

CURTISS WRIGHT CORP

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

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001

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

(State or other jurisdiction of
incorporation or organization)

13-0612970

I.R.S. Employer Identification No.

1200 Wall Street West, Lyndhurst, NJ

(Address of principal executive offices)

07071

(Zip Code)

Registrant's telephone number, including area code: (201) 896-8400

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
Class B 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 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, and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K 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. []

The aggregate market value of the voting stock held by non-affiliates* of the Registrant is \$625,159,485 (based on the closing price of the Registrant's Common Stock and Class B Common Stock on the New York Stock Exchange on March 5, 2002 of \$62.80 and \$60.60, respectively).

Indicate the number of shares outstanding of each of the Registrant's classes of Common Stock, as of the latest practicable date.

Class -----	Number of Shares Outstanding at March 5, 2002 -----
Common Stock, par value \$1 per share	6,001,170
Class B Common Stock, par value \$1 per share	4,382,102

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Annual Report to Stockholders of the Registrant for the year ended December 31, 2001 are incorporated by reference into Parts II and IV. Portions of the Proxy Statement of the Registrant with respect to the 2002 Annual Meeting of Stockholders are incorporated by reference into Part III.

* All directors and executive officers of the Registrant have been excluded from the amount shown solely because of the definition of the term "affiliate" in the regulations promulgated pursuant to the Securities Exchange Act of 1934. The Registrant disclaims that any of such directors or officers is an affiliate. See material referred to under Item 12, below.

INDEX TO FORM 10-K

PART I

	Forward-Looking Information
	Introduction
Item 1.	Business
Item 2.	Properties
Item 3.	Legal Proceedings
Item 4.	Submission of Matters to a Vote of Security Holders

PART II

Item 5.	Market for the Registrant's Common Stock and Related Stockholder Matters
Item 6.	Selected Financial Data
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations
Item 7a.	Quantitative and Qualitative Disclosures About Market Risk
Item 8.	Financial Statements and Supplementary Data
Item 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

PART III

Item 10.	Directors and Executive Officers of the Registrant
Item 11.	Executive Compensation
Item 12.	Security Ownership of Certain Beneficial Owners and Management
Item 13.	Certain Relationships and Related Transactions

PART IV

Item 14.	Exhibits, Financial Statement Schedule, and Reports on Form 8-K
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FORWARD-LOOKING INFORMATION

Except for historical information, this Annual Report on Form 10-K may be deemed to contain "forward-looking" information. Examples of forward-looking information include, but are not limited to, (a) projections of or statements regarding return on investment, future earnings, interest income, other income, earnings or loss per share, investment mix and quality, 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 information can be identified by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "anticipates," or the negative of any of the foregoing or other variations thereon or comparable terminology, or by discussion of strategy. No assurance can be given that the future results described by the forward-looking information will be achieved. Such statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking information. Such statements in this Annual Report include, without limitation, those contained in (a) Item 1. Business, (b) Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) Item 8. Financial Statements and Supplementary Data including, without limitation, the Environmental Matters Note. Important factors that could cause the actual results to differ materially from those in these forward-looking statements include, among other items, the Company's successful execution of internal performance plans; performance issues with key suppliers, subcontractors and business partners; the ability to negotiate financing arrangements with lenders; legal proceedings; changes in the need for additional machinery and equipment and/or in the cost for the expansion of the Corporation's operations; product demand and market acceptance risks; the effect of economic conditions; the impact of competitive products and pricing; product development, commercialization and technological difficulties; unanticipated environmental remediation expenses or claims; capacity and supply constraints or difficulties; an inability to perform customer contracts at anticipated cost levels; changing priorities or reductions in the U.S. government defense budget; contract continuation and future contract awards; U.S. international military budget constraints and determinations; and other factors that generally affect the business of companies operating in the Corporation's segments.

Introduction

Pursuant to the Securities Exchange Act of 1934, the Registrant, Curtiss-Wright Corporation hereby files its Annual Report on Form 10-K for the fiscal year ended December 31, 2001. References in the text to the "Corporation," "Company," "Curtiss-Wright" or the "Registrant" include Curtiss-Wright Corporation and its consolidated subsidiaries unless the context indicates otherwise. References to the Company's "Annual Report" are to its 2001 Annual Report to Stockholders, which is attached hereto as Exhibit 13.

PART I

Item 1. Business.

General Business

On October 26, 2001, the Corporation's shareholders approved a recapitalization plan, which enabled Unitrin Inc. ("Unitrin") to distribute its approximate 44% equity interest in Curtiss-Wright to its shareholders on a tax-free basis. In addition to approving the recapitalization plan, shareholders also approved the implementation of certain corporate governance changes to the Corporation's Restated Certificate of Incorporation and By-Laws.

Under the recapitalization plan, and in order to meet certain Internal Revenue Code requirements, Unitrin's approximately 4.4 million shares were exchanged for an equivalent number of shares of a new Class B Common Stock of Curtiss-Wright which are entitled to elect 80% of Curtiss-Wright's Board of Directors. After such exchange, Unitrin immediately distributed the Class B common shares to its approximately 8,000 registered stockholders in a tax-free distribution. The holders of the remaining outstanding common shares of Curtiss-Wright are entitled to elect up to 20% of the Board of Directors after the distribution. Other than the right to elect Directors, the two classes of stock vote as a single class (except as required by law) and are equal in all other respects. The new Class B Common Stock was listed on the New York Stock Exchange, effective November 29, 2001.

Under the terms of the recapitalization agreement reached between Unitrin and Curtiss-Wright, Unitrin agreed to reimburse the Corporation for certain costs associated with the recapitalization up to a maximum of \$1.75 million. This amount was received subsequent to the recapitalization.

On November 20, 2001, the Registrant's Board of Directors authorized the amendment of the Corporation's Shareholder Rights Plan (the "Right's Plan") to account for the newly created Class B Common Stock. The Right's Plan provides one preferred stock purchase right for each share of the Registrant's Class B Common Stock and Common Stock, entitling the registered holders to purchase from the Registrant one one-thousandth of a share of the respective Preferred Stock, par value \$.01 per share of the Registrant at a price of \$235 per one one-thousandth of a share of preferred stock, subject to adjustment. The description and terms of the Right's Plan are set forth in the Amended and Restated Rights Agreement which is filed as Exhibit 4 to the Registrant's Report on Form 8-K, filed with the Securities and Exchange Commission on November 20, 2001.

Business Description

Curtiss-Wright Corporation was incorporated in 1929 under the laws of the State of Delaware. The Company reports its operations in three Segments:

Motion Control, Metal Treatment, and Flow Control.

Motion Control

This segment of the corporation primarily designs, develops and manufactures mechanical systems, drive systems and electronic controls for the aerospace and defense industry. Aerospace products offered consist of electro-mechanical and hydro-mechanical actuation components and systems, which are designed to position aircraft control surfaces, or to operate canopies, cargo doors, weapons bay doors or other devices used on aircraft. Defense products consist mainly of ground defense aiming and stabilization systems, fire control subsystems and hydro-pneumatic suspension systems for armored fighting vehicles.

Aircraft applications include actuators and control systems for the Boeing 737, 747, 757, 767 and 777 jet airliners, the Lockheed Martin F-16 Falcon fighter, the Boeing F/A-18 fighter, the F-22 Raptor fighter, jointly developed by Lockheed Martin and Boeing, the Bell Boeing V-22 Osprey, and the Sikorsky Black Hawk and Seahawk helicopters. Motion Control is also developing flight control actuators for the Engineering and Manufacturing Development (EMD) phase of Lockheed Martin's Joint Strike Fighter (JSF) program. The JSF is the next generation fighter aircraft being designed for use by all three branches of the U.S. military as well as several foreign governments. The U.S. Air Force's Unmanned Combat Air Vehicle (UCAV) weapons bay door system is another major development effort for the Corporation. The manufacturing of these applications is performed at the Shelby, North Carolina facility.

As a related service within this segment, Curtiss-Wright also provides commercial airlines, the military and general aviation customers with component overhaul and repair services. The services provided include the overhaul and repair of hydraulic, pneumatic, mechanical, electro-mechanical, and electronic components, aircraft parts sourcing, and component exchange services for a wide array of aircraft. The segment provides these services from facilities in Gastonia, North Carolina; Miami, Florida; Karup, Denmark; and a marketing and distribution facility in Singapore. The segment also sells a commercial rescue tool using its "Power Hinge"TM aerospace technology under the trademark Power Hawk'r'. Various accessories and related equipment are also offered for the Power Hawk'r'. The primary use for this tool is the extrication of automobile accident victims.

Motion Control markets its aerospace products using a direct sales force. These products are sold in competition with a number of other suppliers, most of which have broader product lines and greater financial, technical, and human resources. Competition is primarily on the basis of engineering capability, quality and price and is focused on offering solutions to perform control and actuation functions on a limited number of new production programs. This segment's overhaul and repair services are sold in competition with a number of other overhaul and repair providers. Competition in the overhaul and repair business is based upon quality, delivery and price. Marketing is accomplished

through independent sales representatives and by direct sales employees.

In 1999 and 2000, the Corporation consolidated its aerospace manufacturing and overhaul operations from its facility in Fairfield, New Jersey to its facilities in Shelby and Gastonia, North Carolina. In addition, the segment's engineering and development functions were relocated to a new facility in Pine Brook, New Jersey.

Defense products offered by the segment consist of electro-mechanical and electro-hydraulic actuation components and systems including electronic controls for the military tracked and wheeled vehicle, high-speed tilting train, and commercial marine propulsion markets. These products, which are designed and manufactured at the segment's facility in Neuhausen am Rheinfall, Switzerland, primarily consist of turret aiming and stabilization systems and suspension systems for armored military vehicles sold to defense equipment manufacturers, and tilting systems for high-speed train applications. The products are sold using a direct sales force to customers primarily in Western Europe, Southeast Asia and South Africa.

On November 1, 2001, the Company acquired Lau Defense Systems ("LDS") based in Littleton, Massachusetts and Vista Controls ("Vista") located in Santa Clarita, California. Collectively the acquired companies design, develop and manufacture mission-critical electronic control systems primarily for defense markets. Products include electronic components and subsystems used in fire control, aiming and stabilization, munitions loading and environmental processors for military ground vehicles. They provide electronic subsystems for the demanding combat platforms in existence today including the Bradley fighting vehicle, the Abrams M1A2/A3 tank, and the Brigade Combat Team Interim Armored Vehicle, which is in the U.S. Army's modernization and transformation efforts. They also provide the mission management and flight control computers used on the U.S. Air Force Global Hawk, a high-altitude and high endurance unmanned aerial vehicle. In February 2002, the Corporation signed a licensing agreement with Viisage Technology, Inc. ("Viisage"), a leader in facial-recognition technology and identification systems, to market and sell their facial-recognition solutions to all agencies associated with the U.S. Department of Defense. Viisage is a related party of the former owner of LDS and Vista.

LDS and Vista sell their products primarily to the prime contractors and subsystem suppliers, both directly and through a network of independent sales representatives. The addition of these companies provides a North American base of operations for our ground defense vehicle business, while offering opportunities to market and sell additional products to our existing aerospace customers.

Sales by this segment to the Boeing Company in 2001, 2000, and 1999 were \$44.2 million, \$41.6 million, and \$42.9 million, respectively. The loss of the Boeing Company as a customer would have a material adverse effect on this segment. U.S. Government direct and end use sales of this segment in 2001, 2000, and 1999 were \$35.8 million, \$21.2 million, and \$17.4 million, respectively. The loss of this business would also have a material adverse affect on this segment.

The backlog of this segment as of January 31, 2002 was \$165.2 million as compared with \$123.2 million as of January 31, 2001. Of the January 31, 2002 backlog, approximately 59% is expected to be shipped during 2002. None of the business of this segment is seasonal. Raw materials are generally available in adequate quantities from a number of suppliers.

Metal Treatment

This segment of Curtiss-Wright provides approximately 50 metal-treating services, with its principal services being "shot-peening" and "heat-treating." "Shot-peening" is the process by which the durability of metal parts are improved by the bombardment of the part's surface with spherical media such as steel shot, ceramic or glass beads to compress the outer layer of the metal. "Heat-treating" is a metallurgical process of subjecting metal objects to heat and/or cold, or otherwise treating the material to change the physical and/or chemical characteristics or properties of the material. These processes are used principally to improve the service life, strength and durability of metal parts. They are also used to form curvatures in metal panels, which are assembled as wingskins of commercial and military aircraft, and to manufacture reed valves used in compressors. The segment provides these services for a broad spectrum of customers in various industries, including aerospace, automotive, construction equipment, oil, petrochemical, metal working, and other industries. Through a combination of acquisitions and new plant openings, this segment continues to increase its network of regional facilities. Operations are now conducted from 42 facilities located in the United States, Canada, England, France, Germany, and Belgium.

In addition to shot-peening and heat-treating, other products and services include shot-peen forming, lasershot peening, plating, reed valve manufacturing and engineering/testing and field services. In 2001, this segment expanded its reach with the opening of a shot-peening facility in Germany and the acquisition of heat-treating facilities in Kansas and New Jersey.

The services and products of this segment are marketed directly by employees of the segment. Although numerous companies compete with the segment in this field and many customers have the resources to perform such services themselves, Curtiss-Wright believes that its greater technical knowledge and quality of workmanship provide a competitive advantage. The segment competes on the basis of quality, service and price.

The backlog of this segment as of January 31, 2002 was \$1.1 million, as compared with \$1.2 million as of January 31, 2001. All of such backlog is expected to be shipped in the first quarter of 2002. The services of this segment are sold with very modest lead times and accordingly, the backlog of this segment is not indicative of future sales. The business of this segment is not seasonal. Raw materials are generally available in adequate quantities from a number of suppliers, and the segment is not materially dependent upon any single source of supply. BAE Airbus UK accounted for 13% of total sales in 2001, however no single customer accounted for 10% or more of total sales in 2000 and 1999. The loss of this customer would have a material adverse effect on this segment. The active customer base numbers are in excess of 5,000.

Flow Control

This segment consists of six operating divisions that design, manufacture, distribute, and service a broad range of highly engineered flow control products for severe service military and commercial applications.

At its facility located in East Farmingdale, New York, this segment designs, manufactures, refurbishes and tests highly engineered valves of various types and sizes, such as motor operated and solenoid operated globe, gate, control and safety relief valves. These valves are used to control the flow of liquids and gases and to provide safety relief in high-pressure applications. This division also supplies actuators and controllers for its own valves as well as for valves manufactured by its competitors. The primary customers for these valves are the U.S. Navy, which uses them in nuclear propulsion systems, and owners and operators of commercial power utilities who use them in new and existing nuclear and fossil fuel power plants. All new nuclear plants are outside the U.S. and recent sales for such plants have been in Korea and Taiwan. Sales are made by responding directly to requests for proposals from customers. The production of valves for the U.S. Navy and for new power plants is characterized by long lead times from order placement to delivery.

Through its Enertech operation, the segment also designs, manufactures, and distributes additional flow control products for sale into global commercial nuclear power markets from its facility in Brea, California. Enertech's product lines include: snubbers, advanced valves, valve actuators, test and diagnostic equipment, as well as related diagnostic services. In addition, the segment provides training, on-site services, staff augmentation and engineering programs relating to nuclear power plants. The segment also provides hydraulic power units and components primarily for the automotive and entertainment industries.

Through its Farris Engineering ("Farris") operation, the segment is one of the world's leading manufacturers of spring-loaded and pilot operated pressure-relief valves for the processing industries. Farris' primary customers are refineries, petrochemical/chemical plants and pharmaceutical manufacturing facilities. Farris products are manufactured in Brecksville, Ohio and Brantford, Ontario.

Sprague Products ("Sprague"), also located in Brecksville, Ohio, manufactures and provides specialty hydraulic and pneumatic valves, air-driven pumps and gas boosters under the "Sprague" and "PowerStar" trade names. Sprague products are used generally in various industrial applications as well as in directional control valves for truck transmissions and car transport carriers.

In 2001, the segment further expanded its product lines and distribution base through the acquisitions of Solent & Pratt Engineering Ltd. ("S&P"), Peerless Instrument Co. ("Peerless") and Deltavalve USA, LLC ("Deltavalve"). From its facility in Bridport, England, S&P manufactures high performance butterfly valves and is a global supplier to the petroleum, petrochemical, chemical and process industries. From its facility in Elmhurst, New York, Peerless designs, develops, manufactures, tests and services specialized instrumentation and control equipment primarily for the U.S. Nuclear

Naval program. Deltavalve designs, engineers, and manufactures metal-seated industrial valves used in standard and advanced applications including high-cycle, high-pressure, extreme temperature, and corrosive plant environments. Deltavalve is located in Salt Lake City, Utah with an assembly and testing facility in Calgary, Alberta, Canada.

Strong competition in flow control products and services is encountered from a large number of domestic and foreign sources. Competition occurs on the basis of price, technical expertise, delivery, contractual terms, previous installation history and reputation for quality. Delivery speed and the proximity of service centers are important with respect to after-market products. Sales to commercial users are accomplished through independent sales representatives and by direct sales employees.

The backlog of this segment as of January 31, 2002 was \$81.4 million as compared with \$52.6 million as of January 31, 2001. Of the January 31, 2002 backlog, approximately 70% is expected to be shipped during 2002. Approximately 49% of this segment's backlog is comprised of orders with the U.S. Navy through its prime contractor, the Plant Apparatus Division of Bechtel Plant Machinery, Inc., ("Bechtel") a unit of Bechtel Group, Inc. Sales by this segment to Bechtel accounted for 22% and 19% of total segment sales in 2001 and 2000, respectively. The loss of this customer would have a material adverse effect on the business of this segment. None of the business of this segment is seasonal. Raw materials are generally available in adequate quantities from a number of suppliers.

Other Information

Government Sales

From 1999 to 2001, the Company's direct sales to the U.S. Government and sales for U.S. Government and foreign government end use aggregated approximately 20% of consolidated sales. U.S. Government sales, both direct and subcontract, are generally made under standard types of government contracts, including fixed price and fixed price-redeterminable.

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 by the Corporation of its allowable incurred costs and a proportionate share of the profit or fee on the work completed, consistent with regulations of the U.S. Government. Contracts for Navy nuclear valves usually provide that Curtiss-Wright absorb most 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.

It is the policy of the Corporation to seek customary progress payments on certain of its contracts. Where such payments are obtained by the Corporation under U.S. Government prime contracts or subcontracts, they are secured by a

lien in favor of the government on the materials and work in process allocable or chargeable to the respective contracts. (See Notes 1.C, 6 and 7 to the Consolidated Financial Statements, on pages 30 and 35 of the Registrant's Annual Report, which notes are incorporated by reference in this Annual Report on Form 10-K.) In the case of most valve 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.

Research and Development

Research and development expenditures incurred by the Corporation amounted to \$4,383,000 in 2001 as compared with \$3,443,000 in 2000 and \$2,801,000 in 1999. The Corporation owns and is licensed under a number of United States and foreign patents and patent applications, which have been obtained or filed over a period of years. Curtiss-Wright does not consider that the successful conduct of its business is materially dependent upon the protection of any one or more of the patents, patent applications or patent license agreements under which it now operates.

Environmental Protection

The effect of compliance upon the Corporation with present legal requirements concerning protection of the environment is described in Notes 1.I and 13 to the Consolidated Financial Statements which appear on pages 31 and 39, respectively, of the Registrant's Annual Report and is incorporated by reference in this Annual Report on Form 10-K.

Employees

At the end of 2001, the Corporation had 2,625 employees, 149 of which were represented by labor unions and are covered by collective bargaining agreements.

Certain Financial Information

The industry segment information is described in Note 16 to the Consolidated Financial Statements, which appears on pages 41 to 43 of the Registrant's Annual Report, and is incorporated by reference in this Annual Report on Form 10-K. In 2001, 2000, and 1999, foreign operations of the Corporation generated 17.8%, 26.4%, and 25.6%, respectively, of the Corporation's pre-tax earnings. The Company does not regard the risks associated with these foreign operations to be materially greater than those applicable to its business in the U.S.

Item 2. Properties.

The principal physical properties of the Corporation and its subsidiaries are described below:

Location	Description(1)	Owned/ Leased	Principal Use
East Farmingdale, New York	215,000 sq. ft. on 11 acres	Owned(2)	Flow Control
Chester, Wales United Kingdom	175,666 sq. ft.	Owned	Metal Treatment
Shelby, North Carolina	145,440 sq. ft. on 29 acres	Owned	Motion Control
Bensalem, Pennsylvania	89,100 sq. ft. on 4.18 acres	Owned	Metal Treatment
Brampton, Ontario, Canada	86,650 sq. ft. on 8 acres	Owned	Metal Treatment
Columbus, Ohio	74,500 sq. ft. on 9 acres	Owned	Metal Treatment
Brecksville, Ohio	68,000 sq. ft. on 5.56 acres	Owned	Flow Control
Miami, Florida	65,000 sq. ft. on 2.6 acres	Leased	Motion Control
Fort Wayne, Indiana	62,589 sq. ft. on 3.2 acres	Owned	Metal Treatment
Littleton, Massachusetts	61,000 sq. ft. within a business complex	Leased	Motion Control
Elmhurst, New York	55,000 sq. ft. within a business complex	Leased	Flow Control
Gastonia, North Carolina	52,860 sq. ft. on 7.5 acres	Owned	Motion Control
Pine Brook, New Jersey	45,000 sq. ft. within a business complex	Leased	Motion Control

Location	Description(1)	Owned/ Leased	Principal Use
Neuhausen am, Rheinfall, Switzerland	52,000 sq. ft. within a business complex	Leased	Motion Control
Carlstadt, New Jersey	39,632 sq. ft.	Leased	Metal Treatment
Romulus, Michigan	35,840 sq. ft.	Leased	Metal Treatment
York, Pennsylvania	32,396 sq. ft. on 3.6 acres	Owned	Metal Treatment
Derby, United Kingdom	32,000 sq. ft.	Owned	Metal Treatment
Dallas, Texas	31,100 sq. ft.	Owned	Metal Treatment
Brea, California	30,550 sq. ft. on 1.76 acres	Leased	Flow Control
Lafayette, Louisiana	30,000 sq. ft.	Owned	Metal Treatment
Wichita, Kansas	30,000 sq. ft.	Leased	Metal Treatment

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

(2) The Suffolk County Industrial Development Agency, in connection with the issuance of an industrial revenue bond, holds title to approximately six acres of land and the building located thereon.

In addition to the properties listed above, the Corporation leases an aggregate of approximately 318,000 square feet of space at twenty-five different locations in the United States, England and Germany and owns buildings encompassing about 305,000 square feet in sixteen different locations in the United States, France, Germany, Belgium and England. None of these properties individually is material to the Company's business.

The Corporation leases approximately 14,000 square feet of space in Lyndhurst, New Jersey, for its corporate office.

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.

The Registrant currently owns 450,000 square feet of space situated on 39.8 acres of property located in Fairfield, New Jersey (the "Fairfield Property"). The Fairfield Property is being held for sale and the Company continues to review third party proposals to purchase the Fairfield Property. On December 20, 2001 the Corporation sold its Wood-Ridge Business Complex for \$51 million, which is located in Wood-Ridge, New Jersey. The business complex comprised approximately 2.3 million square feet of rental space situated on 138 acres of land. In January 2002, the Corporation sold 21 acres of land located in Hardwick Township, New Jersey. The Corporation also owns approximately 7.4 acres of land in Lyndhurst, New Jersey, which is leased, on a long-term basis, to the owner of the commercial building located on the land.

Item 3. Legal Proceedings.

In the ordinary course of business, the Corporation and its subsidiaries are subject to various pending claims, lawsuits and contingent liabilities. The Corporation does not believe that disposition of any of these matters will have a material adverse effect on the Corporation's consolidated financial position or results of operations.

Item 4. Submission of Matters to a Vote of Security Holders.

Information required in connection with this item is set forth in Item 4 of the Registrant's Quarterly Report on Form 10-Q for the period ending September 30, 2001, which information is incorporated herein by reference.

PART II

**Item 5. Market for the Registrant's Common Stock
And Related Stockholder Matters.**

See the information contained in the Registrant's Annual Report on the inside back cover under the captions "Stock Price Range," "Dividends," and "Stock Exchange Listing" which information is incorporated herein by reference. The approximate total number of record holders of the Common Stock, \$1.00 par value, and the Class B Common Stock, \$1.00 par value, of the Registrant was 9,789 as of March 5, 2002.

Item 6. Selected Financial Data.

See the information contained in the Registrant's Annual Report on page 19 under the caption "Consolidated Selected Financial Data," which information is incorporated herein by reference.

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

See the information contained in the Registrant's Annual Report on pages 20 through 24, under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations," which information is incorporated herein by reference.

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

See the information contained in the Registrant's Annual Report on page 24, under the caption "Quantitative and Qualitative Disclosures About Market Risk," which information is incorporated herein by reference.

Item 8. Financial Statements and Supplementary Data.

The following Consolidated Financial Statements of the Registrant and its subsidiaries, and supplementary financial information, are included in the Registrant's Annual Report, which information is incorporated herein by reference.

Consolidated Statements of Earnings for the years ended December 31, 2001, 2000, and 1999, page 26.

Consolidated Balance Sheets at December 31, 2001 and 2000, page 27.

Consolidated Statements of Cash Flows for the years ended December 31, 2001, 2000, and 1999, page 28.

Consolidated Statements of Stockholders' Equity for the years ended December 31, 2001, 2000, and 1999, page 29.

Notes to Consolidated Financial Statements, pages 30 through 44, inclusive, and Quarterly Results of Operations, page 19.

Report of Independent Accountants for the years ended December 31, 2001, 2000, and 1999, page 25.

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

Not applicable.

PART III

Item 10. Directors and Executive Officers

Of the Registrant.

Information required in connection with directors and executive officers is set forth below, as well as under the caption "Election of Directors," in the Registrant's Proxy Statement with respect to the Corporation's 2002 Annual Meeting of Stockholders (the "Proxy Statement"), which information is incorporated herein by reference.

Executive Officers of the Registrant

The following table sets forth the names, ages, and principal occupations and employment of all executive officers of the Registrant. The period of service is for at least the past five years and such occupations and employment are with Curtiss-Wright Corporation, except as otherwise indicated:

Name	Principal Occupation and Employment	Age
Martin R. Benante	Chairman of the Board of Directors and Chief Executive Officer since April 2000; formerly President and Chief Operating Officer from April 1999 to April 2000; formerly Vice President of the Corporation from April 1996 to April 1999; President of Curtiss-Wright Flow Control Corporation, a wholly-owned subsidiary from March 1995 to April 1999	49
Gerald Nachman	Executive Vice President; President of Metal Improvement Company, Inc., a wholly-owned subsidiary, since May 1970.	72

Name	Principal Occupation and Employment	Age
George J. Yohrling	Executive Vice President since May 2001; President, Curtiss-Wright Flight Systems, Inc., a wholly-owned subsidiary, since April 1998; Executive Vice President for Aerospace Operations of Curtiss-Wright Flight Systems, Inc. from April 1997 to April 1998; Senior Vice President from July 1996 to April 1997 of Curtiss-Wright Flight Systems, Inc.; Vice President and General Manager of Curtiss-Wright Flight Systems/Shelby, Inc., then a wholly owned subsidiary, since 1985.	61
Joseph Napoleon	Executive Vice President since May 2001; President, Curtiss-Wright Flow Control Corporation, a wholly-owned subsidiary, since August 1999; Vice President and General Manager of Curtiss-Wright Flow Control Corporation from April 1999 to August 1999; Vice President, Curtiss-Wright Flow Control Corporation from October 1995 to April 1999.	55
Michael Denton	Secretary and General Counsel since August 2001; Corporate Counsel of Honeywell International, Inc. (previously AlliedSignal Inc.) from 1993 to 2001.	46
Gary J. Benschip	Treasurer since February 1993.	54
Glenn E. Tynan	Controller since June 2000; Vice President and Corporate Controller of the Movado Group until May 2000; Corporate Controller of Dexter Corporation from 1998 to 1999; Vice President Finance and Controller of Lightolier from 1995 to 1998.	43

The executive officers of the Registrant are elected annually by the Board of Directors at its organizational meeting in April and hold office until the organizational meeting in the next subsequent year and until their respective successors are chosen and qualified.

There are no family relationships among these officers, or between any of them and any director of Curtiss-Wright Corporation, nor any arrangements or understandings between any officer and any other person pursuant to which the officer was elected.

Section 16(a) Beneficial Ownership Reporting Compliance

Information required by Item 405 of Regulation S-K is set forth in the Proxy Statement under the caption "Section 16(a) Beneficial Ownership Reporting Compliance," which information is incorporated herein by reference.

Item 11. Executive Compensation.

Information required by this Item is included under the captions "Executive Compensation" and in the "Summary Compensation Table" in the Registrant's Proxy Statement, which information is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

See the following portions of the Registrant's Proxy Statement, all of which information is incorporated herein by reference: (i) the information under the caption "Security Ownership and Transactions with Certain Beneficial Owners" and (ii) the information included under the caption "Election of Directors."

Item 13. Certain Relationships and Related Transactions.

Information required by this Item is included under the captions "Executive Compensation" and "Security Ownership and Transactions with Certain Beneficial Owners" in the Registrant's Proxy Statement, which information is incorporated herein by reference.

PART IV

Item 14. Exhibits, Financial Statement Schedule and Reports on Form 8-K.

(a)(1) Financial Statements:

The following Consolidated Financial Statements of the Registrant and supplementary financial information, included in the Registrant's Annual Report, are incorporated herein by reference in Item 8:

(i) Consolidated Statements of Earnings for the years ended December 31, 2001, 2000, and 1999

- (ii) Consolidated Balance Sheets at December 31, 2001 and 2000
- (iii) Consolidated Statements of Cash Flows for the years ended December 31, 2001, 2000, and 1999
- (iv) Consolidated Statements of Stockholders' Equity for the years ended December 31, 2001, 2000, and 1999
- (v) Notes to Consolidated Financial Statements
- (vi) Report of Independent Accountants for the years ended December 31, 2001, 2000, and 1999
- (a)(2) Financial Statement Schedules:

The items listed below are presented herein on pages 27 and 28 of this Form 10-K.

Report of Independent Accountants on Financial Statement Schedule

Schedule II - Valuation and Qualifying Accounts

Schedules other than those listed above have been omitted, since they are not required, are not applicable, or because the required information is included in the financial statements or notes thereto.

(a)(3) Other Matters - Subsequent Event See the information contained in the Registrant's Annual Report on page 24 under the caption "Recent Development" and on page 44 under the caption "Subsequent Events", which information is incorporated herein by reference.

Exhibits:

(2) Plan of acquisition, reorganization, arrangement, liquidation, or succession

- (2)(i) Asset Purchase and Sale Agreement dated July 23, 1999 between Teledyne Industries, Inc., Teledyne Industries Canada Limited and Curtiss-Wright Corporation (incorporated by reference to Exhibit 2.1 to Registrant's Report on Form 8-K, filed September 15, 1999).
- (2)(ii) Second Amended and Restated Distribution Agreement, dated as of August 17, 2001, between the Company and

Unitrin, Inc. (incorporated by reference to Appendix A to the Registrant's Proxy Statement on Schedule 14A with respect to the recapitalization of the Company dated September 5, 2001).

(2)(iii) Second Amended and Restated Agreement and Plan of

Merger, dated as of August 17, 2001, among the Company, Unitrin, Inc., and CW Disposition Company (incorporated by reference to Appendix B to the Registrant's Proxy Statement on Schedule 14A with respect to the recapitalization of the Company dated September 5, 2001).

- (2)(iv) Asset Purchase and Sale Agreement dated October 25, 2001 between Lau Acquisition Corporation, Lau Defense Systems, LLC, Vista Controls Corporation and Curtiss-Wright Corporation. (incorporated by reference to Exhibit 2.3 to the Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 2001).
- (2)(v) Real Estate Sale and Purchase Agreement dated August 2, 2001 between Curtiss-Wright Corporation, Curtiss-Wright Flight Systems, Inc. and Shaw Achas, LLC (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K, filed January 4, 2002).
- (2)(vi) Addendum to Real Estate Sale And Purchase Agreement dated September 10, 2001 by and between Curtiss-Wright Corporation Curtiss-Wright Flight Systems, Inc. and Shaw Achas, LLC (incorporated by reference to Exhibit 2.2 to the Registrant's Current Report on Form 8-K, filed January 4, 2002).
- (3) Articles of Incorporation and By-laws of the Registrant
 - (3)(i) Restated Certificate of Incorporation as amended November 29, 2001 (incorporated by reference to Appendix C-1 to Registrant's Proxy Statement on Schedule 14A with respect to the recapitalization of the Company dated September 5, 2001).
 - (3)(ii) By-laws as amended through November 29, 2001 (incorporated by reference to Appendix D-1 to Registrant's Proxy Statement on Schedule 14A with respect to the recapitalization of the Company dated September 5, 2001).

(4) Instruments defining the rights of security holders, including indentures

- (4)(i) 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 Registrant's Annual Report on Form 10-K for the year ended December 31, 1985).
- (4)(ii) Revolving Credit Agreement dated December 20, 1999 between Registrant, the Lenders parties thereto from time to time, the Issuing Banks referred to therein and Mellon Bank, N.A., (incorporated by reference to Exhibit 4(ii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1999).
- (4)(iii) Short-Term Credit Agreement dated as of December 20, 1999 between Registrant, the Lender Parties and Mellon Bank, N.A., as Agent, (incorporated by reference to Exhibit 4(iii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1999); First Amendment to Short-Term Credit Agreement dated as of December 19, 2000, filed herewith; Second Amendment to Short-Term Credit Agreement dated as of December 20, 2001, filed herewith.
- (4)(iv) Amended and Restated Rights Agreement, dated as of November 6, 2000, as amended and restated as of November 20, 2001, between the Company and Mellon Investor Services LLC (f/k/a ChaseMellon Shareholder Services, L.L.C.), as Rights Agent, (incorporated by reference to Exhibit 4 to the Registrant's Report on Form 8-K, filed November 20, 2001); Amendment to Restated Rights Agreement dated February 1, 2002 naming American Stock Transfer & Trust Company as Rights Agent, filed herewith.

(10) Material Contracts:

- (i) Modified Incentive Compensation Plan, as amended November 9, 1989 (incorporated by reference to Exhibit 10(a) to Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 1989).*

- (ii) Curtiss-Wright Corporation 1995 Long-Term Incentive Plan (incorporated by reference to Exhibit 4.1 to Registrant's Form S-8 Registration Statement No. 95602114 filed December 15, 1995).*
- (iii) Revised Standard Employment Severance Agreement with Certain Management of Curtiss-Wright (incorporated by reference to Exhibit 10 to Registrant's Quarterly Report on Form 10-Q for the period ended June 30, 2001).*
- (iv) Retirement Benefits Restoration Plan as amended April 15, 1997 (incorporated by reference to Exhibit 10 to Registrant's Quarterly Report on Form 10-Q for the period ended June 30, 1997).*
- (v) Restated and Amended Curtiss-Wright Corporation Retirement Plan as amended through February 28, 2002, filed herewith.*
- (vi) Restated and Amended Curtiss-Wright Corporation Savings and Investment Plan dated February 28, 2002, filed herewith.*
- (vii) Curtiss-Wright Corporation 1996 Stock Plan for Non-Employee Directors (incorporated by reference to Exhibit 4.1 to Registrant's Form S-8 Registration Statement No. 96583181, filed June 19, 1996).*
- (viii) Curtiss-Wright Corporation Executive Deferred Compensation Plan effective November 18, 1997 (incorporated by reference to Exhibit 10)(viii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1997).*
- (ix) 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 Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 2001).*

- (x) Standard Change In Control Severance Protection Agreement dated July 9, 2001 between the Registrant and Key Executives of the Registrant (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 2001).*
- (xi) Trust Agreement dated January 20, 1998 by and between Curtiss-Wright Corporation and PNC Bank, National Association (incorporated by reference to Exhibit 10(a) to Registrant's Quarterly Report on Form 10-Q for the period ended March 31, 1998).*
- (xii) Consulting Agreement dated April 10, 2000 between Registrant and David Lasky, (incorporated by reference to Exhibit (10)(xi) to Registrant's Annual Report on Form 10-K for the year ended December 31, 2000).*
- (xiii) Standard Supplemental Retirement Agreement dated April 27, 1999 between the registrant and certain Officers of the Registrant (incorporated by reference to Exhibit 10 to Registrant's Quarterly Report on Form 10-Q for the period ended June 30, 2000).*
- (xiv) Mutual Separation Agreement dated June 26, 2001 between Brian D. O'Neill and Registrant, filed herewith.*
- (xv) Mutual Separation Agreement dated November 12, 2001 between

Robert A. Bosi and Registrant, filed herewith.*

- (13) Annual Report to Stockholders for the year ended December 31, 2001.
- (21) Subsidiaries of the Registrant.
- (23) Consents of Experts and Counsel - see Consent of Independent Accountants.

*Management contract or compensatory plan or arrangement

(b) Reports on Form 8-K

(i) On November 20, 2001 the Company filed a report on Form 8-K reporting the adoption by the Board of Directors of amendments to the Company's stockholders rights plan.

(ii) On November 29, 2001, the Company filed a report on Form 8-K announcing the consummation of the recapitalization of the Company facilitating a plan of Unitrin, Inc. to spin off to its stockholders all of its equity position in the Company.

(iii) On January 4, 2002, the Company filed a report on Form 8-K reporting the December 20, 2001 sale of the Registrant's Wood-Ridge Industrial Complex located in Wood-Ridge, New Jersey.

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: March 15, 2002

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: March 15, 2002

By: /s/ Glenn E. Tynan

Glenn E. Tynan
Controller

Date: March 15, 2002

By: /s/ Gary J. Benschip

Gary J. Benschip
Treasurer

Date: March 15, 2002

By: /s/ Martin R. Benante

Martin R. Benante
Director

Date: March 15, 2002

By: /s/ James B. Busey

James B. Busey IV
Director

Date: March 15, 2002

By: /s/ S. Marce Fuller

S. Marce Fuller
Director

Date: March 15, 2002

By: /s/ David Lasky

David Lasky
Director

Date: March 15, 2002

By: /s/ William B. Mitchell

William B. Mitchell
Director

Date: March 15, 2002

By: /s/ John R. Myers

John R. Myers
Director

Date: March 15, 2002

By: /s/ William W. Sihler

William W. Sihler
Director

Date: March 15, 2002

By: /s/ J. McLain Stewart

J. McLain Stewart
Director

PRICEWATERHOUSECOOPERS LLP [LOGO]

PricewaterhouseCoopers LLP
400 Campus Drive
P.O. Box 988
Florham Park, NJ 07932
Telephone (973) 236 4000
Facsimile (973) 236 5000

**REPORT OF INDEPENDENT ACCOUNTANTS ON
FINANCIAL STATEMENT SCHEDULE**

To the Board of Directors
Of Curtiss-Wright Corporation:

Our audits of the consolidated financial statements referred to in our report dated February 1, 2002, except for Note 18 as to which the date is February, 22, 2002, appearing in the 2001 Annual Report to Shareholders of Curtiss-Wright Corporation (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the financial statement schedule listed in Item 14(a)(2) of this Form 10-K. In our opinion, this financial statement schedule presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

*/s/ PricewaterhouseCoopers LLP
PRICEWATERHOUSECOOPERS LLP
Florham Park, New Jersey
February 1, 2002, except for Note 18 as to which
the date is February 22, 2002.*

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
SCHEDULE II - VALUATION and QUALIFYING ACCOUNTS

for the years ended December 31, 2001, 2000, and 1999

(In thousands)

Description -----	Additions			Deductions Describe -----	Balance at End of Period -----
	Balance at Beginning of Period -----	Charged to Costs and Expenses -----	Charged to Other Accounts Describe -----		
Deducted from assets to which they apply:					
Reserves for doubtful accounts and notes:					
Year-ended December 31, 2001	\$2,659 =====	\$ 882 =====	\$ 527(A) =====	\$ 1,951 =====	\$2,117 =====
Year-ended December 31, 2000	\$3,230 =====	\$ 803 =====	\$ -0- =====	\$ 1,374 =====	\$2,659 =====
Year-ended December 31, 1999	\$1,910 =====	\$ 970 =====	\$ 733(B) =====	\$ 383 =====	\$3,230 =====

Notes:

(A) Acquired from the purchase of Lau Defense Systems, Peerless Instrument and Solent & Pratt.

(B) Acquired from the purchase of Farris and Sprague.

EXHIBIT INDEX

The following is an index of the exhibits included in this report or incorporated herein by reference.

Exhibit No.	Name	Page
(2) (i)	Asset Purchase and Sale Agreement dated July 23, 1999 between Teledyne Industries, Inc., Teledyne Industries Canada Limited and Curtiss-Wright Corporation (incorporated by reference to Exhibit 2.1 to Registrant's Report on Form 8-K, filed September 15, 1999).	*
(2) (ii)	Second Amended and Restated Distribution Agreement, dated as of August 17, 2001, between the Company and Unitrin, Inc. (incorporated by reference to Appendix A to the Registrant's Proxy Statement on Schedule 14A with respect to the recapitalization of the Company dated September 5, 2001).	*
(2) (iii)	Second Amended and Restated Agreement and Plan of Merger, dated as of August 17, 2001, among the Company, Unitrin, Inc., and CW Disposition Company (incorporated by reference to Appendix B to the Registrant's Proxy Statement on Schedule 14A with respect to the recapitalization of the Company dated September 5, 2001).	*
(2) (iv)	Asset Purchase and Sale Agreement dated October 25, 2001 between Lau Acquisition Corporation, Lau Defense Systems, LLC, Vista Controls Corporation and Curtiss-Wright Corporation (incorporated by reference to Exhibit 2.3 to the Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 2001)	*
(2) (v)	Real Estate Sale and Purchase Agreement dated August 2, 2001 between Curtiss-Wright Corporation, Curtiss-Wright Flight Systems, Inc. and Shaw Achas, LLC (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K, filed January 4, 2002)	*

Exhibit No.	Name	Page
(2)(vi)	Addendum to Real Estate Sale And Purchase Agreement dated September 10, 2001 by and between Curtiss-Wright Corporation Curtiss-Wright Flight Systems, Inc. and Shaw Ahas LLC (incorporated by reference to Exhibit 2.2 to the Registrant's Current Report on Form 8-K, filed January 4, 2002).	*
(3)(i)	Amended and Restated Certificate of Incorporation as amended November 29, 2001 (incorporated by reference to Appendix C-1 to Registrant's Proxy Statement on Schedule 14A with respect to the recapitalization of the Company dated September 5, 2001).	*
(3)(ii)	By-laws as amended through November 29, 2001 (incorporated by reference to Appendix D-1 to Registrant's Proxy Statement on Schedule 14A with respect to the recapitalization of the Company dated September 5, 2001).	*
(4)(i)	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 Registrant's Annual Report on Form 10-K for the year ended December 31, 1985).	*
(4)(ii)	Revolving Credit Agreement dated December 20, 1999 between Registrant, the Lenders parties thereto from time to time, the Issuing Banks referred to therein and Mellon Bank, N.A., (incorporated by reference to Exhibit 4(ii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1999).	*

Exhibit No.	Name	Page
(4)(iii)	Short-Term Credit Agreement dated as of December 20, 1999 between Registrant, the Lender Parties and Mellon Bank, N.A., as Agent, (incorporated by reference to Exhibit 4(iii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1999); First Amendment to Short-Term Credit Agreement dated as of December 19, 2000, filed herewith; Second Amendment to Short-Term Credit Agreement dated as of December 20, 2001, filed herewith.	—
(4)(iv)	Amended and Restated Rights Agreement, dated as of November 6, 2000, as amended and restated as of November 20, 2001, between the Company and Mellon Investor Services LLC (f/k/a ChaseMellon Shareholder Services, LLC), as Rights Agent, (incorporated by reference to Exhibit 4 to the Registrant's Report on Form 8-K, filed November 20, 2001); Amendment to Restated Rights Agreement dated February 1, 2002 naming American Stock Transfer & Trust Company as Rights Agent, filed herewith.	—
(10)(i)	Modified Incentive Compensation Plan, as amended November 9, 1989 (incorporated by reference to Exhibit 10(a) to Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 1989).**	*
(10)(ii)	Curtiss-Wright Corporation 1995 Long-Term Incentive Plan (incorporated by reference to Exhibit 4.1 to Registrant's Form S-8 Registration Statement No. 95602114 filed December 15, 1995).**	*
(10)(iii)	Revised Standard Employment Severance Agreement with Certain Management of Curtiss-Wright (incorporated by reference to Exhibit 10 to Registrant's Quarterly Report on Form 10-Q for the period ended June 30, 2001).**	*

Exhibit No.	Name	Page
(10)(iv)	Retirement Benefits Restoration Plan as amended April 15, 1997 (incorporated by reference to Exhibit 10 to Registrant's Quarterly Report on Form 10-Q for the period ended June 30, 1997).**	*
(10)(v)	Restated and Amended Curtiss-Wright Corporation Retirement Plan as amended through February 28, 2002, filed herewith.**	*
(10)(vi)	Restated and Amended Curtiss-Wright Corporation Savings and Investment Plan dated February 28, 2002, filed herewith.**	*
(10)(vii)	Curtiss-Wright Corporation 1996 Stock Plan for Non-Employees Directors (incorporated by reference to Exhibit 4.1 to registrant's Form S-8 Registration Statement No. 96583181, filed June 19, 1996).**	*
(10)(viii)	Curtiss-Wright Corporation Executive Deferred Compensation Plan effective November 18, 1997 (incorporated by reference to Exhibit (10)(viii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1997).**	*
(10)(ix)	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 Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 2001).**	*
(10)(x)	Standard Change In Control Severance Protection Agreement dated July 9, 2001 between the Registrant and Key Executives of the Registrant (incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the period ended September 30, 2001).**	*
(10)(xi)	Trust Agreement dated January 20, 1998 by and between Curtiss-Wright Corporation and PNC Bank, National Association (incorporated by reference to Exhibit 10(a) to Registrant's Quarterly Report on Form 10-Q for the period ended March 31, 1998).**	*

Exhibit No.	Name	Page
(10)(xii)	Consulting Agreement dated April 10, 2000 between Registrant and David Lasky, (incorporated by reference to Exhibit (10)(xi) to Registrant's Annual Report on Form 10-K for the year ended December 31, 2000).**	*
(10)(xiii)	Standard Supplemental Retirement Agreement dated April 27, 1999 between the registrant and certain Officers of the Registrant (incorporated by reference to Exhibit 10 to Registrant's Quarterly Report on Form 10-Q for the period ended June 30, 2000).**	*
(10)(xiv)	Mutual Separation Agreement dated June 26, 2001 between Brian D. O'Neill and Registrant, filed herewith.*	—
(10)(xv)	Mutual Separation Agreement dated November 12, 2001 between Robert A. Bosi and Registrant, filed herewith.*	—
(13)	Annual Report to Stockholders for the year ended December 31, 2001.	—
(21)	Subsidiaries of the Registrant	—
(23)	Consents of Experts and Counsel - see Consent of Independent Accountants	—

* Incorporated by reference as noted. ** Management contract or compensatory plan or arrangement.

STATEMENT OF DIFFERENCES

The trademark symbol shall be expressed as 'TM' The registered trademark symbol shall be expressed as 'r'

Exhibit 4(iii)

AMENDMENT NO. 1 TO SHORT TERM CREDIT AGREEMENT

THIS AMENDMENT NO. 1, dated as of December , 2000 (this "Amendment"), to the SHORT TERM CREDIT AGREEMENT dated as of December 20, 1999 by and among CURTISS-WRIGHT CORPORATION, THE SUBSIDIARY BORROWERS PARTIES HERETO FROM TIME TO TIME (the "Borrowers"), THE LENDERS PARTIES HERETO FROM TIME TO TIME and MELLON BANK, N.A., a national banking association (the "Agent").

WITNESSETH THAT:

WHEREAS, the parties hereto have previously entered into that certain Short Term Credit Agreement, dated as of December 20, 1999 (the "Agreement"); and

WHEREAS, the parties hereto wish to amend the Agreement in certain respects as set forth herein.

NOW, THEREFORE, the parties hereto, in consideration of their mutual covenants hereinafter set forth and intending to be legally bound hereby, agree as follows:

SECTION 1. AMENDMENT.

The definition of "Expiration Date" contained in Section 1.01 of the Agreement is hereby amended in its entirety to read as follows:

"Expiration Date" shall mean December 14, 2001, or such later date to which the Expiration Date may be extended pursuant to Section 2.14 hereof. Notwithstanding the foregoing, the Commitment shall never have a remaining term of more than 364 days, and if for any reason the Agent receives the consent of any Lender to an extension of the Expiration Date pursuant to Section 2.14 hereof more than 364 days before the requested new Expiration Date, such consent of such Lender shall be considered absolutely revocable and in no manner binding on such Lender until such date that is 364 days prior to such requested new Expiration Date.

SECTION 2. COUNTERPARTS. This Amendment may be executed in one or more counterparts, each of which shall be signed by the parties hereto and all of which together shall be deemed to be one and the same instrument binding upon the parties hereto.

SECTION 4. MISCELLANEOUS. Except as expressly set forth herein, the terms and provisions of the Agreement are and shall remain in full force and effect.

SECTION 5. GOVERNING LAW. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed and delivered this Amendment as of the day and year first above written.

ATTEST:

CURTISS-WRIGHT CORPORATION

By

By

Name: Gary J. Benschip Title: Treasurer

ATTEST:

CURTISS-WRIGHT FLIGHT SYSTEMS, INC.

By

By

Name: Gary J. Benschip
Title: Assistant Treasurer

ATTEST:

CURTISS-WRIGHT FLOW CONTROL CORPORATION

By

By

Name: Gary J. Benschip
Title: Assistant Treasurer

ATTEST:

METAL IMPROVEMENT COMPANY, INC.

By

By

Name: Gary J. Benschip
Title: Assistant Treasurer

ATTEST:

CURTISS-WRIGHT ANTRIEBSTECHNIK GmbH

By

By

Name: George J. Yohrling
Title: Manager

MELLON BANK, N.A., individually and
as Agent

By
Name: J. Wade Bell Title: Vice President

EUROPEAN AMERICAN BANK

By

Name:
Title:

SCOTIABANC INC.

By

Name:
Title:

PNC BANK, NATIONAL ASSOCIATION

By

Name:
Title:

SUNTRUST BANK, ATLANTA

By

Name:
Title:

AMENDMENT NO. 2 TO SHORT TERM CREDIT AGREEMENT

THIS AMENDMENT NO. 2 TO SHORT TERM CREDIT AGREEMENT, dated as of December 18, 2001 (this "Amendment"), by and among CURTISS-WRIGHT CORPORATION, THE SUBSIDIARY BORROWERS PARTIES HERETO (collectively, the "Borrowers"), THE LENDERS PARTIES HERETO, and MELLON BANK, N.A., as Agent (the "Agent").

WITNESSETH THAT:

WHEREAS, the parties hereto have previously entered into that certain Short Term Credit Agreement, dated as of December 20, 1999, as amended by Amendment No. 1 to Short Term Credit Agreement dated as of December 19, 2000 (as so amended, the "Agreement"); and

WHEREAS, the parties hereto wish to amend the Agreement in certain respects as set forth herein.

NOW, THEREFORE, the parties hereto, in consideration of their mutual covenants hereinafter set forth and intending to be legally bound hereby, agree as follows:

SECTION 1. AMENDMENT.

The definition of "Expiration Date" contained in Section 1.01 of the Agreement is hereby amended in its entirety to read as follows:

"Expiration Date" shall mean December 17, 2002, or such later date to which the Expiration Date may be extended pursuant to Section 2.14 hereof. Notwithstanding the foregoing, the Commitment shall never have a remaining term of more than 364 days, and if for any reason the Agent receives the consent of any Lender to an extension of the Expiration Date pursuant to Section 2.14 hereof more than 364 days before the requested new Expiration Date, such consent of such Lender shall be considered absolutely revocable and in no manner binding on such Lender until such date that is 364 days prior to such requested new Expiration Date.

SECTION 2. REPRESENTATIONS AND WARRANTIES. In order to induce the Lenders and the Agent enter into this Amendment, the Borrowers represent and warrant that, at the time of entering into this Amendment and after giving effect hereto (a) the representations and warranties of the Borrowers set forth in Article IV of the Agreement are true and correct on and as of the date hereof as if made on the date hereof, and (b) no Event of Default or Potential Default has occurred and is continuing.

SECTION 3. EFFECTIVENESS. This Amendment shall be effective as of the date first set forth above upon receipt by the Agent of a fully-executed counterpart hereof from each of the Borrowers and the Lenders.

SECTION 4. EFFECT OF AMENDMENT. Except to the extent expressly amended hereby, all of the terms and provisions of the Agreement are and shall remain in full force and effect and are hereby ratified by the Borrowers.

SECTION 5. COUNTERPARTS. This Amendment may be executed in one or more counterparts, each of which shall be signed by the parties hereto and all of which together shall be deemed to be one and the same instrument binding upon the parties hereto.

SECTION 6. GOVERNING LAW. This Amendment shall be governed by and construed in accordance with the laws of the State of New York, without regard to choice of law principles.

IN WITNESS WHEREOF, the parties hereto, by their officers thereunto duly authorized, have executed and delivered this Amendment as of the day and year first above written.

ATTEST:

CURTISS-WRIGHT CORPORATION

By

By

Name: Gary J. Benschip
Title: Treasurer

ATTEST:

CURTISS-WRIGHT FLIGHT SYSTEMS,
INC.

By

By

Name: Gary J. Benschip
Title: Assistant Treasurer

ATTEST:

CURTISS-WRIGHT FLOW CONTROL CORPORATION

By

By

Name: Gary J. Benschip
Title: Assistant Treasurer

ATTEST:

METAL IMPROVEMENT COMPANY, INC.

By

By

Name: Gary J. Benschip
Title: Assistant Treasurer

ATTEST:

CURTISS-WRIGHT ANTRIEBSTECHNIK GmbH

By

By

Name: George J. Yohrling

Title: Manager

-8-

Exhibit 4(iv)

APPOINTMENT AND ASSUMPTION AGREEMENT

AGREEMENT made February 1, 2002 between Curtiss-Wright Corporation ("Curtiss-Wright" or the "Company") and American Stock Transfer & Trust Company ("Right's Agent").

WITNESSETH:

WHEREAS, Curtiss-Wright is a party to a Shareholder Right's Agreement November 6, 2000, as amended on November 20, 2001; herewith (the "Right's Agreement"), with Mellon Investor Services, as Right's Agent ("Resigning Agent").

WHEREAS, Resigning Agent has indicated to Curtiss-Wright its design to resign as Right's Agent under the Right's Agreement, and Right's Agent has indicated its willingness to assume the responsibilities of Resigning Agent;

NOW, THEREFORE, in consideration of good and valuable consideration, the receipt of which is acknowledged, it is agreed:

1. Appointment. Curtiss-Wright hereby appoints the Rights Agent to act as agent for the Company in accordance with the terms and conditions of the Right's Agreement, as amended, and the Rights Agent hereby accepts such appointment. The Company may from time to time appoint such co-Rights Agents as it may deem necessary or desirable. The Rights Agent shall have no duty to supervise, and in no event shall be liable for the acts or omissions of any such co-Rights Agent.

2. Acceptance. Right's Agent hereby accepts the foregoing appointment, and transfer and promises to faithfully perform all covenants, stipulations, agreements, and obligations incumbent upon the Right's Agent under the Right's Agreement.

3. Section 21 Modification. Curtiss-Wright and Right's Agent hereby agree that Section 21 of the Right's Agreement shall be modified as follows:

Section 21. Change of Rights Agent. The Rights Agent or any successor Rights Agent may resign and be discharged from its duties under this Agreement upon 30 days notice in writing mailed to the Company and to each transfer agent of the Common Stock or Preferred Stock by registered or certified mail, and, following the Distribution Date, to the holders of the Right Certificates by first-class mail. The Company may remove the Rights Agent or any successor Rights Agent upon 30 days notice in writing, mailed to the Rights Agent or successor Rights Agent, as the case may be, and to each transfer agent of the Common Stock or Preferred Stock by registered or certified mail, and, following the Distribution Date, to the holders of the Right Certificates by first-class mail. If the Rights Agent shall resign or be removed or shall otherwise become incapable of acting, the Company shall appoint a successor to the Rights Agent. If the Company shall fail to make such appointment within a period of 30 days after giving notice of such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent or by the holder of a Right Certificate (who shall,

with such notice, submit his Right Certificate for inspection by the Company), then the registered holder of any Right Certificate may apply to any court of competent jurisdiction for the appointment of a new Rights Agent. Any successor Rights Agent, whether appointed by the Company or by such a court, shall be (a) a Person organized and doing business under the laws of the United States or any State thereof, which is authorized under such laws to perform shareholder services and is subject to supervision or examination by federal or state authority and which at the time of its appointment as Rights Agent has, or is an affiliate of a corporation that has, a combined capital and surplus of at least \$10 million. After appointment, the successor Rights Agent shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent shall deliver and transfer to the successor Rights Agent any property at the time held by it hereunder, and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment the Company shall file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Common Stock or Preferred Stock, and, following the Distribution Date, mail a notice thereof in writing to the registered holders of the Right Certificates. Failure to give any notice provided for in this Section 21, however, or any defect therein, shall not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be.

Right's Agent and Curtiss-Wright agree that such modification shall be exclusively for the appointment of Right's Agent.

4. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

American Stock Transfer & Trust Company

By:

Name:

Title:

Curtiss-Wright Corporation

By

Gary J. Benschip Treasurer

Exhibit 10 (v)

**CURTISS-WRIGHT CORPORATION
RETIREMENT PLAN**

AMENDED AND RESTATED,
effective as of JANUARY 1, 2001,
except as otherwise specified

TABLE OF CONTENTS

PREAMBLE.....	1
ARTICLE 1: DEFINITIONS.....	3
ARTICLE 2: ELIGIBILITY.....	16
2.01 Eligibility for Participation.....	16
2.02 Break in Service.....	16
2.03 Transferred Employees.....	16
ARTICLE 3: COMPANY CONTRIBUTIONS.....	17
3.01 Amount.....	17
3.02 Payment.....	17
3.03 Forfeitures.....	17
3.04 Return of Company Contributions.....	17
ARTICLE 4: ESCALATING ANNUITY BENEFIT.....	18
4.01 Escalating Annuity Benefit and Cash Balance Account.....	18
4.02 Pay Based Credits.....	18
4.03 Cost of Living Adjustment.....	18
4.04 Vesting.....	19
4.05 Distribution of Escalating Annuity Benefit.....	19
4.06 Death Benefit.....	20
4.07 Amount of Escalating Annuity Benefits.....	20
4.08 Supplemental Credits.....	21
ARTICLE 5: VESTING.....	21
5.01 Vesting Schedule.....	21
5.02 Break in Service.....	23
5.03 Forfeiture and Restoration of Vesting Years of Service and Credited Service.....	23
5.04 Applicability of Prior Vesting Schedule.....	25
ARTICLE 6: AMOUNT AND COMMENCEMENT OF RETIREMENT BENEFIT.....	26
6.01 Normal Retirement.....	26
6.02 Minimum Retirement Benefits.....	31
6.03 Early Retirement.....	31
6.04 Deferred Retirement.....	32
6.05 Disability Retirement.....	32
6.06 Termination of Service After August 31, 1994.....	33
6.07 Employee Contributions.....	33

6.08	Leave of Absence.....	33
6.09	Deferred Commencement of Benefits.....	34
6.10	Deductions for Disability Benefits.....	34
6.11	Mandatory Commencement of Benefits.....	34
6.12	Maximum Retirement Benefit.....	35
6.13	Prior Plan Benefit.....	36
6.14	Supplemental Benefit.....	43
ARTICLE 7: FORM OF BENEFIT PAYMENT.....		44
7.01	Normal Form of Payment.....	44
7.02	Optional Forms of Payment For All Benefits.....	44
7.03	Limitation on Optional Forms of Payment.....	46
7.04	Notice to Married Participants.....	47
7.05	Mandatory Cashout of Small Benefits.....	47
7.06	Annuity Contract Nontransferable.....	48
7.07	Conflicts With Annuity Contracts.....	48
7.08	Rollovers.....	48
7.09	Waiver of Thirty (30) Day Notice Period.....	49
ARTICLE 8: DEATH BENEFITS.....		50
8.01	Pre-Retirement Death Benefit.....	50
8.02	Post-Retirement Death Benefit.....	50
8.03	Payment to Beneficiary.....	51
8.04	Required Distributions.....	51
8.05	Return of Contributions.....	52
ARTICLE 9: RETIREMENT BENEFITS UNDER COLLECTIVE BARGAINING AGREEMENTS.....		53
9.01	Eligibility for Employees Subject to a Collective Bargaining Agreement.....	53
9.02	Amount, Form, and Commencement of Retirement Benefit.....	53
9.03	Credited Service.....	70
9.04	Definitions.....	73
ARTICLE 10: MERGER OF METAL IMPROVEMENT COMPANY, INC. AND CURTISS-WRIGHT FLIGHT SYSTEMS/SHELBY, INC. CONTRIBUTORY RETIREMENT PLANS.....		74
10.01	Merger Date.....	74
10.02	Eligibility.....	74
10.03	Retirement Benefits.....	74
10.04	Prior Accrued Benefit.....	75
10.05	Vesting.....	75
10.06	Transfer of Assets.....	75
ARTICLE 11: ADMINISTRATION.....		76
11.01	Plan Administrator.....	76
11.02	Committee's Authority and Powers.....	76
11.03	Delegation of Duties.....	76
11.04	Compensation.....	76
11.05	Exercise of Discretion.....	76
11.06	Fiduciary Liability.....	76

11.07	Indemnification by Company.....	77
11.08	Plan Participation by Fiduciaries.....	77
ARTICLE 12: AMENDMENT AND TERMINATION OF PLAN.....		78
12.01	Amendment.....	78
12.02	Procedure for Amendment.....	79
12.03	Company's Right to Terminate Plan.....	79
12.04	Consequences of Termination.....	79
12.05	Special Restrictions on Benefits.....	79
ARTICLE 13: MERGER OF PLAN AND TRANSFER OF ASSETS OR LIABILITIES.....		80
13.01	Merger or Transfer.....	80
13.02	Transfer from Trust.....	80
13.03	Transfer to Trust and Transfer Account.....	80
ARTICLE 14: SPECIAL PROVISIONS FOR NON-KEY EMPLOYEES.....		81
14.01	Effective Date.....	81
14.02	Determination of Top-Heavy Status.....	81
14.03	Minimum Benefit.....	84
14.04	Minimum Vesting.....	85
ARTICLE 15: GENERAL PROVISIONS.....		85
15.01	Trust Fund Sole Source of Payments for Plan.....	85
15.02	Exclusive Benefit.....	86
15.03	Binding Effect.....	86
15.04	Nonalienation.....	86
15.05	Claims Procedure.....	87
15.06	Location of Participant or Beneficiary Unknown.....	88
15.07	Applicable Law.....	88
15.08	Rules of Construction.....	88
SCHEDULE A 1: EARLY RETIREMENT FACTORS ON OR AFTER SEPTEMBER 1, 1994.....		90
SCHEDULE A 2: DEFERRED RETIREMENT FACTORS ON OR AFTER SEPTEMBER 1, 1994.....		91
SCHEDULE B: RETIREMENT PLAN RATES IN FORCE FOR PURPOSES OF SECTION 6.13(B)(II)(D).....		92
SCHEDULE C: EARLY RETIREMENT FACTORS FOR DEFERRED VESTED EMPLOYEES WHO TERMINATED EMPLOYMENT PRIOR TO SEPTEMBER 1, 1994 AND PRIOR TO AGE 55 (CONTRIBUTORS).....		93
SCHEDULE D: EARLY RETIREMENT FACTORS FOR EARLY COMMENCEMENT OF DEFERRED VESTED PENSIONS.....		94
SCHEDULE E: JOINT AND SURVIVOR FACTORS.....		95
SCHEDULE F: EARLY RETIREMENT FACTORS (UNION EMPLOYEES).....		96
SCHEDULE G 1: WOOD-RIDGE DEFERRED PENSION RATES.....		97

SCHEDULE G 2: BUFFALO DEFERRED PENSION RATES.....98

SCHEDULE G 3: CURTISS-WRIGHT FLIGHT SYSTEMS DEFERRED PENSION RATES.....100

SCHEDULE G 4: TARGET ROCK CORPORATION DEFERRED PENSION RATES.....101

SCHEDULE H: CERTAIN BUFFALO EMPLOYEES.....103

SCHEDULE I 1: SPECIAL FACTORS FOR ADDITIONAL BENEFITS REFERENCED IN SECTION 6.01(C).....104

SCHEDULE I 2: SPECIAL FACTORS FOR BENEFITS REFERENCED IN SECTION 6.01(D).....105

SCHEDULE J: SPECIAL PROVISIONS APPLICABLE TO EMPLOYEES OF ACQUIRED ENTITIES.....106

SCHEDULE K 1: SPECIAL PROVISIONS FOR SUPPLEMENTAL CREDITS FOR PARTICIPANTS AFFECTED BY CERTAIN
REDUCTIONS IN FORCE112

SCHEDULE K 2: SPECIAL VESTING PROVISIONS FOR PARTICIPANTS AFFECTED BY CERTAIN REDUCTIONS IN FORCE.....113

**CURTISS-WRIGHT CORPORATION RETIREMENT PLAN
AS AMENDED AND RESTATED EFFECTIVE JANUARY 1, 2001,
except as otherwise specified**

PREAMBLE

The Curtiss-Wright Contributory Retirement 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 retirement 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 Curtiss-Wright Contributory Retirement Plan.

Wherever the term "Prior Plan" is used herein, it shall refer to the Curtiss-Wright Contributory Retirement Plan, established on May 1, 1953, and which 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"), the Plan was amended and restated in its entirety ("the September 1, 1994 Restatement"), and 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 has been amended from time to time.

The Company hereby amends and restates the Plan in its entirety, effective as of January 1, 2001, 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 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 or other law, be any such earlier or other effective date required by the Plan, such acts or such law.

Until the applicable effective dates of the provisions of the Plan as hereby amended and restated, the September 1, 1994 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.

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 Sections 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.

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).

Effective January 1, 1997, 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%).

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.

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 interest rate and mortality table described in Code Section 417(e)(3)(A)(ii). For the escalating annuity benefit,

early retirement factors for all ages are actuarially reduced, as described in Section 4.07(b) and (c).

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 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.

- 1.02 "Age" means the age attained by a Participant, expressed in years and months.
- 1.03 "Affiliated Employer" means any company not participating in the Plan which is a Participant 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 sentence, for purposes of Section 6.12 and Section 1.26, 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 "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.
- 1.05 "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.
- 1.06 "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.
- 1.07 "Board of Directors" means the Board of Directors of the Company.

- 1.08 "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.
- 1.09 "Committee" means the Committee appointed by the Chairman of the Board of Directors to administer the Plan as agent of the Company.
- 1.10 "Company" or "Employer" 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 to an Employer as a result of a statutory merger, purchase of assets or any other form of reorganization of the business of the Company.
- 1.11 "Compensation" means, except as defined in Section 6.12, 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 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.

Notwithstanding the above, Compensation shall 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.

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.

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.

Effective for Plan Years beginning on or after January 1, 1989 and prior to January 1, 1997, in applying the OBRA '93 annual compensation limitation, the family group of a Highly Compensated Employee who is subject to the family member aggregation rules of Section 414(q)(6) of the Code, because such Participant is either a "five percent owner" of the Employer or one of the ten (10) Highly Compensated Employees paid the greatest "415 Compensation" during the year, shall be treated as a single Participant, except that for this purpose family members shall include only the affected Participant's spouse and any lineal descendants who have not attained age nineteen (19) before the close of the year. If, as a result of the application of such rules the OBRA '93 annual compensation limitation is exceeded, then the limitation shall be prorated among the affected family members in proportion to each such family member's Compensation prior to the application of this limitation except for purposes of determining compensation below the Plan's integration level.

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.

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.

Special Provisions applicable under Prior Plan:

(a) Notwithstanding any provision in this Plan to the contrary, however, subject to any limitations imposed under Code Section 401(a)(17), 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 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.

1.12 "Covered Compensation" means with respect to any Participant for Plan Years beginning after December 31, 1994 the average (without indexing) of the Taxable Wage Bases in effect for each calendar year during the thirty-five (35) year period ending with the last day of the current calendar year, and for Plan Years beginning prior to January 1, 1995, the thirty-five (35) year period ending with the last day of the calendar year prior to the current calendar year. The determination of Covered Compensation shall be made in accordance with Section 1.401(l)-1(c)(7) of the Treasury Regulations. A Participant's Covered Compensation shall be adjusted each Plan Year. In determining the Covered Compensation for a Plan Year, the Taxable Wage Base for all calendar years beginning after the first day of the Plan Year is assumed to be the same as the Taxable Wage Base in effect as of the beginning of the Plan Year. Any change in a Participant's Covered Compensation shall not cause any reduction in his retirement benefit.

1.13 "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 a member of the Controlled Group while the member of the Controlled Group has adopted the Plan.
- (b) Any periods of Leave of Absence approved by the Company in writing, or military leave during the period in subsection (a) above.
- (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 Subsections (a) and (b) above.

Notwithstanding any provision in this Plan to the contrary, a Participant who elects Disability Retirement shall continue to receive credit for Years of Credited Service and Vesting Years of Service until his Normal Retirement Date and shall be deemed to receive Compensation in each such year in an amount equal to his Compensation on the date on which payment of his Long Term Disability Benefits commenced.

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 a member of the Controlled Group 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 Employer shall be subject to the special rules set forth in Schedule J.

1.14 "Disability" means a physical or mental impairment that, in the opinion of the Committee, is of such permanence and degree that the Participant is unable, because of such impairment, to perform any gainful activity

for which the Participant is entitled by virtue of experience, training, or education. The permanence and degree of such impairment shall be supported by medical evidence.

- 1.15 "Disability Retirement Date" means the date that a Participant who is totally and permanently disabled elects to retire and commence to receive his Disability Retirement Benefits.
- 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.
- 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 Section 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, 2001, except as otherwise provided herein, or as required by applicable law.
- 1.18 "Employee" means any Employee of the Company or of any other Employer.
- The term Employee shall not include any Leased Employee deemed to be an employee of any Employer described in the foregoing paragraph as provided in Section 414(n) or (o) of the Code.
- 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 the Plan, means any individual who is employed by an Employer or an Affiliated Employer as a common law employee of the Employer or an Affiliated Employer, regardless of whether the individual is an "Employee," and any Leased Employee.
- 1.19 "Entry Date" means the first day of every January, April, July and October.
- 1.20 "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.
- 1.21 "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.

- 1.22 "Highly Compensated Employee" means, for a Plan Year commencing on or after January 1, 1997, 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 (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 \$80,000, and was among the highest 20 percent of employees for the preceding Plan Year when ranked by Statutory Compensation paid for that year, excluding, for purposes of determining the number of such employees, such employees as the Committee may determine on a consistent basis pursuant to Section 414(q) 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.

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 described above, 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. Notwithstanding the foregoing, the consistency provision in the preceding sentence shall not apply for the Plan Year beginning in 1997 and, for Plan Years beginning in 1998 and 1999, shall apply only with respect to all qualified retirement plans (other than a multiemployer plan) of the Employer and Affiliated Employers.

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.

- 1.23 "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). Hours under this paragraph will be calculated and credited pursuant to Section 2530.200b-2 of the Department of Labor Regulations, which is incorporated herein by this reference; 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 be credited for employment with other members of an Affiliated Service Group (under Section 414(m) of the Code), a Controlled Group (under Section 414(b) of the Code), or a group of trades or businesses under common control (under Section 414(c) of the Code) of which the adopting Employer is a member, and any other entity required to be aggregated with the Company pursuant to Section 414(o) of the Code and the regulations thereunder.

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.

- 1.24 "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.
- 1.25 "IRS Mortality Table" means the mortality table prescribed by the Secretary of the Treasury under Section 417(e)(3)(A)(ii)(I) of the Code as in effect on the first day of the applicable Stability Period.
- 1.26 "Leased Employee" means, effective for Plan Years beginning on or after January 1, 1997, 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 for the Employer or an Affiliated Employer 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.

A Leased Employee shall not be considered an Employee of the recipient if:

- (i) such Employee is covered by a money purchase pension plan providing: (1) a nonintegrated employer contribution rate of at least ten (10%) percent of Compensation, as defined in Section 415(c)(3) of the Code, but including amounts contributed by the Company pursuant to a salary reduction agreement which are excludable from the Employee's gross income under Section 125, Section 402(a)(8), Section 402(h) or Section 403(b) of the Code, (2) immediate participation, and (3) full and immediate vesting; and
 - (ii) Leased Employees do not constitute more than twenty (20%) percent of the recipient's nonhighly compensated workforce.
- 1.27 "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, vacations without pay, and pursuit of educational or vocational studies.
- 1.28 "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 Section 4.01.
- 1.29 "Limitation Year" means, for purposes of complying with Section 415 of the Code, a Plan Year.
- 1.30 "Maternity/Paternity Leave" means a temporary cessation from active employment with the Company or with any member of the Controlled Group which begins on or after the first day of the first Plan Year beginning

after December 31, 1984, for any of the following reasons:

- (a) the pregnancy of the Employee;
- (b) the birth of a child of the Employee;
- (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

Committee in a timely manner, with such information and documentation as the 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.

- 1.31 "Named Fiduciary" means the Company.
- 1.32 "Normal Retirement Age" means the later of:
- (a) the date a Participant attains age sixty-five (65); or
 - (b) the fifth (5th) anniversary 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.
- 1.33 "Normal Retirement Date" means the first day of the month coinciding with or next following the Participant's Normal Retirement Age
- 1.34 "Participant" means a person who meets the requirements of Article 2, 9 or 10 for participation in the Plan, including a former Participant.
- 1.35 "Plan" means the Curtiss-Wright Corporation Retirement Plan, as set forth herein and as it may be amended.
- 1.36 "Plan Year" means:
- (a) prior to May 1, 1966, a twelve (12) month period starting May 1 and ending April 30 of the succeeding year; and
 - (b) the eight (8) month period starting May 1, 1966 and ending December 31, 1966; and
 - (c) commencing with January 1, 1967, a twelve (12) month period starting January 1 and ending December 31 of the same calendar year.
- 1.37 "Present Value" means the Actuarial Equivalent, as defined in Section 1.01, of the Normal Form of Benefit.
- 1.38 "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.
- 1.39 "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 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.

- 1.40 "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.
- 1.41 "Severance From Service Date" means the earliest of the date on which an Employee (a) resigns, retires, is discharged or dies, or (b) the first anniversary of the first date of absence for any reason.
- 1.42 "Spouse" means the person to whom the Participant is legally married at the earlier of the Participant's death or the date on which payment of the Participant's benefits commence, and any former Spouse to the extent provided under a qualified domestic relations order as described in Section 414(p) of the Code ("QDRO"). Except as otherwise required pursuant to a QDRO, an individual shall not be considered to be a Spouse eligible to receive the Spouse's Survivor Annuity pursuant to Section 8.01, unless such individual was married to the Participant for the one-year period ending on the Participant's death.
- 1.43 "Stability Period" means the Plan Year in which occurs the Annuity Starting Date for the distribution.
- 1.44 "Taxable Wage Base" means the maximum amount of earnings which may be considered wages with respect to any Plan Year under Code Section 3121(a)(1) and determined as of the first day of each such Plan Year.
- 1.45 "Trust" means the trust created by the Trust Agreement.
- 1.46 "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.
- 1.47 "Trust Fund" means the assets of the Trust.
- 1.48 "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.
- 1.49 "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 Employer shall be subject to the special provisions set forth in Schedule J.

- 1.50 "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.
- 1.51 "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 Section 1.13 of the Plan.
- 1.52 "Year of Service" means, unless otherwise indicated, twelve (12) consecutive months of Service.

ARTICLE 2: ELIGIBILITY**2.01 Eligibility for Participation.**

(a) Any nonrepresented Employee and any represented Employee whose union had negotiated a benefit under this Plan, employed by the Company as of the September 1, 1994, became a Participant under this Plan as of September 1, 1994.

(b) Any nonrepresented Employee and any represented Employee whose union has negotiated a benefit under this Plan, not described in subsection (a), shall be eligible to participate in the Plan as of the Entry Date coinciding with or next following 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.

(c) 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 Employer shall be subject to the special rules set forth in Schedule J.

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 Transferred Employees.

(a) Any active Participant of the Plan who is transferred to employment with an Affiliated Employer that is not an Employer under the Plan:

(i) shall not, for purposes of the Plan, be considered to have severed his employment with the Employer; and

(ii) shall remain an active Participant.

(b) Any person who is transferred as described in Section 2.03(a), or who is transferred to employment with an Employer from employment with an Affiliated Employer that is not an Employer under the Plan, shall have his period of employment with such Affiliated Employer recognized as service for the purpose of determining his Vesting Years of Service.

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 Subsection (c) applies, the returned contribution may include any net investment earnings or gains in the Trust Fund.

ARTICLE 4: ESCALATING ANNUITY BENEFIT

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 Section 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 Section 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.

For each Plan Year commencing with the 1994 Plan Year, there shall be credited to the Escalating Annuity Benefit of each Participant $\frac{4}{75}$ of 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.

For the Plan Year ending December 31, 1994, Compensation shall only include that Compensation earned during the period from September 1, 1994 through December 31, 1994.

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 Subsection

(b) below by a Cost of Living Adjustment determined in accordance with Subsection (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 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 Section 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.

(a) A Participant shall be entitled to commence distribution of his Escalating Annuity Benefit upon (i) retirement on his Normal Retirement Date, Early Retirement Date, or his Disability 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 Section 4.06(a), a Beneficiary may elect to receive the Participant's Cash Balance Account in a single sum. Payment shall be made at such time as the Beneficiary elects.

(c) Subject to the spousal consent requirements of Section 8.01 of the Plan, the Participant may, by written designation filed with the Committee, designate one Beneficiary to receive payment under this Article and may rescind or change any such designation.

(d) In the absence of spousal consent under Section 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 Section 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 Section 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 Section 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 K1.

(b) For purposes of Section 4.03(b), the Supplemental Credits added to a Participant's Escalating Annuity Benefit in accordance with this section 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.

(c) The supplemental credits added to a Participant's Escalating Annuity Benefit in accordance with this section shall be payable in the same manner and under the same conditions as amounts credited to his Escalating Annuity Benefit under Section 4.02.

ARTICLE 5: VESTING

5.01 Vesting Schedule.

(a) Normal Retirement Benefit determined under Section 6.01.

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 Section 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:

IF VESTING YEARS OF
SERVICE AS OF THE DATE
OF TERMINATION EQUAL:

4 or less
5 or more

THE PARTICIPANT'S
NONFORFEITABLE
PERCENTAGE IS:

0%
100%

(b) Normal Retirement Benefit derived from Cash Balance Account as determined under Article 4.

(i) 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 an Employer or an Affiliated Employer 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:

IF VESTING YEARS OF
SERVICE AS OF THE DATE
OF TERMINATION EQUAL:

1
2
3
4
5

THE PARTICIPANT'S
NONFORFEITABLE
PERCENTAGE IS:

20%
40%
60%
80%
100%

(ii) Participant not 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 an Employer or an Affiliated Employer 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:

IF VESTING YEARS OF SERVICE AS OF THE DATE OF TERMINATION EQUAL: -----	THE PARTICIPANT'S NONFORFEITABLE PERCENTAGE IS: -----
4 or less	0%
5 or more	100%

(c) Special Provision for Reductions in Force.

The provisions of subsections (a) and (b) shall be subject to the provisions of Schedule K 2, if and to the extent applicable, with respect to Participants whose employment with the Employer 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 Section 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 Employer 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 subsection (d), 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 five Vesting Years of Service at the time of his termination, 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 Section 4.07.
- (iv) If the Participant had five or more Vesting Years of Service at the time of his termination 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 five or more Vesting Years of Service at the time of his termination, 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 paragraphs (iii), or (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.
- (c) If a Participant terminated employment from the Employer, but did not receive a distribution from the Plan in accordance with subsection (a), 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 (or at the time of any prior distribution exceeded) \$5,000, 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, 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 subsection, 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 Section 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 Section 5.01. The Participant's election period shall commence on the effective date of Section 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 Section 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 Section 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 hereinabove 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 Section and subject to the minimum benefit provisions of Section 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 under this Section attributable to Service before September 1, 1994 shall be the amount determined in paragraph (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 under this Section attributable to Service before September 1, 1994 shall be the greater of the amount determined in paragraph (ii) or the amount determined in paragraph (iii).

(ii) The amount determined in this paragraph 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 subparagraph (A) and the denominator of which is the amount determined in subparagraph (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 Section 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 Section 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 paragraph, shall be reduced by the Actuarial Equivalent of the amount actually distributed to the Participant.

(iii) The amount determined in this paragraph 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 paragraph

(i)(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 Section 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 under this Section attributable to Service after August 31, 1994 shall be equal to one and one-half (1 1/2%) 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 Section 4.02 and paragraphs (a) and (b) of this Section, the Normal Retirement Benefit of certain participants shall be increased. Participants described in Part A of Schedule I 1 shall receive the increase set forth in subparagraphs (i) through (iii) herein. Participants described in Part B of Schedule I 1 shall receive the increase set forth in subparagraph (iv) herein, adjusted for optional form of payment as provided in Section 7.02.

(i) The benefit described in Section 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 Section 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 Section 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 Section 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:

(I) one and one-half percent ($1\frac{1}{2}\%$) 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, 2000, and Covered Compensation determined as of December 31, 1997, 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, 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 ($1\frac{1}{2}\%$) 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 (I) above.

(iii) The benefit described in Section 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 section 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 Section 4.02 and paragraphs (a), (b) and (c) of this Section, the Normal Retirement Benefit of certain participants shall be increased. Participants described in Schedule I 2 shall receive the increase set forth in subparagraphs (i) through (iii) herein.

(i) The sum of the benefits described in Section 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 Section 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 Section 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 Section 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 (I) above, up to Covered Compensation, with Covered Compensation determined as of December 31, 2000, plus

(III) the accrued benefit provided under Section 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 (1 1/2%) 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.

(iii) The benefit described in Section 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) 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 section 6.01(d) shall cease as of the effective date of said increase.

(v) If the Internal Revenue Service, upon timely application, determines that this Section 6.01(d) causes the Plan to lose its status as a qualified plan under Section 4.01(a) of the Code, then this subsection (d) shall be void ab initio.

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 Section 6.13.

(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 Section 1.11, 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 Section, 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 Section 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 Section 6.01 of the Plan and the benefit payable upon his retirement shall be subject to the provisions of Section 6.09.

6.05 Disability Retirement.

(a) If, prior to his Normal Retirement Date or other termination of employment with the Company, a Participant who shall have completed at least five (5) Vesting Years of Service retires by reason of becoming totally and permanently disabled in a manner which would qualify him to receive disability benefits under the Social Security Act ("Disability Retirement"), he shall have a right to his Normal Retirement Benefit as of his Disability Retirement Date.

(b) Disability Retirement Benefit payments to a Participant shall commence on the first to occur of (i) his Normal Retirement Date; (ii) the first day of the month following the date payment of the disability benefits under the Company's Long Term Disability Plan are terminated; or (iii) such other earlier date as shall be determined by the Committee.

(c) The Committee may require that a Participant receiving a Disability Retirement Benefit periodically submit proof of his continued disability.

(d) A Participant who elects Disability Retirement shall continue to receive credit for Years of Credited Service and Vesting Years of Service until his Normal Retirement Date and shall be deemed to receive Compensation in each such year in an amount equal to his Compensation on the date on which payment of his Long Term Disability benefits commenced.

6.06 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 Section 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.

6.07 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 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 Section 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 Section 6.01(a)(ii) in the form of benefit selected by the Participant in accordance with Section 7.02.

6.08 Leave of Absence.

(a) If a Participant is on an approved Leave of Absence, the Participant's retirement benefit shall be equal to the Participant's retirement benefit determined as of the beginning of such Leave of Absence. If the Participant returns to Service immediately following such approved Leave of Absence, the Participant's retirement benefit will be determined by including the period during such Leave of Absence in the Participant's Years of Service.

(b) The provisions of this Section 6.08, including the conditions for granting a Leave of Absence, shall be applied on a uniform and nondiscriminatory basis for Participants under all qualified plans maintained by the Company.

6.09 Deferred Commencement of Benefits.

(a) Subject to Section 7.03 of the Plan, a Participant may elect, in the form and manner prescribed by the Committee, to defer payment of his nonforfeitable interest, determined in accordance with Section 5.01, in that portion of his Normal Retirement Benefit determined in accordance with Section 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 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.

6.10 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.

6.11 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.

6.12 Maximum Retirement Benefit.

(a) Subject to the following provisions of this Section and to 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 Employer or an Affiliated Employer 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 Employer or Affiliated Employer affording the highest such average or during all of the years of such service if less than three years.

(b) For purposes of this Section, the term "remuneration" with respect to any Participant shall mean the wages, salaries, and other amounts paid in respect of such Participant by the Employer or an Affiliated Employer 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. For Limitation Years beginning after December 31, 1997, 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).

(c) Notwithstanding the provisions of subsection (a), 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 a Participant's 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 Section.

(e) For Limitation Years commencing prior to January 1, 2000, if a Participant is a participant in any qualified defined contribution plan required to be taken into account for purposes of applying the combined plan limitations contained in Section 415(e) of the Code, then for any year the sum of the defined benefit plan fraction and the defined contribution plan fraction, as such terms are defined in said Section 415(e), shall not exceed 1.0. If for any year the foregoing combined plan limitation would be exceeded, the benefit provided under this Plan shall be reduced to the extent necessary to meet that limitation. With respect to a Participant whose benefits commenced prior to the first Limitation Year commencing on or after January 1, 2000, his benefit shall continue to be subject to the Section 415(e) limits and the provisions of the Plan in effect at his benefit commencement date except as hereinafter provided.

(f) Notwithstanding anything hereinabove to the contrary, the limitations, adjustments and other requirements prescribed in this Section 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.

6.13 Prior Plan Benefit

(a) Applicability of Prior Plan Benefit

The provisions of this Section shall be applicable to:

(i) any Participant who terminated from employment with the Employer 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 Employer 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

(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 paragraph (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 clause (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) 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 clause (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 Section 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 Section 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 subsection (b) 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 Committee on such form and on such terms and conditions as the 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 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 subsection 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 Committee on such form and on such terms and conditions as the 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 (i) of this subsection, 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:

For Coverage While The Participant's Age Is	Monthly Percentage
under 35	0.01%
35 - 45	0.02%
45 - 54 and 11 months	0.04%

(f) Optional Annuity Benefits for Deferred Vested Participant.

A Deferred Vested Participant may elect, by filing a written request therefor with the Committee on such form and on such terms and conditions as the 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 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 Committee may require evidence satisfactory to it of the Participant's good health.

(g) For purposes of determining a Participant's minimum benefit in accordance with this Section, 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 (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 or an Affiliated Employer, 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 or an Affiliated Employer preceding 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 clauses (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 or an Affiliated Employer 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 or an Affiliated Employer 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 clauses (I) and (II) above.

(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 (3 1/2%) compounded annually; and interest from January 1, 1971 to December 31, 1975 shall be calculated at the rate of four and one-half percent (4 1/2%) 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.

6.14 Supplemental Benefit

(a) Management 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 special supplemental benefit under this Section 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 Section 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 Section 7.01(a) for an unmarried Participant or Section 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 Section 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 Section 1.01. Section 7.01(b) annuities are derived by using the basis stipulated in Section 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 Section 1.01.

ARTICLE 7: FORM OF BENEFIT PAYMENT

7.01 Normal Form of Payment.

Unless a Participant has elected pursuant to Section 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.

7.02 Optional Forms of Payment For All Benefits.

(a) In lieu of the form of payment provided in Section 7.01, a Participant may elect in the manner prescribed by the Committee and during the election period described in subsection (c) of, a form of benefit payment provided under subsection (b); 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 Section 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 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).

(ii) If it is established to the satisfaction of the 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.

Any consent by a Spouse (or establishment that the consent of a Spouse may not be obtained) under this subsection shall be effective only with respect to such Spouse. At any time during the election period described in Section 7.02(c), a Participant may, without the consent of the Participant's Spouse, revoke an election pursuant to this subsection 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 subsection (a) of the Plan not to receive payment of benefits in the normal form provided in Section 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 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; 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.

(c) Any election not to receive payment of benefits under the Plan in the normal form provided in Section 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.

7.03 Minimum Distributions and Limitation on Optional Forms of Payment.

(a) Notwithstanding any other Plan provision, payment of the Participant's entire interest in this Plan:

(i) shall be made to the Participant no later than the Required Beginning Date, as defined in subsection (b) of the Plan, or

(ii) shall commence not later than the Required Beginning Date, as defined in subsection (b) and be distributable (in accordance with Treasury regulations under Section 401(a)(9) of the Code) over one of the following periods:

(A) the life of the Participant,

(B) the joint and survivor lives of the Participant and the Participant's designated Beneficiary,

(C) a period certain not extending beyond the life expectancy of the Participant, or

(D) a period certain not extending beyond the joint and survivor life expectancies of the Participant and the Participant's designated Beneficiary.

For purposes of this Section 7.03, the life expectancy of the Participant and the Participant's Spouse, if any, may be redetermined (other than in the case of a life annuity), but no more frequently than annually

(b) (i) A Participant's Required Beginning Date is the April 1 following the close of the calendar year in which the Participant attains age seventy and one-half (70 1/2). However, if the Participant attained age seventy and one-half (70 1/2) by January 1, 1988 or subsequent to January 1, 1999, and, for the five (5) Plan Year period ending in the calendar year in which he attained age seventy and one-half (70 1/2) and for all subsequent years, the Participant was not a more than five percent (5%) owner (as defined in Section 416(i) of the Code), the Required Beginning Date is the April 1 following the close of the calendar year in which the Participant separates from Service with the Employer or, if earlier, the April 1 following the close of the calendar year in which the Participant becomes a more than five percent (5%) owner. A mandatory distribution at the Participant's Required Beginning Date shall be in the normal annuity form of distribution required under Section 7.01 unless the Participant, pursuant to the provisions of this Article 7, makes a valid election to receive an alternative form of payment.

(ii) The Required Beginning Date shall be the Participant's Annuity Starting Date and the Participant shall receive a late retirement benefit commencing on or before such required beginning date in an amount determined as if he had retired on such date. As of each succeeding December 31 prior to the Participant's actual late retirement date (and as of his actual late retirement date), the Participant's retirement benefit shall be recomputed to reflect additional accruals. The Participant's recomputed retirement benefit shall then be reduced by the Actuarial Equivalent value of the total payments of his late retirement benefit which were paid prior to each such recomputation to arrive at the Participant's late retirement benefit; provided that no such reduction shall reduce the Participant's late retirement benefit below the amount of late retirement benefit payable to the Participant prior to the recomputation of such retirement benefit; provided further that the reduction herein for prior payments shall be computed separately with respect to the retirement benefit determined under Article 4 and the retirement benefit determined under Article 6.

(c) Notwithstanding any other Plan provision, all distributions required under this Article shall be determined and made in accordance with the Treasury Regulations under Section 401(a)(9) of the Code, including the minimum distribution incidental benefit requirement of Section 1.401(a)(9)-2 of the Treasury Regulations.

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 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

Section 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 Section 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 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. The Committee shall not be required to comply with more than one such request.

7.05 Mandatory Cashout of Small Benefits.

In any case, a lump sum payment of the Actuarial Equivalent value shall be made in lieu of all benefits if the present value of the retirement benefit payable to or on behalf of the Participant, determined as of the Participant's actual termination of service, amounts to \$5,000 or less. Effective January 1, 2000, in determining the amount of a lump sum payment payable under this paragraph,

(i) 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 and (ii) the Actuarial Equivalent value shall be determined by using the IRS Mortality Table and the IRS Interest Rate. 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 or death. To the extent permitted by law, in the event the present value of a Pension exceeds \$5,000 upon an initial determination as to its present value, the present value of the Pension shall be redetermined annually as of the first day of each subsequent Plan Year. 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 Section. In no event shall a lump sum payment be made following the date Pension payments have commenced as an annuity.

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.

This Section 7.08 applies to distributions made on or after January 1, 1993. 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 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.

The following definitions shall apply for purposes of this Section:

(a) 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: 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 includable in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

(b) 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, or a qualified trust described in Section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving Spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

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.

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 benefits commence, then his Beneficiary shall be entitled to receive a benefit under this Section. 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 Section 6.01(a) and Section 6.01(b), if the benefit to which 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, the benefit shall be equal to the amount the Participant would have received pursuant to Section 6.01(a) and Section 6.01(b), if the benefit to which 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 Section shall be in addition to any death benefit payable in accordance with Section 4.06

8.02 Post-Retirement Death Benefit.

Upon the death after retirement of a Participant, a death benefit in addition to any other benefit that may be payable to the Beneficiary under the Plan shall be payable to his Beneficiary in an amount equal to:

- (i) one thousand dollars (\$1,000); plus
- (ii) if (A) the Participant retired prior to September 1, 1994, and contributed to the Plan while a Participant in the Prior Plan for the three (3) consecutive years prior to retirement, or (B) the Participant retired

after August 31, 1994 and contributed to the Plan for the sixty (60) consecutive months ending August 31, 1994, the greater of:

- (1) his basic salary (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
- (2) two thousand dollars (\$2,000); less
- (iii) 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 Section 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 Section 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 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 Section 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 Committee, of the death of a Participant, provided no other benefit is payable under the Plan on his account except as set forth in Section 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.

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 subsection (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 subsection

(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.

9.02 Amount, Form, and Commencement of Retirement Benefit.

The monthly amount of pension payable to a pensioner retired pursuant to the provisions of Section 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.

(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.
- (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.

(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 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.

(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 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.

(vi) Metal Improvement Company, Inc. - Columbus Division.

With respect to any such pensioner whose Credited Service is with the Metal Improvement Company, Inc - 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.

Service for vesting purposes shall commence January 1, 1996.

(vii) Metal Improvement Company, Inc. - Vernon Division.

With respect to any such pensioner whose Credited Service was with the Metal Improvement Company, Inc.
- 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.

(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 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.

Service for vesting purposes shall commence October 1, 1996.

(viii) Metal Improvement Company, Inc. - Addison Division.

With respect to any such pensioner whose Credited Service was with the Metal Improvement Company, Inc.
- Addison Division:

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.

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:

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.

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:

With benefits commencing on or after June 1, 1999, \$8.00 multiplied by his years of credited service on or after June 1, 1999, for any pension payments due for months commencing on or after June 1, 1999.

With benefits commencing on or after June 1, 2001, \$10.00 multiplied by his years of credited service on or after June 1, 2001, for any pension payments due for months commencing on or after June 1, 2001.

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:

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.

Service for vesting purposes shall commence May 1, 2001.

(b) Early Retirement.

On or after January 1, 1989 any Participant described in Section 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 may 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:

(i) a pension commencing at age sixty-five (65) determined in accordance with Section 9.02(a) of the Plan and based upon his Credited Service at the time of his early retirement, or

(ii) 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.

(c) Total and Permanent Disability Retirement.

(i) An Participant described in Section 9.01 with at least five (5) Years of Credited Service 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 subsection when on the basis of medical evidence satisfactory to the Company he is found to be wholly and permanently 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 a 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 Section 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.

(d) Retention of Deferred Pension.

(i) An Participant described in Section 9.01 who loses Credited Service in accordance with Section 9.03(c) of the Plan prior to the age at which he is eligible for early retirement in accordance with Section 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 Section 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 Section 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 subsection, 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 Section 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 Section 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 Section, or a Participant who loses Seniority on or after January 1, 1989 and is eligible for a deferred pension benefit in accordance with subsection (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.

(B) A Participant who is entitled to a total and permanent disability benefit prior to attaining age fifty-five (55) shall have such benefit adjusted to provide the survivor benefit, if not waived, effective the first day of the month following his or her fifty-fifth (55th) 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 an 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 fifty-five percent (55%) of the reduced amount of such Participant's monthly pension benefit as determined in accordance with Section 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 last 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 payable to the Participant shall be reduced in accordance with the tables below.

For Coverage While The Participant's Age Is	Monthly Percentages
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Under 35	0.01%
35 - 45	0.02%
45 - 54 and 11 months	0.04%

(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.

A Participant who will not yet attain age thirty-five

(35), as of the end of any current Plan Year, may make a special qualified election to waive the Qualified Pre-retirement Survivor Annuity for the period beginning on the date of such election and ending on the first day of the Plan Year in which the Participant will attain age thirty-five (35). Such election shall not be valid unless the Participant receives a written explanation of the Qualified Pre-Retirement Survivor Annuity. The Qualified Pre-Retirement Survivor Annuity coverage will be automatically reinstated as of the first day of the Plan Year in which the Participant attains age thirty-five (35). Any new waiver on or after such date shall be subject to the full requirements of this Section.

The Plan Administrator shall provide each Participant within the applicable period for such Participant, a written explanation of the Qualified Pre-Retirement Survivor Annuity in such terms and in such a manner as would be comparable to the explanation provided for meeting the requirements applicable to a Qualified Joint and Survivor Annuity.

The applicable period for a Participant is whichever of the following periods ends last:

- (1) the period beginning with the first day of the Plan Year in which the Participant attains age thirty-two (32) and ending with the close of the Plan Year preceding the Plan Year in which the Participant attains age thirty-five (35);
- (2) a reasonable period ending after the individual becomes a Participant;
- (3) a reasonable period ending after the subsidy of cost ceases to apply to the Participant;
- (4) a reasonable period ending after this Article first applies to the Participant.

Notwithstanding the foregoing, notice must be provided within a reasonable period ending after separation of Service in case of a Participant who separates from Service before attaining age thirty-five (35).

For purposes of the preceding paragraph, a reasonable period ending after the enumerated events described in items (2), (3) and (4) of this paragraph is the end of the two (2) year period beginning one (1) year prior to the date the applicable event occurs and ending one year after that date. In the case of a Participant who separates from Service before the Plan Year in which age thirty-five (35) is attained, notice shall be provided within the two (2) year period beginning one year prior to separation and ending one (1) year after separation. If such a

Participant thereafter returns to employment with the Company, the applicable period for such Participant shall be redetermined.

(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 subsection (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) On or after January 1, 1989, upon the death before retirement of an Participant who had attained age fifty-five (55) and had at least five (5) Years of Credited Service, a death benefit shall be payable under the Plan to his surviving Spouse which shall be a monthly pension determined as if the Participant had retired under the early or normal retirement provisions of the Plan, whichever would apply at his age as of the date of his death, with monthly payments commencing on the first day of the month following the date of his death, and had a survivor benefit adjustment in accordance with subsection (e); provided, however, that:

(A) No such benefit shall be payable for any month in which the surviving Spouse is entitled to receive a Transition or Bridge Survivor Income Benefit under a Group Life Insurance Plan of the Company; and

(B) If no qualified Spouse shall survive the Participant, or if the qualified Spouse's death shall occur while receiving a Transition or Bridge Survivor Income Benefit under a Group Life Insurance Plan of the Company, no death benefit shall be payable under this paragraph.

(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.

(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 Section 9.02(d) of the Plan.

9.03 Credited Service.

The following provisions shall apply to Participants to whom Section 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 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 Section 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) An 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 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 an Employer 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 subparagraph (ii) of Section 9.03(a) of the Plan or subparagraph (i) or (ii) of Section 9.03(c) of the Plan, 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.

(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 Section 9.03(c) of the Plan restored automatically.

(ii) Effective January 1, 1976, any Employee included in subparagraphs (i)(B) and (ii)(B) of subsection (c) of the Plan shall be entitled to the benefit specified in this subsection.

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.

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 coinciding with or next following the date he completes his Year of Eligibility Service.

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 Section 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 Section 1.05 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 Section 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 Section 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 subsection (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 subsection (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 a Committee. The Committee shall consist of three (3) or more persons designated by the Chairman of the Board of Directors. Members of the Committee and its officers and agents may participate in the benefits under this Plan if otherwise eligible to do so. The members of the 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 Committee.

11.02 Committee's Authority and Powers.

The Committee shall administer the Plan, except with respect to any part of the Plan that is maintained pursuant to a collective bargaining agreement and in such case that agreement shall govern the administration of that part of the Plan. The Committee shall have the exclusive discretionary authority and power to determine eligibility for benefits and to construe the terms and provisions of the Plan, determine questions of fact and law arising under the Plan, direct disbursements pursuant to the Plan, and exercise all other powers specified herein or which may be implied from the provisions hereof. The Committee may adopt such rules for the conduct of the administration of the Plan as it may deem appropriate.

11.03 Delegation of Duties.

The 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 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 Committee nor any member of the Committee nor any person to whom the 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 Committee.

No member of the 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 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 Committee, and each partner and Employee of the Company designated by the 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.

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 Code Section 411 or the regulations promulgated thereunder, a Participant who has completed at least three (3) Years of Service may file with the 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. For purposes of this Section, 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 of the Company or the Committee, which shall be delivered to the Trustee and, where required, to the Board of Administration, as defined in the collective bargaining agreements referred to herein.

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 Committee shall determine the date and manner of distribution of the retirement benefits of all affected Participants.

(b) The 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(1) 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 subsection, the term "restricted employee" means an employee of the Employer, 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.

The limitations of this Section 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 Committee, the Committee may instruct the Trustee to transfer the Participant's Account to another qualified plan described in Code Section 401(a) 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 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 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.

ARTICLE 14: SPECIAL PROVISIONS FOR NON-KEY EMPLOYEES

14.01 Effective Date.

If the Plan is or becomes top heavy in any Plan Year beginning after December 31, 1983, the provisions of this Section 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) (including any part of any retirement benefits distributed in the five (5) year period ending on the determination date(s), and the denominator of which is the sum of present value of retirement benefits (including any part of any retirement benefits distributed in the five (5) year period ending on the determination date(s)), 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.

(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.

(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 been credited with at least one Hour of Service with any Employer maintaining the Plan at any time during the five (5) year period ending on the determination date will be disregarded. The calculation of the top-heavy ratio, and the 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:

Effective January 1, 1997, an employee who is in a category of employees determined in accordance with the provisions of Section 416(i)(1) and (5) of the Code and any regulations thereunder and, 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 Employer or an Affiliated Employer for personal services actually rendered, determined before 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 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.

The determination of who is a Key Employee will be made in accordance with Section 416(i)(1) of the Code and the regulations thereunder.

(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 this Plan to the contrary, except as otherwise provided in Subsections (c), (d) and (e) of this Section 14.03, a Participant who is Non-Key Employee and has completed one thousand (1,000) Hours of Service will accrue a benefit (to be provided solely by 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. 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 Section 1.11 of the Plan.

(c) No additional benefit accruals shall be provided pursuant to subsection (a) to the extent that the total accruals on behalf of the Participant attributable to Company contributions will provide a benefit expressed as a Life Annuity commencing as Normal Retirement Age that equals or exceeds twenty (20%) percent of the Participant's highest average Compensation for the five (5) consecutive years for which the Participant had the highest Compensation.

(d) The provision in subsection (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.

(e) 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 subsection (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 Section 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 Section.

VESTING YEARS OF SERVICE -----	NONFORFEITABLE PERCENTAGE OF ACCOUNT -----
Less than 3	0%
3 or more	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 Retirement Board.

(b) If the present value of any series of payments meeting the criteria set forth in clauses (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 Section 7.05, shall be made in lieu of the series of payments.

(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.

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 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 Section to request review of the decision by the Committee.

Any such person who believes that he has submitted all available and relevant information may appeal the denial of a claim to the Committee by submitting a written request for review to the Committee within sixty (60) days after the date on which such denial is received. Such period may be extended by the 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 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 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 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 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.

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:

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**

Age	Factor	Age	Factor
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 SECTION 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					
MEN	WOMEN	MEN	WOMEN	100%	50%	75%	66%
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 Section 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 30%, 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 therefore 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.

SCHEDULE G 2: BUFFALO DEFERRED PENSION RATES

The monthly amount of such deferred pension commencing at age 65 for an employee eligible therefore 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

\$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 therefore 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.

SCHEDULE G 4: TARGET ROCK CORPORATION DEFERRED PENSION RATES

The monthly amount of such deferred pension commencing at age 65 for an employee eligible therefore 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;

\$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.

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 SECTION 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 for 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 SECTION 6.01(D)

	(d)(i)(A)	(d)(i)(B)	(d)(ii)(A)	(d)(ii)(B)
Social Security Number	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
013-24-9604	0.048891	0.049845	0.076206	1.752618
037-40-7480	0.000000	0.000000	0.000000	0.000000
078-30-1279	0.012630	0.021939	0.059431	0.257717
083-40-6259	0.170235	0.107242	0.122444	0.925566
102-32-1691	0.000000	0.000000	0.000000	0.000000
124-30-9869	0.062936	0.046692	0.101374	0.643049
136-48-6134	0.362002	0.186156	0.403422	3.393319
137-30-0657	0.000000	0.000000	0.000000	0.000000
143-62-0275	0.000000	0.000000	0.000000	0.000000
149-32-1179	0.146986	0.068106	0.122234	1.071600
154-46-3709	0.054142	0.092608	0.060373	0.451201
155-50-2136	0.111586	0.072341	0.104032	0.616748
187-28-1183	0.000000	0.000000	0.000000	0.000000
204-36-0966	0.000000	0.000000	0.000000	0.000000
335-54-4384	0.000000	0.000000	0.000000	0.000000
350-40-5932	0.007044	0.005076	0.006200	0.049163
479-82-1487	0.000000	0.000000	0.000000	0.000000
557-96-5079	0.000000	0.000000	0.000000	0.000000

	(d)(iii)(A)	(d)(iii)(B)	(d)(iii)(C)	(d)(iii)(D)
Social Security Number	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
013-24-9604	0.055334	1.887089	1.887089	1.887089
037-40-7480	0.005584	0.000000	0.000000	0.000000
078-30-1279	0.000000	0.458479	0.458479	0.458479
083-40-6259	0.127453	0.416260	0.416260	0.416260
102-32-1691	0.011480	0.000000	0.000000	0.000000
124-30-9869	0.026110	0.729383	0.729383	0.729383
136-48-6134	0.261257	1.853613	1.853613	1.853613
137-30-0657	0.013852	0.000000	0.000000	0.000000
143-62-0275	0.036266	0.000000	0.000000	0.000000
149-32-1179	0.083023	0.945458	0.945458	0.945458
154-46-3709	0.070526	0.198974	0.198974	0.198974
155-50-2136	0.064930	0.604064	0.604064	0.604064
187-28-1183	0.034994	0.000000	0.000000	0.000000
204-36-0966	0.001974	0.000000	0.000000	0.000000
335-54-4384	0.009752	0.000000	0.000000	0.000000
350-40-5932	0.034705	0.021556	0.021556	0.021556
479-82-1487	0.036143	0.000000	0.000000	0.000000
557-96-5079	0.073154	0.000000	0.000000	0.000000

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 Employer or an Affiliated Employer.

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 Section 2.01(b)(i) and (ii).

(b) For purposes 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 Section 2.01(b)(i) and (ii).

(b) For purposes 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.

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 Section 2.01(b)(i) and (ii).
- (b) For purposes 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. Entertech

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 Section 2.01(b)(i) and (ii).
- (b) For purposes 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 Section 2.01(b)(i) and (ii).

(b) For purposes 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 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 Section 2.01(b)(i) and (ii).

(b) For purposes 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 Section 2.01(b)(i) and (ii).

(b) For purposes 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 October 25, 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 Section 2.01(b)(i) and (ii).
- (b) For purposes 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 October 25, 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 6, 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 Section 2.01(b)(i) and (ii).
- (b) For purposes 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 6, 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 Section 2.01(b)(i) and (ii).
- (b) For purposes 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 13, 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 service, and shall remain eligible so long as he or she continues to satisfy the eligibility requirements in Section 2.01(b)(i) and (ii).

(b) For purposes 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 13, 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 21, 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 Section 2.01(b)(i) and (ii).

(b) For purposes 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 21, 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 February 20, 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 Section 2.01(b)(i) and (ii).

(b) For purposes 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 February 20, 2002.

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 Employer's Target Rock operations and whose employment with the Employer 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 October 12, 2001

For each Participant whose employment with the Employer is terminated between August 24, 2001 and October 12, 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.

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 Employer 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 October 12, 2001

Notwithstanding any provision hereof to the contrary, a Participant whose employment with the Employer is terminated between August 24, 2001 and October 12, 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.

Exhibit 10(vi)

**CURTISS-WRIGHT CORPORATION
SAVINGS AND INVESTMENT PLAN**

AMENDED AND RESTATED,
effective as of January 1, 2001,
except as otherwise specified

**CURTISS-WRIGHT CORPORATION
SAVINGS AND INVESTMENT PLAN**

TABLE OF CONTENTS

PREAMBLE.....	1
ARTICLE 1: DEFINITIONS.....	2
ARTICLE 2: ELIGIBILITY AND MEMBERSHIP.....	10
2.01 Eligibility.....	10
2.02 Membership.....	10
2.03 Reemployment of Former Employees and Former Members.....	10
2.04 Termination of Membership.....	11
2.05 Year-end Membership List.....	11
ARTICLE 3: CONTRIBUTIONS.....	12
3.01 Deferred Cash Contributions.....	12
3.02 After-Tax Contributions.....	13
3.03 Employer Matching Contributions prior to September 1, 1994.....	13
3.04 Employee or Member Rollover Contributions.....	13
3.05 Change in Contributions.....	14
3.06 Suspension of Contributions.....	14
3.07 Actual Deferral Percentage Test.....	14
3.08 Contribution Percentage Test.....	16
3.09 Aggregate Contribution Limitation.....	17
3.10 Additional Discrimination Testing Provisions.....	17
3.11 Maximum Annual Additions.....	19
3.12 Return of Contributions.....	21
3.13 Contributions during Period of Military Leave.....	21
ARTICLE 4: INVESTMENT OF CONTRIBUTIONS.....	23
4.01 Investment Funds.....	23
4.02 Investment of Members' Accounts.....	23
4.03 Responsibility for Investments.....	24
4.04 Change of Election for Current and Future Contributions.....	24
4.05 Reallocation of Accounts Among the Funds.....	24
4.06 Limitations Imposed by Contract.....	24
4.07 ERISA Section 404(c) Compliance.....	24
ARTICLE 5: VALUATION OF THE ACCOUNTS.....	25
5.01 Valuation of Member Accounts.....	25
5.02 Right to Change Procedures.....	25
5.03 Statement of Accounts.....	25
ARTICLE 6: VESTED PORTION OF ACCOUNTS.....	26

6.01	Member Account and Deferred Account.....	26
6.02	Employer Account.....	26
6.03	Disposition of Forfeitures.....	26
ARTICLE 7:	WITHDRAWALS WHILE STILL EMPLOYED.....	28
7.01	Withdrawal of After-Tax Contributions.....	28
7.02	Withdrawal After Age 59 1/2.....	28
7.03	Hardship Withdrawal.....	28
7.04	Procedures and Restrictions.....	31
7.05	Determination of Vested Portion of Employer Account.....	31
7.06	Separate Contracts.....	31
ARTICLE 8:	LOANS TO MEMBERS.....	32
8.01	Amount Available.....	32
8.02	Terms.....	32
ARTICLE 9:	DISTRIBUTION OF ACCOUNTS UPON TERMINATION OF EMPLOYMENT.....	34
9.01	Eligibility.....	34
9.02	Form of Distribution.....	34
9.03	Date of Payment of Distribution.....	34
9.04	Age 70 1/2 Required Distribution.....	35
9.05	Status of Accounts Pending Distribution.....	36
9.06	Proof of Death and Right of Beneficiary or Other Person.....	36
9.07	Distribution Limitation.....	36
9.08	Direct Rollover of Certain Distributions.....	36
9.09	Waiver of Notice Period.....	37
ARTICLE 10:	ADMINISTRATION OF PLAN.....	38
10.01	Appointment of Administration Committee.....	38
10.02	Duties of Committee.....	38
10.03	Individual Accounts.....	38
10.04	Meetings.....	39
10.05	Action of Majority.....	39
10.06	Compensation and Bonding.....	39
10.07	Establishment of Rules.....	39
10.08	Prudent Conduct.....	39
10.09	Service in More Than One Fiduciary Capacity.....	39
10.10	Limitation of Liability.....	40
10.11	Indemnification.....	40
10.12	Appointment of Investment Manager.....	40
10.13	Claims Review Procedure.....	40
10.14	Named Fiduciary.....	41
ARTICLE 11:	MANAGEMENT OF FUNDS.....	42
11.01	Trust Agreement or Group Annuity Contract.....	42
11.02	Exclusive Benefit Rule.....	42
11.03	Investment, Management and Control.....	42

11.04	Payment of Certain Expenses.....	42
ARTICLE 12:	AMENDMENT, MERGER AND TERMINATION.....	43
12.01	Amendment of Plan.....	43
12.02	Merger, Consolidation or Transfer.....	43
12.03	Additional Participating Employers.....	43
12.04	Termination of Plan.....	44
12.05	Distribution of Accounts Upon a Sale of Assets or a Sale of a Subsidiary.....	45
ARTICLE 13:	GENERAL PROVISIONS.....	46
13.01	Nonalienation.....	46
13.02	Conditions of Employment Not Affected by Plan.....	46
13.03	Facility of Payment.....	47
13.04	Information.....	47
13.05	Top-Heavy Provisions.....	47
13.06	Written Elections.....	49
13.07	Construction.....	49
13.08	Electronic Provision of Notices to Members.....	49
APPENDIX A:	SPECIAL RULES APPLICABLE TO ACQUIRED ENTITIES.....	51

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, 1989 ("the January 1, 1989 Restatement"), which restatement also reflected provisions that became effective on dates later than the initial effective date thereof. Subsequent to the January 1, 1989 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, 2001 incorporates amendments heretofore made to the Plan and makes additional amendments to the Plan. The amendments hereby made to the January 1, 1989 Restatement, as heretofore amended, are effective as of January 1, 2001, 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 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, the Economic Growth and Tax Relief Reconciliation Act of 2001, 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 and the Deferred Account.
- 1.02 "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 (including Deferred Cash Contributions returned to a Highly Compensated Employee under Section 3.01(c) and 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 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 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 2 1/2 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.

- 1.03 "Adjustment Factor" means the cost of living adjustment factor prescribed by the Secretary of the Treasury under Section 415(d) of the Code for calendar years beginning on or after January 1, 1988, and applied to such items and in such manner as the Secretary shall provide.
- 1.04 "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 1.29 and 3.11, 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.
- 1.05 "After-Tax Contributions" means amounts contributed pursuant to Section 3.02.
- 1.06 "Annual Dollar Limit" means for Plan Years beginning on or after January 1, 1989 and before January 1, 1994, \$200,000 multiplied by the Adjustment Factor.

Commencing with the 1994 Plan Year, the Annual Dollar Limit means \$150,000, as adjusted from time to time for cost of living, in accordance with Section 401(a)(17)(B) of the Code, and as adjusted or superseded by any amendment to Section 401(a)(17)(A) of the Code.
- 1.07 "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.
- 1.08 "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.
- 1.09 "Board of Directors" means the Board of Directors of Curtiss-Wright Corporation.
- 1.10 "Code" means the Internal Revenue Code of 1986, as amended from time to time.

- 1.11 "Committee" means the persons named by the Chairman of the Board of Directors or his designee to administer and supervise the Plan as provided in Article 10.
- 1.12 "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.
- 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.
- In any event, for Plan Years beginning after 1988, Compensation shall not exceed the Annual Dollar Limit.
- Effective for Plan Years beginning prior to January 1, 1997, the Annual Dollar Limit applies to the aggregate Compensation paid to a Highly Compensated Employee referred to in Section 3.10(a), his spouse and his lineal descendants who have not attained age 19 before the end of the Plan Year. If, as a result of the application of the family aggregation rule, the Annual Dollar Limit is exceeded, then the Limit shall be pro-rated among the affected individuals in proportion to each such individual's Compensation as determined under this Section 1.12 prior to the application of the Limit.
- 1.13 "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 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%).
- 1.14 "Deferred Account" means the account credited with the Deferred Cash Contributions made on a Member's behalf and earnings on those contributions, and with Rollover Contributions made by a Member or an Employee and earnings on those contributions.
- 1.15 "Deferred Cash Contributions" means amounts contributed pursuant to Section 3.01.
- 1.16 "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 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.

- 1.17 "Earnings" means the amount of income to be returned with any excess deferrals, excess contributions, or excess aggregate contributions under Section 3.01, 3.07, 3.08 or 3.09. Earnings on excess deferrals and excess contributions shall be determined by multiplying the income earned on the Deferred Account 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 Deferred Account balance at the end of the Plan Year, disregarding any income or loss occurring during the Plan Year. Earnings on excess aggregate contributions shall be determined in a similar manner by substituting the sum of the Employer Account and Member Account for the Deferred Account, and the excess aggregate contributions for the excess deferrals and excess contributions in the preceding sentence.
- 1.18 "Effective Date." The Effective Date of the Plan is January 1, 1989. The Effective Date of this amendment and restatement of the Plan is January 1, 2001, except as otherwise provided herein, or as required by applicable law.
- 1.19 "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.
- 1.20 "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.
- 1.21 "Employer Account" means the account credited with Matching Contributions and earnings on those contributions.
- 1.22 "Enrollment Date" means the Effective Date and the first day of any calendar quarter following that date.
- 1.23 "ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.
- 1.24 "Fund" or "Investment Fund" means the fund or funds in which contributions to the Plan are invested in accordance with Article 4.

- 1.25 "Group Annuity Contract" means such contract or contracts as are entered into by the Employer with an Insurer or Insurers for the purpose of investing and administering contributions received by the Insurer in accordance with the terms of the Plan.
- 1.26 "Highly Compensated Employee" means, for a Plan Year commencing on or after January 1, 1997, 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 \$80,000, 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 purposes of determining the number of such employees, such employees as the Committee may determine on a consistent basis pursuant to Section 414(q) 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.

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 described above 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. Notwithstanding the foregoing, the consistency provision in the preceding sentence shall not apply for the Plan Year beginning in 1997 and, for Plan Years beginning in 1998 and 1999, shall apply only with respect to all qualified retirement plans (other than a multiemployer plan) of the Employer and Affiliated Employers.

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.

1.27 "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).

- 1.28 "Insurer" means a legal reserve life insurance company licensed to do business and authorized to issue Group Annuity contracts in the states in which the Employer is doing business selected by the Board of Directors and which issues a Group Annuity Contract in accordance with the terms of the Plan.
- 1.29 "Leased Employee" means, for a Plan Year commencing on or after January 1, 1997, 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.
- 1.30 "Matching Contributions" means amounts contributed pursuant to Section 3.03 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.

1.31 "Member" means any person included in the membership of the Plan as provided in Article 2.

- 1.32 "Member Account" means the account credited with the After-Tax Contributions and earnings on those contributions and with Rollover Contributions made by a Member or an Employee and earnings on those contributions.
- 1.33 "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.
- 1.34 "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.
- 1.35 "Plan Year" means the 12-month period beginning on any January 1.
- 1.36 "Rollover Contributions" means amounts contributed pursuant to Section 3.04.
- 1.37 "Severance Date" means, solely for purposes of determining an employee's Vesting Service under Section 1.44, 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.
- 1.38 "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 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.
- 1.39 "Statutory Compensation" means, effective for Plan Years commencing on or after January 1, 1997, 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 1.26 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 Committee directs otherwise for a particular Plan Year. Statutory Compensation for a Plan Year shall not exceed the Annual Dollar Limit, provided that such Limit shall not be applied in determining Highly Compensated Employees under Section 1.26.

- 1.39 "Subsidiary" means any corporation controlled by Curtiss-Wright Corporation or by another subsidiary of Curtiss-Wright Corporation.
- 1.40 "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.
- 1.41 "Trustee" means the trustee or trustees holding the funds of the Plan as provided in Article 11.
- 1.42 "Valuation Date" means the last business day of each calendar month or such more frequent dates as the Committee shall establish.
- 1.43 "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.
- 1.44 "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.
- 1.45 "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.

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.

2.02 Membership

An eligible Employee shall become a Member on the first Enrollment Date which is at least 30 days after the date he files with the Employer a form or forms prescribed by the Committee on which he meets all of the following requirements:

(a) designates the percentage of Compensation he wishes to contribute under the Plan under Section 3.02 or makes the election described in Section 3.01, or both;

(b) authorizes the Employer to make regular payroll deductions or to reduce his Compensation, or both;

(c) names a Beneficiary; and

(d) commencing on and after March 1, 1995, makes an investment election.

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 Committee's request, the Employer shall transmit to the 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 Committee may request.

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 3.07, 3.10 and 3.11. Any Deferred Cash Contributions shall be paid to the Trustee or deposited with the Insurer pursuant to the Group Annuity Contract, as the case may be, 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:

(i) for calendar years commencing prior to January 1, 2002, \$7,000 multiplied by the Adjustment Factor; or

(ii) for calendar years commencing on or after January 1, 2002, 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 3.06.

(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 3.07 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 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 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 3.07 for that calendar year.

3.02 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 or deposited with the Insurer pursuant to the Group Annuity Contract, as the case may be, as soon as practicable.

3.03 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.

3.04 Employee or Member Rollover Contributions

Without regard to any limitations on contributions set forth in this Article 3, the Plan may receive from a Member, or an Employee who has not yet met the eligibility requirements for membership, in cash, any amount previously received (or deemed to be received) by him from a qualified plan. The Plan may receive

such amount either directly from the Member or Employee or from a qualified plan in the form of a direct rollover.

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 or Employee provides evidence satisfactory to the Committee that such amount qualifies for rollover treatment.

Unless received by the Plan in the form of a direct rollover, the Rollover Contribution must be paid to the Trustee or deposited with the Insurer, as the case may be, on or before the 60th day after the day it was received by the Member or Employee.

Rollover Contributions shall be allocated to the Member's or Employee's Deferred Account.

3.05 Change in Contributions

The percentages of Compensation designated by a Member under Sections 3.01 and 3.02 shall automatically apply to increases and decreases in his Compensation. A Member may change his election under Sections 3.01 and 3.02 at the beginning of any calendar quarter by giving at least 30 days' prior written notice to the Committee. The changed percentage shall become effective as soon as administratively practicable following the expiration of the notice period.

3.06 Suspension of Contributions

(a) A Member may suspend his contributions under Section 3.02 and/or revoke his election under Section 3.01 at any time by giving at least 30 days' prior written notice to the Committee. The suspension or revocation shall become effective as soon as administratively practicable following the expiration of the notice period.

(b) A Member who has suspended his contributions under Section 3.02 may elect to have them resumed in accordance with Section 3.02 as of the first day of the first payroll period of the calendar quarter next following 30 days' written notice of that intent. A Member who has revoked his election under Section 3.01 may apply to the Committee to resume having his Compensation reduced in accordance with Section 3.01 as of the first day of the first payroll period of the calendar quarter next following 30 days' written notice of that intent.

3.07 Actual Deferral Percentage Test

With respect to each Plan Year commencing on or after January 1, 1997, 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 Nonhighly 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 Nonhighly 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 Nonhighly 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 Committee shall determine to satisfy the provisions of Section 3.10).

Notwithstanding the foregoing, the Employer may elect to use the Actual Deferral Percentage for Nonhighly Compensated Employees for the Plan Year being tested rather than the preceding Plan Year provided that such election must be evidenced by a Plan amendment and once made may not be changed except as provided by the Secretary of the Treasury.

The Committee may implement rules limiting the Deferred Cash Contributions which may be made on behalf of some or all Highly Compensated Employees so that this limitation is satisfied. If the 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 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 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).

(c) The 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 2 1/2 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 previously returned to the Member under Section 3.01 for that Plan Year.

3.08 Contribution Percentage Test

With respect to each Plan Year commencing on or after January 1, 1997, 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 Nonhighly 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 Plan Year for such Highly Compensated Employees does not meet the foregoing test, the Contribution Percentage for such Highly Compensated Employees for the Plan Year may not exceed the Contribution Percentage for the preceding Plan Year for all Nonhighly 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 the 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 Nonhighly 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 Committee shall determine to satisfy the provisions of Section 3.10).

Notwithstanding the foregoing, the Employer may elect to use the Actual Contribution Percentage for Nonhighly Compensated Employees for the Plan Year being tested rather than the preceding Plan Year provided that such election must be evidenced by a Plan amendment and once made may not be changed except as provided by the Secretary of the Treasury.

The 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 Committee determines that the limitation under this Section 3.09 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 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 or forfeited in accordance with the provisions of paragraph (c) below.

(c) Excess aggregate contributions allocated to a Highly Compensated Employee under paragraph (b) above, together with Earnings, shall be paid to the Member.

3.09 Aggregate Contribution Limitation

Effective for Plan Years commencing prior to January 1, 2002, and notwithstanding the provisions of Sections 3.07 and 3.08, in no event shall the sum of the Actual Deferral Percentage of the group of eligible Highly Compensated Employees and the Contribution Percentage of such group, after applying the provisions of Sections 3.07 and 3.08, exceed the "aggregate limit" as provided in Section 401(m)(9) of the Code and the regulations issued thereunder. In the event the aggregate limit is exceeded for any Plan Year commencing prior to January 1, 2002, the Contribution Percentages of the Highly Compensated Employees shall be reduced to the extent necessary to satisfy the aggregate limit in accordance with the procedure set forth in Section 3.08.

3.10 Additional Discrimination Testing Provisions

(a) Effective for Plan Years commencing prior to January 1, 1997, if any Highly Compensated Employee is either (i) a five percent owner or (ii) one of the 10 highest paid Highly Compensated Employees, then any Statutory Compensation paid to or any contribution made by or on behalf of any member of his "family" shall be deemed paid to or made by or on behalf of such Highly Compensated Employee for purposes of Sections 3.07, 3.08 and 3.09, to the extent required under regulations prescribed by the Secretary of the Treasury or his delegate under Sections 401(k) and 401(m) of the Code. The contributions required to be aggregated under the preceding sentence shall be disregarded in determining the Actual Deferral Percentage and Contribution Percentage for the group of Nonhighly Compensated Employees for purposes of Sections 3.07, 3.08 and 3.09. Any return of excess contributions or excess aggregate contributions required under Sections 3.07, 3.08 and 3.09 with respect to the family group shall be made by allocating the excess contributions or excess aggregate contributions among the family members in proportion to the contributions made by or on behalf of each family member that is combined. For purposes of this paragraph, the term "family" means, with respect to any employee, such

employee's spouse, any lineal ascendants or descendants and spouses of such lineal ascendants or descendants.

(b) If any Highly Compensated Employee is a member of another qualified plan of the Employer or an Affiliated Employer, other than an employee stock ownership plan described in Section 4975(e)(7) of the Code or 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 under all such plans in applying the limitations of Sections 3.07, 3.08 and 3.09. If any other such qualified plan has a plan year other than the Plan Year defined in Section 1.34, the contributions to be taken into account in applying the limitations of Sections 3.07, 3.08 and 3.09 will be those made in the plan years ending with or within the same calendar year.

(c) 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 3.07, 3.08 and 3.09 shall be applied by determining the Actual Deferral Percentage and Contribution Percentage of 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. For Plan Years beginning after December 31, 1989, plans may be aggregated under this paragraph (c) only if they have the same plan year.

(d) The Employer may elect to use Deferred Cash Contributions to satisfy the tests described in Sections 3.08 and 3.09, provided that the test described in Section 3.07 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 from Section 3.07 to Section 3.08.

(e) 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 Nonhighly Compensated Employees, as the Committee shall determine. The 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 7.02 or 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 7.02. Qualified

nonelective contributions made for the Plan Year may be used to satisfy the tests described in Sections 3.07, 3.08 and 3.09, where necessary.

3.11 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 the applicable maximum amount for such Plan Year.

(i) For Plan Years commencing prior to January 1, 2002, the applicable maximum amount which is the lesser of:

(A) 25% of his aggregate remuneration for that Plan Year, or

(B) the greater of \$30,000 or one-quarter of the dollar limitation in effect under Section 415(b)(1)(A) of the Code.

(ii) For Plan Years commencing on or after January 1, 2002, the applicable maximum amount is the lesser of:

(A) 100% of his aggregate remuneration for the Plan Year, or

(B) \$40,000, 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 the sum of:

(i) the total contributions, including Deferred Cash Contributions, made on the Member's behalf by the Employer and all Affiliated Employers,

(ii) all Member contributions, exclusive of any Rollover Contributions, and

(iii) forfeitures, if applicable, that have been allocated to the Member's Accounts under this Plan or his accounts under any other such qualified defined contribution plan.

For purposes of this paragraph (b), any Deferred Cash Contributions distributed under Section 3.07 and any After-Tax Contributions distributed under the provisions of Section 3.01, 3.07, 3.08 or 3.09 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), or 457 of the Code but shall exclude deferred compensation, stock options, and other distributions which receive special tax benefits under the Code. Notwithstanding the foregoing, for limitation years commencing prior to January 1, 1998, remuneration shall exclude amounts contributed by the Employer or an Affiliated Employer pursuant to a salary reduction agreement which are not includible in the gross income of the employee under Section 125, 402(g)(3), or 457 of the Code.

(d) If the annual addition to a Member's Accounts for any Plan Year, prior to the application of the limitation set forth in paragraph (a) above, exceeds that limitation due to a reasonable error in estimating a Member's annual compensation or in determining the amount of Deferred Cash Contributions that may be made with respect to a Member under Section 415 of the Code, or as the result of the allocation of forfeitures, the amount of contributions credited to the Member's Accounts in that Plan Year shall be adjusted to the extent necessary to satisfy that limitation in accordance with the following order of priority:

(i) The Member's After-Tax Contributions under Section 3.02 shall be reduced to the extent necessary. The amount of the reduction shall be returned to the Member, together with any Earnings on the contributions to be returned.

(ii) The Member's Deferred Cash Contributions under Section 3.01 shall be reduced to the extent necessary. The amount of the reduction shall be returned to the Member, together with any Earnings on the contributions to be returned.

Any Deferred Cash Contributions returned to a Member under this paragraph (d) shall be disregarded in applying the dollar limitation on Deferred Cash Contributions under Section 3.01(b), and in performing the Actual Deferral Percentage Test under Section 3.07. Any After-Tax Contributions returned under this paragraph (d) shall be disregarded in performing the Contribution Percentage Test under Section 3.08.

(e) Effective for Plan Years commencing prior to January 1, 2000, if the Employer's contributions to the Plan result in an increase in the combined defined benefit and defined contribution fractions in excess of the 1.0 permitted under Section 415 of the Code for any Member of the Plan who is also covered by the Curtiss-Wright Corporation Retirement Plan, then the accrued benefit under the Curtiss-Wright Corporation Retirement Plan shall be reduced to the extent necessary to prevent the sum of his defined benefit fraction and his defined contribution fraction, computed as of the close of the Plan Year, from exceeding 1.0.

3.12 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 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 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 to be distributed to Members shall be adjusted to reflect any investment gains or losses attributable to those contributions.

3.13 Contributions during Period 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 on or after October 14, 1994 and is credited with Vesting Service under the provisions of Section 1.44(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 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"). The amount of make-up contributions shall be determined on the basis of the Member's Compensation in effect immediately prior to the period of absence and the terms of the Plan at such time. Any Deferred Cash Contributions and/or After-Tax Contributions so determined shall be limited as provided in Sections 3.01(b), 3.02, 3.07, 3.08, and 3.09 with respect to the Plan Year or Years to which such contributions relate rather than the Plan Year in which payment is made. Any payment to the Plan described in this paragraph shall be made during the applicable repayment period. The repayment period shall equal three times the period of absence, but not longer than five years, and shall begin on the latest of: (i) the Member's date of

reemployment, (ii) October 13, 1996, or (iii) 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 are considered "annual additions," as defined in Section 415(c)(2) of the Code, and shall be limited in accordance with the provisions of Section 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.

ARTICLE 4: INVESTMENT OF CONTRIBUTIONS

4.01 Investment Funds

(a) Prior to March 1, 1995, the following provisions shall apply:

(i) The Trust Fund shall be invested by the Trustee, provided, however, that the Trustee shall not invest in, acquire or hold for the Trust Fund any securities or property of Curtiss- Wright Corporation or its Subsidiaries.

(ii) In the event contributions hereunder are made with the Insurer pursuant to the Group Annuity Contract, such contributions shall be invested by the Insurer pursuant to the terms of said Contract, provided, however, that the Insurer shall not invest in, acquire or hold directly under the Group Annuity Contract any securities or property of Curtiss-Wright Corporation or its Subsidiaries.

(b) On and after March 1, 1995, Members' Accounts shall be invested in one or more Investment Funds, as authorized by the Chairman of the Board of Directors or his designee.

(c) 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.

(d) 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 Committee may direct.

4.03 Responsibility for Investments

Each Member is solely responsible for the selection of his investment options. The Trustee, the 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 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 Committee, a Member may reallocate his investment account in multiples of 1% at any time, provided, however, that the 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) Effective March 1, 1995, 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 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

At least once a year, each Member shall be furnished with a statement setting forth the value of his Accounts and the Vested Portion of his Accounts.

ARTICLE 6: VESTED PORTION OF ACCOUNTS**6.01 Member Account and Deferred Account**

A Member shall at all times be 100% vested in, and have a nonforfeitable right to, his Member Account and his Deferred 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. Notwithstanding the foregoing, a Member with five years or more Vesting Service shall be vested in 100% of his Employer Account.

(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, 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, 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.

ARTICLE 7: WITHDRAWALS WHILE STILL EMPLOYED

7.01 Withdrawal of After-Tax Contributions

A Member may, subject to Section 7.04, by giving no less than 30 days prior written notice to the Committee, may elect to withdraw any part or all (but not less than \$100) of the Value of his Employee Contributions on the last day of any calendar month; provided such Participant shall not be eligible to make any contributions under the Plan again for at least one year from said date of withdrawal.

Notwithstanding the foregoing, a Member may apply to the Committee at any time for an emergency withdrawal of up to one hundred percent (100%) of the value of his After-Tax Contributions at the time of withdrawal, for any or a combination of the circumstances listed below. The Committee shall not approve a withdrawal in an amount in excess of the amount it deems sufficient to cover his emergency financial needs. The circumstances which may warrant Committee approval of a Member's application for an emergency withdrawal are: (1) a disability which has not resulted in termination of employment; (2) fees and charges for tuition, books, room and board and similar expenses related to one or more courses taken by the Member or by his spouse or dependent in an accredited college, university or trade, professional, vocation or business school; (3) medical expenses (to the extent not otherwise paid for under any Employer benefits provided for this purpose) incurred by the Member or his dependents; or (4) any other major financial emergencies which in the sole judgment of the Committee warrant a hardship withdrawal. In the event of such an emergency withdrawal, the Member may continue his participation in the Plan without interruption.

7.02 Withdrawal After Age 59 1/2

A Member who shall have attained age 59 1/2 as of the effective date of any withdrawal pursuant to this Section may, subject to Section 7.04, elect to withdraw one time per calendar year, in any order of priority he chooses, all or part of his Deferred Account, and all or part of the Vested Portion of his Employer Account attributable to Employer contributions and all or part of the portion of the Member Account attributable to After-Tax Contributions made by the Member under Section 3.02.

7.03 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 7.04, elect to

withdraw not more than once in a Plan Year all or part of the Deferred Cash Contributions made on his behalf to his Deferred Account upon furnishing proof of Hardship satisfactory to the Committee.

(b) A Member shall be considered to have incurred a "Hardship" if, and only if, he meets the requirements of paragraphs (c) and (d) below.

(c) As a condition for Hardship there must exist with respect to the Member an immediate and heavy need to draw upon his Deferred Account.

(i) The Committee shall presume the existence of such immediate and heavy need if the requested withdrawal is on account of any of the following:

(A) expenses for medical care described in Section 213(d) of the Code previously incurred by the Member, his spouse or any of his dependents (as defined in Section 152 of the Code) or necessary for those persons to obtain such medical care;

(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 for the next 12 months of post-secondary education of the Member, his spouse or dependents;

(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; or

(E) the inability of the Member 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.

(ii) The 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 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 Committee shall act in a nondiscriminatory fashion and shall treat uniformly those Members who are similarly situated. The Member shall furnish to the Committee such supporting documents as the Committee may request in accordance with uniform and nondiscriminatory rules prescribed by the Committee.

(d) 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 (c)(i) above must comply with (i) as follows and the Member who requests a hardship withdrawal to satisfy a financial need described in (c)(ii) above must comply with (ii) as follows:

(i) The Member must certify to the Committee, on such form as the 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 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 Committee such supporting documents as the Committee may request in accordance with uniform and nondiscriminatory rules prescribed by the Committee. If, on the basis of the Member's certification and the supporting documents, the Committee finds it can reasonably rely on the Member's certification, then the 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 Committee shall prescribe, that the Committee make its determination of the necessity for the withdrawal solely on the basis of his application. In that event, the 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 currently available under all plans of the Employer and Affiliated Employers,

(B) the Member is prohibited from making Deferred Cash 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.

7.04 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.

7.05 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.

7.06 Separate Contracts.

For purposes of Section 72 of the Code, a Member's Member Account shall constitute a separate contract, and the remaining amounts in the Plan with respect to a Member shall constitute another separate contract.

ARTICLE 8: LOANS TO MEMBERS

8.01 Amount Available

(a) On and after March 1, 1995, a Member who is an employee of the Employer or an Affiliated Employer may borrow, on written application to the Committee and on approval by the 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.

(b) The interest rate to be charged on loans shall be determined by the Committee each January 1 and shall be one percent (1%) above the reference charged by Mellon Bank as of January 1. The interest rate so determined for purposes of the Plan shall be fixed for the duration of each loan.

(c) 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.

8.02 Terms

(a) In addition to such rules and regulations as the 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 Committee, whose action in approving or disapproving the application shall be final.

(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 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. Notwithstanding the foregoing, in the event a Member enters the uniformed services of the United States and retains reemployment rights under the law, loan repayments shall be suspended (and interest shall cease to accrue) during the period of leave, and the period of repayment shall be extended by the number of months of the period of service in the uniformed services; 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.

(iv) Payments of principal and interest will be made by payroll deductions or in a manner agreed to by the Member and the Committee in substantially level amounts, but no less frequently than quarterly, in an amount sufficient to amortize the loan over the repayment period.

(v) A loan may be prepaid, but only in full, as of the end of any month without penalty.

(vi) Only one loan may be outstanding at any given time.

(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 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 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).

ARTICLE 9: DISTRIBUTION OF ACCOUNTS UPON TERMINATION OF EMPLOYMENT**9.01 Eligibility**

Upon a Member's termination of employment 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).
- (b) In lieu of a distribution as described in paragraph (a) above, a Member may, in accordance with such procedures as the 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 is less than the applicable cashout amount, a lump sum payment shall automatically be made as soon as administratively practicable following the Member's termination of employment. For purposes of this subsection, the applicable cashout amount shall be \$3,500 for Plan Years commencing prior to January 1, 2000 and \$5,000 for Plan Years commencing on or after January 1, 2000.
- (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 70 1/2 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 Member's Accounts shall begin no later than the April 1 following the calendar year in which he attains age 70 1/2. 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 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.

(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. Such minimum amount will be determined on the basis of either a single or a joint life expectancy of the Member and his Beneficiary at the Member's election. Such life expectancy will be recalculated once each year; however, the life expectancy of the Beneficiary will not be recalculated if the Beneficiary is not the Member's spouse.

In the event a Member fails to make an election under this Section 9.04, payment shall be made in accordance with clause (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 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 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 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, and such regulations shall override any Plan provision that is inconsistent with Section 401(a)(9) of the Code. Further, 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, notwithstanding any provisions of the Plan to the contrary. This provision shall continue in effect until the end of the last calendar year beginning before the effective date of final regulations under Section 401(a)(9) of the Code or such other date as may be specified in guidance published by the Internal Revenue Service.

9.08 Direct Rollover of Certain Distributions

This Section applies to distributions made on or after January 1, 1993. 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 Committee, to have any portion of an eligible rollover distribution paid directly by the Plan 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 a portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include
 - (i) any distribution to the extent that the distribution is required under Section 401(a)(9) of the Code, (ii) the portion of any distribution that is not

includible in gross income, and (iii) any distribution made pursuant to Section 7.03 on or after January 1, 1999.

(b) "Eligible retirement plan" means 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, or a qualified trust described in Section 401(a) of the Code other than a defined benefit plan, that accepts the distributee's eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.

(c) "Distributee" means 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.

(d) "Direct rollover" means a payment by the Plan to the eligible retirement plan specified by the distributee. In the event that the provisions of this Section 9.08 or any part thereof cease to be required by law as a result of subsequent legislation or otherwise, this Section or any applicable part thereof shall be ineffective without the necessity of further amendment to the Plan.

9.09 Waiver of Notice Period

Effective for Plan Years commencing on or after January 1, 1997, if the value of the vested portion of a Member's Accounts exceeds (i) \$3,500 if the date of determination is prior to January 1, 2000, or (ii) \$5,000 if the date of determination is on or after January 1, 2000, 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 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.

ARTICLE 10: ADMINISTRATION OF PLAN**10.01 Appointment of Administration Committee**

The general administration of the Plan and the responsibility for carrying out the provisions of the Plan shall be placed in an Administration 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 Committee shall signify his acceptance by filing written acceptance with the President or his designee. Any member of the 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 Committee

The members of the Committee shall elect a chairman from their number and a secretary who may be but need not be one of the members of the Committee; may appoint from their number such subcommittees with such powers as they shall determine; may authorize one or more of their number or any agent to execute or deliver any instrument or make any payment on their behalf; and may retain counsel, employ agents and provide for such clerical, accounting, and consulting services as they may require in carrying out the provisions of the Plan.

Notwithstanding the foregoing powers of the Committee with respect to the administration of the Plan, the Chairman of the Board of Directors or his designee shall have the sole power and responsibility to appoint the Trustee who shall direct the investment of the Trust Fund, or select the Insurer who shall issue the Group Annuity Contract hereunder, as the case may be. Such Trustee shall manage all portions of the Trust Fund for investment and reinvestment in its sole discretion upon such terms and for such compensation as the Board and the Trustee may agree upon. Such insurer shall comply with all provisions of the Group Annuity Contract for such compensation as the Board and Insurer may agree upon. The agreed-upon compensation of the Trustee, the administrative expenses of the Trustee, its counsel fees, if any, or the agreed-upon charges of the Insurer under the Group Annuity Contract, as the case may be, shall be paid by the Fund.

10.03 Individual Accounts

The Committee shall maintain, or cause to be maintained, records showing the interests in the Trust Fund or Group Annuity Contract, as the case may be, 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 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 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 Committee and shall have the same effect for all purposes as if assented to by all members of the Committee at the time in office.

10.06 Compensation and Bonding

No member of the 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 Committee from time to time shall establish rules for the administration of the Plan and the transaction of its business. The 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 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 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 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 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 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 Appointment of Investment Manager

The Chairman of the Board of Directors or his designee may, in his discretion, appoint one or more investment managers (within the meaning of Section 3(38) of ERISA) to manage (including the power to acquire and dispose of) all or part of the assets of the Plan, as the President or his designee shall designate. In that event authority over and responsibility for the management of the assets so designated shall be the sole responsibility of that investment manager.

10.13 Claims Review Procedure

(a) Claims for benefits under the Plan shall be filed on forms supplied by the 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 Committee. Such request, together with a written statement of the claimant's position, shall be filed with the Committee no later than 90 days after receipt of the written notification provided for in paragraph (a) above. The committee shall schedule an opportunity for a full and fair hearing 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 Committee shall be final and binding upon all parties concerned.

10.14 Named Fiduciary

For purposes of ERISA, Curtiss-Wright Corporation shall be the named fiduciary of the Plan and the Committee shall be the named administrator of the Plan

ARTICLE 11: MANAGEMENT OF FUNDS

11.01 Trust Agreement or Group Annuity Contract

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, or be held by an Insurer, selected by the Board, under the Group Annuity Contract entered into between the Insurer and Curtiss-Wright Corporation. References in the Plan to Trustee or Insurer shall be deemed to be applicable with equal force to co-Trustee or co-Insurers or successor Trustee or successor Insurers who may be so selected. The Board in its discretion may remove the Trustee or Trustee or successor Trustee or Trustee or Insurer or Insurers or successor Insurer or Insurers 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 or be held under the Group Annuity Contract for use in accordance with the Plan and the Group Annuity Contract, as the case may be. 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 or Insurer, as the case may be, shall invest, reinvest, manage, control and make disbursements from the Trust Fund or funds deposited with the Insurer pursuant to the Group Annuity Contract in accordance with the provisions of this Plan and the Trust Agreement or the Group Annuity Contract, as the case may be, referred to in Section 11.01.

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) Effective as of December 31, 1997, 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 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 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 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 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 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 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 be distributed to Members only 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(d)(4) of the Code, without regard to clauses (i) through (iv) of subparagraph (A), subparagraph (B), or subparagraph (F) 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) of the Code ("ESOP") or a simplified employee pension as defined in Section 408(k) of the Code ("SEP")) which exists at the

time the Plan is terminated or within the 12-month period beginning on the date all assets are distributed. However, in no event shall a defined contribution plan be deemed a successor plan if fewer than two 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 an ESOP or a SEP) at any time during the period beginning 12 months before and ending 12 months after the date of the Plan's termination.

12.05 Distribution of Accounts Upon a Sale of Assets or a Sale of a Subsidiary

Effective for Plan Years commencing prior to January 1, 2002, upon the disposition by the Employer of at least 85 percent of the assets (within the meaning of Section 409(d)(2) of the Code) used by the Employer in a trade or business or upon the disposition by the Employer of its interest in a subsidiary (within the meaning of Section 409(d)(3) of the Code), Deferred Cash Contributions, with earnings thereon, may be distributed to those Members who continue in employment with the employer acquiring such assets or with the sold subsidiary, provided that:

(a) the Employer maintains the Plan after the disposition,

(b) the buyer does not adopt the Plan or otherwise become a participating employer in the Plan and does not accept any transfer of assets or liabilities from the Plan to a plan it maintains in a transaction subject to Section 414(l)(1) of the Code, and

(c) payment is made to the Member in the form of a lump sum distribution (as defined in Section 402(d)(4) of the Code, without regard to clauses (i) through (iv) of subparagraph (A), subparagraph (B), or subparagraph (F) thereof).

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. However, payment shall be made in accordance with the provisions of any judgment, decree, or order which:

- (a) 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,
- (b) is made pursuant to a State domestic relations law,
- (c) does not require the Plan to provide any type of benefit, or any option, not otherwise provided under the Plan, and
- (d) otherwise meets the requirements of Section 206(d) of ERISA, as amended, as a "qualified domestic relations order", as determined by the 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.

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 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 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 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 an employee who is in a category of employees determined in accordance with the provisions of Sections 416(i)(1) and (5) of the Code and any regulations thereunder, and where applicable, on the basis of the Employee's Statutory Compensation from the Employer or an Affiliated Employer;

(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 Employer 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 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 (4) of the Code and Article 5 of this Plan. For purposes of determining whether the Plan is top-heavy, the account balances 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. Distributions made with respect to a Member under the Plan during the five-year period ending on the applicable determination date shall be taken into account for purposes of determining the top-heavy ratio; distributions under plans that terminated within such five-year period shall also be taken into account, if any such plan contained key employees and therefore would have been part of the required aggregation group.

(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 separated from service as of the last day of the Plan Year, to the extent that the contributions made on his behalf under Section 3.03 for the Plan Year (and not needed to meet the contribution percentage test set forth in Section 3.08) would otherwise be less than 3% of his remuneration. However, if the greatest percentage of remuneration contributed on behalf of a key employee under Sections 3.01 and 3.03 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.

For the purposes of this subparagraph (ii), remuneration has the same meaning as set forth in Section 3.11(c). (d) If the Plan is top-heavy with respect to a Plan Year and ceases to be top-heavy for a subsequent Plan Year, a Member who has completed three years of Vesting Service on or before the last day of the most recent Plan Year for which the Plan was top-heavy shall continue to be vested in and have a nonforfeitable right to his Employer Account.

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 Committee in a time and manner determined by the Committee under rules uniformly applicable to all employees similarly situated. The 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 Committee, be transmitted electronically to the extent permitted by, and in accordance with any procedures set forth in, applicable law and regulations.

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.

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 or she completes his or her Year of Eligibility Service, which Year of Eligibility Service shall include all service at Enertech and shall remain eligible so long as he or she 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:

Years of Service for Vesting	Vested Percentage
0	0%
1	0%
2	0%
3	20%

4	40%
5	60%
6	80%
7	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 or she completes one year of service, including service with Metallurgical Processing, Inc. and shall remain eligible so long as he or she 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 or she completes one year of service, including service with Allegheny Teledyne and shall remain eligible so long as he or she 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 or she completes one year of service, including service with Electric Furnace Company, and shall remain eligible so long as he or she 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 October 25, 2001, shall be eligible to become a Member on any Enrollment date on or after he or she completes one year of service, including service with Lau Defense Systems and Vista Controls, and shall remain eligible so long as he or she 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 6, 2001, shall be eligible to become a Member on any Enrollment date on or after he or she completes one year of service, including service with Ironbound Heat Treating Company, and shall remain eligible so long as he or she 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 or she completes one year of service, including service with Peerless Instrument Company, and shall remain eligible so long as he or she 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 13, 2001 shall be eligible to become a Member on any Enrollment date on or after he or she completes one year of service, including service with Deltavalve USA, L.L.C., and shall remain eligible so long as he or she continues to satisfy the eligibility requirements.

11. Bodycote Thermal Processing

Each former employee of Bodycote Thermal Processing who became an Employee as of December 21, 2001, shall be eligible to become a Member on any Enrollment date on or after he or she completes one year of service, including service with Bodycote Thermal Processing, and shall remain eligible so long as he or she 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 February 20, 2002, shall be eligible to become a Member on any Enrollment date on or after he or she completes one year of service, including service with Penny & Giles Controls, Inc., and shall remain eligible so long as he or she continues to satisfy the eligibility requirements.

Exhibit 10(xiv)

June 4, 2001

PERSONAL AND CONFIDENTIAL

Brian D. O'Neill, Esq.

Lyndhurst, New Jersey

Dear Brian:

The purpose of this Letter Agreement (the "Agreement") is to set forth the terms of your separation from employment with Curtiss-Wright Corporation (the "Company").

1. Your last day of active employment will be today.
2. In consideration of the obligations you assume and the other agreements made by you under this Agreement, the Company agrees that:
 - a. You will continue in an employment status and the Company will continue paying you your current base salary in accordance with its normal payroll procedures until November 1, 2002. In the event that you obtain other employment prior to December 31, 2001, you shall have the right to receive any unpaid 2001 severance in a lump sum should you so choose upon providing the Company with reasonable notice in writing of your desire to do so. In addition, you shall have the right to receive on or after January 1, 2002 any unpaid 2002 severance in a lump sum should you so choose upon providing the Company with reasonable notice in writing of your desire to do so. It is expressly understood that this employment continuation and these payments are in complete satisfaction, among other things, of any obligations the Company may have now or in the future to pay you for time not worked such as severance pay (including any severance pay pursuant to the Severance Agreement signed by you previously), pay in lieu of notice, unpaid incentive compensation or payment for accrued but unused vacation, sick or personal time.
 - b. You and your eligible dependents will continue to participate as though actively employed in the flexible spending and the life insurance, disability, medical, dental, prescription drug and hospitalization coverages generally provided to senior Company executives until November 1, 2002. or until you obtain coverage as a result of employment elsewhere, whichever occurs first.

June 4, 2001

- c. The Company shall permit you to continue to use the Company-provided automobile now being provided to you (and will maintain the automobile registration and insurance coverage thereon so long as you agree to be responsible for any operating, repair and/or maintenance costs not otherwise covered by manufacture or dealer warranties) until November 1, 2002, at which time you will be entitled to purchase that automobile at its wholesale value.
- d. The Company shall provide you with executive outplacement services until November 1, 2002, or until you begin employment elsewhere, whichever occurs first.
- e. The Company shall provide you with executive coaching services under terms arranged for by the Company.
- f. The Company will respond to all inquiries regarding your employment with the Company, or regarding the termination of that employment by providing the dates of your employment and your last position held. The Company shall ensure that it, its subsidiaries or affiliates, and the officers, trustees, directors and managing agents thereof, will not at any time disparage you or otherwise take any action opposed to your best interests.
- g. The Company shall continue to provide you with access to executive financial consulting services with The AYCO Company through December 31, 2001 as though you remained actively employed during that period.
- h. The Company shall continue to provide you with use of the Company-provided cellular telephone now being provided to you until November 1, 2002 as though you remained actively employed.
- i. Currently outstanding but unvested stock options under the Long Term Incentive Compensation Agreements between the Company and you dated November 16, 1998, November 16, 1999 and November 20, 2000 shall vest respectively on the anniversary dates of said Agreements as though you were actively employed by the Company through November 30, 2002.

3. In return for the above commitments by the Company, you agree as follows:

June 4, 2001

a. Effective as of the date you sign this Agreement, you hereby resign from any and all offices you hold with the Company, its subsidiaries and affiliates.

b. Effective November 1, 2002, you hereby resign from your employment with the Company.

c. You agree, for yourself and your heirs, successors and assigns, that, as of the Effective Date of this Agreement (as defined in Paragraph 8 of this Agreement), you are releasing and giving up any and all rights which you have against the Company which might arise out of your employment with the Company or which might arise out of the termination of that employment. Specifically, you hereby consent:

(i) to irrevocably and unconditionally release and discharge the Company, the subsidiaries and affiliates of both the Company, the predecessors and successors of the Company and their subsidiaries and affiliates, and the owners, stockholders, directors, trustees, officers, employees, partners and agents of both the Company and of the predecessors and successors of both the Company and their subsidiaries and affiliates (collectively "Releasees"), from any and all debts, obligations, claims, demands, judgments, or causes of action of any kind whatsoever, known or unknown, in tort, contract, by statute, or on any other basis for compensatory, punitive, or other damages, attorneys' fees, expenses, reimbursements or costs of any kind which you have or may have as of the date you sign this Agreement, including but not limited to any and all federal, state and local law claims, whether statutory or common law, including, but not limited to claims under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1966, the Civil Rights Act of 1991, the Age Discrimination in Employment Act of 1967, the Employee Retirement Income Security Act of 1974, the Americans With Disabilities Act, the Federal Family and Medical Leave Act, Executive Orders 11246 and 11141, the New Jersey Law Against Discrimination, the New Jersey Conscientious Employee Protection Act, the New Jersey Family Leave Act and any and all claims of wrongful discharge, constructive discharge, breach of contract, or of employment discrimination on any basis, including race, color, sex, religion, national origin, age, disability or

June 4, 2001

handicap, affectional preference or sexual orientation, marital status or veterans' status; and

(ii) except as may be necessary to enforce this Agreement or as otherwise permitted by law, not to file a lawsuit or any charges of discrimination alleging any claims against any of the Releasees.

d. You acknowledge that you have an obligation of confidentiality and nondisclosure with respect to any and all confidential information and trade secrets that you acquired during the course of your employment with the Company. You will immediately return all confidential information and property belonging to or generated by or for the use of the Company, including physical or personal property, and including confidential documents which you received or prepared or helped prepare during your employment with the Company, and you will not retain any copies, duplicates, reproductions or excerpts thereof.

e. Except as provided in Paragraph 6 of this Agreement, you agree not to discuss the terms of this Agreement, or the existence of this Agreement, with any person or entity whatsoever, including, but not limited to, any employee or contractor of the Company (or of any of the subsidiaries or affiliates of the Company) or with any employee of another organization doing business with the Company (or with any of the subsidiaries or affiliates of the Company), without the prior written consent of the Company, which consent shall not be unreasonably withheld, except

(1) with your spouse and immediate family; (2) as necessary in the course of preparing and filing tax returns, or in financial planning; or (3) in any legal proceeding relating to or based upon the terms of this Agreement. Notwithstanding the foregoing, you shall have the right to advise any prospective employer or agent of a prospective employer that you and the Company agreed on a severance arrangement, the terms of which are confidential. You shall also have the right to advise any prospective employer that there are no restrictions on your ability to secure employment with any such prospective employer.

f. During the period ending November 1, 2002, the Company shall be entitled to such of your services as a consultant as the Company may from time to time reasonably request, having regard to your health, residence and personal circumstances, in connection with any matter on which you were working at the time of the termination of your employment or with respect

June 4, 2001

of which you might be expected to have special competence by reason of your employment with the Company or a subsidiary or otherwise. Consulting services may not be required to the extent that the performance of such services would interfere with your seeking, accepting or performing employment elsewhere. You shall not be paid compensation (other than the payments set forth in Paragraph 2a of this Agreement) for such consulting services.

g. You expressly agree that you will not at any time disparage the Company, its subsidiaries or affiliates, or their officers, directors or trustees, and that you otherwise will not take any action opposed to the best interests of the Company, its subsidiaries or affiliates, or their officers, directors or trustees.

4. The provisions of this Agreement are severable and, if any part or subpart is found to be unenforceable, the other portions shall remain fully valid and enforceable. In the event that you breach any of your affirmative obligations under this Agreement, the Company may, in addition to any other remedies it may have at law or in equity, suspend all payments to you or on your behalf until such time as you have remedied your failure to honor your obligations. This Agreement sets forth our complete agreement regarding your employment with the Company and with regard to the termination of that employment, and this Agreement shall supersede any prior Agreements between us. This Agreement shall survive the termination of any arrangements contained herein, and this Agreement may not be varied or amended in any regard except in a writing signed by both of us.

5. You acknowledge that the payments and benefits being provided to you under this Agreement are in excess of any payments or benefits to which you otherwise would be entitled.

6. If you sign this Agreement, you will be giving up important rights. Accordingly, we strongly advise you to discuss all aspects of this Agreement with an attorney of your own choosing. By your signature, you represent and agree that you fully understand the importance of this Agreement and your right to discuss this Agreement with an attorney of your own choosing. By your signature, you also represent and agree that, to the extent, if any, which you desire, you have taken advantage of your right to consult with an attorney, that you have carefully read and fully understand all of the provisions of this Agreement, and that you are voluntarily entering into this Agreement.

June 4, 2001

7. This Agreement will be governed by the laws of the State of New Jersey.

8. You have twenty-one (21) days from the date you receive this Agreement to decide whether to sign this Agreement. If you do sign this Agreement, you will have seven (7) days from the date you sign it to withdraw your consent to the terms of this Agreement. If you change your mind, you must send written notice of your decision to me, so that I receive your revocation no later than the seventh day after you originally signed the Agreement. If you do not revoke the Agreement within this time, the Agreement will become effective on the eighth day after you originally signed (that eighth day is also referred to in this Agreement as the "Effective Date").

9. This Agreement shall inure to the benefit of the Company, its successors and assigns; and to you, your heirs, successors, and assigns.

If this letter correctly sets forth our agreement, please sign and date the enclosed copy and return it to me in the envelope provided.

Sincerely yours,

Martin R. Benante Chairman, Chief Executive Officer and President Curtiss-Wright Corporation

Brian D. O'Neill

Agreed this ____ day of _____, 2001.

Exhibit 10(xv)

November 12, 2001

PERSONAL AND CONFIDENTIAL

Robert A. Bosi

Lyndhurst, New Jersey

Dear Bob:

The purpose of this Letter Agreement (the "Agreement") is to set forth the terms of your separation from employment with Curtiss-Wright Corporation (the "Company").

1. Your last day of active employment will be today.
2. In consideration of the obligations you assume and the other agreements made by you under this Agreement, the Company agrees that:
 - a. You will continue in an employment status and the Company will continue paying you your current base salary in accordance with its normal payroll procedures until March 1, 2003. You shall receive service credit toward the Company retirement plan for as long as you continue to receive severance payments. In addition, you will receive your annual targeted bonus of \$87,500 for 2001 at the time it would otherwise be payable. In the event that you obtain other employment prior to December 31, 2002, you shall have the right to receive on the later of January 15, 2002 or on the date you become actively employed any unpaid 2002 severance in a lump sum should you so choose upon providing the Company with reasonable notice in writing of your desire to do so. In addition, you shall have the right to receive on or after January 1, 2003 any unpaid 2003 severance in a lump sum should you so choose upon providing the Company with reasonable notice in writing of your desire to do so. It is expressly understood that this employment continuation and these payments are in complete satisfaction, among other things, of any obligations the Company may have now or in the future to pay you for time not worked such as severance pay (including any severance pay pursuant to the Severance Agreement signed by you previously), pay in lieu of notice, unpaid incentive compensation or payment for accrued but unused vacation, sick or personal time.

October __, 2001

b. You will cease to participate in or benefit from the Company's medical, dental, prescription drug and hospitalization effective November 12, 2001. Thereafter, you will be offered COBRA as provided for under the Consolidated Omnibus Budget Reconciliation Act of 1985. If you elect COBRA coverage, the Company shall pay on your behalf the applicable COBRA premium during the maximum period of 15 of the 18 months as allowed under COBRA for the particular qualifying event which caused your loss of coverage even though the Company is permitted to charge you and your dependents up to 102 percent of the applicable premium for this coverage. Following the 15 month period of continuation of coverage under COBRA (March 1, 2003), the Corporation will continue, at your expense if you desire, the medical (including prescription) and dental coverage, subject to all terms and provisions of such coverage in effect at the time a charge is incurred, through June 1, 2003. You and your eligible dependents will continue to participate as though actively employed in the flexible spending plan, life insurance and disability coverages generally provided to senior Company executives until March 1, 2003 or until you obtain coverage as a result of employment elsewhere, whichever occurs first.

c. The Company shall permit you to continue to use the Company-provided automobile now being provided to you (and will maintain the automobile registration and insurance coverage thereon so long as you agree to be responsible for any operating, repair and/or maintenance costs not otherwise covered by manufacture or dealer warranties) until March 1, 2003, at which time the Company shall transfer ownership of the vehicle to you, should you desire to keep the vehicle. Upon the transfer of title, all Company shall have no further obligations toward the vehicle.

d. The Company shall provide you with executive outplacement services until March 1, 2003, or until you begin employment elsewhere, whichever occurs first.

e. The Company shall provide you with executive coaching services under terms arranged for by the Company.

October __, 2001

- f. The Company will respond to all inquiries regarding your employment with the Company, or regarding the termination of that employment by providing the dates of your employment and your last position held. The Company shall ensure that its subsidiaries or affiliates, and the officers, trustees, directors and managing agents thereof, will not at any time disparage you or otherwise take any action opposed to your best interests.
 - g. The Company shall continue to provide you with access to executive financial consulting services with The AYCO Company through December 31, 2001 as though you remained actively employed during that period.
 - h. The Company shall continue to provide you with use of the Company-provided cellular telephone now being provided to you until March 1, 2003 as though you remained actively employed. You will be responsible for the monthly cell phone balance in excess of \$100 to be paid promptly on a monthly basis.
 - i. Currently outstanding but unvested stock options under the Long Term Incentive Compensation Agreements between the Company and you dated November 16, 1998, November 16, 1999 and November 20, 2000 shall vest respectively on the anniversary dates of said Agreements as though you were actively employed by the Company through March 1, 2003.
 - j. The Company shall pay you any earned and accrued bonus under the Company's Modified Incentive Compensation Plan in accordance with the Plan's terms and conditions. This includes pro rata performance units for which you are eligible under the Plan's terms and conditions.
3. In return for the above commitments by the Company, you agree as follows:
- a. Effective as of the date you sign this Agreement, you hereby resign from any and all offices you held with the Company, its subsidiaries and affiliates.
 - b. Effective November 12, 2001, you hereby resign from your employment with the Company.
 - c. You agree, for yourself and your heirs, successors and assigns, that, as of the Effective Date of this Agreement (as defined in Paragraph 8 of this

October __, 2001

Agreement), you are releasing and giving up any and all rights which you have against the Company which might arise out of your employment with the Company or which might arise out of the termination of that employment. Specifically, you hereby consent:

(i) to irrevocably and unconditionally release and discharge the Company, the subsidiaries and affiliates of both the Company, the predecessors and successors of the Company and their subsidiaries and affiliates, and the owners, stockholders, directors, trustees, officers, employees, partners and agents of both the Company and of the predecessors and successors of both the Company and their subsidiaries and affiliates (collectively "Releasees"), from any and all debts, obligations, claims, demands, judgments, or causes of action of any kind whatsoever, known or unknown, in tort, contract, by statute, or on any other basis for compensatory, punitive, or other damages, attorneys' fees, expenses, reimbursements or costs of any kind which you have or may have as of the date you sign this Agreement, including but not limited to any and all federal, state and local law claims, whether statutory or common law, including, but not limited to claims under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1966, the Civil Rights Act of 1991, the Age Discrimination in Employment Act of 1967, the Employee Retirement Income Security Act of 1974, the Americans With Disabilities Act, the Federal Family and Medical Leave Act, Executive Orders 11246 and 11141, the New Jersey Law Against Discrimination, the New Jersey Conscientious Employee Protection Act, the New Jersey Family Leave Act and any and all claims of wrongful discharge, constructive discharge, breach of contract, or of employment discrimination on any basis, including race, color, sex, religion, national origin, age, disability or handicap, affectional preference or sexual orientation, marital status or veterans' status; and

(ii) except as may be necessary to enforce this Agreement or as otherwise permitted by law, not to file a lawsuit or any charges of discrimination alleging any claims against any of the Releasees.

d. You acknowledge that you have an obligation of confidentiality and nondisclosure with respect to any and all confidential information and trade secrets that you acquired during the course of your employment with the

October __, 2001

Company. You will immediately return all confidential information and property belonging to or generated by or for the use of the Company, including physical or personal property, and including confidential documents which you received or prepared or helped prepare during your employment with the Company, and you will not retain any copies, duplicates, reproductions or excerpts thereof.

e. Except as provided in Paragraph 6 of this Agreement, you agree not to discuss the terms of this Agreement, or the existence of this Agreement, with any person or entity whatsoever, including, but not limited to, any employee or contractor of the Company (or of any of the subsidiaries or affiliates of the Company) or with any employee of another organization doing business with the Company (or with any of the subsidiaries or affiliates of the Company), without the prior written consent of the Company, which consent shall not be unreasonably withheld, except

(1) with your spouse and immediate family; (2) as necessary in the course of preparing and filing tax returns, or in financial planning; or (3) in any legal proceeding relating to or based upon the terms of this Agreement. Notwithstanding the foregoing, you shall have the right to advise any prospective employer or agent of a prospective employer that you and the Company agreed on a severance arrangement, the terms of which are confidential. You shall also have the right to advise any prospective employer that there are no restrictions on your ability to secure employment with any such prospective employer.

f. During the period ending March 1, 2003, the Company shall be entitled to such of your services as a consultant as the Company may from time to time reasonably request, having regard to your health, residence and personal circumstances, in connection with any matter on which you were working at the time of the termination of your employment or with respect of which you might be expected to have special competence by reason of your employment with the Company or a subsidiary or otherwise. Consulting services may not be required to the extent that the performance of such services would interfere with your seeking, accepting or performing employment elsewhere. You shall not be paid compensation (other than the payments set forth in Paragraph 2a of this Agreement) for such consulting services.

g. You expressly agree that you will not at any time disparage the Company, its subsidiaries or affiliates, or their officers, directors or trustees, and that

October __, 2001

you otherwise will not take any action opposed to the best interests of the Company, its subsidiaries or affiliates, or their officers, directors or trustees.

4. The provisions of this Agreement are severable and, if any part or subpart is found to be unenforceable, the other portions shall remain fully valid and enforceable. In the event that you breach any of your affirmative obligations under this Agreement, the Company may, in addition to any other remedies it may have at law or in equity, suspend all payments to you or on your behalf until such time as you have remedied your failure to honor your obligations. This Agreement sets forth our complete agreement regarding your employment with the Company and with regard to the termination of that employment, and this Agreement shall supersede any prior Agreements between us. This Agreement shall survive the termination of any arrangements contained herein, and this Agreement may not be varied or amended in any regard except in a writing signed by both of us.

5. You acknowledge that the payments and benefits being provided to you under this Agreement are in excess of any payments or benefits to which you otherwise would be entitled.

6. If you sign this Agreement, you will be giving up important rights. Accordingly, we strongly advise you to discuss all aspects of this Agreement with an attorney of your own choosing. By your signature, you represent and agree that you fully understand the importance of this Agreement and your right to discuss this Agreement with an attorney of your own choosing. By your signature, you also represent and agree that, to the extent, if any, which you desire, you have taken advantage of your right to consult with an attorney, that you have carefully read and fully understand all of the provisions of this Agreement, and that you are voluntarily entering into this Agreement.

7. This Agreement will be governed by the laws of the State of New Jersey.

8. You have twenty-one (21) days from the date you receive this Agreement to decide whether to sign this Agreement. If you do sign this Agreement, you will have seven (7) days from the date you sign it to withdraw your consent to the terms of this Agreement. If you change your mind, you must send written notice of your decision to me, so that I receive your revocation no later than the seventh day after you originally signed the Agreement. If you do not revoke the Agreement

October __, 2001

within this time, the Agreement will become effective on the eighth day after you originally signed (that eighth day is also referred to in this Agreement as the "Effective Date").

9. This Agreement shall inure to the benefit of the Company, its successors and assigns; and to you, your heirs, successors, and assigns.

If this letter correctly sets forth our agreement, please sign and date the enclosed copy and return it to me in the envelope provided.

Sincerely yours,

Martin R. Benante Chairman, Chief Executive Officer and President Curtiss-Wright Corporation

Robert A. Bosi

Agreed this ____ day of _____, 2001.

Exhibit 13

Strength in Diversification

[GRAPHIC OMITTED]

CURTISS-WRIGHT CORPORATION ANNUAL REPORT 2001

[The following was represented as a graphic in the printed material.]

Nuclear Power Generation

Navy Programs (Nuclear and Non-Nuclear)

Commercial Jet Transports

Fossil Power Generation

Pulp and Paper

Processing Industry

Petrochemical/Chemical

Military Transport and Fighter Aircraft

Metalworking

Oil and Gas Exploration/Refining

Construction and Mining Equipment

High Speed Trains

Space Programs

Ground Defense Vehicles

Pharmaceutical

Agricultural Equipment

Natural Gas Production and Transmission

Business/Regional Jets

Automotive/Truck

Marine Propulsion

Unmanned Aerial Vehicles

Automated Industrial Equipment

Financial Highlights

(In thousands, except per share data; unaudited)

	2001	2000	1999
PERFORMANCE(1):			
Net sales	\$ 343,167	\$ 329,575	\$ 293,263
Earnings before interest, taxes, depreciation, amortization and pension income	107,069	74,247	70,888
Net earnings	62,880	41,074	39,045
Normalized net earnings(2)	40,633	37,910	34,042
Diluted earnings per share	6.14	4.03	3.82
Normalized diluted earnings per share	3.97	3.72	3.33
Return on sales	19.0%	12.5%	13.6%
Normalized return on sales	12.3%	11.5%	11.8%
Return on average assets	15.0%	10.3%	10.9%
Normalized return on average assets	9.7%	9.5%	9.5%
Return on average stockholders' equity	21.7%	15.0%	16.4%
Normalized return on average stockholder's equity	14.0%	13.8%	14.3%
New orders	326,475	299,403	295,709
Backlog at year-end	242,257	182,648	212,820
YEAR-END FINANCIAL POSITION:			
Working capital	\$ 149,861	\$ 149,779	\$ 124,438
Current ratio	3.0 to 1	3.9 to 1	3.2 to 1
Total assets	500,428	409,416	387,126
Stockholders' equity	349,954	290,224	258,355
Stockholders' equity per share	34.73	28.97	25.73
OTHER YEAR-END DATA:			
Depreciation and amortization	\$ 14,734	\$ 14,346	\$ 12,864
Capital expenditures	19,354	9,506	19,883
Shares of stock outstanding	10,074,725	10,017,280	10,040,250
Number of registered stockholders	9,898	3,602	3,854
Number of employees	2,625	2,286	2,267
DIVIDENDS PER SHARE	\$ 0.54	\$ 0.52	\$ 0.52

(1) The performance ratios for 2001 and 1999 have been shown on a pro-forma basis, excluding the results of the acquired companies in those respective years. 2000 was not adjusted due to the immaterial impact.

(2) Earnings have been adjusted to exclude the effects of environmental insurance settlements, postretirement benefits, postemployment costs, recapitalization costs, a gain on sale of real property, a net demutualization gain, and facility consolidation costs.

1 STRENGTH IN DIVERSIFICATION

14 LETTER TO SHAREHOLDERS

19 QUARTERLY RESULTS OF OPERATIONS

19 CONSOLIDATED SELECTED FINANCIAL DATA

**20 MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS
OF OPERATIONS**

**24 QUANTITATIVE AND QUALITATIVE DISCLOSURES
ABOUT MARKET RISK**

25 REPORT OF THE CORPORATION

25 REPORT OF INDEPENDENT ACCOUNTANTS

26 CONSOLIDATED FINANCIAL STATEMENTS

30 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Contents 45 CORPORATE DIRECTORY AND INFORMATION

[The following was represented by line graphs in the printed material.]

[PLOT POINTS TO COME]

NET SALES (\$000s) SALES PER EMPLOYEE (\$)	OPERATING INCOME (\$000s)	NET EARNINGS (\$000s)
Sales \$343,167	Reported \$47,158	Reported \$62,880
Sales per employee \$146,569	Normalized \$47,441	Normalized \$40,633

Design: VCG/NewYork City

Selected Photography: John Rae

F-22 Photograph credit: U.S. Air Force

[PHOTOS OMITTED]

Curtiss-Wright Corporation is a diversified, global enterprise delivering highly engineered, technologically advanced, value-added products and services to a broad range of industries in the Motion Control, Flow Control and Metal Treatment market segments. Over the last five years, Curtiss-Wright has achieved a fundamental balance among its operating units that has effectively limited the Company's overall dependence on any given industry or market. Corporate growth and diversification have been achieved through successful application of Curtiss-Wright's considerable core competencies in engineering and precision manufacturing; adaptation of existing technologies to new markets through internal product development; and a disciplined program of strategic acquisitions of companies having synergistic, market-leading technologies and products. Solid financial performance in 2001 reflects the Corporation's goal of achieving balanced growth through the implementation of these strategies. Curtiss-Wright's future remains promising as it continues the strategic growth process and strives to set the standard of excellence in the markets it serves.

CURTISS-WRIGHT AND SUBSIDIARIES_1

**MOTION CONTROL
REVENUE**
(\$000s)

[GRAPHIC OMITTED]

Products and Services

SECONDARY FLIGHT CONTROL ACTUATION SYSTEMS AND ELECTROMECHANICAL TRIM ACTUATORS

WEAPONS BAY DOOR ACTUATION SYSTEMS

INTEGRATED MISSION MANAGEMENT AND FLIGHT CONTROL COMPUTERS

DIGITAL ELECTROMECHANICAL AIMING AND STABILIZATION SYSTEMS

HYDROPNEUMATIC SUSPENSION SYSTEMS

ELECTROMECHANICAL TILTING SYSTEMS FOR HIGH SPEED TRAINS

FIRE CONTROL, SIGHT HEAD, AND ENVIRONMENTAL CONTROL PROCESSORS FOR MILITARY GROUND VEHICLES

COMPONENT OVERHAUL AND LOGISTICS SUPPORT SERVICES

[GRAPHIC OMITTED]

Motion Control

Curtiss-Wright's Motion Control business segment is an industry leader in the design, development, manufacturing and maintenance of sophisticated, high-performance motion control components and integrated systems for aerospace, ground defense, and industrial equipment applications. Legacy capabilities in mechanical and hydromechanical component design and manufacture have been expanded to include design, analysis, and integration of electromechanical and electrohydraulic systems, as well as complex electronic systems. Our products include flight control actuation systems for military and commercial aircraft, integrated mission management and flight control computers, digital aiming and stabilization systems, ammunition handling and fire control systems, suspension systems, perimeter intrusion detection systems, and high response linear actuators for industrial applications.

CURTISS-WRIGHT AND SUBSIDIARIES_3

COMMERCIAL JET TRANSPORTS

BUSINESS / REGIONAL JETS

MILITARY TRANSPORT AND FIGHTER AIRCRAFT

GROUND DEFENSE VEHICLES

UNMANNED AERIAL VEHICLES

AUTOMATED INDUSTRIAL EQUIPMENT

HIGH SPEED TRAINS

MARINE PROPULSION

SPACE PROGRAMS

SECURITY SYSTEMS

[GRAPHIC OMITTED]

Major Markets

Our formidable capabilities in Motion Control evolved from our base business of aircraft flight controls and utility actuation components and subsystems. Today, we are an integrated provider of design and manufacturing solutions to a wide array of motion control applications and platforms for worldwide aerospace, defense, and industrial markets. Through our disciplined acquisition program and forward-thinking internal product development, we have continued to expand our technical capabilities and are now able to provide complete system-level solutions. Accordingly, Curtiss-Wright is well positioned to pursue and capture future military and commercial opportunities.

4 CURTISS-WRIGHT AND SUBSIDIARIES

[PHOTOS OMITTED]

APPLICATIONS OF OUR HIGHLY ENGINEERED AND PRECISION MANUFACTURED MOTION CONTROL PRODUCTS INCLUDE: (TOP) MISSION CRITICAL ELECTRONIC SYSTEMS FOR GROUND DEFENSE AND UNMANNED AERIAL VEHICLES; (CENTER) LEADING EDGE SLAT AND TRAILING EDGE FLAP ACTUATION SYSTEMS FOR COMMERCIAL AND MILITARY AIRCRAFT; (BOTTOM) WEAPONS BAY DOOR ACTUATION SYSTEMS FOR THE NEXT GENERATION F-22 FIGHTER AIRCRAFT.

**METAL TREATMENT
REVENUE**
(\$000s)

[GRAPHIC OMITTED]

Our Metal Treatment business segment continues to extend its leadership position in shot peening, shot-peen forming, and heat treating. Through a combination of acquisitions and new plant openings, we continue to increase our network of regional facilities, which now total 42 in North America and Europe, a number unmatched by any other supplier of these services. Furthermore, our reed valve operation continues to expand its business. In addition to broadening the geographic reach of our services, we have worked to augment our metal treatment service offerings. To accommodate the requirements of our customers, we remain on the leading edge of technological advancement in the metal treatment industry. We are at the forefront of the development of Lasershot™ peening and the design of more efficient robotic equipment.

Metal Treatment

[GRAPHIC OMITTED]

Products and Services

SHOT PEENING

SHOT-PEEN FORMING

LASERSHOT PEENING

HEAT TREATING

PLATING

REED VALVE MANUFACTURING

**ENGINEERING/TESTING AND
FIELD SERVICES**

CURTISS-WRIGHT AND SUBSIDIARIES_7

While almost half our metal treatment sales derive from various segments of the aerospace industry, the balance is spread across a number of industrial markets. The wide range of applications for our metal treatment services is reflected in a customer base in excess of 5,000. Our Metal Treatment business segment continues to maintain its leadership position even during downturns in its served markets. In 2001, we expanded our reach with the opening of a shot-peening facility in Germany and the acquisition of heat-treating facilities in Kansas and New Jersey. We will continue to pursue our strategy of expanding into attractive markets.

Major Markets

[GRAPHIC OMITTED]

COMMERCIAL JET TRANSPORTS

BUSINESS / REGIONAL JETS

AUTOMOTIVE

METALWORKING

OIL AND GAS EXPLORATION

POWER GENERATION

AGRICULTURAL EQUIPMENT

CONSTRUCTION AND MINING EQUIPMENT

8_CURTISS-WRIGHT AND SUBSIDIARIES

[PHOTOS OMITTED]

APPLICATIONS OF OUR METAL TREATMENT PROCESSES INCLUDE: (TOP) HIGH STRESS METAL COMPONENTS FOR OIL AND GAS EXPLORATION EQUIPMENT; (CENTER) WING FORMING FOR BUSINESS AND REGIONAL AIRCRAFT; (BOTTOM) HEAVY WEAR COMPONENTS FOR THE TRUCK AND AUTOMOTIVE INDUSTRY.

**FLOW CONTROL
REVENUE**
(\$000s)

[GRAPHIC OMITTED]

Products and Services

**MILITARY AND COMMERCIAL NUCLEAR/
NON-NUCLEAR VALVES (GLOBE, GATE, CONTROL,
SAFETY, SOLENOID, RELIEF)**

STEAM GENERATOR CONTROL EQUIPMENT

REACTOR PLANT CONTROL EQUIPMENT

ADVANCED HYDRAULIC SYSTEMS

AIR DRIVEN FLUID PUMPS

**ENGINEERING, INSPECTION, AND
TESTING SERVICES**

[GRAPHIC OMITTED]

Flow Control

Our Flow Control business segment began as a supplier of valves to the U.S. Navy for use in nuclear propulsion systems on submarines. Today, it designs, manufactures, distributes, and services a broad range of highly engineered flow control products for severe service military and commercial applications. We have expanded our product and service offerings through selective acquisitions and internal development programs. With the recent addition of Peerless Instrument, we now have the capability to design and fabricate sophisticated electronic control systems for flow control applications. Furthermore, the acquisitions of Solent & Pratt and Deltavalve have broadened our product base and allow us to better serve severe duty applications for the worldwide oil and gas markets.

CURTISS-WRIGHT AND SUBSIDIARIES_11

NAVY PROGRAMS

(NUCLEAR AND NON-NUCLEAR)

POWER GENERATION
(NUCLEAR AND FOSSIL)

PROCESSING INDUSTRY

OIL AND GAS REFINING

PETROCHEMICAL/CHEMICAL

**NATURAL GAS PRODUCTION
AND TRANSMISSION**

PHARMACEUTICAL

PULP AND PAPER

AUTOMOTIVE/TRUCK

[GRAPHIC OMITTED]

Major Markets

Flow Control has achieved rapid and significant growth as it continues to sell its specialized technologies and capabilities to non-traditional markets. While the U.S. Navy and commercial nuclear power generation were once its main markets, Flow Control has expanded its target markets to include petrochemical, oil and gas, and process industries. We have also improved our capabilities to service the global marketplace. In addition to participating in new construction programs, we provide overhaul, repair, and engineering services, as well as supply replacement spare parts.

12_CURTISS-WRIGHT AND SUBSIDIARIES

[PHOTOS OMITTED]

APPLICATIONS OF OUR HIGHLY ENGINEERED AND PRECISION MANUFACTURED FLOW CONTROL PRODUCTS INCLUDE: (TOP) NUCLEAR AND NON-NUCLEAR PROGRAMS FOR THE U.S. NAVY; (CENTER) PROCESS APPLICATIONS IN PETROCHEMICAL/CHEMICAL AND PETROLEUM PRODUCTION/REFINING MARKETS; (BOTTOM) COMMERCIAL POWER GENERATION (FOSSIL AND NUCLEAR).

[PHOTO OMITTED] MARTIN R. BENANTE

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

...we have the utmost confidence that we will continue to achieve solid financial results during this challenging economic period as we build on our carefully constructed foundation, leveraging our engineering leadership, industry reputation, and leading market positions.

to our Shareholders

We are proud to report our sixth consecutive year of revenue increases and third consecutive year of normalized earnings growth in 2001. This was accomplished despite the worst decline in industrial output since 1981-82, the first economic recession in a decade, and the economic and social realities of September 11th. While we are not immune to external market forces, our strategies for producing balanced growth through diversification will help Curtiss-Wright through these difficult times. Serious long-term investors will always be attracted to premier companies with consistent and substantial earnings growth. This is something we have demonstrated in the past and for which we continue to strive. We move forward into 2002 confident that our efforts have positioned us well to capitalize on our strengths and produce superior performance for our shareholders.

Our success in realizing substantial earnings growth is the result of deliberate efforts to balance organic and external growth in new products, technologies, services, and markets. We take great pride in our consistent growth record. Further, we have the utmost confidence that we will continue to achieve solid financial results during this challenging economic period as we build on our carefully constructed foundation, leveraging our engineering leadership, industry reputation, and leading market positions. Including 2001 acquisitions, our current annual sales run rate makes us a \$400 million company. Our actual sales have grown from \$171 million in 1996 to \$343 million in 2001. This represents a compound annual growth rate of 15%, meeting our long-term financial objectives. We firmly believe in our ability to sustain or exceed this growth rate in the future.

Independent recognition of our success is particularly satisfying because it validates the progress we have made in many key areas. In 2001, for the third consecutive year, Curtiss-Wright was recognized by Forbes magazine as one of America's 200 Best Small Companies. Flight International cited us as one of the most profitable aerospace companies in the world, ranking us 19th in profitability among our peers. In addition, a Lasershot(SM) marking system developed by our subsidiary, Metal Improvement Company, working with Lawrence Livermore National Laboratory, was chosen by R&D Magazine as one of this year's 100 most significant technological advances. These awards speak volumes about the talent and quality of our employees.

14_CURTISS-WRIGHT AND SUBSIDIARIES

GROWTH THROUGH ACQUISITIONS

Acquisitions play a major role in our balanced growth strategy. In 2001, we completed seven key acquisitions that strengthened each of our business segments and enhanced our market positions through the addition of new technologies, products, and markets.

New Technologies and Products

During 2001, we strengthened our position as a niche leader in industrial technology. Our acquisitions added sophisticated electronic control component and systems technologies used in intrusion detection, firing, aiming and stabilizing systems, and unmanned flight control. We also acquired other advanced technologies in our Flow Control business segment which enhance and broaden our offerings in Curtiss-Wright's current markets. These include proprietary valves for the processing industry and state-of-the-art electronic controls for flow control systems for the U.S. Navy.

Expanded Market Opportunities

The acquisitions we made in 2001 also improved our position as a global competitor. Our pursuit of the defense electronics market, for example, is a key strategic initiative and provides a compelling long-term growth opportunity. Our acquisitions have materially improved our position within the defense market and will position us to benefit from the expected growth in defense spending.

The acquisitions of Lau Defense Systems and Vista Controls provide access to North American military armored vehicle manufacturers and opens the door to opportunities for other commercial and military applications. Their products and technology are a perfect complement to the aiming and stabilizing products available through our European operation. As a result, we can now provide a complete systems capability that can be cross-marketed to two major military armored vehicle markets. Lau's antipersonnel sensing systems will also broaden our reach into new markets by providing stationary and mobile perimeter security defenses for military and commercial markets.

The addition of Solent & Pratt expands our markets to include the oil and gas industry in Northern Europe. We will leverage its distribution network and customer base to cross-sell our existing line of pressure relief valves used in the North American oil and gas industry.

Another strategic goal has been to continually expand our geographic network of metal treatment facilities. The addition of two such facilities in Kansas and New Jersey brings the total facilities serving North America and Europe to 42, further diversifying our existing markets and customer base.

Looking forward, we intend to expand further into markets we currently serve and position the Company to exploit niche opportunities as a supplier of high value-added products and services.

2001 ACQUISITIONS

MOTION CONTROL:

Lau Defense Systems
and Vista Controls

Designs and manufactures highly engineered "mission critical" defense electronic controls for aiming and stabilizing systems; also designs and manufactures fixed-perimeter and mobile intrusion detection systems.

FLOW CONTROL:

Solent & Pratt Engineering

Designs and manufactures metal-seated, high-pressure industrial valves for the processing industry.

Deltavalve USA

Designs, manufactures, and globally distributes high-performance butterfly and sliding gate valves for the processing industry.

METAL TREATMENT:

Bodycote Thermal Processing
(Wichita)

Heat-treating services principally serving aerospace and agriculture markets.

Ironbound Heat
Treating Company

Heat-treating services for diverse markets including tool and die, automotive, aerospace, and medical.

DIVERSIFICATION THROUGH ACQUISITIONS
2001 Sales Distribution (Pro Forma)

BEFORE ACQUISITIONS

[PIE CHART]	37.4%	Commercial Aerospace
	20.5%	Military/Defense
	13.8%	General Industrial
	10.5%	Power Generation
	9.7%	Process Industry (Oil & Gas)
	8.1%	Automotive/Transportation

AFTER ACQUISITIONS

[PIE CHART]	30.9%	Commercial Aerospace
	32.3%	Military/Defense
	11.9%	General Industrial
	8.6%	Power Generation
	9.6%	Process Industry (Oil & Gas)
	6.7%	Automotive/Transportation

BUSINESS OUTLOOK

We expect 2002 to be another year of growth for Curtiss-Wright despite anticipated below-average global economic activity and particular weakness in the commercial aerospace markets. Our diverse business segments, markets served, recent acquisitions, and internal expansion efforts should fuel our growth in 2002 and beyond.

We are particularly enthusiastic about our improved position in the military defense industry. We have been seizing opportunities in this market during the past decade of declining military spending. As U.S. defense programs compensate for past spending reductions and modernize based on new demands, our diverse array of established and new products and technologies position us to reap the benefits of this changing environment.

Our mix of products for aerospace, land-based, and naval defense markets have never been stronger, enabling meaningful participation in a variety of military programs. We are well positioned on a balanced blend of projects that will provide both short- and long-term benefits. For example, we participate in the retrofit programs for the Abrams tank and Bradley armored personnel carrier, as well as the F-22 Raptor and V-22 Osprey, which are scheduled for production ramp-ups over the next several years. We also continue to participate in new project development programs like Lockheed Martin's F-35 Joint Strike Fighter, Boeing's Unmanned Combat Aircraft Vehicle, and the Global Hawk unmanned reconnaissance aircraft that has played a vital role in the current war on terrorism. Our participation in the U.S. Navy's nuclear submarine and aircraft carrier production has been significantly enhanced with the recent addition of Peerless Instrument's electronic flow control products and technology, which integrate well with our traditional line of leakless valves and other flow control products. We are also leveraging our strong industry reputation and relationship with the Navy to expand into non-nuclear applications.

Over the past several years, we have added products and services that expand our geographic reach and position us in new industrial markets. We will continue this growth strategy by further extending into related markets and developing new products and applications for existing technology.

Technology has been, and will continue to be, the cornerstone of Curtiss-Wright's success. It is the fiber that weaves through and binds together our diverse business segments, giving us the competitive advantage needed to sustain growth. Our objective is not only to maintain but also to extend our technological leadership through a combination of internal development and

16 CURTISS-WRIGHT AND SUBSIDIARIES

...we are committed to creating shareholder value by executing our strategy, making sound business decisions, and achieving our financial targets. Our diversification strategy and ongoing emphasis on technology will continue to bring growth opportunities in each of our three business segments.

acquisitions. For example, we have developed innovative laser and robotic shot-peening processes that will strengthen our leadership position in shot-peening services. Our 2001 acquisitions also bring numerous innovative and promising technologies to our Motion Control and Flow Control business segments.

Curtiss-Wright's exceptionally strong balance sheet will provide the financial resources necessary to continue internal expansion and make additional prudent, accretive acquisitions that further strengthen the Company's products, technology base, and market position. Even with the acquisition activity in 2001, we finished the year with \$67 million in cash and \$21 million in total debt. Our business continues to generate strong cash flow from operations, and we have \$76 million available under existing credit facilities.

SALE OF OUR WOOD-RIDGE INDUSTRIAL PROPERTY

In our efforts to focus on core operations and better utilize our resources, we sold our Wood-Ridge, New Jersey business complex in December 2001. This transaction will net the Company approximately \$33 million in cash. The property has been subject to environmental clean-up obligations since the early nineties which, until now, have prevented us from realizing a sale price reflective of its true value. Although clean-up obligations remain with the Company, we have been successful in reaching a price representative of its market value. The proceeds are now available to invest in projects that produce stronger returns and enhance long-term shareholder value.

OUR SHAREHOLDER BASE HAS BEEN BROADENED

During 2001, we also completed the recapitalization of our common stock. This transaction allowed Unitrin, Inc., to distribute its 44 percent equity position in Curtiss-Wright to its approximately 8,000 registered shareholders. We believe the recapitalization will create long-term shareholder value and represents a milestone in our efforts to improve our stock's liquidity, broaden our shareholder base, and attract additional institutional investors. We welcome our new shareholders and are confident that their direct ownership of Curtiss-Wright will prove rewarding.

We begin 2002 confident in our ability to build on our solid business foundation and generate long-term shareholder value. Although 2002 is likely to present a challenging business environment, we are committed to creating shareholder value by executing our strategy, making sound business decisions, and achieving our financial targets. Our diversification strategy and ongoing emphasis on technology will continue to bring growth opportunities in each of our three business segments.

A talented and dedicated team of employees is a critical element to any business success, and we enjoy the benefit of exceptional people. They have been and will continue to be instrumental in identifying and capitalizing on growth opportunities. They are a truly invaluable resource for Curtiss-Wright and we appreciate and commend their hard work and dedication. We would also like to express our gratitude for the long-term support of our customers, suppliers, and you, the owners of the Company.

/s/ Martin R. Benante

*Martin R. Benante
Chairman and Chief Executive Officer*

18_CURTISS-WRIGHT AND SUBSIDIARIES

QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

(In thousands, except per share data)	First	Second	Third	Fourth
2001				
Net sales	\$79,917	\$86,604	\$79,420	\$97,226
Gross profit	30,011	32,837	30,187	34,782
Net earnings	9,219	10,465	8,723	34,473
Earnings per share:				
Basic earnings per share	\$.92	\$ 1.04	\$.87	\$ 3.42
Diluted earnings per share	\$.90	\$ 1.02	\$.85	\$ 3.37
Dividends per share	\$.13	\$.13	\$.13	\$.15
2000				
Net sales	\$82,237	\$83,050	\$81,878	\$82,410
Gross profit	28,929	30,471	30,767	30,803
Net earnings	9,229	10,644	11,079	10,122
Earnings per share:				
Basic earnings per share	\$.92	\$ 1.06	\$ 1.11	\$ 1.01
Diluted earnings per share	\$.91	\$ 1.05	\$ 1.09	\$.99
Dividends per share	\$.13	\$.13	\$.13	\$.13

CONSOLIDATED SELECTED FINANCIAL DATA

(In thousands, except per share data)	2001	2000	1999	1998	1997
Net sales	\$343,167	\$329,575	\$293,263	\$249,413	\$219,395
Net earnings	62,880	41,074	39,045	29,053	27,885
Total assets	500,428	409,416	387,126	352,740	284,708
Long-term debt	21,361	24,730	34,171	20,162	10,347
Basic earnings per share	\$ 6.25	\$ 4.10	\$ 3.86	\$ 2.85	\$ 2.74
Diluted earnings per share	\$ 6.14	\$ 4.03	\$ 3.82	\$ 2.82	\$ 2.71
Cash dividends per share	\$.54	\$.52	\$.52	\$.52	\$.50

See notes to consolidated financial statements for additional financial information.

FORWARD-LOOKING STATEMENTS

This Annual Report contains not only historical information but also forward-looking statements regarding expectations for future company performance. Forward-looking statements involve risk and uncertainty. Please refer to the Company's 2001 Annual Report on Form 10-K for a discussion relating to forward-looking statements contained in this Annual Report and factors that could cause future results to differ from current expectations.

19_CURTISS-WRIGHT AND SUBSIDIARIES

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations:

Curtiss-Wright Corporation posted consolidated net sales of \$343.2 million and net earnings of \$62.9 million, or \$6.14 per diluted share, for the year ended December 31, 2001. Sales for the current year increased 4% over 2000 sales of \$329.6 million, and 17% over 1999 sales of \$293.3 million. Net earnings for 2001 improved 53% over prior year net earnings of \$41.1 million, or \$4.03 per diluted share, and 61% over net earnings of 1999, which totaled \$39.0 million, or \$3.82 per diluted share. Net earnings for all three years include several nonrecurring items, which impact a year-to-year comparison. The following table depicts the Corporation's "normalized" results, which should present a clearer picture of after-tax performance:

Normalized Net Earnings:

(In thousands, except per share figures)	2001	2000	1999
Net earnings	\$ 62,880	\$ 41,074	\$ 39,045
Gain on sale of real property	(22,999)	(894)	--
Environmental insurance settlements, net	--	(1,894)	(7,354)
Postretirement and post-employment adjustments, net	--	(1,336)	--
Facility consolidation costs	--	50	2,351
Recapitalization costs	1,500	910	--
Net nonrecurring benefit gain	(748)	--	--
Normalized net earnings	\$ 40,633	\$ 37,910	\$ 34,042
Normalized net earnings per diluted share	\$ 3.97	\$ 3.72	\$ 3.33

Sale of Real Property

In December 2001, the Corporation sold its Wood-Ridge Business Complex which resulted in a net after-tax gain of \$23 million. In September 2000, the Corporation recorded a net after-tax gain of \$0.9 million on the sale of a nonoperating Metal Treatment facility located in Chester, England.

Environmental Insurance Settlements

The Corporation had previously filed lawsuits against several insurance carriers seeking recovery for environmental costs and reached settlements with two carriers in 1999 and the remaining carriers in 2000. The amounts reported above are recoveries, net of associated expenses and additional expenses related to ongoing environmental liabilities of the Corporation. Further information on environmental costs is contained in Note 13 to the Consolidated Financial Statements.

Postretirement and Postemployment Adjustments

In 2000, the Corporation recognized a reduction in general and administrative expenses related to the curtailment of postretirement benefits associated with the closing of the Fairfield, New Jersey facility, partially offset by the recognition of other postemployment costs. Further information on retirement plans is contained in Note 14 to the Consolidated Financial Statements.

Facility Consolidation Costs

Beginning in 1998, the Corporation incurred costs associated with the consolidation of manufacturing operations within the Motion Control segment. These costs include costs relative to the shutdown of the Fairfield, New Jersey facility, the consolidation of manufacturing operations into an expanded Shelby, North Carolina facility, and the move of certain overhaul and repair operations to a new location in Gastonia, North Carolina.

Recapitalization Costs

During 2000 and 2001, the Corporation incurred costs related to a recapitalization of its stock. Further information on this transaction is contained later in this section--see "Recapitalization."

Net Nonrecurring Benefit Gain

During 2001, the Corporation recorded a pre-tax gain of approximately \$3 million (\$1.8 million after-tax) resulting from a nonrecurring benefit related issue. Offsetting this gain are nonrecurring charges for employee benefit related expenses of \$1.8 million pre-tax (\$1.1 million after-

tax). Further information on these transactions are contained later in this section--see "Corporate and Other Expenses."

Excluding these nonrecurring items, "normalized" net earnings for 2001 of \$40.6 million, or \$3.97 per diluted share, were 7% higher than "normalized" net earnings of \$37.9 million, or \$3.72 per diluted share, for 2000 and 19% higher than "normalized" net earnings of \$34.0 million, or \$3.33 per diluted share, for 1999. Excluding the net recoveries from insurance settlements and facility consolidation costs, "normalized" operating income from the Corporation's three operating segments totaled \$49.4 million for 2001, a slight improvement over "normalized" operating income of \$49.2 million in 2000 but 17% above 1999's \$42.1 million.

The improvement in financial results comparing 2001 to 2000 largely reflects the contributions of recent acquisitions made by the Corporation. See Note 2 to the Consolidated Financial Statements for further information regarding acquisitions. Sales and operating income of the businesses acquired in 2001 were \$13.9 million and \$0.5 million, respectively. Including the seven businesses acquired this year, the Corporation has acquired thirteen new businesses since 1998. In addition to the contribution of the new acquisitions, 2001 benefited from higher sales of aerospace OEM products, products provided to the oil and gas markets and shot-peening services. These increases were offset by significant decreases in our aerospace overhaul and repair services and our automotive-related businesses.

Also adversely impacting financial results for 2001 was a significant decline in foreign exchange rates. Comparing this year's results to those of the prior year, the fluctuation in foreign currency rates negatively impacted sales by \$3.0 million and operating income by \$1.1 million.

Improvements in 2000 from 1999 reflect the full year contributions from the 1999 acquisitions of Farris Engineering ("Farris"), Sprague Products ("Sprague") and Metallurgical Processing, Inc.

New orders received in 2001 totaled \$326.5 million, which represents a 9% increase over 2000 new orders of \$299.4 million and a 10% increase over new orders received in 1999. Backlog at December 31, 2001 stands at \$242.3 million compared with \$182.6 at December 31, 2000 and \$212.8 million at December 31, 1999. Backlog acquired with the 2001 acquisitions was approximately \$76 million. It should be noted that metal treatment services, repair and overhaul services and after-market sales, which represent a significant amount of the

20_CURTISS-WRIGHT AND SUBSIDIARIES

Corporation's total sales for 2001, are sold with very modest lead times. Accordingly, the backlog for these businesses is less of an indication of future sales than the backlog of the majority of the Motion Control and Flow Control segments, in which a significant portion of sales are derived from long-term contracts.

Segment Performance

Motion Control

The Corporation's Motion Control segment posted sales of \$137.1 million for 2001, an 8% increase over 2000 sales of \$126.8 million. The higher sales largely reflect the acquisitions of Lau Defense Systems ("LDS") and Vista Controls ("Vista") in November, 2001 and increased revenue recognized under the percentage of completion method of accounting for long-term contracts at the segment's Drive Technology business in Europe. The 2001 sales from the LDS and Vista acquisitions amounted to \$9.6 million. Also affecting 2001 sales were lower aerospace repair and overhaul services compared to the prior year. The softening in the demand for these services was exacerbated by the impact of the events of September 11th. This decline was offset by higher shipments of 737 and F-22 OEM products and strong growth in the global ground defense business as compared to the prior year. In addition, foreign currency translation adversely impacted sales in 2001 from 2000. Operating income for 2001 increased 25% over the prior year. Excluding acquisitions, this increase was 20% due mainly to profit improvements in aerospace OEM products generated by the consolidation of production facilities combined with an improved cost structure. These improvements have more than offset the decline in operating income realized in the repair and overhaul business resulting primarily from lower sales volume. Foreign currency translation also had a \$0.1 million negative impact on 2001 operating income.

Motion Control segment sales for 2000 were 2% above 1999 sales of \$124.2 million. Sales of aerospace overhaul and repair services for 2000 improved over 1999 as did sales relative to the Boeing 757 retrofit program. These increases were largely offset by lower Boeing commercial production. Sales of Motion Control products for 2000 also reflected continued growth in the ground defense aiming and stabilization markets from its Drive Technology business as compared to the prior year. Operating income for the Motion Control segment showed substantial improvements in 2000. Included in 1999 results were costs related to the consolidation of the Fairfield, NJ operation into Motion Control's low-cost, state-of-the-art facilities in North Carolina. Expenses related to the consolidation activities totaled approximately \$3.8 million in 1999. In 2000, the Corporation began to realize cost savings relative to the consolidation. The cost savings realized in 2000 were partially offset by lower operating income in the overhaul and repair business due to lower gross margins resulting from softening in many of their served markets.

Metal Treatment

2001 sales for the Corporation's Metal Treatment segment totaled \$107.8 million or 2.4% above sales for 2000 of \$105.3 million. The slight improvement in 2001 sales resulted from increases in the North American and European shot-peening business which were largely offset by decreases in the segment's heat-treating operations, particularly those related to the automotive markets served. In addition, foreign currency translation adversely impacted sales in 2001 from 2000. In 2001, operating income was 17.0% below that for the prior year resulting primarily from increased operating costs which included facility start-up costs associated with acquisitions occurring in late 2000 and 2001 and higher energy costs. Foreign currency translation also had a \$0.9 million negative impact on 2001 operating income. The two acquisitions made in 2001 had minimal effect on the segment's sales and operating income.

Sales improvements in 2000 from the prior year reflect an acquisition, which occurred in mid-1999, and increased sales volume in the commercial European aerospace market, which were largely offset by the negative effect of foreign currency translation versus 1999. Operating income for the Metal Treatment segment showed a slight decrease when comparing 2000 to 1999. For 2000, improvements in heat-treating operations were largely offset by lower income at both European and North American shot-peening operations. During 1999, three of this segment's operations relocated into larger facilities and incurred higher operating costs and nonrecurring start-up costs as a result. As with sales, income from European shot-peening operations were adversely impacted by foreign currency translation. Foreign currency translation adversely reduced operating income in 2000 by \$1.6 million.

Flow Control

The Corporation's Flow Control segment posted sales of \$98.3 million for 2001, slightly above sales of \$97.5 million for 2000. 2001 sales included approximately \$3.9 million related to three acquisitions made during the year. The segment also benefited from higher sales to the U.S. Navy and strong demand in the petrochemical and oil and gas markets, primarily for maintenance, repair and overhaul applications. Offsetting these gains was the impact of the significant downturn in the automotive and heavy truck markets served and the sale of the segment's PME distribution business in the third quarter of 2000.

Operating income for the year increased by more than 4% even though sales were essentially flat. Excluding the three 2001 acquisitions, the segment's improved costs structures and operating efficiencies resulted in a 7.7% improvement in 2001 operating income as compared to the prior year. Foreign currency translation also had a \$0.1 million negative impact on 2001 operating income.

The Corporation's Flow Control segment reported sales for 2000 which were 50% above 1999's sales of \$65.0 million. Operating income also showed significant improvement. The significant improvements in both sales and operating income were largely the result of the acquisition of the Farris and Sprague businesses, which occurred in August of 1999. Sales and operating income from the traditional product lines in the Flow Control segment exceeded the levels achieved in 1999. Sales of marine product lines to the U.S. Navy performed well, as did sales from retrofit and service programs for domestic nuclear utilities, and the sale of valves for new foreign nuclear power plant construction programs. Industrial valve sales also performed well in 2000 notwithstanding general softness in two primary markets--petrochemical and chemical process industries.

Corporate and Other Expenses

Included in operating income for 2001 is a net nonrecurring benefit gain of \$1.2 million, which consists of an approximate \$3.0 million gain resulting from the demutualization of an insurance company in which the Corporation was a policyholder, partially offset by \$1.8 million of nonrecurring employee benefit related costs which are included in general and administrative expenses in the statement of earnings. Operating income also includes \$1.5 million in costs associated with the Corporation's Recapitalization (see "Recapitalization" later in this section for more information).

Included in nonsegment operating income for 2000 is a \$2.9 million benefit resulting from the curtailment of postretirement medical coverage for former employees of the Corporation's Fairfield, NJ plant due to its closure in December 1999, offset partially by post-employment expenses related to the retirement of the former Chairman and Chief Executive Officer. Also 2000 results included administrative expenses of approximately \$0.9 million associated with the Corporation's recapitalization.

Operating income for 1999 included income related to the termination of benefits for former employees of its Buffalo, NY plant.

Other Revenues

The Corporation recorded other nonoperating net revenues for 2001 aggregating \$56.2 million compared with \$15.5 million in 2000 and \$13.4 million in 1999. Of the \$56.2 million generated in 2001, \$38.9 million relates to the pre-tax gain resulting from the sale of the Wood-Ridge Business Complex, which is more fully described in Note 3 to the Consolidated Financial Statements. Net investment income of \$2.6 million decreased from the prior year's \$2.9 million due to a lower cash position resulting from the funding of acquisitions and lower interest rates. Net noncash pension income increased 41% to \$11.0 million for 2001 due primarily to the Corporation's overfunded pension plan. The amount recorded as pension income reflects the extent to which the return on plan assets exceeds the cost of providing benefits in the same year, as detailed further in Note 14 to the Consolidated Financial Statements. Rental income in 2000 declined from the previous year largely due to the settlement of a real estate tax appeal recorded in 1999. Also in 2000, the Corporation sold a nonoperating property in Chester, England resulting in a net pre-tax gain of approximately \$1.4 million.

Changes in Financial Position:

Liquidity and Capital Resources

There were a number of transactions which occurred during 2001 that had a significant impact on the Corporation's working capital. These transactions included the sale of the Wood-Ridge Business Complex for \$51.0 million, a \$1.75 million reimbursement from Unitrin Inc. ("Unitrin") of previously expended recapitalization costs and the acquisition of seven businesses with an aggregate cash outflow of \$64.1 million. As a result, the Corporation's working capital remained flat at December 31, 2001, totaling \$149.9 million as compared with \$149.8 million at December 31, 2000. The ratio of current assets to current liabilities declined to 3.0 to 1 at December 31, 2001 compared with 3.9 to 1 at the end of 2000. The Corporation's balance of cash and short-term investments totaled \$67.2 million at December 31, 2001, a decrease of \$4.3 million from the balance at December 31, 2000.

Working capital changes were highlighted by increases in accounts receivable of \$18.5 million, inventories of \$7.1 million and current liabilities of \$23.8 million. With the exception of the income taxes payable component of current liabilities, these increases are largely due to the seven acquisitions which occurred during the year. The increase in income taxes payable is a result of the gain associated with the sale of the Wood-Ridge Business Complex. Excluding the effect of the current year's acquisitions, days sales outstanding at December 31, 2001 decreased to 59 days from 62 days at December 31, 2000 while inventory turnover increased to 4.2 turns versus 3.7 turns at December 31, 2001.

At December 31, 2001, the Corporation had two credit agreements in effect aggregating \$100.0 million with a group of five banks. The Revolving Credit Agreement commits a maximum of \$60.0 million to the Corporation for cash borrowings and letters of credit. The Corporation also has in effect a Short-Term Credit Agreement, which allows for cash borrowings of \$40.0 million. The unused credit available under these agreements at December 31, 2001 was \$76.2 million. Cash borrowings under the Revolving Credit Agreement were \$8.0 million at December 31, 2001 and were \$11.3 million at December 31, 2000. During 2001, the Corporation paid \$3.4 million towards its Swiss franc denominated loan, financed under the Revolving Credit Agreement and paid off two Industrial Revenue Bond loans totaling approximately \$5.3 million.

22_CURTISS-WRIGHT AND SUBSIDIARIES

Capital expenditures were \$19.4 million in 2001, as compared to \$9.5 million spent in 2000 and \$19.9 million in 1999. Principal expenditures were for additional facilities and machinery and equipment. Capital expenditures in 2001 included the purchase of a new facility and an investment in a new ERP computer system at one of the Corporation's major facilities. Capital expenditures in 1999 included construction of a new, state-of-the-art Metal Treatment facility in Chester, England.

In 2002, capital expenditures are expected to remain consistent with 2001 levels due to the continued expansion of the segments.

Cash generated from operations and current short-term investment holdings are considered adequate to meet the Corporation's operating cash requirements for the upcoming year, including anticipated debt repayments, planned capital expenditures, dividends, satisfying environmental obligations and working capital requirements.

The Corporation acquired thirteen businesses since 1998 and expects to continue to seek acquisitions that are consistent with its strategy. Past acquisitions have been funded with available cash. As noted in Note 2 to the Consolidated Financial Statements, certain acquisition agreements contained contingent purchase price adjustments. Future acquisitions, if any, may be funded by cash, debt or equity. However, in compliance with certain provisions of the Internal Revenue Code and recapitalization agreements (see also Recapitalization below), the Corporation has certain restrictions on the use of its equity, as set forth in its definitive proxy materials filed with the U.S. Securities and Exchange Commission on September 5, 2001.

Recapitalization

As previously announced, on October 26, 2001, the Corporation's shareholders approved a recapitalization plan, which enabled Unitrin to distribute its approximate 44% equity interest in Curtiss-Wright to its shareholders on a tax-free basis.

Under the recapitalization plan, and in order to meet certain tax requirements, Unitrin's approximately 4.4 million shares were exchanged for an equivalent number of shares of a new Class B Common Stock of Curtiss-Wright which are entitled to elect 80% of Curtiss-Wright's Board of Directors. After such exchange, Unitrin immediately distributed the Class B shares to its approximately 8,000 registered stockholders in a tax-free distribution. The holders of the outstanding shares of Curtiss-Wright are entitled to elect up to 20% of the Board of Directors after the distribution. Other than the right to elect Directors, the two classes of stock vote as a class (except as required by law) and are equal in all other respects. The new Class B Common Stock was listed on the New York Stock Exchange, effective November 29, 2001.

Under the terms of the recapitalization agreement reached between Unitrin and Curtiss-Wright, Unitrin agreed to reimburse the Corporation for certain costs associated with the recapitalization up to a maximum of \$1.75 million. This amount was received subsequent to the recapitalization.

Critical Accounting Policies

Revenue recognition The Corporation uses the percentage-of-completion method for recognizing revenue for many of its long-term contracts. This method recognizes revenue as the contracts progress as opposed to the completed contract method which recognizes revenue when the contract is completed. The percentage-of-completion method requires the use of estimates as to the future costs that will be incurred. These costs include material, labor and overhead. Factors influencing these future costs include the availability of materials and skilled laborers.

Inventory The Corporation purchases materials for the manufacture of components for use in its contracts and for use by its repair and overhaul businesses. The decision to purchase a set quantity of a particular item is influenced by several factors including: current and projected cost; future estimated availability; existing and projected contracts to produce certain items; and the estimated needs for its repair and overhaul business. The Corporation estimates the net realizable value of its inventories and establishes reserves to reduce the carrying amount of these inventories as necessary.

Pension assets The Corporation, in consultation with its actuary, determines the appropriate assumptions for use in determining the liability for future pensions and other postemployment benefits. In 2001, the Corporation recognized pension income of approximately \$11 million, as amounts funded for the pension plan in prior years together with earnings on those assets, exceeded the calculated liability. As of December 31, 2001, the pension trust was in an overfunded position of approximately \$71 million, which will be recognized in income in future years. The timing and amount to be recognized each year is dependent on the demographics and earnings of the plan participants, the interest rates in effect in future years, and the actual investment returns of the assets in the pension trust.

Environmental reserves The Corporation provides for environmental reserves when, in conjunction with its internal and external counsel, it determines that a liability is both probable and estimable. In many cases, the liability is not fixed or capped when the Corporation first records a liability for a particular site. Factors that affect the recorded amount of the liability in future years include: the Corporation's participation percentage due to a settlement by or bankruptcy of other Potentially Responsible Parties; a change in the environmental laws requiring more stringent

requirements; a change in the estimate of future costs that will be incurred to remediate the site; and changes in technology related to environmental remediation.

Goodwill and other intangible assets At December 31, 2001, the Corporation has recorded \$91 million in net goodwill and other intangible assets related to acquisitions made in 2001 and prior years. The recoverability of these assets is subject to an impairment test based on the estimated fair value of the underlying businesses. These estimated fair values are based on estimates of future cash flows of the businesses. Factors affecting these future cash flows include: the continued market acceptance of the products and services offered by the businesses; the development of new products and services by the businesses and the underlying cost of development; the future cost structure of the businesses; and future technological changes.

Recently Issued Accounting Standards

In July 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard ("SFAS") No. 141, "Business Combinations" and SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 141, which requires all business combinations to be accounted for under the purchase method of accounting, was effective for business combinations initiated after June 30, 2001. Under the new rules of SFAS No. 142, goodwill will no longer be amortized but will be subject to annual impairment tests in accordance with the statement. Other intangible assets will continue to be amortized over their useful lives. SFAS No. 142 is effective for fiscal years beginning after December 15, 2001. Accordingly, the Corporation will apply the new rules on accounting for goodwill and other intangible assets beginning in 2002. Application of the nonamortization provisions of the statement is expected to increase operating income in 2002 by approximately \$1.8 million, however, the final allocation of the purchase price to goodwill and other intangible assets for the 2001 acquisitions could potentially offset this savings. The Corporation has not yet determined the final goodwill allocation or the effect that these impairment tests might have on the earnings and financial position of the Corporation. See Note F to the Consolidated Financial Statements for further discussion on the intangible assets.

In October, 2001, the Financial Accounting Standards Board issued SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets." This statement defines the accounting for long-lived assets to be held and used, assets held for sale and assets to be disposed of by other than sale and is effective for fiscal years beginning after December 15, 2001. The Corporation has not yet determined the impact of this pronouncement.

Recent Development

On February 20, 2002, the Corporation entered into an agreement to acquire the stock of Penny and Giles Controls Ltd., Penny and Giles Controls Inc., and Penny and Giles Aerospace Ltd., substantially all of the assets of Autronics Corporation and the assets of Penny & Giles International Plc. devoted to its aerospace components business from Spirent Plc., a British based company. The purchase price of the acquisition, subject to adjustment as provided for in the Share and Asset Purchase Agreement was \$60 million in cash and the assumption of certain liabilities. Management's intention is to fund approximately half of the purchase price from credit available under the Corporation's Revolving Credit facility. Revenues of the purchased businesses totaled approximately \$62 million for the year ending December 31, 2001. See Note 18 to the Consolidated Financial Statements for further information.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Corporation is exposed to certain market risks from changes in interest rates and foreign currency exchange rates as a result of its global operating and financing activities. Although foreign currency translation had an adverse impact on sales and operating income in 2001, the Corporation seeks to minimize the risks from these interest rate and foreign currency exchange rate fluctuations through its normal operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. The Corporation did not use such instruments for trading or other speculative purposes and did not use leveraged derivative financial instruments during the year ended December 31, 2001. Information regarding the Corporation's accounting policy on financial instruments is contained in Note G to the Consolidated Financial Statements.

The Corporation's market risk for a change in interest rates relates primarily to the debt obligations. Approximately 63% of the Corporation's debt at December 31, 2001 and 62% of the December 31, 2000 debt is comprised of Industrial Revenue Bond financing. As described in Note 10 to the Consolidated Financial Statements, to mitigate its currency exposure, the Corporation has outstanding variable rate debt borrowings of 13,200,000 Swiss Francs as of December 31, 2001 under its revolving credit agreement, arising from the purchase of SIG Antriebstechnik AG.

Financial instruments expose the Corporation to counter-party credit risk for nonperformance and to market risk for changes in interest and currency rates. The Corporation manages exposure to counter-party credit risk through specific minimum credit standards, diversification of counter-parties and procedures to monitor concentrations of credit risk. The Corporation monitors the impact of market risk on the fair value and cash flows of its investments by considering reasonably possible changes in interest rates and by limiting the amount of potential interest and currency rate exposures to amounts that are not material to the Corporation's consolidated results of operations and cash flows.

24 CURTISS-WRIGHT AND SUBSIDIARIES

REPORT OF THE CORPORATION

The consolidated financial statements appearing on pages 26 through 44 of this Annual Report have been prepared by the Corporation in conformity with generally accepted accounting principles. The financial statements necessarily include some amounts that are based on the best estimates and judgments of the Corporation. Other financial information in the Annual Report 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.

PricewaterhouseCoopers LLP, independent certified public accountants, have examined the Corporation's consolidated financial statements as stated in their report below. Their examination included a study and evaluation of the Corporation's accounting systems, procedures and internal controls, and tests and other auditing procedures, all of a scope deemed necessary by them to support their opinion as to the fairness of the financial statements.

The Audit Committee of the board of directors, composed entirely of directors from outside the Corporation, among other things, makes recommendations to the board as to the nomination of independent auditors for appointment by stockholders and considers the scope of the independent auditors' examination, the audit results and the adequacy of internal accounting controls of the Corporation. The independent auditors 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, internal control and financial reporting matters.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Board of Directors and Shareholders of Curtiss-Wright Corporation

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of earnings and stockholders' equity and of cash flows present fairly, in all material respects, the financial position of Curtiss-Wright Corporation and its subsidiaries at December 31, 2001 and 2000, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2001, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Florham Park, New Jersey

February 1, 2002, except for Note 18 as to which the date is February 22, 2002.

25_CURTISS-WRIGHT AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS

For the years ended December 31, (In thousands, except per share data)	2001	2000	1999
Net sales	\$ 343,167	\$ 329,575	\$ 293,263
Cost of sales	215,350	208,605	190,852
Gross profit	127,817	120,970	102,411
Research and development costs	4,383	3,443	2,801
Selling expenses	18,325	18,591	17,015
General and administrative expenses	60,764	49,792	43,121
Gain from insurance company demutalization	(2,980)	--	--
Environmental remediation and administrative expenses, net of (recoveries)	167	(3,041)	(11,683)
Operating income	47,158	52,185	51,157
Investment income, net	2,599	2,862	2,295
Rental income, net	3,312	3,638	4,580
Pension income, net	11,042	7,813	6,574
Gain on sale of real property	38,882	1,436	--
Other income (expense), net	384	(220)	(8)
Interest expense	(1,180)	(1,743)	(1,289)
Earnings before income taxes	102,197	65,971	63,309
Provision for income taxes	39,317	24,897	24,264
Net earnings	62,880	\$ 41,074	\$ 39,045
Net Earnings per Share:			
Basic earnings per share	\$ 6.25	\$ 4.10	\$ 3.86
Diluted earnings per share	\$ 6.14	\$ 4.03	\$ 3.82

See notes to consolidated financial statements.

26_CURTISS-WRIGHT AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

At December 31, (In thousands)	2001	2000
Assets:		
Current assets:		
Cash and cash equivalents	\$ 25,495	\$ 8,692
Short-term investments	41,658	62,766
Receivables, net	86,354	67,815
Inventories, net	57,115	50,002
Deferred tax assets, net	9,565	9,378
Other current assets	5,770	3,419
Total current assets	225,957	202,072
Property, plant and equipment, at cost:		
Land	6,201	5,024
Buildings and improvements	55,303	95,965
Machinery, equipment and other	164,931	149,665
	226,435	250,654
Less accumulated depreciation	121,914	157,418
Property, plant and equipment, net	104,521	93,236
Prepaid pension costs	70,796	59,765
Goodwill and other intangible assets, net	90,914	47,543
Property held for sale	2,460	2,460
Other assets	5,780	4,340
Total assets	\$ 500,428	\$ 409,416
Liabilities:		
Current liabilities:		
Current portion of long-term debt	\$ --	\$ 5,347
Accounts payable	19,362	13,766
Accrued expenses	23,163	19,389
Income taxes payable	17,704	4,157
Other current liabilities	15,867	9,634
Total current liabilities	76,096	52,293
Long-term debt	21,361	24,730
Deferred income taxes, net	26,043	21,689
Accrued postretirement benefit costs	5,335	5,479
Other liabilities	21,639	15,001
Total liabilities	150,474	119,192
Contingencies and Commitments (Notes 10, 11, 13, 15 & 17)		
Stockholders' Equity:		
Preferred stock, \$1 par value, 650,000 shares authorized, none issued	--	--
Common stock, \$1 par value, 11,250,000 shares authorized, 10,617,600 shares issued at December 31, 2001 and 15,000,000 issued at December 31, 2000; outstanding shares were 5,692,325 at December 31, 2001 and 10,017,280 at December 31, 2000	10,618	15,000
Class B common stock, \$1 par value, 11,250,000 shares authorized; 4,382,400 shares issued; outstanding shares were 4,382,400 at December 31, 2001	4,382	--
Additional paid-in capital	52,532	51,506
Retained earnings	469,303	411,866
Unearned portion of restricted stock	(78)	(22)
Accumulated other comprehensive income	(6,831)	(5,626)
	529,926	472,724
Less: Common treasury stock, at cost (4,925,275 shares at December 31, 2001 and 4,982,720 shares at December 31, 2000)	179,972	182,500
Total stockholders' equity	349,954	290,224
Total liabilities and stockholders' equity	\$ 500,428	\$ 409,416

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, (In thousands)	2001	2000	1999
Cash flows from operating activities:			
Net earnings	\$ 62,880	\$ 41,074	\$ 39,045
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	14,734	14,346	12,864
Noncash pension income	(11,042)	(7,813)	(6,574)
Net gains on sales and disposals of real estate and equipment	(39,018)	(1,390)	--
Net (gains) losses on short-term investments	(42)	(206)	340
Deferred income taxes	4,167	6,886	2,300
Changes in operating assets and liabilities, net of businesses acquired:			
Proceeds from sales of short-term investments	348,911	523,656	394,355
Purchases of short-term investments	(327,761)	(560,656)	(353,861)
(Increase) decrease in receivables	(7,203)	3,702	6,878
(Increase) decrease in inventories	(3,232)	11,534	2,830
Increase (decrease) in progress payments	4,186	(1,552)	(13,057)
(Decrease) increase in accounts payable and accrued expenses	(2,831)	338	(1,734)
Increase (decrease) in income taxes payable	12,694	(1,046)	151
Increase (decrease) in other assets	(2,051)	4,499	(1,016)
Increase (decrease) in other liabilities	6,763	(10,081)	241
Other, net	105	838	(1,886)
Total adjustments	(1,620)	(16,945)	41,831
Net cash provided by operating activities	61,260	24,129	80,876
Cash flows from investing activities:			
Net proceeds from sales and disposals of real estate and equipment	45,201	3,765	2,586
Additions to property, plant and equipment	(19,354)	(9,506)	(19,883)
Acquisition of new businesses	(58,982)	(1,961)	(49,322)
Net cash used for investing activities	(33,135)	(7,702)	(66,619)
Cash flows from financing activities:			
Principal payments on long-term debt	(8,228)	(7,575)	--
Reimbursement of recapitalization expenses	1,750	--	--
Proceeds from exercise of stock options	1,804	--	--
Common stock repurchases	--	(1,489)	(5,440)
Dividends paid	(5,443)	(5,214)	(5,257)
Net cash used for financing activities	(10,117)	(14,278)	(10,697)
Effect of foreign currency	(1,205)	(3,004)	178
Net increase (decrease) in cash and cash equivalents	16,803	(855)	3,738
Cash and cash equivalents at beginning of year	8,692	9,547	5,809
Cash and cash equivalents at end of year	\$ 25,495	\$ 8,692	\$ 9,547
Supplemental disclosure of noncash investing activities:			
Fair value of assets acquired	\$ 78,979	\$ 2,231	\$ 54,868
Liabilities assumed	(14,829)	(270)	(5,034)
Less: Cash acquired	(5,168)	--	(512)
Net cash paid	\$ 58,982	\$ 1,961	\$ 49,322

See notes to consolidated financial statements.

28_CURTISS-WRIGHT AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(In thousands)	Common Stock	Class B Common Stock	Additional Paid in Capital	Retained Earnings
December 31, 1998	\$ 15,000	\$ --	\$ 51,669	\$ 342,218
Comprehensive income:				
Net earnings	--	--	--	39,045
Translation adjustments, net	--	--	--	--
Total comprehensive income	--	--	--	--
Dividends paid	--	--	--	(5,257)
Common stock repurchase	--	--	--	--
Stock options exercised, net	--	--	(70)	--
Amortization of earned portion of restricted stock awards	--	--	--	--
December 31, 1999	15,000	--	51,599	376,006
Comprehensive income:				
Net earnings	--	--	--	41,074
Translation adjustments, net	--	--	--	--
Total comprehensive income	--	--	--	--
Dividends paid	--	--	--	(5,214)
Common stock repurchase	--	--	--	--
Stock options exercised, net	--	--	(94)	--
Restricted stock awards	--	--	1	--
Amortization of earned portion of restricted stock awards	--	--	--	--
December 31, 2000	15,000	--	51,506	411,866
Comprehensive income:				
Net earnings	--	--	--	62,880
Translation adjustments, net	--	--	--	--
Total comprehensive income	--	--	--	--
Dividends paid	--	--	--	(5,443)
Common stock repurchase	--	--	--	--
Stock options exercised, net	--	--	(730)	--
Restricted stock awards	--	--	6	--
Amortization of earned portion of restricted stock awards	--	--	--	--
Recapitalization	(4,382)	4,382	1,750	--
December 31, 2001	\$ 10,618	\$ 4,382	\$ 52,532	\$ 469,303

(In thousands)	Unearned Portion of Restricted Stock Awards	Accumulated Other Comprehensive Income	Comprehensive Income	Treasury Stock
December 31, 1998	\$ (40)	\$ (2,800)		\$ 176,454
Comprehensive income:				
Net earnings	--	--	\$39,045	--
Translation adjustments, net	--	178	178	--
Total comprehensive income	--	--	\$39,223	--
Dividends paid	--	--	--	--
Common stock repurchase	--	--	--	5,440
Stock options exercised, net	--	--	--	(290)
Amortization of earned portion of restricted stock awards	16	--	--	--
December 31, 1999	(24)	(2,622)		181,604

Comprehensive income:				
Net earnings	--	--	\$41,074	--
Translation adjustments, net	--	(3,004)	(3,004)	--

Total comprehensive income	--	--	\$38,070	--
=====				
Dividends paid	--	--		--
Common stock repurchase	--	--		1,489
Stock options exercised, net	--	--		(579)
Restricted stock awards	(15)	--		(14)
Amortization of earned portion of restricted stock awards	17	--		--

December 31, 2000	(22)	(5,626)		182,500

Comprehensive income:				
Net earnings	--	--	\$62,880	--
Translation adjustments, net	--	(1,205)	(1,205)	--
=====				
Total comprehensive income	--	--	\$61,675	--
=====				
Dividends paid	--	--		--
Common stock repurchase	--	--		--
Stock options exercised, net	--	--		(2,456)
Restricted stock awards	(77)	--		(72)
Amortization of earned portion of restricted stock awards	21	--		--
Recapitalization	--	--		--

December 31, 2001	\$ (78)	\$(6,831)		\$ 179,972
=====				

See notes to consolidated financial statements.

29_CURTISS-WRIGHT AND SUBSIDIARIES

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 services to the aerospace, defense, automotive, shipbuilding, processing, oil, petrochemical, agricultural equipment, railroad, power generation, security, and metalworking industries. Operations are conducted through 13 manufacturing facilities, 41 metal treatment service facilities and 4 aerospace component overhaul locations.

A. Principles of Consolidation

The financial statements of the Corporation have been prepared in conformity with accounting principles generally accepted in the United States and such preparation has required the use of management's best estimates and judgments in presenting the consolidated accounts of the Corporation, after elimination of all significant intercompany transactions and accounts. Management's best estimates include assumptions that affect the reported amount of assets, liabilities, revenue and expenses in the accompanying financial statements. The most significant of these estimates include the estimate of costs to complete long-term contracts under the percentage of completion accounting method and the estimate of future environmental costs. Actual results may differ from these estimates. Certain prior year information has been reclassified to conform to current presentation.

B. 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.

C. Progress Payments

Progress payments received under prime contracts and subcontracts have been deducted from receivables and inventories, as disclosed in Notes 6 and 7.

With respect to government contracts, the government has a lien on all materials and work-in-process to the extent of progress payments.

D. Revenue Recognition

The Corporation records sales and related profits for the majority of its operations as units are shipped or services are rendered. Sales and estimated profits under certain long-term contracts are recognized under the percentage-of-completion method of accounting. Profits are recorded pro rata, based upon current estimates of direct and indirect costs to complete such 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.

In accordance with industry practice, inventoried costs contain amounts relating to contracts and programs with long production cycles, a portion of which will not be realized within one year.

E. Property, Plant and Equipment

Property, plant and equipment are carried at cost. 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 occur.

Depreciation is computed using the straight-line method based upon the estimated useful lives of the respective assets.

Average useful lives for property and equipment are as follows:

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

F. Intangible Assets

Intangible assets consist primarily of the excess purchase price of the acquisitions over the fair value of net assets acquired. The Corporation amortizes such costs on a straight-line basis over the estimated period benefited but not exceeding 30 years. Amortization of intangibles, consisting primarily of goodwill, totaled \$3,067,000, \$2,561,000 and \$1,618,000 for the years ended December 31, 2001, 2000 and 1999, respectively.

The Corporation reviews the recoverability of all long-term assets, including the related amortization period, whenever events or changes in circumstances indicate that the carrying amount of an asset might not be recoverable. The Corporation determines whether there has been an impairment by comparing the anticipated undiscounted future net cash flows to the related asset's carrying value. If an asset is considered impaired, the asset is written down to fair value which is either determined based on discounted cash flows or appraised values, depending on the nature of the asset. There were no such write-downs in 2001, 2000, or 1999. In addition, please refer to Note N for information regarding new rules governing the accounting for goodwill and other intangible assets.

G. Fair Value of Financial Instruments

The financial instruments with which the Corporation is involved are primarily of a traditional nature. The Corporation's short-term investments are comprised of equity and debt securities, all classified as trading securities, which are carried at their fair value based upon the quoted market prices of those investments at period end.

30_CURTISS-WRIGHT AND SUBSIDIARIES

Accordingly, net realized and unrealized gains and losses on trading securities are included in net earnings. 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 are deemed to approximate fair value. The carrying amount of long-term debt approximates fair value because the interest rates are reset periodically to reflect current market conditions.

H. Research and Development

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

I. Environmental Costs

The Corporation establishes a reserve for a potential environmental remediation liability when it concludes that a determination of legal liability is probable, based upon the advice of counsel. 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, a reserve will be established at the low end of that range. Such reserves, which are reviewed quarterly, represent the current value of anticipated remediation not recognizing any recovery from insurance carriers, or third-party legal actions, and are not discounted.

J. Accounting for Stock-Based Compensation

The Corporation follows Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB No. 25), in accounting for its employee stock options, rather than the alternative method of accounting provided under Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" (SFAS No. 123). Under APB No. 25, the Corporation does not recognize compensation expense on stock options granted to employees when the exercise price of the options is equal to the market price of the underlying stock on the date of the grant. Further information concerning options granted under the Corporation's Long-Term Incentive Plan is provided in Note 12.

K. Capital Stock

In February 2001, the Company increased the authorized number of shares for repurchase under its existing stock buyback program by 600,000 shares. This increase is an addition to the previous authorization of 300,000 shares. Purchases were authorized to be made from time to time in the open market or privately negotiated transactions, depending on market and other conditions, based upon the belief of management that the market price of the stock did not adequately reflect the true value of the Corporation and, therefore, represented an attractive investment opportunity. The shares are held at cost and reissuance is recorded at the weighted average cost. Through December 31, 2001, the Corporation has repurchased 210,930 shares under this program. There was no stock repurchased in 2001.

L. Earnings Per Share

The Corporation is required to report both basic earnings per share (EPS), based on the weighted average number of Common and Class B shares outstanding, and diluted earnings per share based on the basic EPS adjusted for all potentially dilutive shares issuable. At December 31, 2001, the Corporation had approximately 119,000 additional stock options outstanding that could potentially dilute basic EPS in the future. The effect of these options was not included in the computation of diluted EPS for 2001 because to do so would have been antidilutive. The Corporation had antidilutive options outstanding of approximately 124,000 at December 31, 2000 and approximately 334,000 at December 31, 1999. Earnings per share calculations for the years ended December 31, 2001, 2000, and 1999 are as follows:

(In thousands, except per share data)	Net Income	Weighted Average Shares Outstanding(1)	Earnings Per Share
2001:			
Basic earnings per share	\$62,880	10,061	\$6.25
Effect of dilutive securities:			
Stock options	--	172	
Deferred stock compensation	--	3	
Diluted earnings per share	\$62,880	10,236	\$6.14
2000:			
Basic earnings per share	\$41,074	10,015	\$4.10
Effect of dilutive securities:			
Stock options	--	176	
Deferred stock compensation	--	3	
Diluted earnings per share	\$41,074	10,194	\$4.03

1999:			
Basic earnings per share	\$39,045	10,115	\$3.86
Effect of dilutive securities:			
Stock options	--	99	
Deferred stock compensation	--	1	

Diluted earnings per share	\$39,045	10,215	\$3.82
=====			

(1) Shares in 2001 include the Corporation's Common and Class B shares.

31_CURTISS-WRIGHT AND SUBSIDIARIES

M. Accounting for Derivatives and Hedging Activities

The Corporation adopted Statement of Financial Accounting Standard No. 133, "Accounting for Derivatives and Hedging Activities," effective January 1, 2001. The adoption of this standard had no material effect on the Corporation's results of operation or financial condition due to its limited use of derivatives.

N. Recently Issued Accounting Standards

In July 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard ("SFAS") No. 141, "Business Combinations" and SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 141, which requires all business combinations to be accounted for under the purchase method of accounting, is effective for business combinations initiated after June 30, 2001. Under the new rules of SFAS No. 142, goodwill will no longer be amortized but will be subject to annual impairment tests in accordance with the statements. Other intangible assets will continue to be amortized over their useful lives. SFAS No. 142 is effective for fiscal years beginning after December 15, 2001. Accordingly, the Corporation will apply the new rules on accounting for goodwill and other intangible assets beginning in 2002. Application of the nonamortization provisions of the statement is expected to increase operating income in 2002 by approximately \$1.8 million, however, the final allocation of the purchase price to goodwill and other intangible assets for the 2001 acquisitions could potentially offset this savings. The Corporation has not yet determined the final goodwill allocation or the effect that these impairment tests might have on the earnings and financial position of the Corporation. See Note F for further discussion of the intangible assets.

In October, 2001, the Financial Accounting Standards Board issued SFAS No. 144 "Accounting for the Impairment or Disposal of Long-Lived Assets". This statement defines the accounting for long-lived assets to be held and used, assets held for sale and assets to be disposed of by other than sale and is effective for fiscal years beginning after December 15, 2001. The Corporation has not yet determined the impact of this pronouncement.

2. Acquisitions

The Corporation acquired seven businesses in 2001, one business in 2000 and three businesses in 1999, as described below. All acquisitions have been accounted for as purchases with the excess of the purchase price over the estimated fair value of the net assets acquired recorded primarily as goodwill. The Corporation has made a preliminary estimate of the value of identifiable intangibles with a finite life and recorded amortization in 2001 based upon the estimated useful life of those intangible assets identified. The Corporation will adjust these estimates based upon third party appraisals, when finalized. The results of each operation have been included in the consolidated financial results of the Corporation from the date of acquisition in the segment indicated as follows:

Motion Control

Lau Defense Systems and Vista Controls

On November 1, 2001 the Corporation acquired the assets of Lau Defense Systems ("LDS") and the stock of Vista Controls, Inc. ("Vista"). LDS and Vista design and manufacture "mission-critical" electronic control systems primarily for the defense market. In addition, an agreement was reached for the negotiation of licenses for facial recognition products for certain U.S. Government and industrial markets. The businesses acquired have operating facilities located in Littleton, Massachusetts and Santa Clarita, California. The purchase price of the acquisition, subject to adjustment as provided for in the purchase agreement, was \$41 million in cash and the assumption of certain liabilities. There are provisions in the agreement for additional payments upon the achievement of certain financial performance criteria over the next five years up to a maximum additional payment of \$22 million. This acquisition was accounted for as a purchase in the fourth quarter of 2001. The excess of the purchase price over the fair value of the net assets acquired is approximately \$35.7 million. The fair value of the net assets acquired was based on preliminary estimates and may be revised at a later date.

Flow Control

Solent & Pratt

On March 23, 2001, the Corporation acquired the operating assets of Solent & Pratt Ltd. ("Solent & Pratt"). Solent & Pratt is a manufacturer of high performance butterfly valves and is a global supplier to the petroleum, petrochemical, chemical and process industries. The operations are located in Bridport, England and will continue to operate under the Solent & Pratt name.

32_CURTISS-WRIGHT AND SUBSIDIARIES

The Corporation purchased the assets of Solent & Pratt for approximately \$1.5 million in cash and assumed certain liabilities. There are provisions in the agreement for additional payments upon the achievement of certain performance criteria over the next five years. The acquisition was accounted for as a purchase in the first quarter of 2001. The excess of the purchase price over the fair value of the net assets acquired is currently estimated at \$2.4 million. The fair value of the net assets acquired was based on preliminary estimates and may be revised at a later date.

Peerless Instrument Company

On November 8, 2001, the Corporation acquired the stock of Peerless Instrument Co., Inc. ("Peerless"). Peerless is an engineering and manufacturing company that designs and produces custom control components and systems for flow control applications primarily to the U.S. Nuclear Naval program. The business is located in Elmhurst, New York. The purchase price of the acquisition, subject to adjustment as provided for in the purchase agreement, was \$7 million plus the assumption of certain liabilities. This acquisition has been accounted for as a purchase in the fourth quarter of 2001. The excess of the purchase price over the fair value of the net assets acquired is approximately \$3.3 million. The fair value of the net assets acquired was based on preliminary estimates and may be revised at a later date.

Deltavalve

On December 12, 2001, the Corporation acquired the operating assets of Deltavalve USA, LLC ("Deltavalve"). Deltavalve designs, engineers and manufactures industrial valves used in high pressure, extreme temperature and corrosive plant environments. Deltavalve is located in Salt Lake City, Utah with an assembly and test facility in Calgary, Alberta, Canada.

The Corporation acquired the net assets of Deltavalve for \$6.5 million in cash, subject to adjustment as provided for in the agreement. There are provisions in the agreement for additional payments upon the achievement of certain financial performance criteria over the next five years. This acquisition was accounted for as a purchase in the fourth quarter of 2001. The excess of the purchase price over the fair value of the net assets acquired was \$4.6 million. The fair value of the net assets acquired was based on preliminary estimates and may be revised at a later date.

Farris Engineering and Sprague Products

On August 27, 1999, the Corporation completed its acquisition of the Farris Engineering ("Farris") and Sprague Products ("Sprague") businesses. Farris is one of the world's leading manufacturers of pressure-relief valves for use in processing industries, which include refineries, petrochemical/chemical plants and pharmaceutical manufacturing. Products are manufactured in Brecksville, Ohio and Brantford, Ontario. The Sprague business, also located in Brecksville, Ohio, provides specialty hydraulic and pneumatic valves and air-driven pumps and gas boosters under the "Sprague" and "PowerStar" trade names for general industrial applications as well as directional control valves for truck transmissions and car transport carriers.

The Corporation acquired the net assets of the Farris and Sprague businesses for \$42.9 million in cash. This acquisition was accounted for as a purchase in the third quarter of 1999. The excess of the purchase price over the fair value of the net assets acquired was \$18.5 million and is being amortized over 30 years.

Metal Treatment

Ironbound Heat Treating Company

On November 6, 2001, the Corporation acquired the commercial heat-treating assets of Ironbound Heat Treating Company ("Ironbound"). Ironbound provides heat-treating services to markets that include tool and die, automotive, aerospace and medical components. The business is located in Roselle, New Jersey. The purchase price of the acquisition, subject to adjustment as provided for in the purchase agreement, was \$4.5 million in cash and the assumption of certain liabilities. This acquisition has been accounted for as a purchase in the fourth quarter of 2001. The excess of the purchase price over the fair value of the net assets acquired is approximately \$1.4 million. The fair value of the net assets acquired was based on preliminary estimates and may be revised at a later date.

Bodycote Thermal Processing

On December 19, 2001, the Corporation acquired the Wichita, Kansas Heat Treating operation of Bodycote Thermal Processing. This operation provides heat treating services to a number of industries including aerospace and agriculture.

The purchase price of the acquisition was \$3.6 million. This acquisition has been accounted for as a purchase in the fourth quarter of 2001. The preliminary estimate of the fair value of the assets acquired approximates the purchase price. However, these estimates may be revised at a later date.

EF Quality Heat Treating Company

On December 14, 2000, the Corporation acquired EF Quality Heat Treating Company ("EF"), a Midwest provider of heat treating services primarily to the automotive industry. EF provides atmosphere normalizing, annealing and stress relieving services from its Salem, Ohio location.

The Corporation acquired the net assets of the EF business for approximately \$2.2 million. This acquisition has been accounted for as a purchase in the fourth quarter of 2000. The excess of the purchase price over the fair value of the net assets acquired is approximately \$1.0 million and is being amortized over 25 years.

Metallurgical Processing Inc.

On June 30, 1999, the Corporation acquired Metallurgical Processing, Inc. ("MPI"), a supplier of commercial heat-treating services, primarily to the automotive and industrial markets. MPI provides a number of metal-treatment processes including carburizing, hardening, and carbonitriding and services a broad spectrum of customers from its Fort Wayne, Indiana location.

The Corporation acquired the stock of MPI for \$7.4 million in cash and accounted for the acquisition as a purchase in the second quarter of 1999. The excess of the purchase price over the fair value of the net assets acquired was \$2.2 million and is being amortized over 25 years.

3. Divestitures

On December 20, 2001, the Corporation sold its Wood-Ridge Business Complex for \$51 million, which is located in Wood-Ridge, New Jersey. The business complex comprised approximately 2.3 million square feet of rental space situated on 138 acres of land.

Under the sale agreement, the Corporation will retain the responsibility to continue the ongoing environmental remediation on the property until such time that a "no further action" letter and covenant not to sue is obtained from the New Jersey Department of Environmental Protection. The cost of the remediation has been previously provided for. Please refer to Note 13 for additional information.

4. Recapitalization

On October 26, 2001, the Corporation's shareholders approved a recapitalization plan, which enabled Unitrin Inc. ("Unitrin") to distribute its approximate 44% equity interest in Curtiss-Wright to its shareholders on a tax-free basis.

Under the recapitalization plan, and in order to meet certain tax requirements, Unitrin's approximately 4.4 million common shares were exchanged for an equivalent number of shares of a new Class B Common Stock of Curtiss-Wright, which are entitled to elect 80 percent of Curtiss-Wright's Board of Directors. After such exchange, Unitrin immediately distributed the Class B shares to its approximately 8,000 registered stockholders in a tax-free distribution. The holders of the outstanding Common shares of Curtiss-Wright are entitled to elect up to 20% of the Board of Directors after the distribution. Other than the right to elect Directors, the two classes of stock vote as a class (except as required by law) and are equal in all other respects. The new Class B Common Stock was listed on the New York Stock Exchange, effective November 29, 2001.

In November 2000, Curtiss-Wright's Board of Directors had approved an agreement with Unitrin related to the recapitalization plan. Under this agreement, Unitrin agreed to reimburse the Corporation for certain costs incurred in connection with the recapitalization up to a maximum of \$1.75 million. The maximum amount was received subsequent to the recapitalization and is reflected in the financial statements as Additional Paid-In Capital. Recapitalization costs of \$1.5 million were incurred in 2001 and are included in general and administrative costs in the statement of earnings.

5. Short-term Investments

The composition of short-term investments is as follows:

December 31,	2001		2000	
(In thousands)	Cost	Fair Value	Cost	Fair Value
Money market				
preferred stocks	\$11,850	\$11,850	\$16,700	\$16,700
Common and				
preferred stocks	104	208	2,104	2,166
Tax exempt				
revenue bonds	29,600	29,600	43,900	43,900
Total short-term				
investments	\$41,554	\$41,658	\$62,704	\$62,766

Investment income for the years ended December 31 consists of:

(In thousands)	2001	2000	1999
Interest and dividend income, net	\$2,480	\$2,521	\$ 2,361
Net realized gains on the sales of short-term investments	77	135	274
Net unrealized holding gains (losses)	42	206	(340)
Investment income, net	\$2,599	\$2,862	\$ 2,295

34_CURTISS-WRIGHT AND SUBSIDIARIES

6. Receivables

Receivables include current notes, amounts billed to customers, claims and 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 largest single customer represented 6% of the total outstanding billed receivables at December 31, 2001 and 7% of the total outstanding billed receivables at December 31, 2000. This same customer of the Motion Control segment accounted for 13% of consolidated revenue in 2001, 13% in 2000 and 14% in 1999. In addition, the Corporation is either a prime or subcontractor of various agencies of the U.S. Government. Revenues derived directly and indirectly from government sources (primarily the U.S. Government) totaled \$84,443,000, or 25% of consolidated revenue in 2001, \$56,400,000, or 17% in 2000 and \$50,116,000, or 17% in 1999.

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 Notes receivable for 2001 includes a \$2.5 million receivable from the sale of the Wood-Ridge property. This amount was subsequently collected in February 2002. See Note 3 for additional information on this divestiture.

The composition of receivables is as follows:

(In thousands) December 31,	2001	2000
Billed Receivables:		
Trade and other receivables	\$ 70,562	\$ 59,904
Less: Progress payments applied	(2,393)	(1,508)
Allowance for doubtful accounts	(2,117)	(2,659)
Net billed receivables	66,052	55,737
Unbilled Receivables:		
Recoverable costs and estimated earnings not billed	24,799	18,091
Less: Progress payments applied	(8,015)	(7,040)
Net unbilled receivables	16,784	11,051
Notes Receivable	3,518	1,027
Receivables, net	\$ 86,354	\$ 67,815

7. Inventories

Inventories are valued at the lower of cost (principally average cost) or market. The composition of inventories is as follows:

(In thousands) December 31,	2001	2000
Raw material	\$ 25,761	\$ 11,955
Work-in-process	19,079	10,815
Finished goods and component parts	34,853	32,621
Inventoried costs related to U.S. Government and other long-term contracts	7,248	5,961
Gross inventories	86,941	61,352
Less: Inventory reserves	(14,384)	(10,944)
Progress payments applied, principally related to long-term contracts	(15,442)	(406)
Inventories, net	\$ 57,115	\$ 50,002

8. Accrued Expenses and Other Current Liabilities

Accrued expenses consist of the following:

(In thousands) December 31,	2001	2000
Accrued compensation	\$11,914	\$ 9,117
Accrued taxes other than income taxes	1,591	2,073
Accrued insurance	2,207	1,812
Accrued royalties	1,236	631
Accrued commissions	1,112	2,118
All other	5,103	3,638
Total accrued expenses	\$23,163	\$19,389

Other current liabilities consist of the following:

(In thousands) December 31,	2001	2000
Customer advances	\$ 4,167	\$ 3,734
Current portion of environmental reserves	2,129	1,393
Anticipated losses on long-term contracts	1,139	1,322
Estimated warranty costs	1,696	849
Additional amounts due to sellers on acquisitions	2,540	--
All other	4,196	2,336
Total other current liabilities	\$15,867	\$ 9,634

35_CURTISS-WRIGHT AND SUBSIDIARIES

9. Income Taxes

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

(In thousands)	2001	2000	1999
Domestic	\$ 84,018	\$48,550	\$47,088
Foreign	18,179	17,421	16,221
Total	\$102,197	\$65,971	\$63,309

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

(In thousands)	2001	2000	1999
Current:			
Federal	\$ 22,656	\$ 9,342	\$11,843
State	6,048	2,571	3,619
Foreign	5,829	5,809	6,000
	34,533	17,722	21,462
Deferred:			
Federal	3,763	5,953	2,143
State	505	966	407
Foreign	516	256	252
	4,784	7,175	2,802
Provision for income taxes	\$ 39,317	\$24,897	\$24,264

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

	2001	2000	1999
U.S. Federal statutory tax rate	35.0%	35.0%	35.0%
Add (deduct):			
State and local taxes	4.2	3.5	4.1
Dividends received deduction and tax exempt income	(0.5)	(0.8)	(0.8)
All other, net	(0.2)	--	--
Effective tax rate	38.5%	37.7%	38.3%

The components of the Corporation's deferred tax assets and liabilities at December 31 are as follows:

(In thousands)	2001	2000
Deferred tax assets:		
Environmental reserves	\$ 5,275	\$ 5,416
Inventories	4,450	4,440
Postretirement/postemployment benefits	2,241	2,229
Incentive compensation	2,383	1,737
Accrued vacation pay	1,179	1,159
Other	4,068	1,953
Total deferred tax assets	19,596	16,934
Deferred tax liabilities:		
Retirement plans	26,882	22,929
Depreciation	5,406	4,270
Other	3,786	2,046
Total deferred tax liabilities	36,074	29,245
Net deferred tax liabilities	\$ 16,478	\$ 12,311

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

	2001	2000
Current deferred tax assets	\$ 9,565	\$ 9,378
Noncurrent deferred tax liabilities	(26,043)	(21,689)
Net deferred tax liabilities	\$(16,478)	\$(12,311)

Income tax payments of \$18,869,000 were made in 2001, \$15,466,000 in 2000, and \$20,954,000 in 1999.

No provision has been made for U.S. federal or foreign taxes on that portion of certain foreign subsidiaries' undistributed earnings (\$5,250,564 at December 31, 2001) considered to be permanently reinvested. It is not practicable to estimate the amount of tax that would be payable if these amounts were repatriated to the Company, however, it is expected that there would be minimal or no additional tax because of the availability of foreign tax credits.

36_CURTISS-WRIGHT AND SUBSIDIARIES

10. Long-term Debt

Long-term debt at December 31 consists of the following:

(In thousands)	2001	2000
Industrial Revenue Bonds, due from 2007 to 2028. Weighted average interest rate is 2.99% and 4.07% per annum for 2001 and 2000, respectively	\$ 13,400	\$ 18,747
Revolving Credit Agreement Borrowing, due 2004. Weighted average interest rate is 3.88% for 2001 and 3.49% for 2000	7,961	11,330
Total debt	21,361	30,077
Less: Current portion	--	(5,347)
Total Long-term debt	\$ 21,361	\$ 24,730

Debt under the Corporation's revolving credit agreement is denominated in Swiss francs. Actual borrowings were 13,200,000 and 18,250,000 Swiss francs at December 31, 2001 and 2000, respectively. The carrying amount of long-term debt approximates fair value because the interest rates are reset periodically to reflect market conditions and rates.

Aggregate maturities of debt are as follows:

(In thousands)	
2002	\$ --
2003	--
2004	7,961
2005	--
2006	--
2007 and beyond	13,400
	\$21,361

Interest payments of approximately \$826,000, \$1,006,000 and \$818,000 were made in 2001, 2000 and 1999, respectively.

11. Credit Agreements

The Corporation has two credit agreements in effect aggregating \$100,000,000 with a group of five banks. The credit agreements allow for borrowings to be denominated in a number of foreign currencies. The Revolving Credit Agreement commits a maximum of \$60,000,000 to the Corporation for cash borrowings and letters of credit. The unused credit available under this facility at December 31, 2001 was \$36,203,000 and was \$27,086,000 at December 31, 2000. Cash borrowings under the Revolving Credit Agreement at December 31, 2001 were \$7,961,000 with a weighted average interest rate during 2001 of 3.88%. Cash borrowings at December 31, 2000 were \$11,330,000 with a weighted average interest rate during 2000 of 3.49%. The commitment made under the Revolving Credit Agreement expires December 20, 2004, but may be extended annually for successive one-year periods with the consent of the bank group. The Corporation also has in effect a Short-Term Credit Agreement, which allows for cash borrowings of \$40,000,000, all of which was available at December 31, 2001 and December 31, 2000. The Short-Term Credit Agreement expires December 13, 2002. The Short-Term Credit Agreement may be extended for additional periods, with the consent of the bank group, for additional periods not to exceed 364 days each. The Corporation is required under these Agreements to maintain certain financial ratios, and meet certain net worth and indebtedness tests for which the Corporation is in compliance.

At December 31, 2001, 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 approximately \$13,666,000. The Corporation has various other letters of credit totaling approximately \$2,300,000, most of which are now included under the Revolving Credit Agreement.

12. Stock Compensation Plans

Stock-Based Compensation: Pro forma information regarding net earnings and earnings per share is required by SFAS No. 123 and has been determined as if the Corporation had accounted for its 2001, 2000 and 1999 employee stock option grants under the fair value method of that Statement. Information with regard to the number of options granted, market price of the grants, vesting requirements and the maximum term of the options granted appears by plan type in the sections below. The fair value for these options was estimated at the date of grant using a Black-Scholes option pricing model with the following weighted average assumptions:

	2001	2000	1999
Risk-free interest rate	4.66%	5.87%	6.09%
Expected volatility	24.18%	23.96%	25.06%
Expected dividend yield	1.37%	1.09%	1.37%
Weighted average option life	7 years	7 years	7 years

The estimated fair value of the option grants are amortized to expense over the options' vesting period beginning January 1 of the following year, due to the timing of the grants. The Corporation's pro forma information for the years ended December 31, 2001, 2000 and 1999 is as follows:

(In thousands, except per share data)	2001	2000	1999
Net earnings:			
As reported	\$62,880	\$41,074	\$39,045
Pro forma	\$61,683	\$40,074	\$38,430
Net earnings per share:			
As reported:			
Basic	\$ 6.25	\$ 4.10	\$ 3.86
Diluted	\$ 6.14	\$ 4.03	\$ 3.82
Pro forma:			
Basic	\$ 6.13	\$ 4.00	\$ 3.80
Diluted	\$ 6.03	\$ 3.93	\$ 3.76

Long-Term Incentive Plan: Under a Long-Term Incentive Plan ("LTI Plan") approved by stockholders in 1995, an aggregate total of 1,000,000 shares of common stock were reserved for issuance under said LTI Plan. No more than 50,000 shares of common stock subject to the LTI Plan may be awarded in any year to any one participant in the LTI Plan.

Under this LTI Plan, the Corporation awarded 2,439,805 performance units in 2001, 1,604,825 in 2000 and 1,539,778 in 1999 to certain key employees. The performance units are denominated in dollars and are contingent upon the satisfaction of performance objectives keyed to 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. However, the actual cost of the performance units may vary from total value of the awards depending upon the degree to which the key performance objectives are met.

Under this LTI Plan, the Corporation has granted nonqualified stock options in 2001, 2000, and 1999 to key employees. Stock options granted under this LTI Plan expire ten years after the date of the grant and are usually exercisable as follows: up to one-third of the grant after one full year, up to two-thirds of the grant after two full years and in full three years from the date of grant. Stock option activity during the periods is indicated as follows:

	Shares	Weighted Average Exercise Price	Options Exercisable
Outstanding at December 31, 1998	436,501	\$28.63	242,071
Granted	147,551	37.82	
Exercised	(6,155)	21.01	
Forfeited	(20,276)	34.78	
Outstanding at December 31, 1999	557,621	30.92	310,586
Granted	124,398	47.72	
Exercised	(16,080)	22.93	
Forfeited	(13,225)	37.18	
Outstanding at December 31, 2000	652,714	34.19	396,049
Granted	206,762	43.70	

Exercised	(53,832)	22.02	
Forfeited	(10,687)	43.96	

Outstanding at			
December 31, 2001	794,957	\$37.65	468,074
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38_CURTISS-WRIGHT AND SUBSIDIARIES

Stock Plan for Non-Employee Directors: The Stock Plan for Non-Employee Directors ("Stock Plan"), approved by stockholders in 1996, authorized the grant of restricted stock awards and, at the option of the Directors, the payment of regular stipulated compensation and meeting fees in equivalent shares. Pursuant to the terms of the Stock Plan, on the fifth anniversary of the initial grant, those non-employee directors who still remain as a non-employee director, shall receive an additional grant equal to the product of increasing \$13,300 at an annual rate of 2.96%, compounded monthly from the effective date of the Stock Plan. The amount of that per director grant was determined to be \$15,419 representing a total additional grant of 1,555 shares. The cost of the restricted stock awards is being amortized over a five-year restriction period from the date of grant. At December 31, 2001, the Corporation had provided for an aggregate additional 11,630 shares, at an average price of \$36.41, for its non-employee directors pursuant to election by directors to receive such shares in lieu of payment for earned compensation under the Stock Plan. Depending on the extent to which the non-employee directors elect to receive future compensation in shares, total awards under this Stock Plan could reach or exceed 16,000 shares by April 12, 2006, the termination date of the Stock Plan. Pursuant to elections, 2,442 shares were issued as compensation in 2001 under the Stock Plan.

13. Environmental Costs

The Corporation has continued the operation of the ground water and soil remediation activities at the Wood-Ridge, New Jersey site through 2001. The cost of constructing and operating this site was provided for in 1990 when the Corporation established a \$21,000,000 reserve to remediate the property. Costs for operating and maintaining this site totaled \$546,000 in 2001, \$490,000 in 2000 and \$563,000 in 1999, all of which have been charged against the previously established reserve. Even though this property was sold in December 2001 (see Note 3), the Corporation remains responsible for the completion of this on-going remediation post-sale.

The Corporation has previously filed lawsuits against several insurance carriers seeking recovery for environmental costs. The Corporation settled with one carrier in 1998 and two carriers in 1999. During 2000, the Corporation settled with the remaining carriers.

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; Pfohl Brothers landfill site, Cheektowaga, New York; Amenia landfill site, Amenia, New York; 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.

The noncurrent environmental obligation at December 31, 2001 was \$9,525,000 compared to \$9,925,000 at December 31, 2000 and is included in other liabilities on the Consolidated Balance Sheet.

14. Pension and Other Postretirement Benefit Plans

The Corporation maintains a noncontributory defined benefit pension plan covering substantially all employees. The Curtiss-Wright Retirement Plan ("Plan") formula for nonunion employees is based on years of credited service and the five highest consecutive years' compensation during the last ten years of service and a "cash balance" benefit. Union employees who have negotiated a benefit under this Plan are entitled to a benefit based on years of service multiplied by a monthly pension rate. Employees are eligible to participate in this Plan after one year of service and are vested after five years of service. At December 31, 2001 and December 31, 2000, the Corporation had prepaid pension costs of \$70,796,000 and \$59,765,000, respectively, under this Plan. At December 31, 2001, approximately 36% of the Plan's assets are invested in debt securities, including a portion in U.S. Government issues. Approximately 64% of Plan assets are invested in equity securities.

The Corporation also maintains a nonqualified Restoration Plan covering those employees whose compensation or benefits exceeds the IRS limitation for pension benefits. Benefits under this Plan are not funded and as such, the Corporation had an accrued pension liability of \$1,139,000 and \$1,226,000 at December 31, 2001 and 2000, respectively. In addition, the Corporation had foreign pension costs under retirement plans of \$975,000, \$864,000 and \$734,000 in 2001, 2000 and 1999, respectively.

The Corporation also provides postretirement health benefits to certain employees.

39_CURTISS-WRIGHT AND SUBSIDIARIES

	Pension Benefits		Postretirement Benefits	
(In thousands)	2001	2000	2001	2000
Change in Benefit Obligation:				
Benefit obligation at beginning of year	\$ 103,427	\$ 106,965	\$ 2,027	\$ 3,955
Service cost	4,740	4,803	112	118
Interest cost	7,113	7,256	126	181
Plan participants' contributions	--	--	33	158
Actuarial (gain) loss	(4)	2,022	(217)	(168)
Benefits paid	(11,932)	(17,619)	(91)	(280)
Change due to curtailment of benefits	--	--	--	(1,937)
Benefit obligation at end of year	103,344	103,427	1,990	2,027
Change in Plan Assets:				
Fair value of plan assets at beginning of year	252,682	237,813	--	--
Actual return on plan assets	(23,882)	30,107	--	--
Employer contribution	76	2,381	58	122
Plan participants' contribution	--	--	34	158
Benefits paid	(11,932)	(17,619)	(92)	(280)
Fair value of plan assets at end of year	216,944	252,682	--	--
Funded status	113,601	149,255	(1,990)	(2,027)
Unrecognized net actuarial gain	(44,220)	(88,765)	(2,548)	(2,532)
Unrecognized transition obligation	(18)	(2,206)	--	--
Unrecognized prior service costs	294	255	(797)	(920)
Prepaid (accrued) benefit costs	\$ 69,657	\$ 58,539	\$ (5,335)	\$ (5,479)
Components of Net Periodic Benefit Cost (Revenue):				
Service cost	\$ 4,740	\$ 4,803	\$ 112	\$ 118
Interest cost	7,113	7,256	126	181
Expected return on plan assets	(18,089)	(16,973)	--	--
Amortization of prior service cost	(40)	(36)	(123)	(123)
Amortization of transition obligation	(2,188)	(2,188)	--	--
Recognized net actuarial gain	(2,578)	(2,090)	(200)	(200)
Benefit cost reduction due to curtailment	--	--	--	(2,890)
Cost of settlement	--	1,415	--	--
Net periodic benefit revenue	\$ (11,042)	\$ (7,813)	\$ (85)	\$ (2,914)
Weighted-average assumptions as of December 31:				
Discount rate	7.00%	7.00%	7.00%	7.00%
Expected return on plan assets	8.50%	8.50%	--	--
Rate of compensation increase	4.50%	4.50%	--	--

40_CURTISS-WRIGHT AND SUBSIDIARIES

For measurement purposes, a 7.46% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2001. The rate was assumed to decrease gradually to 5.50% over the next seven years and remaining at that level thereafter.

Effect of change in health care cost trend on:

(In thousands)	1% Increase	1% Decrease
Total service and interest cost components	\$ 37	\$ (31)
Postretirement benefit obligation	\$259	\$(218)

The Corporation discontinued postretirement medical coverage for former employees of its Fairfield, NJ plant due to its closure, which resulted in income of \$2,890,000 in 2000.

15. Leases

Buildings and Improvements Leased to Others. The Corporation leases certain of its buildings and related improvements to outside parties under noncancelable operating leases. Cost and accumulated depreciation of the leased buildings and improvements at December 31, 2001, were \$7,301,000 and \$4,989,000, respectively, and at December 31, 2000, were \$49,575,000 and \$44,166,000, respectively. On December 20, 2001, the Corporation sold its Wood-Ridge Business Complex (see Note 3). As a result of this sale, the Corporation will no longer report net rental income from this property, which amounted to approximately \$3,400,000 in 2001.

Facilities and Equipment Leased from Others. 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 automobiles, machinery and office equipment under operating leases. Rental expenses for all operating leases amounted to approximately \$4,908,000 in 2001, \$4,273,000 in 2000 and \$2,770,000 in 1999.

At December 31, 2001, the approximate future minimum rental income and commitments under operating leases that have initial or remaining noncancelable lease terms in excess of one year are as follows:

(In thousands)	Rental Income	Rental Commitment
2002	\$ 220	\$ 6,223
2003	120	5,565
2004	120	3,803
2005	120	2,583
2006	120	1,465
2007 and beyond	8,400	1,839
	\$ 9,100	\$21,478

16. Industry Segments

The Corporation manages and evaluates its operations in three reportable segments: Motion Control, Metal Treatment and Flow Control. The operating segments are managed separately because each offers different products and serves different markets. The principal products and major markets of the three operating segments are described in the beginning of this Annual Report.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. Interest income is not reported on an operating segment basis because short-term investments and returns on those investments are aggregated and evaluated separately from business operations. Interest expense and income taxes are also not reported on an operating segment basis because they are not considered in the performance evaluation by the Corporation's chief operating decision-maker, its Chairman and CEO.

The Corporation had one commercial customer in the Motion Control segment that accounted for 13% of consolidated revenue in 2001, 13% in 2000 and 14% in 1999.

Consolidated Industry Segment Information:

(In thousands)	Motion Control(1)	Metal Treatment	Flow Control	Segment Total	Corporate & Other(2)	Consolidated Total
Year Ended December 31, 2001:						
Revenue from external customers	\$137,103	\$107,807	\$ 98,257	\$343,167	\$ --	\$343,167
Intersegment revenues	--	446	--	446	--	446
Operating income	19,219	19,513	10,703	49,435	(2,277)	47,158
Depreciation and amortization expense	4,270	5,519	4,279	14,068	666	14,734
Segment assets	152,962	95,945	108,689	357,596	142,832	500,428
Expenditures for long-lived assets	6,306	10,856	1,943	19,105	249	19,354
Year Ended December 31, 2000:						
Revenue from external customers	\$126,771	\$105,318	\$ 97,486	\$329,575	\$ --	\$329,575
Intersegment revenues	--	508	--	508	--	508
Operating income	15,383	23,502	10,276	49,161	3,024	52,185
Depreciation and amortization expense	4,086	5,031	4,124	13,241	1,105	14,346
Segment assets	96,955	84,538	82,670	264,163	145,253	409,416
Expenditures for long-lived assets	1,776	5,451	1,826	9,053	453	9,506
Year Ended December 31, 1999:						
Revenue from external customers	\$124,155	\$104,143	\$ 64,965	\$293,263	\$ --	\$293,263
Intersegment revenues	--	337	--	337	--	337
Operating income	8,667	23,551	6,082	38,300	12,857	51,157
Depreciation and amortization expense	5,056	4,407	2,355	11,818	1,046	12,864
Segment assets	112,943	83,350	95,214	291,507	95,619	387,126
Expenditures for long-lived assets	3,433	14,530	1,543	19,506	377	19,883

(1) Operating income for the Motion Control segment includes consolidation costs for the relocation of operations in the amount of \$3.8 million for 1999.

(2) Operating (loss) income for Corporate and other includes \$1.5 million for recapitalization costs and \$0.2 million for environmental costs in 2001; \$2.8 million gain for the curtailment of postretirement benefits and \$1.9 million net environmental recoveries, offset by accrued postemployment cost of \$0.7 million in 2000; and \$12.4 million in insurance settlements, net of related expenses in 1999.

42 CURTISS-WRIGHT AND SUBSIDIARIES

Reconciliations:

For the years ended December 31, (In thousands)	2001	2000	1999
Revenues:			
Total segment revenue	\$ 343,167	\$ 329,575	\$ 293,263
Intersegment revenue	446	508	337
Elimination of intersegment revenue	(446)	(508)	(337)
Total consolidated revenues	\$ 343,167	\$ 329,575	\$ 293,263
Earnings before taxes:			
Total segment operating income	\$ 49,435	\$ 49,161	\$ 38,300
Insurance settlements, net	--	3,041	11,683
Corporate and other	(2,277)	(17)	1,174
Investment income, net	2,599	2,862	2,295
Rental income, net	3,312	3,638	4,580
Pension income, net	11,042	7,813	6,574
Other income (expense), net	39,266	1,216	(8)
Interest expense	(1,180)	(1,743)	(1,289)
Total consolidated earnings before tax	\$ 102,197	\$ 65,971	\$ 63,309
Assets:			
Total assets for reportable segments	\$ 357,596	\$ 264,163	\$ 291,507
Short-term investments	41,658	62,766	25,560
Pension assets	70,796	59,765	50,447
Other assets	30,418	22,801	19,652
Elimination of intersegment receivables	(40)	(79)	(40)
Total consolidated assets	\$ 500,428	\$ 409,416	\$ 387,126

December 31, (In thousands)	2001		2000		1999	
	Revenues(1)	Long-Lived Assets	Revenues(1)	Long-Lived Assets	Revenues(1)	Long-Lived Assets
Geographic Information:						
United States	\$257,208	\$189,508	\$213,343	\$214,250	\$200,253	\$209,370
United Kingdom	31,340	23,047	32,133	22,666	29,762	20,986
Other foreign countries	54,619	13,880	84,099	13,738	63,248	11,644
Consolidated total	\$343,167	\$226,435	\$329,575	\$250,654	\$293,263	\$242,000

(1) Revenues are attributed to countries based on the location of the customer.

17. Contingencies and Commitments

The Corporation's Drive Technology (Drive Technology) subsidiary located in Switzerland entered into a sales agreement with the Spanish Ministry of Defense which contained an offset obligation for the purchase of approximately 24 million Swiss francs of product from Spanish suppliers over a seven-year period which began in 1999. The offset obligation contains two interim milestones, which if not met, could increase the total obligation by 10% per milestone. The first milestone occurred in February 2001 and was met. The next milestone occurs in February 2003. During 2001, the Corporation accrued 600,000 Swiss francs (approximately \$361,000) in noncurrent liabilities as a contingency against not achieving this milestone and/or compliance with the remainder of this agreement.

Drive Technology also entered into a sales agreement with the Austrian Defense Ministry which contained an offset obligation for the purchase of approximately 18.5 million Swiss francs of product from Austrian suppliers through May 2007. This agreement contains no milestones but there are penalty provisions for up to 5% of the unfulfilled amount. During 2001, the Corporation has accrued approximately 154,000 Swiss francs (\$93,000) in noncurrent liabilities as a contingency against noncompliance with the purchase obligations of this agreement.

Consistent with other entities its size, the Corporation is party to several 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.

18. Subsequent Events

Acquisitions

On February 20, 2002, the Corporation entered into an agreement with Spirent Plc. ("Spirent") to acquire all of the outstanding shares of Penny and Giles Controls Ltd., Penny and Giles Controls Inc., Penny and Giles Aerospace Ltd. (collectively "Penny and Giles"), substantially all of the assets of Autronics Corporation ("Autronics"), and the assets of Penny & Giles International Plc. devoted to its aerospace component business. The purchase price of the acquisition, subject to adjustment as provided for in the Share and Asset Purchase Agreement (the "Agreement"), is \$60 million in cash and the assumption of certain liabilities. The purchase price was determined as a result of arm's length negotiations between senior management of the Corporation and Spirent. Management's intention is to fund approximately half of the purchase price from credit available under the Corporation's Revolving Credit facility.

Penny and Giles is a leading designer and manufacturer of proprietary position sensors and control hardware for both military and commercial aerospace applications and industrial markets. Autronics is a leading provider of aerospace fire detection and suppression control systems, power conversion products and control electronics.

The acquired business units, located in Wales, England, Germany and the United States, are intended to operate as part of the motion control segment within Curtiss-Wright Flight Systems, Inc., a wholly-owned subsidiary of the Corporation. All of the acquired business units will operate in their existing location, with their existing management team and current employee workforce. Certain of the assets acquired constitute equipment and other physical property, particularly furniture, fixtures and leasehold improvements. The Corporation intends to continue the use of these assets in substantially the same manner as previously conducted.

44_CURTISS-WRIGHT AND SUBSIDIARIES

CORPORATE DIRECTORY

Directors

Martin R. Benante
Chairman and Chief Executive Officer

Admiral James B. Busey IV
Admiral, U.S. Navy (Ret.)
Director, Mitre Corporation
Director, Texas Instruments, Inc.
Former President and Chief Executive Officer of AFCEA International Aviation Safety and Security Consultant

S. Marce Fuller
President and Chief Executive Officer of Mirant Corporation, Inc. (formerly known as Southern Energy, Inc.)

David Lasky
Former Chairman and Chief Executive Officer of Curtiss-Wright Corporation

William B. Mitchell
Director, Mitre Corporation
Former Vice-Chairman of Texas Instruments Inc.

John R. Meyers
Chairman of Tru-Circle Corporation
Director, Iomega Corporation
Management Consultant
Former Chairman of the Board of Garrett Aviation Services

Dr. William W. Sihler
Ronald E. Trzcinski Professor of Business Administration Darden Graduate School of Business Administration University of Virginia

J. McLain Stewart
Director, McKinsey & Co. Management Consultants

Officers

Martin R. Benante
Chairman and Chief Executive Officer

Gerald Nachman
Executive Vice President

Joseph Napoleon
Executive Vice President

George J. Yohrling
Executive Vice President

Michael J. Denton
Secretary and General Counsel

Gary J. Benschip
Treasurer

Glenn E. Tynan
Controller

Paul J. Ferdenzi
Assistant Secretary

Kevin M. McClurg

45_CURTISS-WRIGHT AND SUBSIDIARIES

CORPORATE INFORMATION

Corporate Headquarters

1200 Wall Street West, Lyndhurst, New Jersey 07071 tel (201) 896-8400 fax (201) 438-5680

Annual Meeting

The 2002 annual meeting of stockholders will be held on April 26, 2002, at 2:00 p.m., at the Renaissance Meadowlands Hotel, 801 Rutherford Avenue, Rutherford, New Jersey.

Stock Exchange Listing

The Corporation's common and Class B stock is listed and traded on the New York Stock Exchange. The stock transfer symbol for the common stock is CW, the symbol for the Class B is CW.B.

Common Shareholders

As of December 31, 2001, the approximate number of holders of record of common stock, par value \$1.00 per share, of the Corporation was 3,395. The approximate number of holders of record of Class B stock, par value \$1.00 per share, of the Corporation was 6,503.

Stock Transfer Agent and Registrar

For services such as changes of address, replacement of lost certificates or dividend checks, and changes in registered ownership, or for inquiries as to account status, write to American Stock Transfer & Trust Company at 59 Maiden Lane, New York, New York 10038.

Please include your name, address, and telephone number with all correspondence. Telephone inquiries may be made to (800) 416-3743. Foreign (212) 936-5100. Internet inquiries should be addressed to <http://www.amstock.com>. Hearing-impaired shareholders are invited to log on to the website and select the Live Chat option.

Direct Stock Purchase Plan/Dividend Reinvestment Plan

A plan is available to purchase or sell shares of Curtiss-Wright that provides a low cost alternative to the traditional methods of buying, holding and selling stock. The plan also provides for the automatic reinvestment of Curtiss-Wright dividends. For more information contact our transfer agent, American Stock Transfer & Trust Company toll-free at (877) 854-0844.

Investor Information

Investors, stockbrokers, security analysts, and others seeking information about Curtiss-Wright Corporation should contact Gary J. Benschip, Treasurer, at the Corporate Headquarters; telephone (201) 896-1751.

Internet Address

Use <http://www.curtisswright.com> to reach the Curtiss-Wright home page for information about Curtiss-Wright.

Financial Reports

This Annual Report includes most of the periodic financial information required to be on file with the Securities and Exchange Commission. The Company also files an Annual Report on Form 10-K, a copy of which may be obtained free of charge. These reports, as well as additional financial documents such as quarterly shareholder reports, proxy statements, and quarterly reports on Form 10-Q, may be obtained by written request to Gary J. Benschip, Treasurer, at Corporate Headquarters.

Stock Price Range

	2001		2000	
Common	High	Low	High	Low
First Quarter	\$51.6250	\$45.6000	\$40.3125	\$35.0000
Second Quarter	53.7000	44.6500	39.8750	33.4375
Third Quarter	52.9500	39.8200	48.3750	36.5000
Fourth Quarter	50.7000	41.1000	51.1250	43.3750

=====				
		2001		2000

Class B	High	Low	High	Low

First Quarter	--	--	--	--
Second Quarter	--	--	--	--
Third Quarter	--	--	--	--
Fourth Quarter	\$46.4000	\$39.6000	--	--

Dividends

=====			
Common		2001	2000

First Quarter		\$0.1300	\$0.1300
Second Quarter		0.1300	\$0.1300
Third Quarter		0.1300	\$0.1300
Fourth Quarter		0.1500	\$0.1300

=====			
Class B		2001	2000

First Quarter		--	--
Second Quarter		--	--
Third Quarter		--	--
Fourth Quarter		\$0.1500	--
=====			

46_CURTISS-WRIGHT AND SUBSIDIARIES

[LOGO]
**CURTISS
WRIGHT**

Curtiss-Wright Corporation
1200 Wall Street West
Lyndhurst, New Jersey 07071

www.curtisswright.com

CW
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THE NEW YORK STOCK EXCHANGE

Exhibit 21

Subsidiaries of the Registrant

The information below is provided, as of March 15, 2002, with respect to the subsidiaries of Registrant. The names of certain inactive subsidiaries and other consolidated subsidiaries of Registrant have been omitted because all such subsidiaries, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary.

Name	Organized Under the Laws of	Percentage of Voting Securities Owned by Immediate Parent
Curtiss-Wright Flight Systems, Inc.	Delaware	100%
Metal Improvement Company, Inc.	Delaware	100%
Curtiss-Wright Flow Control Corporation	New York	100%
Curtiss-Wright Flow Control Service Corporation	Delaware	100%
Curtiss-Wright Flight Systems Europe A/S	Denmark	100%
Curtiss-Wright Foreign Sales Corp.	Barbados	100%
Peerless Instrument, Inc.	New York	100%
Vista Controls, Inc.	California	100%

Exhibit 23

PRICEWATERHOUSECOOPERS LLP [LOGO]

PricewaterhouseCoopers LLP
400 Campus Drive
P.O. Box 988
Florham Park, NJ 07932
Telephone (973) 236 4000
Facsimile (973) 236 5000

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 and S-3 (No. 33-95562329) and in the Registration Statements on Forms S-8 (Nos. 33-95602114 and 33-96583181) of Curtiss-Wright Corporation of our report dated February 1, 2002, except for Note 18 as to which the date is February 22, 2002, which appears in the Curtiss-Wright Corporation 2001 Annual Report to Stockholders which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report dated February 1, 2002, except for Note 18 as to which the date is February 22, 2002 on the financial statement schedule, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
PRICEWATERHOUSECOOPERS LLP

Florham Park, New Jersey
March 15, 2002