years of credited service.
 6. For any such employee whose loss of credited service is on or after September 30, 1970 and prior to September 30, 1971, \$6.25 multiplied by his years of credited service.
 7. For any such employee whose credited service was with the Wood-Ridge or Nuclear Facilities and whose loss of credited service is on or after September 30, 1971 and prior to September 30, 1974, \$8.00 multiplied by his years of credited service.
 8. For any such employee whose credited service was with the Wood-Ridge or Nuclear Facilities and whose loss of credited service is on or after September 30, 1974 and prior to September 30, 1976, \$9.00 multiplied by his years of credited service.
 9. For any such employee whose credited service was with the Wood-Ridge or Nuclear Facilities and whose loss of credited service is on or after September 30, 1976, \$10.00 multiplied by his years of credited service.
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SCHEDULE G 2: BUFFALO DEFERRED PENSION RATES

The monthly amount of such deferred pension commencing at age 65 for an employee eligible therefor in accordance with paragraph 13 shall be as follows:

1. For any such employee whose loss of credited service is prior to September 30, 1962, \$2.25 multiplied by his years of credited service.
 2. For any such employee whose loss of credited service is on or after September 30, 1962 and prior to September 30, 1965, \$2.75 multiplied by his years of credited service.
 3. For any such employee whose loss of credited service is on or after September 30, 1965 and prior to September 30, 1968, \$4.25 multiplied by his years of credited service.
 4. For any such employee whose loss of credited service is on or after September 30, 1968 and prior to September 30, 1969, \$5.25 multiplied by his years of credited service.
 5. For any such employee whose loss of credited service is on or after September 30, 1969 and prior to September 30, 1970, \$5.75 multiplied by his years of credited service.
 6. For any such employee whose loss of credited service is on or after September 30, 1970 and prior to September 30, 1971, \$6.25 multiplied by his years of credited service.
 7. For any such employee whose credited service was with the Buffalo Facility and whose loss of credited service is either:
 - a. On or after September 30, 1971 and prior to September 30, 1973, the sum of \$6.25 multiplied by his years of credited service prior to January 1, 1972 and \$7.00 multiplied by his years of credited service on or after January 1, 1972;
 - b. On or after September 30, 1973, the sum of \$6.50 multiplied by his years of credited service prior to January 1, 1972 and \$7.00 multiplied by his years of credited service on or after January 1, 1972;
 - c. On or after September 30, 1974, the sum of \$7.00 multiplied by his years of credited service prior to January 1, 1972 and \$8.00 multiplied by his years of credited service on or after January 1, 1972;
 - d. On or after September 30, 1975, \$8.00 multiplied by his years of credited service;
 - e. On or after October 31, 1977 and prior to October 30, 1978, the sum of \$8.00 multiplied by his years of credited service prior to January 1, 1978 and \$9.00 multiplied by his years of credited service on and after January 1, 1978; or
 - f. On or after October 31, 1978 and prior to November 2, 1980, the sum of \$8.00 multiplied by his years of credited service prior to January 1, 1978 and \$10.00 multiplied by his years of credited service on and after January 1, 1978; or
 - g. On or after November 2, 1980, the sum of \$8.00 multiplied by his years of credited service prior to January 1, 1978; and
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\$10.00 multiplied by his years of credited service from January 1, 1978 through November 1, 1980; and
\$11.00 multiplied by his years of credited service from November 2, 1980 through November 1, 1981; and
\$12.00 multiplied by his years of credited service from November 2, 1981 through May 3, 1985; and
\$13.00 multiplied by his years of credited service from May 4, 1985 through July 23, 1993; and
\$17.00 multiplied by his years of credited service on and after July 24, 1993.

SCHEDULE G 3: CURTISS-WRIGHT FLIGHT SYSTEMS DEFERRED PENSION RATES

The monthly amount of such deferred pension commencing at age 65 for an employee eligible therefor in accordance with paragraph 14 shall be as follows:

1. For any such employee whose loss of credited service is prior to September 30, 1962, \$2.25 multiplied by his years of credited service.
 2. For any such employee whose loss of credited service is on or after September 30, 1962 and prior to September 30, 1965, \$2.75 multiplied by his years of credited service.
 3. For any such employee whose loss of credited service is on or after September 30, 1965 and prior to September 30, 1968, \$4.25 multiplied by his years of credited service.
 4. For any such employee whose loss of credited service is on or after September 30, 1968 and prior to September 30, 1969, \$5.25 multiplied by his years of credited service.
 5. For any such employee whose loss of credited service is on or after September 30, 1969 and prior to September 30, 1970, \$5.75 multiplied by his years of credited service.
 6. For any such employee whose loss of credited service is on or after September 30, 1970 and prior to September 30, 1971, \$6.25 multiplied by his years of credited service.
 7. For any such employee whose loss of credited service is on or after September 30, 1971, \$6.25 multiplied by his years of credited service.
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SCHEDULE G 4: TARGET ROCK CORPORATION DEFERRED PENSION RATES

The monthly amount of such deferred pension commencing at age 65 for an employee eligible therefor in accordance with paragraph 14 shall be as follows:

1. For any such employee whose loss of credited service is on or after June 1, 1967 and prior to September 30, 1968, \$4.25 multiplied by his years of credited service.
 2. For any such employee whose loss of credited service is on or after September 30, 1968 and prior to September 30, 1969, \$5.25 multiplied by his years of credited service.
 3. For any such employee whose loss of credited service is on or after September 30, 1969 and prior to September 30, 1970, \$5.25 multiplied by his years of credited service.
 4. For any such employee whose loss of credited service is on or after September 30, 1970 and prior to September 30, 1971, \$6.25 multiplied by his years of credited service.
 5. For any such employee whose credited service was at the Target Rock Corporation and whose loss of credited service is on or after September 30, 1971, and prior to June 1, 1975, \$8.00 multiplied by his years of credited service.
 6. For any such employee whose credited service was at the Target Rock Corporation and whose loss of credited service is on or after June 1, 1975, and prior to May 1, 1977, \$9.00 multiplied by his years of credited service.
 7. For any such employee whose credited service was with Target Rock Corporation and whose loss of credited service is on or after May 1, 1977, the sum of:
 - \$9.00 multiplied by his years of credited service prior to May 1, 1977;
 - \$10.00 multiplied by his years of credited service from May 1, 1977 to May 1, 1981;
 - \$11.00 multiplied by his years of credited service from May 1, 1981 to May 1, 1982;
 - \$12.00 multiplied by his years of credited service from May 1, 1982 to May 1, 1984;
 - \$13.00 multiplied by his years of credited service from May 1, 1984 to May 1, 1985;
 - \$14.00 multiplied by his years of credited service from May 1, 1985 to May 1, 1986;
 - \$15.00 multiplied by his years of credited service from May 1, 1986 to July 31, 1994, but August 1, 1997, if he elected to participate in the Curtiss-Wright Corporation Savings and Investment Plan;
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\$17.00 multiplied by his years of credited service from May 1, 1986 to July 31, 1994, if he elected to participate in the Curtiss-Wright Savings and Investment Plan;

\$19.00 multiplied by his years of credited service from August 1, 1997 to August 1, 1998;

\$21.00 multiplied by his years of credited service from August 1, 1998 to January 1, 2001;

\$23.00 multiplied by his years of credited service from January 1, 2001 to January 1, 2002;

\$25.00 multiplied by his years of credited service from January 1, 2002 to January 1, 2003;

\$28.00 multiplied by his years of credited service on or after January 1, 2003.

\$30.00 multiplied by his years of credited service on or after January 1, 2004.

\$32.00 multiplied by his years of credited service on or after January 1, 2005.

\$34.00 multiplied by his years of credited service on or after January 1, 2006.

\$36.00 multiplied by his years of credited service on or after January 1, 2007.

\$38.00 multiplied by his years of credited service on or after January 1, 2008.

\$41.00 multiplied by his years of credited service on or after January 1, 2009.

SCHEDULE H: CERTAIN BUFFALO EMPLOYEES

Buffalo employees:

Bronzino, P. -	\$ 1,657.92
Fennell, J. -	\$ 3,021.00
Knox, D. -	\$ 31,811.00
Niemczycki, J. -	\$ 2,332.00
Osborn, D. -	\$ 9,167.00
Sorrentino, W. -	\$ 8,552.50

SCHEDULE I 1: SPECIAL FACTORS FOR ADDITIONAL BENEFITS REFERENCED IN ARTICLE 6.01(C)

(A)

	(c)(i)(A)	(c)(i)(B)	(c)(ii)(A)	(c)(ii)(B)	(c)(iii)(A)	(c)(iii)(B)	(c)(iii)(C)	(c)(iii)(D)
Permanent Number	Factor for 8/31/94 Er Indexed Accd for Svc up to 1/1/98	Factor for 8/31/94 Er Indexed Accd for Svc after 1/1/98	Factor for 1.0/1.5% of Avg Comp for Svc from 9/94 to 1/98	Factor for 1.0/1.5% of Avg Comp for Svc after 1/98	Factor applied to 12/31/97 Cash Balance	Factor for 1998 Cash Balance Accrual	Factor for 1999 Cash Balance Accrual	Factor for 2000 Cash Balance Accrual
47348	1.357712	0.223278	2.587989	4.318460	3.103844	3.409738	3.363556	3.252659
60016	0.626981	0.112032	1.641705	2.470229	1.926663	2.050663	2.090425	1.946812
29333	0.380750	0.065781	0.501072	0.930190	0.626109	0.691344	0.716675	0.640006
14745	0.350470	0.135912	0.423607	1.062577	0.524888	0.750000	0.772500	0.689835
308919	0.245972	0.069797	0.361295	0.686298	0.444945	0.521300	0.543344	0.471612
82763	0.315606	0.031211	0.332274	0.595356	0.442195	0.449700	0.473444	0.409565
192	0.178074	0.056171	0.284825	0.715141	0.340802	0.476231	0.497506	0.429841
9335	0.292616	0.056058	0.288145	0.682871	0.389166	0.447413	0.467606	0.400671

(B)

	(c)(iv)	(c)(iv)
Permanent Number	Additional Annual Benefit	Additional Cash Balance
29413	10,806.74	12,082.39
25873	2,771.29	1,076.75

SCHEDULE I 2: SPECIAL FACTORS FOR BENEFITS REFERENCED IN ARTICLE 6.01(D)

Social Security Number	(d)(i)(A)	(d)(i)(B)	(d)(ii)(A)	(d)(ii)(B)
	Factor for 08/31/94 E'er Indexed Accd for Service up to 12/31/00	Factor for 08/31/94 E'er Indexed Accd for Service from 01/01/01 to 12/31/03	Factor for 1.0%/1.5% of Avg. Comp for Service from 09/01/94 to 12/31/00	Factor for 1.0%/1.5% of Avg. Comp for Service from 01/01/01 to 12/31/03
	0.048891	0.049845	0.076206	1.752618
	0.000000	0.000000	0.000000	0.000000
	0.012630	0.021939	0.059431	0.257717
	0.170235	0.107242	0.122444	0.925566
	0.000000	0.000000	0.000000	0.000000
	0.062936	0.046692	0.101374	0.643049
	0.362002	0.186156	0.403422	3.393319
	0.000000	0.000000	0.000000	0.000000
	0.000000	0.000000	0.000000	0.000000
	0.146986	0.068106	0.122234	1.071600
	0.054142	0.092608	0.060373	0.451201
	0.111586	0.072341	0.104032	0.616748
	0.000000	0.000000	0.000000	0.000000
	0.000000	0.000000	0.000000	0.000000
	0.000000	0.000000	0.000000	0.000000
	0.007044	0.005076	0.006200	0.049163
	0.000000	0.000000	0.000000	0.000000
	0.000000	0.000000	0.000000	0.000000
Social Security Number	(d)(iii)(A)	(d)(iii)(B)	(d)(iii)(C)	(d)(iii)(D)
	Factor Applied to 12/31/2000 Cash Balance	Factor for 2001 Cash Balance Accrual	Factor for 2002 Cash Balance Accrual	Factor for 2003 Cash Balance Accrual
	0.055334	1.887089	1.887089	1.887089
	0.005584	0.000000	0.000000	0.000000
	0.000000	0.458479	0.458479	0.458479
	0.127453	0.416260	0.416260	0.416260
	0.011480	0.000000	0.000000	0.000000
	0.026110	0.729383	0.729383	0.729383
	0.261257	1.853613	1.853613	1.853613
	0.013852	0.000000	0.000000	0.000000
	0.036266	0.000000	0.000000	0.000000
	0.083023	0.945458	0.945458	0.945458
	0.070526	0.198974	0.198974	0.198974
	0.064930	0.604064	0.604064	0.604064
	0.034994	0.000000	0.000000	0.000000
	0.001974	0.000000	0.000000	0.000000
	0.009752	0.000000	0.000000	0.000000
	0.034705	0.021556	0.021556	0.021556
	0.036143	0.000000	0.000000	0.000000
	0.073154	0.000000	0.000000	0.000000

SCHEDULE I 3: SPECIAL FACTORS FOR BENEFITS REFERENCED IN ARTICLE 6.01(E)

Part (A)

<i>paragraph:</i>	(e)(i)(A)	(e)(i)(B)	(e)(ii)(A)	(e)(ii)(B)	(e)(iii)(A)	(e)(iii)(B)	(e)(iii)(C)	(e)(iii)(D)
Social Security Number	Factor for 08/31/94 Company Indexed Accrued Benefit for Service up to 12/31/03	Factor for 08/31/94 Company Indexed Accrued Benefit for Service from 01/01/04 to 12/31/06	Factor for 1.0%/1.5% of Average Compensation for Service from 09/01/94 to 12/31/03	Factor for 1.0%/1.5% of Average Compensation for Service from 01/01/04 to 12/31/06	Factor applied to 12/31/2003 Cash Balance	Factor for 2004 Cash Balance Accrual	Factor for 2005 Cash Balance Accrual	Factor for 2006 Cash Balance Accrual
	0.000030	—	0.000079	0.000016	0.017028	—	—	—
	—	—	0.178703	0.620694	0.049070	0.260574	0.260574	0.260574
	0.094728	0.055325	0.286785	0.760659	0.050949	0.260680	0.260680	0.260680
	—	—	0.153698	0.381550	0.206495	0.342341	0.342341	0.342341
	—	—	0.007199	—	0.011785	—	—	—
	0.084505	0.051585	0.047504	1.790416	0.070325	1.017055	1.017055	1.017055
	0.549688	0.194709	0.286090	10.426374	0.322283	4.367650	4.367650	4.367650
	—	—	0.162945	0.328535	0.106133	0.254545	0.254545	0.254545
	0.035114	0.021058	0.105525	0.275651	0.037198	0.096600	0.096600	0.096600
	—	—	0.425593	0.873242	0.452687	0.678602	0.678602	0.678602
	0.010605	0.003032	0.039669	0.054321	0.005594	0.017949	0.017949	0.017949
	—	—	0.043743	0.130618	0.023690	0.071002	0.071002	0.071002
	0.316965	0.190944	0.173763	5.314433	0.141206	2.284521	2.284521	2.284521
	—	—	0.477976	0.983501	0.387945	0.618129	0.618129	0.618129
	—	—	0.068096	0.204227	0.025206	0.093914	0.093914	0.093914
	0.030182	0.018106	0.112444	0.290023	0.014176	0.097387	0.097387	0.097387
	—	—	0.104742	0.316091	0.068122	0.149460	0.149460	0.149460
	—	—	0.124994	0.336665	0.150871	0.289662	0.289662	0.289662
	—	—	0.060648	0.007328	0.075764	—	—	—
	—	—	0.139515	0.433914	0.069886	0.196813	0.196813	0.196813
	—	—	0.235634	0.736120	0.148019	0.448895	0.448895	0.448895

Part (B)

<i>paragraph:</i>	(e)(iv)	(e)(iv)	
Social Security Number	Additional Annual Benefit	Additional Cash Balance	
		Amount	Allocation Date
	4,710.46	4,480.10	8/9/04
	13,128.20	18,906.28	1/23/05

SCHEDULE I 4: SPECIAL FACTORS FOR BENEFITS REFERENCED IN ARTICLE 6.01(F)

<i>paragraph:</i>	(f)(i)(A)	(f)(i)(B)	(f)(ii)(A)	(f)(ii)(B)	(f)(iii)(A)	(f)(iii)(B)	(f)(iii)(C)	(f)(iii)(D)
ID (Last 4 SSN/DOB)	Factor for 08/31/94 Company Indexed Accrued Benefit for Service up to 12/31/06	Factor for 08/31/94 Company Indexed Accrued Benefit for Service from 01/01/07 to 12/31/09	Factor for 1.0%/1.5% of Average Compensation for Service from 09/01/94 to 12/31/06	Factor for 1.0%/1.5% of Average Compensation for Service from 01/01/07 to 12/31/09	Factor applied to 12/31/2006 Cash Balance	Factor for 2007 Cash Balance Accrual	Factor for 2008 Cash Balance Accrual	Factor for 2009 Cash Balance Accrual
—	—	—	0.395743	0.793124	0.191128	0.375262	.0375262	.0375262
—	—	—	0.134417	0.277931	0.061169	0.134380	0.134380	0.134380
—	—	—	0.143437	0.580895	0.057516	0.300007	0.300007	0.300007
—	—	—	0.266972	0.031008	0.070937	0.168199	0.168199	0.168199
—	—	—	0.016481	0.006368	0.007943	—	—	—
0.196065	0.060401	—	0.591087	0.872204	0.052016	0.247898	0.247898	0.247898
—	—	—	0.301441	0.525847	0.062003	0.192332	0.192332	0.192332
—	—	—	0.803788	0.142452	0.370361	0.442327	0.442327	0.442327
—	—	—	0.276280	0.711843	0.152902	0.381865	0.381865	0.381865
—	—	—	0.393526	5.111894	0.329333	2.211309	2.211309	2.211309
—	—	—	0.134156	—	0.135336	—	—	—
—	—	—	0.211821	0.707844	0.098530	0.348205	0.348205	0.348205
—	—	—	0.521140	—	0.341954	—	—	—
—	—	—	0.392552	—	0.036952	—	—	—
—	—	—	0.268499	0.926240	0.092147	0.392675	0.392675	0.392675
—	—	—	0.033110	0.005650	0.028019	—	—	—
—	—	—	0.050044	0.113856	0.096659	0.101539	0.101539	0.101539
—	—	—	0.116809	0.926363	0.107997	0.505838	0.505838	0.505838
—	—	—	0.546902	0.248918	0.324974	0.262915	0.262915	0.262915
—	—	—	0.021493	0.039890	0.017500	0.026598	0.026598	0.026598
—	—	—	0.107633	0.083898	0.049470	0.038994	0.038994	0.038994
—	—	—	1.131459	0.365078	0.998500	0.683310	0.683310	0.683310
—	—	—	0.008776	—	0.004066	—	—	—
0.106181	0.030599	—	0.141580	1.006776	0.041565	0.441330	0.441330	0.441330
—	—	—	0.117013	0.237729	0.056847	0.107172	0.107172	0.107172
0.103103	0.044602	—	0.442136	0.757476	0.042350	0.213976	0.213976	0.213976
—	—	—	0.409198	0.776448	0.190114	0.361569	0.361569	0.361569
—	—	—	0.289838	1.952508	0.123348	0.783949	0.783949	0.783949
0.235065	0.092114	—	0.552175	2.459187	0.084426	0.709291	0.709291	0.709291
—	—	—	0.567674	0.981303	0.169146	0.433871	0.433871	0.433871
—	—	—	0.013497	0.009652	0.024154	0.008784	0.008784	0.008784

<i>paragraph:</i>	(f)(i)(A)	(f)(i)(B)	(f)(ii)(A)	(f)(ii)(B)	(f)(iii)(A)	(f)(iii)(B)	(f)(iii)(C)	(f)(iii)(D)
ID (Last 4 SSN/DOB)	Factor for 08/31/94 Company Indexed Accrued Benefit for Service up to 12/31/06	Factor for 08/31/94 Company Indexed Accrued Benefit for Service from 01/01/07 to 12/31/09	Factor for 1.0%/1.5% of Average Compensation for Service from 09/01/94 to 12/31/06	Factor for 1.0%/1.5% of Average Compensation for Service from 01/01/07 to 12/31/09	Factor applied to 12/31/2006 Cash Balance	Factor for 2007 Cash Balance Accrual	Factor for 2008 Cash Balance Accrual	Factor for 2009 Cash Balance Accrual
—	—	—	0.846638	0.846852	0.581817	0.684875	0.684875	0.684875
—	—	—	0.086509	1.081857	0.035607	0.439498	0.439498	0.439498
—	—	—	0.365826	0.240766	0.317202	0.281319	0.281319	0.281319
—	—	—	0.047663	0.092362	0.051944	0.076623	0.076623	0.076623
—	—	—	0.417544	0.951402	0.568307	0.873429	0.873429	0.873429
—	—	—	0.077896	0.961865	0.083130	0.593592	0.593592	0.593592
—	—	—	0.123970	—	0.108089	—	—	—
—	0.352079	0.081123	1.342181	2.229071	0.153487	0.654119	0.654119	0.654119
—	0.151955	0.060147	0.534826	0.982022	0.040162	0.267969	0.267969	0.267969
—	—	—	0.636896	1.136248	0.140655	0.411685	0.411685	0.411685
—	—	—	0.600043	0.913678	0.474784	0.663998	0.663998	0.663998
—	—	—	0.526994	0.621291	0.454438	0.502114	0.502114	0.502114
—	—	—	0.048776	0.009953	0.017850	—	—	—
—	—	—	0.043772	0.099318	0.091797	0.083633	0.083633	0.083633
—	—	—	0.107534	0.263760	0.023241	0.098786	0.098786	0.098786
—	—	—	0.231361	0.981171	0.070808	0.379007	0.379007	0.379007
—	—	—	0.218108	0.321028	0.185860	0.219693	0.219693	0.219693
—	—	—	0.208721	0.493638	0.049417	0.183390	0.183390	0.183390
—	—	—	0.003290	0.000324	0.001405	—	—	—
—	—	—	0.138953	0.439812	0.066331	0.220391	0.220391	0.220391
—	0.161407	—	0.085203	—	0.151077	—	—	—
—	—	—	0.097845	0.890468	0.056880	0.555118	0.555118	0.555118

SCHEDULE J: SPECIAL PROVISIONS APPLICABLE TO EMPLOYEES OF ACQUIRED ENTITIES

The provisions of this Schedule J shall apply to Employees who were formerly employed by entities that were acquired by the Company or an Affiliated Company and, to the extent specified, to Employees who are employed at such operations or facilities subsequent to the acquisition thereof.

Prior to January 1, 2005 the term "Entry Date" as used herein, shall mean the first day of every January, April, July and October. After January 1, 2005 employees enter the Plan following completion of one Year of Service in accordance with Article 2.01.

1. Aviall, Inc.

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on May 21, 1996 whose immediate prior service was with the Aviall, Inc. and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from May 21, 1996.

2. Alpha Heat Treaters Division of Alpha-Beta Industries, Inc.

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on April 30, 1998 whose immediate prior service was with the Alpha Heat Treaters Division of Alpha-Beta Industries, Inc. and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
 - (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
 - (c) For purposes of determining Credited Service, he shall have Credited Service computed from April 30, 1998.
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3. Servus

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on August 1, 1998 whose immediate prior service was with Servus and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from August 1, 1998.

4. Enertech

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on August 1, 1998 whose immediate prior service was with Enertech and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from August 1, 1998.

5. Metallurgical Processing, Inc.

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on July 1, 1999 whose immediate prior service was with Metallurgical Processing, Inc. and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
 - (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
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- (c) For purposes of determining Credited Service, he shall have Credited Service computed from July 1, 1999.

6. Teledyne Fluid Systems - Farris/Sprague

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on August 28, 1999 whose immediate prior service was with Teledyne Fluid Systems and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from August 28, 1999.

7. EF Quality Heat Treating

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on December 14, 2000 whose immediate prior service was with EF Quality Heat Treating and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from December 14, 2000.

8. Lau Defense Systems and Vista Controls

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on November 1, 2001 whose immediate prior service was with Lau Defense Systems or Vista Controls and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
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- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from November 1, 2001.

9. Ironbound Heat Treating Company

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on November 5, 2001 whose immediate prior service was with Ironbound Heat Treating Company and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from November 5, 2001.

10. Peerless Instrument Company

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on November 8, 2001 whose immediate prior service was with Peerless Instrument Company and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from November 8, 2001.

11. Deltavalve USA, L.L.C.

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on December 12, 2001 whose immediate prior service was with Deltavalve USA, L.L.C. and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior
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service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).

- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from December 12, 2001.

12. Bodycote Thermal Processing

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on December 19, 2001 whose immediate prior service was with Bodycote Thermal Processing and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from December 19, 2001.

13. Penny & Giles Controls, Inc.

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on April 1, 2002 whose immediate prior service was with Penny & Giles Controls, Inc. and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b) (i) and (ii).
- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from April 1, 2002.

14. Autronics Corp.

Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on April 1, 2002 whose immediate prior service was with Autronics Corp. and who was employed by such entity at such date:

- (a) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii).
- (b) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (c) For purposes of determining Credited Service, he shall have Credited Service computed from April 1, 2002.

15. Curtiss-Wright Electro-Mechanical Corp.

Notwithstanding any provision hereof to the contrary, no Employee who is employed by Curtiss-Wright Electro-Mechanical Corp., or any subsidiary or division thereof shall be eligible to become a Participant in this Plan.

16. TAPCO

- (a) Notwithstanding any provision hereof to the contrary, no Employee who is employed by TAPCO International, Inc., or any subsidiary or division thereof shall be eligible to become a Participant in this Plan prior to November 1, 2004.
- (b) Effective as of October 1, 2004, an Employee at the operations and facilities acquired by the Company in its acquisition of TAPCO shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

17. Collins Technologies

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on March 1, 2003 whose immediate prior service was with Collins Technologies and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
 - (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Collins Technologies, who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not
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accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

18. Advanced Materials Process Corp.

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on March 12, 2003 whose immediate prior service was with Advanced Materials Process Corp. and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii).
 - (ii) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Advanced Materials Process Corp., who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b).

19. E/M Coatings

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on April 2, 2003 whose immediate prior service was with E/M Coatings and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
 - (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of E/M Coatings, who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
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20. Peritek Corp.

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on August 1, 2003 whose immediate prior service was with Peritek Corp. and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Peritek Corp., who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

21. Systran Corp.

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on December 1, 2003 whose immediate prior service was with Systran Corp. and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) Such an Employee shall be 100% vested in his benefit as determined in accordance with Article 4.
 - (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Systran Corp., who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
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22. Collins, Long Island (formerly referred to as Novatronics, Inc.)

- (a) Notwithstanding any provision hereof to the contrary, no Employee who is employed at operations or facilities acquired by the Company in its acquisition of Novatronics, Inc. shall be eligible to become a Participant in this Plan prior to September 1, 2005.
- (b) Effective as of September 1, 2005, an Employee at the operations and facilities acquired by the Company in its acquisition of Novatronics, Inc. shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.02. In computing the benefits accrued under Article 4.02, only Compensation earned on and after September 1, 2005 shall be counted.
- (c) For purposes of determining an Employee's Vesting Years of Service, the Employee's period of prior service with Novatronics, Inc. rendered prior to the date of acquisition shall be included. In computing such prior service, an Employee who is credited with at least one Hour of Service prior to July 1 of a calendar year shall receive one full Vesting Year of Service for that calendar year; otherwise no credit shall be credited for that calendar year.

23. DY4 Systems, Inc.

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on January 31, 2004 whose immediate prior service was with DY4 Systems, Inc. and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
 - (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of DY4 Systems, Inc., who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
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24. Everlube Products

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on April 2, 2004 whose immediate prior service was with Everlube Products and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Everlube Products, who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

25. IMES Engineering, Inc.

- (a) Notwithstanding any provision hereof to the contrary, no Employee who is employed at any operations or facilities acquired by the Company in its acquisition of IMES Engineering, Inc. shall be eligible to become a Participant in this Plan.
 - (b) Effective January 1, 2009, any Employee who is employed at any operations or facilities acquired by the Company in its acquisition of IMES Engineering, Inc. shall be eligible to participate in the Cash Balance Account as described in Article 4.
 - (c) For purposes of determining Vesting Years of Service, vesting service shall commence with his or her most recent date of hire with IMES Engineering, Inc. immediately prior to its acquisition by Curtiss-Wright Corporation shall be included.
 - (d) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of IMES Engineering, Inc., who is not an Employee of IMES Engineering, Inc. on January 1, 2009 shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
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26. Nova Machine Products Corp.

Notwithstanding any provision hereof to the contrary, no Employee who is employed at any operations or facilities acquired by the Company in its acquisition of Nova Machine Products Corp. shall be eligible to become a Participant in this Plan.

Effective January 1, 2008, Nova Machine Products Corp. employees will be eligible to participate in the Cash Balance Account as described in Article 4.

27. Trentec, Inc.

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on May 24, 2004 whose immediate prior service was with Trentec, Inc. and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Trentec, Inc., who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Section 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

28. Primagraphics

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on May 28, 2004 whose immediate prior service was with Primagraphics and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, his period of such prior service shall be included.
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- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Primagraphics, who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

29. IMC Magnetics Corporation

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee whose immediate prior service was with IMC Magnetics Corporation and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, his or her period of such prior service determined from his or latest date of hire with IMC prior to its acquisition by Curtiss-Wright Corporation shall be included.
- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of IMC Magnetics Corporation, who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

30. Scientech LLC.

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on May 9, 2007, whose immediate prior service was with Scientech LLC and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, his or her period of such prior service determined from his or latest date of hire with Scientech LLC prior to its acquisition by Curtiss-Wright Corporation shall be included.
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- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Scientech LLC, who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

31. Valve Systems and Controls

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on June 1, 2007, whose immediate prior service was with Valve Systems and Controls and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, his or her period of such prior service determined from his or latest date of hire with Valve Systems and Controls prior to its acquisition by Curtiss-Wright Corporation shall be included.
- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Valve Systems and Controls, who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

32. Parylene Coating Services, Inc. (PCS)

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on September 3, 2008, whose immediate prior service was with Parylene Coating Services, Inc. (PCS) and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, vesting service shall commence with his or her most recent date of hire with Parylene
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Coating Services, Inc. (PCS) prior to its acquisition by Curtiss-Wright Corporation shall be included.

- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Parylene Coating Services, Inc. (PCS), who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

33. V-Metro

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on October 15, 2008, whose immediate prior service was with V-Metro and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of January 1, 2009, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, vesting service shall commence with his or her most recent date of hire with V-Metro prior to its acquisition by Curtiss-Wright Corporation shall be included.
- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of V-Metro, who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

34. Nu-Torque

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on January 16, 2009 whose immediate prior service was with Nu-Torque and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, vesting service shall commence with his or her most recent date of hire with Nu-Torque immediately prior to its acquisition by Curtiss-Wright Corporation.
 - (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Nu-Torque,
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who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.”

35. EST Group

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on March 6, 2009 whose immediate prior service was with EST Group and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of July 1, 2009, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, vesting service shall commence with his or her most recent date of hire with EST Group immediately prior to its acquisition by Curtiss-Wright Corporation.
- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of EST Group, who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

36. Northeast Technology Corporation (NETCO)

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on May 15, 2009 whose immediate prior service was with Northeast Technology Corporation (NETCO) and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, vesting service shall commence with his or her most recent date of hire with Northeast Technology Corporation (NETCO) immediately prior to its acquisition by Curtiss-Wright Corporation.
 - (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Northeast Technology Corporation (NETCO), who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article
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2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

37. Modumend, Inc.

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on June 19, 2009 whose immediate prior service was with Modumend, Inc. and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan following the date he or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include such prior service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, vesting service shall commence with his or her most recent date of hire with Modumend, Inc. immediately prior to its acquisition by Curtiss-Wright Corporation.
- (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Modumend, Inc., who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.

38. Hybricon Corporation

- (a) Notwithstanding any provision in this Plan to the contrary, the following rules shall apply to an Employee hired on June 1, 2010 whose immediate prior service was with Hybricon Corporation and who was employed by such entity at such date:
 - (i) Such an Employee shall be eligible to participate in the Plan as of October 1, 2010, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Article 2.01(b)(i) and (ii), provided, however, that such an Employee shall not accrue any benefits under the Plan, except for benefits determined in accordance with Article 4.
 - (ii) For purposes of determining Vesting Years of Service, vesting service shall commence with his or her most recent date of hire with Hybricon Corporation immediately prior to its acquisition by Curtiss-Wright Corporation.
 - (b) Notwithstanding any provision in this Plan to the contrary, an Employee at the operations and facilities acquired by the Company in its acquisition of Hybricon Corporation, who is not an Employee described in paragraph (a), shall be eligible to become a Participant in accordance with Article 2.01(b), but shall not accrue
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any benefits under the Plan, except for benefits determined in accordance with Article 4.

SCHEDULE K 1: SPECIAL PROVISIONS FOR SUPPLEMENTAL CREDITS FOR PARTICIPANTS AFFECTED BY CERTAIN REDUCTIONS IN FORCE**1. Target Rock Operations - August 1, 2000 through August 15, 2000**

For each Participant employed at the Company's Target Rock operations and whose employment with the Company is terminated between August 1, 2000 and August 15, 2000, in connection with or as a result of a reduction in force at the Target Rock operations, a supplemental credit shall be added to his Escalating Annuity Benefit. The amount of such supplemental credits shall be determined as follows: an amount equal to the product of (i) $4/75$, (ii) his number of years of Service, and (iii) his weekly base rate of pay, provided, however, that the number of years of Service taken into account for this purpose shall not be less than 4 years and shall not be greater than 24 years.

2. Company-wide Operations - August 24, 2001 through November 17, 2001

For each Participant whose employment with the Company is terminated between August 24, 2001 and November 17, 2001, in connection with or as a result of the Company's reduction in force program, a supplemental credit shall be added to his Escalating Annuity Benefit. The amount of such supplemental credits, shall be determined as follows: an amount equal to the product of (i) $8/75$, (ii) his number of years of Service, and (iii) his weekly base rate of pay, provided, however, that the number of years of Service taken into account for this purpose shall not be less than 4 years and shall not be greater than 24 years for a Participant who is a salaried or exempt employee and shall not be greater than 8 years for a Participant who is a nonexempt employee.

3. Corporate Headquarters, Farris, Gastonia, Shelby, Flight Systems – Miami, and Metal Improvement - Carlstadt: February 1, 2002 through March 29, 2002

For each Participant whose employment with the Company is terminated between February 1, 2002 and March 29, 2002, in connection with or as a result of the Company's reduction in force program at the Corporate headquarters, and at Farris, Gastonia, Flight Systems – Miami, and Metal Improvement – Carlstadt operations, a supplemental credit shall be added to his Escalating Annuity Benefit. The amount of such supplemental credits, shall be determined as follows: an amount equal to the product of (i) $8/75$, (ii) his number of years of Service, and (iii) his weekly base rate of pay, provided, however, that the number of years of Service taken into account for this purpose shall not be less than 4 years and shall not be greater than 24 years for a Participant who is a salaried or exempt employee and shall not be greater than 8 years for a Participant who is a nonexempt employee.

4. Flight Systems – Shelby, Flight Systems – Lau/Vista, Flow Control – Target Rock, Metal Improvement, and Corporate Headquarters: August 29, 2002 through October 31, 2002

For each Participant whose employment with the Company is terminated between August 29, 2002 and October 31, 2002, in connection with or as a result of the Company's reduction in force program at the Flight Systems – Shelby, Flight Systems – Lau/Vista, Flow Control – Target Rock, and Metal Improvement operations and at the Corporate headquarters, a supplemental credit shall be added to his Escalating Annuity Benefit. The amount of such supplemental credits, shall be determined as follows: an amount equal to the product of (i) $8/75$, (ii) his number of years of Service, and (iii) his weekly base rate of pay, provided, however, that the number of years of Service taken into account for this purpose shall not be less than 4 years

and shall not be greater than 24 years for a Participant who is a salaried or exempt employee and shall not be greater than 8 years for a Participant who is a nonexempt employee.

5. Metal Improvement: June 6, 2003 through June 30, 2003

For each Participant whose employment with the Company is terminated between June 6, 2003 and June 30, 2003, in connection with or as a result of the Company's reduction in force program at the Metal Improvement operations, a supplemental credit shall be added to his Escalating Annuity Benefit. The amount of such supplemental credits, shall be determined as follows: an amount equal to the product of (i) 8/75, (ii) his number of years of Service, and (iii) his weekly base rate of pay, provided, however, that the number of years of Service taken into account for this purpose shall not be less than 4 years and shall not be greater than 24 years for a Participant who is a salaried or exempt employee and shall not be greater than 8 years for a Participant who is a nonexempt employee.

6. Controls – Pine Brook, NJ and Commercial Technologies: March 10, 2004 through April 9, 2004

For each Participant whose employment with the Company is terminated between March 10, 2004 and April 9, 2004, in connection with or as a result of the closure of the Controls – Pine Brook, NJ operations or the sale of the Commercial Technologies business unit, a supplemental credit shall be added to his Escalating Annuity Benefit. The amount of such supplemental credits, shall be determined as follows: an amount equal to the product of (i) 8/75, (ii) his number of years of Service, and (iii) his weekly base rate of pay, provided, however, that the number of years of Service taken into account for this purpose shall not be less than 4 years and shall not be greater than 24 years for a Participant who is a salaried or exempt employee and shall not be greater than 8 years for a Participant who is a nonexempt employee.

7. Controls -- Synergy, San Diego, CA Business Unit: February 1, 2005 through April 15, 2005

For each Participant whose employment with the Company is terminated between February 1, 2005 and April 15, 2005, in connection with or as a result of the reduction in force at the Controls – Synergy, San Diego, CA business unit, a supplemental credit shall be added to his Escalating Annuity Benefit. The amount of such supplemental credit shall be determined as follows: an amount equal to the product of (i) 8/75, (ii) the greater of (A) four or (B) his number of years of Service, and (iii) his weekly base rate of pay, provided, however, that for a Participant who is a nonexempt employee, the number taken into account for purposes of item (ii) shall not be less than the sum of (A) two, plus (B) his number of years of Service.

8. Controls Embedded Computing San Diego and Santa Clarita CA and Littleton MA Business Units, and Controls Integrated Sensing, Long Beach CA Business Unit: January 12, 2006 through February 10, 2006

For each Participant whose employment with the Company is terminated between January 12, 2006 and February 10, 2006, in connection with or as a result of the Company's reduction in force program at the Controls Embedded Computing, San Diego and Santa Clarita CA, and Littleton MA business units, and Controls Integrated Sensing, Long Beach CA business unit, a supplemental credit shall be added to his Escalating Annuity Benefit. The amount of such supplemental credit shall be determined as follows: an amount equal to the product of (i) 4/75, (ii) his number of years of Service, and (iii) his weekly base rate of pay, provided, however, that the number of years of Service taken into account for this purpose shall not be less than 2 years

and shall not be greater than 24 years for a Participant who is a salaried or exempt employee and shall not be greater than 6 years for a Participant who is a nonexempt employee.

9. Controls Embedded Computing San Diego and Santa Clarita CA and Littleton MA Business Units, and Controls Integrated Sensing, Long Beach CA Business Unit: April 25, 2006 through June 10, 2006

For each Participant whose employment with the Company is terminated between April 25, 2006 and June 10, 2006, in connection with or as a result of the Company's reduction in force program at the Controls Embedded Computing, San Diego and Santa Clarita CA, Dayton, OH, Leesburg, VA and Littleton MA business units a supplemental credit shall be added to his Escalating Annuity Benefit. The amount of such supplemental credit shall be determined as follows: an amount equal to the product of (i) 4/75, (ii) his number of years of Service, and (iii) his weekly base rate of pay, provided, however, that the number of years of Service taken into account for this purpose shall not be less than 2 years and shall not be greater than 24 years for a Participant who is a salaried or exempt employee and shall not be greater than 6 years for a Participant who is a nonexempt employee.

SCHEDULE K 2: SPECIAL VESTING PROVISIONS FOR PARTICIPANTS AFFECTED BY CERTAIN REDUCTIONS IN FORCE**1. Target Rock Operations - August 1, 2000 through August 15, 2000**

Notwithstanding any provision hereof to the contrary, a Participant whose employment with the Company is terminated between August 1, 2000 and August 15, 2000, in connection with or as a result of a reduction in force at the Target Rock operations shall be 100% vested in his Normal Retirement Benefit and his Escalating Annuity Benefit.

2. Company-wide Operations - August 24, 2001 through November 17, 2001

Notwithstanding any provision hereof to the contrary, a Participant whose employment with the Company is terminated between August 24, 2001 and November 17, 2001, in connection with or as a result of the Company's reduction in force program shall be 100% vested in his Normal Retirement Benefit and his Escalating Annuity Benefit.

3. Corporate Headquarters, Farris, Gastonia, Shelby, Flight Systems – Miami, and Metal Improvement - Carlstadt: February 1, 2002 through March 29, 2002

Notwithstanding any provision hereof to the contrary, a Participant whose employment with the Company is terminated between February 1, 2002 and March 29, 2002, in connection with or as a result of the Company's reduction in force program at Corporate headquarters, and at the Farris, Gastonia, Flight Systems – Miami, and Metal Improvement – Carlstadt operations shall be 100% vested in his Normal Retirement Benefit and his Escalating Annuity Benefit.

4. Flight Systems – Shelby, Flight Systems – Lau/Vista, Flow Control – Target Rock, Metal Improvement, and Corporate Headquarters: August 29, 2002 through October 31, 2002

Notwithstanding any provision hereof to the contrary, a Participant whose employment with the Company is terminated between August 29, 2002 and October 31, 2002, in connection with or as a result of the Company's reduction in force program at the Flight Systems – Shelby, Flight Systems – Lau/Vista, Flow Control – Target Rock, and Metal Improvement operations and at Corporate headquarters shall be 100% vested in his Normal Retirement Benefit and his Escalating Annuity Benefit.

5. Metal Improvement: June 6, 2003 through June 30, 2003

Notwithstanding any provision hereof to the contrary, a Participant whose employment with the Company is terminated between June 6, 2003 and June 30, 2003, in connection with or as a result of the Company's reduction in force program at the Metal Improvement operations shall be 100% vested in his Normal Retirement Benefit and his Escalating Annuity Benefit.

6. Controls – Pine Brook, NJ and Commercial Technologies: March 10, 2004 through April 9, 2004

Notwithstanding any provision hereof to the contrary, a Participant whose employment with the Company is terminated between March 10, 2004 and April 9, 2004, in connection with or as a result of the closure of the Controls – Pine Brook, NJ operations or the sale of the Commercial Technologies business unit shall be 100% vested in his Normal Retirement Benefit and his Escalating Annuity Benefit.

7. Controls -- Synergy, San Diego, CA Business Unit: February 1, 2005 through April 15, 2005

Notwithstanding any provision hereof to the contrary, a Participant whose employment with the Company is terminated between February 1, 2005 and April 15, 2005, in connection with or as a result of the reduction in force at the Controls - Synergy, San Diego, CA business unit, shall be 100% vested in his Escalating Annuity Benefit.

8. Controls Embedded Computing San Diego and Santa Clarita CA and Littleton MA Business Units, and Controls Integrated Sensing, Long Beach CA Business Unit: January 12, 2006 through February 10, 2006

Notwithstanding any provisions hereof to the contrary, a Participant whose employment with the Company is terminated between January 12, 2006 and February 10, 2006, in connection with or as a result of the Company's reduction in force program at the Controls Embedded Computing, San Diego and Santa Clarita CA, and Littleton MA business units, and Controls Integrated Sensing, Long Beach CA Business Unit shall be 100% vested in any Normal Retirement Benefit and any Escalating Annuity Benefit to which he or she may be eligible and entitled.

9. Controls Embedded Computing San Diego and Santa Clarita CA and Littleton MA Business Units, and Controls Integrated Sensing, Long Beach CA Business Unit: April 25, 2006 through June 10, 2006

Notwithstanding any provisions hereof to the contrary, a Participant whose employment with the Company is terminated between April 25, 2006 and June 10, 2006, in connection with or as a result of the Company's reduction in force program at the Controls Embedded Computing, San Diego and Santa Clarita CA, Dayton, OH, Leesburg, VA and Littleton MA business units, shall be 100% vested in any Normal Retirement Benefit and any Escalating Annuity Benefit to which he or she may be eligible and entitled.

**CURTISS-WRIGHT CORPORATION
RETIREMENT PLAN
As Amended and Restated effective January 1, 2010
FIRST INSTRUMENT OF AMENDMENT**

Recitals:

1. Curtiss-Wright Corporation (the "Company") has heretofore adopted the Curtiss-Wright Corporation Retirement Plan (the "Plan") and has caused the Plan to be amended and restated in its entirety, effective as of January 1, 2010.
2. The Plan consists of two separate components: the EMD Component, which applies to eligible employees of Curtiss-Wright Electro-Mechanical Corporation as provided in the EMD appendix to the Plan, and the CWC Component, which applies to other employees eligible to participate in the Plan.
3. Subsequent to the most recent amendment and restatement of the Plan, the Company has decided to amend the CWC Component of the Plan for the following reasons:
 - a. To change the time for determining the applicable interest rate under Section 417(e) of the Internal Revenue Code;
 - b. To determine an employee's prior service for vesting and eligibility purposes that is attributable to employment with an acquired entity;
 - c. To allow eligible participants to accrue benefits under Article 6 of the Plan if they transfer to a position with a non-U.S. affiliated company and then transfer back to a position covered by the Plan;
 - d. To provide that nonunion participants will not earn benefits during a personal leave of absence beginning on or after January 1, 2011; and
 - e. To reflect the terms of a new collective bargaining agreement covering employees of Metal Improvement Company, LLC – Addison Division that increases their benefit formula with respect to credited service earned on or after January 1, 2013.
4. Subsequent to the most recent amendment and restatement of the Plan, the Company has decided to amend the EMD Component of the Plan to modify the provisions relating to indemnification of members of the Administrative Committee and other individuals performing fiduciary responsibilities with respect to the Plan.
5. Sections 12.01 and 12.02 of the CWC Component and Section 18.A of the EMD Component permit the Company to amend the Plan, by written instrument, at any time and from time to time.
6. Section 11.02(b) of the CWC Component and Section 12.B.2 of the EMD Component authorize the Administrative Committee to adopt certain Plan amendments on behalf of the Company.

Amendment:

For the reasons set forth in the Recitals to this Instrument of Amendment, the Plan is hereby amended, effective as of the dates indicated below, in the following respects.

The CWC Component of the Plan is amended as follows:

1. Effective January 1, 2011, Section 1.23 of the CWC Component is amended in its entirety to read as follows:
 - 1.23** “**IRS Interest Rate**” means, effective January 1, 2011, the annual rate of interest prescribed under Section 417(e)(3)(C) of the Code as determined for the fifth full calendar month preceding the applicable Stability Period, except as otherwise provided in paragraph (a) or (b) below.
 - (a) For purposes of determining the amount of any lump sum payment with an Annuity Starting Date between January 1, 2011 and December 31, 2011, the IRS Interest Rate shall not be less than the annual rate of interest prescribed under Section 417(e)(3)(C) of the Code for December 2010.
 - (b) For purposes of determining the annuity equivalent under Section 1.01(d) of either the Cash Balance Account or employee contributions plus interest for an Annuity Starting Date on or after January 1, 2011, the annuity benefit shall not be less than an amount calculated by converting the applicable lump sum amount as of December 31, 2010, plus interest credits (as determined pursuant to Section 4.03 or 6.06) up to the Annuity Starting Date, into an annuity by using the IRS Mortality Table and the annual rate of interest prescribed under Section 417(e)(3)(C) of the Code for the first full calendar month prescribing the applicable Stability Period.
2. Effective January 1, 2011, Section 1.22 of the CWC Component is amended by adding the following paragraph at the end of this section:

To the extent that Schedule J provides for recognizing service with an acquired entity prior to an acquisition, hours of service with the acquired entity shall be credited as Hours of Service for purposes of this Section 1.22. Effective for acquisitions occurring on or after January 1, 2011, in the event that an Employee’s actual hours of service prior to the acquisition date cannot be determined on the basis of records maintained by the acquired entity, the Employee’s Hours of Service shall be determined by multiplying his scheduled work hours for the acquired entity times the number of full and partial pay periods completed during the relevant period.
3. Effective January 1, 2011, Section 1.46 of the CWC Component is amended by adding the following paragraphs at the end of this section:

In any case where an Employee’s prior service with an acquired entity is included for purposes of determining his Vesting Years of Service, the Employee shall be credited with a Vesting Year of Service for each applicable calendar year (as defined below) in which he is credited with 1,000 or more Hours of Service with the acquired entity (as determined pursuant to Section 1.22). If any such Employee does not earn at least

1,000 Hours of Service in the acquisition year (as defined below) after the acquisition date, the Employee shall also be credited with Hours of Service with the acquired entity for purposes of determining whether the Employee has earned a Vesting Year of Service for the acquisition year. In no event shall an Employee be credited with more than one Vesting Year of Service for any calendar year.

For purposes of this Section 1.46, the "acquisition year" means the calendar year in which the acquisition of the acquired entity occurs, and an "applicable calendar year" means the acquisition year and each prior calendar year that includes or follows the Employee's most recent date of hire by the acquired entity.

4. Effective January 1, 2011, Section 1.47 of the CWC Component is amended by adding the following sentence at the end of this section:

In any case where an Employee's prior service with an acquired entity is included for purposes of determining whether he has completed a Year of Eligibility Service, the Employee shall be credited with Hours of Service with the acquired entity (as determined pursuant to Section 1.22).

5. Effective January 31, 2010, Section 2.01 of the CWC Component is amended by adding the following paragraph (h):

- (h) Notwithstanding paragraph (a), an Employee who transfers to a non-U.S. Affiliated Company shall be eligible to accrue benefits under Article 6 if:
 - (i) he is accruing benefits under Article 6 as of the transfer date; and
 - (ii) after January 31, 2010 and without any break in service, he transfers from the non-U.S. Affiliated Company to a position with the Company in which he is eligible to accrue benefits under the Plan.

Benefit accruals for any such Employee based on the period of employment after he again becomes an Employee shall be subject to the provisions of Article 16(e).

6. Effective January 1, 2011, Section 2.03(c) of the CWC Component is amended in its entirety to read as follows:

- (c) Notwithstanding any provision of the Plan to the contrary and except as otherwise provided in this paragraph, an Employee's period of Leave of Absence not otherwise included under paragraph (a) or (b) above shall be included for purposes of determining the Employee's Vesting Years of Service and Years of Eligibility Service and the amount of his retirement benefits hereunder in accordance with Articles 4, 6, and 9 provided that the Employee returns to the employ of the Company at or before the expiration of the Leave of Absence. If the Employee receives credit for service under the preceding sentence, the Employee shall be deemed to have earned Compensation during the Leave of Absence at the rate of pay he was receiving immediately prior to his Leave of Absence. Notwithstanding the foregoing, in the case of an Employee whose

employment is not covered by a collective bargaining agreement, any period of leave beginning on or after January 1, 2011 that is classified by the Company as a personal leave of absence shall not be included for purposes of determining the amount of the Employee's retirement benefits, and the Employee shall not be deemed to have earned any Compensation for such period of leave.

7. Effective January 1, 2013, Section 9.02(a)(viii) of the CWC Component is amended by adding the following subparagraph (G) to read as follows:

(G) With benefits commencing on or after January 1, 2013, \$18.00 multiplied by his Years of Credited Service on or after January 1, 2013 for any pension payments due for months commencing on or after January 1, 2013.

8. Effective January 31, 2010, Article 16(e) of the CWC Component is amended by adding the following sentence:

In the case of an Employee described in Section 2.01(h), any compensation paid by the non-U.S. Affiliated Company shall be excluded in determining the amount of his benefits under the Plan, and Average Compensation shall be determined pursuant to Section 1.06 by disregarding the Employee's period of employment with the non-U.S. Affiliated Company.

The EMD Component of the Plan is amended as follows:

9. Effective January 1, 2010, Section 12.H of the EMD Component is amended in its entirety to read as follows:

To the extent not compensated by insurance or otherwise, the Company shall indemnify and hold harmless each member of the Administrative Committee, and each partner and employee of the Company designated by the Administrative Committee to carry out any fiduciary responsibility with respect to the Plan, from any and all claims, losses, damages, expenses (including counsel fees approved by the Company) and liabilities (including any amount paid in settlement with the approval of the Company), arising from any act or omission of such member, or partner or employee, except where the same is judicially determined or is determined by the Company to be due to willful misconduct of such member or employee. No assets of the Plan may be used for any such indemnification.

Except to the extent amended by this Instrument of Amendment, the Plan shall remain in full force and effect.

IN WITNESS WHEREOF, this amendment has been executed on this _____ day of December, 2010.

**Curtiss-Wright Corporation
Administrative Committee**

By: _____

Date: _____

**CURTISS-WRIGHT CORPORATION
SAVINGS AND INVESTMENT PLAN**

**AMENDED AND RESTATED,
effective as of January 1, 2010,
except as otherwise specified**

**CURTISS-WRIGHT CORPORATION
SAVINGS AND INVESTMENT PLAN**

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PREAMBLE

Curtiss-Wright Corporation (“the Company”) has established the Curtiss-Wright Corporation Savings and Investment Plan (the “Plan”) to assist eligible employees in saving for retirement. The Plan is a continuation of the Curtiss-Wright Corporation Employee Savings Plan and the Curtiss-Wright Corporation Deferred Compensation Plan, which plans were merged effective September 1, 1994 and, as so merged, were renamed the Curtiss-Wright Corporation Savings and Investment Plan. The Plan has since been amended from time to time.

The Plan is intended to be a qualified plan under Section 401(a) of the Internal Revenue Code (the “Code”) that includes a qualified cash or deferred arrangement pursuant to Section 401(k) of the Code.

The Plan was most recently amended and restated in its entirety as of January 1, 2001 (“the January 1, 2001 Restatement”), which restatement also reflected provisions that became effective on dates later than the initial effective date thereof. Subsequent to the January 1, 2001 Restatement, the Plan has been amended to maintain compliance with applicable law and regulations and for other purposes. This Amendment and Restatement of the Plan as of January 1, 2010 incorporates amendments heretofore made to the Plan and makes additional amendments to the Plan. The amendments hereby made to the January 1, 2001 Restatement, as heretofore amended, are effective as of January 1, 2010, except as otherwise specified herein, provided, however, that the effective date of any provision or provisions of the Plan shall, to the extent required by specific provisions of the Plan, the Economic Growth and Tax Relief Reconciliation Act of 2001, (with technical corrections made by the Job Creation and Worker Assistance Act of 2002), the American Jobs Creation Act of 2004, Katrina Emergency Tax Relief Act of 2005, the Pension Protection Act of 2006, the Heroes Earnings Assistance and Relief Tax Act of 2008 and the Worker, Retiree, and Employer Recovery Act of 2008 or other law, be any such earlier or other effective date required by the Plan, such acts, or such law.

CURTISS-WRIGHT CORPORATION SAVINGS AND INVESTMENT PLAN

ARTICLE 1: DEFINITIONS

- 1.01** “**Accounts**” means the Employer Account, the Member Account, the Deferred Account, the Catch-Up Account, the Rollover Contributions Account, the Roth Deferred Cash Contribution Account and the Roth Catch-Up Account.
- 1.02** “**Acquired Forfeiture Account**” means the account credited with forfeitures transferred to the Plan from defined contribution plans of entities that were acquired by the Employer or an Affiliated Employer.
- 1.03** “**Actual Deferral Percentage**” means, with respect to a specified group of Employees, the average of the ratios, calculated separately for each Employee in that group, of
- (a) the amount of Deferred Cash Contributions made pursuant to Section 3.01 for a Plan Year and the amount of Roth Deferred Cash Contributions made pursuant to Section 3.04 for a Plan Year (including Deferred Cash Contributions and Roth Deferred Cash Contributions returned to a Highly Compensated Employee under Section 3.01(c) and Deferred Cash Contributions and Roth Deferred Cash Contributions returned to any Employee pursuant to Section 3.01(d)), to
 - (b) the Employees’ Statutory Compensation for that entire Plan Year, provided that, upon direction of the Administrative Committee, Statutory Compensation for a Plan Year shall only be counted if received during the period an Employee is, or is eligible to become, a Member.

The Actual Deferral Percentage for each group and the ratio determined for each Employee in the group shall be calculated to the nearest one one-hundredth of one percent (0.01%). For purposes of determining the Actual Deferral Percentage for a Plan Year, Deferred Cash Contributions and Roth Deferred Cash Contributions may be taken into account for a Plan Year only if they:

- (a) relate to compensation that either would have been received by the Employee in the Plan Year but for the deferral election, or are attributable to services performed by the Employee in the Plan Year and would have been received by the Employee within 2½ months after the close of the Plan Year but for the deferral election,
 - (b) are allocated to the Employee as of a date within that Plan Year and the allocation is not contingent on the participation or performance of service after such date, and
-

(c) are actually paid to the Trustee no later than 12 months after the end of the Plan Year to which the contributions relate.

- 1.04 “Administrative Committee”** means the person(s) appointed by the Company to act on behalf of the Company as the sponsor and “named fiduciary” (within the meaning of Section 402(a)(2) of ERISA), as appropriate, with respect to Plan administrative matters. When performing any activity or exercising any authority under the provisions of the Plan, the Administrative Committee shall be deemed to act solely on behalf of the Company, and not in an individual capacity.
- 1.05 “Affiliated Employer”** means any company which is a member of a controlled group of corporations (as defined in Section 414(b) of the Code) which also includes as a member the Employer; any trade or business under common control (as defined in Section 414(c) of the Code) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Section 414(m) of the Code) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to regulations under Section 414(o) of the Code. Notwithstanding the foregoing, for purposes of Sections 1.31 and 3.14, the definitions in Sections 414(b) and (c) of the Code shall be modified by substituting the phrase “more than 50 percent” for the phrase “at least 80 percent” each place it appears in Section 1563(a)(1) of the Code.
- 1.06 “After-Tax Contributions”** means amounts contributed pursuant to Section 3.05.
- 1.07 “Annual Dollar Limit”** means \$245,000 as adjusted from time to time for cost of living in accordance with Section 401(a)(17)(B) of the Code.
- 1.08 “Annuity Starting Date”** means the first day of the first period for which an amount is paid, as an annuity or in any other form, following a Member’s retirement or termination of employment.
- 1.09 “Beneficiary”** means any person or persons designated by a Member to receive any benefits payable in the event of the Member’s death. However, a married Member’s spouse shall be deemed to be his Beneficiary unless or until he elects another Beneficiary with Spousal Consent. If no Beneficiary designation is in effect at the Member’s death, or if no person or persons so designated survives the Member, the Member’s surviving spouse, if any, shall be deemed to be the Beneficiary; otherwise the Beneficiary shall be the personal representative of the estate of the Member.
- 1.10 “Board of Directors”** means the Board of Directors of Curtiss-Wright Corporation.
- 1.11 “Casual Employee”** means an Employee who, under the Employer’s generally applicable payroll and human resources practices,
- (a) is hired for an assignment of a limited nature and duration, which shall not exceed 90 days; and
-

- (b) is classified as being in inactive status upon the completion of an assignment, subject to recall for another assignment of limited nature and duration.

1.12 “Catch-Up Account” means the account credited with the Catch-Up Contributions made on a Member's behalf and earnings on those contributions.

1.13 “Catch-Up Contributions” means amounts contributed to the Plan that satisfy the requirements of Section 3.02.

1.14 “Code” means the Internal Revenue Code of 1986, as amended from time to time.

1.15 “Compensation” means the total of an Employee's compensation paid by the Employer during any Plan Year prior to any reduction for deferred compensation under Section 401(k) of the Code, or pursuant to a cafeteria plan under Section 125 of the Code, or pursuant to a qualified transportation fringe under Section 132(f) of the Code.

Compensation shall not include: (i) relocation allowances; (ii) severance pay; (iii) any kind of stock payment; (iv) additional compensation granted in connection with “away from original home assignments”; or (v) imputed value of group life insurance premiums under Section 79 of the Code. Effective January 1, 2009, Compensation shall also include “differential wage payments” pursuant to the Heroes Earnings Assistance and Relief Tax Act of 2008.

Compensation shall not exceed the Annual Dollar Limit.

1.16 “Contribution Percentage” means, with respect to a specified group of Employees, the average of the ratios, calculated separately for each Employee in that group, of

- (a) the sum of the Employee's After-Tax Contributions and Matching Contributions for that Plan Year, to
- (b) his Statutory Compensation for that entire Plan Year; provided that, upon direction of the Administrative Committee, Statutory Compensation for a Plan Year shall only be counted if received during the period an Employee is, or is eligible to become, a Member.

The Contribution Percentage for each group and the ratio determined for each Employee in the group shall be calculated to the nearest one one-hundredth of one percent (0.01%).

1.17 “Deferred Account” means the account credited with the Deferred Cash Contributions made on a Member's behalf and earnings on those contributions.

1.18 “Deferred Cash Contributions” means amounts contributed pursuant to Section 3.01.

1.19 “Automatic Deferred Cash Contributions” means amounts contributed pursuant to Section 3.03.

- 1.20** “**Disability**” means total and permanent disability. A Member shall be deemed to be totally and permanently disabled when, on the basis of medical evidence satisfactory to the Administrative Committee, he is found to be wholly and permanently prevented from engaging in any occupation or employment for wages or profit as a result of bodily injury or disease, either occupationally or nonoccupationally caused, but not as a result of bodily injury or disease which originated from service in the Armed Forces of any country.
- 1.21** “**Earnings**” means the amount of income to be returned with any excess deferrals, excess contributions, or excess aggregate contributions under Section 3.01, 3.11 or 3.12. Income on excess deferrals and excess contributions shall be determined (a) by multiplying allocable gain or loss on the Deferred Account and Roth Deferred Cash Contribution Account (excluding Catch-Up Contributions, Roth Catch-Up Contributions and income attributable to Catch-Up Contributions and Roth Catch-Up Contributions) for the Plan Year by a fraction, the numerator of which is the excess deferrals or excess contributions, as the case may be, for the Plan Year and the denominator of which is the sum of the balances of the Deferred Account and the Roth Deferred Cash Contribution Account at the end of the Plan Year, disregarding any income or loss occurring during the Plan Year, and (b) by adding to the amount determined under clause (a) 10 percent of the amount determined under clause (a) for Plan Years beginning prior to January 1, 2008, multiplied by the number of whole calendar months between the end of the Plan Year and the date of the distribution, counting the month of distribution if the distribution occurs after the 15th day of the month. Income on excess aggregate contributions shall be determined in a similar manner by substituting the sum of the allocable gain or loss on the Employer Account and Member Account for the Deferred Account and Roth Deferred Cash Contribution Account, and the excess aggregate contributions for the excess deferrals and excess contributions in the preceding sentence.
- 1.22** “**Effective Date.**” The Effective Date of the Plan is July 1, 1982. The Effective Date of this amendment and restatement of the Plan is January 1, 2010, except as otherwise provided herein, or as required by applicable law.
- 1.23** “**Employee**” means a person employed by the Employer who receives stated compensation other than a pension, severance pay, retainer, or fee under contract; however, the term “Employee” excludes any non-resident alien, any Leased Employee, and any person who is included in a unit of employees covered by a collective bargaining agreement that does not provide for his membership in the Plan. Any person deemed to be an independent contractor by any Employer and paid by the Employer in accordance with its practices for the payment of independent contractors, including the provision of tax reporting on Internal Revenue Service Form 1099, shall be excluded from the definition of Employee for all purposes under the Plan, notwithstanding any subsequent reclassification of such person for any purpose under the Code, whether agreed to by the Employer or adjudicated under applicable law.

The term “employee” as used in this Plan, means any individual who is employed by the Employer or an Affiliated Employer as a common law employee of the Employer or Affiliated Employer, regardless of whether the individual is an “Employee” and any Leased Employee.

- 1.24** “**Employer**” means Curtiss-Wright Corporation or any successor by merger, purchase or otherwise, with respect to its employees; or any other company participating in the Plan as provided in Section 12.03, with respect to its employees.
- 1.25** “**Employer Account**” means the account credited with Matching Contributions and earnings on those contributions.
- 1.26** “**Enrollment Date**” means the Effective Date and the first day of any payroll period following that date.
- 1.27** “**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended from time to time.
- 1.28** “**Fund**” or “**Investment Fund**” means the fund or funds in which contributions to the Plan are invested in accordance with Article 4.
- 1.29** “**Highly Compensated Employee**” means for a Plan Year any employee of the Employer or an Affiliated Employer (whether or not eligible for membership in the Plan) who:
- (a) was a 5 percent owner of the Employer (as defined in Section 416(i) of the Code) for such Plan Year or the prior Plan Year, or
 - (b) for the preceding Plan Year received Statutory Compensation in excess of \$110,000, and was among the highest 20 percent of employees of the Employer for the preceding Plan Year when ranked by Statutory Compensation paid for that year, excluding, for the purpose of such determination, employees described in Section 414(q)(5) of the Code. The \$110,000 dollar amount in the preceding sentence shall be adjusted from time to time for cost of living in accordance with Section 414(q)(1) of the Code.

Notwithstanding the foregoing, employees who are nonresident aliens and who receive no earned income from the Employer or an Affiliated Employer which constitutes income from sources within the United States shall be disregarded for all purposes of this Section.

The Employer’s top-paid group election as set forth in subsection (b) shall be used consistently in determining Highly Compensated Employees for determination years of all employee benefit plans of the Employer and Affiliated Employers for which Section 414(q) of the Code applies (other than a multiemployer plan) that begin with or within the same calendar year, until such election is changed by Plan amendment in accordance with IRS requirements.

The provisions of this Section shall be further subject to such additional requirements as shall be described in Section 414 (q) of the Code and its applicable regulations, which shall override any aspects of this Section inconsistent therewith.

- 1.30** “**Hour of Service**” means, with respect to any applicable computation period,
-

- (a) each hour for which the employee is paid or entitled to payment for the performance of duties for the Employer or an Affiliated Employer;
- (b) each hour for which the employee is paid or entitled to payment by the Employer or an Affiliated Employer on account of a period during which no duties are performed, whether or not the employment relationship has terminated, due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty or leave of absence, but not more than 501 hours for any single continuous period; and
- (c) each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Employer or an Affiliated Employer, excluding any hour credited under (a) or (b), which shall be credited to the computation period or periods to which the award, agreement or payment pertains rather than to the computation period in which the award, agreement or payment is made.

No hours shall be credited on account of any period during which the employee performs no duties and receives payment solely for the purpose of complying with unemployment compensation, workers' compensation or disability insurance laws.

Hours of Service credited shall be determined as required by Title 29 of the Code of Federal Regulations, Sections 2530.200b-2(b) and (c).

- 1.31** “**Leased Employee**” means any person (other than a common law employee of the Employer) who, pursuant to an agreement between the Employer and any other person (“leasing organization”), has performed services for the Employer or any related persons determined in accordance with Section 414(n)(6) of the Code on a substantially full-time basis for a period of at least one year and such services are performed under the primary direction of or control by the Employer. In the case of any person who is a Leased Employee before or after a period of service as an Employee, the entire period during which he has performed services as a Leased Employee shall be counted as service as an Employee for all purposes of the Plan, except that he shall not, by reason of that status, become a Member of the Plan.
- 1.32** “**Matching Contributions**” means amounts contributed pursuant to Section 3.07 prior to September 1, 1994, at which time Matching Contributions ceased. The term Matching Contributions shall also refer to amounts transferred to the Plan in a transaction described in Section 12.02 that had been accounted for as matching contributions under the terms of the transferor plan.
- 1.33** “**Member**” means any person included in the membership of the Plan as provided in Article 2.
- 1.34** “**Covered Member**” means any eligible Employee who is covered by the Automatic Contribution Arrangement under Section 3.03.
-

- 1.35 **“Member Account”** means the account credited with the After-Tax Contributions and earnings on those contributions.
- 1.36 **“Nonhighly Compensated Employee”** means for any Plan Year an employee of the Employer or an Affiliated Employer who is not a Highly Compensated Employee for that Plan Year.
- 1.37 **“Plan”** means the Curtiss-Wright Corporation Savings and Investment Plan as set forth in this document or as amended from time to time. The Plan is a continuation of the Curtiss-Wright Corporation Employee Savings Plan and the Curtiss-Wright Corporation Deferred Compensation Plan, which plans were merged effective September 1, 1994.
- 1.38 **“Plan Year”** means the 12-month period beginning on any January 1.
- 1.39 **“Rollover Contributions Account”** means, except as provided below, the account credited with Rollover Contributions made by a Member and earnings on those contributions. Before-tax amounts rolled over from an eligible deferred compensation plan under Section 457(b) of the Code that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state shall be accounted for separately within the Rollover Contributions Account. Beginning January 1, 2010, amounts attributable to Roth Deferred Cash Contributions directly rolled over from a plan qualified under Section 401(a) of the Code shall be credited to a Member’s Roth Deferred Cash Contribution Account.
- 1.40 **“Rollover Contributions”** mean amounts contributed pursuant to Section 3.08.
- 1.41 **“Roth Catch-Up Account”** means the account credited with the Roth Catch-Up Contributions made on a Member’s behalf and earnings on those contributions.
- 1.42 **“Roth Catch-Up Contributions”** means amounts contributed pursuant to Section 3.04 that are (a) designated irrevocably by the Member at the time the election is made as a Roth Catch-Up Contribution that is being made in lieu of all or a portion of the Catch-Up Contributions the Member is otherwise eligible to make under the Plan; and (b) treated by the Employer as includible in the Member’s income at the time the Member would have received that amount in cash if the Member had not made an election.
- 1.43 **“Roth Deferred Cash Contribution Account”** means the account credited with the Roth Deferred Cash Contributions made on a Member’s behalf and earnings on those contributions.
- 1.44 **“Roth Deferred Cash Contributions”** means amounts contributed pursuant to Section 3.04 that are (a) designated irrevocably by the Member at the time the election is made as a Roth Deferred Cash Contribution that is being made in lieu of all or a portion of the Deferred Cash Contributions the Member is otherwise eligible to make under the Plan; and (b) treated by the Employer as includible in the Member’s income at the time the Member would have received that amount in cash if the Member had not made an election.
-

- 1.45** “**Severance Date**” means, solely for purposes of determining an employee’s Vesting Service under Section 1.54, the earlier of:
- (a) the date an employee quits, retires, is discharged or dies, or
 - (b) the first anniversary of the date on which an employee is first absent from service, with or without pay, for any reason such as vacation, sickness, disability, layoff or leave of absence.
- 1.46** “**Spousal Consent**” means the written consent of a Member’s spouse to the Member’s election of a specified form of benefit or designation of a specified Beneficiary. The spouse’s consent shall be witnessed by a Plan representative or notary public and shall acknowledge the effect on the spouse of the Member’s election. The requirement for spousal consent may be waived by the Administrative Committee if it believes there is no spouse, or the spouse cannot be located, or because of such other circumstances as may be established by applicable law.
- 1.47** “**Statutory Compensation**” means wages, salaries, and other amounts paid in respect of an employee for services actually rendered to an Employer or an Affiliated Employer, including by way of example, overtime, bonuses, and commissions, but excluding deferred compensation, stock options, and other distributions which receive special tax benefits under the Code. For purposes of determining Highly Compensated Employees under Section 1.29 and key employees under Section 13.05(a)(iii), Statutory Compensation shall include amounts contributed by the Employer pursuant to a salary reduction agreement which are not includible in the gross income of the employee under Sections 125, 132(f), 402(e)(3), 402(h), or 403(b) of the Code. For all other purposes, Statutory Compensation shall also include the amounts referred to in the preceding sentence, unless the Administrative Committee directs otherwise for a particular Plan Year. Effective for Plan Years and limitation years (as defined in Section 3.14(a)) beginning on and after July 1, 2007, Statutory Compensation shall not exceed the Annual Dollar Limit.
- 1.48** “**Subsidiary**” means any corporation controlled by Curtiss-Wright Corporation or by another subsidiary of Curtiss-Wright Corporation.
- 1.49** “**Temporary Employee**” means an Employee who, under the Employer’s generally applicable payroll and human resources practices,
- (a) is hired for a specific assignment of limited scope that will have a duration of at least 90 days; and
 - (b) is hired subject to the condition that he will be terminated upon completion of such specific assignment.
- 1.50** “**Trust**” or “**Trust Fund**” means the fund established by the Board of Directors as part of the Plan into which contributions are to be made and from which benefits are to be paid in accordance with the terms of the Plan.
-

- 1.51** “**Trustee**” means the trustee or trustees holding the funds of the Plan as provided in Article 11.
- 1.52** “**Valuation Date**” means the last business day of each calendar month or such more frequent dates as the Administrative Committee shall establish.
- 1.53** “**Vested Portion**” means the portion of the Accounts in which the Member has a nonforfeitable interest as provided in Article 6 or, if applicable, Section 13.05.
- 1.54** “**Vesting Service**” means, with respect to any employee, his period of employment with the Employer or any Affiliated Employer, whether or not as an Employee, beginning on the date he first completes an Hour of Service and ending on his Severance Date, provided that:
- (a) if his employment terminates and he is reemployed within one year of the earlier of (i) his date of termination or (ii) the first day of an absence from service immediately preceding his date of termination, the period between his Severance Date and his date of reemployment shall be included in his Vesting Service;
 - (b) if he is absent from the service of the Employer or any Affiliated Employer because of service in the Armed Forces of the United States and he returns to service with the Employer or an Affiliated Employer having applied to return while his reemployment rights were protected by law, the absence shall be included in his Vesting Service;
 - (c) if he is on a leave of absence approved by the Employer, under rules uniformly applicable to all Employees similarly situated, the Employer may authorize the inclusion in his Vesting Service of any portion of that period of leave which is not included in his Vesting Service under (a) or (b) above; and
 - (d) if his employment terminates and he is reemployed, his Vesting Service after reemployment shall be aggregated with his previous period or periods of Vesting Service.
- 1.55** “**Year of Eligibility Service**” means, with respect to any employee, the 12-month period of employment with the Employer or any Affiliated Employer, whether or not as an Employee, beginning on the date he first completes an Hour of Service upon hire or rehire, or any Plan Year beginning after that date, in which he first completes at least 1,000 Hours of Service.
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ARTICLE 2: ELIGIBILITY AND MEMBERSHIP

2.01 Eligibility

- (a) Except as otherwise provided in this Section, each Employee shall be eligible to become a Member on any Enrollment Date coinciding with or following the date he completes one Year of Eligibility Service.
- (b) Employees who were formerly employed by entities that were acquired by the Employer shall be subject to the special eligibility rules set forth in Appendix A.
- (c) Effective June 1, 2000, and notwithstanding the provisions of Section 2.01(a), an Employee who is employed by the Enertech Engineering Services unit of Curtiss-Wright Flow Control Corporation shall be eligible to become a Member on any Enrollment Date following the date on which he first performs an Hour of Service.
- (d) Effective as of January 1, 2003, and notwithstanding the provisions of Section 2.01(a), but subject to Appendix A, each Employee shall be eligible to become a Member as of any Enrollment Date following the date on which he became an Employee, provided that he is scheduled to complete (or, if later, actually completes) at least 1,000 Hours of Service in a Plan Year, and provided, further, however, that the foregoing proviso shall not be applicable to a Temporary Employee who is employed by the Enertech Engineering Services unit of Curtiss-Wright Flow Control Corporation. In no event shall a Casual Employee be eligible to become a Member.

2.02 Membership

An eligible Employee shall become a Member on the first Enrollment Date after the date he files a form or forms prescribed by the Administrative Committee or its designee on which he meets all of the following requirements:

- (a) designates the percentage of Compensation he wishes to contribute to the Plan under Section 3.05 or makes the election described in Section 3.01, 3.02, or 3.04, or any combination thereof.;
 - (b) authorizes the Employer to make regular payroll deductions or to reduce his Compensation, or both;
 - (c) names a Beneficiary; and
 - (d) makes an investment election.
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2.03 Reemployment of Former Employees and Former Members

Any person reemployed by the Employer as an Employee, who was previously a Member or who was previously eligible to become a Member, shall become a Member upon the filing of a form in accordance with Section 2.02. Any person reemployed by the Employer as an Employee, who was not previously eligible to become a Member, shall become a Member upon completing the eligibility requirements described in Section 2.01 and filing the appropriate form or forms in accordance with Section 2.02.

2.04 Termination of Membership

A Member's membership shall terminate on the date he is no longer employed by the Employer or any Affiliated Employer unless the Member is entitled to benefits under the Plan, in which event his membership shall terminate when those benefits are distributed to him.

2.05 Year-end Membership List

On or before September 30th of each Plan Year, at the Administrative Committee's request, the Employer shall transmit to the Administrative Committee a list of the Members as of December 31st of the previous year which list shall be in such form and shall contain such information as the Administrative Committee may request.

2.06 Automatic Membership

- (a) Notwithstanding any provision of the Plan to the contrary, any eligible Employee (as provided under Section 2.01(d)), and unless otherwise excluded under paragraph 2.06(c), whose date of hire, rehire or acquisition is on or after January 1, 2009 and who has not made an affirmative election to become a Member (or affirmatively declined to become a Member) pursuant to Section 2.02 shall become a Covered Member on the first Enrollment Date which is on or about 45 days after his date of hire, rehire or acquisition, or the date he actually completes 1,000 hours (if applicable, pursuant to Section 2.01(d)).
 - (b) Notwithstanding any provision of the Plan to the contrary, any eligible Employee whose date of hire, rehire or acquisition is on or before December 31, 2008 and who has not affirmatively elected to become a Member (or affirmatively declined to become a Member) pursuant to Section 2.02 shall become a Covered Member on the first Enrollment Date which is on or about 45 days after January 1, 2010.
 - (c)
 - (i) Notwithstanding any provision of the Plan to contrary, any employee of Curtiss-Wright Controls is not eligible to become a Covered Member under (b) above.
 - (ii) Notwithstanding any provision of the Plan to the contrary, any eligible Employee who is employed by Metal Improvement Company whose date of hire, rehire or acquisition is on or after January 1, 2010 and who has not made an affirmative election to become a Member (or affirmatively declined to become a Member) pursuant to Section 2.02 shall become a
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Covered Member on the first Enrollment Date which is on or about 45 days after his date of hire, rehire or acquisition, or the date he actually completes 1,000 hours (if applicable, pursuant to Section 2.01(d)). Any eligible Employee who is employed by Metal Improvement Company whose date of hire, rehire or acquisition is before January 1, 2010 shall not be eligible to become a Covered Member.

ARTICLE 3: CONTRIBUTIONS

3.01 Deferred Cash Contributions

- (a) A Member may elect on his application filed under Section 2.02 to reduce his Compensation payable while a Member by at least 0.5% and not more than the contribution permitted by law, in multiples of 0.5%, and have that amount contributed to the Plan by the Employer as Deferred Cash Contributions. Deferred Cash Contributions shall be further limited as provided below and in Sections 3.11, 3.13 and 3.14. Any Deferred Cash Contributions shall be paid to the Trustee as soon as practicable.
- (b) In no event shall the Member's Deferred Cash Contributions and similar contributions made on his behalf by the Employer or an Affiliated Employer to all plans, contracts or arrangements subject to the provisions of Section 401(a)(30) of the Code in any calendar year exceed: the amount in effect for such calendar year under Section 402(g)(1) of the Code, as adjusted, if applicable, in accordance with Section 402(g)(4) of the Code.

If a Member's Deferred Cash Contributions in a calendar year reach the dollar limitation applicable for that year, his election of Deferred Cash Contributions for the remainder of the calendar year will be canceled. Each Member affected by this paragraph (b) may elect to change or suspend the rate at which he makes After-Tax Contributions. As of the first pay period of the calendar year following such cancellation, the Member's election of Deferred Cash Contributions shall again become effective in accordance with his previous election, unless the Member elects otherwise in accordance with Section 3.09.

- (c) In the event that the sum of the Deferred Cash Contributions and similar contributions to any other qualified defined contribution plan maintained by the Employer or an Affiliated Employer exceeds the dollar limitation in Section 3.01(b) for any calendar year, the Member shall be deemed to have elected a return of Deferred Cash Contributions in excess of such limit ("excess deferrals") from this Plan. The excess deferrals, together with Earnings, shall be returned to the Member no later than the April 15 following the end of the calendar year in which the excess deferrals were made. The amount of excess deferrals to be returned for any calendar year shall be reduced by any Deferred Cash Contributions previously returned to the Member under Section 3.11 for that calendar year.
 - (d) If a Member makes tax-deferred contributions under another qualified defined contribution plan maintained by an employer other than the Employer or an Affiliated Employer for any calendar year and those contributions when added to his Deferred Cash Contributions exceed the dollar limitation under Section 3.01(b) for that calendar year, the Member may allocate all or a portion of such excess deferrals to this Plan. In that event, such excess deferrals, together with Earnings, shall be returned to the Member no later than the April 15 following the
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end of the calendar year in which such excess deferrals were made. However, the Plan shall not be required to return excess deferrals unless the Member notifies the Administrative Committee, in writing, by March 1 of that following calendar year of the amount of the excess deferrals allocated to this Plan. The amount of any such excess deferrals to be returned for any calendar year shall be reduced by any Deferred Cash Contributions previously returned to the Member under Section 3.11 for that calendar year.

3.02 Catch-Up Contributions

A Member who satisfies the requirements of subsection (a) for a Plan Year may elect, in accordance with subsection (b), to reduce his Compensation and to have the amount by which his Compensation is so reduced contributed to the Plan by his Employer as a Catch-Up Contribution, provided, however, that such Catch-Up Contributions shall be subject to the conditions set forth in subsections (c) and (d).

- (a) A Member satisfies the requirements of this paragraph for a Plan Year if:
 - (i) his 50th birthday is coincident with or prior to the last day of the Plan Year; and
 - (ii) either (A) the Deferred Cash Contributions made on his behalf for the Plan Year have reached the applicable dollar limitation for the calendar year coincident with such Plan Year, as set forth in Section 3.01(b) or (B) his percentage election, as in effect in accordance with Section 3.01(a) is equal to any percentage limitation imposed on such election by the Plan.
- (b) A Member described in subsection (a) may elect to make Catch-Up Contributions in any percentage from 1% to 25% of his Compensation.
- (c) Any Catch-Up Contributions shall be paid to the Trustee as soon as practicable and shall be allocated to the Member's Catch-Up Account.
- (d) Catch-Up Contributions made on a Member's behalf shall be limited to \$5,500, as adjusted in accordance with Section 414(v)(2)(C) of the Code. In no event shall the Member's Catch-Up Contributions for a Plan Year exceed the excess of his Deferred Cash Contributions for such Plan Year over his Statutory Compensation for such Plan Year.
- (e) The provisions of this Section shall be subject to the requirements of Section 414(v) of the Code and Regulations thereunder.

3.03 Automatic Contribution Arrangement.

- (a) Effective January 1, 2009, Automatic Deferred Cash Contributions will be made on behalf of Covered Members who do not have an affirmative election in effect regarding Deferred Cash Contributions. The amount of Automatic Deferred Cash Contributions made for a Covered Member each pay period is equal to 3% multiplied by the Covered Member's Compensation for that pay period.
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- (b) A Covered Member will have a reasonable opportunity after receipt of the notice required described in (d) below to make an affirmative election regarding Deferred Cash Contributions (either to have no Deferred Cash Contributions made or to have a different amount of Deferred Cash Contributions made) before Automatic Deferred Cash Contributions are made on the Covered Member's behalf. Automatic Deferred Cash Contributions being made on behalf of a Covered Member will cease as soon as administratively feasible after the Covered Member makes an affirmative election.
- (c) Automatic Deferred Cash Contributions will be reduced or stopped to meet the limitations under Sections 401(a)(17), 402(g) and 415 of the Code and to satisfy any suspension period required after a hardship distribution.
- (d) At least 30 days, but not more than 90 days, before the beginning of the Plan Year, the Employer will provide each Covered Member a comprehensive notice of the Member's rights and obligations under this Automatic Contribution Arrangement, written in a manner calculated to be understood by the average Covered Member. If an eligible Employee becomes a Covered Member after the 90th day before the beginning of the Plan Year and does not receive the notice for that reason, the notice will be provided within a reasonable period of time and in accordance with Section 1.414(w)-1 of the Income Tax Regulations.

The notice must accurately describe:

- (i) The amount of Automatic Deferred Cash Contributions that will be made on the Covered Member's behalf in the absence of an affirmative election;
 - (ii) The Covered Member's right to elect to have no Deferred Cash Contributions made on his behalf or to have a different amount of Deferred Cash Contributions made;
 - (iii) How Automatic Deferred Cash Contributions will be invested in the absence of the investment instructions; and
 - (iv) The Covered Member's right to make a withdrawal of Automatic Deferred Cash Contributions and the procedures for making such a withdrawal.
- (e) No later than 75 days after the recordkeeper first receives a Covered Member's Automatic Deferred Cash Contribution, the Covered Member may request a distribution of his Automatic Deferred Cash Contributions. In no event may a Covered Member request a distribution of his Automatic Deferred Cash Contributions later than 90 days after Automatic Deferred Cash Contributions are first withheld from a Covered Member's pay. No spousal consent is required for such a withdrawal. The amount to be distributed from the Plan upon the Covered Member's request is equal to the amount of Automatic Deferred Cash Contributions made through the earlier of (i) the pay date for the second payroll period that begins after the Covered Member's withdrawal request and (ii) the first pay date that occurs after 30 days after the Covered Member's request, adjusted to reflect any investment gains or losses attributable to those
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contributions through the date of distribution. Any fee charged to the Covered Member for the withdrawal may not be greater than any other fee charged for a cash distribution. Unless the Covered Member affirmatively elects otherwise, any withdrawal request will be treated as an affirmative election to stop having Automatic Deferred Cash Contributions made on the Covered Member's behalf as of the date specified above.

Automatic Deferred Cash Contributions distributed pursuant to this paragraph (e) are not counted towards the dollar limitation on Deferred Cash Contributions contained in Section 402(g) of the Code, nor for the Actual Deferral Percentage test.

3.04 Roth Deferred Cash Contributions

- (a) Effective January 1, 2010, a Member may elect on his application filed under Section 2.02 to irrevocably designate Deferred Cash Contributions (under Section 3.01) and Catch-Up Contributions (under Section 3.02) as Roth Deferred Cash Contributions and Roth Catch-Up Contributions, respectively. Any Roth Deferred Cash Contributions and Roth Catch-Up Contributions shall be invested in one or more Investment Funds, as authorized by the Chairman of the Board of Directors or its designees, subject to (b) below.
 - (b) The Plan will maintain a separate record of the amount of Roth Deferred Cash Contributions and Roth Catch-Up Contributions in each Member's account. Contributions and withdrawals of Roth Deferred Cash Contributions and Roth Catch-Up Contributions will be credited and debited to the Roth Deferred Cash Contribution Account and the Roth Catch-Up Contribution Account maintained for each Member. Gains, losses, and other credits or charges must be separately allocated on a reasonable and consistent basis to each Member's Roth Deferred Cash Contribution Account, the Roth Catch-Up Contribution Account and the Member's other accounts under the Plan.
 - (c) No contributions other than Roth Deferred Cash Contributions and properly attributable earnings will be credited to each Member's Roth Deferred Cash Contributions Account. No contributions other than Roth Catch-Up Contributions and properly attributable earnings will be credited to each Member's Roth Catch-Up Account.
 - (d) Unless specifically stated otherwise, Roth Deferred Cash Contributions will be treated as Deferred Cash Contributions for all purposes under the Plan, including hardship distributions under Section 7.04 and loans under Article 8. Unless specifically stated otherwise, Roth Catch-Up Contributions will be treated as Catch-Up Contributions for all purposes under the Plan.
 - (e) In the case of a distribution of excess contributions under Section 3.11, a Highly Compensated Employee may designate the extent to which the excess contribution is composed of Deferred Cash Contributions and Roth Deferred Cash Contributions but only to the extent such types of contributions were made for the year. If the Highly Compensated Employee does not designate which
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type of contributions are to be distributed, the Plan will distribute Deferred Cash Contributions first.

3.05 After-Tax Contributions

Any Member may make After-Tax Contributions under this Section whether or not he has elected to have Deferred Cash Contributions made on his behalf pursuant to Section 3.01. The amount of After-Tax Contributions shall be at least 0.5% of his Compensation, while a Member, in multiples of 0.5%, to the maximum contribution permitted by law.

The After-Tax Contributions of a Member shall be made through payroll deductions and shall be paid to the Trustee as soon as practicable.

3.06 Limitation on Deferred Cash and After-Tax Contributions

The sum of a Member's Deferred Cash Contribution election, his Roth Deferred Cash Contribution election and his After-Tax Contribution election, as in effect for any payroll period, shall not exceed 75% of his Compensation, provided, however, that such Deferred Cash Contributions, Roth Deferred Cash Contributions and After-Tax Contributions may be further limited by the Administrative Committee pursuant to Sections 3.11 and 3.12.

3.07 Employer Matching Contributions prior to September 1, 1994

- (a) The Employer contributed, until August 31, 1994, on behalf of each of its Members who elected to make After-Tax Contributions, Matching Contributions in an amount equal to 50% of the first 6% of the After-Tax Contributions made by the Member to the Plan during each payroll period.
- (b) From and after September 1, 1994, no Matching Contributions shall be made to the Plan.

3.08 Rollover Contributions

Without regard to any limitations on contributions set forth in this Article 3, the Plan may accept from or on behalf of a Member who is then an Employee, a Rollover Contribution in cash, consisting of any amount, excluding after-tax amounts and amounts received as a spousal beneficiary, previously received (or deemed to be received) by him from an "eligible retirement plan." Such Rollover Contributions shall be subject to the following:

- (a) For purposes of this Section, "eligible retirement plan" means:
 - (i) a qualified plan described in Section 401(a) of the Code;
 - (ii) an annuity plan described in Section 403(a) of the Code;
 - (iii) an individual retirement account or individual retirement annuity of the Member described in Section 408(a) or 408(b) of the Code which contains only amounts that were originally distributed from a qualified
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plan described in Section 401(a) or 403(a) of the Code (i.e., a “conduit IRA”);

- (iv) an annuity contract described in Section 403(b) of the Code;
 - (v) an eligible plan under Section 457(b) of the Code which is maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state; and
 - (vi) an individual retirement account or individual retirement annuity of the Employee described in Section 408(a) or 408(b) of the Code that may contain amounts other than amounts that were originally distributed from a qualified plan described in Section 401(a) or 403(a) of the Code (i.e., a “traditional IRA”).
- (b) Such Rollover Contribution may be received in either of the following ways:
- (i) The Plan may accept such amount as a direct rollover of an eligible rollover distribution from an eligible retirement plan; or
 - (ii) The Plan may accept such amount directly from the Member provided such amount:
 - (A) was distributed to the Member by an eligible retirement plan;
 - (B) is received by the Plan on or before the 60th day after the day it was received by the Member; and
 - (C) would otherwise be includible in gross income.

Notwithstanding subparagraph (B) above, the Administrative Committee may accept a Rollover Contribution more than 60 days after the amount was received by the Member provided the Member has received from the Secretary of the Treasury a waiver of the 60-day requirement, pursuant to Section 402(c)(3)(B) of the Code.

Notwithstanding the foregoing, the Plan shall not accept any amount unless such amount is eligible to be rolled over to a qualified trust in accordance with applicable law and the Member provides evidence satisfactory to the Administrative Committee that such amount qualified for rollover treatment.

Notwithstanding any provision of this section 3.08 to the contrary and subject to the terms of Article 8, in the event an individual who becomes an Employee of an Employer (as defined in Section 1.23) on or after April 17, 2006 and who immediately prior to that date was employed by a business entity acquired by the Company or one of its affiliates (an “Acquired Employee”), and has no more than two loans outstanding under the former 401(k) Plan, the Plan shall accept a direct loan rollover of such outstanding loan notes, provided the loans are not in default as of the date of transfer. Further, in accordance with the rules set forth by the Committee, such individual may not receive a new loan or increase the outstanding loan(s) under the terms of the

Plan until such individual's rolled over loans have been repaid in full or otherwise distributed to the individual. Under the terms of the Plan, Members may have a maximum of one outstanding loan, unless and only if a Member is an Acquired Employee involved in a trust to trust transfer or a direct loan rollover as mentioned above in which case the Acquired Employee may have a maximum of two outstanding loans until such rolled over loans are repaid in full or distributed to the individual.

Effective January 1, 2010, the Plan will also accept a rollover contribution to a Roth Deferred Cash Contribution Account only if it is a direct rollover from another Roth Deferred Cash Contribution Account under an applicable retirement plan described in Section 402A(e)(1) of the Code and only to the extent the rollover is permitted under the rules of Section 402(c) of the Code.

3.09 Change in Contributions

The percentages of Compensation designated by a Member under Sections 3.01, 3.02, 3.04 and 3.05 shall automatically apply to increases and decreases in his Compensation. A Member may change his election under Sections 3.01, 3.02, 3.04 and 3.05 by giving notice to the Administrative Committee or its designee. The changed percentage shall become effective as soon as administratively practicable following the delivery of such notice.

In addition to the election opportunity for Automatic Contributions under Section 3.03(b), a Covered Member may make a subsequent election to increase or decrease the percentage of Compensation, subject to the terms and conditions provided in the above paragraph.

3.10 Suspension of Contributions

- (a) A Member may suspend his contributions under Section 3.05 and/or revoke his election under Section 3.01, 3.02 or 3.04 at any time by giving notice to the Administrative Committee or its designee. The suspension or revocation shall become effective as soon as administratively practicable following the delivery of such notice.
 - (b) A Member who has suspended his contributions under Section 3.05 may elect to have them resumed in accordance with Section 3.05 by giving notice to the Administrative Committee or its designee. A Member who has revoked his election under Section 3.01, 3.02 or 3.04 may elect to resume having his Compensation reduced in accordance with Section 3.01, 3.02 or 3.04 by giving notice to the Administrative Committee or its designee.
 - (c) In addition to the election opportunity for Automatic Contributions under Section 3.03(b), a Covered Member may make a subsequent election to revoke the Automatic Contribution Arrangement at any time by giving notice to the Administrative Committee or its designee. Such revocation shall become effective as soon as administratively practicable following the delivery of such notice.
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3.11 Actual Deferral Percentage Test

With respect to each Plan Year, the Actual Deferral Percentage for that Plan Year for Highly Compensated Employees who are Members or eligible to become Members for that Plan Year shall not exceed the Actual Deferral Percentage for the preceding Plan Year for all Non-Highly Compensated Employees for the preceding Plan Year who were Members or eligible to become Members during the preceding Plan Year multiplied by 1.25. If the Actual Deferral Percentage for such Highly Compensated Employees does not meet the foregoing test, the Actual Deferral Percentage for such Highly Compensated Employees for that Plan Year may not exceed the Actual Deferral Percentage for the preceding Plan Year for all Non-Highly Compensated Employees for the preceding Plan Year who were Members or eligible to become Members during the preceding Plan Year by more than two percentage points (2%), and such Actual Deferral Percentage for such Highly Compensated Employees for the Plan Year may not be more than 2.0 times the Actual Deferral Percentage for the preceding Plan Year for all Non-Highly Compensated Employees for the preceding Plan Year who were Members or eligible to become Members during the preceding Plan Year (or such lesser amount as the Administrative Committee shall determine to satisfy the provisions of Section 3.13).

Notwithstanding the foregoing, the Employer may elect to use the Actual Deferral Percentage for Non-Highly Compensated Employees for the current Plan Year being tested rather than the preceding Plan Year, provided that such election must be evidenced by a Plan amendment that complies with regulations under Section 401(k) of the Code.

The Administrative Committee may implement rules limiting the Deferred Cash Contributions (including Roth Deferred Cash Contributions) which may be made on behalf of some or all Highly Compensated Employees so that this limitation is satisfied. If the Administrative Committee determines that the limitation under this Section has been exceeded in any Plan Year, the following provisions shall apply:

- (a) The actual deferral ratio of the Highly Compensated Employee with the highest actual deferral ratio shall be reduced to the extent necessary to meet the actual deferral percentage test or to cause such ratio to equal the actual deferral ratio of the Highly Compensated Employee with the next highest ratio. This process will be repeated until the actual deferral percentage test is passed. Each ratio shall be rounded to the nearest one one-hundredth of one percent (0.01%) of the Member's Statutory Compensation. The amount of Deferred Cash Contributions (and Roth Deferred Cash Contributions) made by each Highly Compensated Employee in excess of the amount permitted under his revised deferral ratio shall be added together. This total dollar amount of excess contributions ("excess contributions") shall then be allocated to some or all Highly Compensated Employees in accordance with the provisions of paragraph (b) below.
 - (b) The Deferred Cash Contributions of the Highly Compensated Employee with the highest dollar amount of Deferred Cash Contributions shall be reduced by the lesser of (i) the amount required to cause that Employee's Deferred Cash Contributions to equal the dollar amount of the Deferred Cash Contributions of the Highly Compensated Employee with the next highest dollar amount of Deferred Cash Contributions or (ii) an amount equal to the total excess contributions. This procedure is repeated until all excess contributions are
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allocated. The amount of excess contributions allocated to a Highly Compensated Employee, together with Earnings thereon, shall be distributed to him in accordance with the provisions of paragraph (c). In the event a Member has made both Deferred Cash Contributions and Roth Deferred Cash Contributions for the applicable calendar year, the excess deferrals shall be first attributed to the Member's Deferred Cash Contributions.

- (c) The excess contributions shall first be treated as Catch-Up Contributions, to the extent possible under Section 3.02, or as Roth Catch-Up Contributions, to the extent possible under Section 3.04. Any remaining excess contributions, together with Earnings thereon, allocated to a Member shall be paid to the Member before the close of the Plan Year following the Plan Year in which the excess contributions were made, and to the extent practicable, within 2½ months of the close of the Plan Year in which the excess contributions were made. However, any excess contributions for any Plan Year shall be reduced by any Deferred Cash Contributions and Roth Deferred Cash Contributions previously returned to the Member under Section 3.01 for that Plan Year.

3.12 Contribution Percentage Test

With respect to each Plan Year, the Contribution Percentage for that Plan Year for Highly Compensated Employees who are Members or eligible to become Members for that Plan Year shall not exceed the Contribution Percentage for the preceding Plan Year for all Non-Highly Compensated Employees for the preceding Plan Year who were Members or eligible to become Members during the preceding Plan Year multiplied by 1.25. If the Contribution Percentage for such Highly Compensated Employees does not meet the foregoing test, the Contribution Percentage for such Highly Compensated Employees for that Plan Year may not exceed the Contribution Percentage for the preceding Plan Year for all Non-Highly Compensated Employees for the preceding Plan Year who were Members or eligible to become Members during the preceding Plan Year by more than two percentage points (2%), and such Contribution Percentage for such Highly Compensated Employees for the Plan Year may not be more than 2.0 times the Contribution Percentage for the preceding Plan Year for all Non-Highly Compensated Employees for the preceding Plan Year who were Members or eligible to become Members during the preceding Plan Year (or such lesser amount as the Administrative Committee shall determine to satisfy the provisions of Section 3.13).

Notwithstanding the foregoing, the Employer may elect to use the Contribution Percentage for Non-Highly Compensated Employees for the current Plan Year being tested rather than the preceding Plan Year, provided that such election must be evidenced by a Plan amendment that complies with regulations under Section 401(m) of the Code.

The Administrative Committee may implement rules limiting the After-Tax Contributions which may be made by some or all Highly Compensated Employees so that this limitation is satisfied. If the Administrative Committee determines that the limitation under this Section 3.12 has been exceeded in any Plan Year, the following provisions shall apply:

- (a) The actual contribution ratio of the Highly Compensated Employee with the highest actual contribution ratio shall be reduced to the extent necessary to meet
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the test or to cause such ratio to equal the actual contribution ratio of the Highly Compensated Employee with the next highest actual contribution ratio. This process will be repeated until the actual contribution percentage test is passed. Each ratio shall be rounded to the nearest one one-hundredth of one percent (0.01%) of a Member's Statutory Compensation. The amount of After-Tax Contributions made by or on behalf of each Highly Compensated Employee in excess of the amount permitted under his revised actual contribution ratio shall be added together. This total dollar amount of excess contributions ("excess aggregate contributions") shall then be allocated to some or all Highly Compensated Employees in accordance with the provisions of paragraph (b) below.

- (b) The After-Tax Contributions of the Highly Compensated Employee with the highest dollar amount of such contributions shall be reduced by the lesser of (i) the amount required to cause that Employee's After-Tax Contributions to equal the dollar amount of such contributions of the Highly Compensated Employee with the next highest dollar amount of such contributions, or (ii) an amount equal to the total excess aggregate contributions. This procedure is repeated until all excess aggregate contributions are allocated. The amount of excess aggregate contributions allocated to each Highly Compensated Employee, together with Earnings thereon, shall be distributed to the Member.
- (c) Any payment of excess aggregate contributions shall be made before the close of the Plan Year following the Plan Year for which the excess aggregate contributions were made, and to the extent practicable, any payment shall be made within 2½ months of the close of the Plan Year in which the excess aggregate contributions were made.

3.13 Additional Discrimination Testing Provisions

- (a) If any Highly Compensated Employee is a member of another qualified plan of the Employer or an Affiliated Employer, including an employee stock ownership plan described in Section 4975(e)(7) of the Code but excluding any other qualified plan which must be mandatorily disaggregated under Section 410(b) of the Code, under which deferred cash contributions or matching contributions are made on behalf of the Highly Compensated Employee or under which the Highly Compensated Employee makes after-tax contributions, the Administrative Committee shall implement rules, which shall be uniformly applicable to all employees similarly situated, to take into account all such contributions for the Highly Compensated Employee made for the applicable Plan Year under all such plans in applying the limitations of Sections 3.11 and 3.12.
 - (b) In the event that this Plan is aggregated with one or more other plans to satisfy the requirements of Sections 401(a)(4) and 410(b) of the Code (other than for purposes of the average benefit percentage test) or if one or more other plans is aggregated with this Plan to satisfy the requirements of such sections of the Code, then the provisions of Sections 3.11 and 3.12 shall be applied by determining the Actual Deferral Percentage and Contribution Percentage of
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employees as if all such plans were a single plan. If this Plan is permissively aggregated with any other plan or plans for purposes of satisfying the provisions of Section 401(k)(3) of the Code, the aggregated plans must also satisfy the provisions of Sections 401(a)(4) and 410(b) of the Code as though they were a single plan. Plans may be aggregated under this paragraph (b) only if they have the same plan year.

- (c) The Employer may elect to use Deferred Cash Contributions or Roth Deferred Cash Contributions to satisfy the tests described in Section 3.12, provided that the test described in Section 3.11 is met prior to such election and continues to be met following the Employer's election to shift the application of those Deferred Cash Contributions or Roth Deferred Cash Contributions from Section 3.11 to Section 3.12 and provided further that the tests described in Sections 3.11 and 3.12 are both performed on either a prior year testing method or a current year testing method.
 - (d) The Employer may authorize that special "qualified nonelective contributions" shall be made for a Plan Year, which shall be allocated in such amounts and to such Members, who are Non-Highly Compensated Employees, as the Administrative Committee shall determine, provided such allocation procedure complies with the applicable provisions of Treasury Regulation Section 1.401(k)-2(a)(6). The Administrative Committee shall establish such separate accounts as may be necessary. Qualified nonelective contributions shall be 100% nonforfeitable when made. Qualified nonelective contributions made before January 1, 1989 and earnings credited thereon as of that date may be withdrawn by a Member while in service only under the provisions of Section 7.03. Any qualified nonelective contributions made on or after January 1, 1989 and any earnings credited on any qualified nonelective contributions after such date shall only be available for withdrawal under the provisions of Section 7.03. Qualified nonelective contributions made for the Plan Year may be used to satisfy the tests described in Sections 3.11 and 3.12 where necessary.
 - (e) Notwithstanding any provision of the Plan to the contrary, if employees included in a unit of employees covered by a collective bargaining agreement are participating in the Plan and not more than 2 percent of such employees are Highly Compensated Employees and professionals, then such employees shall be disregarded in applying the provisions of Section 3.11 and 3.12. However, a separate actual deferral percentage test must be performed for the group of collective bargaining employees on the basis that those employees are included in a separate cash-or-deferred arrangement, provided such group contains at least one Highly Compensated Employee.
 - (f) If the Employer elects to apply the provisions of Section 410(b)(4)(B) to satisfy the requirements of Section 401(k)(3)(A)(i) of the Code, the Employer may apply the provisions of Sections 3.11 and 3.12 by excluding from consideration all eligible employees (other than Highly Compensated Employees) who have not met the minimum age and service requirements of Section 410(a)(1)(A) of the Code.
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3.14 Maximum Annual Additions

- (a) The annual addition to a Member's Accounts for any Plan Year, which shall be considered the "limitation year" for purposes of Section 415 of the Code, when added to the Member's annual addition for that Plan Year under any other qualified defined contribution plan of the Employer or an Affiliated Employer, shall not exceed an amount that is equal to the lesser of (i) 100% of his aggregate remuneration for the Plan Year, or (ii) \$49,000, as adjusted in accordance with Section 415(d) of the Code.
 - (b) For purposes of this Section, the "annual addition" to a Member's Accounts under this Plan or any other qualified defined contribution plan maintained by the Employer or an Affiliated Employer shall be determined in accordance with (i) and (ii) below:
 - (i) The annual addition shall include all of the following amounts that have been allocated to the Member's Accounts under this Plan or any other qualified defined contribution plan (including a deemed qualified defined contribution plan under a qualified defined benefit plan) maintained by the Employer or an Affiliated Employer:
 - (A) the total Employer contributions made on the Member's behalf by the Employer and all Affiliated Employers;
 - (B) all Deferred Cash Contributions, Roth Deferred Cash Contributions and After-Tax Contributions, including Deferred Cash Contributions distributed under the provisions of Section 3.11 and After-Tax Contributions distributed under the provisions of Section 3.12;
 - (C) forfeitures, if applicable; and
 - (D) solely for purposes of the dollar limit under clause (ii) of paragraph (a) above, amounts described in Sections 415(1)(1) and 419A(d)(2) allocated to the Member.
 - (ii) The annual addition shall not include:
 - (A) Rollover Contributions;
 - (B) loan repayments made under Article 8;
 - (C) amounts required to be repaid under Section 6.03 as a condition of the restoration of a Member's forfeited Employer Account balance;
 - (D) excess deferrals timely distributed from the Plan under Section 3.01(d); and
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(E) Catch-Up Contributions (including Roth Catch-Up Contributions).

For purposes of this paragraph (b), any Deferred Cash Contributions or Roth Deferred Cash Contributions distributed under Section 3.11 and any After-Tax Contributions distributed under the provisions of Section 3.01, 3.11 or 3.12 shall be included in the annual addition for the year allocated.

- (c) For purposes of this Section, the term “remuneration” with respect to any Member shall mean the wages, salaries, and other amounts paid in respect of such Member by the Employer or an Affiliated Employer for personal services actually rendered, and shall include amounts contributed by the Employer pursuant to a salary reduction agreement which are not includible in the gross income of the employee under Section 125, 132(f), 402(g), 414(v) or 457 of the Code but shall exclude other deferred compensation, stock options, and other distributions which receive special tax benefits under the Code. Effective January 1, 2008, remuneration shall also include amounts required to be recognized under the provisions of Section 1.415(c)-2(e) of the Treasury regulations. Remuneration shall not exceed the Annual Dollar Limit.
- (d) Notwithstanding the foregoing, effective for Plan Years beginning on and after January 1, 2008, to the extent that the annual additions to a Member’s Accounts exceed the limitation set forth in paragraph (a), corrections shall be made in a manner consistent with the provisions of the Employee Plans Compliance Resolution System as set forth in Revenue Procedure 2008-50 or any subsequent guidance.

3.15 Return of Contributions

- (a) If all or part of the Employer’s deductions for contributions to the Plan are disallowed by the Internal Revenue Service, the portion of the contributions to which that disallowance applies shall be returned to the Employer without interest but reduced by any investment loss attributable to those contributions, provided that the contribution is returned within one year after the disallowance of deduction. For this purpose, all contributions made by the Employer are expressly declared to be conditioned upon their deductibility under Section 404 of the Code.
 - (b) The Employer may recover without interest the amount of its contributions to the Plan made on account of a mistake of fact, reduced by any investment loss attributable to those contributions, if recovery is made within one year after the date of those contributions.
 - (c) In the event that Deferred Cash Contributions made under Section 3.01 (or Roth Deferred Cash Contributions made under Section 3.04) are returned to the Employer in accordance with the provisions of this Section, the elections to reduce Compensation which were made by Members on whose behalf those contributions were made shall be void retroactively to the beginning of the period for which those contributions were made. The Deferred Cash Contributions and
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Roth Deferred Cash Contributions so returned shall be distributed in cash to those Members for whom those contributions were made, provided, however, that if the contributions are returned under the provisions of paragraph (a) above, the amount of Deferred Cash Contributions and Roth Deferred Cash Contributions to be distributed to Members shall be adjusted to reflect any investment gains or losses attributable to those contributions.

3.16 Contributions during Periods of Military Leave

- (a) Notwithstanding any provision of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified uniformed service duty will be provided in accordance with Section 414(u) of the Code. Without regard to any limitations on contributions set forth in this Article 3, a Member who is reemployed and is credited with Vesting Service under the provisions of Section 1.54(b) because of a period of service in the uniformed services of the United States may elect to contribute to the Plan the Deferred Cash Contributions (including Catch-Up Contributions) and/or After-Tax Contributions that could have been contributed to the Plan in accordance with the provisions of the Plan had he remained continuously employed by the Employer throughout such period of absence (“make-up contributions”). On and after January 1, 2010, a Member who elects to make Deferred Cash Contributions and/or Catch-Up Contributions under this paragraph may further elect, pursuant to the provisions of Section 3.04(a), whether those amounts shall be designated as Deferred Cash Contributions or Roth Deferred Cash Contributions. For purposes of determining the amount of make-up contributions a Member may make, his Compensation for the period of absence shall be deemed to be the rate of Compensation he would have received had he remained employed as an Employee for that period or, if such rate is not reasonably certain, on the basis of the Member’s rate of compensation during the 12-month period immediately preceding such period of absence (or if shorter, the period of employment immediately preceding such period). Any Deferred Cash Contributions, Catch-Up Contributions, Roth Deferred Cash Contributions, Roth Catch-Up Contributions and/or After-Tax Contributions so determined shall be limited as provided in Sections 3.01, 3.02, 3.04, 3.05, 3.11, and 3.12 with respect to the Plan Year or Years to which such contributions relate rather than the Plan Year in which payment is made. The make-up contributions may be made over a period not to exceed three times the period of military leave or five years, if less, but in no event later than the Member’s termination of employment (unless he is subsequently rehired). The make-up period shall start on the later of: (i) the Member’s date of reemployment, or (ii) the date the Employer notifies the Employee of his rights under this Section. Earnings (or losses) on make-up contributions shall be credited commencing with the date the make-up contribution is made in accordance with the provisions of Article 4.
- (b) All contributions under this Section, other than make-up Catch-Up Contributions and make-up Roth Catch-Up Contributions made pursuant to this Section and Sections 3.02 and 3.04 respectively, are considered “annual additions,” as defined in Section 415(c)(2) of the Code, and shall be limited in accordance with
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the provisions of Section 3.13 with respect to the Plan Year or Years to which such contributions relate rather than the Plan Year in which payment is made.

ARTICLE 4: INVESTMENT OF CONTRIBUTIONS

4.01 Investment Funds

- (a) Members' Accounts shall be invested in one or more Investment Funds, including BrokerageLink, the self-directed brokerage option offered by Fidelity Brokerage Services, LLC, as authorized by the Chairman of the Board of Directors or his designee.
- (b) The Trustee may keep such amounts of cash as they, in their sole discretion, shall deem necessary or advisable as part of the Funds, all within the limitations specified in the trust agreement.
- (c) Dividends, interest, and other distributions received on the assets held by the Trustee in respect to each of the above Funds shall be reinvested in the respective Fund.

4.02 Investment of Members' Accounts

A Member shall elect to have his Accounts invested in accordance with one of the following options:

- (a) 100% in one of the available Investment Funds;
- (b) in more than one Investment Fund allocated in multiples of 1%.

If a Member fails to make an election with respect to the investment of his Accounts, such Member shall be deemed to have elected the investment of his Accounts in the Investment Fund that is intended to provide for stability of principal, or in such other Investment Fund as the Administrative Committee may direct.

4.03 Responsibility for Investments

Each Member is solely responsible for the selection of his investment options. The Trustee, the Administrative Committee, the Employer, and the officers, supervisors and other employees of the Employer are not empowered to advise a Member as to the manner in which his Accounts shall be invested. The fact that an Investment Fund is available to Members for investment under the Plan shall not be construed as a recommendation for investment in that Investment Fund.

4.04 Change of Election for Current and Future Contributions

A Member may change his investment election under Section 4.02 in multiples of 1% at any time, provided, however, that the Administrative Committee may, from time to time establish a limit on the number of such changes that may be made in a calendar year. The changed

investment election shall become effective as soon as administratively practicable, and shall be effective only with respect to subsequent contributions.

4.05 Reallocation of Accounts Among the Funds

Subject to any administrative restrictions determined by the Administrative Committee, a Member may reallocate his investment account in multiples of 1% at any time, provided, however, that the Administrative Committee may, from time to time establish a limit on the number of such changes that may be made in a calendar year. The reallocation election shall become effective as soon as administratively practicable.

4.06 Limitations Imposed by Contract

Notwithstanding anything in this Article to the contrary, any contributions invested in any investment contract shall be subject to any and all terms of such contract, including any limitations placed on the exercise of any rights otherwise granted to a Member under any other provisions of this Plan with respect to such contributions.

4.07 ERISA Section 404(c) Compliance

This Plan is intended to constitute a plan described in Section 404(c) of ERISA.

ARTICLE 5: VALUATION OF THE ACCOUNTS

5.01 Valuation of Member Accounts

- (a) The Trustee shall value the Funds at least monthly. On each Valuation Date, the Accounts of a Member in each Fund shall equal:
 - (i) the Member's account balance in his Accounts as of the immediately preceding Valuation Date; less
 - (ii) any distributions from the Member's Accounts since the immediately preceding Valuation Date; plus
 - (iii) the amount of contributions, if any, made by or on behalf of the Member to that Fund since the immediately preceding Valuation Date; plus
 - (iv) the net earnings or losses, after adjusting for expenses, if any, since the immediately preceding Valuation Date.
- (b) Whenever an event requires a determination of the value of the Member's Accounts, the value shall be computed as of the Valuation Date coincident with or immediately following the date of determination, subject to the provisions of Section 5.02.

5.02 Right to Change Procedures

The Administrative Committee reserves the right to change from time to time the procedures used in valuing the Accounts or crediting (or debiting) the Accounts if it determines, after due deliberation and upon the advice of counsel and/or the current recordkeeper, that such an action is justified in that it results in a more accurate reflection of the fair market value of assets. In the event of a conflict between the provisions of this Article and such new administrative procedures, those new administrative procedures shall prevail.

5.03 Statement of Accounts

A Member (or, in the event of the death of the Member, a Beneficiary) shall be furnished with a statement setting forth the value of his Accounts, the Vested Portion of his Accounts, and such other information as required under Section 105(a) of ERISA. Such statement shall be furnished in the time and manner prescribed by Section 105(a) of ERISA and related guidance thereto.

ARTICLE 6: VESTED PORTION OF ACCOUNTS

6.01 Member Account, Deferred Account, Roth Deferred Cash Contribution Account and Rollover Contributions Account

A Member shall at all times be 100% vested in, and have a nonforfeitable right to, his Member Account, his Deferred Account, his Catch-Up Account, his Roth Deferred Cash Contribution Account, his Roth Catch-Up Account and his Rollover Contributions Account.

6.02 Employer Account

- (a) As of December 31 of each year prior to January 1, 1995 a Member shall become vested with respect to 25% of the value of the total Matching Contributions made in his behalf for that portion of the year. As of each succeeding December 31, prior to January 1, 1998 such Member shall become vested with respect to an additional 25% of the value of such Matching Contributions until, on December 31 of the third calendar year following the year for which the Matching Contributions were made, such Member shall become vested in 100% of the value of such Matching Contributions made on his behalf. For purposes of this paragraph, the "value of Matching Contributions" shall mean the amount of Matching Contributions adjusted for an allocable share of earnings, losses and expenses in accordance with section 5.01(a)(iv), as of each December 31.
- (b) Notwithstanding the provisions of subsection (a), a Member shall be 100% vested in, and have a nonforfeitable right to, his Employer Account upon death (including death while performing qualified military service, pursuant to the Heroes Earnings Assistance and Relief Tax Act of 2008), Disability, or the attainment of his 65th birthday.
- (c) Employees who were formerly employed by entities that were acquired by the Employer shall be subject to the special vesting rules set forth in Appendix A.

6.03 Disposition of Forfeitures

- (a) Upon termination of employment of a Member who was not fully vested in his Employer Account, the non-vested portion of his Employer Account shall not be forfeited until the Member receives a distribution of the Vested Portion of his Accounts. If the former Member is not reemployed by the Employer or an Affiliated Employer before he receives such a distribution, the non-vested portion of his Employer Account shall be forfeited. Any amounts forfeited pursuant to this subsection shall be applied to reduce Employer contributions or to pay the expenses of the Plan not paid directly by the Employer. If the amount of the Vested Portion of a Member's Employer Account at the time of his termination of employment is zero and the Member had not at any time made Deferred Cash
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Contributions to the Plan, the Member shall be deemed to have received a distribution of such zero vested benefit.

- (b) If an amount of a Member's Employer Account has been forfeited in accordance with subsection (a) above, that amount shall be subsequently restored to the Member's Employer Account provided that:
 - (i) he is reemployed by the Employer or an Affiliated Employer and
 - (ii) he repays to the Plan during his period of reemployment and within five years of his date of reemployment an amount in cash equal to the full amount distributed to him from the Plan on account of his termination of employment. Repayment shall be made in one lump sum.
 - (c) In the event that any amounts to be restored by the Employer to a Member's Employer Account have been forfeited under paragraph (a) above, those amounts shall be taken first from any forfeitures which have not as yet been applied against Employer contributions or used to pay expenses of the Plan not paid directly by the Employer, and if any amounts remain to be restored, the Employer shall make a special Employer contribution equal to those amounts.
 - (d) A repayment shall be invested in the available Investment Funds as the Member elects at the time of repayment.
 - (e) To the extent there are any forfeitures in the Acquired Forfeiture Account, such forfeitures shall be applied to offset Plan expenses under Section 11.04.
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ARTICLE 7: WITHDRAWALS WHILE STILL EMPLOYED

7.01 Withdrawal of After-Tax Contributions

A Member may withdraw up to one hundred percent (100%) of the value of his After-Tax Contributions at the time of withdrawal, for any reason that the Member deems to constitute a financial emergency, by providing notice to the Administrative Committee or its designee.

7.02 Withdrawal of Rollover Contributions Account

A Member may withdraw all or any portion of his Rollover Contributions Account at any time by providing notice to the Administrative Committee or its designee.

7.03 Withdrawal After Age 59½

A Member who shall have attained age 59½ as of the effective date of any withdrawal pursuant to this Section may, subject to Section 7.05, elect to withdraw at any time and, in any order of priority he chooses, (a) all or part of his Deferred Account; (b) all or part of his Catch-Up Account; (c) all or part of his Rollover Contributions Account; (d) all or part of the Vested Portion of his Employer Account, (e) all or part of his Member Account; (f) all or part of his Roth Deferred Cash Contribution Account and (g) all or part of his Roth Catch-Up Account. Notwithstanding the foregoing, no withdrawal may be made from the Member's Roth Deferred Cash Contribution Account or the Member's Roth Catch-Up Account unless the withdrawal is made after the close of the five-consecutive-calendar-year period that began on the first day of the first calendar year in which the Member made a Roth Deferred Cash Contribution (or a Roth Catch-Up Contribution) to this Plan or to any plan from which a direct rollover of Roth Deferred Cash Contributions was made under the provisions of Section 3.08.

7.04 Hardship Withdrawal

- (a) A Member who has withdrawn the total amount available for withdrawal under the preceding Sections of this Article may, subject to Section 7.05, elect to withdraw not more than once in a Plan Year all or part of the Deferred Cash Contributions (including Catch-Up Contributions, Roth Deferred Cash Contributions and Roth Catch-Up Contributions) made on his behalf to his Deferred Account (his Catch-Up Account, his Roth Deferred Cash Contribution Account and his Roth Catch-Up Account) upon furnishing proof of "Hardship" satisfactory to the Administrative Committee in accordance with the provisions of paragraphs (b) and (c) below.
 - (b) As a condition for Hardship there must exist with respect to the Member an immediate and heavy need to draw upon his Accounts.
 - (i) The Administrative Committee shall presume the existence of such immediate and heavy need if the requested withdrawal is on account of any of the following:
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- (A) expenses for (or necessary to obtain) medical care that would be deductible under Section 213(d) of the Code (determined without regard to whether the expenses exceed 7.5 percent of adjusted gross income);
 - (B) costs directly related to the purchase of a principal residence of the Member (excluding mortgage payments);
 - (C) payment of tuition and related educational fees, and room and board expenses, for the next 12 months of post-secondary education of the Member, his spouse, children or dependents (as defined in Section 152 of the Code and determined without regard to Sections 152(b)(1), (b)(2) and (d)(1)(B) of the Code);
 - (D) payment of amounts necessary to prevent eviction of the Member from his principal residence or to avoid foreclosure on the mortgage of his principal residence;
 - (E) payments for burial or funeral expenses for the Member's deceased parent, spouse, children or dependents (as defined in Section 152 of the Code and without regard to Section 152(d)(1)(B) of the Code);
 - (F) expenses for the repair of damages to the Member's principal residence that would qualify for the casualty deduction under Section 165 of the Code (determined without regard to whether the loss exceeds 10 percent of the Member's adjusted gross income); or
 - (G) Any other circumstance or circumstances that may be prescribed or allowed by the Code, or Treasury Regulations thereunder.
- (ii) The Administrative Committee may determine the existence of immediate and heavy financial need in situations other than those described in (i) above where the Member demonstrates the withdrawal is necessary for such reasons as the Administrative Committee shall determine.

The amount of withdrawal may not be in excess of the amount of the immediate and heavy financial need of the employee to pay any federal, state or local income taxes and any amounts necessary to pay any penalties reasonably anticipated to result from the distribution.

In evaluating the relevant facts and circumstances, the Administrative Committee shall act in a nondiscriminatory fashion and shall treat uniformly those Members who are similarly situated. The Member shall furnish to the Administrative Committee such supporting documents as the Administrative Committee may request in accordance with uniform and nondiscriminatory rules prescribed by the Administrative Committee.

- (c) As a condition for Hardship, the Member must demonstrate that the requested withdrawal is necessary to satisfy the financial need described in paragraph (b). To demonstrate such necessity, the Member who requests a hardship withdrawal to satisfy a financial need described in (b)(i) above must comply with either (i) or (ii) as follows. The Member who requests a hardship withdrawal to satisfy a financial need described in subsection (b)(ii) must comply with (i) as follows
- (i) The Member must certify to the Administrative Committee, on such form as the Administrative Committee may prescribe, that the financial need cannot be fully relieved
- (A) through reimbursement or compensation by insurance or otherwise,
 - (B) by reasonable liquidation of the Member's assets,
 - (C) by cessation of Deferred Cash Contributions, Catch-Up Contributions, Roth Deferred Cash Contributions, Roth Catch-Up Contributions and After-Tax Contributions; or
 - (D) by other distributions or nontaxable (at the time of the loan) loans from the Plan or other plans of the Employer or Affiliated Employers or by borrowing from commercial sources at a reasonable rate in an amount sufficient to satisfy the need.

The actions listed are required to be taken to the extent necessary to relieve the hardship but any action which would have the effect of increasing the hardship need not be taken. For purposes of this clause (i) there shall be attributed to the Member those assets of the Member's spouse and minor children which are reasonably available to the Member. The Member shall furnish to the Administrative Committee such supporting documents as the Administrative Committee may request in accordance with uniform and nondiscriminatory rules prescribed by the Administrative Committee. If, on the basis of the Member's certification and the supporting documents, the Administrative Committee finds it can reasonably rely on the Member's certification, then the Administrative Committee shall find that the requested withdrawal is necessary to meet the Member's financial need.

- (ii) The Member must request, on such form as the Administrative Committee shall prescribe, that the Administrative Committee make its determination of the necessity for the withdrawal solely on the basis of his application. In that event, the Administrative Committee shall make such determination, provided all of the following requirements are met:
- (A) the Member has obtained all distributions, other than distributions available only on account of hardship, and all nontaxable loans
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currently available under all plans of the Employer and Affiliated Employers,

- (B) the Member is prohibited from making Deferred Cash Contributions, Catch-Up Contributions, Roth Deferred Cash Contributions, Roth Catch-Up Contributions and After-Tax Contributions to the Plan and all other plans of the Employer and Affiliated Employers under the terms of such plans or by means of an otherwise legally enforceable agreement for at least 12 months after receipt of the distribution, and
- (C) the limitation described in Section 3.01(b) under all plans of the Employer and Affiliated Employers for the calendar year following the year in which the withdrawal is made must be reduced by the Member's elective deferral made in the calendar year of the distribution for Hardship.

For purposes of clause (B), "all other plans of the Employer and Affiliated Employers" shall include stock option plans, stock purchase plans, qualified and non-qualified deferred compensation plans and such other plans as may be designated under regulations issued under Section 401(k) of the Code, but shall not include health and welfare benefit plans or the mandatory employee contribution portion of a defined benefit plan.

7.05 Procedures and Restrictions

If a loan and a hardship withdrawal are processed as of the Valuation Date, the amount available for the hardship withdrawal will equal the Vested Portion of the Member's Accounts on such Valuation Date reduced by the amount of the loan. The amount of the withdrawal shall be allocated between and among the Investment Funds in proportion to the value of the Member's Accounts from which the withdrawal is made in each Investment Fund as of the date of the withdrawal. Subject to the provisions of Section 9.08, all payments to Members under this Article shall be made in cash as soon as practicable.

7.06 Determination of Vested Portion of Employer Account

If a Member is not fully vested in his Employer Account at the time he makes a withdrawal from that Account under this Article 7, as of any subsequent Valuation Date such Member's Vested Portion of his Employer Account shall be determined in accordance with the following formula:

$$X = P \times (AB+D) - D,$$

where X is the value of the Member's Vested Portion of such Account, P is the nonforfeitable percentage at the relevant time, AB is the value of his Employer Account at the relevant time, and D is the amount of the prior distribution from such Account.

7.07 Separate Contracts.

For purposes of Section 72 of the Code, a Member's Member Account shall constitute a separate contract, the Member's Roth Deferred Cash Contribution Account shall constitute a separate contract and the remaining amounts in the Plan with respect to a Member shall constitute another separate contract.

7.08 Active Military Duty Withdrawals.

- (a) A Member who is on active military duty for more than 30 days may request a distribution of all or a portion of his Deferred Account, his Catch-Up Account, his Roth Deferred Cash Contributions Account and his Roth Catch-Up Account.
 - (b) A Member who takes such a distribution shall be prohibited from making Deferred Cash Contributions, Catch-Up Contributions, Roth Deferred Cash Contributions, Roth Catch-Up Contributions and After-Tax Contributions to the Plan and all other plans of the Employer and Affiliated Employers under the terms of such plans or by means of an otherwise legally enforceable agreement for at least 6 months after receipt of the distribution.
 - (c) Any distribution made under this Section shall be subject to the additional tax on early distributions under Section 72(t) of the Code, unless the distribution is a "qualified reservist distribution" as that term is defined under the Heroes Earnings Assistance and Relief Tax Act of 2008.
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ARTICLE 8: LOANS TO MEMBERS

8.01 Eligibility

Subject to the following provisions of this Article 8, a Member who is an Employee of the Employer or an Affiliated Employer may borrow, on written application to the Administrative Committee and on approval by the Administrative Committee under such uniform rules as it shall adopt, an amount not in excess of the maximum loan amount determined in accordance with Section 8.02. Notwithstanding the foregoing, the Administrative Committee may, in its sole discretion, deny a loan to a Member who is a director or executive officer (or the equivalent thereof) of the Employer or an Affiliated Employer based on a reasonable concern regarding the legality of the loan under Section 13(k) of the Securities Exchange Act of 1934.

8.02 Amount Available

A Member who is an employee of the Employer or an Affiliated Employer may borrow, on written application to the Administrative Committee and on approval by the Administrative Committee under such uniform rules as it shall adopt, an amount which does not exceed the lesser of:

- (i) 50% of the Vested Portion of his Accounts, or
- (ii) \$50,000 reduced by the highest outstanding balance of loans to the Member from the Plan during the one year period ending on the day before the day the loan is made.

8.03 Interest

Loans from the Plan shall be repaid with interest. For each Plan Year, the interest rate to be charged on loans shall be determined by the Administrative Committee and shall be one percent (1%) percent above the prime rate as reported in the *Wall Street Journal* as of the first business day of the Plan Year . The interest rate so determined for purposes of the Plan shall be fixed for the duration of each loan.

8.04 Security for Loan

The amount of the loan is to be transferred from the Investment Funds in which the Member's Accounts are invested to a special "Loan Fund" for the Member under the Plan. The Loan Fund consists solely of the amount transferred to the Loan Fund and is invested solely in the loan made to the Member. The amount transferred to the Loan Fund shall be pledged as security for the loan. Payments of principal on the loan will reduce the amount held in the Member's Loan Fund. Those payments, together with the attendant interest payment, will be reinvested in the Investment Funds in accordance with the Member's then effective investment election.

8.05 Terms

- (a) In addition to such rules and regulations as the Administrative Committee may adopt, all loans shall comply with the following terms and conditions:
- (i) An application for a loan by a Member shall be made in writing to the Administrative Committee, whose action in approving or disapproving the application shall be final. The Member shall certify in such application as to the existence and amount of any outstanding loans (including any loans deemed distributed) from any qualified plans maintained by the Employer and all Affiliated Employers.
 - (ii) Each loan shall be evidenced by a promissory note payable to the Plan.
 - (iii) The period of repayment for any loan shall be arrived at by mutual agreement between the Administrative Committee and the Member, but that period shall not exceed five years unless the loan is to be used in conjunction with the purchase of the principal residence of the Member, in which case that period shall not exceed 15 years, or unless the provisions of subparagraph (iv) provide otherwise.
 - (iv) If a Member with an outstanding loan takes an authorized leave of absence without pay or reduced pay that is less than the required loan payments, for reasons other than to enter the uniformed services of the United States, loan payments may be suspended at the request of the Member, for a period of up to 12 months or until the end of the term of the loan, if earlier. Upon a Member's reemployment from the leave of absence, the Member shall resume payments either in the same amount as before the leave with the full balance due upon the expiration of the repayment period or by reamortizing the loan in substantially level installments over the remaining term of the loan.
 - (v) If a Member takes a leave of absence to enter the uniformed services of the United States, loan repayments shall be suspended during the period of leave, upon approval by the Administrative Committee or its designee. Upon the Member's reemployment from the uniformed services, the period of repayment shall be extended by the number of months of the period of service in the uniformed services or, if greater, the number of months that would remain if the original loan term were five years plus the number of months in the period of absence; provided, however, if the Member incurs a termination of employment and requests a distribution pursuant to Article 9, the loan shall be canceled, and the outstanding loan balance shall be distributed pursuant to Article 9. If a Member enters the uniformed services of the United States, the interest rate applicable to the unpaid loan balance during the period of leave shall be reduced to 6%, in accordance with the Servicemembers Civil Relief Act of 2003. Upon a Member's reemployment from the leave of absence, the Member shall resume payments either in the same amount as before the leave with the full balance due upon the expiration of the repayment period or by
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reamortizing the loan in substantially level installments over the remaining term of the loan.

- (vi) Payments of principal and interest will be made by payroll deductions or in a manner agreed to by the Member and the Administrative Committee in substantially level amounts, but no less frequently than quarterly, in an amount sufficient to amortize the loan over the repayment period.
 - (vii) A loan may be prepaid in full as of any date without penalty.
 - (viii) Only one loan may be outstanding at any given time (unless an acquired employee rolls over outstanding loan balance(s) from his prior Plan, in which case two outstanding loans are permitted).
- (b) If a loan is not repaid in accordance with the terms contained in the promissory note and a default occurs, the Plan may execute upon its security interest in the Member's Accounts under the Plan to satisfy the debt; however, the Plan shall not levy against any portion of the Loan Fund attributable to amounts held in the Member's Deferred Account or Employer Account until such time as a distribution of the Deferred Account or Employer Account could otherwise be made under the Plan.
- (c) Any additional rules or restrictions as may be necessary to implement and administer the loan program shall be in writing and communicated to employees. Such further documentation is hereby incorporated into the Plan by reference, and the Administrative Committee is hereby authorized to make such revisions to these rules as it deems necessary or appropriate, on the advice of counsel.
- (d) To the extent required by law and under such rules as the Administrative Committee shall adopt, loans shall also be made available on a reasonably equivalent basis to any Beneficiary or former Employee (i) who maintains an account balance under the Plan and (ii) who is still a party-in-interest (within the meaning of Section 3(14) of ERISA).
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ARTICLE 9: DISTRIBUTION OF ACCOUNTS UPON TERMINATION OF EMPLOYMENT, DISABILITY OR DEATH

9.01 Eligibility

Upon a Member's termination of employment, permanent Disability or death, the Vested Portion of his Accounts, as determined under Article 6, shall be distributed as provided in this Article.

9.02 Form of Distribution

Distribution of the Vested Portion of a Member's Accounts shall be made to the Member (or to his Beneficiary, in the event of death) in a cash lump sum.

9.03 Date of Payment of Distribution

- (a) Except as otherwise provided in this Article, distribution of the Vested Portion of a Member's Accounts shall be made as soon as administratively practicable following the later of (i) the Member's termination of employment or (ii) the 65th anniversary of the Member's date of birth (but not more than 60 days after the close of the Plan Year in which the later of (i) or (ii) occurs), unless an election is made under paragraph (b) below.
- (b) In lieu of a distribution as described in paragraph (a) above, a Member may, in accordance with such procedures as the Administrative Committee shall prescribe, elect to have the distribution of the Vested Portion of his Accounts made as of any Valuation Date coincident with or following his termination of employment which is before or after the date described in paragraph (a) above, subject to the provisions of Sections 9.04 and 9.07.
- (c) Notwithstanding the provisions of subsections (a) and (b), if the value of the Vested Portion of the Member's Accounts (including his Rollover Contributions Account) is less than \$1,000, a lump sum payment shall automatically be made as soon as administratively practicable following the Member's termination of employment.
- (d) In the case of the death of a Member before the distribution of his Accounts, the Vested Portion of his Accounts shall be distributed to his Beneficiary as soon as administratively practicable following the Member's date of death.

9.04 Age 70½ Required Distribution

- (a) Notwithstanding any provision of the Plan to the contrary, if a Member is a five percent owner (as defined in Section 416(i) of the Code), distribution of the
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Member's Accounts shall begin no later than the April 1 following the calendar year in which he attains age 70½. No minimum distribution payments under the provisions of Section 401(a)(9) of the Code will be made to a Member during his employment with the Employer or an Affiliated Employer on or after January 1, 1998, if the Member is not a 5 percent owner as defined above. Such Member may, however, elect to receive in-service withdrawals in accordance with the provisions of Article 7 while he remains in service.

- (b) In the event a Member in active service is required to begin receiving payments while in service under the provisions of paragraph (a) above, the Member may elect to receive payments while in service in accordance with option (i) or (ii), as follows:
- (i) A Member may receive one lump sum payment on or before the Member's required beginning date equal to his entire Account balance and annual lump sum payments thereafter of amounts accrued during each calendar year; or
 - (ii) A Member may receive annual payments of the minimum amount necessary to satisfy the minimum distribution requirements of Section 401(a)(9) of the Code. With respect to distribution calendar years commencing on and after January 1, 2002, such minimum amount shall be the lesser of:
 - (A) the quotient obtained by dividing the Member's Accounts by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Member's age as of the Member's birthday in the distribution calendar year; or
 - (B) if the Member's sole designated beneficiary for the distribution calendar year is the Member's spouse, the quotient obtained by dividing the Member's Accounts by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Member's and spouse's attained ages as of the Member's and the spouse's birthdays in the distribution calendar year.

An election under this Section shall be made by a Member by giving written notice to the Administrative Committee within the 90-day period prior to his required beginning date. The amount of the withdrawal shall be allocated between the Investment Funds in proportion to the value of the Member's Accounts as of the date of each withdrawal from which amounts are withdrawn. The commencement of payments under this Section shall not constitute an Annuity Starting Date for purposes of Sections 72, 401(a)(11), and 417 of the Code. Upon the Member's subsequent termination of employment, payment of the Member's Accounts shall be made in accordance with the provisions of Section 9.02. In the event a Member fails to make an election under this Section, payment shall be made in accordance with clause (ii) above.

- (c) For purposes of paragraph (b) above, the following definitions apply:
- (i) "Designated beneficiary" means the individual who is designated as the Beneficiary and is the designated beneficiary under Section 401(a)(9) of the Code and Section 1.401(a)(9)-4, Q&A-1 of the Treasury regulations.
 - (ii) "Distribution calendar year" means a calendar year for which a minimum distribution is required. The first distribution calendar year is the calendar year in which the applicable Member in active service attains age 70½.
 - (iii) "Life expectancy" means life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulations.
 - (iv) "Member's Accounts" means the balance of the Member's Accounts as of the last Valuation Date in the calendar year immediately preceding the distribution calendar year ("valuation calendar year") increased by the amount of contributions made and allocated or forfeitures allocated to the Member's Accounts as of dates in the valuation calendar year after such last Valuation Date and decreased by distributions made in the valuation calendar year after such last Valuation Date. The Member's Accounts for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

Required minimum distributions will be determined under paragraph (b) above beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Member's date of death.

In the event a Member fails to make an election under this Section 9.04, payment shall be made in accordance with clause (b)(i) above.

The amount of the withdrawal shall be allocated among the Investment Funds in proportion to the value of the Member's Accounts as of the date of each withdrawal. An election under this Section 9.04 shall be made by a Member by giving written notice to the Administrative Committee within the 90-day period prior to his required beginning date. The commencement of payments under this Section 9.04 shall not constitute an Annuity Starting Date for purposes of Sections 72, 401(a)(11) and 417 of the Code. Upon the Member's subsequent termination of employment, payment of the Member's Accounts shall be made in accordance with the provisions of Section 9.02.

9.05 Status of Accounts Pending Distribution

Until distributed under Section 9.03 or 9.04 the Accounts of a Member who is entitled to a distribution shall continue to be invested as part of the funds of the Plan and the Member shall retain investment transfer rights as described in Section 4.05 during the deferral period.

9.06 Proof of Death and Right of Beneficiary or Other Person

The Administrative Committee may require and rely upon such proof of death and such evidence of the right of any Beneficiary or other person to receive the value of the Accounts of a deceased Member as the Administrative Committee may deem proper and its determination of the right of that Beneficiary or other person to receive payment shall be conclusive.

9.07 Distribution Limitation

Notwithstanding any other provision of this Article 9, all distributions from this Plan shall conform to the regulations issued under Section 401(a)(9) of the Code, including the incidental death benefit provisions of Section 401(a)(9)(G) of the Code. Such requirements shall be administered in accordance with the regulations issued under Section 401(a)(9) of the Code, as follows:

- (a) With respect to distributions under the Plan made for calendar years beginning on or after January 1, 2001, the Plan will apply the minimum distribution requirements of Section 401(a)(9) of the Code in accordance with the Treasury Regulations under Section 401(a)(9) that were proposed on January 17, 2001.
- (b) With respect to distributions made for distribution calendar years beginning on and after January 1, 2002, the Plan will apply the minimum distribution requirements of Section 401(a)(9) of the Code in accordance with the regulations under Section 401(a)(9) that were issued April 17, 2002, as prescribed in Section 9.04.

The provisions of Section 401(a)(9) of the Code and the regulations thereunder shall override any Plan provision that is inconsistent with Section 401(a)(9) of the Code.

9.08 Direct Rollover of Certain Distributions

Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the Administrative Committee, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover. The following definitions apply to the terms used in this Section:

- (a) "Eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include:
 - (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten years or more;
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- (ii) any distribution to the extent such distribution is required under Section 401(a)(9) of the Code;
 - (iii) after-tax amounts (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities) unless such amount is rolled over or transferred (i.e., directly rolled over) to an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, or effective on or after January 1, 2007, a Roth individual retirement account described in Section 408A(b) of the Code, or transferred (i.e., directly rolled over) to:
 - (A) a defined contribution plan qualified under Section 401(a) of the Code;
 - (B) effective on and after January 1, 2007, any qualified plan described in Section 401(a) of the Code; or
 - (C) effective on and after January 1, 2007, an annuity plan described in Section 403(b) of the Codeprovided that a plan described in subparagraph (A), (B) or (C) above agrees to separately account for such after-tax amount and earnings thereon; and
 - (iv) any in-service withdrawal that is made on account of hardship.
- (b) "Eligible retirement plan" means any of the following types of plans that accept the distributee's eligible rollover distribution:
- (i) a qualified plan described in Section 401(a) of the Code;
 - (ii) an annuity plan described in Section 403(a) of the Code;
 - (iii) an individual retirement account or individual retirement annuity described in Section 408(a) or 408(b) of the Code, respectively;
 - (iv) an annuity contract described in Section 403(b) of the Code;
 - (v) an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan; and
 - (vi) effective January 1, 2008, a Roth individual retirement account described in Section 408A of the Code.
- (c) "Distributee" means an Employee or former Employee. In addition, solely for purposes of paragraph (a) above, the Employee's or former Employee's surviving
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spouse, the Employee's or former Employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order as defined in Section 414(p) of the Code are distributees with regard to the interest of the spouse or former spouse, or a non-spouse Beneficiary; and

- (d) "Direct rollover" means a payment by the Plan to the eligible retirement plan specified by the distributee.

Notwithstanding the above, a direct rollover of a distribution from a Roth Deferred Cash Contribution Account will only be made to another Roth Deferred Cash Contribution Account under an applicable retirement plan described in Section 402A (e)(1) of the Code or to a Roth IRA described in Section 408A of the Code, and only to the extent the rollover is permitted under the rules of Section 402(c) of the Code.

9.09 Waiver of Notice Period

If the value of the vested portion of a Member's Accounts exceeds \$1,000, an election by the Member to receive a distribution prior to age 65 shall not be valid unless the written election is made (a) after the Member has received the notice required under Section 1.411(a)-11(c) of the Income Tax Regulations and (b) within a reasonable time before the effective date of the commencement of the distribution as prescribed by said regulations. Notwithstanding the foregoing sentence, such distribution may commence less than 30 days after the notice required under Section 1.411(a)-11(c) of the Income Tax Regulations is given, provided that:

- (a) the Administrative Committee clearly informs the Member that he has a right to a period of at least 30 days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option), and
- (b) the Member, after receiving the notice under Sections 411 and 417, affirmatively elects a distribution.

9.10 Worker, Retiree, and Employer Recovery Act of 2008

Notwithstanding any provision of the Plan to the contrary, a Member who has terminated employment and who would, but for the enactment of the Worker, Retiree, and Employer Recovery Act of 2008, be required to take a distribution of the Vested Portion of his Account pursuant to Sections 9.04 and 9.07 during the Plan Year beginning on January 1, 2009, may elect to receive a single lump sum payment of all or a portion of the entire Vested Portion of his Account. Such distribution shall not be considered a minimum distribution payment under Section 401(a)(9) of the Code if made on or before December 31, 2009.

ARTICLE 10: ADMINISTRATION OF PLAN

10.01 Appointment of Administrative Committee

The general administration of the Plan and the responsibility for carrying out the provisions of the Plan shall be placed in an Administrative Committee of not less than three persons appointed from time to time by the Chairman of the Board of Directors or his designee to serve at the pleasure of such President or his designee. Any person who is appointed a member of the Administrative Committee shall signify his acceptance by filing written acceptance with the President or his designee. Any member of the Administrative Committee may resign by delivering his written resignation to the President or his designee. Vacancies shall be filled by the President or his designee.

10.02 Duties of Administrative Committee

The Administrative Committee (or its delegate) may act on the Company's behalf as the sponsor and "named fiduciary" of the Plan with respect to Plan administrative matters. Acting on behalf of the Company, and subject to the terms of the Plan, the Trust Agreement and applicable resolutions of the Board, the Administrative Committee (or its delegate) has full and absolute discretion and authority to control and manage the operation and administration of the Plan, and to interpret and apply the terms of the Plan and the Trust Agreement. This full and absolute discretion and authority includes, but is not limited to, the power to:

- (a) interpret, construe, and apply the provisions of the Plan and Trust Agreement, and any construction adopted by the Administrative Committee in good faith shall be final and binding;
 - (b) adopt Plan amendments that (1) are required by ERISA or other applicable law or regulation governing qualification of employee benefit plans, or are necessary for Plan administration, and which do not materially increase costs to the Plan or the Company or materially change Members' benefits under the Plan, (2) implement special rules in Section 12.03 for acquisitions, sales, and other dispositions, or (3) clarify ambiguous or unclear Plan provisions; provided that such amendments will be made in writing and will be made according to procedures established by the Administrative Committee;
 - (c) review appeals from the denial of benefits;
 - (d) change or terminate the existing Investment Fund options offered under the Plan or establish additional Investment Fund options;
 - (e) appoint and dismiss Investment Managers (as described by section 3(38) of ERISA) and the Trustee;
 - (f) provide guidelines and directions to, and monitor the performance of, Investment Managers and the Trustee; and
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(g) manage the cost and financial aspects of the Plan.

The Administrative Committee may employ, appoint, and dismiss advisors and advisory Administrative Committees as the Administrative Committee deems necessary to carry out the provisions of the Plan and the Trust Agreement, including attorneys, accountants, actuaries, clerks, or other agents, and may delegate any of its authority and duties to such persons.

10.03 Individual Accounts

The Administrative Committee shall maintain, or cause to be maintained, records showing the interests in the Trust Fund of all Members, former Members or Beneficiaries, and the individual balances in each Member's Accounts. However, maintenance of those records and Accounts shall not require any segregation of the funds of the Plan.

10.04 Meetings

The Administrative Committee shall hold meetings upon such notice, at such place or places, and at such time or times as it may from time to time determine.

10.05 Action of Majority

Any act which the Plan authorizes or requires the Administrative Committee to do must be done by a majority of its members. The action of that majority expressed from time to time by a vote at a meeting or in writing without a meeting shall constitute the action of the Administrative Committee and shall have the same effect for all purposes as if assented to by all members of the Administrative Committee at the time in office.

10.06 Compensation and Bonding

No member of the Administrative Committee shall receive any compensation from the Plan for his services as such. Except as may otherwise be required by law, no bond or other security need be required of any member in that capacity in any jurisdiction.

10.07 Establishment of Rules

Subject to the limitations of the Plan, the Administrative Committee from time to time shall establish rules for the administration of the Plan and the transaction of its business. The Administrative Committee shall have discretionary authority to construe and interpret the Plan (including, but not limited to, determination of an individual's eligibility for Plan participation, the right and amount of any benefit payable under the Plan and the date on which any individual ceases to be a Member). The determination of the Administrative Committee as to the interpretation of the Plan or any disputed question shall be conclusive and final to the extent permitted by applicable law.

10.08 Prudent Conduct

The members of the Administrative Committee shall use that degree of care, skill, prudence and diligence that a prudent man acting in a like capacity and familiar with such matters would use in his conduct of a similar situation.

10.09 Service in More Than One Fiduciary Capacity

Any individual, entity or group of persons may serve in more than one fiduciary capacity with respect to the Plan and/or the funds of the Plan.

10.10 Limitation of Liability

The Employer, the Board of Directors, the members of the Administrative Committee, and any officer, employee or agent of the Employer shall not incur any liability individually or on behalf of any other individuals or on behalf of the Employer for any act or failure to act, made in good faith in relation to the Plan or the funds of the Plan. However, this limitation shall not act to relieve any such individual or the Employer from a responsibility or liability for any fiduciary responsibility, obligation or duty under Part 4, Title I of ERISA.

10.11 Indemnification

The members of the Administrative Committee, the Board of Directors, and the officers, employees and agents of the Employer shall be indemnified against any and all liabilities arising by reason of any act, or failure to act, in relation to the Plan or the funds of the Plan, including, without limitation, expenses reasonably incurred in the defense of any claim relating to the Plan or the funds of the Plan, and amounts paid in any compromise or settlement relating to the Plan or the funds of the Plan, except for actions or failures to act made in bad faith. The foregoing indemnification shall be from the funds of the Plan to the extent of those funds and to the extent permitted under applicable law; otherwise from the assets of the Employer.

10.12 Claims Review Procedure

- (a) Claims for benefits under the Plan shall be filed on forms supplied by the Administrative Committee with Curtiss-Wright Corporation's Benefits Department. Written notice of the disposition of a claim shall be furnished the claimant within 60 days after the application therefor is filed. In the event the claim is denied, the reasons for the denial shall be specifically set forth, pertinent provisions of the Plan shall be cited and, where appropriate, an explanation as to how the claimant can appeal the claim will be provided.
 - (b) Any Employee, former Employee, or Beneficiary of either, who has been denied a benefit, shall be entitled to request a hearing before the Administrative Committee. Such request, together with a written statement of the claimant's position, shall be filed with the Administrative Committee no later than 90 days after receipt of the written notification provided for in paragraph (a) above. The Administrative Committee shall schedule an opportunity for a full and fair hearing
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of the issue within the next 60 days. The decision following such hearing shall be made within 60 days and shall be communicated in writing to the claimant. The decision of the Administrative Committee shall be final and binding upon all parties concerned.

10.13 Named Fiduciary

For purposes of ERISA, Curtiss-Wright Corporation shall be the named fiduciary of the Plan and the Administrative Committee shall be the named administrator of the Plan

ARTICLE 11: MANAGEMENT OF FUNDS

11.01 Trust Agreement

The property resulting from Employer contributions made on behalf of the Member shall either be held as a Trust Fund by a Trustee or Trustee selected by the Board, pursuant to a Trust Agreement entered into between the Trustee or Trustee and the Employer. References in the Plan to Trustee shall be deemed to be applicable with equal force to co-Trustee or successor Trustee who may be so selected. The Board in its discretion may remove the Trustee or Trustee or successor Trustee or Trustee from time to time.

11.02 Exclusive Benefit Rule

All assets of the Plan shall either comprise the Trust Fund and shall be held in trust for use in accordance with the Plan and the Trustee Agreement. No person shall have any interest in, or right to, any part of the earnings of the funds of the Plan, or any right in, or to, any part of the assets held under the Plan, except as and to the extent expressly provided in the Plan.

11.03 Investment, Management and Control

The Trustee shall invest, reinvest, manage, control and make disbursements from the Trust Fund in accordance with the provisions of this Plan and the Trust Agreement.

11.04 Payment of Certain Expenses

Brokerage fees, commissions, stock transfer taxes and other charges and expenses directly incurred in connection with the acquisition or disposition of property for or of the Trust Fund, or distributions therefrom, shall be paid from the Trust Fund. Taxes, if any, payable by the Trustee on the assets at any time held in the Trust Fund or on the income thereof shall be paid from the Trust Fund.

ARTICLE 12: AMENDMENT, MERGER AND TERMINATION

12.01 Amendment of Plan

- (a) The Employer, by action of its Board of Directors taken at a meeting held either in person or by telephone or other electronic means, or by unanimous written consent in lieu of a meeting, reserves the right at any time and from time to time, and retroactively if deemed necessary or appropriate, to amend in whole or in part any or all of the provisions of the Plan.
- (b) Amendments to the Plan that are required because of statute or rulings of a judicial body or are necessitated for administrative purposes, unless such administrative amendments have a material effect on the cost or benefit level of the Plan, shall be made by the Administrative Committee. Effective as of January 1, 2007, amendments to the Plan that reflect acquisitions shall be adopted by the Administrative Committee. All such amendments shall be submitted to the Board of Directors at their meeting following the adoption of such amendments.
- (c) Notwithstanding any provision hereof, no amendment shall make it possible for any part of the funds of the Plan to be used for, or diverted to, purposes other than for the exclusive benefit of persons entitled to benefits under the Plan. No amendment shall be made which has the effect of decreasing the balance of the Accounts of any Member or of reducing the nonforfeitable percentage of the balance of the Accounts of a Member below the nonforfeitable percentage computed under the Plan as in effect on the date on which the amendment is adopted or, if later, the date on which the amendment becomes effective.

12.02 Merger, Consolidation or Transfer

The Plan may not be merged or consolidated with, and its assets or liabilities may not be transferred to, any other plan unless each person entitled to benefits under the Plan would, if the resulting plan were then terminated, receive a benefit immediately after the merger, consolidation, or transfer which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation, or transfer if the Plan had then terminated.

12.03 Additional Participating Employers

- (a) If any company is or becomes a subsidiary of or associated with an Employer, the Board of Directors may include the employees of that subsidiary or associated company in the membership of the Plan upon appropriate action by that company necessary to adopt the Plan. In that event, or if any persons become Employees of an Employer as the result of merger or consolidation or as the result of acquisition of all or part of the assets or business of another
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company, the Board of Directors shall determine to what extent, if any, previous service with the subsidiary, associated or other company shall be recognized under the Plan, but subject to the continued qualification of the trust for the Plan as tax-exempt under the Code.

- (b) Any subsidiary or associated company may terminate its participation in the Plan upon appropriate action by it. In that event the funds of the Plan held on account of Members in the employ of that company, and any unpaid balances of the Accounts of all Members who have separated from the employ of that company, shall be determined by the Administrative Committee. Those funds shall be distributed as provided in Section 12.04 if the Plan should be terminated, or shall be segregated by the Trustee as a separate trust, pursuant to certification to the Trustee by the Administrative Committee, continuing the Plan as a separate plan for the employees of that company under which the board of directors of that company shall succeed to all the powers and duties of the Board of Directors, including the appointment of the members of the Administrative Committee.

12.04 Termination of Plan

- (a) The Employer, by action of its Board of Directors, taken at a meeting described in Section 12.01 or by unanimous written consent, Board of Directors may terminate the Plan or completely discontinue contributions under the Plan for any reason at any time. In case of termination or partial termination of the Plan, or complete discontinuance of Employer contributions to the Plan, the rights of affected Members to their Accounts under the Plan as of the date of the termination or discontinuance shall be nonforfeitable. The total amount in each Member's Accounts shall be distributed, as the Administrative Committee shall direct, to him or for his benefit or continued in trust for his benefit.
 - (b) Upon termination of the Plan, Deferred Cash Contributions, with earnings thereon, shall only be distributed to Members if (i) neither the Employer nor an Affiliated Employer establishes or maintains a successor defined contribution plan and (ii) payment is made to the Members in the form of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Code, without regard to subclauses (I) through (IV) of clause (i) thereof). For purposes of this paragraph, a "successor defined contribution plan" is a defined contribution plan (other than an employee stock ownership plan as defined in Section 4975(e)(7) or 409(a) of the Code ("ESOP"), a simplified employee pension as defined in Section 408(k) of the Code ("SEP"), a SIMPLE IRA plan as defined in Section 408(p) of the Code, a plan or contract that satisfies the requirements of Section 403(b) of the Code, or a plan that is described in Section 457(b) or (f)) which exists at the time the Plan is terminated or within the 12-month period beginning on the date all assets are distributed that accepts salary deferrals. However, in no event shall a defined contribution plan be deemed a successor plan if fewer than 2 percent of the employees who are eligible to participate in the Plan at the time of its termination are or were eligible to participate under another defined contribution plan of the Employer or an Affiliated Employer (other than a plan excluded under
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the prior sentence) at any time during the period beginning 12 months before and ending 12 months after the date of the Plan's termination.

ARTICLE 13: GENERAL PROVISIONS

13.01 Nonalienation

Except as required by any applicable law, no benefit under the Plan shall in any manner be anticipated, assigned or alienated, and any attempt to do so shall be void.

- (a) However, payment shall be made in accordance with the provisions of any judgment, decree, or order which:
- (i) creates for, or assigns to, a spouse, former spouse, child or other dependent of a Member the right to receive all or a portion of the Member's benefits under the Plan for the purpose of providing child support, alimony payments or marital property rights to that spouse, child or dependent,
 - (ii) is made pursuant to a State domestic relations law,
 - (iii) does not require the Plan to provide any type of benefit, or any option, not otherwise provided under the Plan, and
 - (iv) otherwise meets the requirements of Section 206(d) of ERISA, as amended, as a "qualified domestic relations order", as determined by the Administrative Committee.

Notwithstanding anything herein to the contrary, if the amount payable to the alternate payee under the qualified domestic relations order is less than the applicable cashout amount described in Section 9.03(c) such amount shall be paid in one lump sum as soon as practicable following the qualification of the order. If the amount exceeds such applicable cashout amount, it may be paid as soon as practicable following the qualification of the order if the alternate payee consents thereto; otherwise it may not be payable before the earliest of (i) the Member's termination of employment, (ii) the time such amount could be withdrawn under Article 7 or (iii) the Member's attainment of age 50.

- (b) A Member's benefit under the Plan shall be offset or reduced by the amount the Member is required to pay to the Plan under the circumstances set forth in Section 401(a)(13)(C) of the Code.
- (c) A Member's benefit under the Plan shall be distributed as required because of the enforcement of a federal tax levy made pursuant to Section 6331 of the Code or the collection by the United States on a judgment resulting from an unpaid tax assessment.

13.02 Conditions of Employment Not Affected by Plan

The establishment of the Plan shall not confer any legal rights upon any Employee or other person for a continuation of employment, nor shall it interfere with the rights of the Employer to

discharge any Employee and to treat him without regard to the effect which that treatment might have upon him as a Member or potential Member of the Plan.

13.03 Facility of Payment

If the Administrative Committee shall find that a Member or other person entitled to a benefit is unable to care for his affairs because of illness or accident or is a minor, the Administrative Committee may direct that any benefit due him, unless claim shall have been made for the benefit by a duly appointed legal representative, be paid to his spouse, a child, a parent or other blood relative, or to a person with whom he resides. Any payment so made shall be a complete discharge of the liabilities of the Plan for that benefit.

13.04 Information

Each Member, Beneficiary or other person entitled to a benefit, before any benefit shall be payable to him or on his account under the Plan, shall file with the Administrative Committee the information that it shall require to establish his rights and benefits under the Plan.

13.05 Top-Heavy Provisions

- (a) The following definitions apply to the terms used in this Section:
- (i) "applicable determination date" means the last day of the later of the first Plan Year or the preceding Plan Year;
 - (ii) "top-heavy ratio" means the ratio of
 - (A) the value of the aggregate of the Accounts under the Plan for key employees to
 - (B) the value of the aggregate of the Accounts under the Plan for all key employees and non-key employees;
 - (iii) "key employee" means any employee or former employee (including any deceased employee) who at any time during the Plan Year that includes the applicable determination date was an officer of an Employer or an Affiliated Employer having Statutory Compensation greater than \$160,000 (as adjusted under Section 416(i)(1) of the Code), a 5-percent owner (as defined in Section 416(i)(1)(B)(i) of the Code) of an Employer or an Affiliated Employer, or a 1-percent owner (as defined in Section 416(i)(1)(B)(ii) of the Code) of an Employer or an Affiliated Employer having Statutory Compensation greater than \$150,000. The determination of who is a key employee shall be made in accordance with Section 416(i) of the Code and the applicable regulations and other guidance of general applicability issued thereunder.
 - (iv) "non-key employee" means any Employee who is not a key employee;
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- (v) “applicable Valuation Date” means the Valuation Date coincident with or immediately preceding the last day of the first Plan Year or the preceding Plan Year, whichever is applicable;
 - (vi) “required aggregation group” means any other qualified plan(s) of the Employer or an Affiliated Entity in which at least one key employee participates or participating in during the Plan Year containing the applicable determination date or any of the four preceding Plan Years (regardless of whether the plan has terminated) or which enable(s) the Plan to meet the requirements of Section 401(a)(4) or 410 of the Code; and
 - (vii) “permissive aggregation group” means each plan in the required aggregation group and any other qualified plan (s) of the Employer or an Affiliated Employer in which all members are non-key employees, if the resulting aggregation group continues to meet the requirements of Sections 401(a)(4) and 410 of the Code.
- (b) For purposes of this Section, the Plan shall be “top-heavy” with respect to any Plan Year if as of the applicable determination date the top-heavy ratio exceeds 60 percent. The top-heavy ratio shall be determined as of the applicable Valuation Date in accordance with Sections 416(g)(3) and 416(g)(4)(B) of the Code and Article 5 of this Plan and shall take into account any contributions made after the applicable Valuation Date but before the last day of the Plan Year in which the applicable Valuation Date occurs. The determination of whether the Plan is top-heavy is subject to the following:
- (i) the Accounts under the Plan will be combined with the account balances or the present value of accrued benefits under each other plan in the required aggregation group and, in the Employer’s discretion, may be combined with the account balances or the present value of accrued benefits under any other qualified plan in the permissive aggregation group;
 - (ii) the Accounts for an employee as of the applicable determination date shall be increased by the distributions made with respect to the employee under the Plan and any plan aggregated with the Plan under Section 416(g) (2) of the Code during the one-year period (five-year period in the case of a distribution made for a reason other than severance from employment, death, or disability) ending on the applicable determination date;
 - (iii) distributions under any plan that terminated within the five-year period ending on the applicable determination date shall be taken into account if such plan contained key employees and, therefore, would have been part of the required aggregation group; and
-

- (iv) if an individual has not performed services for the Employer or an Affiliated Employer at any time during the one-year period ending on the applicable determination date, such individual's accounts and the present value of his accrued benefits shall not be taken into account.
- (c) The following provisions shall be applicable to Members for any Plan Year with respect to which the Plan is top-heavy:
 - (i) In lieu of the vesting requirements specified in Section 6.02, a Member shall be vested in, and have a nonforfeitable right to, his Employer Account upon the completion of three years of Vesting Service, provided that in no event shall the Vested Portion of a Member's Employer Account be less than the percentage determined under Section 6.02.
 - (ii) An additional Employer contribution shall be allocated on behalf of each Member (and each Employee eligible to become a Member) who is a non-key employee, and who has not severed employment as of the last day of the Plan Year, to the extent that the contributions made on his behalf under Section 3.07 and Appendix A, if applicable, for the Plan Year would otherwise be less than 3% of his Statutory Compensation. However, if the greatest percentage of Statutory Compensation contributed on behalf of a key employee under Sections 3.01, 3.07 and Appendix A, if applicable, for the Plan Year would be less than 3%, that lesser percentage shall be substituted for "3%" in the preceding sentence. Notwithstanding the foregoing provisions of this subparagraph (ii), no minimum contribution shall be made under this Plan with respect to a Member (or an Employee eligible to become a Member) if the required minimum benefit under Section 416(c)(1) of the Code is provided to him by any other qualified pension plan of the Employer or an Affiliated Employer.

13.06 Written Elections

Any elections, notifications or designations made by a Member pursuant to the provisions of the Plan shall be made in writing and filed with the Administrative Committee in a time and manner determined by the Administrative Committee under rules uniformly applicable to all employees similarly situated. The Administrative Committee reserves the right to change from time to time the time and manner for making notifications, elections or designations by Members under the Plan if it determines after due deliberation that such action is justified in that it improves the administration of the Plan. In the event of a conflict between the provisions for making an election, notification or designation set forth in the Plan and such new administrative procedures, those new administrative procedures shall prevail.

13.07 Construction

- (a) The Plan shall be construed, regulated and administered under ERISA and the laws of the State of New Jersey, except where ERISA controls.
-

- (b) The masculine pronoun shall mean the feminine wherever appropriate.
- (c) The titles and headings of the Articles and Sections in this Plan are for convenience only. In the case of ambiguity or inconsistency, the text rather than the titles or headings shall control.

13.08 Electronic Provision of Notices to Members

Notwithstanding any provision of the Plan to the contrary, any notice required to be distributed to Members, Beneficiaries and alternate payees pursuant to the terms of the Plan may, at the direction of the Administrative Committee, be transmitted electronically to the extent permitted by, and in accordance with any procedures set forth in, applicable law and regulations.

13.09 Prevention of Escheat

If the Administrative Committee cannot ascertain the whereabouts of any person to whom a payment is due under the Plan, the Administrative Committee may, no earlier than three years from the date such payment is due, mail a notice of such due and owing payment to the last known address of such person, as shown on the records of the Administrative Committee or the Employer. If such person has not made written claim therefore within three months of the date of the mailing, the Administrative Committee may, if it so elects and upon receiving advice from counsel to the Plan, direct that such payment and all remaining payments otherwise due such person be canceled on the records of the Plan and the amount thereof applied to reduce the contributions of the Employer. Upon such cancellation, the Plan and the Trust shall have no further liability therefore except that, in the event such person or his beneficiary later notifies the Administrative Committee of his whereabouts and requests the payment or payments due to him under the Plan, the amount so applied shall be paid to him in accordance with the provisions of the Plan.

13.10 Blackout Periods

Notwithstanding any provision of the Plan to the contrary, when required by administrative reasons, the Administrative Committee may temporarily suspend, limit, or restrict the rights of Members, Beneficiaries or alternate payees (as applicable) to direct or diversify the investment of some or all of their Accounts, to obtain loans from the Plan, and to obtain distributions (including in-service withdrawals) from the Plan. The number and length of such suspensions and the imposition of such limitations or restrictions shall be limited to the greatest extent practicable. Any suspension, limitation, or restriction of rights under this Section shall comply with all applicable law and any guidance issued thereunder and may be imposed only if the Administrative Committee timely provides notice of the suspension, limitation, or restriction of such rights, as required by Section 101 of ERISA, any guidance issued thereunder, and any other applicable law.

ARTICLE 14: HURRICANE KATRINA RELIEF

This Article 14 establishes the provisions applicable to individuals affected by Hurricane Katrina. It is intended that such provisions shall be applied and interpreted in accordance with the provisions of the Katrina Emergency Tax Relief Act of 2005 ("KETRA") or any subsequent guidance from the Internal Revenue Service or Department of Labor interpreting KETRA.

14.01 Qualified Individual.

- (a) Qualified Individual. A Member whose principal residence on August 28, 2005 was located in one of the Hurricane Katrina designated disaster areas as so designated for purposes of KETRA (the "Affected Areas") and who sustained an economic loss as a result of Hurricane Katrina.
- (b) Other Katrina Members. A Member whose place of employment on August 29, 2005 was in the Affected Areas, but not his principal residence.
- (c) Family Members. Lineal ascendants, lineal descendants, dependents and spouses of Qualified Individuals or of Other Katrina Members.

14.02 Hurricane Katrina Distribution.

- (a) Hurricane Katrina Distribution. A qualified Hurricane Katrina distribution is a distribution made on or after August 25, 2005 and before January 1, 2007, to a Qualified Individual. The amounts available for qualified Hurricane Katrina distributions under the Plan include amounts attributable to Deferred Cash Contributions and Catch-Up Contributions, Qualified Nonelective Contributions, or Qualified Matching Contributions, notwithstanding the fact that a distribution may occur before an otherwise permitted distributable event.
 - (b) Amount of Distribution. The aggregate amount of qualified Hurricane Katrina distributions, taken by a Qualified Individual under this Section 14.02(b), shall not exceed \$100,000, in the aggregate, from all plans maintained by the Employer (and any member of any controlled group of the Employer which includes the Employer), including the aggregate amount of distributions recharacterized as qualified Hurricane Katrina distributions received by the individual for all prior taxable years.
 - (c) Other Distributions. Hardship distributions described in Section 7.04(b) may be made to Plan Members on behalf of Other Katrina Members and Family Members on or after August 29, 2005 and no later than March 31, 2006. Subsections 7.04(c)(ii)(B) and 14.02(b) hereof shall not apply to such distributions. Subsection 14.06 hereof shall apply to such distributions.
-

14.03 No Rollover Treatment.

Qualified Hurricane Katrina distributions shall not be treated as eligible rollover distributions for purposes of Sections 401(a)(31), 402(f) and 3405 of the Code in regards to the requirements for direct transfer of eligible rollover distributions, tax notice and tax withholding requirements.

14.04 Recontributions.

- (a) Distributions taken from the Plan, received by a Qualified Individual after February 28, 2005 and before August 29, 2005, intended for use to purchase or construct a principal residence in the Affected Areas may be recontributed to this Plan during the period beginning August 25, 2005 and ending on February 28, 2006, provided the residence is not purchased or constructed as a result of the damage caused by Hurricane Katrina. Recontributed amounts shall be treated as Rollover Contributions pursuant to Section 3.08 of the Plan.
- (b) If a Member receives a qualified Hurricane Katrina distribution, the Member may, pursuant to 101(c)(1) of KETRA, at any time during the three-year period beginning on the day after the date on which such distribution was received, make one or more contributions to the Plan in an aggregate amount not to exceed the amount of such distribution. Recontributed amounts shall be treated as Rollover Contributions pursuant to Section 3.08 of the Plan.

14.05 Loan Amount.

- (a) Notwithstanding the otherwise applicable provisions set forth in Section 8.05 of the Plan, Plan loans to Members who are Qualified Individuals that are made after September 23, 2005 and before January 1, 2007, shall not exceed one hundred percent (100%) of the total vested accrued benefits of the Member under the Plan as of the date of the loan. Any such amount may be secured by up to 100% of the Member's vested Account balance in the Trust Fund. In no event shall the amount of any loan to any such Member exceed \$100,000 (reduced by the highest outstanding loan balance during the one-year period ending on the day before the loan was made over the outstanding balance of loans from the Plan on the day the loan was made). The maximum number of loans outstanding that any Member is permitted to have in accordance with the Member Loan Procedures shall not be increased as a result of the provisions of this subsection.
 - (b) Repayment of Loans. A Member who is a Qualified Individual who has outstanding loans on or after August 25, 2005 with respect to which any repayment due date falls during the period beginning August 25, 2005 through December 31, 2006, may have such due date (or dates) delayed for one year. The suspension period shall be disregarded in determining the original five (5) year repayment date (or fifteen (15) year repayment date for principal residence loans). Loan payments must resume as soon as practicable after the end of the suspension period, and the term of the loan shall be extended by the duration of such suspension period. Repayments shall be appropriately adjusted with accrued interest to reflect the delay in the due date(s).
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14.06 Documentation Requirements.

The Plan will not be treated as failing to follow procedural requirements for Plan distributions or loans otherwise imposed by the terms of the Plan, when such requirements are disregarded for Katrina related purposes, provided, however, that the Plan Administrator makes a good-faith effort to comply with such requirements. Notwithstanding the foregoing, the Plan Administrator shall make a reasonable attempt to assemble supporting documentation as soon as practical.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by an officer duly authorized on this _____ day of _____, _____.

CURTISS-WRIGHT
CORPORATION

By: _____

APPENDIX A: SPECIAL RULES APPLICABLE TO ACQUIRED ENTITIES

The provisions of this Appendix A shall apply to Employees who were formerly employed by entities that were acquired by the Employer or an Affiliated Employer and, to the extent specified, to Employees who are employed at such operations or facilities subsequent to the acquisition thereof.

1. Aviall, Inc.

Each former employee of the Aviall, Inc., Accessory Services Division who became an Employee as of May 21, 1996, shall be eligible to become a Member on any Enrollment date on or after he completes one year of service, including service with Aviall, Inc.

2. Alpha Heat Treaters Division of Alpha-Beta Industries, Inc.

Each former employee of the Alpha Heat Treaters Division of Alpha-Beta Industries, Inc. who became an Employee as of April 30, 1998, shall be eligible to become a Member on any Enrollment date on or after he completes one year of service, including service with Alpha-Beta Industries.

3. Enertech

- (a) As of January 1, 2000, any Employee hired on July 31, 1998 whose immediate prior service was with Enertech shall be eligible to participate in the Plan as of the Enrollment Date coinciding with or next following the date he completes his Year of Eligibility Service, which Year of Eligibility Service shall include all service at Enertech and shall remain eligible so long as he continues to satisfy the eligibility requirements.
- (b) Any Employee hired on July 31, 1998 whose immediate prior service was with Enertech shall continue to vest in matching contributions allocated to his account under Enertech's prior plan, which contributions, including earnings thereon, were transferred to the Plan in accordance with a transaction undertaken in compliance with Section 414(l) of the Code, in accordance with the following schedule:

<i>Years of Service for Vesting</i>	<i>Vested Percentage</i>
0	0%
2	20%
3	40%
4	60%
5	80%
6	100%

4. Metallurgical Processing, Inc.

Each former employee of Metallurgical Processing, Inc. who became an Employee as of June 30, 1999 shall be eligible to become a Member on any Enrollment Date on or after he completes one year of service, including service with Metallurgical Processing, Inc. and shall remain eligible so long as he continues to satisfy the eligibility requirements.

5. Teledyne Fluid Systems

Each former employee of Teledyne Fluid Systems who became an Employee as of August 28, 1999, shall be eligible to become a Member on any Enrollment date on or after he completes one year of service, including service with Allegheny Teledyne and shall remain eligible so long as he continues to satisfy the eligibility requirements.

6. Electric Furnace Company

Each former employee of Electric Furnace Company who became an Employee as of December 15, 2000, shall be eligible to become a Member on any Enrollment date on or after he completes one year of service, including service with Electric Furnace Company, and shall remain eligible so long as he continues to satisfy the eligibility requirements.

7. Lau Defense Systems and Vista Controls

Each former employee of Lau Defense Systems and Vista Controls who became an Employee as of November 1, 2001, shall be eligible to become a Member on any Enrollment date on or after he completes one year of service, including service with Lau Defense Systems and Vista Controls, and shall remain eligible so long as he continues to satisfy the eligibility requirements.

8. Ironbound Heat Treating Company

Each former employee of Ironbound Heat Treating Company who became an Employee as of November 5, 2001, shall be eligible to become a Member on any Enrollment date on or after he completes one year of service, including service with Ironbound Heat Treating Company, and shall remain eligible so long as he continues to satisfy the eligibility requirements.

9. Peerless Instrument Company

Each former employee of Peerless Instrument Company who became an Employee as of November 8, 2001, shall be eligible to become a Member on any Enrollment date on or after he completes one year of service, including service with Peerless Instrument Company, and shall remain eligible so long as he continues to satisfy the eligibility requirements.

10. Deltavalve USA, L.L.C

Each former employee of Deltavalve USA, L.L.C. who became an Employee as of December 12, 2001 shall be eligible to become a Member on any Enrollment date on or after he completes one year of service, including service with Deltavalve USA, L.L.C., and shall remain eligible so long as he continues to satisfy the eligibility requirements.

11. Bodycote Thermal Processing

Each former employee of Bodycote Thermal Processing who became an Employee as of December 19, 2001, shall be eligible to become a Member on any Enrollment date on or after he completes one year of service, including service with Bodycote Thermal Processing, and shall remain eligible so long as he continues to satisfy the eligibility requirements.

12. Penny & Giles Controls, Inc.

Each former employee of Penny & Giles Controls, Inc. who became an Employee as of April 1, 2002, shall be eligible to become a Member on any Enrollment date on or after he completes one year of service, including service with Penny & Giles Controls, Inc., and shall remain eligible so long as he continues to satisfy the eligibility requirements.

13. Autronics Corp.

Each former employee of Autronics Corp. who became an Employee as of April 1, 2002, shall be eligible to become a Member on any Enrollment Date on or after he completes one year of service, including service with Autronics Corp., and shall remain eligible so long as he continues to satisfy the eligibility requirements.

14. Curtiss-Wright Electro-Mechanical Corp.

Notwithstanding any provision hereof to the contrary, no Employee who is employed by Curtiss-Wright Electro-Mechanical Corp., or any subsidiary or division thereof shall be eligible to become a Member of this Plan.

15. TAPCO

Each former employee of TAPCO International, Inc. who became an Employee as of December 1, 2002, and each Employee who is thereafter employed at the operations acquired by the Employer in connection with its acquisition of the assets of TAPCO International, Inc. shall not be eligible to become a Member prior to October 1, 2004, but shall be eligible to become a Member on any Enrollment Date on or after October 1, 2004.

16. Novatronics, Inc.

Notwithstanding any provision hereof to the contrary, no Employee who is employed at any operations or facilities acquired by the Employer in its acquisition of Novatronics, Inc. shall be eligible to become a Member in this Plan.

17. Nova Machine Products Corp.

- (a) Each Employee who is employed at any operations or facilities acquired by the Employer in its acquisition of Nova Machine Products Corp. shall not be eligible to become a Member prior to July 1, 2005 but shall be eligible to become a Member on any Enrollment Date on or after July 1, 2005 (such employees hereinafter referred to as "Nova Machine Employees").
-

- (b) The Employer may make special contributions to the Plan on account of any Plan Year, in an amount to be determined by the Employer, on behalf of each Member who is a Nova Machine Employee on the last day of that Plan Year and who has made either Deferred Cash Contributions or After-Tax Contributions during that Plan Year. The special contributions shall be paid to the Trustee no later than the time (including extensions) prescribed by law for the filing of the Employer's federal income tax return for the year for which the contributions are made.
 - (c) The special contributions, if any, for a particular Plan Year shall be a specified percentage (as determined by the Employer) of the Deferred Cash Contributions and/or After-Tax Contributions made by or on behalf of each eligible Nova Machine Employee pursuant to Sections 3.01 and/or 3.05 during that Plan Year. Notwithstanding the foregoing, any special contributions made for the period July 1, 2005 through December 31, 2005 shall be based solely on the Member's contributions made during that period.
 - (d) The Administrative Committee shall establish such separate accounts within the Employer Account as may be necessary to properly account for the special contributions.
 - (e) A Nova Machine Employee shall vest in his special contribution subaccount within his Employer Account upon the earliest to occur of: (A) his completion of three Years of Vesting Service, (B) his attainment of age 65 while employed by the Employer or an Affiliated Employer, or (C) his death while employed by the Employer or an Affiliated Employer. For purposes of this Item 17, an Employee shall be credited with a Year of Vesting Service for each Plan Year commencing on and after January 1, 2005 in which the Employee completes at least 1,000 Hours of Service. The Employee shall also be credited with the number of Years of Vesting Service the Employee had accrued under the terms of the Nova Division 401(k) Plan as of December 31, 2004.
 - (f) The special contribution shall be included in performing the contribution percentage test under Section 3.12 in accordance with applicable law.
 - (g) The one per calendar year restriction on in-service withdrawals under Section 7.03 shall not apply to any employee who had an account balance transferred to this Plan from the Nova Division 401 (k) Plan as of July 1, 2005.
 - (h) The Administrative Committee shall adopt such rules of administration uniformly applicable to all employees similarly situated as it deems necessary to administer the provisions of this Item 17 in accordance with applicable law.
 - (i) Effective for plan years after December 31, 2007, the special contributions provided for in sub-paragraph (b) and described in sub-paragraph (c) of this paragraph 17 will no longer be provided. Sub-paragraphs (d) through (h) will remain in effect.
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18. IMC Magnetics Corporation

Each former employee of IMC Magnetics Corporation who became an Employee as of August 31, 2007, shall be eligible to become a Member as of January 1, 2008, and shall remain eligible so long as he continues to satisfy the eligibility requirements.

19. V-METRO

Each former employee of V-METRO (which includes former employees of Micro Memory LLC) who became an Employee as of October 15, 2008, shall be eligible to become a Member on January 1, 2009, and shall remain eligible so long as he continues to satisfy the eligibility requirements.

20. EST Group, Inc.

Each former employee of EST Group, Inc. who became an Employee as of March 6, 2009, shall be eligible to become a Member on July 1, 2009, and shall remain eligible so long as he continues to satisfy the eligibility requirements.

21. Hybricon Corporation

Each former employee of Hybricon Corporation who became an Employee as of June 1, 2010, shall be eligible to become a Member on October 1, 2010, and shall remain eligible so long as he continues to satisfy the eligibility requirements.

**CURTISS-WRIGHT CORPORATION
SAVINGS AND INVESTMENT PLAN
As Amended and Restated effective January 1, 2010**

FIRST INSTRUMENT OF AMENDMENT

Recitals:

1. Curtiss-Wright Corporation (the "Company") has heretofore adopted the Curtiss-Wright Corporation Savings and Investment Plan (the "Plan") and has caused the Plan to be amended and restated in its entirety, effective as of January 1, 2010.
2. Subsequent to the most recent amendment and restatement of the Plan, it has become necessary to amend the Plan to provide for the merger of the Hybricon Employees Savings and Security Plan (the "Hybricon Plan") into the Plan.
3. Section 12.01(a) of the Plan permits the Company to amend the Plan, by written instrument, at any time and from time to time.
4. Section 12.01(b) authorizes the Administrative Committee to adopt Plan amendments on behalf of the Company if they are required for administrative purposes and do not have a material impact on costs or benefit levels.

Amendments to the Plan:

1. The Hybricon Plan shall be and hereby is merged into the Plan, effective December 31, 2010, with the surviving plan being this Plan.
2. Accounts transferred to the Plan from the Hybricon Plan shall initially be invested in the Investment Fund designated by the Administrative Committee, which shall be the Fidelity Freedom Fund selected on the basis of the Member's age. A Member may thereafter change the investment of his Account, including the transferred amounts, in accordance with the Plan's provisions relating to the investment of Members' Accounts.

Except to the extent amended by this Instrument of Amendment, the Plan shall remain in full force and effect.

IN WITNESS WHEREOF, this amendment has been executed on this ____ day of _____, 2010.

**Curtiss-Wright Corporation
Administrative Committee**

By:

Date:

**CURTISS-WRIGHT ELECTRO-MECHANICAL CORPORATION
SAVINGS PLAN**

**Effective as of
January 1, 2010**

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INTRODUCTION

Curtiss-Wright Corporation (the "Company") established the Curtiss-Wright Electro-Mechanical Corporation Savings Plan (the "Plan") effective as of January 1, 2004 ("the Effective Date"), to provide retirement benefits for eligible employees of Curtiss-Wright Electro-Mechanical Systems ("EMS"), a wholly owned subsidiary of Curtiss-Wright Flow Control Corporation. The operations at which the employees initially eligible to participate in the Plan are employed are referred to herein as the Electro-Mechanical Corporation (also referred to as "EMS") operations.

Curtiss-Wright Electro-Mechanical Corporation acquired the operations that comprise the Electro-Mechanical Division ("EMD") from Westinghouse Government Services Company LLC. ("WGSC"), a subsidiary of Washington Group International, Inc. ("WGI"), in a transaction that was effective as of October 29, 2002 ("the Acquisition Date").

Prior to the acquisition of EMD by Curtiss-Wright Electro-Mechanical Corporation, eligible employees at EMD participated in the Westinghouse Government Services Group Savings Plan ("the Predecessor Plan"), a plan that was maintained by WGSC, that was qualified under section 401(a) of the Code and that included a qualified cash or deferred arrangement, within the meaning of section 401(k) of the Code. For the period between the Acquisition Date and December 31, 2003, eligible employees at EMD continued to participate in the Predecessor Plan pursuant to a Transition Services Agreement between Curtiss-Wright Electro-Mechanical Corporation and WGI. In accordance with an agreement between Curtiss-Wright Electro-Mechanical Corporation and WGSC, accounts maintained under the Predecessor Plan, for individuals who were identified as "Employees" in Section 3.15(a) of the Asset Purchase Agreement dated October 25, 2002 between WGSC and Curtiss-Wright Electro-Mechanical Corporation relating to the purchase of certain assets related to WGSC's Electro-Mechanical Division and who commenced employment with the Employer or an Affiliated Entity in connection with such agreement, and accounts maintained under the Predecessor Plan for individuals who became employees of EMD during the period between the Acquisition Date and the Effective Date, were transferred to the Plan in a transaction that complied with section 414(l) of the Code, and that was effective as of the Effective Date.

The provisions of the Plan, as set forth herein, are intended to apply to participants who were employed at EMD on or after the Acquisition Date and to such other groups of employees as may be included in the Plan pursuant to Sec. XIV.2(b).

The Plan has since been amended from time to time to maintain compliance with applicable law and regulations and for other purposes. This Amendment and Restatement of the Plan as of January 1, 2010 incorporates amendments heretofore made to the Plan.

Intent and Construction:

The Plan is intended to comply with the qualification requirements of sections 401(a) and 401(k) of the Code and applicable regulations and rulings thereunder, and shall be construed in accordance with such intention.

The Plan is conditioned upon and subject to obtaining such approval of the Commissioner of Internal Revenue as may be necessary to establish the deductibility for income tax purposes of any and all contributions hereunder, other than Employee contributions.

ARTICLE I - DEFINITIONS

For purposes of the Plan, masculine pronouns include both men and women unless the context indicates otherwise. The following words and phrases shall have the meanings set forth below:

1. **“Accounts”** shall mean the After-Tax Account, Pre-Tax Account, Catch-Up Contribution Account Roth Contribution Account, Employer Match Contribution Account, Rollover Account, Pension Rollover Account, Additional Contribution Account, and Top-Heavy Contribution Account.
 2. **“Actual Contribution Ratio (ACR)”** shall mean, with respect to any Participant, a fraction, the numerator of which equals the Employer Match Contributions and After-Tax Contributions paid to the Trust for the Plan Year on behalf of such Participant, and the denominator of which equals the Participant’s Compensation for the Plan Year. Notwithstanding the preceding sentence, for all Plan Years after the first plan year (as that term is defined in IRS Notice 98-1), with respect to a Participant who is a Non-Highly Compensated Employee, “for the prior Plan Year” shall be substituted for “for the Plan Year” in the preceding sentence.
 3. **“Actual Deferral Ratio (ADR)”** shall mean, with respect to any Participant, a fraction, the numerator of which equals the Pre-Tax Contributions paid to the Trust for the Plan Year on behalf of such Participant, and the denominator of which equals the Participant’s Compensation for the Plan Year. Notwithstanding the preceding sentence, for all Plan Years after the first plan year (as that term is defined in IRS Notice 98-1), with respect to a Participant who is a Non-Highly Compensated Employee, “for the prior Plan Year” shall be substituted for “for the Plan Year” in the preceding sentence.
 4. **“Additional Contribution”** shall mean a qualified matching contribution as defined in and/or a qualified non-elective contribution as defined in section 1.401(k)-6 of the Treasury regulations which imposes the immediate forfeiture requirement and distribution restrictions that are applicable to amounts allocable to a Participant’s Pre-Tax Account.
 5. **“Additional Contribution Account”** shall mean an account established and maintained on behalf of an Employee to which his Additional Contributions are allocated.
 6. **“Administrative Committee”** shall mean the person(s) appointed by the Company to act on behalf of the Company as the sponsor and “named fiduciary” (within the meaning of section 402(a)(2) of ERISA), as appropriate, with respect to Plan administrative matters. When performing any activity or exercising any authority under the provisions of the Plan, the Administrative Committee shall be deemed to act solely on behalf of the Company, and not in an individual capacity.
 7. **“Affiliated Entity”** shall mean a subsidiary which is at least 50% owned by the Company or a partnership or joint venture in which the Company is at least a 50%
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owner that has not been designated as an Employer. The term Affiliated Entity shall include all entities in the Controlled Group of each Employer.

8. **“After-Tax Account”** shall mean all After-Tax Contributions made to the Plan by the Participant, with earnings thereon, and shall also include any similar contributions (including earnings thereon) transferred to the Plan from another qualified retirement plan.
9. **“After-Tax Contribution”** shall mean a contribution to the Plan deducted from a Participant’s Compensation on an after-tax basis in accordance with the Participant’s election made under Article III.1.a.
10. **“Alternate Payee”** shall mean the recipient or recipients of payments made pursuant to a Qualified Domestic Relations Order.
11. **“Annual Addition”** shall mean the total for the Limitation Year of the items listed below allocated to the account of an Employee under all defined contribution plans sponsored by the Employer or the Employer’s Controlled Group (except that, for the purpose of this definition, “more than 50%” shall be substituted for “80%” each place it appears in section 1563(a)(1) of the Code):
 - a. employer contributions;
 - b. forfeitures;
 - c. employee contributions (other than rollovers); and
 - d. amounts described in section 415(l)(1) or 419A(d)(2) of the Code.
12. **“Beneficiary”** shall mean the person, or persons or entity named by a Participant by written designation to receive benefits in the event of the Participant’s death as described in Article X.
13. **“Board”** shall mean the Board of Directors of the Company.
14. **“Calendar Month”** shall mean, with respect to Employees paid on a weekly basis, the number of weekly payroll periods included by an Employer in a particular calendar month for accounting purposes and, with respect to Employees paid on a monthly basis, the particular calendar month.
15. **“Casual Employee”** shall mean a person who is hired either:
 - a. For a predetermined limited period of time usually not to exceed 3 months, or
 - b. For the purpose of completing a specific task that is anticipated not to exceed 5 months and for whom the Employer has no expectation of continued employment beyond the completion of that task.

The determination of who is a Casual Employee shall be made on a uniform and nondiscriminatory basis.

16. **“Catch-Up Contribution”** shall mean a contribution to the Plan deducted from a Participant’s Compensation on a pre-tax basis in accordance with the Participant’s election made under Article III.I.b.
17. **“Catch-Up Contribution Account”** shall mean all Catch-Up Contributions made to the Plan by the Participant, with earnings thereon.
18. **“Code”** or **“Internal Revenue Code”** means the Internal Revenue Code of 1986, as amended.
19. **“Company”** shall mean Curtiss-Wright Corporation, as it relates to Employees of Curtiss-Wright Electro-Mechanical Corporation and all companies that adopt this Plan, a corporation organized under the laws of the State of Delaware.
20. **“Compensation”** shall mean wages within the meaning of Code section 3401(a) and all other payments of compensation to an Employee by the Employer (in the course of the Employer’s trade or business) for which the Employer is required to furnish the Employee a written statement on Form W-2 under sections 6041(d), 6051(a)(3) and 6052 of the Code, and amounts contributed by the Employer pursuant to a salary reduction agreement that are not includible in the gross income of the Employee under sections 125, 402(e)(3), 402(h) or 132(f) of the Code. Effective January 1, 2009, Compensation shall also include “differential wage payments” pursuant to the Heroes Earnings Assistance and Relief Tax Act of 2008.

Notwithstanding the preceding sentence, the term Compensation shall not include:

- a. reimbursements or other expense allowances;
- b. fringe benefits (cash or noncash);
- c. moving expenses;
- d. deferred compensation;
- e. welfare benefits;
- f. any suggestion award or other non-performance-related awards (other than retention bonuses or other bonuses);
- g. any awards made under a corporate incentive program, such as gainsharing, goalshare, or all employee variable pay programs, etc., unless (i) the Administrative Committee determines that such awards shall constitute Compensation under the Plan, and (ii) the Employer communicates the inclusion of such awards in Compensation to all affected Participants prior to the effective date of such inclusion. If the Administrative Committee communicates the inclusion of gain-sharing awards in Compensation pursuant to (ii) in the preceding sentence, Compensation under the Plan shall be deemed to include such awards beginning on the effective date of such inclusion and for all succeeding periods, unless and until the Employer again communicates that Compensation shall not include such awards.

In no event shall the term Compensation include any annual incentive award under a management incentive program, if paid to a Highly Compensated Employee.

The annual Compensation of each Participant taken into account in determining allocations for any Plan Year shall not exceed \$200,000, as adjusted for cost-of-living increases in accordance with section 401(a)(17)(B) of the Code. Annual Compensation means Compensation during the Plan Year or such other consecutive 12-month period over which Compensation is otherwise determined under the Plan (the determination period). The cost-of-living adjustment in effect for a calendar year applies to annual Compensation for the determination period that begins with or within such calendar year.

In addition, the Compensation taken into account under this Plan, when added to compensation previously earned during a Plan Year from an Affiliated Entity or an Excluded Unit shall not exceed the limit described in the preceding paragraph in effect for such Plan Year.

21. **“Controlled Group”** means with respect to an Employer:

- a. any corporation which is a member of a controlled group of corporations within the meaning of section 1563(a) of the Code, determined without regard to sections 1563(a)(4) and (e)(3)(C), including the Employer;
- b. any trade or business under common control with such Employer, within the meaning of section 414(c) of the Code;
- c. any employer which is included with such Employer in an affiliated service group, within the meaning of section 414(m) of the Code; or
- d. any other entity required to be aggregated with the Employer pursuant to regulations under section 414(o) of the Code.

For purposes of Appendix A, “more than 50%” shall be substituted for “80%” each place it appears in section 1563(a)(1) of the Code or section 1.414(c)-2 of the Treasury regulations.

22. **“Covered Participant”** means any eligible Employee who is covered by the Automatic Contribution Arrangement under Article III.1.c

23. **“Dollar Limit”** shall mean the dollar limitation on Pre-Tax Contributions under section 402(g) of the Code in effect for a calendar year. The Dollar Limit on Pre-Tax Contributions made on a Participant’s behalf with respect to any calendar year beginning after December 31, 2009 shall be \$16,500 (or such higher dollar limit as may be in effect with respect to such year in accordance with Section 402(g)(4) of the Code).

24. **“Eligibility Service”** shall mean service taken into account to determine a Participant’s vested status and shall be determined as follows:

a. For all Employees:

- (1) Subject to the qualifications and limitations stated below in subsection a(2), Eligibility Service means all periods of service as an Employee with the Employer for which the Employee is directly or indirectly paid, or
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entitled to payment, by the Employer for the performance of duties, and time spent on any of the following:

- (i) furlough;
- (ii) disability up to a maximum continuous period of 2 years;
- (iii) leaves of absence (other than military leaves and leaves for personal reasons including educational leaves) up to a maximum of 2 years;
- (iv) military leaves of absence up to a maximum equal to that period of time during which reemployment is required under applicable Federal statutes; or
- (v) layoffs up to a continuous period of one year.

If while an Employee is on disability leave of absence under subsection a(1)(ii) above he is laid off, he shall begin to accrue service only under subsection a(1)(v) above from that time and shall continue to be credited with Eligibility Service under subsection a(1)(v) for up to 1 year, but in no event shall the combined service in such situation under subsections a.1(ii) and a.1(v) exceed 2 years.

Eligibility Service shall be expressed in whole years and fractions thereof. Any fraction of a year shall be expressed as a decimal ratio of actual calendar days of service to the number of days in that year.

- (2) If the Employee is absent from service for any reason which does not otherwise qualify him for Eligibility Service under the Plan, and such absence is not due to quit, discharge, release, retirement or death, he shall receive Eligibility Service of up to 1 year for any continuous period of absence.

If the Employee is separated from service by reason of a quit, discharge, release or retirement, and then is reemployed within 12 months of the date he was separated, the Employee's Eligibility Service shall include the period between the date he was separated and the date he was reemployed.

Notwithstanding the provisions of the previous two paragraphs, if the Employee is separated from service by reason of a quit, discharge, release or retirement during an absence from service of 12 months or less for any reason other than a quit, discharge, release or retirement and then is reemployed within 12 months of the date on which he was first absent from service, the Employee's Eligibility Service shall include the period between his last day worked and the date he returns to work.

- b. For an individual who is identified as an "Employee" in Section 3.15(a) of the Asset Purchase Agreement dated October 25, 2002 between WGSC and
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Curtiss-Wright Electro-Mechanical Corporation relating to the purchase of certain assets related to WGSC's Electro-Mechanical Division and who commences employment with the Employer or an Affiliated Entity in connection with such agreement ("a WGSC Transferee") (and individuals who would have been identified as such "Employees" except that they had previously retired or terminated from employment), Eligibility Service shall include any Eligibility Service credited under the Westinghouse Government Services Group Savings Plan for periods prior to transfer of employment pursuant to the agreement.

- c. For an individual who is identified as an "Employee" in Section 4.1.20 of the Share Purchase Agreement dated July 31, 2007 between Benshaw, Inc. and Curtiss-Wright Electro-Mechanical Corporation relating to its purchase of Benshaw Inc. and who commences employment with the Employer or an Affiliated Entity in connection with such agreement (and individuals who would have been identified as such "Employees" except that they had previously retired or terminated from employment), Eligibility Service shall include any Eligibility Service credited under the Benshaw 401(k) Plan for periods prior to transfer of employment pursuant to the agreement.
25. **"Employee"** shall mean a person who is either not represented or who is employed in a unit represented by a labor organization or other representative which is recognized by an Employer as the representative of such unit for the purpose of collective bargaining and has entered into a written agreement with an Employer providing for participation in the Plan by the Employees in such unit, provided:
- a. Such person is in the regular service of an Employer and is neither employed in an Excluded Unit, nor a leased employee (as defined in section 414(n)(2) of the Code); or
 - b. Such person is a citizen of the United States or a resident alien (as defined in section 7701(b) of the Code) who is an Employee of either a domestic subsidiary (as defined in section 407 of the Code) or of a foreign subsidiary as to which an Employer has entered into an agreement under section 3121(l) of the Code and with respect to whom contributions under a funded plan of deferred compensation (whether or not described in sections 401(a), 403(a) or 405(a) of the Code) are not provided by any person or company other than the Employer with respect to the remuneration paid to the citizen or resident alien by the domestic or foreign subsidiary.

For purposes of subsection (a), the term "leased employee" means any person (other than a common law employee of the Employer) who, pursuant to an agreement between the Employer and any other person ("leasing organization"), has performed services for the Employer or any related persons determined in accordance with Section 414(n)(6) of the Code on a substantially full-time basis for a period of at least one year and such services are performed under the primary direction of or control by the Employer. In the case of any person who is a Leased Employee before or after a period of service as an Employee, the entire period during which he has performed services as a Leased Employee shall be counted as service as an Employee for all purposes of the Plan, except that he shall not, by reason of that status, become a Participant in the Plan.

26. **“Employer”** means (a) the Company or (b) an at least 50%-owned subsidiary of the Company
27. **“Employer Match Contribution Account”** shall mean all Employer Match Contributions made to the Plan by the Employer, with earnings thereon, and shall also include any similar contributions (including earnings thereon) transferred to the Plan from another qualified retirement plan.
28. **“Employer Match Contribution”** shall mean a contribution made by the Employer pursuant to Article III.2.
29. **“ERISA”** shall mean the Employee Retirement Income Security Act of 1974, as amended.
30. **“Excluded Unit”** means any group, or other organizational unit, of employees of the Company, other than (a) the operations denominated as the Electro-Mechanical Division operations of Curtiss-Wright Flow Control Corporation, a wholly owned subsidiary of the Company, which operations were acquired by Curtiss-Wright Electro-Mechanical Corporation, a wholly owned subsidiary of Curtiss-Wright Flow Control Corporation and (b) any group or unit that has been designated by the Administrative Committee as eligible to participate in this Plan.
31. **“Fixed Income Fund”** shall mean an Investment Fund designed to preserve capital and to provide a relatively stable and predictable rate of interest.
32. **“Highly Compensated Employee”** means any Employee who:
- (1) was a 5% owner, as defined in section 416(b)(1)(B)(i) of the Code at any time during the year or the preceding year, or
 - (2) for the preceding year had compensation from the Company or a Controlled Group member in excess of \$80,000. The \$80,000 amount is adjusted at the same time and in the same manner as under section 415(d) of the Code, except that the base period is the calendar quarter ending September 30, 1996.

For purposes of determining which Employees shall be deemed Highly Compensated Employees, the applicable year of the Plan for which a determination is being made is called a determination year and the preceding 12-month period is called a look-back year.

A Highly Compensated Former Employee is determined based on the rules applicable to determining Highly Compensated Employee status for the determination year in which the Employee separated from service, in accordance with section 1.414 (q)-1T, Q&A-4 of the Treasury regulations and IRS Notice 97-75.

33. **“Investment Fund”** shall mean an investment option, selected by the Administrative Committee, under Article IV.1 of the Plan, to which Participants may direct investment of amounts in their Accounts. Investment Funds may include the Fixed Income Fund, the Mutual Funds, and any other investment option selected by the Administrative Committee.
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34. **“Investment Manager”** shall mean a fiduciary appointed by the Administrative Committee to manage the investment of any portion of the assets of the Plan. Each Investment Manager shall either (a) satisfy the conditions to be an “Investment Manager,” as described by section 3(38) of ERISA, or (b) be a “named fiduciary” of the Plan.
35. **“Layoff”** shall mean the termination of the employment of an Employee with an Employer or Affiliated Entity through no fault of the Employee for lack of work for reasons associated with the business where the Employer or Affiliated Entity determines there is a reasonable expectation of recall within one year.
- Notwithstanding the foregoing, a person who would otherwise be considered to be on Layoff may take certain actions which would result in the severance of his relationship with the Employer. At the time such action is taken, that person shall become a voluntary quit and shall no longer be considered on Layoff.
36. **“Limitation Year”** shall mean the Plan Year.
37. **“Mutual Fund”** shall mean an open-end investment company registered under the Investment Company Act of 1940 that is selected by the Administrative Committee as an Investment Fund under Article IV.1 of the Plan.
38. **“Non-Highly Compensated Employee”** shall mean any Employee who is not a Highly Compensated Employee.
39. **“Non-Vested Participant”** shall mean an Active Participant who does not have a nonforfeitable right to 100% of his Employer Match Contribution Account.
40. **“Normal Retirement Date”** shall mean the first of the month following the later of the month during which the Participant’s 65th birthday occurs or the month during which the Participant completes 5 years of Eligibility Service. With respect to Benschaw Employees as identified in paragraph 1(24)(c), “Normal Retirement Date “ shall mean the first of the month following the later of the month during which the Participant’s 65th birthday occurs.
41. **“NYSE”** shall mean the New York Stock Exchange.
42. **“Participant”** shall mean any person who has an Account in the Plan.
43. **“Pension Rollover Account”** shall mean all amounts attributable to after-tax employee contributions transferred to the Plan pursuant to Article IV.4 from the Curtiss-Wright Electro-Mechanical Division Pension Plan, with earnings thereon.
44. **“Plan”** shall mean the Curtiss-Wright Electro-Mechanical Corporation Savings Plan as set forth in this document or as amended from time to time, which is intended to be qualified under section 401(a) and section 401(k) of the Code.
45. **“Plan Administrator”** shall mean the Company the party delegated to serve as the Plan Administrator in accordance with Article XIV.3.
46. **“Plan Year”** shall mean the calendar year.
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47. **“Pre-Tax Account”** shall mean all Pre-Tax Contributions made to the Plan by the Participants, with earnings thereon, and shall also include any similar contributions (including earnings thereon) transferred to the Plan from another qualified retirement plan. Pre-Tax Accounts are subject to the distribution restrictions set out in section 401(k)(2) of the Code and 1.401(k)-1(d)(1) of the Treasury regulations (which regulations permit distributions only after one of the following events: (i) an employee’s death, disability, or severance from employment; (ii) the termination of a plan without establishment or maintenance of another defined contribution plan other than an ESOP or SEP (but only with respect to lump sum distributions); and (iii) an employee’s attainment of age 59½ or hardship (but only with respect to a profit-sharing or stock bonus plan).
 48. **“Pre-Tax Contribution”** shall mean a contribution to the Plan deducted from a Participant’s Compensation on a pre-tax basis in accordance with the Participant’s election made under Article III.1.a.
 49. **“Automatic Pre-Tax Contribution”** shall mean a contribution to the Plan deducted from a Covered Participant’s Compensation on a pre-tax basis in accordance with the Automatic Contribution Arrangement under Article III.1.c.
 50. **“Qualified Domestic Relations Order”** or **“QDRO”** shall mean a court order as defined in section 414(p) of the Code.
 51. **“Retired Participant”** shall mean a Participant who is no longer an Employee and who has retired under an Employer pension plan. This term does not refer to a Participant who has terminated with a right to a vested pension under an Employer pension plan.
 52. **“Rollover Account”** shall mean all amounts transferred to the Plan pursuant to Article IV.4 as a Rollover Distribution from a qualified defined contribution or defined benefit plan or a distribution from an individual retirement account (as described in section 408(d)(3)(A) of the Code), and earnings thereon, and all amounts, other than after-tax employee contributions, transferred to the Plan pursuant to Article IV.4 from the Curtiss-Wright Electro-Mechanical Division Pension Plan.
 53. **“Rollover Distribution”** shall mean one or more distributions which, under section 402 of the Code, are eligible for rollover to this Plan.
 54. **“Roth Contribution Account”** shall mean an account established and maintained on behalf of an Employee to which his Roth Contributions are allocated.
 55. **“Roth Contribution”** shall mean amounts contributed pursuant to Article III.1.d.(a) designated irrevocably by the Employee at the time the election is made as a Roth Contribution that is being made in lieu of all or a portion of the Pre-Tax Contributions the Participant is otherwise eligible to make under the Plan; and (b) treated by the Employer as includible in the Participant’s income at the time the Participant would have received that amount in cash if the Participant had not made an election.
 56. **“Self-Managed Account”** shall mean an Investment Fund designed to allow Participants to select from among a variety of investment alternatives.
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57. **“Surviving Spouse”** shall mean the spouse of a Participant on the date of his death.
58. **“Terminated Participant”** shall mean a Participant (not including a Participant who has been on Layoff for 12 months or less or is employed at an Affiliated Entity or employed in an Excluded Unit) who is no longer an Employee and is not a Retired Participant. A Participant who is not a Retired Participant, but has incurred a severance from employment shall be deemed a Terminated Participant.
59. **“Top-Heavy Contribution”** shall mean a contribution made by the Employer pursuant to Appendix B of the Plan.
60. **“Top-Heavy Contribution Account”** shall mean an account established and maintained on behalf of a Participant to which his Top-Heavy Contributions, if any, are allocated.
61. **“Totally Disabled Participant”** shall mean a Participant who at the time he stops accruing Eligibility Service is not able, because of injury or sickness, to engage in any gainful occupation for which he is reasonably fitted by education, training or experience provided he has completed at least 10 years of Eligibility Service.
62. **“Trading Day”** shall mean any day on which the NYSE is open for business. A Trading Day ends when the NYSE closes for business on such day.
63. **“Trust”** shall mean the Curtiss-Wright Electro-Mechanical Corporation Savings Plan Trust established pursuant to the Plan.
64. **“Trustee”** shall mean the trustee(s) from time to time in office pursuant to appointments made in accordance with the Plan.
65. **“Unit”** shall mean the equitable share interest of a Participant within an Investment Fund other than a Self-Managed Account.
66. **“Valuation Date”** shall mean any Trading Day.
67. **“Vested Participant”** shall mean a Participant who has a nonforfeitable right to 100% of his Employer Match Contribution Account under the requirements of Article VI.

ARTICLE II - ELIGIBILITY AND PARTICIPATION

1. Any Employee shall be eligible to participate in the Plan immediately upon employment by an Employer. To participate an Employee must apply in accordance with procedures established by the Plan Administrator, subject to Article II.2 and Article II.3 below.
 2. Notwithstanding any other provision of the Plan, any Employee whose date of hire, rehire or acquisition is on or after January 1, 2009 and who has not affirmatively elected to become a Participant (or affirmatively declined to become a Participant) shall become a Covered Participant as of the date that is on or about 45 days after his or her date of hire, rehire, or acquisition.
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3. Notwithstanding any other provision of the Plan, any Employee whose date of hire, rehire or acquisition is before January 1, 2009 and who has not affirmatively elected to become a Participant (or affirmatively declined to become a Participant) shall become a Covered Participant as of the date that is on or about 45 days after January 1, 2010.
 4. If a Participant transfers employment from an Employer to an Affiliated Entity, an Excluded Unit, he shall remain a Participant for all purposes of the Plan, except that he shall not be eligible to contribute and no Employer Match Contributions shall be made on his behalf for the period of time he is employed by the Affiliated Entity, Excluded Unit.
 5. Subject to the provisions of Article II.2 or Article II.3, if a Retired Participant or a Terminated Participant is rehired as an Employee, he may immediately participate in the Plan, and any previous Eligibility Service shall be restored.
 6. A Participant shall no longer be eligible to contribute to the Plan upon the earlier of the following:
 - a. The date the Participant ceases to be an Employee; or
 - b. The effective date of complete termination of the Plan under Article XII.
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ARTICLE III - CONTRIBUTIONS

1. Participant Contributions.

a. After-Tax Contributions and Pre-Tax Contributions:

A Participant may elect to save at a rate of 2% to 20% of his Compensation, in increments of 0.5%, on an after-tax basis, a pre-tax basis or a combination thereof.

Contributions to the Plan on an after-tax basis as After-Tax Contributions shall be deducted from the Participant's Compensation and shall be allocated to the Participant's After-Tax Account. Contributions to the Plan on a pre-tax basis as Pre-Tax Contributions shall be based on a Participant's agreement to reduce his Compensation and to have the amount by which his Compensation is so reduced contributed to the Plan by the Employer, and shall be allocated to the Participant's Pre-Tax Account, provide, however, that a Participant's Pre-Tax Contributions for a Plan Year shall not exceed the Dollar Limit.

Each Participant shall make such election with the Plan Administrator, in accordance with reasonable procedures established by the Plan Administrator, specifying the portion of his Compensation that is to be contributed to the Plan as After-Tax and/or Pre-Tax Contributions. The election of the Participant shall remain in effect until a new election from that Participant is received by the Plan Administrator.

For an individual who was a participant in the WGSG Plan and who is an Employee of an Employer as of the Effective Date ("a WGSC Plan Transferee"), the most recent contribution election under the WGSGS Plan shall remain in effect under this Plan until changed by the Participant.

b. Catch-Up Contributions:

- (1) A Participant who satisfies the requirements of Article III.1.b(2) for a Plan Year shall be eligible to elect, in accordance with Article III.1.b(3), to reduce his Compensation and to have the amount by which his Compensation is so reduced contributed to the Plan by his Employer as a Catch-up Contribution, provided, however, that such Catch-up Contributions shall be subject to the conditions set forth in Article III.1.b(4),(5),(6).
 - (2) A Participant satisfies the requirements of this subsection for a Plan Year if his 50th birthday is coincident with or prior to the last day of the Plan Year.
 - (3) A Participant described in subsection (b) may elect to make Catch-up Contributions in the amount of 1% to 20% of Compensation for each payroll period during which such election remains in effect.
 - (4) Catch-Up Contributions made on a Participant's behalf with respect to any calendar year beginning after December 31, 2009 shall limited to \$5,500, as adjusted in accordance with section 414(v)(2)(C) of the Code. In no event shall the Participant's Catch-Up Contributions for a
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Plan Year exceed the excess of his Pre-Tax Contributions for such Plan Year over his Compensation for such Plan Year.

- (5) If, as of the end of a Plan Year in which a Participant has made Catch-up Contributions in accordance with Article III.1.b (3), it is determined that:
- (i) the amount of his Pre-Tax Contributions for such Plan Year is less than the Dollar Limit in effect for such Plan Year, and
 - (ii) the amount of his Pre-Tax Contributions is less than the excess of 20% of his Compensation over the amount of his After-Tax Contributions,

then the amount deemed to have been contributed as a Catch-up Contribution shall be reduced by the lesser of the (A) the excess of the Dollar Limit over the amount of his Pre-Tax Contributions or (B) the excess of 25% of his Compensation over the sum of his Pre-Tax Contributions and his After-Tax Contributions, and the amount by which his Catch-up Contributions are so reduced shall be recharacterized as a Pre-Tax Contribution for such Plan Year, for all purposes of Article III.

- (6) The provisions of this subsection shall be subject to the requirements of section 414(v) of the Code and Regulations thereunder.

c. Automatic Contribution Arrangement

- (1) Automatic Pre-Tax Contributions will be made on behalf of Covered Participants who do not have an affirmative election in effect regarding Pre-Tax Contributions. The amount of Automatic Deferred Cash Contributions made for a Covered Participant each pay period is equal to 3% multiplied by the Covered Participant's Compensation for that pay period.
 - (2) A Covered Participant will have a reasonable opportunity after receipt of the notice required described in (4) below to make an affirmative election regarding Pre-Tax Contributions (either to have no Pre-Tax Contributions made or to have a different amount of Pre-Tax Contributions made) before Automatic Pre-Tax Contributions are made on the Covered Participant's behalf. Automatic Pre-Tax Contributions being made on behalf of a Covered Participant will cease as soon as administratively feasible after the Covered Participant makes an affirmative election.
 - (3) Automatic Pre-Tax Contributions will be reduced or stopped to meet the limitations under Sections 401(a)(17), 402(g) and 415 of the Code and to satisfy any suspension period required after a hardship distribution.
 - (4) At least 30 days, but not more than 90 days, before the beginning of the Plan Year, the Employer will provide each Covered Participant a comprehensive notice of the Participant's rights and obligations under
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this Automatic Contribution Arrangement, written in a manner calculated to be understood by the average Covered Participant. If an eligible Employee becomes a Covered Participant after the 90th day before the beginning of the Plan Year and does not receive the notice for that reason, the notice will be provided within a reasonable period of time and in accordance with Section 1.414(w)-1 of the Income Tax Regulations.

The notice must accurately describe:

- (i) The amount of Automatic Pre-Tax Contributions that will be made on the Covered Participant's behalf in the absence of an affirmative election;
 - (ii) The Covered Participant's right to elect to have no Pre-Tax Contributions made on his or her behalf or to have a different amount of Pre-Tax Contributions made;
 - (iii) How Automatic Pre-Tax Contributions will be invested in the absence of the investment instructions; and
 - (iv) The Covered Participant's right to make a withdrawal of Automatic Pre-Tax Contributions and the procedures for making such a withdrawal.
- (5) No later than 75 days after the recordkeeper first receives the Covered Participant's Automatic Pre-Tax Contributions, the Covered Participant may request a distribution of his or her Automatic Pre-Tax Contributions. In no event shall the Covered Participant be allowed to request a distribution of his or her Automatic Pre-Tax Contributions later than 90 days after Automatic Pre-Tax Contributions are first withheld from a Covered Participant's pay. No spousal consent is required for such a withdrawal. The amount to be distributed from the Plan upon the Covered Participant's request is equal to the amount of Automatic Pre-Tax Contributions made through the earlier of (i) the pay date for the second payroll period that begins after the Covered Participant's withdrawal request and (ii) the first pay date that occurs after 30 days after the Covered Participant's request, adjusted to reflect any investment gains or losses attributable to those contributions through the date of distribution. Any fee charged to the Covered Participant for the withdrawal may not be greater than any other fee charged for a cash distribution. Unless the Covered Participant affirmatively elects otherwise, any withdrawal request will be treated as an affirmative election to stop having Automatic Pre-Tax Contributions made on the Covered Participant's behalf as of the date specified above.

Automatic Pre-Tax Contributions distributed pursuant to this paragraph (5) are not counted towards the dollar limitation on Pre-Tax Contributions contained in Section 402(g) of the Code, nor for the Actual Deferral Percentage test. Matching Contributions that might otherwise be allocated to a Covered Participant's account on behalf of Automatic

Pre-Tax Contributions will not be allocated to the extent the Covered Participant withdraws such Pre-Tax Contributions pursuant to this paragraph (5) and any Matching Contributions already made on account of Automatic Pre-Tax Contributions that are later withdrawn pursuant to this paragraph (5) will be forfeited.

d. Roth Contributions

- (1) Effective January 1, 2010, a Participant may elect to irrevocably designate Pre-Tax Contributions (under Article III.1.a) as Roth Contributions.
- (2) The Plan will maintain a separate record of the amount of Roth Contributions in each Participant's Roth Contribution Account. Contributions and withdrawals of Roth Contributions will be credited and debited to the Roth Contribution Account maintained for each Participant. Gains, losses, and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant's Roth Contribution Account and the Participant's other accounts under the Plan.
- (3) No contributions other than Roth Contributions and properly attributable earnings will be credited to each Participant's Roth Contribution Account.
- (4) Unless specifically stated otherwise, Roth Contributions will be treated as Pre-Tax Contributions for all purposes under the Plan, including in-service hardship withdrawals under Article VIII and loans under Article IX, but excluding the Automatic Contribution Arrangement under Article III.1. Roth Contributions will also be eligible for Employer Match Contributions under Article III.2, under the same conditions as Pre-Tax Contributions.

2. **Employer Match Contributions**

Effective as of the end of each Calendar Month, for each dollar a Participant contributes on either an after-tax basis or a pre-tax basis, his Employer shall contribute \$0.50 into the Participant's Employer Match Contribution Account, subject to a maximum Employer Match Contribution of 3% of the Participant's Compensation for that month. Employer Match Contributions shall first be made with respect to Participant contributions made on a pre-tax basis, then with respect to Participant contributions made on an after-tax basis.

No Employer Match Contributions shall be made with respect to Catch-Up Contributions made by a Participant in accordance with Article III.1.b

3. Any amounts credited to any Account for a Participant that are forfeited by such Participant pursuant to any provision of the Plan shall not be returned to the Company but shall be used to reduce the obligations of the Company to make Employer Match Contributions under the Plan.
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4. Treatment of Excess Elective Deferral Amounts.

The Plan shall not incur any Excess Elective Deferrals. Notwithstanding any other provision of the Plan, Excess Elective Deferrals as adjusted for income or losses thereon shall be distributed to the Participants in accordance with this Article.

- a. For purposes of this Article, the following definitions shall have the following meanings:
 - (1) "Elective Deferrals" for a taxable year means the sum of all Employer contributions made on behalf of a Participant pursuant to an election to defer under any qualified CODA as described in section 401(k) of the Code, any simplified employee pension cash or deferred arrangement as described in section 402(h)(1)(B) of the Code, any arrangement described in section 408(p)(2)(A)(i) of the Code, and any Employer contributions made on behalf of a Participant for the purchase of an annuity contract under section 403(b) of the Code pursuant to a salary reduction agreement.
 - (2) "Excess Elective Deferrals" shall mean those Elective Deferrals that are includable in a Participant's gross income under section 402(g) of the Code because they exceed the Dollar Limit. Excess Elective Deferrals shall be treated as Annual Additions under the Plan, unless they are distributed by April 15 of the year following the calendar year in which they were made.
 - b. A Participant may designate for correction under this Plan any Excess Elective Deferrals made during the taxable year of the Participant by filing a claim in writing with the Plan Administrator no later than March 1 following the year in which the Excess Elective Deferral was made. Said claim shall specify the Participant's Excess Elective Deferral amount for the preceding calendar year, and shall be accompanied by the Participant's written statement that if such amounts are not distributed, such Excess Elective Deferral amount, when added to amounts deferred under other plans or arrangements described in section 401(k), 408(k), 403(b), or 408(p) of the Code, shall exceed the Dollar Limit for the year in which the deferral occurred. A Participant shall be deemed to have given the notification described above if the Excess Elective Deferral results from Elective Deferrals to this Plan or other plans of the Employer or the Employer's Controlled Group.
 - c. A Participant who has designated, or is deemed to have designated, an Excess Elective Deferral amount for a taxable year for correction under this Plan, in accordance with Subsection II.4.b, shall receive a corrective distribution. A distribution shall be treated as a corrective only if:
 - (1) the Participant has designated an Excess Elective Deferral for distribution under this Plan, or is deemed to make such a designation, in accordance with Subsection III. 4.b above;
 - (2) the distribution is made after the date on which the Plan received the Excess Elective Deferral; and
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(3) the Plan Administrator designates the distribution as a corrective distribution of an Excess Elective Deferral.

- d. The Excess Elective Deferral distributed to a Participant with respect to a calendar year shall be adjusted to reflect income or loss in the Participant's Pre-Tax Account for the taxable year allocable thereto. The income or loss allocable to such Excess Elective Deferral Amount shall be determined in accordance with section 402(g) of the Code and the regulations thereunder.
- e. Excess Elective Deferral amounts, as adjusted for income and losses, shall be distributed to the Participant no later than April 15 of the year following the calendar year in which such Excess Elective Deferral was made.

5. **Actual Deferral Percentage Test.**

The actual deferral percentage (ADP) for Participants who are Highly Compensated Employees shall not exceed the greater of a or b, as follows:

- a. the ADP of Participants who are Non-Highly Compensated Employees times 1.25; or
- b. the ADP of Participants who are Non-Highly Compensated Employees times 2.0, but not to exceed the ADP of Participants who are Non-Highly Compensated Employees by more than 2 percentage points.

6. **ADP Formula.**

- a. The ADP for a specified group of Participants for a Plan Year shall be the average of the Actual Deferral Ratios (ADR) calculated separately for each Participant in such group.

The Plan Administrator shall determine as soon as practicable after the end of the Plan Year whether the ADP for Highly Compensated Employees satisfies either of the tests contained in Article III.5. In the event neither test is satisfied, the Plan Administrator may elect any of the following:

- (1) to recharacterize all or any portion of the Pre-Tax Contributions for Highly Compensated Employees as After-Tax Contributions as provided in Article III.8;
 - (2) to reduce the allowable Pre-Tax Contributions for Highly Compensated Employees as provided in Article III.9; or
 - (3) to make an Additional Contribution (subject to the requirements of Article III.10) for all Non-Highly Compensated Employees eligible to make contributions under Article III.1.a, in a level dollar amount, within the time period required by any applicable law or regulation.
- b. The Plan shall take into account the ADRs of all eligible Employees for purposes of the ADP test. For this purpose, an eligible Employee is any
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Employee who is directly or indirectly eligible to make Pre-Tax Contributions under the Plan for all or a portion of a Plan Year, including an Employee who would be eligible but for his failure to make Pre-Tax Contributions and an Employee whose eligibility to make Pre-Tax Contributions has been suspended because of an election not to participate. In the case of an eligible Employee who makes no Pre-Tax Contributions, the ADR for such Employee that is to be included in determining the ADP is zero.

- c. A Pre-Tax Contribution shall be taken into account under the ADP test for a Plan Year only if it relates to Compensation that either would have been received by the Employee in the Plan Year (but for the deferral election) or is attributable to services performed by the Employee in the Plan Year and would have been received by the Employee within 2½ months after the close of the Plan Year (but for the deferral election).
- d. A Pre-Tax Contribution shall be taken into account under the ADP test for a Plan Year only if it is contributed to the Trust before the last day of the twelve-month period immediately following the Plan Year to which the contribution relates and is allocated within the Plan Year to which the contribution relates. A Pre-Tax Contribution is considered allocated as of a date within a Plan Year if the allocation is not contingent on participation or performance of services after such date.
- e. The ADR and ADP shall be calculated to the nearest 0.01%.

7. Calculation of Excess Contributions.

- a. The aggregate amount of all Pre-Tax Contributions for all Highly Compensated Employees in excess of that permitted under Article III.5 (hereinafter, "Excess Contributions") shall be determined in the following manner. First, the ADR of the Highly Compensated Employee with the highest ADR is reduced to the extent necessary to satisfy the ADP test or cause such ADR to equal the ADR of the Highly Compensated Employee with the next highest ADR. This process is repeated until the ADP test is satisfied. The amount of Excess Contributions for a Highly Compensated Employee is the difference between the total of Pre-Tax and other contributions (if any) taken into account for the ADP test, and the product of the Employee's ADR at the time the ADP test is satisfied, as determined above, multiplied by the Employee's Compensation.
- b. The amount of Excess Contributions that are recharacterized under Article III.8, or distributed under Article III.9, with respect to an Employee for a Plan Year, shall be reduced by Excess Elective Deferrals previously distributed to the Employee for the Employee's taxable year ending with or within the Plan Year, in accordance with section 402(g)(2) of the Code, and Excess Elective Deferrals to be distributed for a taxable year will be reduced by Excess Contributions previously distributed or recharacterized for the Plan Year beginning in such taxable year.

8. Recharacterization of Excess Contributions.

Excess Contributions may be recharacterized as After-Tax Contributions. Recharacterized amounts shall be reallocated to the Participant's After-Tax Account, but shall continue to be fully vested and subject to distribution limitations that apply to Pre-Tax Accounts. In no event shall any amount be recharacterized for a Highly Compensated Employee to the extent such amount in combination with other contributions exceeds any other limit under the Plan. Recharacterization must occur no later than March 15 of the year following the Plan Year in which the original contributions were made. Such recharacterization of Excess Contributions shall be made, first, with respect to the Highly Compensated Employee with the highest dollar amount of Pre-Tax Contributions in an amount sufficient to cause such Highly Compensated Employee's Pre-Tax Contributions to equal the dollar amount of Pre-Tax Contributions of the Highly Compensated Employee with the next highest dollar amount of Pre-Tax Contributions. This process is repeated until the total Excess Contributions determined in Article III.7 are recharacterized.

9. Distribution of Excess Contributions.

Excess Contributions may be distributed to Participants on whose behalf such Excess Contributions were made, in the manner set out in the following paragraph, no later than the last day of the Plan Year following the Plan Year for which they were made. Excess Contributions that are distributed shall be adjusted to reflect income (or loss) allocable thereon, determined using a reasonable method of computing the income (or loss) allocable to Excess Contributions, provided that the method does not violate section 401(a)(4) of the Code, is used consistently for all Participants and for all corrective distributions under the Plan for the Plan Year, and is used by the Plan for allocating income (or loss) to Participant Accounts.

Distributions of the total Excess Contributions determined in Article III.7 shall be made, first, to the Highly Compensated Employee with the highest dollar amount of Pre-Tax Contributions in an amount sufficient to cause such Highly Compensated Employee's Pre-Tax Contributions to equal the dollar amount of Pre-Tax Contributions of the Highly Compensated Employee with the next highest dollar amount of Pre-Tax Contributions. This process is then repeated until the total Excess Contributions determined in Article III.7 are distributed.

A Highly Compensated Employee may designate the extent to which the excess contribution is composed of Pre-Tax Contributions and Roth Contributions but only to the extent such types of contributions were made for the year. If the Highly Compensated Employee does not designate which type of contribution is to be distributed, the Plan will distribute Pre-Tax Contributions first.

10. Additional and Employer Match Contributions.

Additional Contributions and Employer Match Contributions may be treated as Pre-Tax Contributions for purposes of the ADP test only if such contributions are nonforfeitable when made and subject to the same distribution restrictions that apply to amounts allocable to a Participant's Pre-Tax Contribution Account. Additional Contributions and Employer Match Contributions which may be treated as Pre-Tax Contributions must satisfy these requirements without regard to whether they are actually taken into account as Pre-Tax Contributions for purposes of satisfying the ADP test.

Additional Contributions and/or Employer Match Contributions may be treated as Pre-Tax Contributions only if the conditions described in section 1.401(k)-2(a)(6) of the Treasury regulations are satisfied.

In combination, (a) the Additional and Employer Match Contributions for Non-Highly Compensated Employees made under this Article III.10, (b) the distribution of Excess Contributions for Highly Compensated Employees in accordance with Article III.9, and/or (c) the recharacterized contributions under Article III.8, shall be such that at least one of the tests contained in Article III.5 is satisfied, or the distribution requirements in Article III.9 are satisfied.

11. Forfeiture of Employer Match Contributions.

Any Employer Match Contributions made on account of an Excess Contribution or an Excess Elective Deferral shall be forfeited and shall be used to reduce the amount of Employer Match Contributions required to be made by the Employer for the year of forfeiture.

12. Actual Contribution Percentage Test.

The actual contribution percentage (ACP) for Participants who are Highly Compensated Employees shall not exceed the greater of a or b as follows:

- a. the ACP of Participants who are Non-Highly Compensated Employees times 1.25; or
- b. the ACP of Participants who are Non-Highly Compensated Employees times 2.0, but not to exceed the ACP of Participants who are Non-Highly Compensated Employees by more than 2 percentage points.

13. ACP Formula.

- a. The ACP for a specified group of Participants for a Plan Year shall be the average of the Actual Contribution Ratios (ACR) calculated separately for each Participant in such group.

The Plan Administrator shall determine as soon as practicable after the end of the Plan Year whether the ACP for Highly Compensated Employees satisfies either of the tests contained in Article III.12. In the event neither test is satisfied, the Plan Administrator may elect either of the following:

- (1) to reduce the allowable Employer Match Contribution and/or After-Tax Contributions for Highly Compensated Employees as provided in Article III.14; or
 - (2) to make an Additional Contribution for all Non-Highly Compensated Employees eligible to make contributions under Article III.1.a in a level dollar amount, within the time period required by any applicable law or regulation.
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- b. The Plan shall take into account the ACRs of all eligible Employees for purposes of the ACP test. For this purpose, an eligible Employee is any Employee who is directly or indirectly eligible to receive an allocation of Employer Match Contributions, including an Employee who would be eligible but for his failure to make After-Tax and/or Pre-Tax Contributions and an Employee whose right to receive Employer Match Contributions has been suspended because of an election not to participate. In the case of an eligible Employee who receives no Employer Match Contributions, the ACR that is to be included in determining the ACP is zero.
- c. An Employer Match Contribution shall be taken into account under the ACP test for a Plan Year only if it is made on account of the eligible Employee's After-Tax and/or Pre-Tax Contributions for the Plan Year, contributed to the Trust before the last day of the twelve-month period immediately following the Plan Year to which the contributions relate and is allocated within the Plan Year to which the contributions relate. Employer Match Contributions which are used to meet the requirements of section 401(k)(3)(A) of the Code are not taken into account.
- d. The ACR and ACP shall be calculated to the nearest 0.0 I%.

14. Calculation of Excess Aggregate Contributions.

- a. The aggregate amount of contributions for all Highly Compensated Employees in excess of that permitted under Article III.12 (hereinafter, "Excess Aggregate Contributions") shall be determined in the following manner. First, the ACR of the Highly Compensated Employee with the highest ACR is reduced (first, as to After-Tax Contributions, if any, then as to Employer Match Contributions) to the extent necessary to satisfy the ACP test or cause such ACR to equal the ACR of the Highly Compensated Employee with the next highest ACR. This process is repeated until the ACP test is satisfied. The amount of Excess Aggregate Contribution for a Highly Compensated Employee is the difference between the total of Employer Match Contributions and other contributions taken into account for the ACP test, and the product of the Employee's ACR at the time the ACP test is satisfied, as determined above, multiplied by the Employee's Compensation.
- b. The amount of Excess Aggregate Contributions for a Plan Year shall be determined only after first determining the Excess Contributions that are treated as Employee After-Tax Contributions (if any) due to recharacterization of such contributions made to this Plan, or to another plan aggregated with this Plan under Article III.18, for the Plan Year.

15. Distribution of Excess Aggregate Contributions.

Excess Aggregate Contributions shall be distributed, in a manner that satisfies the requirements described in section 1.401(a)(4)-4 of the Treasury regulations (so that after correction each level of matching contributions will be currently and effectively available to a group of employees that satisfies section 410(b) of the Code), to Participants on whose behalf such Excess Aggregate Contributions were made, in the manner set out in the following paragraph, to the extent vested, no later than the last day of the Plan Year following the Plan Year for which they were made. Non-vested

Excess Aggregate Contributions shall be applied as provided in Article III.17. Excess Aggregate Contributions shall be adjusted to reflect income (or loss) allocable thereon, determined using a reasonable method of computing the income (or loss) allocable to Excess Aggregate Contributions, provided that the method does not violate section 401(a)(4) of the Code, is used consistently for all Participants and for all corrective distributions under the Plan for the Plan Year, and is used by the Plan for allocating income (or loss) to Participant Accounts.

Distributions of the total Excess Aggregate Contributions determined in Article III.14 shall be made, first, to the Highly Compensated Employee with the highest dollar amount of Employer Match Contributions and After-Tax Contributions in an amount sufficient to cause such Highly Compensated Employee's Employer Match Contributions and After-Tax Contributions to equal the dollar amount of Employer Match Contributions and After-Tax Contributions of the Highly Compensated Employee with the next highest dollar amount of Employer Match Contributions and After-Tax Contributions. This process is then repeated until the total Excess Aggregate Contributions determined in Article III.14 are distributed.

16. Additional Contributions.

Additional Contributions may be treated as Employer Match Contributions only if the conditions described in section 1.401(m)-2(a)(6) of the Treasury regulations are satisfied.

In combination, (a) the amount of Additional Contributions for Non-Highly Compensated Employees made under this Article III.16. and/or (b) the distribution of Excess Aggregate Contributions to Highly Compensated Employees under Article III.15 shall be such that at least one of the tests contained in Article III.12 is satisfied, or the distribution requirements in Article III.15 are satisfied.

17. Forfeitures.

Amounts forfeited by Highly Compensated Employees due to the distribution of Excess Aggregate Contributions shall be treated as an Annual Addition under the Plan and shall be applied to reduce future Employer Match Contributions required to be made by the Employer. No forfeiture arising under this Article shall be allocated to the account of any Highly Compensated Employee.

18. Special Rules.

- a. The ADR and ACR for an Participant who is a Highly Compensated Employee for the Plan Year and who is eligible to make Pre-Tax Contributions, or to have Employer Match Contributions allocated to his Accounts, or to make After-Tax Contributions, under 2 or more plans that are maintained by an Employer or the Employer's Controlled Group shall be determined as if all such contributions were made under a single plan.
 - b. In the event that this Plan satisfies the requirements of sections 410(b) and 401(a)(4) of the Code only if aggregated with one or more other plans, or if one or more other plans satisfy the requirements of sections 410(b) and 401(a)(4) of the Code only if aggregated with this Plan, then the contribution percentages
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and deferral percentages of Participants shall be determined as if all such plans were a single plan.

- c. The determination and treatment of the contribution percentage of any Participant shall satisfy such other requirements as may be prescribed by the Secretary of the Treasury.
- d. If any Highly Compensated Employee is a Participant of another qualified plan of the Employer or any other company in the Controlled group, including an employee stock ownership plan described in Section 4975(e)(7) of the Code but excluding any other qualified plan which must be mandatorily disaggregated under Section 410(b) of the Code, under which deferred cash contributions or matching contributions are made on behalf of the Highly Compensated Employee or under which the Highly Compensated Employee makes after-tax contributions, the Committee shall implement rules, which shall be uniformly applicable to all employees similarly situated, to take into account all such contributions for the Highly Compensated Employee made for the applicable Plan Year under all such plans in applying the limitations of ADR and ACR. If any other such qualified plan has a plan year other than the Plan Year, the contributions to be taken into account in applying the limitations of the ADR and ACR will be those made within the Plan Year.

19. Adjustments to Contribution Limits.

Notwithstanding any other Plan provision, the Plan Administrator may limit the Pre-Tax Contribution percentage for Employees who have reached the Dollar Limit, or the Pre-Tax and/or After-Tax Contribution percentage(s) for all or a class of Highly Compensated Employees, as it determines is necessary or desirable to assure that the Plan satisfies the requirements of this Article III. To the extent no other Plan requirement is violated, that portion of any elected Pre-Tax Contribution percentage which is limited under this Article III.19, shall instead be treated as an election to make After-Tax Contributions.

20. Adjustments to Contributions.

A Participant may increase or decrease his rate of After-Tax and/or Pre-Tax Contributions at any time by making a new election with the Plan Administrator in accordance with reasonable procedures established by the Plan Administrator. A Participant may suspend After-Tax and/or Pre-Tax Contributions at any time by providing notice to the Plan Administrator in accordance with reasonable procedures established by the Plan Administrator. A Participant may recommence After-Tax and/or Pre-Tax Contributions to the Plan at any time by making a new election with the Plan Administrator. All elections of adjustments to contributions shall be effective as soon as practicable after the election is filed with the Plan Administrator.

21. Permitted Employer Refunds.

Employer contributions hereunder shall be refunded to the Employer under the limited circumstances listed below:

- a. Any contribution made by the Employer due to a mistake of fact shall be refunded to the Employer within one year of such contribution.
 - b. Employer contributions are expressly conditioned on deductibility under section 404 of the Code. Any contribution that is disallowed as a deduction shall be refunded to the Employer within one year of such disallowance.
 - c. Contributions under the Plan are conditioned upon the initial qualification of the Plan under section 401(a) of the Code, and any contributions shall be refunded to the Employer within one year of a determination by the Internal Revenue Service that the Plan is not qualified.
 - d. Refunds of contributions due to a disallowance of deduction, a mistake of fact, or a determination by the Internal Revenue Service that the Plan is not qualified shall not include earnings attributable to the amount being refunded due to disallowance, mistake, or determination that the Plan is not qualified, but losses thereto shall reduce the amount to be refunded.
22. For the purposes of Treatment of Distribution of Excess Contributions in Paragraph 9 and Distribution of Excess Aggregate Contribution in Paragraph 15, income and loss will be determined as follows:

Income on excess contributions and excess aggregate contributions shall be determined (a) by multiplying allocable gain or loss on the Pre-tax Account and/or the Employer Match Contribution Account, as the case may be, (excluding Catch-Up Contributions and income attributable to Catch-Up Contributions) for the Plan Year by a fraction, the numerator of which is the excess deferrals, excess contributions or excess aggregate contributions, as the case may be, for the Plan Year and the denominator of which is the Pre-tax Account and/or the Employer Match Contribution Account balance at the end of the Plan Year, disregarding any income or loss occurring during the Plan Year, and (b) by adding to the amount determined under clause (a) 10 percent of the amount determined under clause (a) multiplied by the number of whole calendar months between the end of the Plan Year and the date of the distribution, counting the month of distribution if the distribution occurs after the 15th day of the month. Income on excess aggregate contributions shall be determined in a similar manner by substituting the sum of the allocable gain or loss on the Employer Account and Member Account for the Pre-Tax Account and Roth Account, and the excess aggregate contributions for the excess deferrals and excess contributions in the preceding sentence.

ARTICLE IV - INVESTMENT OPTIONS AND TRANSFERS TO AND FROM THE TRUST

1. All amounts in the Participants' Accounts shall be invested in one or more of the Investment Funds, which shall be designated by the Administrative Committee. Investment Funds may include (but are not limited to) the Fixed Income Fund, the Self-Managed Account and Mutual Funds as designated by the Administrative Committee. No contributions may be allocated directly to the Self-Managed Account.

The Administrative Committee, in its discretion, may change or terminate the existing Investment Funds or establish additional Investment Funds at any time. However, any Investment Fund that is not an investment company registered under the Investment Company Act of 1940 shall be managed by an Investment Manager appointed by the Administrative Committee. The selection of Investment Fund choices and the administration of Plan investments are intended to comply with the requirements of section 404(c) of ERISA and the regulations thereunder. To the extent the requirements of section 404(c) of ERISA are satisfied, neither the Administrative Committee, the Plan Administrator, the Trustee, nor any other Plan fiduciary, shall be responsible for any losses resulting from a Participant's individual selection of Investment Fund choices.

2. All funds of the Plan shall be invested by the Trustee in accordance with the provisions of the Plan and Trust Agreement.
3. A Participant shall elect an investment mix in accordance with procedures established by the Plan Administrator. Subject to the limitation in Article IV.1 regarding investments in the Self-Managed Account, contributions may be invested in any combination of the investment options available under the Plan in increments of 1%. The Participant may change his election at any time by notifying the Plan Administrator, in accordance with reasonable procedures established by the Plan Administrator, to be effective with the first payroll disbursed after receipt and completion of processing by the Plan Administrator of such direction.

For a Participant who is a WGSC Plan Transferee, as defined in Article III.1.a (or an individual who would have been identified as an "Employee" under Section 3.15(a) of the Asset Purchase Agreement dated October 25, 2002 between WGSC and CWEMC relating to the purchase of certain assets related to WGSC's Electro-Mechanical Division, except that he had previously retired or terminated from employment), the Participant's most recent investment election, if any, under the WSGS Plan shall remain in effect under this Plan for purposes of allocating contributions hereunder until changed by the Participant; provided, however, that any amount designated to be allocated to an Investment Fund that is not offered under this Plan shall instead be allocated to the most similar Investment Fund offered under the Plan, as determined by the Plan Administrator.

4. A Participant other than a Terminated Participant who has received a Rollover Distribution from a qualified defined contribution plan or defined benefit plan, or a distribution from an individual retirement account, or a distribution from an annuity contract described in section 403(b) of the Code, or a distribution from an eligible plan under section 457B(b) of the Code that is maintained by an employer described in
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section 457(e)(1)(A) of the Code, may elect, in accordance with reasonable procedures established by the Plan Administrator, to rollover not more than the cash value of the distribution, less any amount attributable to the Participant's after-tax contributions, to his Rollover Account within 60 days of receipt of such distribution.

In addition, a Participant other than a Terminated Participant may authorize the Trustee of the Curtiss-Wright Electro-Mechanical Division Pension Plan to transfer the entire balance to the credit of the Participant in such plan directly to his Pension Rollover Account under this Plan if such transfer satisfies the requirements of section 1.411(d)-4, Q&A-3(b) of the Treasury regulations.

The Participant may elect to invest any amount rolled over or transferred to this Plan in any of the investment options available under the Plan in increments of 1%.

Notwithstanding any provision of this section IV to the contrary and subject to the terms of Article IX, in the event an individual who becomes an Employee of an Employer (as defined in Article I.26 of the Plan) on or after January 1, 2007 and who immediately prior to that date was employed by a business entity acquired by the Company or one of its affiliates (an "Acquired Employee"), and has no more than two loans outstanding under the former 401(k) Plan, the Plan shall accept a direct loan rollover of such outstanding loan notes, provided the loans are not in default as of the date of transfer. Further, in accordance with the rules set forth by the Committee, such individual may not receive a new loan or increase the outstanding loan(s) under the terms of the Plan until such individual's rolled over loans have been repaid in full or otherwise distributed to the individual. Under the terms of the Plan, Participants may have a maximum of two outstanding loans. Subject to the provisions of Article IX, an acquired participant who rolls over one loan to the Plan, may receive a second loan from the Plan. An acquired participant who rolls over two loans to the Plan will not be able to receive another loan from the Plan until at least one of the outstanding rolled over loans is repaid in full. Except to the extent amended by this Instrument of Amendment, the Plan shall remain in full force and effect.

In addition, effective January 1, 2010, a Participant other than a Terminated Participant may elect, in accordance with reasonable procedures established by the Plan Administrator, to directly rollover to his Roth Contribution Account a direct rollover from another Roth Contribution Account under an applicable retirement plan described in section 402A(e)(1) of the Code and only to the extent the rollover is permitted under the rules of section 402(c) of the Code.

5. Any Participant who ceases to be an Employee shall continue to have the authority to direct the investment of his Accounts in accordance with the provisions of Article IV.6.
6. Contributions made by or on behalf of a Participant shall be invested in the Investment Fund or Funds selected by the Participant until the effective date of a new designation which has been properly provided to the Plan Administrator in accordance with reasonable procedures established by the Plan Administrator. A designation provided by a Participant changing his investment options shall apply to investment of future deposits and/or to amounts already accumulated in his Accounts.

A Participant may change his investment options for new contributions and/or change his investment selection with regard to amounts already accumulated in his Accounts

at any time by providing notice to the Plan Administrator in accordance with reasonable procedures established by the Plan Administrator.

Any changes in a Participant's investment mix made under this Article IV.6 for new contributions and any changes in a Participant's investments made under this Article IV.6 for amounts already accumulated in his Accounts will take effect as soon as administratively practicable after the transaction has been accepted by the Plan Administrator. Such change shall be subject to any actions taken by the Mutual Fund sponsors based upon liquidity needs.

7. In the event an Employer should sell or acquire shares of stock or other assets or properties of any other company which has a defined contribution plan, qualified under Section 401(a) of the Code, in effect at the time of such sale or acquisition, the Administrative Committee may, in such manner and to such extent as it deems advisable, accept a trust to trust transfer of assets from the defined contribution plan of such company for any employees who will become, or will remain as a Participant in the Plan, provided that the trust from which such assets are transferred permits the transfer to be made and the transfer will not jeopardize the tax exempt status of the Plan or the Trust or create adverse tax consequences for the Employer.
 8. If any amounts are directly or indirectly transferred to this Plan in a trust-to-trust transfer from a plan that is described in clause (i) or (ii) of Section 401(a)(11)(B) of the Code or to which clause (III) of Section 401(a)(11)(B)(iii) of the Code applies, such amounts and any earnings thereon shall be subject to the requirements of Section 401(a)(11)(A) and Section 417 of the Code.
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ARTICLE V - VALUATION OF INVESTMENTS AND CREDITS TO ACCOUNTS

1. The value of each Participant's Accounts as of each Valuation Date shall be determined after reflecting any transfers, withdrawals, or contributions as of such date.
2. The interests of a Participant in all Investment Funds except the Self-Managed Account shall be represented by Units that shall be valued and credited to each Participant's Accounts as follows: the value of a Unit of the Investment Funds within each Account of the Participant shall be determined as of each Valuation Date by dividing the total number of Units within each such fund immediately prior to the Valuation Date into the value of all the assets then held by the Trustee with respect to such Fund.

For investments in all Investment Funds except the Self-Managed Account, the appropriate Accounts of each Participant as of each Valuation Date shall be credited with that number of Units (calculated to the fourth decimal place) determined by dividing (a) contributions made and amounts transferred into each of the funds by or on behalf of such Participant by (b) the value of a Unit of such fund as of the Valuation Date.

3. For investments in all Investment Funds except the Self-Managed Account and any Mutual Funds, the appropriate Accounts of each Participant as of each Valuation Date shall be credited with that number of Units (calculated to the fourth decimal place) determined by dividing (a) contributions made and amounts transferred into each of the funds by or on behalf of such Participant by (b) the value of a Unit of such fund as of the Valuation Date.
 4. For investments in the Self-Managed Account, the appropriate Accounts of each Participant as of each Valuation Date shall be credited with that amount that equals the current cash value of the Self-Managed Account.
 5. Each Participant shall be furnished with a statement of his Accounts under the Plan, as required by section 404(c) of ERISA and the regulations thereunder, and any other applicable provision of ERISA.
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ARTICLE VI - VESTING OF ACCOUNTS

1. A Participant shall at all times be one hundred percent (100%) vested in, and have a nonforfeitable right to, his After-Tax, Pre-Tax, Catch-Up Contribution, Rollover, Pension Rollover, and Additional Contribution Accounts.
2. Notwithstanding any other provision of the Plan to the contrary, a Participant who is a WGSC Plan Transferee, as defined in Article III.1.a shall remain one 100% vested in, and have a nonforfeitable right to, all amounts transferred from the WGSGSP to his Accounts under the Plan.
3. a. Subject to Article VI.2 above and Subsection VI.3.b, a Participant will become vested in amounts credited to his Employer Matching Contribution Account in accordance with the following schedule:

Years of Eligibility Service	Vested Percentage
Less than 1	0%
1 but less than 2	20%
2 but less than 3	40%
3 but less than 4	60%
4 but less than 5	80%
5 or more	100%

- b. Notwithstanding Subsections VI.3.a, the Employer Match Contribution Account shall become 100% vested upon the earliest of the retirement, death (including death while performing qualified military service, pursuant to the Heroes Earnings Assistance and Relief Tax Act of 2008) or attainment of age 65 of a Participant who is earning Eligibility Service at such time.
 4. a. Subject to the requirements of Subsection VI.4(c), if a Participant terminates employment prior to becoming fully vested in his Employer Match Contribution Account, the unvested portion of such Account will be forfeited. If the Terminated Participant is subsequently re-employed by an Employer, an Affiliated Entity, before he incurs a period of break in service of 5 years, the dollar value of the forfeited amount shall be restored to his Employer Match Contribution Account without adjustment for gains or losses since the date of forfeiture. If the amount of the Vested Portion of a Participant's Employer Account at the time of his termination of employment is zero and the Participant had not at any time made Deferred Cash Contributions to the Plan, the Participant shall be deemed to have received a distribution of such zero vested benefit.
 - b. For purposes of Subsection VI.4.a and c, the term "break in service" means an event affecting forfeitures. A period of break in service shall be deemed to commence as of the Participant's severance date and to end on the first date thereafter that he is again employed by the Employer or an Affiliated Entity, provided, however, that if he is reemployed by the Employer or an Affiliated Entity within one year after a severance date, no break in service shall be deemed to have commenced; and provided, further, however, that if an employee is absent
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from work immediately following his active employment, irrespective of whether the employee's employment is terminated, because of the employee's pregnancy, the birth of the employee's child, the placement of a child with the employee in connection with the adoption of that child by the employee, or for purposes of caring for that child for a period beginning immediately following that birth or placement, a break in service shall be deemed to have commenced only if the Participant does not return to work within two years of his severance date. A period of approved leave of absence or a period of uniformed service duty which is included in the Participant's Eligibility Service shall not be deemed a period of break in service. For the purpose of determining whether a period of break in service has commenced, a Participant's severance date, shall be, with respect to employment with the Employer and all Affiliated Entities, the earlier of (i) the date he quits, retires, is discharged, or dies or (ii) the last day of an authorized leave of absence, or if later, the first anniversary of the date on which he is first absent from service, with or without pay, for any reason such as vacation, sickness, disability, layoff, or leave of absence.

- c. If a Participant has received a complete distribution of the vested portion of his Employer Matching Contribution Account upon his termination of employment, upon his subsequent reemployment by the Company before he has incurred a period of break in service of 5 years, he will have the non-vested portion of his Employer Matching Contribution Account, which was forfeited at the time of his termination and distribution, reinstated as soon as administratively feasible following his repayment to the Plan of the amount distributed from the Plan. The Participant will have five years from his rehire date to repay his distribution to the Plan and have his forfeited amount reinstated to his account.
 5. Any forfeited amounts that are restored pursuant to Article VI.4 shall be invested in accordance with the investment election in effect at the time of restoration. In the event the Participant does not have a current investment election in effect, the restored amount will be invested in the Fixed Income Fund.
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**ARTICLE VII - DISTRIBUTION OF ACCOUNTS UPON TERMINATION,
RETIREMENT, OR DEATH**

1. In the event a Participant becomes a Terminated Participant, the following shall apply:
 - a. If the total value of vested Accounts is \$1,000 or less, a total distribution shall be made automatically to a Terminated Participant. Distributions of all Investment Funds shall be made in cash.
 - b. If the total value of vested Accounts exceeds \$1,000, the Terminated Participant may elect a total distribution in cash or may elect to leave his vested Accounts in the Plan. If he elects to leave his vested Accounts in the Plan, all of his Accounts shall continue to be invested as they were immediately prior to his becoming a Terminated Participant, unless he elects to transfer such investments to any other available investment option in the Plan. Amounts that remain in the Plan must be withdrawn in one lump sum only on or prior to the April 1 following the calendar year in which the Terminated Participant attains age 70-1/2; no partial distributions shall be permitted. Participants will be entitled to receive an amount equivalent to the value of the vested Accounts on the first Valuation Date after the distribution has been approved by the Plan Administrator. If no direction is provided by the Participant prior to the April 1 following the calendar year following the Participant's attainment of age 70-1/2, distribution of all vested Accounts shall automatically be made in cash by said April 1.
2. In the event a Participant becomes a Retired Participant, the following shall apply:
 - a. The Retired Participant may elect an immediate distribution of all of his Accounts in cash. If he elects an immediate distribution, his Accounts shall be distributed to him as soon as practicable after his retirement.
 - b. The Retired Participant may elect to have his Accounts distributed in accordance with one of the following options:
 - (1) He may elect to receive monthly or annual installments, the amount of which is determined by the Retired Participant at retirement. Installments will begin as soon as practicable after the request is received from the Retired Participant and approved by the Plan Administrator. Each subsequent annual installment will be processed as soon as practicable on the annual anniversary of the first payment. Monthly installments shall be processed as of the last Valuation Date in each month.

All payments under this option will be made in cash.

A Retired Participant who elects to receive monthly or annual installments pursuant to this Article VII.2.b(1) may cancel or change such election at any time. He may also elect a partial distribution as described in Article VII.2.b(2).

Notwithstanding the above, payments under this option must be at least equivalent to the amount required under section 401(a)(9) of the Code and regulations issued thereunder as described in Article VII.5.

- (2) He may elect to defer receipt of his Accounts until such time as he instructs the Plan Administrator that he wishes to receive his Accounts in whole or in part. In no event, however, may he defer receipt of his first payment beyond April 1 following the calendar year in which he attains age 70-1/2, and such first payment and all subsequent payments must be at least equal to the amounts required under section 401(a)(9) of the Code and regulations issued thereunder as described in Article VII.5. A Retired Participant may request a distribution at any time. The distribution may be either (a) prorated across all Investment Funds in which the Retired Participant is invested or (b) directed against specific funds based upon the Participant's request.
 3. A Participant who becomes a Totally Disabled Participant shall be treated for the purpose of this Article VI as though he were retired on the date he is declared a Totally Disabled Participant, and he shall be entitled to the same options set forth above in Article VII.2.
 4. In the event of the death of a Participant who is not a Terminated Participant, the following shall apply:
 - a. If the total value of Accounts is \$1,000 or less, a total distribution shall be made in cash, automatically, to the designated Beneficiary.
 - b. If the total value of Accounts exceeds \$1,000 and the designated Beneficiary is not the Surviving Spouse, a total distribution shall be made in cash, automatically, to the designated Beneficiary.
 - c. If the total value of Accounts exceeds \$1,000 and the designated Beneficiary is the Surviving Spouse of a Retired or Totally Disabled Participant, the Surviving Spouse may elect a total distribution or may elect to leave his Accounts in the Plan. If the Surviving Spouse elects to leave his Accounts in the Plan he shall be treated as a Retired Participant and the investment and payment options which are available to Retired Participants shall be available to the Surviving Spouse.
 - d. If the total value of Accounts exceeds \$1,000 and the designated Beneficiary is the Surviving Spouse of an active or Terminated Participant, the Surviving Spouse may elect a total distribution or may elect to leave his Accounts in the Plan. If the Surviving Spouse elects to leave his Accounts in the Plan he shall be treated as a Terminated Participant and the investment and payment options which are available to Terminated Participants shall be available to the Surviving Spouse.
 5. In no event shall a Participant (or Beneficiary, if applicable) receive less than the minimum annual payment as required by section 401(a)(9) of the Code and regulations thereunder, including Treasury regulation section 1.401(a)(9)-2. The provisions of this
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Article VII.5 override any distribution options in the Plan which are inconsistent with section 401(a)(9) of the Code.

The first minimum payment for a Participant who is required to receive a distribution in accordance with section 401(a)(9) of the Code shall be determined by dividing (i) the total value of the Participant's Accounts at the beginning of the year in which he is required to take a distribution pursuant to the requirements of section 401(a)(9) of the Code by the life expectancy factor set forth in Treasury regulations for the life of that Participant (or, if applicable, the joint life expectancy factor set forth in Treasury regulations for the lives of the Participant and his designated Beneficiary).

The first minimum payment must be made by April 1 of the year following the later of the year during which the Participant (a) attains age 70½, or (b) retires; provided, however, that the first minimum payment must be made by April 1 following the year in which the Participant attains age 70½ if the Participant is a 5%-owner of the Company. The second minimum payment uses the total value of the Participant's Accounts at the end of the year during which the preceding sentence first applies (reduced by the first payment if such payment is not made during the year in which the preceding sentence first applies) and the original life expectancy factor decreased by 1 year. This second minimum payment is due by the end of the year following the year during which he attains age 70½ or retires (age 70½ if the Participant is a 5%-owner of the Company). All subsequent minimum payments are required to be made by the end of each year using the total value of the Participant's Accounts at the end of the previous year and the previous life expectancy factor decreased by 1 year.

If the Participant dies before the time when distributions are considered to have commenced in accordance with section 401(a)(9) of the Code, distributions will satisfy section 401(a)(9) of the Code as follows: (1) any remaining portion of the Participant's Accounts that is not payable to a Beneficiary will be distributed within five years after the Participant's death; and (ii) any portion of the Participant's interest that is payable to a Beneficiary will be distributed either (a) if the Beneficiary elects, within five years after the Participant's death, or (b) over the life of the Beneficiary or over a period certain not extending beyond the life expectancy of the Beneficiary, commencing no later than the end of the calendar year following the calendar year in which the Participant died (or, if the Beneficiary is the Participant's surviving spouse, commencing not later than the end of the calendar year in which the Participant would have attained age 70½). If the Participant dies after the time when distributions are considered to have commenced in accordance with section 401(a)(9) of the Code, any remaining portion of the Participant's Accounts will be distributed at least as rapidly as under the distribution method being used under section 401(a)(9)(A)(ii) of the Code, as of the Participant's death.

6. Unless the Alternate Payee is an Employee or a Retired Participant, any amounts segregated under this Plan for the benefit of the Alternate Payee pursuant to a QDRO shall be distributed to the Alternate Payee as soon as practicable following the qualification of the QDRO by the Plan Administrator.
 7. Each Participant shall keep the Plan Administrator informed of his current address and the current address of his Beneficiary (ies). Neither the Plan Administrator, the Company, the Administrative Committee nor the Trustee shall be obligated to search for the whereabouts of any person. If the location of a Participant is not made known
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to the Plan Administrator and after diligent efforts to ascertain the whereabouts of the Participant or Beneficiary(ies) prove unsuccessful, the total value of the Participant's Accounts shall be deemed a forfeiture and shall be used to reduce the amount of Employer Match Contributions required to be made by the Employer to the Plan for the Plan Year next following the year in which the forfeiture occurs; provided, however, that in the event that the Participant or a Beneficiary makes a claim for any amount that has been forfeited, the Accounts which have been forfeited shall be reinstated without adjustment for gains or losses.

8. Subject to the minimum distribution rules set forth in Article VII.5, unless otherwise elected by a Participant, distribution of Plan benefits will begin not later than 60 days after the close of the Plan Year in which the latest of the following occurs:
- a. the Participant attains age 65;
 - b. the 10th anniversary of the date the Participant commenced participation in the Plan; or
 - c. the date the Participant terminates service with an Employer.

in the event a Participant fails to file an election form under Article VII.1 or 2 to commence payments of his Accounts, he shall be deemed to have elected to defer payment to the latest commencement date permitted under Article VII.1 or 2, as applicable.

9. Rollovers Out of the Plan.

Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Article, a "Distributee" (as defined in Article VII.10) may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an "Eligible Rollover Distribution" (as defined in Article VII.11) paid directly to an "Eligible Retirement Plan" (as defined in Article VII.12) specified by the Distributee in a "Direct Rollover" (as defined in Article VII.13).

10. Distributee.

Distributee means an employee or former employee. In addition, solely for purposes of Section 11 below, the employee's or former employee's surviving spouse, the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order as defined in Section 414(p) of the Code are distributees with regard to the interest of the spouse or former spouse, or a non-spouse beneficiary.

11. Eligible Rollover Distribution.

An Eligible Rollover Distribution is any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include: (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated Beneficiary, or for a specified period of 10 years or more; (ii)

any distribution to the extent such distribution is required under section 401(a)(9) of the Code; (ii) a hardship distribution as described in Article VIII.2; and (iii) the portion of any distribution that is not includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities). Notwithstanding clause (iii) of the foregoing sentence, a portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions which are not includable in gross income, provided, however, such portion may be transferred only to an individual retirement account or annuity described in section 408(a) or (b) of the Code, or to a qualified plan described in section 401(a) or 403(a) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includable in gross income and the portion of such distribution which is not so includable.

12. Eligible Retirement Plan.

An Eligible Retirement Plan is an individual retirement account described in section 408(a) of the Code, an individual retirement annuity described in section 408(b) of the Code, an annuity plan described in section 403(a) of the Code, a Roth individual retirement account described in section 408A of the Code, or a qualified trust described in section 401(a) of the Code, that accepts the Distributee's Eligible Rollover Distribution, an annuity contract described in section 403(b) of the Code, and an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this plan.

Notwithstanding the above, a direct rollover of a distribution from a Roth Contribution Account will only be made to another Roth Contribution Account under an applicable retirement plan described in section 402A(e)(1) of the Code or to a Roth IRA described in section 408A of the Code, and only to the extent the rollover is permitted under the rules of section 402(c) of the Code

13. Direct Rollover.

A Direct Rollover is a payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

14. A Terminated Participant or a Retired Participant may authorize the Trustee of this Plan to transfer the total value of such Participant's Accounts from the Trust of this Plan to the trust of any other qualified plan which permits such transfers, if such transfer satisfies the requirements of section 1.411(d)-4, Q&A-3(b) of the Treasury regulations. Any transfer shall be in a form acceptable to the plan to which such distribution is being transferred, subject to the terms of this Plan.

15. Subject to Article VII.5, Article VII.6, and Article VII.8, a Participant who is earning Eligibility Service shall not be eligible to receive a distribution under the Plan.

ARTICLE VIII - IN-SERVICE WITHDRAWALS

1. A Participant shall be permitted to make a withdrawal for any reason from his Pension Rollover Account, his Rollover Account and/or his After-Tax Account.
2. A Non-Vested Participant shall be permitted to make a withdrawal from his Pre-Tax Account or his Catch-Up Contribution Account only in the case of a hardship.

A Vested Participant shall be permitted to make a withdrawal for any reason from his Pre-Tax Account upon the attainment of age 59½. A Vested Participant shall be permitted to make a withdrawal from his Pre-Tax Account or his Catch-Up Contribution Account before attaining age 59½ only in the case of hardship.

A Vested or Non-Vested Participant shall be permitted to make a withdrawal from his Roth Contribution Account only in the case of hardship. For purposes of this Article VIII.2, Roth Contributions shall be treated as Pre-Tax Contributions.

For purposes of this Article VIII.2, a Participant who is vested in his Employer Match Contribution Account pursuant to Article VI.2 only shall be treated as a Non-Vested Participant. A Retired Participant who has been rehired as an Employee and has Accounts remaining in the Plan shall be permitted to make a withdrawal from that portion of his Pre-Tax Account and his Catch-Up Contribution Account attributable to amounts in those Accounts as of his date of rehire.

Hardship withdrawals from the Pre-Tax Account or Catch-Up are limited to the amount contributed by the Participant to the Pre-Tax Account or Catch-Up Contribution, or the value of such Account, whichever is less. The following situations are considered to constitute a hardship for purposes of this Plan:

- a. expenses for (or necessary to obtain) medical care that would be deductible under Section 213(d) of the Code (determined without regard to whether the expenses exceed 7.5 percent of adjusted gross income);
 - b. costs directly related to the purchase of a principal residence of the Participant (excluding mortgage payments);
 - c. payment of tuition and related educational fees, and room and board expenses, for the next 12 months of post-secondary education of the Participant, his spouse, children or dependents (as defined in Section 152 of the Code and determined without regard to Sections 152(b)(1), (b)(2) and (d)(1)(B) of the Code);
 - d. payment of amounts necessary to prevent eviction of the Participant from his principal residence or to avoid foreclosure on the mortgage of his principal residence;
 - e. payments for burial or funeral expenses for the Participant's deceased parent, spouse, children or dependents (as defined in Section 152 of the Code and without regard to Section 152(d)(i)(B) of the Code);
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- f. expenses for the repair of damages to the Participant's principal residence that would qualify for the casualty deduction under Section 165 of the Code (determined without regard to whether the loss exceeds 10% of adjusted gross income); or
 - g. the inability of the Participant to meet such other expenses, debts, or other obligations recognized by the Internal Revenue Service as giving rise to immediate and heavy financial need for purposes of Section 401(k) of the Code.
3. Each time a Participant applies for a hardship withdrawal, he must submit documentation to substantiate the withdrawal as required by the Plan Administrator.

A hardship withdrawal shall not be permitted from the Pre-Tax Account and/or the Catch-Up Contribution Account, if the Participant has other resources available to meet the financial need. In order to qualify for a hardship withdrawal from his Pre-Tax Account, a Participant must withdraw the total amount available for withdrawal absent hardship from his After-Tax Account and Employer Match Contribution Account and submit a statement that acknowledges that his situation cannot be relieved by any of the following:

- a. the proceeds from an insurance policy;
- b. the reasonable liquidation of the Participant's assets;
- c. the discontinuance of the Participant's contributions under the Plan; or
- d. a loan from his Pre-Tax Account, a distribution or loan from any other plan, or a commercial loan.

If a loan is available from this Plan in the amount that would satisfy the hardship request, a Pre-Tax Account hardship withdrawal will not be permitted.

A hardship withdrawal from a Participant's Pre-Tax Account or Catch-Up Contributions Account may not be made unless the Participant is suspended from making After-tax Contributions to the Plan and he is suspended from having Pre-Tax Contributions, Catch-up Contributions and Employer Match Contributions made on his behalf to the Plan (and he is suspended from making employee contributions and elective contributions to all other qualified and nonqualified plans of deferred compensation inclusive of stock option, stock purchase, and similar plans maintained by an Employer or an Affiliated Entity, excluding mandatory employee contributions to a defined benefit plan or health or welfare benefit plans, and, further, is prohibited from exercising any option granted to him under any of the Company's stock option plans) for the 6 month period beginning on the effective date of the withdrawal pursuant to Article VIII.2.

4. A Vested Participant shall be permitted to make a withdrawal for any reason from his Employer Match Contribution Account.

A Non-Vested Participant shall be permitted to make a withdrawal from the vested portion of his Employer Match Contribution Account upon the attainment of age 59-1/2.

For purposes of this Article VIII.4 a Participant who is vested in his Employer Match Contribution Account pursuant to Article VI.2 only shall be treated as a Non-Vested Participant.

5. To the extent permitted in Articles VIII.1, VIII.2, VIII.3, and VIII.4 in-service withdrawals will be permitted at any time; provided, however, that no in-service withdrawals of amounts held in the Self-Managed Account are permitted.

A request for an in-service withdrawal must be made to the Plan Administrator. All withdrawals, with the exception of hardship withdrawals, may be either (a) prorated across all Investment Funds in which the Participant is invested or (b) directed against specific Investment Funds based upon the Participant's request. Distributions of all Investment Funds shall be made in cash.

All non-hardship withdrawals will be derived from the available Accounts of each Participant based upon the following hierarchy:

- a. After-Tax Account and Pension Rollover Account;
- b. Rollover Account;
- c. Vested portion of Employer Match Contribution Account;
- d. Pre-Tax Account.

Hardship withdrawals will be derived from the Account from which the hardship is being taken and will be prorated across all Investment Funds in which the Participant is invested in that Account.

6. (a) A Participant who is on active military duty for more than 30 days may request a distribution of all or a portion of his or her Pre-Tax Account or his Catch-Up Contribution Account.
- (b) A Participant who takes such a distribution shall be prohibited from making Pre-Tax, Catch-Up and After-Tax Contributions to the Plan and all other plans of the Employer and Affiliated Employers under the terms of such plans or by means of an otherwise legally enforceable agreement for at least 6 months after receipt of the distribution.
- (c) Any distribution made under this Section shall be subject to the additional tax on early distributions under Section 72(t) of the Code, unless the distribution is a "qualified reservist distribution" as that term is defined under the Heroes Earnings Assistance and Relief Tax Act of 2008.
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ARTICLE IX - LOANS

1. A Participant, other than a Terminated Participant, a Retired Participant, a Totally Disabled Participant or a Surviving Spouse, may request a loan from his Accounts in the Plan in accordance with the following:
 - a. Loans must be requested in multiples of \$100 with a minimum amount of \$1,000. The maximum loan amount is limited by law to be 50% of the vested balance in his Accounts, with an overall maximum of \$50,000 reduced by the highest outstanding loan balance during the preceding 12 months. If a Participant requests a loan that exceeds the maximum allowable loan, the loan will be issued for the maximum amount available.
 - b. The Plan Administrator shall determine whether the application for a loan is to be approved. All applications for loans shall be evaluated in a uniform and nondiscriminatory manner. A Participant who takes a loan from the Plan shall be subject to, and will be required to comply with the specific terms and conditions of any loans made under the Plan, as established by the Plan Administrator.
 - c. To the extent permitted in this Article IX, a Participant will be permitted to have up to 2 outstanding loans at any given time. Loans may be either (i) prorated across all Investment Funds in which the Participant is invested or (ii) directed against specific Investment Funds based upon the Participant's request; provided, however, that no loan may be taken from amounts held in the Self-Managed Account. All loans will be derived from the available Accounts of each Participant based upon the following hierarchy:
 - (i) Pre-Tax Account;
 - (ii) After-Tax Account and Pension Rollover Account;
 - (iii) Rollover Account;
 - (iv) Vested portion of Employer Match Contribution Account
 - d. Loans shall be made to the Participant in cash and shall be derived from the Participant's Investment Funds based upon the value as of the first Valuation Date after the loan has been approved by the Plan Administrator.
 - e. Loan repayments shall be made by payroll deductions. The Participant may elect repayment periods of 6 to 60 months in increments of 6 months.

At any time prior to the due date of the final loan payment, the Participant may elect to partially repay the loan or make repayment in full.

During the repayment period, loan repayments shall be allocated to the Accounts of Participants of a pro rata basis. Repayments shall be invested in the investment options in effect for current contributions at the time the repayments are made. In the event the Participant does not have a current election in effect for either his Pre-Tax Contributions or his After-Tax Contributions, the current election in effect for his Employer Match Contribution

Account shall be used; provided, however, that no amount of a loan repayment shall be allocated to the Self-Managed Account. If a current election does not exist for his Employer Match Contribution Account, then the repayments shall be invested in the Fixed Income Fund.

Repayments to an Investment Fund shall purchase Units based upon the value of each Unit on the Valuation Date in which the Accounts of Participants are credited.

- f. For each Plan Year, the interest rate to be charged for the term of the loans initiated in the Plan Year shall be the prime interest rate from the Wall Street Journal as of the first business day of the Plan Year in which the loan is processed plus one percent 1%.
- g. (1) A Participant shall be required to continue to meet his loan repayment obligation for any period during which he is not receiving pay due to disability, layoff, furlough or leave of absence. In such event, the Participant shall be required to make his scheduled loan repayments by check or money order.

Notwithstanding the foregoing, a Participant on an unpaid leave of absence may elect to not make repayments for a period that does not extend beyond 12 months after the commencement of such leave of absence. Such election shall be made in writing and filed with the Plan Administrator within 30 days after the commencement of the Participant's leave. At the end of such period, the Participant's loan repayment installments shall recommence, and such installments must be at least equal to the installments required under the original terms of the loan. In any event, the Participant must repay the entire loan by the end of the 60-month period beginning when the loan was made.

- (2) A Participant who (i) becomes a Retired Participant or a Totally Disabled Participant, or (ii) transfers employment from an Employer to an Affiliated Employer, an Excluded Unit (a "Transferred Employee"), may elect to continue to make repayments by check or money order while employed by such entity.

A Terminated Participant or a Surviving Spouse may repay the total outstanding loan balance in a single payment within 60 days of his termination or death. If a Terminated Participant (other than a Transferred Employee) or Surviving Spouse does not repay the loan within 60 days after termination or death, the outstanding loan balance will be treated as a distribution.

- (3) Notwithstanding Subsections IX.1.g. (1) and (2) above, if a Participant takes a leave of absence to enter the uniformed services of the United States, loan repayments shall be suspended during the period of leave. Upon the Participant's reemployment from the uniformed services, the period of repayment shall be extended by the number of months of the period of service in the uniformed services or, if greater, the number of months that would remain if the original loan term were five years plus
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the number of months in the period of absence; provided, however, if the Participant incurs a termination of employment and requests a distribution pursuant to Article VII, the loan shall be canceled, and the outstanding loan balance shall be distributed pursuant to Article VII. If a Participant enters the uniformed services of the United States, the interest rate applicable to the unpaid loan balance during the period of leave shall be reduced to 6%, in accordance with the Soldiers' and Sailors' Civil Relief Act of 1940. Upon a Participant's reemployment from the leave of absence, the Participant shall resume payments either in the same amount as before the leave with the full balance due upon the expiration of the repayment period or by reamortizing the loan in substantially level installments over the remaining term of the loan."

- h. Any loans made, renewed, renegotiated, modified, or extended after the Effective Date shall be subject to the provisions of this Article IX. All loans previously made under the Westinghouse Government Services Group Savings Plan, or a transferor plan with respect to that plan, shall be subject to the rules in effect under such plan at the time the loan was made.
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ARTICLE X - DESIGNATION OF BENEFICIARY

1. Each Participant shall file with the Plan Administrator a written designation of Beneficiary which shall be effective when received by the Plan Administrator. A Beneficiary designation may be changed by the Participant at any time upon written notice to the Plan Administrator, subject to the rules below for married Participants.
 2. The Beneficiary of a married Participant must be the Participant's spouse unless the Participant's spouse has given written consent to the designation of some other person or persons as a Beneficiary. Such consent must be witnessed by a notary public. Notwithstanding the foregoing, if a Participant establishes to the satisfaction of the Plan Administrator that a written consent cannot be obtained because the spouse cannot be located, or because of such other circumstances as may be permitted by law, spousal consent shall not be required. Any consent (or establishment that consent is not required) necessary under this provision will be valid only with respect to such spouse, but may not be revoked by such spouse. A revocation of a prior waiver may be made by a Participant without the consent of the spouse at any time before the Participant's retirement date. The number of revocations by a Participant shall not be limited. Any new waiver or change of Beneficiary will require a new spousal consent.
 3. An unmarried Participant may designate any person or persons as a Beneficiary without restriction. However, an unmarried Participant who later marries must at that time obtain spousal consent (as described in Article X.2) in order for the Participant's existing Beneficiary designation to remain valid. If a divorced Participant later remarries, the Participant must obtain the consent of the Participant's new spouse to the Beneficiary designation, even if the Participant obtained the consent of the Participant's former spouse to the Beneficiary designation.
 4. In the absence of spousal consent to the designation of some other person or persons as a Beneficiary, the Participant's interest in the Plan shall be distributed to the Surviving Spouse at the time of such Participant's death in accordance with the provisions of Article VII.4 or VII.5. Notwithstanding the fact that a Participant has obtained spousal consent to the designation of some other person or persons as a Beneficiary, if the validly designated Beneficiary is not living at the time of such Participant's death, or if such designation is not effective for any reason, then the death benefit shall be payable to the deceased Participant's Spouse. If there is no Surviving Spouse, distribution shall be made to the legal representative of the Participant.
 5. No Beneficiary shall, prior to the death of the Participant by whom he has been designated, acquire any interest in the Participant's Accounts in the Plan or in the assets of the Trust.
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ARTICLE XI - VOTING OF STOCK

1. Each Participant who has an investment in the Self-Managed Account will be furnished any proxy material relating to such Self-Managed Account, together with a form on which may be set forth the Participant's voting of investments under the Participant's Self-Managed Account.
 2. With respect to investments in Mutual Funds, the Administrative Committee shall vote such investments in accordance with the best interests of the Participants and Beneficiaries.
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ARTICLE XII - TERMINATION OR SUSPENSION OF THE PLAN

1. The Company, acting by written resolution of the Board (or a duly authorized delegate of the Board), may at any time, and from time to time amend, in whole or in part, any and all of the provisions of the Plan, suspend the Plan or terminate the Plan. The Administrative Committee (or a duly authorized delegate) may also adopt certain Plan amendments in accordance with Article XIV.2. Notwithstanding the above, no amendment, suspension or termination shall adversely affect any rights of a Participant to amounts credited to his Accounts prior to the date of amendment, suspension or termination. Furthermore, if the vesting schedule of the Plan is amended, in the case of an Employee who is a Participant as of the later of the date such amendment is adopted or the date it becomes effective, the nonforfeitable percentage (determined as of such date) of such Employee's Employer Match Contribution Account will not be less than the percentage computed under the Plan without regard to such amendment.
 2. In the event of the termination or partial termination of the Plan or upon complete discontinuation of contributions to the Plan, there shall automatically vest in each Participant affected by such termination or partial termination all rights to the entire amount credited to his Employer Match Contribution Account, and all amounts then credited to all Accounts for each Participant affected by such termination or partial termination shall be distributed to him in accordance with ERISA and the Code.

Upon termination of the Plan, Pre-Tax Contributions, with earnings thereon, shall only be distributed to Participants if (i) neither the Employer nor any other company in the Controlled Group establishes or maintains a successor defined contribution plan and (ii) payment is made to the Participants in the form of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Code, without regard to subclauses (I) through (IV) of clause (i) thereof). For purposes of this paragraph, a "successor defined contribution plan" is a defined contribution plan (other than an employee stock ownership plan as defined in Section 4975(e)(7) or 409(a) of the Code ("ESOP"), a simplified employee pension as defined in Section 408(k) of the Code ("SEP"), a SIMPLE IRA plan as defined in Section 408(p) of the Code, a plan or contract that satisfies the requirements of Section 403(b) of the Code, or a plan that is described in Section 457(b) or (f)) which exists at the time the Plan is terminated or within the 12-month period beginning on the date all assets are distributed that accepts salary deferrals. However, in no event shall a defined contribution plan be deemed a successor plan if fewer than 2 percent of the employees who are eligible to participate in the Plan at the time of its termination are or were eligible to participate under another defined contribution plan of the Employer or any other company in the Controlled Group (other than a plan excluded under the prior sentence) at any time during the period beginning 12 months before and ending 12 months after the date of the Plan's termination.
 3. If the Plan's vesting schedule is amended, or the Plan is amended in any way that directly or indirectly affects the computation of the nonforfeitable percentage of Participants' Employer Match Contribution Accounts, or if the Plan is deemed amended by an automatic change to or from a top-heavy vesting schedule, each Participant with at least 3 years of Eligibility Service may elect, within a reasonable period after the adoption of the amendment or change, to have the nonforfeitable percentage computed without regard to such amendment or change.
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ARTICLE XIII - TRUSTEE

1. The Administrative Committee shall appoint one or more individuals or corporations to act as Trustee under the Plan and may at any time remove any Trustee and appoint a successor Trustee.
 2. The Administrative Committee and the Trustee shall enter into a trust agreement providing for the Trust. The Administrative Committee may also from time to time enter into such further agreements with the Trustee or other parties, make such amendments to such trust agreement or further agreements, and take such other steps and execute such other instruments as it, in its sole discretion, may deem necessary or desirable to carry the Plan into effect or to facilitate its administration.
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ARTICLE XIV - ADMINISTRATION

1. **Company.**

The Company is the sponsor and “named fiduciary” of the Plan within the meaning of section 402(a)(2) of ERISA. The Company has all powers and responsibilities not otherwise assigned to the Trustee or the Investment Manager(s).

2. **Administrative Committee.**

The Administrative Committee (or its delegate) may act on the Company’s behalf as the sponsor and “named fiduciary” of the Plan with respect to Plan administrative matters. Acting on behalf of the Company, and subject to the terms of the Plan, the Trust Agreement and applicable resolutions of the Board, the Administrative Committee (or its delegate) has full and absolute discretion and authority to control and manage the operation and administration of the Plan, and to interpret and apply the terms of the Plan and the Trust Agreement. This full and absolute discretion and authority includes, but is not limited to, the power to:

- a. interpret, construe, and apply the provisions of the Plan and Trust Agreement, and any construction adopted by the Administrative Committee in good faith shall be final and binding;
 - b. adopt Plan amendments that (1) are required by ERISA or other applicable law or regulation governing qualification of employee benefit plans, or are necessary for Plan administration, and which do not materially increase costs to the Plan or the Company or materially change Participants’ benefits under the Plan, (2) implement special rules in Article XV.6 for acquisitions, sales, and other dispositions, or (3) clarify ambiguous or unclear Plan provisions; provided that such amendments will be made in writing and will be made according to procedures established by the Administrative Committee. Effective as of January 3, 2008, amendments to the Plan that reflect acquisitions due to mergers shall be adopted by the Committee. All such amendments shall be submitted to the Board of Directors at their meeting following the adoption of such amendments;
 - c. review appeals from the denial of benefits;
 - d. change or terminate the existing Investment Fund options offered under the Plan or establish additional Investment Fund options;
 - e. appoint and dismiss Investment Managers (as described by section 3(38) of ERISA) and the Trustee;
 - f. provide guidelines and directions to, and monitor the performance of, Investment Managers and the Trustee; and
 - g. manage the cost and financial aspects of the Plan.
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The Administrative Committee may employ, appoint, and dismiss advisors and advisory committees as the Administrative Committee deems necessary to carry out the provisions of the Plan and the Trust Agreement, including attorneys, accountants, actuaries, clerks, or other agents, and may delegate any of its authority and duties to such persons.

3. **Plan Administrator.**

The Company shall be the Plan Administrator, unless the Company, in its discretion, shall designate a different Plan Administrator. The Plan Administrator is responsible for, and has authority to:

- a. adopt reasonable and uniform rules and procedures as necessary or appropriate for Plan administration and the processing of claims for benefits;
- b. make all initial determinations regarding claims for benefits, including authority to interpret and apply any applicable Plan provisions to the facts involved in each benefits claim, and provide notice described in Article XIV.8 to any claimant whose claim is denied;
- c. direct the Trustee regarding: (1) payment of benefits to Participants; and (2) payment of the reasonable and necessary expenses of the Plan from Plan assets;
- d. obtain fidelity bonds and fiduciary insurance coverage, in accordance with applicable provisions of ERISA; and
- e. comply with and monitor the Plan's continued compliance with all governmental laws and regulations relating to recordkeeping and reporting of Participants' benefits, other notifications to Participants, registration with the Internal Revenue Service, and reports to the Department of Labor.

4. **Trustee.**

The Trustee has exclusive responsibility for control and management of Plan assets, in accordance with the Trust Agreement. The Trustee is responsible for, and has authority to:

- a. invest, manage, and control Plan assets, subject to the direction of the Administrative Committee and Investment Manager(s) appointed by the Administrative Committee;
- b. maintain records and accounts of all contributions, receipts, investments, distributions, expenses, disbursements, and all other transactions; and
- c. prepare records, reports, statements, tax returns, and forms required to be furnished to Participants or filed with the Secretary of Labor or Treasury, as required by the Trust Agreement, or the directions of the Administrative Committee.

5. **Allocation of Fiduciary Authority.**

The Company, the Administrative Committee, the Trustee and the Investment Manager(s), and any other person having fiduciary responsibility, as described in section 3(21) of ERISA, with respect to the Plan (collectively, the "Plan Fiduciaries") each have individual responsibility for the prudent execution of their responsibilities assigned under this Plan, and are not responsible for acts or failures by another Fiduciary, unless the Plan provides for shared fiduciary responsibility. Plan Fiduciaries are obligated to discharge their duties with respect to the Plan solely and exclusively in the interest of Plan Participants and their Beneficiaries, and with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

Whenever the Plan or Trust Agreement requires one Fiduciary to provide information or direct the activities of another Fiduciary, the two may not be deemed to have shared fiduciary responsibility -- rather, the Fiduciary giving directions or providing information is solely responsible for prudently directing or informing the other, and the Fiduciary receiving the direction or information is entitled to rely on that direction or information as proper under the Plan, the Trust Agreement, and applicable law.

Any individual may serve in more than one capacity, e.g. the same individual may serve on the Administrative Committee and as an agent of the Company or the Plan Administrator.

No person or entity shall function or be deemed to function as a fiduciary in connection with actions affecting the design of the Plan, including, without limitation, amendments, designations of participating Employers and Excluded Units, and adoption of rules relating to acquisitions, sales and other dispositions under Article IV.7.

6. **Indemnification.**

- a. To the extent permitted by applicable law, the Board, the Administrative Committee, the Plan Administrator, and any employee, officer, or director of the Employer, an Affiliated Entity, to whom duties and responsibilities have been allocated or delegated under this Plan and Trust ("Covered Persons"), shall be indemnified and saved harmless by the Plan and Trust from and against any and all claims of liability arising in connection with the exercise of the Covered Person's duties and responsibilities with respect to the Plan and Trust by reason of any act or omission, including all expenses reasonably incurred in the defense of such act or omission, unless:
 - (1) it will be established by final judgment of a court of competent jurisdiction that such act or omission, including all expenses reasonably incurred in the defense of such act or omission, involved a violation of the duties imposed by Part 4 of Subtitle B of Title I of ERISA on the part of such Covered Person, or
 - (2) in the event of settlement or other disposition of such claim involving the Plan and Trust, it is determined by written opinion of independent counsel that such act or omission involved a violation of the duties
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imposed by Part 4 of Subtitle B of Title I of ERISA on the part of such Covered Person.

- b. To the extent permitted by applicable law, the Trust will pay expenses (including reasonable attorneys' fees and disbursements), judgments, fines, and amounts paid in settlement incurred by the Covered Person in connection with any of the proceedings described above, provided that:
- (1) the Covered Person will repay such advanced expenses to the Trust, plus reasonable interest, if it is established by a final judgment of a court of competent jurisdiction, or by written opinion of independent counsel under the circumstances described above, that the Covered Person violated duties under Part 4 of Subtitle B of Title I of ERISA; and
 - (2) the Covered Person will make appropriate arrangements for repayment of advanced expenses.

Notwithstanding the foregoing, no such advanced expenses will be made in connection with any claim against a Covered Person that is made by the Plan, provided that upon final disposition of such claim, the expenses (including reasonable attorneys' fees and disbursements), judgments, fines, and amounts paid in settlement incurred by the Covered Person will be reimbursed by the Plan to the extent provided above.

7. **Claims for Benefits.**

Each person (including any Employee, former Employee, Surviving Spouse, or other Plan Beneficiary) must file a written claim with the Plan Administrator for any benefit to which that person believes he is entitled under this Plan, in accordance with reasonable procedures established by the Plan Administrator.

Generally, the Plan Administrator is required to decide each claim within 90 days of the date on which the claim is filed. If special circumstances require a longer period for adjudication, the Plan Administrator must notify the claimant in writing of the reasons for an extension of time, and the date by which the Plan Administrator will decide the claim, before the 90 day period expires. Extensions beyond 90 days after the expiration of the initial 90 day period are not permitted. If the Administrator does not notify the claimant of its decision to grant or deny a claim within the time specified by this section, the claim will be deemed to have been denied and the appeal procedure described in Article XIV.9 below will become available to the claimant.

8. **Notice of Denial.**

If the Plan Administrator denies a claim for benefits under the Plan, the claimant will receive a written notice that explains:

- a. the specific reason for the denial, including specific reference to pertinent Plan provisions on which the denial is based;
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- b. any additional information or material necessary to perfect a claim, with an explanation of why such material is necessary, if any information would be helpful or appropriate to further consideration of the claim; and
- c. the steps to be taken if the claimant wishes to appeal, including the time available for appeal.

9. **Appeal of Denied Claims for Benefits.**

Claimants must submit a written request appealing the denial of a claim within 60 days after receipt of notice described by Article XIV.8. Claimants may review all pertinent documents, and submit issues and comments in writing. The Administrative Committee (or its delegate) will provide a full and fair review of all appeals from denial of a claim for benefits, and its decision will be final and binding.

The decision of the Administrative Committee (or its delegate) ordinarily will be given within 60 days after receipt of a written request for appeal, unless special circumstances require an extension (such as for a hearing). If an extension of time for appeal is necessary, the claimant will receive written notice of the extension before the 60 day period expires. The decision may not be delayed beyond 120 days after receipt of the written request for appeal. Notice of the decision on appeal will be provided in writing, and will explain the basis for the decision, including reference to applicable provisions of the Plan, in a manner calculated to be understood by the person who appealed the denial of a claim.

10. **Exhaustion of Remedies.**

No legal action for benefits under the Plan may be brought unless and until the following steps have occurred:

- a. the claimant has submitted a written application for benefits in accordance with Article XIV.7;
- b. the claimant has been notified that the claim has been denied, as provided by Article XIV.8;
- c. the claimant has filed a written request appealing the denial in accordance with Article XIV.9; and
- d. the claimant has been notified in writing that the Administrative Committee (or its delegate) have denied the claimant's appeal, or the Administrative Committee has failed to act on the appeal within the time prescribed by Article XIV.9.

11. **Spendthrift Provision.**

No Plan benefit will be subject in any manner to anticipation, pledge, encumbrance, alienation, levy, or assignment, nor to seizure, attachment, or other legal process for the debts of any Employee, former Employee, or other Plan Beneficiary, except (a) pursuant to a Qualified Domestic Relations Order under section 414(p) of the Code or a domestic relations order entered before January 1, 1985, that the Plan Administrator

treats as a Qualified Domestic Relations Order, or (b) as otherwise allowed under section 401(a)(13) of the Code.

12. **Payment in Event of Incapacity.**

If the Plan Administrator determines that a person entitled to receive any Plan benefit is under a legal disability or is incapacitated in any way so as to be unable to manage his financial affairs, the Plan Administrator may direct that payments be made to such person's legal representative, or to a relative or other individual for such person's benefit, or to otherwise apply the payment for the benefit of such person, subject to such conditions as the Plan Administrator deems appropriate. Any payment of a benefit in accordance with the provisions of this Section will be a complete discharge of any liability by the Plan to make such payment.

13. **Expenses of the Plan.**

Reasonable expenses of the Plan, including indemnification under Article XIV.6, may be paid from Plan assets, unless paid by an Employer. Each Employer is entitled to reimbursement of direct expenses properly and actually incurred in providing services to the Plan, in accordance with applicable provisions of ERISA.

14. **Governing Law.**

The Plan will be construed, interpreted, and enforced according to the laws of Pennsylvania, to the extent such laws are not inconsistent with and preempted by ERISA.

15. **Military Service.**

(a) Notwithstanding any provision of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified uniformed service duty will be provided in accordance with Section 414(u) of the Code. Without regard to any limitations on contributions set forth in Article III, a Participant who is reemployed and is credited with Vesting Service because of a period of service in the uniformed services of the United States may elect to contribute to the Plan the Pre-Tax Contributions (including Catch-Up Contributions) and/or After-Tax Contributions that could have been contributed to the Plan in accordance with the provisions of the Plan had he remained continuously employed by the Employer throughout such period of absence ("make-up contributions"). For purposes of determining the amount of make-up contributions a Participant may make, his Compensation for the period of absence shall be deemed to be the rate of Compensation he would have received had he remained employed as an Employee for that period or, if such rate is not reasonably certain, on the basis of the Participant's rate of compensation during the 12-month period immediately preceding such period of absence (or if shorter, the period of employment immediately preceding such period). Any Pre-Tax Contributions, Catch-Up Contributions, and/or After-Tax Contributions so determined shall be limited as provided in Article III with respect to the Plan Year or Years to which such contributions relate rather than the Plan Year in which payment is made. The make-up contributions may be made over a period not to exceed three times the period of military leave or five years, if less, but in no event later than

the Participant's termination of employment (unless he is subsequently rehired). The make-up period shall start on the later of: (i) the Participant's date of reemployment, or (ii) the date the Employer notifies the Employee of his rights under this Section. Earnings (or losses) on make-up contributions shall be credited commencing with the date the make-up contribution is made.

- (b) With respect to a Participant who makes the election described in paragraph (a) above, the Employer shall make Matching Contributions, on the make-up contributions in the amount described in the provisions of Sections III.2, as in effect for the Plan Year to which such make-up contributions relate. Employer Matching Contributions under this paragraph shall be made to the Plan at the same time as Matching Contributions are required to be made for Pre-Tax made during the same period as the make-up contributions are actually made. Earnings (or losses) on Matching Contributions shall be credited commencing with the date the contributions are made in accordance with the provisions of Article IV. Any limitations on Matching Contributions described in Section III shall be applied with respect to the Plan Year or Years to which such contributions relate rather than the Plan Year or Years in which payment is made.
 - (c) All contributions under this Section other than make-up Catch-Up Contributions made pursuant to this Section and Section III.2 are considered "annual additions," as defined in Section 415(c)(2) of the Code, and shall be limited with respect to the Plan Year or Years to which such contributions relate rather than the Plan Year in which payment is made.
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ARTICLE XV- GENERAL PROVISIONS

1. The act of establishing the Plan, any provision hereof or any action taken hereunder shall not be construed as giving any Participant the right to be retained as an Employee of an Employer, and the right of an Employer to terminate the employment of any Employee is specifically reserved.
 2. An Employer may require compliance with or satisfaction of any legal requirement which may be deemed by it necessary as a condition for participation in the Plan or for distribution of interests or benefits hereunder.
 3. By participating in the Plan or accepting any benefits hereunder, a Participant and any person claiming under or through him shall thereby be conclusively deemed to have accepted and consented to the application to him of the provisions of the Plan as interpreted by the Administrative Committee, as set forth in Article XIV.
 4. In the case of any merger or consolidation with, or transfer of assets or liabilities to any other plan, each Participant in this Plan shall (if the Plan then terminated) receive a benefit immediately after the merger, consolidation or transfer, which is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation or transfer (if this Plan had then terminated).
 5. Any provisions in this Plan to the contrary notwithstanding, in the event an Employee transfers directly to any other corporation or affiliate thereof in connection with the transfer to such other corporation maintained or operated under contract by an Employer, or who may be transferred by any such other corporation or affiliate thereof to another affiliate thereof subsequent to his transfer from an Employer, the Administrative Committee may, for legitimate business reasons including a reciprocal service agreement, treat service with any such other corporations as service with an Employer for purposes of vesting and for determining eligibility for any account balance to the date of such transfer or any other benefits under this Plan which are dependent on a service-eligibility requirement.
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IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its authorized officer, to be effective as of the first day of January, 2010.

CURTISS-WRIGHT CORPORATION

By _____

APPENDIX A - SECTION 415 LIMITATIONS

In the event the provisions contained in this Appendix A are inconsistent with the terms contained in the remainder of the Plan, the provisions of this Appendix A shall take precedence.

A. Overall Limits on Contributions.

Contributions made on behalf of any Participant during any Plan Year shall be subject to the following:

1. Except to the extent permitted under section 414(v) of the Code, if applicable, the annual addition that may be contributed or allocated to a participant's account under the plan for any limitation year shall not exceed the lesser of:
 - (i) \$40,000, as adjusted for increases in the cost-of-living under section 415(d) of the Code, or
 - (ii) 100% of the participant's compensation, within the meaning of Appendix A.A.4, for the Limitation Year. The compensation limit referred to in this paragraph (ii) shall not apply to any contribution for medical benefits after separation from service (within the meaning of section 401(h) or section 419A(d)(2) of the Code) which is otherwise treated as an Annual Addition.
 2. Contributions made on behalf of a Participant during a payroll period which begins in one Plan Year but ends in the next succeeding Plan Year shall be deemed an Annual Addition for the next succeeding Plan Year.
 3. The limitations of this Appendix A shall be applied to this Plan before they are applied to any other defined contribution plan of the Employer or Employer's Controlled Group, except that if Employee contributions to a defined benefit plan maintained by the Employer or Employer's Controlled Group are, pursuant to section 1.415(c)-1(a)(2)(B) of the Treasury regulations, considered a separate defined contribution plan that is subject to the limitations on contributions and other additions described in section 1.415(c)-1 of the Treasury regulations, any required return of excess amounts shall be made last from such plan. This Appendix A shall be satisfied prior to satisfying the ADP test. Effective January 1, 2008, the treatment of Employee contributions shall be controlled by the final 415 Treasury regulations.
 4. For purposes of this Appendix A, "compensation" means the wages, salaries, and other amounts paid in respect of an employee for services actually rendered to an Employer or an Affiliated Entity, including by way of example, overtime, bonuses, and commissions, but excluding deferred compensation, stock options, and other distributions which receive special tax benefits under the Code. "Compensation" shall include amounts contributed by the Employer pursuant to a salary reduction agreement which are not includible in the gross income of the employee under Sections 125, 132(f), 402(g)(3), 414(v) or 457(b) of the Code. "Compensation" for a Plan Year shall be limited to \$200,000, as
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adjusted in accordance with section 401(a)(17)(B) of the Code. Effective January 1, 2008, "compensation" shall also include amounts required to be recognized under the provisions of Section 1.415(c)-2(e) of the Treasury regulations.

B. Distributions Of Excessive Annual Additions

1. To the extent that the annual additions to a Member's Accounts exceed the limitation set forth in paragraph (a), corrections shall be made in a manner consistent with the provisions of the Employee Plans Compliance Resolution System as set forth in Revenue Procedure 2008-50 or any subsequent guidance.
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APPENDIX B - TOP HEAVY PROVISIONS**A. Top-Heavy Preemption.**

During any Plan Year in which this Plan is Top-Heavy, as defined in Appendix B.C below, the Plan shall be governed in accordance with this Appendix, which shall control over other provisions.

B. Definitions.

The following definitions apply to the terms used in this Appendix B:

- (i) “applicable determination date” means the last day of [the later of the first Plan Year or] the preceding Plan Year;
- (ii) “top-heavy ratio” means the ratio of (A) the value of the aggregate of the Accounts under the Plan for key employees to (B) the value of the aggregate of the Accounts under the Plan for all key employees and non-key employees;
- (iii) “key employee” means any employee or former employee (including any deceased employee) who at any time during the Plan Year that includes the applicable determination date was an officer of an Employer or an Affiliated Entity having Compensation greater than \$130,000 (as adjusted under Section 416(i)(1) of the Code), a 5% owner (as defined in Section 416(i)(1)(B)(i) of the Code) of an Employer or an Affiliated Employer, or a 1% owner (as defined in Section 416(i)(1)(B)(ii) of the Code) of an Employer or an Affiliated Employer having Compensation greater than \$150,000. The determination of who is a key employee shall be made in accordance with Section 416(i) of the Code and the applicable regulations and other guidance of general applicability issued thereunder;
- (iv) “non-key employee” means any Employee who is not a key employee;
- (v) “applicable Valuation Date” means the Valuation Date coincident with or immediately preceding the last day of the first Plan Year or the preceding Plan Year, whichever is applicable;
- (vi) “required aggregation group” means any other qualified plan(s) of the Employer or an Affiliated Entity (including plans that terminated within the five-year period ending on the applicable determination date) in which there are members who are key employees or which enable(s) the Plan to meet the requirements of Section 401(a)(4) or 410 of the Code; and
- (vii) “permissive aggregation group” means each plan in the required aggregation group and any other qualified plan(s) of the Employer or an Affiliated Entity in which all members are non-key employees, if the resulting aggregation group continues to meet the requirements of Sections 401(a)(4) and 410 of the Code.

C. Top-Heavy Determination.

For purposes of this Section, the Plan shall be “top-heavy” with respect to any Plan Year if as of the applicable determination date the top-heavy ratio exceeds 60 percent. The top-heavy ratio shall be determined as of the applicable Valuation Date in accordance with Sections 416(g)(3) and (4) of the Code and Article 5 of this Plan. The determination of whether the Plan is top-heavy is subject to the following:

- (i) the Accounts under the Plan will be combined with the account balances or the present value of accrued benefits under each other plan in the required aggregation group and, in the Employer’s discretion, may be combined with the account balances or the present value of accrued benefits under any other qualified plan in the permissive aggregation group;
- (ii) the Accounts for an employee as of the applicable determination date shall be increased by the distributions made with respect to the employee under the Plan and any plan aggregated with the Plan under Section 416(g)(2) of the Code during the 1-year period (5-year period in the case of a distribution made for a reason other than separation from service, death, or disability) ending on the applicable determination date;
- (iii) distributions under any plan that terminated within the 5-year period ending on the applicable determination date shall be taken into account if such plan contained key employees and, therefore, would have been part of the required aggregation group; and
- (iv) if an individual has not performed services for the Employer or an Affiliated Entity at any time during the one-year period ending on the applicable determination date, such individual’s accounts and the present value of his accrued benefits shall not be taken into account.

D. Special Benefit Provisions for Top-Heavy Plan Years.

For each Plan Year with respect to which the Plan is top-heavy, an additional Employer contribution shall be allocated on behalf of each Participant (and each Employee eligible to become a Participant) who is a non-key employee, and who has not separated from service as of the last day of the Plan Year, to the extent that the contributions made on his behalf under Article III.2 and Article III.10 for the Plan Year would otherwise be less than 3% of his compensation. However, if the greatest percentage of compensation contributed on behalf of a key employee under Article III.2 would be less than 3%, that lesser percentage shall be substituted for “3%” in the preceding sentence. Notwithstanding the foregoing provisions of this subparagraph, no minimum contribution shall be made under this Plan with respect to a Participant (or an Employee eligible to become a Participant) if the required minimum benefit under section 416(c)(1) of the Code is provided to him by any other qualified pension plan of the Employer or an Affiliated Employer. For purposes of this Appendix B.D, “compensation” shall have the meaning specified in Appendix A.A.4. Any Employer contribution allocated in accordance with this Appendix B.D shall be allocated to a Participant’s Top-Heavy Contribution Account and shall be subject to the provisions of Section VI.3.a. There are no special rules in effect as of the Effective Date of the Plan.

Subsidiaries of the Registrant

The information below is provided, as of December 31, 2010 with respect to the subsidiaries of the Registrant, all of which are wholly owned by the Corporation, directly or indirectly. The names of certain inactive subsidiaries and other consolidated subsidiaries of the Registrant have been omitted because such subsidiaries would not constitute a significant subsidiary, individually or in the aggregate.

Name	Organized Under the Laws of
Curtiss-Wright Flow Control Corporation	New York
Curtiss-Wright Controls, Inc.	Delaware
Metal Improvement Company, LLC	Delaware
Curtiss-Wright Electro-Mechanical Corporation	Delaware
Penny & Giles Controls Limited	United Kingdom
Curtiss-Wright Antriebstechnik GmbH	Switzerland
Vista Controls, Inc.	California
Curtiss-Wright Controls Integrated Sensing, Inc	Delaware
Curtiss-Wright Flow Control Company Canada	Nova Scotia
Peerless Instrument Co., Inc.	New York
Dy4 Systems, Inc.	Ontario
Primagraphics (Holdings) Limited	United Kingdom
Novatronics, Inc.	Ontario
Systran Corporation	Ohio
Indal Technologies, Inc	Canada
Curtiss Wright Controls (UK) Ltd	United Kingdom
Dy4 Inc	Delaware

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 33-65073, 33-116195, 33-126541, and 33-126543 on Form S-8, of our reports dated February 24, 2011, relating to the consolidated financial statements and financial statement schedule of Curtiss-Wright Corporation and subsidiaries, and the effectiveness of internal control over financial reporting, appearing in this Annual Report on Form 10-K of Curtiss-Wright Corporation and subsidiaries for the year ended December 31, 2010.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey
February 24, 2011

Certifications

I, Martin R. Benante, certify that:

1. I have reviewed this Annual Report on Form 10-K of Curtiss-Wright Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 24, 2011

/s/ Martin R. Benante

Martin R. Benante
Chairman and Chief Executive Officer

CERTIFICATIONS

I, Glenn E. Tynan, certify that:

1. I have reviewed this Annual Report on Form 10-K of Curtiss-Wright Corporation;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a – 15(e) and 15d – 15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2011

/s/ Glenn E. Tynan

Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

In connection with the Annual Report of Curtiss-Wright Corporation (the "Company") on Form 10-K for the period ended December 31,2010 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Martin R. Benante, as Chairman and Chief Executive Officer of the Company, and Glenn E. Tynan, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. section 1350, that to the best of his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Martin R. Benante

Martin R. Benante
Chairman and
Chief Executive Officer
February 24, 2011

/s/ Glenn E. Tynan

Glenn E. Tynan
Chief Financial Officer
February 24, 2011
