

CURTISS WRIGHT CORP

FORM 10-K (Annual Report)

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Address	1200 WALL ST W LYNDHURST, New Jersey 07071
Telephone	201-896-8400
CIK	0000026324
Industry	Aerospace & Defense
Sector	Capital Goods
Fiscal Year	12/31

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, 1997
 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, N.J. ----- (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

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 x 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.

Yes x No

The aggregate market value of the voting stock held by non-affiliates* of the Registrant is \$191,255,645 (based on the closing price of the Registrant's Common Stock on the New York Stock Exchange on March 23, 1998 of \$38.44).

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 23, 1998 -----
Common Stock, par value \$1 per share	10,180,033

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Annual Report of the Registrant to stockholders for the year ended December 31, 1997 are incorporated by reference into Parts I, II and IV. Portions of the Proxy Statement of the Registrant with respect to the 1998 Annual Meeting of Stockholders are incorporated by reference into Part III.

* Shares held by Unitrin, Inc. and Argonaut Group, Inc. 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. Also, for purposes of this computation, all directors and executive officers of Registrant have been deemed to be affiliates, but the Registrant disclaims that any of such directors or officers is an affiliate. See material referred to under Item 12, below.

Introduction

Pursuant to the Securities Exchange Act of 1934, the Registrant, Curtiss-Wright Corporation hereby files its Form 10-K Annual Report for the year 1997. 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.

PART I

Item 1. Business.

Curtiss-Wright Corporation was incorporated in 1929 under the laws of the State of Delaware. The Company operates in two industry segments: Aerospace & Marine, and Industrial.

AEROSPACE & MARINE SEGMENT

Flight Control Actuation Systems

Flight control actuation systems and components are designed, developed and manufactured by the Corporation for the aerospace industry. Manufactured 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, landing gear or weapon bay doors or other devices. They include actuators and control systems for the Boeing 737, 747, 757, 767 and 777 jet airliners, the Lockheed Martin F-16 and Boeing (McDonnell Douglas) F/A-18 fighter planes, the Bell Boeing V-22 Osprey, and the Sikorsky Black Hawk and Seahawk helicopters. In 1997 production deliveries of trailing edge flap transmissions commenced for the new Boeing 757-300 aircraft. The Corporation also designs and manufactures wing flap actuators for business jets.

The Corporation is a major supplier for the Lockheed Martin F-22 Raptor which has been described as the Air Force's future air superiority fighter. The lead edge flap actuator system completed the qualification test phase in 1997. The system's hardware qualification test phase is proceeding on the weapons bay door systems and lead edge flap drive set. Substantial production on this program is not expected for several years.

The Company continues to work on a control system for the new Bell/Boeing tilt rotor V-22 aircraft. Qualification testing and initial hardware phase of an engineering and manufacturing development program was completed in 1997 and low level production has commenced.

Engineering, manufacturing and development work is also proceeding for the FA-18E/F Lex Vent Drive System under a contract awarded in 1993, and low level production has commenced with full production currently scheduled to begin in 2000.

The Corporation's manufactured products are sold in competition with a number of other systems suppliers, some of which have broader product lines and financial, technical, and human resources greater than those of the Company. Curtiss-Wright and these suppliers compete to have their systems selected to perform control and actuation functions on new aircraft. Competition is primarily on the basis of engineering capability, quality and price and has intensified because of relatively low production levels for military aircraft in recent years and a limited number of new production programs for both military and commercial aircraft. The Corporation has been successful in capturing programs for which it was not the original supplier, such as the actuators and transmissions for the Boeing 767 and 757 aircraft. The Company's products are marketed directly to customers by employees of the Corporation.

Component Overhaul & Repair

Curtiss-Wright also provides commercial airlines, the military, and general aviation customers with component overhaul and repair services. The Corporation overhauls a variety of hydraulic, pneumatic, mechanical, electro-mechanical, electrical and electronic components found on Boeing (McDonnell Douglas), Lockheed Martin, Airbus and other aircraft. From its facility in Karup, Denmark, the Company provides overhaul and repair services, spare parts and components to the European and North African markets. In 1997 an overhaul services, marketing and distribution center was established in Singapore.

Overhaul services are sold in competition with a number of other overhaul and repair providers. Competition in the overhaul business is based upon quality, delivery and price. Marketing is accomplished through sales representatives and by direct sales. The overhaul business is not dependent upon any single customer.

Metal Treatment

Curtiss-Wright also performs shot-peening and peen-forming operations for aerospace manufacturers and their suppliers. Shot peening is a physical process used primarily to increase fatigue life in metal parts. The Corporation provides shot-peening services to jet engine manufacturers, landing gear suppliers and many other aerospace manufacturers. Peen forming is a process used to form curvatures in panel shape metal parts to very close tolerances. These panels are then assembled to form the "wing skins" for many commercial, military and executive aircraft in service today. Currently, the Company is peen-forming "wing skins" for Airbus and Boeing (McDonnell Douglas) commercial aircraft.

Marketing is accomplished through direct sales. While Curtiss-Wright competes with a great many firms and often deals with customers which have the resources to perform for themselves the same services as are provided by the Corporation, the Company considers that its greater technical expertise and superior quality provide it with a competitive advantage.

Valves

The Corporation designs, manufactures and refurbishes highly engineered valves of various types and sizes, such as motor operated and solenoid operated globe, gate, control and safety relief valves. The ultimate customer for its valves for the marine industry is the U.S. Navy, which uses them in nuclear propulsion systems. Curtiss-Wright also supplies actuators and controllers for valves of its own manufacture as well as for valves manufactured by others. Sales are made by responding directly to requests for proposals from customers. The production of valves for the U.S. Navy is characterized by long lead times from order placement to delivery. The Company's customers are sophisticated and demanding. Despite a declining market, the Corporation has been able to increase its market share and to maintain its sales volume. Price, as well as performance, quality, technology and delivery are the principal areas of competition.

The Aerospace and Marine segment had one customer (Boeing for commercial transport aircraft) which accounted for 20% and one customer (Westinghouse Electric Company, division of CBS Corporation, for United States Navy end use) which accounted for 11% of total sales in 1997, but no customer which provided more than 10% of total sales in 1996 or 1995. The Corporation believes that this segment would be materially affected by the loss of any one of these important customers. A substantial portion of this segment's sales are also made to Lockheed Martin Corporation for F-22 engineering and design work and for F-16 actuators. The possibility of future reductions on military programs due to reduced spending continues to exist. U.S. Government direct and end use sales of this segment in 1997, 1996 and 1995 were \$42.4, \$37.4 and \$38.0 million, respectively.

The backlog of the Aerospace & Marine segment as of January 31, 1998 was \$141.7 million as compared with \$102.1 million as of January 31, 1997. Of the January 31, 1998 amount, approximately 61% is expected to be shipped during 1998. None of the business of this segment is seasonal. Raw materials are generally available in adequate quantities from a number of suppliers.

INDUSTRIAL SEGMENT

Metal Treatment

Curtiss-Wright is engaged in the business of performing shot peening and heat treating for a broad spectrum of industrial customers, principally in the automotive, agricultural equipment, construction equipment and oil and gas industries. Heat treating is a metallurgical process used primarily to harden metals in order to provide increased durability and service life. Marketing and sales activity are done on a direct sales basis. Operations are conducted in facilities in the United States, Canada, England, France, Germany and Belgium. Although numerous companies compete in the shot-peening field, and many customers for shot-peening services have the resources to perform such services themselves, Curtiss-Wright believes that its greater technical know-how provides it with a competitive advantage. The Company experiences substantial competition from other companies in heat-treating metal components. The Corporation also competes on the basis of quality, service, price and delivery.

Valves

The Company designs, manufactures and refurbishes highly engineered valves of various types and sizes for commercial markets, 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 safe relief in the event of system overpressure in new and existing commercial nuclear and fossil fuel power plants and in facilities for process steam regeneration in the paper industry. It also supplies actuators and controllers for its own valves as well as for valves manufactured by others. The Corporation's packless-electronic-control valve is offered as a replacement item for competitors' commercial valves containing packing. The success of this valve is dependent upon the future application of stringent new Federal standards limiting air pollution from "fugitive" emissions from valves now widely in use.

Curtiss-Wright is also engaged in the business of precision stamping and finishing of high strength steel reed valves used by various manufacturers of products such as refrigerators, air compressors, and small engines.

The Corporation's products are sold to domestic and foreign end users. Foreign sales have been for use in nuclear power plant construction projects principally for Asian markets.

Strong competition in valves is encountered primarily from a large number of domestic and foreign sources in the commercial market. Sales to commercial users are accomplished through independent marketing representatives and by direct sales. These valve products are sold to customers who are sophisticated and demanding. Performance, quality, technology, delivery and price are the principal areas of competition.

Rescue Systems

The Company has designed and developed a commercial rescue tool using its power hinge aerospace technology which is being marketed under the name Power Hawk.(TM) Various accessories and related equipment were added to the product line in 1997. The primary use for this tool is the extrication of automobile accident victims.

The business of the Industrial segment is not materially dependent upon any single source of supply. The Industrial segment did not have a single customer which accounted for 10% or more of total sales in 1997, 1996 and 1995. The backlog of this segment as of January 31, 1998 was \$14.4 million as compared with \$2.8 million as of January 31, 1997. Of the January 31, 1998 backlog, 47% is expected to be shipped in 1998. None of the business of this segment is seasonal. Raw materials, though not particularly significant to these operations, are available in adequate quantities.

OTHER INFORMATION

Government Sales

In 1997, 1996 and 1995, direct sales to the United States Government and sales for United States Government end use aggregated 20%, 23% and 25%, respectively, of total sales for all segments. United States Government sales, both direct and subcontract, are generally made under one of the standard types of government contracts, including fixed price and fixed price-redeterminable.

In accordance with normal practice in the case of United States 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 done, consistent with regulations of the United States Government. Subcontracts for Navy nuclear valves usually provide that Curtiss-Wright must absorb most of any overrun of "target" costs. In the event that there is a cost underrun, however, the customer is to recoup 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 Company to seek customary progress payments on certain of its contracts. Where such payments are obtained by the Corporation under United States 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, 4 and 5 to the Consolidated Financial Statements, on pages 25, 27 and 28 of the 1997 Annual Report to Stockholders, which is attached hereto as Exhibit 13 and hereinafter referred to as the "Registrant's Annual Report".) In the case of most valve products for United States Government end use, the subcontracts 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 sponsored by the Company amounted to \$1,877,000 in 1997 as compared to \$997,000 in 1996 and \$1,180,000 in 1995. During 1997, Curtiss-Wright spent an additional \$12,403,000 for customer-sponsored development work as compared to \$15,248,000 in 1996 and \$17,362,000 in 1995. 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 these patents, patent applications or patent license agreements under which it now operates.

Environmental Protection

The effect of compliance by the Corporation with present legal requirements concerning protection of the environment is described in the material in Notes

1.H and 11 to the Consolidated Financial Statements which appear on pages 25 and 31 of the Registrant's Annual Report and is incorporated by reference in this Form 10-K Annual Report.

Employees

At the end of 1997 the Corporation had 1,884 employees, 297 of which were represented by labor unions and were covered by collective bargaining agreements.

Certain Financial Information

The industry segment information is described in the material in Note 15 to the Consolidated Financial Statements, which appears on pages 33 and 34 of the Registrant's Annual Report and is incorporated by reference in this Form 10-K Annual Report. It should be noted that in recent years a significant percentage of the pre-tax earnings from operations of the Company has been derived from its European metal treatment operations. The Company does not regard the risks attendant to 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
Wood-Ridge, New Jersey	2,322,000 sq. ft. on 144 acres	Owned(2)	Multi-tenant industrial rental facility.
Fairfield, New Jersey	450,000 sq. ft. on 26.7 acres	Owned(3)	Manufacture of actuation and control systems (Aerospace & Marine segment).
Brampton, Ontario, Canada	87,000 sq. ft. on 8 acres	Owned	Metal treatment operations (Aerospace & Marine and Industrial segments).
East Farmingdale, New York	215,000 sq. ft. on 11 acres	Owned(4)	Manufacture of valves (Aerospace & Marine and Industrial segments).
Shelby, North Carolina	121,000 sq. ft. on 29 acres	Owned	Manufacture and overhaul of actuation and control systems (Aerospace & Marine segment).
Miami, Florida	65,000 sq. ft. on 2.6 acres.	Leased	Overhaul of aircraft components (Aerospace & Marine segment).
Columbus, Ohio	75,000 sq. ft. on 9 acres	Owned	Metal treatment operations (Industrial segment).
Deeside, Wales United Kingdom	81,000 sq. ft. on 2.2 acres	Owned	Metal treatment operations (Aerospace & Marine segment).

(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 buildings.

(2) Approximately 2,260,000 square feet are leased to others and approximately another 62,000 square feet are vacant and available for lease.

(3) Approximately 247,000 square feet are leased to other parties.

(4) Title to approximately six acres of land and the building located thereon is held by the Suffolk County Industrial Development Agency in connection with the issuance of an industrial revenue bond.

In addition to the properties listed above, the Corporation (Aerospace & Marine and Industrial segments) leases an aggregate of approximately 345,000 square feet of space at twenty-four different locations in the United States and England and owns buildings encompassing about 294,100 square feet in fourteen different locations in the United States, France, Germany, Belgium and England. It also leases a 25,000 square foot building in Lattimore, North Carolina for warehouse purposes; 1,150 square feet of space in Singapore for overhaul marketing purposes; and 8,000 square feet of space in Karup, Denmark for overhaul purposes.

Curtiss-Wright leases approximately 14,000 square feet of office space in Lyndhurst, New Jersey, for its corporate office.

It is the Company's opinion that the buildings on the properties referred to in this Item generally are well maintained, in good condition, and are suitable and adequate for the uses presently being made of them.

The following undeveloped tracts, owned by the Company, are not attributable to a particular industry segment and are being held for sale: Hardwick Township, New Jersey, 23 acres; Fairfield, New Jersey, 12.3 acres subdivided from the Fairfield facility's property and Perico Island, Florida, 112 acres, the bulk of which is below water. In 1997 excess property consisting of 655 acres of land in Hardwick Township, New Jersey, 33 acres of land in Nantucket, Massachusetts, and 46 acres of land in Perico Island, Florida were sold. The Corporation 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. Curtiss-Wright does not believe that disposition of any of these matters will have a material effect on the Corporation's consolidated financial position or results of operations.

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

Not applicable

Executive Officers of the Registrant.

The following table sets forth the names, ages, and principal occupations and employment of all executive officers of 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
David Lasky	Chairman (since May 1995) and President (since May 1993); previously Senior Vice President, General Counsel and Secretary	65
Robert E. Mutch	Executive Vice President; President of Curtiss-Wright Flight Systems, Inc., a wholly-owned subsidiary	53
Gerald Nachman	Executive Vice President; President of Metal Improvement Company, Inc., a wholly-owned subsidiary	68
George J. Yohrling	Vice President; Executive Vice President since April 1997 of Curtiss-Wright Flight Systems, Inc., a wholly-owned subsidiary; Senior Vice President from July 1996 to April 1997 of Curtiss-Wright Flight Systems, Inc.; previously Vice President and General Manager of Curtiss-Wright Flight Systems/Shelby, Inc., then a wholly-owned subsidiary	57
Martin R. Benante	Vice President (since April 1996); President (since March 1995) of Curtiss-Wright Flow Control Corporation ("CWFC") a wholly-owned subsidiary; previously Vice President/General Manager of CWFC	45
Robert A. Bosi	Vice President--Finance	42
Dana M. Taylor, Jr.	Secretary, General Counsel (since May 1993); previously Assistant General Counsel	65
Gary J. Benschip	Treasurer	50
Kenneth P. Slezak	Controller	46

The executive officers of the Registrant are elected annually by the Board of Directors at its organization meeting in April and hold office until the organization 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.

PART II

Item 5. Market for Registrant's Common Stock and Related Stockholder Matters.

See the information contained in the Registrant's Annual Report on page 37 under the captions "Common Stock Price Range," "Dividends," and "Stock Exchange Listing" which information is incorporated herein by reference. The approximate number of record holders of the Common Stock, \$1.00 par value, of Registrant was 4,144 as of March 23, 1998.

Item 6. Selected Financial Data.

See the information contained in the Registrant's Annual Report on page 35 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 at pages 16 through 19, under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations," 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, 1997, 1996 and 1995, page 21.

Consolidated Balance Sheets at December 31, 1997 and 1996, page 22.

Consolidated Statements of Cash Flows for the years ended December 31, 1997, 1996 and 1995, page 23.

Consolidated Statements of Stockholders' Equity for the years ended December 31, 1997, 1996 and 1995, page 24.

Notes to Consolidated Financial Statements, pages 25 through 34, inclusive, and Quarterly Results of Operations on page 35 .

Report of Independent Accountants for the three years ended December 31, 1997, 1996 and 1995, page 20.

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 under the title "Executive Officers of the Registrant," in Part I hereof, at page 13, and under the caption "Election of Directors," in the Registrant's Proxy Statement, 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 material under the caption "Security Ownership and Transactions with Certain Beneficial Owners" and (ii) material 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 Schedules and Reports on Form 8-K.

(a)(1) Financial Statements:

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

- (i) Consolidated Statements of Earnings for the years ended December 31, 1997, 1996 and 1995
- (ii) Consolidated Balance Sheets at December 31, 1997 and 1996.
- (iii) Consolidated Statements of Cash Flows for the years ended December 31, 1997, 1996 and 1995.
- (iv) Consolidated Statements of Stockholders' Equity for the years ended December 31, 1997, 1996 and 1995.
- (v) Notes to Consolidated Financial Statements.
- (vi) Report of Independent Accountants for the years ended December 31, 1997, 1996 and 1995.

(a)(2) Financial Statement Schedules:

The items listed below are presented herein on pages 20 and 21.

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) Exhibits:

- (3)(i) Restated Certificate of Incorporation, as amended May 8, 1987 (incorporated by reference to Exhibit 3(a) to Registrant's Form 10-Q Report for the quarter ended June 30, 1987). Restated Certificate of Incorporation as amended through April 18, 1997.

- (3)(ii) By-Laws as amended through January 30, 1997 (incorporated by reference to Exhibit (3)(ii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1996).
- (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 October 29, 1991 between Registrant, the Lenders parties thereto from time to time, the Issuing Banks referred to therein and Mellon Bank, N.A. Article I Definitions, Section 1.01 Certain Definitions; Article VII Negative Covenants, Section 7.07, Limitation on Dividends and Stock Acquisitions (incorporated by reference to Exhibit 10(b), to Registrant's Form 10-Q Report for the quarter ended September 30, 1991). Amendment No. 1 dated January 7, 1992 and Amendment No. 2 dated October 1, 1992 to said Agreement (incorporated by reference to Exhibit 4(ii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1993). Third Amendment to Credit Agreement dated as of October 29, 1994 (incorporated by reference to Exhibit (4)(ii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1994). Fourth Amendment to Credit Agreement dated as of October 29, 1996 (incorporated by reference to Exhibit (4)(ii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1996). Fifth Amendment to Credit Agreement dated as of October 29, 1997.

(4)(iii) Short-Term Credit Agreement dated as of October 29, 1994 among Curtiss-Wright Corporation, as Borrower, the Lenders 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, 1994). First Amendment to Short Term Credit Agreement dated as of October 26, 1996 (incorporated by reference to Exhibit (4)(iii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1996). Second Amendment to Short-Term Credit Agreement dated as of October 24, 1997.

(10) Material Contracts:

(i) Modified Incentive Compensation Plan, as amended November 9, 1989 (incorporated by reference to Exhibit 10(a) to Registrant's Form 10-Q Report for the quarter 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) Standard Severance Agreement with Officers of Curtiss-Wright (incorporated by reference to Exhibit 10(iv) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1991).

(iv) Retirement Benefits Restoration Plan as amended April 15, 1997 (incorporated by reference to Exhibit 10 to Registrant's Report on Form 10-Q Report for the quarter ended June 30, 1997).

(v) Curtiss-Wright Corporation Retirement Plan as amended through August 1, 1997; Fourth Amendment to the Curtiss-Wright Corporation Retirement Plan dated October 20, 1997; Fifth Amendment to the Curtiss-Wright Corporation Retirement Plan dated January 1, 1998.

(vi) Curtiss-Wright Corporation Savings and Investment Plan dated March 1, 1995 (incorporated by reference to Exhibit (10)(vii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1994).

(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.

(13) Annual Report to Stockholders for the year ended December 31, 1997.

(21) Subsidiaries of the Registrant.

(23) Consents of Experts and Counsel - see Consent of Independent Accountants.

(27) Financial Data Schedule.

(b) Reports on Form 8-K

No report on Form 8-K was filed during the three months ended December 31, 1997.

FORWARD-LOOKING STATEMENTS

Because forward-looking statements involve risks and uncertainties, actual results may differ materially from those which are expressed or implied. Such statements in this report include those contained in (a) Item 1. Business, (b) Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and (c) the Environmental Matters note as well as other notes to the Consolidated Financial Statements. Important factors that could cause the actual results to differ materially from those in these forward-looking statements include, among other items, (i) a reduction in anticipated orders;

(ii) an economic downturn; (iii) unanticipated environmental remediation expenses or claims; (iv) changes in the need for additional machinery and equipment and/or in the cost for the expansion of the Corporation's operations;

(v) changes in the competitive marketplace and/or in the cost for the expansion of the Corporation's operations; (v) changes in the competitive marketplace and/or customer requirements; (vi) an inability to perform customer contracts at anticipated cost levels and (vii) other factors that generally affect the business of aerospace, marine and industrial companies.

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)

By: /s/ David Lasky

David Lasky
Chairman and President

Date: March 24, 1998

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 24, 1998 By: /s/ Robert A. Bosi

Robert A. Bosi
Vice President - Finance

Date: March 24, 1998 By: /s/ Kenneth P. Slezak

Kenneth P. Slezak
Controller

Date: March 24, 1998 By: /s/ Thomas R. Berner

Thomas R. Berner
Director

Date: March 24, 1998 By: /s/ James B. Busey

James B. Busey IV
Director

Date: March 24, 1998 By: /s/ David Lasky

David Lasky
Director

Date: March 24, 1998 By: /s/ William B. Mitchell

William B. Mitchell
Director

Date: March 24, 1998 By: /s/ John R. Myers

John R. Myers
Director

Date: March 24, 1998 By: /s/ William W. Sihler

William W. Sihler
Director

Date: March 24, 1998 By: /s/ J. McLain Stewart

J. McLain Stewart
Director

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

Our audits of the consolidated financial statements referred to in our report dated January 30, 1998 appearing on page 20 of the Curtiss-Wright Corporation 1997 Annual Report (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/ Price Waterhouse LLP
PRICE WATERHOUSE LLP
Morristown, New Jersey
January 30, 1998*

CURTISS-WRIGHT CORPORATION and SUBSIDIARIES
 SCHEDULE II - VALUATION and QUALIFYING ACCOUNTS
 for the years ended December 31, 1997, 1996 and 1995
 (In thousands)

Description	Balance at Beginning of Period	Additions		Deductions - Describe	Balance at End of Period
		Charged to Costs and Expenses	Charged to Other Accounts - Describe		
Deducted from assets to which they apply:					
Reserves for doubtful accounts and notes:					
Year-ended December 31, 1997	\$1,557 =====	\$596 =====		\$ 406 =====	\$1,747 =====
Year-ended December 31, 1996	\$ 760 =====	\$506 =====	\$ 300 (A) =====	\$ 9 =====	\$ 1,557 =====
Year-ended December 31, 1995	\$ 694 =====	\$ 93 =====		\$ 27 =====	\$ 760 =====
Deferred tax asset valuation allowance:					
Year-ended December 31, 1997	\$1,212 =====	\$ - =====		\$1,212 (C) =====	\$ - =====
Year-ended December 31, 1996	\$1,094 =====	\$(171) =====		\$ (289) (C) =====	\$1,212 =====
Year-ended December 31, 1995	\$5,460 =====	\$ 52 =====	\$(3,058) (B) =====	\$1,360 (C) =====	\$1,094 =====

Notes:

- (A) Acquired from the purchase of Accessory Services business.
 (B) Expiration of available capital-loss carryforwards.
 (C) Utilization of tax benefits under capital-loss carryforward.

EXHIBIT INDEX

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

Exhibit No.	Name	Page
(3)(i)	Restated Certificate of Incorporation, as amended May 8, 1987 (incorporated by reference to Exhibit 3(a) to Registrant's Form 10-Q Report for the quarter ended June 30, 1987).	*
	Restated Certificate of Incorporation as amended through April 18, 1997.	
(3)(ii)	By-Laws as amended through January 30, 1997 (incorporated by reference to Exhibit 3(ii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1996).	*
(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 October 29, 1991 between Registrant, the Lenders parties thereto from time to time, the Issuing Banks referred to therein and Mellon Bank, N.A. Article I Definitions, Section 1.01 Certain Definitions; Article VII Negative Covenants, Section 7.07, Limitation on Dividends and Stock Acquisitions (incorporated by reference to Exhibit 10(b), to Registrant's Form 10-Q Report for the quarter ended September 30, 1991). Amendment No. 1 dated January 7, 1992 and Amendment No. 2 dated October 1, 1992 to said Agreement (incorporated by reference to Exhibit 4(ii) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1993).	*
	Third Amendment to Credit Agreement dated as of October 29, 1994 (incorporated by reference to Exhibit (4)(ii) to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1994).	*

Fourth Amendment to Credit Agreement dated as of October 29, 1996 (incorporated by reference to Exhibit 4(ii) to Registrant's Annual Report for the fiscal year ended December 31, 1996). *

Fifth Amendment to Credit Agreement dated as of October 29, 1997.

(4)(iii) Short-Term Credit Agreement dated as of October 29, 1994 among Curtiss-Wright Corporation, as Borrower, the Lenders parties and Mellon Bank, N.A. (incorporated by reference to Exhibit (4)(iii) to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1994). *

First Amendment to Short-Term Credit Agreement dated as of October 26, 1996 (incorporated by reference to Exhibit 4(iii) to Registrant's 10-K for the year ended December 31, 1996.) *

Second Amendment to Short-Term Credit Agreement dated as of October 24, 1997.

(10)(i)** Modified Incentive Compensation Plan, as amended November 9, 1989 (incorporated by reference to Exhibit 10(a) to Registrant's Form 10-Q Report for the quarter 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)** Standard Severance Agreement with Officers of Curtiss-Wright * (incorporated by reference to Exhibit 10(iv) to Registrant's Annual Report on Form 10-K for the year ended December 31, 1991).

(10)(iv)** Curtiss-Wright Corporation Retirement Benefits Restoration Plan * as amended April 15, 1997 (incorporated by reference to Exhibit 10 to Registrant's Report on Form 10-Q Report for the quarter ended June 30, 1997).

(10)(v)** Curtiss-Wright Corporation Retirement Plan as amended through August 1, 1997; Fourth Amendment to the Curtiss-Wright Corporation Retirement Plan dated October 20, 1997; Fifth Amendment to the Curtiss-Wright Corporation Retirement Plan dated January 1, 1998.

(10)(vi)** Amended Curtiss-Wright Corporation Savings and Investment * Plan dated March 1, 1995 (incorporated by reference to Exhibit (10)(vii) to Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1994).

(10(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).

(10(viii)**Curtiss-Wright Corporation Executive Deferred Compensation Plan effective November 18, 1997.

(13) Annual Report to Stockholders for the year ended December 31, 1997 (only those portions expressly incorporated herein by reference in this document are deemed "filed.")

(21) Subsidiaries of the Registrant

(23) Consents of Experts and Counsel - see Consent of Independent Accountants

(27) Financial Data Schedule

* Incorporated by reference as noted.

** Management contract or compensatory plan or arrangement.

Exhibit (3)(i)

RESTATED

**CERTIFICATE OF INCORPORATION
OF
CURTISS-WRIGHT CORPORATION**

The original Certificate of Incorporation of Curtiss-Wright Corporation was filed with the Secretary of State on August 9, 1929. This Restated Certificate of Incorporation was duly adopted by the stockholders of the Corporation in accordance with the provisions of Section 245 of the General Corporation Law of Delaware.

1. The name of the Corporation is CURTISS-WRIGHT CORPORATION.
2. The registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington and County of New Castle. The registered agent at said address is the Corporation Trust Company.
3. The nature of the business and purposes to be conducted and promoted are to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.
4. The total number of shares that may be issued by the Corporation is Twenty Three Million One Hundred Fifty Thousand shares of which Six Hundred Fifty Thousand shares shall be Preferred Stock of the par value of \$1.00 per share and Twenty Two Million Five Hundred Thousand shares shall be Common Stock of the par value of \$1.00 per share.

The designations, preferences, voting powers and relative, optional or other special rights, or qualifications, limitations or restrictions of the Preferred Stock and of the Common Stock shall be as follows:

- a. The Preferred Stock shall be entitled to preference over the Common Stock of the Corporation with respect to dividends. Nothing herein contained shall be construed to prevent the declaration of stock dividends upon the Preferred Stock.
- b. The Common Stock shall be subject to the prior rights of the Preferred Stock, as expressed herein or in a resolution or resolutions providing for the issue of such Stock adopted by the Board of Directors in accordance with the provisions hereof, and shall be entitled to such dividends as the Board of Directors may declare, only out of any surplus or net profit remaining after the payment of the full dividends for any fiscal year on the Preferred Stock or after there shall have been set aside or provided for from the surplus or net profits a sum sufficient for the payment of full dividends on the Preferred Stock for such fiscal year.

c. The Preferred Stock shall be entitled to preference over the Common Stock of the Corporation with respect to any distribution of assets in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary. Subject to the prior rights of the Preferred Stock, each share of Common Stock is entitled to the same division, distribution and/or payment of the assets and funds distributable to the stockholders of the Corporation in the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, or of the distribution of assets by way of return of capital to its stockholders, but nothing herein contained shall be construed to prevent the declaration of stock dividends upon the Common Stock individually.

d. The holders of the Preferred Stock and the holders of the Common Stock shall have equal voting rights, one vote for each share.

e. The Preferred Stock of the Corporation is to be issued in one or more series, from time to time, with such designations, preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof, as shall be stated and expressed in the Certificate of Incorporation of the Corporation or any amendment thereto, or in a resolution or resolutions providing for the issue of such stock adopted by the Board of Directors of the Corporation in accordance with the provisions hereof, which Board is hereby expressly vested with authority to adopt any such resolution or resolutions.

f. The Preferred Stock of each series shall rank on a parity with the Preferred Stock of every other series with respect to priority in payment of dividends and in the distribution of assets in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

g. Subject to the provisions of this Article 4, the Preferred Stock may be given such preferences over the Common Stock of the Corporation as the Board of Directors may determine as to the respective series authorized to be issued by it.

5. The following provisions are inserted for the management of the business and for the conduct of the affairs of the Corporation, and for the purpose of creating, defining, limiting and regulating powers of the Corporation and its directors and stockholders:

a. The By-Laws of the Corporation shall fix the number of directors and prescribe their term of office, and from time to time the number of directors may be increased or decreased by amendment of the By-Laws, provided that the number of directors shall not be less than three (3). A director need not be a stockholder. The election of directors of the Corporation need not be by ballot unless the ByLaws so require;

b. The Board of Directors may, by resolution or resolutions, passed by

a majority of the whole Board, designate one or more committees, each committee to consist of two or more of the directors of the Corporation, which to the extent permitted by law and provided in said resolution or resolutions or in the By-Laws of the Corporation, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Corporation, and may have the power to authorize the seal of the Corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be stated in the By-Laws of the Corporation, or as may be determined from time to time by resolution adopted by the Board of Directors;

c. The Board of Directors shall have the power to adopt, alter, amend and repeal the By-Laws of the Corporation, in any manner not inconsistent with the laws of the State of Delaware or of the Certificate of Incorporation of the Corporation, subject to the power of the stockholders to adopt, amend or repeal the By-Laws.

6. Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for this Corporation under the provisions of Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of Section 279 of Title 8 of the Delaware Code order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

7. To the fullest extent permitted by the Delaware General Corporation Law as it presently exists or may hereafter be amended, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Neither the amendment nor repeal of this Article 7, nor the adoption of any provision of the Certificate of Incorporation of the Corporation inconsistent with this Article 7, shall eliminate or reduce the effect of this Article 7 in respect of any act or omission of any director of the Corporation or any matter occurring, or any cause of action, suit or claim that, but for this Article 7, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

8 a. Each person who was or is made a party or is threatened to be made

a party to or is involved in any claim, action, suit or proceeding, whether civil, criminal, administrative, investigative or other (hereinafter a "proceeding"), by reason of the fact that such person, or a person of whom such person is the legal representative, is or was a director, officer or employee of the Corporation or is or was serving in the course of such employment, or at the request of the Corporation, as a director, officer, employee or representative of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action or inaction in an official capacity as a director, officer, employee or representative or in any other capacity while serving as a director, officer, employee or representative, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as it presently exists or may hereafter be amended, against all expense, liability and loss (including attorneys' fees, judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a director, officer, employee or representative and shall inure to the benefit of such person's heirs, executors, administrators and other legal representatives: provided, however that, except as provided in paragraph b of this Article 8, the Corporation shall indemnify any such person seeking indemnification in connection with such a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof), or the initiation thereof, was authorized or approved by the Corporation. The right to indemnification conferred in this Article 8 shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition in accordance with and to the fullest extent permitted by the Delaware General Corporation Law, as it presently exists or may hereafter be amended.

b. If a claim under paragraph a of this Article 8 is not paid in full by the Corporation within thirty (30) days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the requirements of the Delaware General Corporation Law have been complied with by the claimant) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because the claimant has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard or conduct, shall be a defense to the action or create the presumption that the claimant has not met the applicable standard of conduct.

c. The rights conferred by this Article 8 shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation of the Corporation, By-Law, Agreement, vote or stockholders or disinterested directors or otherwise.

d. The Corporation may maintain insurance, at its expense, to protect itself, its subsidiary and affiliated corporations, and any such director, officer, employee or representative of the Corporation or other corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

Exhibit (4)(ii)

FIFTH AMENDMENT TO CREDIT AGREEMENT

THIS FIFTH AMENDMENT TO CREDIT AGREEMENT, dated as of October 29, 1997 (this "Amendment"), by and between CURTISS-WRIGHT CORPORATION, a Delaware corporation (the "Borrower"), the lenders parties hereto from time to time (the "Lenders", as defined further below), the Issuing Banks referred to herein (the "Issuing Banks") and MELLON BANK, N.A., a national banking association, as agent for the Lenders and the Issuing Banks hereunder (in such capacity, together with its successors in such capacity, the "Agent");

WITNESSETH:

WHEREAS, the Borrower, the Lenders, the Issuing Banks and the Agent are parties to a Credit Agreement, dated as of October 29, 1991 (as amended, the "Credit Agreement"), pursuant to which the Lenders have made Loans to the Borrower and certain Issuing Banks have issued Letters of Credit on behalf of the Borrower and its Subsidiaries; and

WHEREAS, the Borrower has requested the Lenders to extend the Revolving Credit Maturity Date to October 29, 2000; and

WHEREAS, the Lenders are willing to so extend the Revolving Credit Maturity Date and to amend the Credit Agreement upon the terms and conditions hereinafter set forth; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Credit Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Extension of Revolving Credit Maturity Date. The definition of the term "Revolving Credit Maturity Date" in Section 1.01 of the Credit Agreement is hereby amended to substitute the date "October 29, 2000" for the date "October 29, 1999".

2. Conditions Precedent. The effectiveness of this Amendment is subject to the accuracy as of the date hereof of the representations and warranties herein contained, to the performance by the Borrower of its obligations to be performed hereunder on or before the date hereof and to the satisfaction, on or before October 29, 1997 (the date of such satisfaction being referred to herein as the "Effective Date"), of the following further conditions precedent:

(a) Amendment. Each Lender shall have received a counterpart of this Amendment, duly executed by the Borrower.

(b) Representations and Warranties; Events of Default and Potential Defaults. The representations and warranties contained in Section 3 hereof shall be true and correct on and as of the Effective Date with the same effect as though made on and as of such date. On the Effective Date, no Event of Default and no Potential Default shall have occurred and be continuing or shall exist or shall occur or exist after giving effect to this Amendment and the transactions contemplated hereby. By execution of this Amendment, the Borrower certifies to the Lenders that as of the Effective Date (a) the representations and warranties set forth in Section 3 hereof are true and correct on and as of such date and (b) on such date no Event of Default or Potential Default has occurred and is continuing or exists or will occur or exist after giving effect to this Amendment and the transactions contemplated hereby.

2. Representations and Warranties. The Borrower hereby represents and warrants to the Agent and the Lenders that the representations and warranties set forth in the Credit Agreement, as amended by this Amendment, are true and correct on and as of the date hereof as if made on and as of the date hereof, and that no Event of Default or Potential Default has occurred and is continuing or exists on and as of the date hereof; provided, however, that, for purposes of the foregoing, all references in the Credit Agreement to "this Agreement" shall be deemed to be references to this Amendment and the Credit Agreement as amended by this Amendment. In addition, the reference in Section 4.05 of the Credit Agreement to the financial statements of the Borrower and its consolidated Subsidiaries as of December 31, 1989 and December 31, 1990 shall be deemed to be a reference to the financial statements of the Borrower and its consolidated Subsidiaries as of December 31, 1995 and December 31, 1996, respectively, the reference in such Section to the parallel interim consolidated financial statements for and as of the end of the six months ended June 30, 1991 shall be deemed to be a reference to the parallel interim consolidated financial statements for and as of the end of the second fiscal quarter of the fiscal year beginning January 1, 1997, and the references in the last sentence of Section 4.05 of the Credit Agreement to June 30, 1991 and December 31, 1990 shall be deemed to be references to June 30, 1997 and December 31, 1996, respectively; and the reference in Section 4.10 of the Credit Agreement to December 31, 1990 shall be deemed to be a reference to December 31, 1996.

4. Effectiveness of Amendment. This Amendment shall be effective from and after the Effective Date upon satisfaction of the conditions precedent referred to herein.

5. Effect of Amendment. The Credit Agreement, as amended by this Amendment, is in all respects ratified, approved and confirmed and shall, as so amended, remain in full force and effect.

6. Governing Law. This Amendment shall be deemed to be a contract under the laws of the State of New York and for all purposes shall be governed by and construed and enforced in accordance with the laws of said State.

7. Counterparts. This Amendment may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

CURTISS-WRIGHT CORPORATION

By /s/ Gary Benschip
Title Treasurer

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

By /s/ Gilbert B. Mateer
Title VP

PNC BANK, NATIONAL ASSOCIATION

By /s/ Alpheus J. Norman
Title Vice President

THE BANK OF NOVA SCOTIA

By /s/ Brian S. Allen
Title Sr. Relationship Manager

SECOND AMENDMENT TO SHORT TERM CREDIT AGREEMENT

THIS SECOND AMENDMENT TO SHORT TERM CREDIT AGREEMENT, dated as of October 24, 1997 (this "Amendment"), by and between CURTISS-WRIGHT CORPORATION, a Delaware corporation (the "Borrower"), the lenders parties hereto from time to time (the "Lenders", as defined further below), and MELLON BANK, N.A., a national banking association, as agent for the Lenders hereunder (in such capacity, together with its successors in such capacity, the "Agent");

WITNESSETH:

WHEREAS, the Borrower, the Lenders and the Agent are parties to a Short Term Credit Agreement, dated as of October 29, 1994 (as amended, the "Credit Agreement"), pursuant to which the Lenders have made Loans to the Borrower; and

WHEREAS, the Borrower has requested the Lenders to extend the Expiration Date to October 23, 1998; and

WHEREAS, the Lenders are willing to so extend the Expiration Date upon the terms and conditions hereinafter set forth; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Credit Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Extension of Expiration Date. The date "October 24, 1997" appearing in the definition of the term "Expiration Date" in Section 1.01 of the Credit Agreement is hereby amended to be "October 23, 1998".
2. Conditions Precedent. The effectiveness of this Amendment is subject to the accuracy as of the date hereof of the representations and warranties herein contained, to the performance by the Borrower of its obligations to be performed hereunder on or before the date hereof and to the satisfaction, on or before October 25, 1997 (the date of such satisfaction being referred to herein as the "Effective Date"), of the following further conditions precedent:
 - (a) Amendment. Each Lender shall have received a counterpart of this Amendment, duly executed by the Borrower.

(b) Representations and Warranties; Events of Default and Potential Defaults. The representations and warranties contained in Section 3 hereof shall be true and correct on and as of the Effective Date with the same effect as though made on and as of such date. On the Effective Date, no Event of Default and no Potential Default shall have occurred and be continuing or shall exist or shall occur or exist after giving effect to this Amendment and the transactions contemplated hereby. By execution of this Amendment, the Borrower certifies to the Lenders that (a) the representations and warranties set forth in Section 3 hereof are true and correct on and as of such date and (b) on such date no Event of Default or Potential Default has occurred and is continuing or exists or will occur or exist after giving effect to this Amendment and the transactions contemplated hereby.

3. Representations and Warranties. The Borrower hereby represents and warrants to the Agent and the Lenders that the representations and warranties set forth in the Credit Agreement, as amended by this Amendment, are true and correct on and as of the date hereof as if made on and as of the date hereof, and that no Event of Default or Potential Default has occurred and is continuing or exists on and as of the date hereof; provided, however, that, for purposes of the foregoing, all references in the Credit Agreement to "this Agreement" shall be deemed to be references to this Amendment and the Credit Agreement as amended by this Amendment.

4. Effectiveness of Amendment. This Amendment shall be effective from and after the Effective Date upon satisfaction of the conditions precedent referred to herein.

5. Effect of Amendment. The Credit Agreement, as amended by this Amendment, is in all respects ratified, approved and confirmed and shall, as so amended, remain in full force and effect.

6. Governing Law. This Amendment shall be deemed to be a contract under the laws of the State of New York and for all purposes shall be governed by and construed and enforced in accordance with the laws of said State.

7. Counterparts. This Amendment may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

CURTISS-WRIGHT CORPORATION

By /s/ Gary Benschip
Title Treasurer

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

By /s/ Gilbert B. Mateer
Title VP

PNC BANK, NATIONAL ASSOCIATION

By /s/ Alpheus J. Norman
Title Vice President

THE BANK OF NOVA SCOTIA

By /s/ Brian S. Allen
Title Sr. Relationship Manager

Exhibit (10)(v)

CURTISS-WRIGHT CORPORATION RETIREMENT PLAN
(AS AMENDED THROUGH JANUARY 1, 1998)

WITNESSETH:

WHEREAS, the CURTISS-WRIGHT CONTRIBUTORY RETIREMENT PLAN, a defined benefit retirement plan, was established for eligible non-union Employees of 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. The Plan, as amended, and as restated from time to time, had been approved by the Internal Revenue Service as a qualified plan under the applicable Federal income tax laws.

WHEREAS, effective December 31, 1991, the CURTISS-WRIGHT PENSION PLAN was **merged into the CURTISS-WRIGHT CONTRIBUTORY RETIREMENT PLAN.**

WHEREAS, wherever the words "Prior Plan" are used below, they 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.

WHEREAS, effective September 1, 1994, the METAL IMPROVEMENT COMPANY, INC. RETIREMENT INCOME PLAN and the CURTISS-WRIGHT FLIGHT SYSTEMS/SHELBY, INC. CONTRIBUTORY RETIREMENT PLAN were merged into the CURTISS-WRIGHT CONTRIBUTORY RETIREMENT PLAN.

NOW, THEREFORE, the CURTISS-WRIGHT CONTRIBUTORY RETIREMENT PLAN, the Prior Plan, is hereby renamed and amended by restating it in its entirety and shall hereafter be known and referred to as the CURTISS-WRIGHT CORPORATION RETIREMENT PLAN (hereinafter referred to as the "Restated Plan" or the "Plan").

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.

Effective January 1, 1992, for calculating Joint & Survivor reduction factors which are applied to a Life Annuity benefit, the UP 84 mortality table with a one (1) year setback for participant and a four (4) year setback for beneficiaries at an interest rate of seven percent (7%).

Effective September 1, 1994, 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 based upon the cashout of employee contributions with interest at a specified date, the applicable mortality table and interest rate shall be the UP 84 mortality table with no setback for the participant and a three (3) year setback for beneficiaries, using the PBGC interest rates.

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 1983 Group Annuity Mortality Table using a fixed blend of fifty percent (50%) of the male rates and fifty percent (50%) of the female rates.

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 mortality table described in Code Section 417(e)(3)(A)(ii)(I) as in effect on the first day of the Plan Year in which the Annuity Starting Date occurs with no setback for the participant or for beneficiaries, and the Code Section 417(e)(3)(A)(ii)(II) interest rate which is equivalent to the annual rate of interest on 30-year Treasury securities in effect during the month of December for which the distribution occurs in the following year. The annual rate of interest on the 30-year Treasury securities in effect during the month of December is the rate published by the Board of Governors of the Federal Reserve System during the early part of January of the following year.

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 1983 Group Annuity Mortality Table using a fixed blend of fifty percent (50%) of the male rates and fifty percent (50%) of the female rates. 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 years and months attained by a Participant.

1.03 "Affiliated Service Group" or "Controlled Group" means the Company and all corporations, partnerships or other organizations, the Employees of which are treated as employed by the Company pursuant to Section 414(b), (c), (m), (n) or (o) of the Code, as modified, where applicable, by 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. 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 President 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. 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, a non-qualified cash or deferred arrangement, or under a "cafeteria plan," as defined in Section 125 of the Code.

However, 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, 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.

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 Code Section 414(q)(6) 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, (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.

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:

(a) 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

(b) 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. For purposes only of subparagraphs 3(c)(i)(B) of Article III of the Prior Plan, Compensation means:

(c) prior to July 1, 1970, the basic salary or basic wages actually paid to the Employee in the particular Plan Year;

(d) 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

(e) 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 (subsequently known as the CURTISS-WRIGHT CORPORATION SAVINGS AND INVESTMENT 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 CURTISS-WRIGHT CORPORATION DEFERRED COMPENSATION PLAN (subsequently known as the CURTISS-WRIGHT CORPORATION SAVINGS AND INVESTMENT 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 with reference to Section 1.401(l)-1(c)(7) of the Treasury Regulations. A Participant's Covered Compensation shall be adjusted each Plan Year and no increase in Covered Compensation shall decrease a Participant's retirement benefit. 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.

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.

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.

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 (a) "Effective Date" means September 1, 1994.

(b) "Original Effective Date" means May 1, 1953.

1.18 "Employee" means any Employee of the Company maintaining the Plan or of any other Employer required to be aggregated with such Company under Section 414(b), (c), (m) or (o) of the Code.

The term Employee shall also include any leased Employee deemed to be an Employee of any Employer described in the previous paragraph as provided in Section 414(n) or (o) of the Code.

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"

The group of highly compensated employees ("HCEs") includes any employee who during the plan year performs services for the employer and who (i) is a 5-percent owner, (ii) receives compensation for the plan year in excess of the ss.414(q)(I)(B) amount for the plan year, (iii) receives compensation for the plan year in excess of the ss.414 (q)(I)(C) amount for the plan year and is a member of the top paid group of employees within the meaning of ss.414(q)(4), or (iv) is an officer and receives compensation during the plan year that is greater than 50 percent of the dollar limitation in effect under ss.415(b)(I)(A). If no officer satisfies the compensation requirement during the plan year, the highest paid officer for such year shall be treated as a HCE.

For purposes of determining who is a HCE, compensation means compensation within the meaning of ss.415(c)(3) as set forth in the plan for purposes of determining the ss. 415 limits, except that amounts excluded pursuant to ss.ss.125,402(e)(3), 402(h)(1)(B) and 403(b) are included. If compensation used for purposes of determining the ss. 415 limits under the plan is not defined as total compensation as provided under ss.415(c)(3) and the regulations thereunder, then for purposes of determining who is a HCE, compensation means compensation within the meaning of ss.1.415- 2(d)(11)(I) of the Income Tax Regulations, except that amounts excluded pursuant to ss.ss.125, 402(e)(3), 402(h)(I)(B) and 403(b) are included.

If an employee is a family member of either a 5-percent owner (whether active or former) or a HCE who is one of the 10 most HCE's ranked on the basis of compensation paid by the employer during such year, then the family member and the 5-percent owner or top- ten HCE shall be aggregated. In such case, the family member and 5-percent owner or top-ten HCE shall be treated as a single employee receiving compensation and plan contributions or benefits equal to the sum of the compensation and benefits of the family member and 5-percent owner or top-ten HCE. For purposes of this section, family member includes the spouse, lineal ascendants and descendants of the employee or former employee, and the spouses of such lineal ascendants and descendants.

The determination of who is a HCE, including the determinations of the number and identity of employees in the top paid group, the number of employees treated as officers and the compensation that is taken into account, shall be made in accordance with the ss. 414(q) and ss. 1.414 (q)-1T of the temporary Income Tax Regulations to the extent they are not inconsistent with the method established above.

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.

1.24 "Leased Employee" means any person (other than an Employee of the recipient) who pursuant to an agreement between the recipient and any other person ("leasing organization") has performed services for the recipient (or for the recipient and 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 of a type historically performed by Employees in the business field of the recipient Employer. Contributions or benefits provided a Leased Employee by the leasing organization which are attributable to services performed for the recipient Employer shall be treated as provided by the recipient Employer.

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.

1.25 "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.

1.26 "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."

1.27 "Limitation Year" means, for purposes of complying with Section 415 of the Code, a Plan Year.

1.28 "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.

1.29 "Named Fiduciary" means the Company.

1.30 Normal Retirement Age' means the later of:

(a) the date a Participant attains age sixty-five (65); or

(b) the fifth (5th) anniversary of the date as of which the Participant commenced employment.

A Participant shall become fully vested in his Normal Retirement Benefit upon attaining his Normal Retirement Age."

1.31 "Normal Retirement Date" means the first day of the month coinciding with or next following the Participant's Normal Retirement Age.

1.32 "OBRA '93" means the Omnibus Reconciliation Act of 1993.

1.33 "Participant" means a person who meets the requirements of Article 2, 9 or 10 for participation in the Plan, including a former Participant.

1.34 "Plan" means the CURTISS-WRIGHT CORPORATION RETIREMENT PLAN, as set forth herein and as it may be amended.

1.35 "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.

1.36 "Present Value" means the Actuarial Equivalent, as defined in Section 1.01, of the Normal Form of Benefit.

1.37 "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.

1.38 "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.

1.39 "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.

1.40 "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.

1.41 "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.

1.42 "Trust" means the trust created by the Trust Agreement.

1.43 "Trust Agreement" means the agreement entered into with a bank or trust company establishing the Trust under the Plan for the purpose of holding contributions under the Plan and for the payment of benefits under the Plan, as such agreement may be amended from time to time.

1.44 "Trust Fund" means the assets of the Trust.

1.45 "Trustee" means the person or persons acting as trustee or trustees hereunder at any time or from time to time. A Trustee shall be deemed to be a "named fiduciary" pursuant to Section 402(a)(1) of ERISA.

1.46 "Vesting Year of Service" means any Plan Year during which the Employee is credited with at least one thousand (1,000) Hours of Service. Vesting Years of Service shall include all Years of Service prior to this restatement 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, INC. RETIREMENT INCOME PLAN or the CURTISS-WRIGHT FLIGHT SYSTEMS/SHELBY, INC. CONTRIBUTORY RETIREMENT PLAN. If the Company maintains the Plan of a predecessor Employer, Service with such Employer will be treated as Service for the Company.

1.47 "Year of Eligibility Service" means the completion of a twelve (12) consecutive month period of Service which commences on the date the Employee first completes one (1) Hour of Service.

1.48 "Year of Credited Service" means each year with the Company with respect to which benefits are treated as accruing on behalf of the Participant for such year pursuant to Section 1.13 of the Plan.

1.49 "Year of Service" means, unless otherwise indicated, twelve (12) consecutive months of Service.

ARTICLE 2

ELIGIBILITY

2.01 Eligibility for Participation.

(a) Any non-union Employee and any union Employee (whose union has negotiated a benefit under this Plan), employed by the Company as of the Effective Date, shall become a Participant under this Plan as of the Effective Date.

(b) Any future non-union Employee and union Employee (whose union has negotiated a benefit under this Plan), 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 satisfies the following eligibility requirements:

(i) He shall be a salaried or hourly Employee;

(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.

2.02 Break in Service. There are no Breaks in Service under the terms of this Plan.

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 (each contribution shall be deemed to be so conditioned unless otherwise stated in writing by the Company) and such deduction is disallowed; provided such contribution is returned within one year of the disallowance of the deduction for Federal income tax purposes, or

(c) the contribution is made prior to the receipt of a determination letter of 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 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.

(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 a fixed blend of fifty percent (50%) of the male mortality rates and fifty (50%) of the female mortality rates from the 1983 Group Annuity 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 a fixed blend of fifty percent (50%) of the male mortality rates and fifty (50%) of the female mortality rates from the 1983 Group Annuity 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."

ARTICLE 5

VESTING

5.01 Vesting Schedule.

(a) Normal Retirement Benefit. Upon termination of Service prior to Normal Retirement Date, the interest of a Participant in his Normal Retirement Benefit 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 termination of employment:

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%

(b) Cash Balance Account. Upon termination of Service prior to attaining his Normal Retirement Age, the interest of a Participant who commences employment with the Company or a member of the Controlled Group prior to June 1, 1997 in his Escalating Annuity Benefit 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:
1	20%
2	40%
3	60%
4	80%
5	100%

The interest of a Participant who commences employment with the Company or a member of the Controlled Group on or after June 1, 1997 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:
4 or less
5 or more

THE
PARTICIPANT'S
NONFORFEITABLE
PERCENTAGE IS:
0%
100%

5.02 Break in Service. There are no Breaks in Service under the terms of this Plan.

5.03 Forfeitures.

(a) In the case of a termination of a Participant's employment 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 of the Plan, 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.

(iv) If the Participant had five or more Vesting Years of Service at the time of his termination, and did not receive a distribution from the Plan, or 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) 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 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 exceeds) \$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 Section 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.

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 Prior Vesting Schedule.

(a) Notwithstanding the vesting schedule hereinabove, the vested percentage of a Participant's retirement benefit shall not be less than the vested

percentage attained as of the Effective Date.

(b) A Participant with at least three (3) Years of Service as of the Effective Date may elect to have his nonforfeitable percentage computed under the Prior Plan. Notwithstanding the foregoing, 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 new vesting schedule. The Participant's election period shall commence on the Effective Date of the amendment and shall end sixty (60) days after the latest of:

(i) the adoption date of the amendment,

(ii) the effective date of the amendment, or

(iii) the date the Participant receives written notice of the amendment from the Company or Plan Administrator.

Except, however, any Employee who was a Participant as of the Effective Date of this restatement and who completed three (3) Years of Service shall be subject to the pre-amendment vesting schedule provided such schedule is more liberal than the new vesting schedule. Notwithstanding the foregoing, 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 his Escalating Annuity Benefit under Article 4 of this Plan, a Participant who retires on his Normal Retirement Date shall be entitled to his Normal Retirement Benefit. 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) Prior to January 1, 1997, for Participants in covered employment on or after September 1, 1994 a Participant's accrued benefit under the Prior Plan as of August 31, 1994 multiplied by the factor below:

(A) The numerator shall be the greater of the Participant's Average Compensation as of August 31, 1994 or the Participant's Average Compensation at retirement.

(B) The denominator shall be the Participant's Average Compensation as of August 31, 1994 except that with respect to an employee with a frozen Section 401(a)(17) benefit, the plan shall operate 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 by 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) of the Plan to receive a distribution of his employee contributions to the Plan, the accrued benefit under the Prior Plan as of August 31, 1994, as adjusted above, shall be reduced by the Actuarial Equivalent of the amount actually distributed to the Participant.

(ii) For all Participants in covered employment on January 1, 1997, a Participant's accrued benefit under the Prior Plan, as of August 31, 1994, with the portion of the accrued benefit attributable to employer contributions under the Prior Plan multiplied by the factor described in Section 6.01(a)(i)(A) and (B).

If a Participant does not elect to receive a distribution of his employee contributions prior to his Annuity Starting Date, the Participant's accrued benefit under the Prior Plan shall be increased by the Actuarial Equivalent value of the Participant's contributions."

In no event will the accrued benefit, indexed after December 31, 1996 in accordance with the method described herein increased by the Actuarial Equivalent value of the Participant's contributions, be less than the Participant's accrued benefit, indexed in accordance with the provisions of this Section prior to January 1, 1997."

(b) Service After August 31, 1994. 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 (up to a maximum of 35 years) plus one percent of Average Compensation up to Covered Compensation multiplied by the Participant's total number of Years of Credited Service (up to a maximum of 35 years).

6.02 Minimum Retirement Benefit.

(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 calculated pursuant to Section 6.15.

(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 \$150,000 limitation on Compensation provided 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 imposition 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 the Plan, the accrued benefit determined as of December 31, 1993 shall be equal to the greater of (iii) the Participant's accrued benefit determined as of December 31, 1993, as determined with regard to the \$200,000 limitation on Compensation provided in Section 1.11, or (iv) 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."

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 below. The Normal 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.

Early Retirement Factors (Schedule A):

Age	Factor	Age	Factor
64	98%	59	87%
63	96%	58	84%
62	94%	57	81%
61	92%	56	78%
60	90%	55	75%

eighty (80), then one (1%) percent multiplied by the said sum in excess of eighty (80) shall be added to the applicable Early Retirement Factor. The Early Retirement Factor, as adjusted, shall not exceed one hundred (100%) percent.

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.

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) Years of Credited 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) If the Participant is married on the date his Disability Retirement Benefit Commences, his benefits shall be paid in the form of a Joint and Survivor Annuity unless the necessary election and consent were made for an alternative form of benefit payment under the Plan.

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

(e) 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 Normal Retirement Benefit. 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) 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 vested Normal Retirement Benefit 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 below.

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

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, 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) The retirement benefit payable from the Plan, together with the Annual Benefits payable to a Participant under all other plans of the Controlled Group that are defined benefit plans under Section 414(j) of the Code, shall not in any Limitation Year exceed the lesser of either (i) or (ii) hereinbelow:

(i) Defined Benefit Dollar Limitation: \$90,000. Effective on January 1, 1988, and each January thereafter, the \$90,000 limitation above will be automatically adjusted by multiplying such limit by the cost-of-living adjustment factor prescribed by the Secretary of the Treasury under Section 415(d) of the Code in such manner as the Secretary shall prescribe. The new limitation will apply to Limitation Years ending within the calendar year of the date of the adjustment.

(ii) One hundred (100%) percent of the average Compensation of a Participant for the three (3) consecutive calendar years for which such average is highest.

The limitation in this paragraph is deemed satisfied if the Annual Benefit payable to a Participant is not more than \$1,000 multiplied by the Participant's number of Years of Service or parts thereof (not to exceed ten (10)) with the Company, and the Company has not at any time maintained a defined contribution plan, a welfare benefit plan as defined in Section 419(e) of the Code, or an individual medical account as defined in Section 415(l)(2) of the Code in which such Participant participated.

(b) Annual Benefit shall mean a retirement benefit under the Plan which is payable annually in the form of a straight Life Annuity. Except as provided below, a benefit payable in a form other than a straight Life Annuity must be adjusted to an actuarially equivalent straight Life Annuity before applying the limitations of this Article. The interest rate used under this subparagraph (b) will be five (5%) percent. The Annual Benefit does not include any benefits attributable to voluntary contributions, rollover contributions, or the assets transferred from a qualified plan that was not maintained by the Company. No actuarial adjustment to the benefit is required for:

(i) the value of a Qualified Joint and Survivor Annuity,

(ii) the value of benefits that are not directly related to retirement benefits (such as the qualified disability benefit, pre-retirement death benefits, and post-retirement medical benefits), and

(iii) the value of post-retirement cost-of-living increases made in accordance with Section 415(d) of the Code and Section 1.415-3(c)(2)(iii) of the Treasury Regulations.

Projected Annual Benefit means the Annual Benefit to which a Participant would be entitled under the terms of the Plan assuming:

- (i) the Participant will continue employment until Normal Retirement Age under the Plan (or current age, if later), and
 - (ii) the Participant's Compensation for the current Limitation Year and all other relevant factors used to determine benefits under the Plan will remain constant for all future Limitation Years.
- (c) Compensation shall mean, for purposes of this Section, wages, salaries, and fees for professional services, and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Company maintaining the Plan (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, reimbursements and expense allowances), and excluding the following:
- (i) Company contributions to a plan of deferred compensation which are not included in the Employee's gross income for the taxable year in which contributed, or Company contributions under a simplified employee pension plan to the extent such contributions are deductible by the Employee, or any distributions from a plan of deferred compensation;
 - (ii) Amounts realized from the exercise of a non qualified stock option, or when restricted stock (or property) held by the Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
 - (iii) Amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option; and
 - (iv) Other amounts which receive special tax benefits, or contributions made by the Company (whether or not under a salary reduction agreement) towards the purchase of an annuity described in Section 403(b) of the Code (whether or not the amounts are actually excludable from the gross income of the Employee).

For any self-employed individual, compensation will mean earned income.

For Limitation Years beginning after December 31, 1991 for purposes of applying the limitations of this Article 6, compensation for a Limitation Year is the compensation actually paid or includable in gross income during such Limitation Year.

(d) If the Participant has less than ten (10) Years of Credited Service with the Company, the Defined Benefit Dollar Limitation is reduced by one-tenth (1/10) for each year of participation (or part thereof) less than ten (10). To the extent provided in regulations or in other guidance issued by the Internal Revenue Service, the preceding sentence shall be applied separately with respect to each change in the benefit structure of the Plan.

If the Participant has less than ten (10) Years of Service with the Company, the Compensation limitation is reduced by one-tenth (1/10th) for each Year of Service (or part thereof) less than ten (10). The adjustments of this Section (d) shall be applied in the denominator of the defined benefit fraction based upon Years of Service. Years of Service shall include future years occurring before the Participant's Normal Retirement Age. Such future years shall include the year which contains the date the Participant reaches Normal Retirement Age, only if it can be reasonably anticipated that the Participant will receive a Year of Service for such year.

(e) If the Annual Benefit of the Participant commences before the Participant's social security retirement age, but on or after age sixty-two (62), the Defined Benefit Dollar Limitation shall be determined as follows:

(i) If a Participant's social security retirement age is sixty-five (65), the dollar limitation for benefits commencing on or after age sixty-two (62) is determined by reducing the Defined Benefit Dollar Limitation by five-ninths (5/9) of one (1%) percent for each month by which benefits commence before the month in which the Participant attains age sixty-five (65).

(ii) If a Participant's social security retirement age is greater than sixty-five (65), the dollar limitation for benefits commencing on or after age sixty-two (62) is determined by reducing the Defined Benefit Dollar Limitation by five-ninths (5/9) of one (1%) percent for each of the first thirty-six (36) months and five-twelfths (5/12) of one (1%) percent for each of the additional months (up to twenty-four (24) months) by which benefits commence before the month of the Participant's social security retirement age.

(f) If the Annual Benefit of a Participant commences prior to age sixty-two (62), the Defined Benefit Dollar Limitation shall be the actuarial equivalent of an annual benefit beginning at age sixty-two (62), as determined in Section (e) above, reduced for each month by which benefits commence before the month in which the Participant attains age sixty-two (62). The interest rate used under this subparagraph (f) will be five (5%) percent. The mortality table used under this subparagraph (f) will be the GAM 83 Male and Female Blended 80% Male and 20% Female. Any decrease in the Defined Benefit Dollar Limitation determined in accordance with this Section (f) shall not reflect the mortality decrement to the extent that benefits will not be forfeited upon the death of the Participant. The actuarial equivalent value in this subparagraph (f) shall be based on the Plan's early retirement reduction factors, or if less, an interest rate of five percent (5%).

(g) If the Annual Benefit of a Participant commences after the Participant's social security retirement age, the Defined Benefit Dollar Limitation shall be increased so that it is the actuarial equivalent of an annual benefit of such dollar limitation beginning at the Participant's social security retirement age. The interest rate used under this subparagraph (g) will be five (5%) percent.

(h) If the benefit limitations of this Section 6.12 are exceeded in any Plan Year solely because the Plan is aggregated with one or more other defined benefit plans of any member of the Controlled Group, the amount of any benefit that would otherwise be accrued under such other plans shall be reduced so that (to the extent possible) such limitations are not exceeded before any adjustment is required under this Plan.

(i) In the case of an individual who was a Participant in one or more defined benefit plans of the Company and/or any other member of the Controlled Group on or before January 1, 1983, the maximum benefit for such Participant under this Section 6.12 shall not be less than the current accrued benefit under such plan or plans at the close of the last Limitation Year beginning before January 1, 1983 if such plan or plans met the requirements of Section 415 of the Code, as in effect on July 1, 1982, for all years.

(j) In the case of an individual who was a Participant in one or more defined benefit plans of the Company and/or any other member of the Controlled Group on or before January 1, 1987, the maximum benefit for such Participant under this Section 6.12 shall not be less than the current accrued benefit under such plan or plans at the close of the last Limitation Year beginning before January 1, 1987 if such plan or plans met the requirements of Section 415 of the Code, as in effect on May 6, 1986, for all years.

(k) If a Participant also participates, or previously participated, in one or more defined contribution plans (as defined in Section 414(i) of the Code), or a welfare benefit fund, as defined in Section 419(e) of the Code maintained by any member of the Controlled Group, or an individual medical account, as defined in Section 415(l)(2) of the Code, which provides an annual addition as defined in Code Section 415(c), the sum of the following fractions shall not exceed 1.0 as of the end of any Limitation Year.

(i) Defined Contribution Fraction: A fraction, the numerator of which is the sum of the annual additions to the Participant's account under all the defined contribution plans (whether or not terminated) maintained by the Company for the current and all prior Limitation Years (including the annual additions attributable to the Participant's voluntary contributions to this and all other defined benefit plans (whether or not terminated) maintained by the Company, and the annual additions attributable to all welfare benefit funds, as defined in Section 419(e) of the Code, or individual medical accounts, as defined in Section 415(l)(2) of the Code, maintained by the Company, and the denominator of which is the sum of the maximum aggregate amounts for the current and all prior Limitation Years of Service with the Company (regardless of whether a defined contribution plan was maintained by the Company).

The maximum aggregate amount in any Limitation Year is the lesser of one hundred twenty-five (125%) percent of the dollar limitation determined under Sections 415(b) and (d) of the Code in effect under Section 415(c)(1)(A) of the Code or thirty-five (35%) percent of the Participant's Compensation for such year.

If the Employee was a Participant as of the first day of the first Limitation Year beginning after December 31, 1986, in one or more defined contribution plans maintained by the Company which were in existence on May 6, 1986, the numerator of this fraction will be adjusted if the sum of this fraction and the defined benefit fraction would otherwise exceed 1.0 under the terms of this Plan. Under the adjustment, an amount equal to the product of (1) the excess of the sum of the fractions over 1.0 times (2) the denominator of this fraction, will be permanently subtracted from the numerator of this fraction. The adjustment is calculated using the fractions as they would be computed as of the end of the last Limitation Year beginning before January 1, 1987, and disregarding any changes in the terms and conditions of the plans made after May 6, 1986, but using the Section 415 limitation applicable to the first Limitation Year beginning on or after January 1, 1987.

The annual addition for any Limitation Year beginning before January 1, 1987, shall not be recomputed to treat all voluntary contributions as annual additions.

(ii) Defined Benefit Fraction: A fraction, the numerator of which is the sum of the Participant's Projected Annual Benefits under all the defined benefit plans (whether or not terminated) maintained by the Company, and the denominator of which is the lesser of one hundred twenty-five (125%) percent of the dollar limitation determined for the Limitation Year under Sections 415(b) and (d) of the Code or one hundred forty (140%) percent of the highest average Compensation, including any adjustments under Section 415(b) of the Code.

Notwithstanding the above, if the Participant was a participant as of the first Limitation Year beginning after December 31, 1986, in one or more defined benefit plans maintained by the Company which were in existence on May 6, 1986, the denominator of this fraction will not be less than one hundred twenty-five (125%) percent of the sum of the Annual Benefits under such plans which the Participant had accrued as of the close of the last Limitation Year beginning before January 1, 1987, disregarding any changes in the terms and conditions of the plans after May 5, 1986. The preceding sentence applies only if the defined benefit plans individually and in the aggregate satisfied the requirements of Section 415 of the Code for all Limitation Years beginning before January 1, 1987.

(l) The Committee may elect to compute the Defined Contribution Fraction for all Participants for all Limitation Years ending before January 1, 1983 by using the "transition fraction" (as defined in Section 415(e) of the Code). In the event the limitation imposed by paragraph (a) of this Section is exceeded as of the last day of the last Limitation Year beginning before January 1, 1983, with respect to a Participant, but the limitation imposed by such paragraph (a) was not exceeded with respect to the Participant in any prior Limitation Years, then the numerator of the Participant's Defined Contribution Fraction shall be reduced in accordance with Treasury Regulations as necessary so that the sum of the Defined Benefit Fraction and the Defined Contribution Fraction does not exceed 1.0 as of the end of such Limitation Year.

(m) The "125%" applied in paragraph (k)(i) of this Section 6.12 shall be reduced to "100%" for any Limitation Year in which either:

- (i) the Plan is included in an "Aggregation Group" (as defined in Section 14.02) which is "Top Heavy" (as defined in Section 14.02) and the Plan or any other plan within such "Aggregation Group" fails to provide the minimum benefit prescribed by Section 416(h) of the Code and the regulations thereunder; or
- (ii) the Plan is included in an "Aggregation Group" which is "Top Heavy" if "90%" were substituted for "60%" in Section 14.02 of the Plan.

(n) If the limitations of this Section 6.12 are exceeded in any Limitation Year because the aggregation of the Plan with one or more defined contribution plans produces a fraction that exceeds 1.0, the retirement benefit to which the Participant would otherwise be entitled under the Plan shall be reduced so that such fraction does not exceed 1.0.

(o) If the Participant's benefit is payable as a joint and survivor annuity with his spouse as the Beneficiary, the modification of the benefit for that form of payment shall be made before the application of the maximum limitation, and as so modified, shall be subject to the limitation.

(p) If the Participant's benefit is payable in a form that is neither a life annuity for the life of the Participant nor in the form described in subparagraph (o) above, the maximum benefit payable in subparagraph (a) above shall be the Actuarial Equivalent to the maximum benefit payable as a life annuity, such Actuarial Equivalent to be calculated using the Plan's factors for computing optional benefits, or if less, using an interest rate of five percent (5%).

6.13 Applicable Employer. For purposes of this Article 6, Employer shall mean the Employer that sponsors this Plan, and all members of a controlled group of corporations (as defined in Code Section 414(b) as modified by Code Section 415(h)), all commonly controlled trades or business (as defined in Code Section 414(c) as modified by Code Section 415(h) of the Code), or Affiliated Service Groups (as defined in Code Section 414(m) of the Code) of which the sponsoring Employer is a part, and any other entity required to be aggregated with the Company pursuant to regulations under Section 414(o) of the Code.

6.14 Incorporation by Reference. Notwithstanding anything hereinabove to the contrary, the limitations, adjustments and other requirements prescribed in this Article 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.

6.15 Prior Plan Benefit For Vested Employees Terminated Prior To September 1, 1994 And Current Employees Who Attained Age Fifty-Five (55) With Sixty (60) Continuous Months Of Contributory Active Service Ending On August 31, 1994.

(a) Normal Retirement Benefit. 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 monthly) equal to the sum of the following:

(i) A Past Service Benefit if he shall have become an active Participant as of May 1, 1953, shall have been a continuous Participant (whether active or suspended) during the period of his employment on and after May 1, 1953, and shall have made contributions while an active Participant during such period;

(ii) A Future Service Benefit if he shall have made contributions while an active Participant;

(iii) A Supplemental Benefit if he shall have made contributions while an active Participant;

(iv) A Pension Equivalent Benefit; and

(v) Minus the value of contributions that the Participant would have made from September 1, 1994, if permitted, to the Participant's retirement date.

(A) The "Past Service Benefit" of a Participant eligible therefor shall be equal to three-quarters percent (3/4%) of his annual earnings on 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 shall have made contributions under the Plan.

(C) The "Supplemental Benefit" of a Participant eligible therefor shall be the benefit calculated under either subparagraph (1) or (2) below, whichever shall be applicable:

(1) 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 shall have made contributions at all times while an active Participant 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 (not in excess of fifteen (15) years) of Credited Service. For purposes of the preceding sentence, "final average annual earnings in excess of \$3,600" means (A) 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 (B) 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.

(2) 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 shall not have made contributions at all times while an active Participant during such period, an amount calculated under subparagraph (1) above, as if the Participant had, in fact, been a continuous Participant for such period and made contributions at all times 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 attached hereto; 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 6.15 shall be reduced by the amount of such Past and/or Future Service Benefits.

(b) Death Benefit. In the event an inactive Participant 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.

(c) 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 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 subparagraph (c)(i), the denominator of the fraction referred to in subparagraph (a)(iv)(C)(2) of this Section 6.15 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 (c)(i) in accordance with Schedule C attached hereto. The first payment of a benefit under this subparagraph (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 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 as provided in Schedule D attached hereto paid for solely through Company Contributions.

(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 subparagraph

(i) of this paragraph (d), he shall be entitled, without request therefor, to a Severance of Employment Benefit equal to the aggregate of his contributions plus interest.

(iii) Deferred Pension Benefit. If the employment of an active Participant was severed after his vested Retirement Benefit Date but prior to September 1, 1994, and he is not entitled to a Normal, Early or Disability Retirement Benefit, he shall be entitled to a Deferred Benefit under this Plan in accordance with Schedule D attached hereto.

(d) 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	.01%
35 - 45	.02%
45 - 54 and 11 months	.04%

(e) Optional Annuity Benefits for Deferred Vested Participant. A

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).

For an Employee 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 Employee by ninety percent (90%) if the Employee'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 Employee'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 Employee's age, and his or her surviving spouse will receive fifty-five percent (55%) of such annuity benefit.

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 on account of the option in the Supplemental Benefit otherwise payable to the Participant does not exceed forty percent (40%). Such annuity shall be the actuarial equivalent of the aforesaid Supplemental Benefit amount. 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 amount in accordance with Schedule E attached hereto; otherwise, the Committee may require evidence satisfactory to it of the Participant's good health.

6.16 Definitions. For purposes of determining a Participant's minimum benefit in accordance with Section 6.15, the following definitions shall apply.

(a) Credited Service. The term "credited service" shall have the following meanings:

(i) 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 subparagraph (a) 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:

(A) the period of employment of an Employee with the Company (or with a member of the Controlled Group) following his most recent date of hire preceding May 31, 1953 and prior to his sixty-eighth (68th) birthday;

(B) the period of employment of an Employee with the Company (or with a member of the Controlled Group) 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;

(C) any periods of approved Leave of Absence or military leave during the period(s) defined in paragraphs (A) and/or (B) above.

(ii) 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:

(A) the periods of employment of an Employee with the Company (or with a member of the Controlled Group) while eligible to participate under the Plan following his most recent date of hire and prior to the earlier of his retirement;

(B) any periods of leave of absence approved by the Company in writing, or military leave during the period defined in subparagraphs (i) and (ii) above.

(iii) 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 subpara graphs (i) and (ii) above.

(b) 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.

(c) "Annual Earnings" for periods prior to September 1, 1994 shall mean:

(i) 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

(ii) 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;

(d) "Interest" for deferred vested 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 (2%) percent compounded annually; interest from May 1, 1966 to January 1, 1971 shall be calculated at the rate of three and one-half (3 1/2%) percent compounded annually; and interest from January 1, 1971 to December 31, 1975 shall be calculated at the rate of four and one-half (4 1/2%) percent compounded annually. Interest from January 1, 1976 to December 31, 1987 shall be calculated at the rate of five (5%) percent compounded annually; and interest from January 1, 1988 at one hundred twenty (120%) percent of the Federal mid-term rate as at the beginning of the Plan Year compounded annually.

6.17 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 6.17 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 rate(s) - 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 of the Plan, a Participant may elect in the manner prescribed by the Committee and during the election period described in Subsection (c) of this Section 7.02, a form of benefit payment provided under Section 7.02(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 Subsection of Section 7.01 of the Plan, as applicable, 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 Section 7.02(a) of the Plan shall be effective only with respect to such Spouse. At any time during the election period described in Section 7.02(c) of the Plan, a Participant may, without the consent of the Participant's Spouse, revoke the election pursuant to this Section 7.02(a) of the Plan 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 Section 7.02(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 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 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 Section 7.03(b) of the Plan), or

(ii) shall commence not later than the Required Beginning Date (as defined in Section 7.03(b) of the Plan) 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) For purposes of this Section, the Required Beginning Date means the April 1 of the calendar year following the calendar year in which the Participant attains age seventy and one-half (70 1/2). 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 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. 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, and (ii) the interest rate to be used shall be 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 Plan Year in which the Annuity Starting Date occurs, and the mortality table to be used shall be the mortality table prescribed by the Secretary of the Treasury under Code Section 417(e)(3)(A)(ii)(I) as in effect on the first day of the Plan Year in which the Annuity Starting Date occurs.

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 7.08, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

The following definitions shall apply for purposes of this Section 7.08:

(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 8.01. 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). The benefit payable to the Beneficiary shall be reduced in accordance with Schedule A 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) If the Participant is married at the date of his death, the Participant's Spouse shall be entitled to the benefit provided in Section 8.01(a), unless:

(i) The Spouse consents in writing to the election, the election designates a specific Beneficiary, which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without 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; and

(ii) 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.

Any consent by a Spouse (or establishment that the consent of a Spouse may not be obtained) under this Section 8.01(b) shall be effective only with respect to such Spouse. Any election pursuant to this Section 8.01(b) may be revoked by the Participant without the consent of the Participant's Spouse at any time during the election period (as described hereafter in this Section 8.01(b)). The election period shall commence on the first day of the Plan Year in which the Participant attains age thirty-five (35) and shall end on the date of his death; provided, however, that in the case of any Participant who is separated from Service, the election period with respect to benefits accrued before the date of such separation from Service shall begin not later than the date of the Participant's separation from Service.

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 name a Beneficiary other than his Spouse 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 benefit payable to the Spouse. Spousal 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 death benefit in such terms and in such a manner as would be comparable to the explanation provided for meeting the requirements of Section 7.04 applicable to a Qualified Joint and Survivor Annuity.

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

(iii) 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);

(iv) a reasonable period ending after the individual becomes a Participant; or

(v) 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 the 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 Subparagraphs (ii) and (iii) of this Section 8.01(b) is the end of the two (2) year period beginning one (1) 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.

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) (A) if the Participant retired prior to September 1, 1994 and contributed to the Plan while a Participant of the Curtiss-Wright Contributory Retirement Plan for the three (3) consecutive years immediately prior to retirement or

(B) if 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 Subparagraphs (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 (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 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 entitled to receive the pension under this Article 9.

(b) Effective January 1, 1976, an Employee to whom Subsection (a) of this Section 9.01 applies 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 Sub section (a) of this Section 9.01 applies who, on or after September 15, 1952, shall have completed five (5) or more Years of Credited Service, and shall have ceased 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:

(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) Seventeen Dollars (\$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) Nineteen Dollars (\$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; Twenty-One Dollars (\$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.

(b) Early Retirement. On or after January 1, 1989 any Employee 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 Employee 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 the following table (Schedule F):

Attained Age at the Time Pension Commences	Percent *
64	97.0
63	94.0
62	91.0
61	88.0
60	85.0
59	79.6
58	74.2
57	68.8
56	63.4
55	58.0

* To be prorated on the basis of the Employee's attained age plus the number of complete months (twelfths of a year) since his last birthday.

If an Employee's Credited Service at the time of his early retirement is in excess of twenty (20) years, then the amount of the monthly pension payable to such an Employee as determined above shall be increased by:

(A) one tenth (1/10) of one percent (1%) for each one-tenth (1/10) year of such Employee's Credited Service in excess of twenty (20) years up to a maximum increase of ten percent (10%) with respect to benefits which first could commence on or after October 1, 1965 and prior to October 1, 1968, or

(B) two-tenths (2/10) of one percent (1%) for each one-tenth (1/10) year of such Employee's Credited Service in excess of twenty (20) years up to a maximum increase of ten percent (10%) with respect to benefits which first could commence on or after October 1, 1968, but in no event shall the total monthly pension payable to such Employee under this Section 9.02(b) be greater than the amount of monthly pension that would have been payable to him at age sixty-five (65) on the basis of his Credited Service at the time of early retirement.

(c) Total and Permanent Disability Retirement.

(i) An Employee 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 Employee shall be deemed to be totally and per manently disabled when on the basis of medical evidence satis factory 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 pen sioner 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 for disability, a monthly amount equal to:

(A) \$5.20 multiplied by his Years of Credited Service at the date of disability, but not more than \$130, with respect to a monthly pension that first could commence prior to October 1, 1968,

(B) \$6.00 multiplied by his Years of Credited Service at the date of disability, but not more than \$150, with respect to a monthly pension that first could commence on or after October 1, 1968, and

(C) \$10.00 multiplied by his Years of Credited Service at the date of disability, but not more than \$250, with respect to a monthly pension that first could commence on or after March 1, 1978.

(v) Any disability pensioner may be required to submit to medical examination at any time during retirement prior to age sixty-five (65), but not more often than semi-annually, to determine whether he is eligible for continuance of the disability pension. If, on the basis of such examination, it is found that he is no longer disabled or if he engages in gainful employment, except for purposes of rehabilitation as determined by the Company, his disability pension will cease. In the event the disability pensioner refuses to submit to medical examination, his pension will be discontinued until he submits to examination.

(vi) Metal Improvement Company Inc. Columbus Division. With respect to any such pensioner whose Credited Service is with the METAL IMPROVEMENT COMPANY, INC. COLUMBUS DIVISION.

With benefits commencing on or after January 1, 1996, Ten Dollars (\$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. Credited 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:

With benefits commencing on or after October 1, 1996, Six Dollars (\$6.00) 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. Credited 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, Four Dollars (\$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. Credited Service for vesting purposes shall commence November 1, 1996.

(d) Retention of Deferred Pension.

(i) An Employee 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 Employee 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 Employee 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 A attached hereto for the Wood-Ridge Facility, Schedule G attached hereto for the Buffalo Facility, Schedule C attached hereto for the Curtiss-Wright Flight Systems Facility, and Schedule D attached hereto for the Target Rock Facility. The deferred pension rates for Marquette are the same rates as shown in Section 9.02(a)(iv) of the Plan for the Marquette Facility.

(iii) For Employees who became eligible for a deferred pension before January 1, 1976:

Upon written request to the Company by a former Employee eligible for a deferred pension in accordance with this Section 9.02(d), such deferred pension shall be payable on the first day of the month following the later of (a) the month in which such former Employee 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) shall be the amount in accordance with Section 9.02(a) of the Plan, reduced by sixth-tenths (6/10) of one percent (1%) (Schedule D) for each complete calendar month by which such former Employee 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 Employees 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 former Employee 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 by six-tenths (6/10) of one percent (1%) for each complete calendar month by which such former Employee 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) An Employee retiring with benefits payable commencing on or after January 1, 1989, in accordance with the normal, early or total and permanent disability retirement provisions of this Article 9, where an Employee is age fifty-five (55) or older, or who loses Seniority on or after January 1, 1989 and is eligible for a deferred pension benefit in accordance with Section 9.02(d) of the Plan, 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 Employee 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) An Employee 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 Employee 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 Employee's monthly benefit and payable on and after the first day of the month following the pensioner's death.

(E) If the amount of monthly pension benefit that would be payable to the Employee, in accordance with subparagraph (ii) of this Section 9.02(e), shall be less than \$30.00 a month, the option set forth in this Section 9.02(e) shall not be available.

(ii) For an Employee receiving a pension benefit with a survivor benefit adjustment in accordance with subparagraph (i) of this Section 9.02(e), the reduced amount of his monthly pension benefit referred to in subparagraph

(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 Employee'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 Employee'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 Employee's age.

(iii) The survivor benefit payable to the surviving Spouse of a retired Employee in accordance with paragraph 1 and 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 Employee's monthly pension benefit as determined in accordance with Section 9.02(a) of the Plan for any such Employee with benefits payable commencing on or after October 1, 1965.

(iv) Effective August 23, 1984, a survivor benefit, not waived, shall be paid to a surviving Spouse of a vested active participant not eligible for early retirement or a vested deferred participant who was credited with at least one (1) Hour of Service subsequent to August 22, 1984 not eligible for early retirement at the date the participant would have been eligible for early retirement but reduced in accordance with the tables below.

For Coverage While The Participant's Age Is	Monthly Percentages
Under 35	.01%
35 - 45	.02%
45 - 54 and 11 months	.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 Subparagraphs (2), (3) and (4) of this

Section 9.02(e) 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.

Notwithstanding the other requirements of the Plan, the respective notices prescribed in the Plan may not be given to a Participant if the Plan fully subsidizes the cost of a Qualified Joint and Survivor Annuity or Qualified Pre-Retirement Survivor Annuity, and the Plan does not allow the Participant to waive the Qualified Joint and Survivor Annuity or Qualified Pre-Retirement Survivor Annuity and does not allow a married Participant to designate a non-Spouse Beneficiary. For purposes of the Plan, the Plan fully subsidizes the cost of a benefit if, under the Plan, no increase in cost or decrease in benefits to the Participant may result from the Participant's failure to elect another benefit. Prior to the time the Plan allows the Participant to waive the Qualified Pre-retirement Survivor Annuity, the Plan may not charge the Participant for the cost of such benefit by reducing the Participant's benefits under the Plan or by any other method.

(f) Employees Not Actively at Work. The absence of an Employee 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 Employee's pension other than for total and permanent disability shall be on the first day of the month following the month in which the Employee actually retires or, in the case of early retirement, the later date selected by the Employee in accordance with Section 9.02(b)(i) or (ii) of the Plan, 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 Employee 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 Employee 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 Section 9.02(e) of the Plan; 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 Employee, 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 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 death benefit under the Plan at any time by reason of the death of an Employee 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 Employees 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 Employee'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 Employee'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) of this Section 9.03(b)(i) shall be applicable for the period of time prior to January 1, 1976. Sub paragraphs (B) and (C) of this Section 9.03(b)(i) 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 Employee 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 according to Schedule A attached hereto. 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 Employee on the basis of total hours compensated by the Company during such calendar year. Any calendar year in which the Employee 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 seven hundred (1,700) 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 (i) of this Section 9.03(b) 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), an Employee 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 Employee 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; 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 Employee 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, 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 Employee otherwise had at least one hundred seventy (170) compensated hours during the calendar year in which such medical leave of absence commenced, except this Section 9.03(b) shall not apply to any absence to which Section 9.03(b)(iii) would apply.

(c) Loss of Credited Service.

(i) After September 15, 1952, an Employee of the Company 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 Employee quits,

(B) if the Employee is discharged or released,

(C) if the Employee loses his Seniority for any other reason.

The provisions of this paragraph shall not affect an Employee'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 any other facility or wholly owned subsidiary of the Company which has adopted the Plan 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 Employee 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 an Employee who lost such Credited Service prior to October 1, 1968 and who (i) has Seniority on September 30, 1968, such Employee applies to such Company for restoration of such lost Service prior to July 1, 1969 or (ii) does not have the Seniority on September 30, 1968 but thereafter acquires Seniority, such Employee applies for restoration of such lost Credited Service within ninety (90) days of re-employment by such Company.

(B) Effective January 1, 1976 any Employee 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 Section 9.03(c) of the Plan shall be entitled to the benefit specified in this Section 9.03(d).

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 attached hereto.

(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 respective 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. On the Effective Date of this Plan, the METAL IMPROVEMENT COMPANY, INC. RETIREMENT INCOME PLAN and CURTISS-WRIGHT FLIGHT SYSTEMS/SHELBY, INC. CONTRIBUTORY RETIREMENT PLAN (herein after referred to individually as a "Merged Plan" or collectively as "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 Effective Date or non-union Employees hired after said 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 Effective 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 of the Plan, 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 of this Plan in accordance with Articles 4, 6, 7 and 8 of the Plan.

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 of the Plan.

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 (a) hereinabove 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 (a) hereinabove 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 law, the assets held under the Merged Plans shall be transferred to the Trust Fund.

ARTICLE 11

ADMINISTRATION

11.01 Plan Administrator. The President shall appoint a Committee. The Committee shall consist of three (3) or more persons designated by the President. 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 President and the President shall appoint successors to fill any vacancies in the Committee.

11.02 Committee's Authority and Powers. The Committee shall administer the Plan, except where that part of the Plan is pursuant to a collectively bargained 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 paragraph, 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 referred to in Section 1.09 of the Plan, 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 Early Termination Restrictions.

(a) In the event that (i) the Plan is terminated within ten (10) years after the "Commencement Date" or (ii) the benefits provided for a "Restricted Participant" become payable within ten (10) years after the Commencement Date, the maximum amount of Company contributions that may be used to provide benefits for a Restricted Participant may not exceed the largest of:

(i) Twenty Thousand Dollars (\$20,000);

(ii) an amount equal to twenty (20%) percent of the first \$50,000 of a Restricted Participant's "Annual Compensation" multiplied by the number of years between the Commencement Date and the date of termination of the Plan, or between the Commencement Date and the date benefits become payable if such date precedes termination of the Plan; or

(iii) in the event the Plan becomes subject to Title IV of ERISA, an amount equal to the present value of the maximum benefit guaranteed for the Participant by the Pension Benefit Guaranty Corporation as described in Section 4022(b)(3) of ERISA. Such amount shall be determined on the earlier of the date of termination of the Plan, or the date benefits to a Restricted Participant become payable, in accordance with regulations issued by the Pension Benefit Guaranty Corporation.

(d) In the event of a Plan termination, the benefit of any Highly Compensated active or former Employee is limited to a benefit that is nondiscriminatory under Section 401(a)(4) of the Code. Benefits distributed to any of the twenty-five (25) most Highly Compensated active and former Employees are restricted such that the annual payments are no greater than an amount equal to the payment that would be made on behalf of the Employee under a single life annuity that is the Actuarial Equivalent of the sum of the Employee's retirement benefit and the Employee's other benefits under the Plan.

The preceding paragraph shall not apply if after payment of the benefit to an Employee described in the preceding paragraph, the value of Plan assets equals or exceeds one hundred ten (110%) percent of the value of current liabilities, as defined in Section 412(l)(7) of the Code, or the value of the benefits for an Employee described above is less than one (1%) percent of the value of current liabilities.

For purposes of this Section 12.05, benefit includes loans in excess of the amount set forth in 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 for by insurance on the Employee's life.

(b) For purposes of this Section 12.05:

(i) "Annual Compensation" means annual average Compensation for the period of five (5) consecutive Years of Service that produces the highest average;

(ii) "Commencement Date" means the Original Effective Date, or the effective date of any amendment to the Plan that substantially increases benefits under the Plan, with a separate set of limitations to be determined as of each such date; and

(iii) "Restricted Participant" means the Participant, if the Participant's anticipated retirement benefit exceeds \$1,500 and the Participant is among the twenty-five (25) Participants entitled to the highest Annual Compensation as of the Commencement Date.

(c) The foregoing limitations shall not restrict the payment of the Participant's retirement benefit, if:

(i) in the case of annuity payments, the level amount of annuity does not exceed the level amount of annuity payable under the normal form of retirement benefit; or

(ii) in the case of a lump sum distribution, a written agreement between the Participant and the Trustee guarantees the repayment of the distribution that would be restricted if the Plan were terminated within ten (10) years after the Commencement Date. Such agreement shall require the Participant to provide "adequate security" for the guaranteed repayment. For purposes of this paragraph (c)(ii), "adequate security" means property having a fair market value at least equal to one hundred twenty-five (125%) percent of the amount subject to repayment that is deposited with an acceptable depository under an agreement providing that if the market value of such property falls below one hundred ten (110%) percent of the amount subject to repayment, the Participant will deposit additional property necessary to bring the value of the property held by the depository up to at least one hundred twenty-five (125%) percent of such amount; or

(iii) in the case of termination of the Plan, Plan assets are sufficient to pay each Participant who is not a Restricted Participant the full amount of the Participant's retirement benefit accrued to the date of Plan termination and to pay to each Restricted Participant the amount of the retirement benefit as restricted by this Section 12.05.

(e) The foregoing limitations shall not restrict the payment of any death benefit to any Beneficiary.

ARTICLE 13

MERGER OF PLAN AND TRANSFER OF ASSETS OR LIABILITIES

13.01 Merger or Transfer. The Plan shall not be merged or consolidated with, nor shall any Plan assets or liabilities be transferred to, any other plan, unless each Participant (if the other plan then terminated) would receive a benefit that is equal to or greater than the benefit he would have been entitled to receive immediately before the merger, consolidation or transfer (if the Plan had then terminated).

13.02 Transfer from Trust. At a Participant's request and pursuant to uniform rules prescribed by the 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 and Super Top-Heavy Status. This Plan is top heavy if any of the following conditions exists:

- (a) 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.
- (b) 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.
- (c) 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.

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 (a) and (b) above 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.

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.

Required aggregation group: (1) 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 (2) any other qualified plan of the Company which enables a plan described in (1) to meet the requirements of Section 401(a)(4) or 410 of the Code.

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.

This Plan shall be a Super Top-Heavy Plan for any Plan Year commencing after December 31, 1983, in which, as of the Determination Date, (1) the Present Value of retirement benefits of Key Employees and (2) the sum of the Aggregate Accounts of Key Employees under this Plan and all plans of an Aggregation Group, exceeds ninety (90%) percent of the Present Value of retirement benefits and the Aggregate Account of all Key and Non-Key Employees under this Plan and all plans of an Aggregation Group.

14.03 Key Employee. Any Employee or former Employee (and the beneficiaries of such Employee) who at any time during the determination period was an officer of the Company if such individual's Annual Compensation exceeds fifty (50%) percent of the dollar limitation under Section 415(b)(1)(A) of the Code, an owner (or considered an owner under Section 318 of the Code) of one of the ten (10) largest interests in the Company if such individual's Compensation exceeds one hundred (100%) percent of the dollar limitation under Section 415(c)(1)(A) of the Code, a five (5%) percent owner of the Company, or a one (1%) percent owner of the Company who has an Annual Compensation of more than One Hundred Fifty Thousand Dollars (\$150,000). Annual Compensation means 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. The determination date is the Plan Year containing the determination date and the four (4) preceding Plan Years.

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. A Non-Key Employee means any Employee or former Employee (and his Beneficiaries) who is not a Key Employee.

14.04 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 14.04, a Participant who is not a 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

(a) above 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 at 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) of this Section 14.04 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) of this Section 14.04 are satisfied.

14.05 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. Except as is permitted under Section 401(a) (13) of the Code in the case of a qualified domestic relations order as defined in Section 414(p) of the Code, no Participant or Beneficiary shall have the right to alienate or assign his benefits under the Plan, and no Plan benefits shall be subject to attachment, execution, garnishment, or other legal or equitable process. If a Participant or his Beneficiary attempts to alienate or assign his benefits under the Plan, or if his property or estate should be subject to attachment, execution, garnishment or other legal or equitable process, the Committee may direct the Trustee to distribute the Participant's (or Beneficiary's) benefits under the Plan to members of his family, or may use or hold such benefits for his benefit or for the benefit of members of his family as the Committee deems appropriate under the circumstances.

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 30th day of December, 1994.

ATTEST:

/s/ D M Taylor

, Secretary

CURTISS-WRIGHT CORPORATION

By: */s/ David Lasky*

David Lasky, President

CURTISS-WRIGHT CORPORATION RETIREMENT PLAN
EARLY RETIREMENT FACTORS on or AFTER 9/1/94
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

If the sum of your age and years of credited service exceed 80, 1% will be added to your early retirement factor. No more than 100% of your benefit will be payable.

SCHEDULE B

RETIREMENT PLAN RATES RATES CURRENTLY IN FORCE

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

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

***Does not apply to Local 212**

SCHEDULE C

**CURTISS-WRIGHT CORPORATION RETIREMENT PLAN
 EARLY RETIREMENT FACTORS
 EARLY RETIREMENT FACTORS for DEFERRED VESTED EMPLOYEES
 WHO LEFT EMPLOYMENT PRIOR to 9/1/94 and PRIOR to AGE 55 (CONTRIBUTORS)**

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

**THE CURTISS-WRIGHT CORPORATION RETIREMENT PLAN
for COMMENCEMENT of all DEFERRED PENSIONS ONLY
EFFECTIVE DATE of FACTOR SEPTEMBER 30, 1965**

TWELFTHS OF YEAR	AGE of RETIRED EMPLOYEE									
	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 for union employees who terminate prior to age 55.

SCHEDULE E

JOINT and BENEFICIARY 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

**THE CURTISS-WRIGHT CORPORATION RETIREMENT PLAN
 EARLY RETIREMENT - % of NORMAL PENSION
 PAYABLE at EARLY RETIREMENT DATE*
 EFFECTIVE DATE of FACTOR SEPTEMBER 30, 1965
 UNION EMPLOYEES**

TWELFTHS OF YEAR	AGE of RETIRED EMPLOYEE									
	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:**

Early Retirement Pensions calculated per this table are subject to an increase of 2/10 of 1% 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

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
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 11 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 \$1 0.00 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 prior to
January 1 p 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.

**CURTISS-WRIGHT FLIGHT SYSTEMS SCHEDULE G
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

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 on or after May 1, 1986.

Schedule H

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

CURTISS-WRIGHT CORPORATION
EXECUTIVE DEFERRED COMPENSATION PLAN
EFFECTIVE NOVEMBER 18, 1997

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FOREWORD

This Curtiss-Wright Corporation Executive Deferred Compensation Plan (herein, "the Plan") has been authorized by the Board of Directors of Curtiss-Wright Corporation (herein, "the Company") to be effective as of November 18, 1997.

The purpose of the Plan is to provide to certain employees of the Company the opportunity to defer a portion of their salary, annual bonus, or payments under the Company's long term incentive program, in accordance with the terms of the Plan as herein set forth.

The Plan is not intended to be qualified under Sec. 401(a) of the Internal Revenue Code and is intended to constitute an unfunded deferred compensation plan for a select group of management or highly compensated employees, within the meaning of Sections 201(2), 301(3), and 401(a)(1) of the Employee Retirement Income Security Act of 1974, as amended.

All payments made in accordance with the terms of the Plan shall be made from the general assets of the Company, provided, however, that the Company may establish and fund a trust in order to aid it in providing payments due under the terms of the Plan.

ARTICLE 1

DEFINITIONS

1.01 BOARD shall mean the Board of Directors of the Company.

1.02 BENEFICIARY shall mean the person or entity designated by a Participant to receive the proceeds of his Deferral Account in the event of his death prior to the complete distribution thereof.

1.03 BONUS shall mean the amount that would become payable to an Eligible Employee with respect to a calendar year under a Participating Employer's annual bonus arrangement applicable to such Eligible Employee, on the basis of performance and such other factors as might be taken into account under such arrangement, prior to any reduction of such amount on account of a Deferral Election.

1.04 CODE shall mean the Internal Revenue Code of 1986, as amended from time to time.

1.05 COMMITTEE shall mean the individuals designated by the President of the Company to administer the Plan.

1.06 COMPANY shall mean Curtiss-Wright Corporation or any successor, by merger, purchase, or otherwise, with respect to its employees.

1.07 DEFERRAL ACCOUNT shall mean the account maintained on behalf of a Participant under Section 3.02, to which shall be credited the Participant's Deferral Amounts and all earnings attributable to such Deferral Amounts.

1.08 DEFERRAL AMOUNT shall mean, with respect to each Participant, the total amount of Salary, Bonus and Long Term Incentive Award that is subject to his Deferral Election for a Plan Year.

1.09 DEFERRAL ELECTION shall mean the irrevocable election made by a Participant to defer a portion of his Salary, Bonus or Long Term Incentive Award for a Plan year, in accordance with Section 3.01.

1.10 ELIGIBLE EMPLOYEE shall mean an employee of a Participating Employer who satisfies the requirements of Section 2.01 for participation in the Plan, provided, however, that in no event shall a non-resident alien employee of a Participating Employer be an eligible Employee.

1.11 EFFECTIVE DATE shall mean November 18, 1997, provided however, that the first Deferral Elections permitted under the Plan shall relate to Salary, Bonus, or Long Term Incentive Awards for 1998.

1.12 ERISA shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

1.13 LONG TERM INCENTIVE AWARD shall mean the amount that would become payable to an Eligible Employee with respect to any award period, under a Participating Employer's long term incentive plan, on the basis of performance and such other factors as may be taken into account under the long term incentive plan for such period, determined without regard to any amount that is payable in the form of stock in the Company or options to buy stock in the Company, prior to any reduction of such amount on account of a Deferral Election.

1.14 PARTICIPANT shall mean an Eligible Employee who has made one or more Deferral Elections in accordance with Section 3.01 and on whose behalf a Deferral Account has been established.

1.15 PARTICIPATING EMPLOYER shall mean the Company and any corporation of which the Company owns at least a majority of the capital stock and which, with the approval of the Company, adopts the Plan with respect to its own employees.

1.16 PLAN shall mean this Curtiss-Wright Corporation Executive Deferred Compensation Plan, as in effect from time to time.

1.17 PLAN YEAR shall mean the calendar year.

1.18 SALARY shall mean the salary payable to an Eligible Employee by a Participating Employer for a calendar year, determined without regard to any reduction thereof in accordance with Sec. 125 or Sec. 401(k) of the Code, prior to any reduction of such amount on account of a Deferral Election. The term Salary shall not include any amount paid as a retainer or as payment for services as an independent contractor.

ARTICLE 2

ELIGIBILITY AND PARTICIPATION

2.01 Eligibility.

An employee of a Participating Employer shall be an Eligible Employee and shall be eligible to participate in the Plan for a Plan Year if he has been in the employ of any Participating Employer throughout the preceding calendar year and his Salary for such preceding calendar year exceeds the amount specified in Sec. 414(q)(1)(B)(i) of the Code.

2.02 Participation

(a) An Eligible Employee shall become a Participant in the Plan upon his completion of a Deferral Election in accordance with Section 3.01. Each Deferral Election shall remain in effect for the Plan Year to which it relates and shall cease to be effective at the end of such Plan Year, provided, however, that the portion of Deferral Election that applies to a Long Term Incentive Award shall remain in effect throughout the period to which such Long Term Incentive Award relates.

(b) A Participant who has made a Deferral Election for a Plan Year shall be eligible to make a Deferral Election for a subsequent Plan Year if and only if he is then an Eligible Employee.

(c) An Eligible Employee who has made a Deferral Election shall continue to be a Participant in the Plan until the entire balance of his Deferral Account has been distributed to him.

2.03 Suspension of Deferral Elections

(a) Notwithstanding the provisions of Sections 2.02(a) and 3.01, a Participant may, in the event of severe financial hardship, request a suspension of his Deferral Election under the Plan. The request shall be made in the time and manner specified by the Committee and shall be effective as specified by the Committee.

(b) In the event that a Participant's Deferral Election is suspended during a Plan Year, such suspension shall remain in effect for the remainder of such Plan Year.

(c) For purposes of this Section, the term "severe financial hardship" shall mean an unforeseeable emergency resulting from the unexpected illness or accident of the Participant or a dependent, within the meaning of Sec. 152(a) of the Code, loss of the Participant's property due to casualty, or other similar extraordinary circumstances.

2.04 Designation of Beneficiary.

(a) As a condition of participation in the Plan, an Eligible employee shall be required to designate a Beneficiary who shall be entitled to receive the amount, if any, payable under the Plan in the event of his death. The designation shall be made in the manner specified by the Committee.

(b) A Participant may, from time to time, revoke or change his designation of Beneficiary, without the consent of any prior Beneficiary, by filing a new designation with the Committee. The last such designation received by the Committee shall be controlling, provided, however, that no designation, or change or revocation thereof, shall be effective unless received by the Committee prior to the Participant's death.

ARTICLE 3

DEFERRALS AND DEFERRAL ACCOUNTS

3.01 Deferral Elections

(a) Prior to the first day of each Plan Year, each Eligible Employee shall be permitted to make an irrevocable Deferral Election. Such Deferral Election shall be in writing, on forms provided by the Committee and shall be filed at the time specified by the Committee

(b) An Eligible Employee's Deferral Election shall specify the percentage of Salary or Bonus otherwise payable to him in or with respect to such Plan Year and the percentage of the Long Term Incentive Award otherwise payable to him with respect to an award period commencing in such Plan Year that he wishes to defer, provided, however, that:

(i) the percentage of his Salary that an Eligible Employee may elect to defer shall not exceed 25 %;

(ii) the percentage of his Bonus that an Eligible Employee may elect to defer shall not exceed 50%; and

(iii) the percentage of his Long Term Incentive Award that an Eligible Employee may elect to defer shall not exceed 50%.

For purposes of this subsection, the award period for Long Term Incentive Awards payable in 2000 shall be deemed to commence in the 1998 Plan Year.

(c) The Deferral Election shall specify that the Company will reduce the amounts of Salary, Bonus, or Long Term Incentive Award otherwise payable to the Eligible Employee by the percentage specified in such Deferral Election and that the Deferral Amounts shall instead be credited to his Deferral Account under the Plan.

(d) The Deferral Amounts specified in a Participant's Deferral Election shall be payable as provided in Article 4.

3.02 Deferral Accounts.

(a) The Company shall establish on its books a Deferral Account for each Participant.

(b) A Participant's Deferral Account shall be credited with a Deferral Amount equal to the percentage of his Salary, Bonus, or Long Term Incentive Award, as applicable, specified in his Deferral Election. Such Deferral Amounts shall be credited as of the date that the specified percentages of Salary, Bonus, or Long Term Incentive Award would have been paid to the Participant in the absence

of a Deferral Election, provided, however, that for purposes of Section 3.03, the portion of a Participant's Bonus that is subject to a Deferral Election shall be credited as of the first day of the Plan Year following the Plan Year to which such Bonus relates and the portion of a Participant's Long Term Incentive Award that is subject to a Deferral Election shall be credited as of the first day of the Plan Year following the latest calendar year to which such Long Term Incentive Award relates.

3.03 Crediting of Earnings to Deferral Accounts.

(a) Each Participant's Deferral Account shall be credited with an annual rate of earnings equal to the sum of (i) the average annual rate of interest payable on United States Treasury Bonds of 30 years maturity, as of the last month of the preceding calendar year, as determined by the Federal Reserve Board, plus (ii) 2%. Earnings shall be credited to Deferral Accounts on a quarterly basis.

(b) The Committee may, in its discretion, modify the rate of earnings to be credited to Deferral Accounts. Any such modification shall apply only to Deferral Amounts attributable to Deferral Elections for Plan Years beginning subsequent to the date on which the Committee provides notice to the Eligible Employees of such modification.

3.04 Records and Statements of Deferral Accounts.

The Committee shall maintain, or cause to be maintained, records showing the balances of each Participant's Deferral Account. At least once a year, a Participant shall be furnished with a statement setting forth the balance of his Deferral Account.

ARTICLE 4

PAYMENT OF DEFERRAL ACCOUNTS

4.01 Payment after Expiration of a Period of Years.

(a) A Participant may irrevocably specify in any Deferral Election under the Plan that the Deferral Amount resulting from such Deferral Election, plus any earnings attributable thereto, in accordance with Section 3.03, shall be paid to him in a single sum in the first quarter of either the third calendar year or the fifth calendar year following the Plan Year to which such Deferral Election relates.

(b) In the event that a Participant who has made an election in accordance with subsection (a) terminates from the employ of the Company, or dies, before payment is made pursuant thereto, then payment of his Deferral Account shall be made in accordance with Section 4.02, 4.03, or 4.04, as applicable.

4.02 Payment at Retirement.

(a) Upon a Participant's retirement or termination from the employ of the Company at or after his attainment of age 55, the balance of his Deferral Account will be paid to him in a single sum, in the first quarter of the calendar year following the year in which he retires or terminates, except as provided in subsection (b).

(b) Upon retirement or termination from the employ of the Company at or after his attainment of age 55, a Participant may irrevocably elect that the balance of his Deferral Account shall be paid to him in annual installments over a specified period of 5, 10, or 15 years.

(c) A Participant who has elected the installment form of payment described in subsection (b) shall receive in the first quarter of each calendar year, beginning with the year following the year in which he retired, an amount determined by dividing the balance of his Deferral Account as of the last day of the calendar year preceding the year of payment, by the number of years remaining in the installment payment period.

(d) In the event of the death of a Participant who is in receipt of installment payments in accordance with subsection (c), the remaining balance of his Deferral Account shall be paid to his Beneficiary in a single sum.

(e) The Deferral Account of a Participant who has elected the installment form of payment shall continue to be credited with earnings, in accordance with Section 3.03 during such installment payment period.

4.03 Payment upon Termination of Employment.

In the event that a Participant terminates from the employ of the Company but is ineligible for payment in accordance with Section 4.02, the balance of his Deferral Account shall be paid to him in a single sum in the calendar quarter following the quarter in which occurred his termination of employment.

4.04 Payment upon Death.

(a) In the event of the death of a Participant prior to his receipt of the payment of his Deferral Account, the balance of his Deferral Account shall be paid to his Beneficiary in a single sum in the calendar quarter following the quarter in which his death occurred.

(b) If there is no Beneficiary designation in effect at the death of the Participant, or if no designated Beneficiary survives the Participant, then his estate shall be deemed to be his Beneficiary and shall receive the payment of any amount due under the Plan on account of his death.

4.05 Payment upon Incurrence of Severe Financial Hardship.

(a) If, upon the application of a Participant, the Committee determines that he has incurred a severe financial hardship, the Committee may direct the payment of all or a portion of the balance of his Deferral Account. The amount paid shall not exceed the amount reasonably necessary to meet the severe financial hardship.

(b) For purposes of this Section, the term "severe financial hardship" shall have the meaning specified in Section 2.03(c), provided, however, that the Participant shall not be deemed to have incurred a severe financial hardship to the extent that such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise, by liquidation of the Participant's assets, to the extent that such liquidation itself would not cause a severe financial hardship, or by cessation of deferrals in accordance with Section 2.03(a).

ARTICLE 5

GENERAL PROVISIONS

5.01 Funding.

- (a) All amounts payable in accordance with the Plan shall constitute general, unsecured obligations of the Company. Such amounts, as well as any administrative expenses related to the Plan, shall be paid out of the general assets of the Company, except to the extent that they may be paid from a trust fund described in subsection (c).
- (b) The Company shall have no obligation to invest any portion of its assets in any type of investment or investment fund, notwithstanding any reference to specific rates for crediting earnings on Deferral Account in accordance with Section 3.03.
- (c) The Company may, in its sole discretion, establish a grantor trust to facilitate payment to Participants under the Plan. Any assets of any such trust shall be held separate and apart from other assets of the Company and shall be used exclusively for the purposes set forth in the applicable trust agreement, subject to the following conditions:
- (i) The creation or any such trust or the contribution of assets thereto shall not cause the Plan to be other than "unfunded" for purposes of Sections 201(2), 301(3), and 401(a)(1) of ERISA.
- (ii) The Company shall be treated as the "grantor" of any such trust for purposes of Section 677 of the Code.
- (iii) The trust agreement shall specify that the assets of any such trust may be used to satisfy claims of the Company's general creditors.

5.02 No Contract of Employment.

The establishment of the Plan, and any elections made by Eligible Employees hereunder, shall not be construed as conferring any legal rights upon any person for continuation of employment, nor shall the establishment of the Plan interfere with the rights of the Company to discharge any employee and to treat him without regard to the effect which such treatment might have upon him as a Participant in the Plan.

5.03 Tax Withholding.

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

5.04 Facility of Payment.

In the event that the Committee shall find that a Participant is unable to care for his affairs because of illness or accident, the Committee may direct that any payment due him, unless claim shall have been made therefor 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, and any such payment shall be a complete discharge of the liabilities of the Plan.

5.05 Nonalienation.

No amount due under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt to do so shall be void, nor shall any such amount be in any manner liable for or subject to garnishment, attachment, execution or levy, or liable to or subject to the debts, contracts, liabilities, engagements or torts of any Participant, except to the extent required by applicable law.

5.06 Rules of Construction.

(a) The Plan shall be governed and construed in accordance with the laws of the State of New Jersey, without regard to its rules on conflicts of laws.

(b) The masculine pronoun shall include the feminine and the singular number shall include the plural, except to the extent that the context otherwise requires.

ARTICLE 6

ADMINISTRATION

6.01 Appointment of Committee.

The President of the Company shall appoint the Committee that shall be responsible for the administration of the Plan. The President, in his sole discretion, may remove any member of the Committee and may appoint a new member or members to the Committee.

6.02 Authority and Duties of Committee.

In addition to the specific authority granted to and the specific duties imposed upon the Committee hereunder, the Committee shall have the exclusive authority to establish rules for the operation of the Plan, which rules shall be in writing and shall have the exclusive authority to interpret the Plan. The decision of the Committee on any disputed question shall be final.

6.03 Claims Procedure.

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

ARTICLE 7

AMENDMENT OR TERMINATION

7.01 Authority of the Board.

The Board reserves the right to modify or amend, in whole or in part, or to terminate the Plan at any time. However, no modification or termination of the Plan shall adversely affect the right of any Participant to receive the amounts credited to his Deferral Account in accordance with the terms of the Plan as in effect prior to the date of modification, amendment, or termination.

CURTISS-WRIGHT CORPORATION
1997 ANNUAL REPORT

Building on basic strengths for
balanced growth

Expanding our markets
globalization

Focusing on our customers' needs

Curtiss-Wright Corporation, headquartered in Lyndhurst, N.J., is a diversified multinational manufacturing and service concern that designs, manufactures and overhauls precision components and systems and provides highly engineered services to the aerospace, automotive, shipbuilding, oil, petrochemical, agricultural equipment, power generation, metalworking, and fire and rescue industries. The Company employs approximately 1,850 people. Operations are conducted through three domestic manufacturing facilities, 34 metal treatment service facilities located in North America and Europe, and five component overhaul facilities located in New Jersey, Florida, North Carolina, Denmark and Singapore.

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The commercial aerospace industry is currently experiencing a dramatic ramp-up in aircraft production schedules, with additional increases anticipated. This

follows a consolidation that has taken place through acquisitions, cutbacks and rationalization activities during an extended slowdown period that began in 1992. Reversing direction so quickly has presented difficulties for a large number of suppliers in meeting delivery date commitments to airlines. Despite these difficulties, Curtiss-Wright has been a dependable, on-time supplier of our products to airframe assemblers.

Commercial aircraft delivery schedules are projected to continue at relatively high levels for the next few years. This presents a unique opportunity to Curtiss-Wright as a supplier of products or services for every Boeing and Airbus airliner. Many major airlines have made long-term order commitments and have aligned themselves with either Boeing or Airbus to gain favorable pricing. The result may be a reduction in the cyclical nature of the industry as production schedules can be smoothed out and extended. The fact remains that not all of the orders are "firm." A meaningful portion reflects options, and future deliveries may be affected by the profitability of the airline industry. Economic cycles, fuel costs and regional factors such as the currency and business uncertainties in Asia will continue to influence airline requirements.

industry focus

Scheduled overhaul, repair and maintenance of commercial aircraft have increased due to the increase in airline traffic. This aftermarket business will continue to be driven by aircraft utilization levels and aging of the fleets. Currently, airlines perform about two-thirds of the total world airframe maintenance in-house, with the balance being outsourced to third parties. Recently, however, there has been a trend toward more outsourcing as a more effective practice for some airlines. This will increase the size of the market available for independent overhaul and repair operators such as Curtiss-Wright.

Procurement levels by the United States military for tactical aircraft remain depressed. Concentration has been on the development of new aircraft, and two of these programs, the V-22 Osprey and F/A-18 E/F Super Hornet, are entering the low-level production stage of their development. The F-22 Raptor is currently scheduled to begin production in 1999. While initial delivery schedules for these aircraft will be slow, they will increasingly contribute to sales volume for the U.S. military sector. Curtiss-Wright participates in all three of these programs. The extent of production of these aircraft is subject to the uncertainty of future procurement actions by the U.S. government.

The industrial segments where we participate have enjoyed several years of stable growth. Generally the outlook is still positive for the coming year. One area of our involvement is as a supplier of valves and their spare parts to nuclear power plants for aftermarket applications in the United States, which historically have not been closely tied to economic cycles. Another important area for our metal treatment operations is the automotive industry, where the overall level of production is expected to remain favorable.

While a major consolidation in the United States has already taken place in the aerospace industry, particularly at the prime contractor level, we believe that this trend will continue at the subcontractor level. Curtiss-Wright continues to seek acquisition opportunities. We are not limiting ourselves to the aerospace segment but are also looking to grow in other markets in which we do business. In addition, the Company plans to continue to expand and produce balanced internal growth among all of our businesses.

CURTISS-WRIGHT CORPORATION AND SUBSIDIARIES
FINANCIAL HIGHLIGHTS

(Dollars in thousands except per share data)	1997	1996	1995
Performance:			
Sales	\$219,395	\$170,536	\$154,446
Earnings before interest, taxes, depreciation and amortization	51,383	33,462	37,553
Net earnings	27,885	16,109	18,169
Basic earnings per common share	2.74	1.59	1.79
Return on sales	12.7%	9.4%	11.8%
Return on assets	10.1%	6.3%	7.4%
Return on average stockholders' equity	14.4%	9.1%	11.0%
Research and development costs:			
Corporation sponsored	1,877	997	1,180
Customer sponsored	12,403	15,248	17,362
New orders	259,260	171,649	150,870
Backlog at year-end	149,201	109,336	103,566
Year-End Financial Position:			
Working capital	\$132,751	\$115,417	\$120,571
Current ratio	4.4 to 1	3.7 to 1	4.6 to 1
Total assets	\$284,708	\$267,164	\$246,201
Stockholders' equity	\$204,853	\$183,363	\$172,179
Stockholders' equity per common share	\$ 20.13	\$ 18.04	\$ 16.95
Other Year-End Data:			
Depreciation and amortization	\$ 9,097	\$ 8,946	\$ 9,512
Capital expenditures	\$ 11,231	\$ 14,156	\$ 6,985
Shares of common stock outstanding	10,175,140	10,162,206	10,155,646
Number of stockholders	4,142	4,719	5,944
Number of employees	1,884	1,738	1,482
Dividends per Common Share	\$.505	\$.50	\$.50

Sales/New Orders Operating Income/Net earnings Return on Equity
(in thousands) (in thousands) (percentage)

[Line Graph Omitted] [Line Graph Omitted] [Line Graph Omitted]

LETTER TO STOCKHOLDERS

>> Fellow Stockholders: In 1997, Curtiss-Wright enjoyed its most profitable year since 1989, with performance improvements over 1996 occurring in all of our operations. Net earnings increased 73% from 1996 on a sales increase of 29%. These improvements resulted not only from growth in our markets but also from past efforts to improve our positions in those markets. In 1997, the Company also has made additional progress to improve our future profitability. Our faith in the future of the Company is evidenced by the two-for-one stock split effectuated at year-end 1997.

Balanced Growth

While Curtiss-Wright is benefiting from an upturn in the commercial aerospace market, we nonetheless have taken steps to reduce exposure to the cyclical nature of that business. We have been building upon the basic strengths of the organization to broaden ourselves in several areas in order to generate a more balanced growth in the future. This balance applies to growth not only within the aerospace industry, but also in other areas in which we operate.

The elements of balance in Curtiss-Wright are reflected in a number of interrelated trends in its current businesses:

- o Growth in the aftermarket segment
- o Globalization
- o Diversification of industries served
- o Customer diversification
- o Increasing role as a service provider

Curtiss-Wright Has Expanded Its Business Base Within the Aerospace Industry

Curtiss-Wright always has been recognized as an aerospace manufacturer. For the most part, we have been a supplier of products and services to three primary customers: Boeing, Lockheed-Martin and Airbus. Outside of spare part sales, the Company was formerly tied to the production of new aircraft and exposed to the highly cyclical nature of that segment of the industry. We were not taking advantage of the core competencies of the Company to expand our business beyond our traditional operations. We have now established a presence in the overhaul and repair segment of the industry and are able to participate over the entire life cycle of the aircraft rather than being limited to initial production and spare parts support.

We Have Become More Balanced in Our Aerospace/Marine Markets

In our aerospace and marine market segment the Company has achieved greater balance within product categories. The manufacture of flight control and actuation systems, as a result of our expansion in other areas, now represents only one-third of our sales for this market segment. There is now a more even distribution among the operations we perform. Much of the redistribution is a result of our success in expanding our peen-forming services and in developing our overhaul and repair business. These operations are now almost equal in size. The overhaul and repair segment has grown from a sales base of only a few million dollars in 1992 to a volume of approximately \$42 million in 1997. The result is a reduction of our dependence on new aircraft production and an expansion of value to Curtiss-Wright from every aircraft produced. We have made significant advances in this direction.

The Company Has Expanded Its Customer Base

Establishing overhaul and repair operations has enlarged our customer base. We have successfully been able to build upon Curtiss-Wright's reputation in our traditional market both to expand into a new area and to leverage our reputation to

dramatically increase the customer base we serve. We now include all airlines and airfreight haulers as potential customers for our aftermarket services. In addition, we have extended our aerospace activities to the manufacture of wing flap actuation systems for business jets, an entirely separate and new market for us. Our entry into these areas has increased the total amount of potential business available to us. These accomplishments will also provide additional platforms for continued growth of the Company.

As we have increased the number of our metal treatment facilities, the number of customers included in our served markets also has increased. The requirement to be local to the customer in order to provide rapid turnaround time for our services limits the geographical area that can be effectively serviced by each of our locations. We added two new facilities in 1997 and continue to expand to new geographic markets and identify new global opportunities for our services. In addition, we constantly are extending our services to new customers and new applications at existing locations.

The Company Has Market Diversification

Even with the growth that occurred in our aerospace business in 1997, a significant portion of our sales was generated from other markets. Marine, power generation, automotive, transportation, agriculture and other industrial areas represented approximately one-third of our sales for the year. We continue to look to these markets for additional growth opportunities and have made investments to add to our level of diversification. The fact that some of our products and services are applicable to a number of market areas can provide some additional offset to the cyclicity of the aerospace industry.

We Have Become More International in Managing Our Businesses

Only a few years ago, our customer base was predominately concentrated in North America. This was especially true in our aerospace and marine segment.

We have continued to add to the number of our metal treatment facilities, with two new foreign operations being opened in 1997 and another scheduled for early 1998. Other markets with good potential have been identified and are currently being evaluated. They include not only additions in the United States and Europe, where we now operate, but also new geographical areas.

Our industrial valve business continues to improve its position in Asia, where construction of nuclear power plants is occurring. We have placed product in Taiwan and South Korea while developing relationships to participate in the extensive nuclear power construction program that is planned for China. In order to compete, trade restrictions with China will have to be lifted to allow participation by United States companies. This market is an important one for the expansion of our valve business. It not only would provide sales related to new construction but also would allow us to establish an installed base of product that would lead to future product improvement, replacement and spare parts sales. This is an important ingredient of the business we do in the United States and permits us to retain a presence in this market despite the lack of new construction programs in this country.

Our Current Profile

Illustrated in the charts on page five are the changes that have taken place in the profile of the Company since 1992. The changes are the result of the actions we have taken to better position the Company while responding to changes in our markets.

Sales Profile

[Pie Chart Omitted]

Curtiss-Wright now generates approximately 64% of its business from the service sector, as compared to 38% in 1992. Activities in this area include our metal treatment services of shot-peening, shot-peen forming and heat-treating. We also provide aftermarket activities for the repair and overhaul of aircraft components and systems and valves for the industrial and marine markets.

We have reduced our dependence on military procurement programs. As can be seen in the charts presented here, the military market's contribution to Curtiss-Wright's sales declined to 20% in 1997 from 37% in 1992. We expect our activity related to the production of tactical fighter aircraft and nuclear submarines to increase from current levels, but the Company will be less dependent upon government projects for our overall profitability than we have been in the past.

Outlook

While we feel we have improved our position for achievement of long-term growth, we must not lose sight of the tasks we currently have before us. The significant increase we have seen in the production of new aircraft is a welcome event and we look forward to the additional volume projected for 1998. Keeping pace with these production requirements has not come without a cost. The rapid ramp-up has strained our manufacturing capabilities and resulted in inefficiencies that must be reduced. Margin pressures are compounded by our participation in new programs on which we are not very far along the learning curve. We must reduce costs and improve margins in this area. In the metal treatment area we will continue to establish new operations as well as to pursue potential acquisitions. Our employees have performed exceptionally well but still have much to accomplish to continue moving Curtiss-Wright ahead. We appreciate their efforts and the advancements made to date. We have absolute confidence in their abilities to continue taking your Company forward.

[Photo Omitted]

Sincerely,

*/s/ David Lasky
David Lasky
Chairman and President
January 30, 1998*

REVIEW OF OPERATIONS

>> Financial Performance Overview: The financial performance of the Company in 1997 generated a level of profits that was the highest experienced since 1989. Net earnings for 1997 of \$27.9 million, or \$2.74 per share, were 73% greater than 1996 earnings of \$16.1 million, or \$1.59 per share. Earnings in 1997 included a gain from the sale of real estate amounting to \$2.0 million, or \$.20 per share. Absent real estate sales, earnings in 1997 would have been \$25.9 million, or \$2.54 per share, 60% more than comparable 1996 income. (All per share amounts reflect the two-for-one split of Curtiss-Wright's stock in December 1997.) This outstanding earnings performance was primarily attributable to a 74% increase in operating earnings resulting from higher sales volume and improved efficiency of our metal treatment operations.

Sales in 1997 of \$219.4 million represented an increase of 29% over 1996 sales of \$170.5 million. Substantial increases in production levels of commercial aircraft were a major contributor to our higher sales volume, and further increases are anticipated to continue in 1998. The sales increase also reflects a greater volume of metal treatment services and a full year's operations at our Miami repair and overhaul facility acquired in mid-1996.

We have completed the year with a strong balance sheet. Cash flows generated from our operations were more than adequate to fund our capital expenditure and other internal requirements, although we did make use of an operating lease arrangement to finance a portion of our capital requirements.

Metal Treatment Services

Curtiss-Wright's metal treatment business in 1997 experienced continued growth in sales and earnings. This operation services regional markets from 34 facilities located in North America and Europe and has a diversified market base. Its improved performance benefited from growth in most of these markets and operating efficiencies put in place during the year.

The aerospace market remains the most influential for our metal treatment business, representing approximately 49% of our revenue base. Our services are utilized in processes to increase the tensile and fatigue strength of component parts, to increase resistance to stress corrosion cracking, and to induce aerodynamic curvatures in wing skins. While aerospace applications provided the early base for our shot-peening processes, the utilization of the benefits of these processes has been extended to other industries. Curtiss-Wright now has the advantage of looking at this larger base when identifying markets where new facilities can be established.

1997 Sales by Industry

[Pie Chart Omitted]

Advancements in 1997 for expansion globally were made with the opening of two metal treatment facilities in Europe. These additions in Belgium and Germany increased the number of European metal treatment operations to eight, with a ninth to be opened in England in early 1998. One additional facility will be opened in North America in 1998.

We continue seeking to grow our heat-treating operation through acquisition from its current base of four locations. The heat-treating industry in the United States is fragmented, and we are working toward establishing an effective network operation similar to what we have in place for our shot-peening services. The Company has been very successful in establishing a centralized organization for the effective management of its shot-peening

operations. This, and the ability to service a multitude of regional markets, each with unique and customized needs, has been a key ingredient for our success.

In 1997, the Company also made technological advances in our shot-peening operations. For example, we entered into an arrangement with Lawrence Livermore National Laboratory for the development and commercialization of a laser shot-peening process called Lasershot sm peening. The success of this program would expand the market for shot-peening of component parts. Our exclusive worldwide license for this technology further expands our capabilities and opportunities for growth.

The Company has also introduced a new metal treatment process that is complementary to shot-peening of component parts. The process is referred to as C.A.S.E.(SM) (chemically assisted surface engineering). In some instances there is a need to extend the surface fatigue life beyond that provided by shot-peening. The C.A.S.E.(SM) process provides a cost-effective way to do this, in addition to producing a desirable smoother surface finish. New applications continue to emerge, and we look to this development to extend the metal treatment processes we can make available to our customers.

Component Overhaul & Repair Sales (in millions)

[Graphic Omitted]

Component Manufacturing and Overhaul Services 1997 Sales Balance

[Graphic Omitted]

Aerospace Component Manufacturing and Overhaul Services

The challenge in 1997 was to respond to the rapid ramp-up in delivery requirements for our actuation and control equipment associated with the increased production levels of commercial aircraft. Entering 1997, activity levels at our Shelby, North Carolina facility reflected a level of 23 aircraft per month. This compares to a level of 18 per month at the beginning of 1996. By the end of 1997, production activity had increased to a level of 40 per month. In 1997, Curtiss-Wright completed an expansion that doubled the size of our Shelby plant. This was primarily in response to increased Boeing requirements but also because of the growth of our overhaul and repair business. We have also added a substantial amount of machinery capacity during the year to keep pace with demand. In addition, a significant number of new employees were hired and trained.

Meeting our customers' requirements went much further than expansion of our physical and employee capabilities. Just as our capacity levels became strained, so did those of our suppliers. In managing our resources we have increased our utilization of a supplier base. In some cases, as much as 50% of our machine shop work has been outsourced to various precision machine shops throughout the United States. The coordination of our suppliers with our own requirements and the requirements of our customers demanded an effort far beyond what we previously had experienced.

In 1996, we made an acquisition that significantly increased our capabilities in the overhaul and repair sector of the aerospace market, and we now have the capability to service over 7,000 component parts. The charts to the right illustrate the sales growth of our overhaul and repair services as well as the balance we have achieved between that segment and the manufacturing of component parts and systems.

In 1997, we also increased geographically the markets we serve with our overhaul services. With the opening of a facility in Singapore, we have expanded our global presence and

can now better serve all airlines and airfreight carriers within our market. During the year, we also acquired a further 20% of our overhaul and repair joint venture in Karup, Denmark, to increase our ownership to 100%.

Curtiss-Wright has completed or is nearing the final stages of work on several military development programs. The Company experienced significant cost overruns on these programs in 1996 and the early part of 1997 with a resultant adverse impact on earnings. Since that time, performance has substantially improved. Low-level production stages for the V-22 Osprey and the F/A-18 E/F Super Hornet have begun and we are now supplying product for those aircraft. The other major program we participate in is the F-22 Raptor. This program is entering the final stages of systems testing and is scheduled to be fully completed in 1998. Final development hardware will be delivered in 1999. While these programs will not generate substantial sales in the immediate future, based upon current procurement schedules we view them as being significant long-term contributors.

Valves

In 1997, the Company's valve business achieved significant advances in solidifying and expanding its traditional military and commercial nuclear base.

Sales of valves to the United States Navy increased slightly in 1997. Procurement levels for nuclear-powered submarines remain at one ship per year, with a nuclear aircraft carrier anticipated in the year 2000. With continued industry consolidation and a shrinking supplier base, Curtiss-Wright has established a strong position as a key supplier and is well postured to increase its role in the nuclear program and to seek additional opportunities on conventionally powered ships. In 1997, we continued our leadership in the Navy nuclear program and were awarded contracts to supply valves for the next-generation submarine, the Centurion. The Company also is pursuing opportunities beyond the propulsion systems of nuclear-powered ships. These include nonnuclear systems on nuclear-powered ships and valve applications on conventionally powered ships. Specifically, we believe that there are many shipboard systems that can utilize flow control and relief valve technologies originally developed by Curtiss-Wright for the commercial nuclear power industry.

In 1997, the Company continued to increase its share of the Korean nuclear power market. Korean awards totaled approximately \$5.0 million. Most significant of these was a major award for safety relief valves. The safety relief contract represents expansion of Curtiss-Wright's products to applications outside of the nuclear containment portion of power plants. This strengthens our position as a major supplier of relief valves at a time when increased regulatory oversight is creating new market opportunities domestically. In addition, we are actively pursuing potential major awards in Taiwan. Based on these developments, we believe that the Company is well positioned to be a significant participant in new nuclear power plant construction programs in China. China is regarded as the richest potential market available, with the Chinese planning to build as many as 150 reactors over the next 40 years to meet the growing power needs of their 1.2 billion people.

Valves Sales 1997

[Graphic Omitted]

These foreign markets offer greater potential opportunities than just supplying valves for new plants. As demonstrated in the United States, it is important to have an established installed product base. The aftermarket for spare parts and replacement valves is driven by the successes in providing original product for these facilities.

>> Doing Things Better

o An essential part of Curtiss-Wright's success in growing the metal treatment business has been our ability to identify areas for performance improvements in the products of our customers and to apply technological advances to our processing of those products. This trend continues. The application of shot-peening and heat-treating to component parts improves fatigue strength and hardness, respectively, to maintain or increase performance characteristics. Areas where it is important to make things lighter and stronger while maintaining strength and/or durability requirements provide opportunities for Curtiss-Wright. We work with our customers to identify new applications for our metal treatment processes to accomplish these goals.

o Airline customers must optimize the utilization of their aircraft fleets if they are to maximize the profitability of their operations. An important ingredient of improved efficiency is minimal downtime related to aircraft maintenance. Curtiss-Wright established a new industry standard by providing a seven-day turnaround time for the repair and overhaul of actuation system components we manufacture. Seeking ways to continue to reduce turnaround times not only for our own products, but also for the more than 7,000 components we overhaul and repair, is an important area of concentration for us.

o Our engineering and design capabilities are strengths the Company has utilized for both new products and services and the adaptation of existing technologies to new applications. In our valve business, approximately 78% of 1997 sales were represented by product designs that did not exist five years ago. For example, valves used in propulsion systems for nuclear submarines were redesigned by Curtiss-Wright to utilize low-cobalt materials to reduce life cycle costs. We also have applied the gear technologies from our flight control actuation systems to develop the "Power Hawk" rescue tool, which offers advantages over other alternatives available on the market.

We turn problems into solutions, by listening to our customers and focusing upon the industries we serve.

Curtiss-Wright realizes that an important aspect of its businesses is being a solution provider. As a supplier of component parts and systems, our ability to work with our customers to effectively improve the performance of their final product is a key ingredient in the success of our businesses. This is equally true for the services we provide, whether metal treatment or the overhaul and repair of industrial and marine valves or aerospace components. Engineering design and metallurgical knowledge at our business units are skills that Curtiss-Wright considers a strong point in its ability to capture and, more importantly, retain business. Innovation also extends to our customers' other needs, such as timely delivery schedules and rapid turnaround times for the services we provide. We turn problems into solutions, by listening to our customers and focusing upon the industries we serve.

We research and explore ways to make products and services better.

> innovation

[Photo Omitted]

Engineering and technical support for our customers is a strength of all our businesses.

[Photo Omitted]

Curtiss-Wright offers airlines seven-day turnaround on the overhaul and repair of components we manufacture, such as these Boeing 737-700 flap transmissions.

>> Global Expansion

o In 1995, our aerospace overhaul and repair activities were provided out of our facilities in Shelby, North Carolina and Fairfield, New Jersey, servicing a customer base composed predominately of North American airlines and cargo haulers. Since then we have expanded both our facility operations and customer base. Services are now provided out of five facilities, with added locations in Miami, Florida; Karup, Denmark; and Singapore. Our customer base has expanded to include a strong presence in South America, and we now also have the capability to service Europe, the Middle East, Africa and the Pacific Rim.

o With no new construction of nuclear power plants in the United States in recent years, Curtiss-Wright was limited in that market to replacement of valves used in power generation plants. We have now looked beyond our traditional market to become a more effective global competitor in the pursuit of new business. Relationships have been established and contracts awarded to Curtiss-Wright in Taiwan and South Korea. We are now well positioned to participate in future programs scheduled for these regions. This base is being expanded to include projects planned for China, and we look forward to a lifting of trade restrictions by the United States that will allow us to compete in this growth market for construction of new nuclear power plants.

o Years ago, Curtiss-Wright extended its metal treatment network from the United States to Europe. In 1997, two new facilities were opened, bringing our European facility total to eight. An additional facility in England is scheduled to begin operations early in 1998. The Company now has a network of 34 facilities in North America and Europe to serve regional markets. We have become successful in introducing our services to new geographical areas, and new opportunities continue to be identified. Global expansion of the network will continue to supplement our domestic growth.

To maximize our effectiveness we must carry our products and services to customers worldwide.

To achieve balanced growth, Curtiss-Wright seeks out and takes advantage of global opportunities. To maximize our effectiveness we must carry our products and services to customers worldwide. The Company has reorganized its operations to better accomplish this expansion. The proper structure for addressing a global market varies between our different operations. It can take the form of our metal treatment business, which is a decentralized organization with multiple facilities to service regional areas with different market characteristics. Other businesses, such as our valve operation, service an international clientele from a centralized location with local customer support. While there is still work to be done, each business unit now has the basic structure in place to compete globally. Our future activity will continue to build upon these established organizational structures.

[Photo Omitted]

Shot-peen forming of aircraft wing skins is one of the metal treatment services provided by some of our 34 facilities in North America and Europe.

[Photo Omitted]

Our aerospace overhaul and repair business now has a global presence operating out of five locations.

> globalization

We match our resources to international opportunities.

>> Long-Term Relationships = Strong Alliances

o Curtiss-Wright's relationship with the United States Navy's nuclear program dates back to the Nautilus, which was the first nuclear submarine built. A close working partnership has developed, and the Navy is providing us with expanded opportunities to participate in the design, testing and manufacture of critical valve products. During 1997, Curtiss-Wright's unique test facilities were utilized extensively by the Navy to diagnose, resolve and improve valve performance in support of operational fleet requirements. The Navy also has depended upon us recently to expedite the manufacture of valves when required to meet its schedules.

o The rapid ramp-up in the production schedules for commercial aircraft has strained the resources available in the industry, resulting in missed delivery dates to the airline customer. Curtiss-Wright made a significant additional investment in our Shelby, North Carolina plant, doubling the size of the facility and adding machinery and equipment in order to meet these increased requirements. We have been working closely with our customers and suppliers to deal with the extraordinary demands of this situation. While timely delivery has been a problem within the industry, Curtiss-Wright has been a dependable supplier, meeting shipment schedules.

o Customer support in our metal treatment business is an effort that continues on a daily basis. This business has a large active customer base that requires constant communications and coordination of activities. In addition to aerospace customers, we serve a broad spectrum of industrial customers, helping them to develop innovative solutions to difficult manufacturing challenges. This starts with the early identification of areas where our metal treatment processes can improve the final product or provide a solution to a particular problem. We work closely with our customers to coordinate the transportation and treating of parts to ensure timely availability.

Our ability to work with and support our customers is a key to our success.

Curtiss-Wright has made the development of long-term relationships with our customers a part of our business mission. Because the component products and systems we supply and the services we provide become part of our customers' products, it is essential that we work closely together. It is not unusual for us to become involved in the concept and design stages of our customers' products. Performance of the final product directly impacts our success. In many instances we are closely integrated into the manufacturing processes of our customers, and coordinating delivery of our products and services with their activities is essential. The Company makes its resources available for integration with those of our customers in a partner relationship. Our ability to work with and support our customers is a key to our success.

Building strong customer partnerships is part of our business.

> partnerships

[Photo Omitted]

We have made an investment to double the size of our Shelby, N.C. facility to meet our customers' increased requirements due to the ramp-up in commercial aircraft production.

[Photo Omitted]

The Company has a long history of working with the U.S. Navy and electric utility companies to design and manufacture critical valve products for nuclear applications.

CURTISS-WRIGHT CORPORATION AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**Results of Operations:**

Curtiss-Wright Corporation posted substantial improvements in sales and operating earnings for 1997, experiencing its highest profitability levels since 1989. Sales for the Corporation totaled \$219.4 million in 1997, a 29% increase over 1996 sales of \$170.5 million, while operating income of \$33.3 million for 1997 increased 74% over the prior year. For the year, Curtiss-Wright Corporation posted consolidated net earnings totaling \$27.9 million, or \$2.74 per share, a 73% increase when compared with 1996 net earnings of \$16.1 million or \$1.59 per share. Net earnings for 1996 had declined 11% when compared with net earnings of 1995, which totaled \$18.2 million or \$1.79 per share.

The substantial improvement in performance for 1997 is attributable to several key items: a record volume of metal treatment services; extremely high production levels of commercial aircraft; reduced development cost overruns which had penalized prior year results and a full year's operation of our Miami repair and overhaul facility acquired in mid-1996. In addition, net earnings benefited from the sale of excess real estate, which along with applicable tax benefits added \$2.0 million or \$.20 per share to 1997 results.

Net earnings for 1996 were impacted by losses caused by significant engineering cost overruns associated with military aerospace development contracts, lower levels of non-operating revenue and a high level of environmental related expenditures which substantially offset improvements in sales and earnings from metal treatment operations, when comparing 1996 with 1995 results. Sales and earnings for 1996 had benefited from the midyear acquisition of the Miami overhaul facility, as well as the overall growth of our component repair and overhaul business, while 1995 results included the Corporation's Buffalo Extrusion Facility until it was sold in mid-1995.

[PHOTO OMITTED]

New orders received in 1997 increased 51% to \$259.3 million, from orders of \$171.6 million received in 1996 and were 71% above orders received in 1995. Increased orders reflect the current high level of commercial aircraft production, as well as improvements in the Corporation's metal treatment and component overhaul businesses and increases in orders for our commercial nuclear valve products. Backlog levels at December 31, 1997 totaled \$149.2 million, their highest level since 1993, and a 36% improvement from backlog levels of \$109.3 million at December 31, 1996.

Segment Performance:**Aerospace & Marine**

The Corporation's Aerospace & Marine segment posted substantially improved results for 1997 when compared with those of 1996. Sales increased 45% in 1997 to \$159.0 million, from sales of \$109.9 million in 1996, and were 72% higher than 1995 sales of \$92.4 million. Operating income more than doubled, totaling \$25.6 million in 1997, compared to \$12.5 million in 1996 and \$11.7 million in 1995.

Sales improvements in the Aerospace & Marine segment for 1997 reflect a 34% increase in the Corporation's original equipment manufactured (OEM) actuation components and systems. OEM sales of commercial aircraft components more than doubled when comparing 1997 to the prior year. This is reflective of increased Boeing requirements for actuation and control equipment. As noted in previous reports, the Corporation participates on every Boeing commercial aircraft currently flying and production levels were at a record high at the end of 1997. Sales of metal treatment services to aerospace customers have also increased significantly when comparing 1997 results with those of the prior year, benefiting from the worldwide increase in aircraft production.

Aerospace & Marine segment results have also benefited from increased contributions from our overhaul and repair businesses. Sales of overhaul services improved 53% in 1997, as compared with 1996, largely reflecting a full year of contributions from our Miami-based facility, acquired in May 1996. In the aggregate, sales of overhaul and repair services accounted

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

for 28% of Aerospace & Marine segment sales for 1997, compared with 24% for 1996 and 11% for 1995. In addition, the segment experienced an increase in sales of its military valve products, comparing 1997 to the prior year, as a result of two U. S. Navy programs that are not expected to be repeated in 1998.

In the aggregate, increased operating profits for the Aerospace & Marine segment in 1997 were primarily attributable to the record sales performance of our metal treatment business. This increase is largely a result of the worldwide improvement in the aerospace industry and reflects the diversification of products serviced by our business, including the peen-forming of wingskins for commercial, commuter and business aircraft, and shot-peening services on engine components and other aircraft parts.

Despite significant increases in sales associated with the new Boeing programs, operating income for those programs in 1997 was impaired as a result of additions to the work force and associated training and other costs, reflecting the timing and magnitude of increased production work in response to Boeing's aggressive ramp-up during 1997. Also reducing Aerospace & Marine operating income for 1997 were military development program cost overruns, most of which occurred early in the year. Costs in excess of contract price under these firm fixed price contracts totaled \$1.5 million in 1997, compared with \$3.6 million in 1996 and \$3.3 million in 1995.

When comparing 1996 to 1995, sales for the Aerospace & Marine segment were 19% higher than the \$92.4 million recorded in 1995. The improvements in 1996 were reflective of growth in the Corporation's component overhaul and repair business which was augmented by the acquisition of the Miami facility. Sales of metal treatment services also showed large improvements over prior year levels, particularly within foreign aerospace markets, as did sales of military actuation components for the Corporation's F-16 program, in support of foreign military sales, and sales of commercial actuation and control programs for Boeing aircraft. During 1996, the Corporation completed much of the design phase of the Lockheed/Martin F-22 development program and began delivery of development and test hardware. Operating income improved 7% in 1996, totaling \$12.5 million, compared with \$11.7 million in 1995. Improvements in operating income were generated by the Miami acquisition and by higher sales of metal treatment and component overhaul services which were partially offset by cost overruns associated with military actuation and control developmental contracts and high costs during the start-up phase of its new commercial actuation and control production programs.

[PHOTO OMITTED]

New orders received by the Aerospace & Marine segment in 1997 totaled \$194.8 million, 73% above orders of \$112.4 million received in 1996 and more than double orders of \$86.5 million received in 1995. The Corporation received a \$38.1 million order from Boeing in December 1997 for production hardware on its 737-700 aircraft. During 1997, the Corporation also received a small initial contract award from Sino Swearingen Aircraft Company of San Antonio, Texas for trailing edge wing-flap drive systems for the new SJ30-2 Business Jet. The Corporation currently supplies flap drive systems for various commercial and military aircraft, and this is its first program providing such components to the business jet market. Further increases in new orders, comparing 1997 to the prior year are reflective of the current high sales volumes generated by our metal-treating and overhaul service businesses.

Industrial

The Corporation's Industrial segment posted sales of \$60.4 million for 1997, substantially the same as 1996 and slightly below sales of \$62.0 million for 1995. Sales in the commercial valve area improved slightly for 1997 over 1996, largely because of a high level of field service and spare parts sales experienced in the later portion of 1997. Sales of the Industrial segment also benefited in part from increased market acceptance and many functional accessories for its new rescue tool product line. When comparing 1996 sales to 1995, the decline in sales reflects the absence of the Corporation's Buffalo Extrusion Facility which was sold in June 1995. After excluding those 1995 sales related

to the Buffalo facility from the segment total, sales for 1996 were 7% above the adjusted 1995 total. Improvements in sales of the continuing operations of the Industrial segment in 1996 reflected a higher volume of metal treating services. Sales of commercial valve products for 1996 were slightly below 1995 totals due to declines in original equipment and spare parts sales more than offsetting increased sales of nuclear valve product remakes and upgrades for power industry customers.

Despite level sales, operating income of the Industrial segment improved for 1997 in comparison to 1996. Operating income for 1996 had been hampered by non-recurring costs associated with our metal-treating businesses and development costs associated with the Corporation's new rescue tool product line. Operating income for 1996 was 10% below 1995 levels, largely due to a decline in heat-treating sales and major expenditures needed to meet automotive customer quality requirements. The Buffalo facility did not have a material impact on operating income for 1995.

New orders received by the Industrial segment improved 9% to \$64.5 million in 1997, when compared with \$59.3 million in the prior year. The increase in orders is largely due to commercial nuclear valve orders for Korean power plants totaling approximately \$5.0 million received during 1997.

Corporate and Other Expenses:

The Corporation continues to experience a significantly high level of costs associated with its environmental obligations. Environmental expenditures in excess of amounts previously reserved and inclusive of remediation efforts and administrative costs, totaled \$3.1 million in 1997, compared with \$2.4 million in 1996 and \$.8 million in 1995. The increase in expenditures relates primarily to legal services provided for the defense or pursuit of environmental and related claims.

Offsetting general and administrative expenses for the Corporation is non-cash pension income which results from the amortization into income of the excess of the retirement plan's assets over the estimated obligations under the plan. Pension income amounted to \$3.7 million in 1997, a slight decline when compared with pension income of \$3.9 million recorded in 1996. Pension income totaled \$3.0 million in 1995. The amounts recorded as pension income reflects the extent to which the return on plan assets exceeds the net cost of providing benefits in the same year, as detailed in Note 13 to consolidated financial statements.

Other Revenue and Costs:

The Corporation recorded other non-operating net revenue for 1997 aggregating \$9.0 million, compared with \$5.3 million for 1996, and \$7.4 million for 1995. The significant increase in non-operating revenue for 1997 was due to the sale by the Corporation of two parcels of undeveloped land during the third quarter of 1997. The Corporation recognized net earnings of \$2.0 million or \$.20 per share, which reflects tax benefits from the application of a capital-loss carryforward to the gains realized on the sales. Investment income also increased in 1997 as compared with the prior year. Investment income for 1996 reflected the lower levels of available cash and short-term investments versus 1995, due to the midyear Miami acquisition which included an expenditure of approximately \$16.6 million. Investment income totaled \$3.4 million in 1997, 16% above the \$3.0 million for 1996, but below investment income of \$4.1 million for 1995.

Changes in Financial Condition:

Liquidity and Capital Resources

The Corporation's working capital was \$132.8 million at December 31, 1997, a 15% increase from working capital at December 31, 1996 of \$115.4 million. The ratio of current assets to current liabilities was 4.4 to 1 at December 31, 1997, compared with a current ratio of 3.7 to 1 at December 31, 1996. Working capital and its associated ratio were lower in 1996 due to fixed assets purchased and goodwill recorded as a result of the Accessory Services acquisition, as discussed in Note 2 to consolidated financial statements. The Corporation's balance of cash and short-term investments totaled \$68.8 million at December 31, 1997, an increase of \$6.8 million or 11%, from balances at the prior year-end.

Changes in working capital at year end 1997 reflect a substantial increase in accounts receivable from customers primarily due to the increase in sales in that year. Gross inventory also increased due to a higher level of finished goods and component parts maintained at our component overhaul and repair businesses. Inventory levels at December 31, 1997 also reflect an increase associated with the substantial ramp-up of production on the new commercial actuation production programs for Boeing. These increases in gross inventory levels were partially offset by an increase in progress payments received under long-term government contracts. Working capital was also

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

improved through a reduction in the current portion of amounts held in reserve for the environmental remediation program at the Corporation's Wood-Ridge, New Jersey Business Complex as a result of the expenditure of \$3.4 million on remediation efforts during 1997.

The Corporation continues to maintain its \$22.5 million revolving credit lending facility and its \$22.5 million short-term credit agreement, which provide additional sources of capital to the Corporation. The revolving credit agreement, of which \$10.8 million remains unused at December 31, encompasses various letters of credit issued primarily in connection with outstanding industrial revenue bonds. The maximum available credit unused under these agreements at December 31, 1997, was \$32.9 million. There were no cash borrowings made under the agreements during 1997 or 1996.

Capital expenditures were \$11.2 million in 1997, decreasing from \$14.2 million spent in 1996 but well above capital expenditures of \$7.0 million for 1995. Actual expenditures related primarily to the purchase of machinery and equipment within the Aerospace & Marine segment, including the expansion of metal treatment operations in Europe and new machinery and equipment for our expanded Shelby, North Carolina facility, which was necessary to meet the demands of the new Boeing contracts and the growth of the overhaul service business. Aerospace-related expenditures accounted for \$7.9 million, or approximately 71%, of the total spent in 1997. Capital expenditures are projected to increase in 1998 primarily because of expected machinery and equipment purchases for the further expansion of metal treating operations in Europe and the United States. At December 31, 1997, the Corporation had committed approximately \$2.9 million for future expenditures, primarily for machinery and equipment to be used in its operating segments.

[PHOTO OMITTED]

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Cash generated from operations is considered to be adequate to meet the Corporation's overall cash requirements for the coming year, including normal dividends, planned capital expenditures, expenditures for environmental programs and other working capital requirements.

Newly Issued Accounting Pronouncements

The Corporation is subject to two newly issued accounting standards beginning January 1, 1998. Standard No. 130, "Reporting Comprehensive Income," and Standard No. 131, "Disclosures about Segments of an Enterprise and Related Information," are currently being evaluated by the Corporation. An overview of the standards and details of the Corporation's positions appear in Note 1 L. to consolidated financial statements.

Year 2000

The Corporation has taken steps to address its exposures related to the impact on its computer systems of the year 2000. Modification of key financial and operating systems are currently being effectuated. The Corporation does not expect these system changes to have a material effect on its consolidated financial position, results of operations or cash flows.

CURTISS-WRIGHT CORPORATION AND SUBSIDIARIES**REPORT OF THE CORPORATION**

The consolidated financial statements appearing on pages 21 through 34 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.

Price Waterhouse LLP, independent certified public accountants, have examined the Corporation's consolidated financial statements as stated in their report. 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, 1997 and 1996, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1997, in conformity with generally accepted accounting principles. 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 generally accepted auditing standards 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 the opinion expressed above.

/s/ Price Waterhouse LLP

*Morristown, New Jersey
January 30, 1998*

CURTISS-WRIGHT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS

(In thousands except per share data)	For the years ended December 31,	1997	1996	1995(1)
Net sales		\$219,395	\$170,536	\$154,446
Cost of sales		143,706	117,067	104,178
Gross margin		75,689	53,469	50,268
Research and development costs		1,877	997	1,180
Selling expenses		7,979	6,337	6,092
General and administrative expenses		29,382	24,556	21,548
Environmental remediation and administrative expenses		3,132	2,397	835
Operating income		33,319	19,182	20,613
Investment income, net		3,432	2,968	4,147
Rental income, net		3,342	2,816	2,862
Other income (expense), net		2,193	(450)	419
Interest expense		387	387	549
Earnings before income taxes		41,899	24,129	27,492
Provision for income taxes		14,014	8,020	9,323
Net earnings		\$ 27,885	\$ 16,109	\$ 18,169
Net earnings per common share:				
Basic earnings per share		\$ 2.74	\$ 1.59	\$ 1.79
Diluted earnings per share		\$ 2.71	\$ 1.58	\$ 1.78

See notes to consolidated financial statements.

(1) Prior year information has been restated to conform to current presentation.

CURTISS-WRIGHT CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(In thousands)	December 31,	
	1997	1996
Assets:		
Current assets:		
Cash and cash equivalents	\$ 6,872	\$ 6,317
Short-term investments	61,883	55,674
Receivables, net	41,590	37,708
Deferred tax assets	8,806	8,769
Inventories	49,723	46,987
Other current assets	2,506	2,378
Total current assets	171,380	157,833
Property, plant and equipment, at cost:		
Land	4,486	4,613
Buildings and improvements	89,096	84,762
Machinery, equipment and other	126,005	120,855
	219,587	210,230
Less, accumulated depreciation	153,704	146,268
Property, plant and equipment, net	65,883	63,962
Prepaid pension costs	38,674	35,016
Other assets	8,771	10,353
Total assets	\$ 284,708	\$ 267,164
Liabilities:		
Current liabilities:		
Accounts payable	\$ 9,900	\$ 13,144
Accrued expenses	14,640	12,062
Income taxes payable	4,845	3,189
Other current liabilities	9,244	14,021
Total current liabilities	38,629	42,416
Long-term debt	10,347	10,347
Deferred income taxes	8,799	8,686
Accrued postretirement benefit costs	9,850	10,302
Other liabilities	12,230	12,050
Total liabilities	79,855	83,801
Contingencies and commitments (Notes 9 and 14)		
Stockholders' equity:		
Preferred stock, \$1 par value, 650,000 authorized, none issued		
Common stock, \$1 par value, 22,500,000 authorized, 15,000,000 shares issued (outstanding shares 10,175,140 for 1997 and 10,162,206 for 1996)	15,000	10,000
Capital surplus	52,010	57,127
Retained earnings	318,474	299,740
Unearned portion of restricted stock	(342)	(608)
Equity adjustments from foreign currency translation	(3,289)	(1,506)
	381,853	364,753
Less, treasury stock at cost (4,824,860 shares for 1997 and 4,837,794 shares for 1996)	177,000	181,390
Total stockholders' equity	204,853	183,363
Total liabilities and stockholders' equity	\$ 284,708	\$ 267,164

See notes to consolidated financial statements.

CURTISS-WRIGHT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)	For the years ended December 31,		
	1997	1996	1995

Cash flows from operating activities:			
Net earnings	\$ 27,885	\$ 16,109	\$ 18,169

Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	9,097	8,946	9,512
Net (gains) losses on sales and disposals of real estate and equipment	(1,968)	473	(219)
Net gains on short-term investments	(1,717)	(1,014)	(1,134)
Deferred taxes	76	(168)	2,056
Changes in operating assets and liabilities, net of business acquired in 1996:			
Proceeds from sales of trading securities	342,416	333,577	270,923
Purchases of trading securities	(349,500)	(323,172)	(271,833)
(Increase) decrease in receivables	(4,929)	5,500	(2,093)
Increase in inventories	(3,624)	(12,057)	(6,533)
Increase (decrease) in progress payments	1,934	(2,622)	594
Increase (decrease) in accounts payable and accrued expenses	(666)	6,810	1,994
Increase (decrease) in income taxes payable	1,656	1,189	(105)
Increase in other assets	(3,860)	(4,705)	(2,380)
Increase (decrease) in other liabilities	(2,458)	4,222	(393)
Other, net	(879)	143	(1,130)

Total adjustments	(14,422)	17,122	(741)

Net cash provided by operating activities	13,463	33,231	17,428

Cash flows from investing activities:			
Proceeds from sales and disposals of real estate and equipment	3,460	96	3,290
Additions to property, plant and equipment	(11,231)	(14,156)	(6,985)
Acquisition of Accessory Services business		(16,640)	

Net cash used for investing activities	(7,771)	(30,700)	(3,695)

Cash flows from financing activities:			
Principal payments on long-term debt			(4,054)
Dividends paid	(5,137)	(5,079)	(5,059)

Net cash used for financing activities	(5,137)	(5,079)	(9,113)

Net increase (decrease) in cash and cash equivalents	555	(2,548)	4,620
Cash and cash equivalents at beginning of year	6,317	8,865	4,245

Cash and cash equivalents at end of year	\$ 6,872	\$ 6,317	\$ 8,865
=====			

See notes to consolidated financial statements.

CURTISS-WRIGHT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(In thousands)	Common Stock	Capital Surplus	Retained Earnings	Unearned Portion of Restricted Stock Awards	Equity Adjustments from Foreign Currency Translation	Treasury Stock
December 31, 1994	\$ 10,000	\$ 57,139	\$275,600	\$ --	\$ (1,622)	\$182,348
Net earnings			18,169			
Common dividends			(5,059)			
Stock awards issued		33		(780)		(747)
Stock options exercised, net		(31)				(39)
Translation adjustments, net					292	
December 31, 1995	10,000	57,141	288,710	(780)	(1,330)	181,562
Net earnings			16,109			
Common dividends			(5,079)			
Stock awards issued		10		(93)		(83)
Stock options exercised, net		(24)				(89)
Amortization of earned portion of restricted stock awards				265		
Translation adjustments, net					(176)	
December 31, 1996	10,000	57,127	299,740	(608)	(1,506)	181,390
Net earnings			27,885			
Common dividends			(5,137)			
Stock options exercised, net		(117)				(376)
Amortization of earned portion of restricted stock awards				266		
Translation adjustments, net					(1,783)	
Two for one stock split	5,000	(5,000)	(4,014)			(4,014)
December 31, 1997	\$ 15,000	\$ 52,010	\$318,474	\$ (342)	\$ (3,289)	\$177,000

See notes to consolidated financial statements.

CURTISS-WRIGHT CORPORATION 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 concern that designs, manufactures and overhauls precision components and systems and provides highly engineered services to the aerospace, automotive, shipbuilding, oil, petrochemical, agricultural equipment, power generation, metal working and fire and rescue industries. Operations are conducted through three domestic manufacturing facilities, thirty-four metal treatment service facilities located in North America and Europe, and five component overhaul locations.

A. Principles of Consolidation

The financial statements of the Corporation have been prepared in conformity with generally accepted accounting principles and such preparation has required the use of management's estimates in presenting the consolidated accounts of the Corporation, after elimination of all significant intercompany transactions and accounts.

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 U.S. Government prime contracts and subcontracts have been deducted from receivables and inventories as disclosed in the appropriate following notes.

With respect to such 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, services are rendered, or as engineering milestones are achieved. Sales and estimated profits under long-term valve contracts are recognized under the percentage-of-completion method of accounting. Profits are recorded pro rata, based upon current estimates of direct and indirect manufacturing and engineering costs to complete such contracts.

Losses on contracts are provided for in the period in which the loss becomes determinable. Revisions in profit estimates are reflected on a cumulative basis in the period in which the basis for such revisions become 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 assets 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	10 to 40 years
Machinery and equipment	4 to 15 years
Office furniture and equipment	3 to 10 years

F. Intangible Assets

Intangible assets consist primarily of the excess purchase price of the acquisition over the fair value of net tangible assets acquired. The

Corporation amortizes such costs on a straight-line basis over the estimated period benefited but not exceeding 30 years.

G. 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 December 31, 1997 and 1996. Accordingly, net realized and unrealized gains and losses on trading securities are included in net earnings. The Corporation also, where circumstances warrant, participates in derivative financial instruments consisting primarily of commitments to purchase stock. Derivative financial instruments are included as short-term investments in the Corporation's balance sheets and are carried at their fair market value, information on which appears in Note 3.

H. Environmental Costs

The Corporation establishes a reserve for a potential environmental responsibility 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 represent today's values of anticipated remediation not recognizing any recovery from insurance carriers, or third-party legal actions, and are not discounted.

I. Accounting for Stock-Based Compensation

The Corporation continues to follow 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 because 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 10.

J. Capital Stock

On April 11, 1997, the stockholders approved an increase in the number of authorized common shares from 12,500,000 to 22,500,000. On November 17, 1997, the Board of Directors declared a 2 for 1 stock split in the form of a 100% stock dividend. The split, in the form of 1 share of common stock for each share outstanding, was payable on December 23, 1997. To effectuate the stock split, the Corporation issued 5,000,000 original shares at \$1.00 par value from capital surplus and the remaining 87,271 shares from its treasury account at cost, with a corresponding reduction in retained earnings of \$4,014,000. Accordingly, all references throughout this annual report to number of shares, per share amounts, stock option data and market prices of the Corporation's common stock have been restated to reflect the effect of the split for all periods presented.

K. Earnings per Share

Effective for the fiscal year ended December 31, 1997, the Corporation accounts for its earnings per share (EPS) in accordance with Statement of Financial Accounting Standards No. 128, "Earnings Per Share" (SFAS No. 128). Under SFAS No. 128, the Corporation is required to report both basic earnings per share as based on the weighted average number of common shares outstanding and diluted earnings per share as based on the weighted average number of common shares outstanding plus all potentially dilutive common shares issuable. In accordance with SFAS No. 128, all prior period earnings per share data have been restated. Earnings per share calculations for the years ended December 31, 1997, 1996 and 1995 are as follows:

(In thousands, except per share data)	Net Income	Weighted Average Shares Outstanding	Per Share Amount

1997			
Basic earnings per share	\$27,885	10,172	\$ 2.74
Effect of dilutive securities:			
Stock options		118	
Deferred stock compensation		1	

Diluted earnings per share	\$27,885	10,291	\$ 2.71
=====			
1996			
Basic earnings per share	\$16,109	10,158	\$ 1.59
Effect of dilutive securities:			
Stock options		59	

Diluted earnings per share	\$16,109	10,217	\$ 1.58
=====			
1995			
Basic earnings per share	\$18,169	10,124	\$ 1.79
Effect of dilutive securities:			
Stock options		73	

Diluted earnings per share	\$18,169	10,197	\$ 1.78
=====			

L. Newly Issued Accounting Pronouncements

Reporting Comprehensive Income: In June 1997, the Financial Accounting Standards Board issued Statement No. 130, "Reporting Comprehensive Income" (SFAS No. 130). This statement establishes standards for reporting and display of comprehensive income and its components within financial statements. Comprehensive income consists of all changes in equity during a period except those resulting from investments by owners and distributions to owners. SFAS No. 130 also requires that all components of comprehensive income be disclosed in a separate financial statement or on the face of the income statement.

The Corporation has reviewed the provisions of SFAS No. 130 based on its current Consolidated Statement of Stockholders' Equity. For the year ended December 31, 1997, the Corporation would have reported comprehensive income totaling \$26,726,000, consisting of net income less equity adjustments from foreign currency translations on an after-tax basis. This statement is effective for the Corporation beginning January 1, 1998 and requires reclassification of prior period information for comparative purposes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Disclosures about Segments of an Enterprise and Related Information: In June 1997, the Financial Accounting Standards Board also issued Statement No. 131, "Disclosures about Segments of an Enterprise and Related Information" (SFAS No. 131). This statement requires a change in reporting business segments to a "management approach," utilizing financial information that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. SFAS No. 131 also requires descriptive information about how the operating segments were determined, the products and services provided by segments and a reconciliation of segment revenues, profits or losses and assets, to those of the total Corporation.

The Corporation is reviewing its current operating segments in conjunction with on-going changes in its business operations and the statement's aggregation criteria. This statement is effective for the Corporation's 1998 fiscal year beginning January 1, 1998 and requires reclassification of prior period information for comparative purposes. Information as required by SFAS No. 131 on an interim basis is not effective in the initial year of application.

2. Acquisition

On May 20, 1996, the Corporation completed the purchase of the Miami, Florida based Accessory Services unit of Aviall, Inc. ("Accessory Services").

The Corporation acquired the net assets of Accessory Services for \$16.6 million in cash and has accounted for the acquisition as a purchase. The excess of purchase price over the estimated fair value of the net assets acquired amounted to approximately \$4.0 million and is being amortized on a straight-line basis over 30 years. The results of operations of Accessory Services have been included in the consolidated financial statements of the Corporation from the date of acquisition.

The unaudited pro forma consolidated results of operations shown below have been prepared as if the acquisition had occurred at the beginning of 1996:

(In thousands, except per share data)	1996
Net sales	\$178,816
Net earnings	16,437
Basic earnings per common share	1.62

3. Short-Term Investments

The composition of short-term investments at December 31 is as follows:

(In thousands)	1997		1996	
	Cost	Fair Value	Cost	Fair Value
Money market preferred stock	\$ 45,697	\$ 45,697	\$ 19,000	\$ 19,000
Tax-exempt money market preferred stock	--	--	25,322	25,322
Common and preferred stocks	3,090	3,205	1,135	1,167
Utility common stocks purchased	20,268	20,308	22,678	22,539
Utility common stocks sold short	(11,033)	(11,121)	(12,250)	(12,354)
Tax exempt revenue bonds	3,790	3,794	--	--
Total short-term investments	\$ 61,812	\$ 61,883	\$ 55,885	\$ 55,674

Investment income for the years ended December 31 consists of:

(In thousands)	1997	1996	1995
Net realized gains on the sale of trading securities	\$ 1,435	\$ 527	\$ 1,282
Interest and dividend income, net	1,715	1,954	3,014

Net unrealized holding gains (losses)	282	487	(149)
-----	-----	-----	-----
Investment income, net	\$ 3,432	\$ 2,968	\$ 4,147
=====	=====	=====	=====

4. Receivables

Receivables include amounts billed to customers and unbilled charges 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 12% of the total outstanding billed receivables at December 31, 1997 and 5% of the total outstanding billed receivables at December 31, 1996. The Corporation performs ongoing credit evaluations of its customers and establishes appropriate allowances for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends and other information.

The composition of receivables at December 31 is as follows:

(In thousands)	1997	1996

Billed Receivables:		
Trade and other receivables	\$49,110	\$37,253
Less: progress payments applied	10,460	5,701
Allowance for doubtful accounts	1,747	1,557

Net billed receivables	36,903	29,995

Unbilled Receivables:		
Recoverable costs and estimated earnings not billed	13,022	19,761
Less: progress payments applied	8,335	12,048

Net unbilled receivables	4,687	7,713

Total receivables, net	\$41,590	\$37,708
=====		

5. Inventories

Inventories are valued at the lower of cost (principally average cost) or market. The composition of inventories at December 31 is as follows:

(In thousands)	1997	1996

Raw material	\$ 5,514	\$ 4,653
Work-in-process	22,686	25,128
Finished goods/component parts	21,782	15,817
Inventoried costs related to U.S. Government and other long-term contracts	5,547	6,307

Gross inventories	55,529	51,905
Less: progress payments applied, principally related to long-term contracts	5,806	4,918

Net inventories	\$49,723	\$46,987
=====		

6. Accrued Expenses and Other Current Liabilities

Accrued expenses at December 31 consist of the following:

(In thousands)	1997	1996

Accrued compensation	\$ 5,878	\$ 4,866
Accrued taxes other than income taxes	1,357	1,478
Accrued insurance	1,659	1,462
All other	5,746	4,256

Total accrued expenses	\$14,640	\$12,062
=====		

Other current liabilities at December 31 consist of the following:

(In thousands)	1997	1996

Current portion of environmental reserves	\$ 3,036	\$ 5,553
Anticipated losses on long-term contracts	1,305	3,078
Litigation reserves	3,101	3,101
All other	1,802	2,289

Total other current liabilities	\$ 9,244	\$14,021
=====		

7. Income Taxes

During 1997, the Corporation fully utilized its capital loss carryforward of \$3,252,000 that would have expired on December 31, 1997. As a result, the valuation allowance that was established to offset this deferred tax asset has been reversed.

The net change in the valuation allowance for deferred tax assets was a decrease of \$1,212,000 in 1997 as a result of the utilization of all

remaining loss carryforwards. During 1996, the valuation allowance increased by \$118,000 due to an increase in capital loss carryforward of \$826,000 offset by unrealized gains on securities of \$487,000.

Earnings before income taxes for the years ended December 31 are:

(In thousands)	1997	1996	1995
Domestic	\$29,965	\$15,195	\$21,861
Foreign	11,934	8,934	5,631
Total	\$41,899	\$24,129	\$27,492

The provisions for taxes on earnings for the years ended December 31 consist of:

(In thousands)	1997	1996	1995
Federal income taxes currently payable	\$ 7,523	\$ 4,041	\$ 3,715
Foreign income taxes currently payable	4,197	3,388	1,963
State and local income taxes currently payable	1,910	995	1,311
Deferred income taxes	458	(233)	2,282
Federal income tax on net capital gains	1,135	184	698
Utilization of capital loss carryforwards	(1,135)	(184)	(698)
Valuation allowance	(74)	(171)	52
Provision for income tax	\$14,014	\$ 8,020	\$ 9,323

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

	1997	1996	1995
U.S. Federal statutory tax rate	35.0%	35.0%	35.0%
Add (deduct):			
Utilization of capital loss carryforward	(2.7)	(.8)	(2.5)
Dividends received deduction and tax exempt income	(1.2)	(2.3)	(2.5)
State and local taxes	3.3	1.7	4.7
Valuation allowance	(.2)	(.7)	.2
All other	(.8)	.3	(1.0)
Effective tax rate	33.4%	33.2%	33.9%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(In thousands)	1997	1996

Deferred tax assets:		
Environmental clean-up	\$ 5,879	\$ 6,142
Postretirement/employment benefits	3,579	3,737
Inventories	3,368	2,661
Legal matters	1,163	1,181
Net capital loss carryforwards		1,212
Other	4,401	3,941

Total deferred tax assets	18,390	18,874

Deferred tax liabilities:		
Pension	13,535	12,247
Depreciation	3,785	4,425
Other	1,063	907

Total deferred tax liabilities	18,383	17,579

Deferred tax asset valuation allowance	--	(1,212)

Net deferred tax assets	\$ 7	\$ 83
=====		

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

(In thousands)	1997	1996

Current deferred tax assets	\$ 8,806	\$ 8,769
Non-current deferred tax liabilities	(8,799)	(8,686)

Net deferred tax assets	\$ 7	\$ 83
=====		

Income tax payments of \$12,432,000 were made in 1997, \$8,553,000 in 1996, and \$8,114,000 in 1995.

8. Long-Term Debt

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

(In thousands)	1997	1996

Industrial Revenue Bonds due from 2001 to 2007. Weighted average interest rate is 3.70% per annum for 1997 and 1996	\$10,347	\$10,347
Total long-term debt	\$10,347	\$10,347

Aggregate maturities of long-term debt are as follows:

(In thousands)	

2001	\$1,300
2002	4,047
2007	5,000
=====	

Interest payments of approximately \$347,000, \$383,000 and \$684,000 were made in 1997, 1996 and 1995, respectively.

9. Credit Agreements

The Corporation has two credit agreements in effect aggregating \$45,000,000 with a group of three banks. The Revolving Credit Agreement commits a maximum of \$22,500,000 to the Corporation for cash borrowings and letters of credit. The unused credit available under this facility at December 31, 1997 was \$10,807,000. The commitments made under the Revolving Credit Agreement expire October 29, 2000, 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 \$22,500,000, all of which was available at December 31, 1997. The Short-Term Credit Agreement expires October 23, 1998. At expiration, the Short-Term Credit Agreement may be extended, with the consent of the bank group, for an additional period not to exceed 300 days. No cash borrowings were outstanding at December 31, 1997 or December 31, 1996. 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. Under the provisions of the Agreements, retained earnings of \$32,854,000 were available for cash dividends and stock repurchases at December 31, 1997.

At December 31, 1997, 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 \$9,260,000. The Corporation has various other letters of credit outside the Revolving Credit Agreement totaling approximately \$1,086,000.

10. 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 1997, 1996 and 1995 employee stock option grants under the fair value method of that Statement. Information with regards 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 for 1997, 1996 and

1995, respectively: a risk-free interest rate of 5.88%, 6.6% and 5.8%; an expected volatility of 18.18%, 24.38% and 33.21%; an expected dividend yield of 1.37%, 2.0% and 2.1%; and a weighted average expected life of the option of 7 years for 1997 and 10 years for 1996 and 1995.

For purposes of pro forma disclosures, no expense was recognized on the 1997 options due to the timing of the grant. The estimated fair value of the 1996 and 1995 option grants are presented as amortized to expense over the options' vesting period beginning January 1, 1996. No compensation expense is recognized for 1995 due to the timing of the grant. The Corporation's pro forma information for the years ended December 31, 1997 and December 31, 1996 are as follows:

(In thousands, except per share data)	1997	1996
Net earnings:		
As reported	\$27,885	\$16,109
Pro forma	\$27,570	\$15,870
Net earnings per common share:		
As reported:		
Basic	\$ 2.74	\$ 1.59
Fully diluted	\$ 2.71	\$ 1.58
Pro forma:		
Basic	\$ 2.71	\$ 1.56
Fully diluted	\$ 2.68	\$ 1.55

Long-Term Incentive Plan: Under a Long-Term Incentive Plan approved by stockholders in 1995, an aggregate total (as adjusted for the recent stock split) of 1,000,000 shares of common stock were reserved for issuance under said Plan. The total number of shares available for a grant to key employees in each year will be one percent of the shares outstanding at the beginning of that year, although that number may be increased by the number of shares available but unused in prior years and by the number of shares covered by previously terminated or forfeited awards. No more than 50,000 shares of common stock subject to the plan may be awarded in any year to any one participant in the plan.

Under this plan, the Corporation awarded 997,841 and 734,654 performance units in 1997 and 1996, respectively, 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. In addition, the Corporation granted non-qualified stock options in 1997, 1996 and 1995 to key employees. Stock options granted under this plan expire ten years after the date of the grant and are 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 January 1, 1995	190,050	\$ 17.19	28,644
Granted	64,996	24.00	
Exercised	(4,692)	16.81	
Forfeited	(1,970)	17.09	
Outstanding at December 31, 1995	248,384	18.98	88,618
Granted	69,298	25.19	
Exercised	(4,054)	17.19	
Forfeited	(4,908)	20.07	
Outstanding at December 31, 1996	308,720	20.38	165,360
Granted	89,286	38.00	
Exercised	(19,302)	17.08	
Forfeited	(8,878)	22.33	
Outstanding at December 31, 1997	369,826	24.76	216,398

Also in 1995, the Corporation awarded 32,360 shares of restricted common stock under this plan to certain key employees at no cost to the employees. The shares have been valued at a price of \$24.00 per share, the market price on the date of the award, and the cost of the issue is being amortized over their three-year restriction period.

Stock Plan for Non-Employee Directors: The Stock Plan for Non-Employee Directors, 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. In June 1996, pursuant to the plan 3,612 shares of restricted stock were issued to non-employee directors, at no cost to them. The shares have been valued at a price of \$25.78 per share, the fair market price on the date of the award. The cost of the restricted stock awards is being

amortized over their five year restriction period. At December 31, 1997, the Corporation had deferred an additional 4,468 shares, at an average market value of \$27.45, for its non-employee directors pursuant to election by directors to receive such shares in lieu of payment for earned compensation under the plan. Depending on the extent to which the non-employee directors elect to receive future compensation in shares, total awards under this plan could reach or exceed 16,000 shares by April 12, 2006, the termination date of the plan.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

11. Environmental Costs

The Corporation continues to be involved in various remediation actions as required by Federal and State laws. During 1997, the Corporation incurred expenses of \$3,132,000 for remediation, engineering and professional services relating to known sites. The Corporation maintained a noncurrent environmental obligation at December 31, 1997 of \$9,346,000, compared to \$9,798,000 at December 31, 1996, to remedy these sites.

In 1997, the Corporation's Wood-Ridge, New Jersey site completed construction of its water treatment and soil vapor extraction system. The plant was functional at the close of 1997. Remediation costs paid in 1997, in large part due to the construction of the above systems, totaled \$3,450,000. This expense had previously been provided in 1990 as part of a \$21,000,000 reserve established to remediate the property.

The Corporation, with many other corporations and municipalities, has been named as a potentially responsible party (PRP) in a number of environmental clean-up sites. The most significant of these sites are the Sharkey landfill superfund site, Parsippany, New Jersey; Caldwell Trucking Company superfund site, Fairfield, New Jersey; the Chemsol, Inc. superfund site, Piscataway, New Jersey; Pfohl Brothers landfill site, Cheektowaga, New York; and Buffalo Airport sites, Buffalo, New York. Other environmental sites in which the Corporation is involved are the Malta Test Station, near Saratoga, New York and PJP landfill, Jersey City, New Jersey.

The Corporation believes the outcome for any of these sites would not have a materially adverse effect on the Corporation's results of operations or financial condition.

In 1997, the Corporation continued its lawsuit against a number of its insurance carriers with respect to certain of the environmental liabilities referred to above. Since the liability of the insurers is contested, no financial recovery from this lawsuit has been recorded to offset the Corporation's environmental costs.

12. Postretirement Benefits

The Corporation provides postretirement benefits, consisting only of health-care benefits, covering eligible retirees. However, the benefits are not vested and as such are subject to modification or termination in whole or in part. The Corporation does not prefund its postretirement health-care benefits and expects to continue to fund these benefits on a pay-as-you-go basis. The actual payments made to provide certain nonvested health-care benefits for specific groups of retired employees totaled \$514,000, \$660,000 and \$696,000 in 1997, 1996 and 1995, respectively.

Effective January 1, 1997, the Corporation amended its postretirement health-care coverage to significantly reduce the cost of providing such benefits. Current non-union retirees receiving health benefits have begun contributing toward the cost of their postretirement medical coverage and reimbursement levels have been reduced to 80%, from a 100% coverage level. The Corporation has also provided an alternative Medicare Risk HMO program which provides a more comprehensive level of coverage at no cost to its retiree groups. The amended plan also eliminates all Corporation-subsidized postretirement benefits for non-union employees hired after December 31, 1996.

Net expenses for the retiree health-benefit plans for the years ended December 31 included the following components:

(In thousands)	1997	1996	1995
Service cost--benefits attributed to service during the period	\$ 146	\$ 214	\$ 180
Interest cost on accumulated postretirement benefits	296	448	494
Net amortization and deferral	(380)	(187)	(292)
Net periodic postretirement benefit cost	\$ 62	\$ 475	\$ 382

The following table sets forth the actuarial present value of benefits and the funded status at December 31 for the Corporation's domestic plans:

(In thousands)	1997	1996
Actuarial present value of benefits:		
Retired employees	\$ 2,634	\$ 4,165
Active employees--fully eligible	258	530
Other active employees	1,233	1,821
Accumulated postretirement benefits	4,125	6,516
Unrecognized net gain from past experience different from that assumed and from changes		

in assumptions	3,703	3,340
Unrecognized prior service costs	2,022	446

Accrued postretirement benefit cost	\$ 9,850	\$10,302
=====		

The weighted average discount and health-care cost trend rates used in determining the accumulated postretirement benefits and periodic postretirement benefit cost are as follows:

	1997	1996

Weighted average discount rate	7.00%	7.00%
Assumed health-care cost trend rates:		
Current	9.02%	9.43%
Ultimate	5.50%	5.50%
Years to ultimate	10	11
=====		

A 1% increase in health-care cost trends would result in an increase to the accumulated postretirement benefits as of December 31, 1997 of \$429,000 and an increase in the net periodic postretirement benefit cost for the year then ended of \$59,000.

13. Retirement Plans

The Corporation maintains a non-contributory defined benefit pension plan covering substantially all employees. The Curtiss-Wright Corporation Retirement Plan non-union formula 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(s). Accrued benefits as of August 31, 1994 for non-union employees are adjusted upward based upon salary growth to date of termination. Employees are eligible to participate in this plan after one year of service and are vested in the formula benefit after five years of service. Vesting in the "cash balance" portion had occurred at 20% per year, reaching 100% vesting at five years of service, until June 1, 1997 when such vesting requirements became the same as under the formula portion of the Plan.

The Corporation's funding policy is to provide contributions within the limits of deductibility under current tax regulations, thereby accumulating funds adequate to provide for all accrued benefits. At December 31, 1997 and December 31, 1996, the retirement plan was overfunded (i.e., plan assets exceed accumulated benefit obligations).

The Corporation had pension credits in 1997, 1996 and 1995 of \$3,658,000, \$3,888,000 and \$3,036,000, respectively, for domestic plans and had foreign pension costs in 1997, 1996 and 1995 under retirement plans of \$312,000, \$249,000 and \$208,000, respectively. The funded status of the Corporation's domestic plans at December 31 are set forth in the following table:

(In thousands)	1997	1996
Actuarial present value of benefit obligations:		
Vested	\$103,750	\$103,581
Nonvested	3,002	2,527
Accumulated benefit obligation	106,752	106,108
Impact of future salary increases	3,961	4,411
Projected benefit obligation	110,713	110,519
Plan assets at fair value	230,743	192,599
Plan assets in excess of projected benefit obligation	120,030	82,080
Unrecognized net gain	(73,949)	(38,534)
Unrecognized prior service cost	331	365
Unrecognized net transition asset	(7,738)	(8,895)
Prepaid pension cost	\$ 38,674	\$ 35,016

At December 31, 1997, approximately 34% of the plans' assets are invested in debt securities, including a portion in U.S. Government issues. Approximately 66% of plan assets are invested in equity securities.

Included in earnings is net pension income for 1997, 1996 and 1995, comprised of the following:

(In thousands)	1997	1996	1995
Service costs--benefits earned during the period	\$ 3,664	\$ 3,287	\$ 3,119
Interest cost on projected benefit obligations	7,481	7,548	8,457
Actual return on plan assets	(41,292)	(16,749)	(32,358)
Net amortization and deferral	26,489	2,026	17,746
Net pension income	\$ 3,658	\$ 3,888	\$ 3,036

The major assumptions used in accounting for the Corporation's defined-benefit pension and retirement plans at December 31 are as follows:

	1997	1996
Discount rate	7.0%	7.0%
Rate of increase in future compensation levels	4.5%	4.5%
Expected long-term rate of return on plan assets	8.5%	8.5%

The net periodic pension credit is determined using the assumptions as of the beginning of the year. The funded status is determined using the assumptions as of the end of the year.

14. 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, 1997, were \$50,572,000 and \$43,692,000, respectively, and at December 31, 1996, were \$53,686,000 and \$44,690,000, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Facilities 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 \$2,239,000 in 1997, \$2,283,000 in 1996 and \$1,857,000 in 1995.

At December 31, 1997, the approximate future minimum rental income and commitment 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
1998	\$ 5,404	\$ 2,103
1999	4,285	1,990
2000	3,763	1,394
2001	3,509	1,048
2002	2,195	860
2003 and beyond	12,888	1,703
Total	\$32,044	\$ 9,098

15. Industry Segments

The principal products and services and major markets of the two industry segments are described on page 9.

Consolidated Industry Segment Information:

(In millions)	1997	1996	1995
Sales:			
Aerospace & Marine	\$ 159.0	\$ 109.9	\$ 92.4
Industrial	60.4	60.6	62.0
Total sales	\$ 219.4	\$ 170.5	\$ 154.4
Pre-tax Earnings from Operations:			
Aerospace & Marine	\$ 25.6	\$ 12.5	\$ 11.7
Industrial	13.1	10.4	11.5
Total segments	38.7	22.9	23.2
Net pension income	3.7	3.9	3.0
Corporate expense	(9.1)	(7.6)	(5.6)
Total operating income	33.3	19.2	20.6
Investment income	3.4	3.0	4.1
Rental earnings, net	3.3	2.8	2.9
Other income (expense), net	2.2	(.5)	.4
Interest expense	(.3)	(.4)	(.5)
Total pre-tax earnings	\$ 41.9	\$ 24.1	\$ 27.5

(In millions)	1997	1996	1995
Identifiable Assets:			
Aerospace & Marine	\$ 119.0	\$ 107.9	\$ 76.7
Industrial	35.8	38.4	40.6
Total segments	154.8	146.3	117.3
Cash and short-term investments	68.8	62.0	78.8
Other general and corporate	61.1	58.9	50.1
Total assets at December 31	\$ 284.7	\$ 267.2	\$ 246.2
Capital Expenditures:			
Aerospace & Marine	\$ 7.9	\$ 9.8	\$ 5.7
Industrial	2.8	2.3	.7
Total segments	10.7	12.1	6.4
General and corporate	.5	2.1	.6

Total capital expenditures	\$ 11.2	\$ 14.2	\$ 7.0
=====			
Depreciation:			
Aerospace & Marine	\$ 5.7	\$ 5.4	\$ 5.4
Industrial	2.1	2.4	3.1

Total segments	7.8	7.8	8.5
General and corporate	1.1	1.0	1.0

Total depreciation	\$ 8.9	\$ 8.8	\$ 9.5
=====			

The Aerospace & Marine segment had one customer (Boeing) which accounted for 20% and one customer (Westinghouse) which accounted for 11% of total sales in 1997, but no customers which provided more than 10% of total sales in 1996 or 1995. The Industrial segment did not have a single customer which accounted for 10% or more of total sales in 1997, 1996 and 1995.

Revenues from major product lines consist of:

	1997	1996	1995

Actuation and control systems and components	23%	21%	26%
Metal treatment services	44	46	46
Overhaul services	20	16	7
Valves	12	16	18
All others	1	1	3

	100%	100%	100%
=====			

Direct sales to the U.S. Government and sales for U.S. and foreign government end use accounted for 20%, 23% and 25% of total sales in 1997, 1996 and 1995, respectively, and were included in all segments as follows:

(In thousands)	1997	1996	1995

Aerospace & Marine	\$42,400	\$37,400	\$38,000
Industrial	2,000	2,500	900

Total military sales	\$44,400	\$39,900	\$38,900
=====			

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AND FORWARD LOOKING STATEMENTS

Geographic revenues and earnings are as follows:

(In thousands)	1997	1996	1995

Sales:			
United States	\$176,669	\$135,422	\$127,304
Europe	37,059	29,865	23,096
Canada	5,667	5,249	4,046

Total	\$219,395	\$170,536	\$154,446
=====			
Pre-Tax Earnings:			
United States	\$ 29,965	\$ 15,195	\$ 21,861
Europe	10,107	8,076	4,624
Canada	1,827	858	1,007

Total	\$ 41,899	\$ 24,129	\$ 27,492
=====			

Geographic assets outside the United States were less than 10% of total assets in each period reported.

Export sales were less than 10% of total sales in each period reported.

Intersegment sales, the amount of which are insignificant, are accounted for on substantially the same basis as sales to unaffiliated customers and have been eliminated.

Identifiable assets by segments are those assets that are used in the Corporation's operations included in that segment.

Forward-Looking Statements

Because forward-looking statements involve risks and uncertainties, actual results may differ materially from those that are expressed or implied. Such statements include those contained in (a) Management's Discussion and Analysis of Financial Condition and Results of Operation; (b) the Environmental Matters note as well as other notes to the Consolidated Financial Statements; (c) the President's Letter to Stockholders; and (d) other sections of the Annual Report. Important factors that could cause the actual results to differ materially from those in these forward-looking statements include, among other items, (i) unanticipated environmental remediation expenses or claims; (ii) a reduction in anticipated orders; (iii) an economic downturn; (iv) changes in the need for additional machinery and equipment and/or in the cost for the expansion of the Corporation's operations; (v) changes in the competitive marketplace and/or customer requirements; (vi) an inability to perform customer contracts at anticipated cost levels; and (vii) other factors that generally affect the business of aerospace, marine and industrial companies.

CURTISS-WRIGHT CORPORATION AND SUBSIDIARIES
QUARTERLY RESULTS OF OPERATIONS (Unaudited)

(In thousands except per share amounts)	First	Second	Third	Fourth

1997 Quarters:				
Sales	\$ 53,148	\$ 54,412	\$ 52,677	\$ 59,158
Gross profit	16,644	19,125	19,002	20,918
Net earnings	4,955	7,050	8,076	7,804
Earnings per share:				
Basic earnings per common share	.49	.69	.79	.77
Dividends per common share	.125	.125	.125	.13

1996 Quarters:				
Sales	\$ 36,316	\$ 43,243	\$ 44,881	\$ 46,096
Gross profit	12,243	14,154	14,381	12,691
Net earnings	3,315	5,202	4,444	3,148
Earnings per share:				
Basic earnings per common share	.33	.51	.44	.31
Dividends per common share	.125	.125	.125	.125
=====				

CONSOLIDATED SELECTED FINANCIAL DATA

(In thousands except per share data)	1997	1996	1995	1994	1993

Sales	\$219,395	\$170,536	\$154,446	\$155,001	\$158,864
Earnings (loss) before changes in accounting principles	27,885	16,109	18,169	19,547	(2,952) (1)
Net earnings (loss)	27,885	16,109	18,169	19,303	(5,623) (2)
Total assets	284,708	267,164	246,201	238,694	236,947
Long-term debt	10,347	10,347	10,347	9,047	14,426
Basic earnings per common share:					
Earnings (loss) before changes in accounting principles	2.74	1.59	1.79	1.93	(.29)
Net earnings (loss)	2.74	1.59	1.79	1.91	(.56)
Cash dividends	.505	.50	.50	.50	.50
=====					

See notes to consolidated financial statements for additional financial information.

(1) Includes after-tax charges for: a litigation settlement of \$8,600,000, environmental remediation costs of \$2,462,000, restructuring charges of \$2,357,000 and a deferred tax asset valuation allowance under SFAS No. 109 of \$3,586,000.

(2) Includes an after-tax charge of \$6,435,000 from the cumulative effect of a change in accounting principles for the adoption of SFAS No. 106, "Employers' Accounting for Postretirement Benefits," and an after-tax benefit of \$3,764,000 from the adoption of SFAS No. 109, "Accounting for Income Taxes."

**CURTISS-WRIGHT CORPORATION AND SUBSIDIARIES
CORPORATE DIRECTORY****Directors**

Thomas R. Berner
Partner
Law firm of Berner & Berner, P.C.

Admiral James B. Busey IV
Admiral, U.S. Navy (Ret.)
Former President and
Chief Executive Officer
AFCEA International

David Lasky
Chairman and President

William B. Mitchell
Former Vice Chairman
Texas Instruments Inc.

John R. Myers
Management Consultant
Former Chairman of the Board
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

David Lasky
Chairman and President

Robert E. Mutch
Executive Vice President

Gerald Nachman
Executive Vice President

George J. Yohrling
Vice President

Martin R. Benante
Vice President

Robert A. Bosi
Vice President-Finance

Dana M. Taylor
General Counsel and Secretary

Kenneth P. Slezak
Controller

Gary J. Benschip
Treasurer

Curtiss-Wright Flight Systems, Inc.
Robert E. Mutch
President
300 Fairfield Road
Fairfield, New Jersey 07004-1962

Metal Improvement Company, Inc.
Gerald Nachman
President
10 Forest Avenue
Paramus, New Jersey 07652-5214

Curtiss-Wright Flow Control
Corporation (Formerly Target
Rock Corporation)
Martin R. Benante
President
1966E Broadhollow Road
East Farmingdale, New York
11735-1768

[PHOTO OMITTED]

Directors (left to right):

William B. Mitchell, Thomas R. Berner, J. McLain Stewart (seated), Dr. William W. Sihler, David Lasky (seated), John R. Myers, Admiral James B. Busey IV

**CURTISS-WRIGHT CORPORATION 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 1998 Annual Meeting of Stockholders will be held on April 24, 1998 at 2:00 p.m. at the Novotel Meadowlands Hotel, One Polito Avenue, Lyndhurst, New Jersey 07071.

Stock Exchange Listing

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

Common Stockholders

As of December 31, 1997, the approximate number of holders of record of common stock, par value \$1.00 per share, of the Corporation was 4,150.

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 ChaseMellon Shareholder Services, L.L.C. at the following addresses:

Shareholder Inquiries/Address Changes/Consolidations P.O. Box 3315, South Hackensack, NJ 07606

Duplicate Mailings

If you receive duplicate mailings because of slight differences in the registration of your accounts and wish to eliminate the duplication, please call ChaseMellon's toll free number, (800) 416-3743, or write to ChaseMellon Shareholder Services, L.L.C., 85 Challenger Road, Ridgefield Park, NJ 07660 for instructions on combining your accounts.

Direct Stock Purchase Plan

A plan administered by the Chase Manhattan Bank is available to purchase or sell shares of Curtiss-Wright which 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, ChaseMellon Shareholder Services, L.L.C. toll free at (888) 266-6793.

Lost Certificates/Certificate Replacement

Estoppel Department, P.O. Box 3317,
South Hackensack, NJ 07606

Certificate Transfers

Stock Transfer Department, P.O. Box 3312, South Hackensack, NJ 07606

Please include your name, address, and telephone number with all correspondence. Telephone inquiries may be made to (800) 416-3743. Foreign (201) 329-8660. Hearing impaired (800) 231-5469. Internet inquiries should be addressed to <http://www.chasemellon.com>

Investor Information

Investors, stockbrokers, security analysts, and others seeking information about Curtiss-Wright Corporation, should contact Robert A. Bosi, Vice President-Finance, or 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 on the World Wide Web.

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 received by written request to Gary J. Benschip, Treasurer, at Corporate Headquarters.

Common Stock Price Range

	1997		1996	
	High	Low	High	Low
First Quarter	\$28.1875	\$24.7500	\$27.6250	\$25.1250
Second Quarter	31.1250	26.7500	27.0000	25.4375
Third Quarter	39.8750	29.0938	27.3125	25.3750
Fourth Quarter	39.2500	36.1250	27.5000	24.8125

Dividends

	1997	1996
First Quarter	\$0.125	\$0.125
Second Quarter	\$0.125	\$0.125
Third Quarter	\$0.125	\$0.125
Fourth Quarter	\$0.130	\$0.125

[LOGO] Curtiss-Wright

Curtiss-Wright Corporation
1200 Wall Street West

Lyndhurst, New Jersey 07071

Exhibit (21)

Subsidiaries of Registrant

The information below is provided, as of March 2, 1998, 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 Flight Systems Europe A/S	Denmark	100%
Curtiss-Wright Foreign Sales Corp	Barbados	100%

Exhibit (23)

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 January 30, 1998 appearing on page 20 of the Curtiss-Wright Corporation 1997 Annual Report which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report on the Financial Statement Schedule, which appears in this Form 10-K.

/s/ Price Waterhouse LLP

*PRICE WATERHOUSE LLP
Morristown, New Jersey
March 24, 1998*

ARTICLE 5

MULTIPLIER: 1,000

PERIOD TYPE	12 MOS
FISCAL YEAR END	DEC 31 1997
PERIOD END	DEC 31 1997
CASH	6,872
SECURITIES	61,883
RECEIVABLES	43,337
ALLOWANCES	1,747
INVENTORY	49,723
CURRENT ASSETS	171,380
PP&E	219,587
DEPRECIATION	153,704
TOTAL ASSETS	284,708
CURRENT LIABILITIES	38,629
BONDS	10,347
PREFERRED MANDATORY	0
PREFERRED	0
COMMON	15,000
OTHER SE	189,853
TOTAL LIABILITY AND EQUITY	284,708
SALES	219,395
TOTAL REVENUES	228,362
CGS	143,706
TOTAL COSTS	186,076
OTHER EXPENSES	0
LOSS PROVISION	596
INTEREST EXPENSE	387
INCOME PRETAX	41,899
INCOME TAX	14,014
INCOME CONTINUING	27,885
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	27,885
EPS PRIMARY	2.74
EPS DILUTED	2.71

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