
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended June 30, 2014

or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from _____ to _____
Commission File Number 001-16489

FMC Technologies, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

36-4412642

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

5875 N. Sam Houston Parkway W., Houston, Texas

(Address of principal executive offices)

77086

(Zip Code)

(281) 591-4000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

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

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

Large accelerated filer ☒ Accelerated filer ☐

Non-accelerated filer (Do not check if a smaller reporting company) ☐ Smaller reporting company ☐

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Outstanding at July 22, 2014</u>
Common Stock, par value \$0.01 per share	234,857,431

TABLE OF CONTENTS

<u>PART I—Financial Information</u>	<u>Page</u>
Item 1. Financial Statements (unaudited)	4
Condensed Consolidated Statements of Income	4
Condensed Consolidated Statements of Comprehensive Income	5
Condensed Consolidated Balance Sheets	6
Condensed Consolidated Statements of Cash Flows	7
Notes to Condensed Consolidated Financial Statements	8
Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	22
Item 3. Quantitative and Qualitative Disclosures About Market Risk	36
Item 4. Controls and Procedures	36
<u>PART II—Other Information</u>	
Item 1. Legal Proceedings	37
Item 1A. Risk Factors	37
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	37
Item 3. Defaults Upon Senior Securities	38
Item 4. Mine Safety Disclosures	38
Item 5. Other Information	38
Item 6. Exhibits	38

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains “forward-looking statements” intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact contained in this report are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements usually relate to future events and anticipated revenues, earnings, cash flows or other aspects of our operations or operating results. Forward-looking statements are often identified by the words “believe,” “expect,” “anticipate,” “plan,” “intend,” “foresee,” “should,” “would,” “could,” “may,” “estimate,” “outlook” and similar expressions, including the negative thereof. The absence of these words, however, does not mean that the statements are not forward-looking. These forward-looking statements are based on our current expectations, beliefs and assumptions concerning future developments and business conditions and their potential effect on us. While management believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting us will be those that we anticipate.

All of our forward-looking statements involve risks and uncertainties (some of which are significant or beyond our control) and assumptions that could cause actual results to differ materially from our historical experience and our present expectations or projections. Known material factors that could cause actual results to differ materially from those contemplated in the forward-looking statements include those set forth in Part II, Item 1A, “Risk Factors” and elsewhere in this Quarterly Report on Form 10-Q and Part I, Item 1A, “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013, as well as the following:

- Demand for our systems and services, which is affected by changes in the price of, and demand for, crude oil and natural gas in domestic and international markets;
- Potential liabilities arising out of the installation or use of our systems;
- U.S. and international laws and regulations, including environmental regulations, that may increase our costs, limit the demand for our products and services or restrict our operations;
- Disruptions in the political, regulatory, economic and social conditions of the foreign countries in which we conduct business;
- Fluctuations in currency markets worldwide;
- Cost overruns that may affect profit realized on our fixed price contracts;
- Disruptions in the timely delivery of our backlog and its effect on our future sales, profitability and our relationships with our customers;
- The cumulative loss of major contracts or alliances;
- Rising costs and availability of raw materials;
- Our dependence on the continuing services of key managers and employees and our ability to attract, retain and motivate additional highly-skilled employees for the operation and expansion of our business;
- A failure of our information technology infrastructure or any significant breach of security;
- Our ability to develop and implement new technologies and services, as well as our ability to protect and maintain critical intellectual property assets;
- The outcome of uninsured claims and litigation against us; and
- Downgrade in the ratings of our debt could restrict our ability to access the debt capital markets.

We wish to caution you not to place undue reliance on any forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any of our forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise, except to the extent required by law.

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

FMC TECHNOLOGIES, INC. AND CONSOLIDATED SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(In millions, except per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Revenue:				
Product revenue	\$ 1,590.4	\$ 1,366.2	\$ 3,039.5	\$ 2,699.5
Service and other revenue	394.9	341.7	770.2	654.4
Total revenue	1,985.3	1,707.9	3,809.7	3,353.9
Costs and expenses:				
Cost of product revenue	1,227.2	1,094.8	2,346.4	2,174.2
Cost of service and other revenue	280.6	255.3	564.9	483.1
Selling, general and administrative expense	188.4	172.1	371.2	342.9
Research and development expense	29.4	29.2	54.7	57.7
Total costs and expenses	1,725.6	1,551.4	3,337.2	3,057.9
Gain on sale of Material Handling Products (Note 4)	85.6	—	85.6	—
Other income (expense), net	(1.6)	0.2	(2.7)	1.2
Income before net interest expense and income taxes	343.7	156.7	555.4	297.2
Net interest expense	(8.3)	(8.8)	(16.5)	(16.9)
Income before income taxes	335.4	147.9	538.9	280.3
Provision for income taxes	107.7	41.4	174.7	70.2
Net income	227.7	106.5	364.2	210.1
Net income attributable to noncontrolling interests	(1.4)	(1.3)	(2.7)	(2.5)
Net income attributable to FMC Technologies, Inc.	\$ 226.3	\$ 105.2	\$ 361.5	\$ 207.6
Earnings per share attributable to FMC Technologies, Inc. (Note 3):				
Basic	\$ 0.96	\$ 0.44	\$ 1.53	\$ 0.87
Diluted	\$ 0.95	\$ 0.44	\$ 1.52	\$ 0.87
Weighted average shares outstanding (Note 3):				
Basic	236.7	238.3	237.0	238.4
Diluted	237.2	239.3	237.5	239.3

The accompanying notes are an integral part of the condensed consolidated financial statements.

[Table of Contents](#)
FMC TECHNOLOGIES, INC. AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(In millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Net income	\$ 227.7	\$ 106.5	\$ 364.2	\$ 210.1
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments ⁽¹⁾	7.1	(49.9)	16.4	(79.0)
Net gains (losses) on hedging instruments:				
Net gains (losses) arising during the period	(8.2)	14.9	(8.4)	(6.2)
Reclassification adjustment for net losses (gains) included in net income	(4.5)	2.1	(6.9)	(1.1)
Net gains (losses) on hedging instruments ⁽²⁾	(12.7)	17.0	(15.3)	(7.3)
Pension and other post-retirement benefits:				
Reclassification adjustment for amortization of prior service credit included in net income	—	(0.1)	(0.1)	(0.2)
Reclassification adjustment for amortization of net actuarial loss included in net income	3.2	5.0	6.0	10.2
Net pension and other post-retirement benefits ⁽³⁾	3.2	4.9	5.9	10.0
Other comprehensive income (loss), net of tax	(2.4)	(28.0)	7.0	(76.3)
Comprehensive income	225.3	78.5	371.2	133.8
Comprehensive income attributable to noncontrolling interest	(1.4)	(1.3)	(2.7)	(2.5)
Comprehensive income attributable to FMC Technologies, Inc.	\$ 223.9	\$ 77.2	\$ 368.5	\$ 131.3

⁽¹⁾ Net of income tax (expense) benefit of \$(0.2) and \$(0.5) for the three months ended June 30, 2014 and 2013, respectively, and \$(1.2) and \$2.0 for the six months ended June 30, 2014 and 2013, respectively.

⁽²⁾ Net of income tax (expense) benefit of \$2.9 and \$8.4 for the three months ended June 30, 2014 and 2013, respectively, and \$(0.9) and \$14.0 for the six months ended June 30, 2014 and 2013, respectively.

⁽³⁾ Net of income tax (expense) benefit of \$(1.5) and \$(2.7) for the three months ended June 30, 2014 and 2013, respectively, and \$(3.4) and \$(5.4) for the six months ended June 30, 2014 and 2013, respectively.

The accompanying notes are an integral part of the condensed consolidated financial statements.

[Table of Contents](#)
FMC TECHNOLOGIES, INC. AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2014	December 31, 2013
	(Unaudited)	
(In millions, except par value data)		
Assets		
Cash and cash equivalents	\$ 382.2	\$ 399.1
Trade receivables, net of allowances of \$9.6 in 2014 and \$7.4 in 2013	2,120.0	2,067.2
Inventories, net (Note 5)	1,025.7	980.4
Derivative financial instruments (Note 12)	116.8	165.9
Prepaid expenses	68.4	41.5
Deferred income taxes	55.0	59.1
Income taxes receivable	18.8	14.6
Other current assets	315.1	295.2
Total current assets	4,102.0	4,023.0
Investments	40.3	44.3
Property, plant and equipment, net of accumulated depreciation of \$825.5 in 2014 and \$770.2 in 2013	1,444.1	1,349.1
Goodwill	576.7	580.7
Intangible assets, net of accumulated amortization of \$108.7 in 2014 and \$97.3 in 2013	302.1	315.3
Deferred income taxes	35.5	36.9
Derivative financial instruments (Note 12)	51.7	68.5
Other assets	201.6	187.8
Total assets	\$ 6,754.0	\$ 6,605.6
Liabilities and equity		
Short-term debt and current portion of long-term debt	\$ 20.8	\$ 42.5
Accounts payable, trade	711.9	750.7
Advance payments and progress billings	859.3	803.2
Accrued payroll	251.3	222.0
Derivative financial instruments (Note 12)	108.1	171.3
Income taxes payable	108.3	138.1
Current portion of accrued pension and other post-retirement benefits	3.5	11.0
Deferred income taxes	77.3	66.4
Other current liabilities	364.0	409.5
Total current liabilities	2,504.5	2,614.7
Long-term debt, less current portion (Note 6)	1,289.0	1,329.8
Accrued pension and other post-retirement benefits, less current portion	79.7	84.0
Derivative financial instruments (Note 12)	37.7	47.1
Deferred income taxes	85.9	90.3
Other liabilities	107.4	103.4
Commitments and contingent liabilities (Note 14)		
Stockholders' equity (Note 11):		
Preferred stock, \$0.01 par value, 12.0 shares authorized in 2014 and 2013; no shares issued in 2014 or 2013	—	—
Common stock, \$0.01 par value, 600.0 shares authorized in 2014 and 2013; 286.3 shares issued in 2014 and 2013; 234.9 and 235.8 shares outstanding in 2014 and 2013, respectively	2.9	2.9
Common stock held in employee benefit trust, at cost; 0.2 shares in 2014 and 2013	(7.5)	(7.7)
Common stock held in treasury, at cost; 51.2 and 50.3 shares in 2014 and 2013, respectively	(1,257.2)	(1,196.6)
Capital in excess of par value of common stock	720.0	713.2
Retained earnings	3,505.9	3,146.1
Accumulated other comprehensive loss	(333.7)	(340.7)
Total FMC Technologies, Inc. stockholders' equity	2,630.4	2,317.2
Noncontrolling interests	19.4	19.1
Total equity	2,649.8	2,336.3
Total liabilities and equity	\$ 6,754.0	\$ 6,605.6

The accompanying notes are an integral part of the condensed consolidated financial statements.

[Table of Contents](#)
FMC TECHNOLOGIES, INC. AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In millions)	Six Months Ended June 30,	
	2014	2013
Cash provided (required) by operating activities:		
Net income	\$ 364.2	\$ 210.1
Adjustments to reconcile net income to cash provided (required) by operating activities:		
Depreciation	84.8	76.7
Amortization	27.7	24.4
Employee benefit plan and stock-based compensation costs	39.7	48.9
Deferred income tax provision	5.4	58.4
Unrealized loss on derivative instruments	6.5	2.3
Gain on sale of Material Handling Products	(85.6)	—
Other	6.7	13.4
Changes in operating assets and liabilities, net of effects of acquisitions:		
Trade receivables, net	(42.9)	(68.7)
Inventories, net	(59.2)	(90.1)
Accounts payable, trade	(31.1)	0.4
Advance payments and progress billings	53.6	206.5
Income taxes	(33.1)	(77.2)
Payment of Multi Phase Meters earn-out consideration	(41.5)	(32.2)
Accrued pension and other post-retirement benefits, net	(23.8)	(30.0)
Other assets and liabilities, net	(35.6)	(71.3)
Cash provided by operating activities	235.8	271.6
Cash provided (required) by investing activities:		
Capital expenditures	(180.0)	(156.7)
Proceeds from sale of Material Handling Products, net of cash divested	106.8	—
Other	2.4	2.7
Cash required by investing activities	(70.8)	(154.0)
Cash provided (required) by financing activities:		
Net decrease in short-term debt	(20.9)	(24.1)
Net decrease in commercial paper	(43.5)	(19.1)
Repayments of long-term debt	(2.6)	(62.8)
Purchase of treasury stock	(72.0)	(49.0)
Payment of Multi Phase Meters earn-out consideration	(31.0)	(25.1)
Payments related to taxes withheld on stock-based compensation	(12.2)	(16.1)
Excess tax benefits	1.9	7.4
Other	(2.0)	(0.4)
Cash required by financing activities	(182.3)	(189.2)
Effect of exchange rate changes on cash and cash equivalents	0.4	(2.9)
Decrease in cash and cash equivalents	(16.9)	(74.5)
Cash and cash equivalents, beginning of period	399.1	342.1
Cash and cash equivalents, end of period	\$ 382.2	\$ 267.6

The accompanying notes are an integral part of the condensed consolidated financial statements.

[Table of Contents](#)

FMC TECHNOLOGIES, INC. AND CONSOLIDATED SUBSIDIARIES NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of FMC Technologies, Inc. and its consolidated subsidiaries ("FMC Technologies") have been prepared in accordance with United States generally accepted accounting principles ("GAAP") and rules and regulations of the Securities and Exchange Commission ("SEC") pertaining to interim financial information. As permitted under those rules, certain footnotes or other financial information that are normally required by GAAP have been condensed or omitted. Therefore, these statements should be read in conjunction with the audited consolidated financial statements, and notes thereto, which are included in our Annual Report on Form 10-K for the year ended December 31, 2013.

On February 25, 2011, our Board of Directors approved a stock split of our outstanding shares of common stock. The stock split was completed in the form of a stock dividend; however, upon issuance of the common stock pursuant to the stock split, an amount equal to the aggregate par value of the additional shares of common stock issued was not reclassified from capital in excess of par value to common stock during the first quarter of 2011. This adjustment was made during the first quarter of 2014. All prior-year amounts have been revised to conform to the current year presentation. This adjustment had no overall effect on total equity and did not impact our overall financial position or results of operations for any period presented.

Our accounting policies are in accordance with GAAP. The preparation of financial statements in conformity with these accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Ultimate results could differ from our estimates.

In the opinion of management, the statements reflect all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of our financial condition and operating results as of and for the periods presented. Revenue, expenses, assets and liabilities can vary during each quarter of the year. Therefore, the results and trends in these statements may not be representative of the results that may be expected for the year ending December 31, 2014.

NOTE 2. RECENTLY ADOPTED ACCOUNTING STANDARDS

Effective January 1, 2014, we adopted Accounting Standards Update ("ASU") No. 2013-11, "*Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists*" issued by the Financial Accounting Standards Board ("FASB"). This update requires the netting of unrecognized tax benefits against a deferred tax asset for a loss or other carryforward that would apply in settlement of the uncertain tax positions. Under the amended guidance, unrecognized tax benefits are netted against all available same-jurisdiction loss or other tax carryforwards that would be utilized, rather than only against carryforwards that are created by the unrecognized tax benefits. The updated guidance is applied prospectively, effective January 1, 2014. The adoption of this update concerns presentation and disclosure only as it relates to our condensed consolidated financial statements.

Effective January 1, 2014, we adopted ASU No. 2014-08, "*Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*" issued by the FASB. This update changes the requirements of reporting discontinued operations. Under the amended guidance, a disposal of a component of an entity or a group of components of an entity is required to be reported in discontinued operations if the disposal represents a strategic shift that has (or will have) a major effect on an entity's operations and financial results. The amendments in this update are effective for all disposals (or classifications as held for sale) of components of an entity that occur within annual periods beginning on or after December 15, 2014, and interim periods within those years, with early adoption permitted. The adoption of this update concerns presentation and disclosure only as it relates to our condensed consolidated financial statements.

[Table of Contents](#)

NOTE 3. EARNINGS PER SHARE

A reconciliation of the number of shares used for the basic and diluted earnings per share calculation was as follows:

(In millions, except per share data)	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2014	2013	2014	2013
Net income attributable to FMC Technologies, Inc.	\$ 226.3	\$ 105.2	\$ 361.5	\$ 207.6
Weighted average number of shares outstanding	236.7	238.3	237.0	238.4
Dilutive effect of restricted stock units and stock options	0.5	1.0	0.5	0.9
Total shares and dilutive securities	237.2	239.3	237.5	239.3
Basic earnings per share attributable to FMC Technologies, Inc.	\$ 0.96	\$ 0.44	\$ 1.53	\$ 0.87
Diluted earnings per share attributable to FMC Technologies, Inc.	\$ 0.95	\$ 0.44	\$ 1.52	\$ 0.87

NOTE 4. SALE OF MATERIAL HANDLING PRODUCTS

On April 30, 2014, we completed the sale of our equity interests of Technisys, Inc., a Utah corporation, and FMC Technologies Energy Holdings Ltd., a private limited liability company organized under the laws of Hong Kong, and assets primarily representing a product line of our material handling business ("Material Handling Products") to Syntron Material Handling, LLC, an affiliate of Levine Leichtman Capital Partners Private Capital Solutions II, L.P. Material Handling Products was historically reported in our Energy Infrastructure segment. We recognized a pretax gain of \$85.6 million on the sale during the three months ended June 30, 2014.

NOTE 5. INVENTORIES

Inventories consisted of the following:

(In millions)	June 30, 2014	December 31, 2013
Raw materials	\$ 184.4	\$ 186.3
Work in process	182.9	141.4
Finished goods	848.7	830.3
	1,216.0	1,158.0
LIFO and valuation adjustments	(190.3)	(177.6)
Inventories, net	\$ 1,025.7	\$ 980.4

NOTE 6. DEBT

Long-term debt consisted of the following:

(In millions)	June 30, 2014	December 31, 2013
Commercial paper ⁽¹⁾	\$ 457.9	\$ 501.4
2.00% Notes due 2017	299.5	299.5
3.45% Notes due 2022	499.7	499.6
Term loan	27.6	25.9
Property financing	14.3	13.9
Total long-term debt	1,299.0	1,340.3
Less: current portion	(10.0)	(10.5)
Long-term debt, less current portion	\$ 1,289.0	\$ 1,329.8

⁽¹⁾ Committed credit available under our revolving credit facility provided the ability to refinance our commercial paper obligations on a long-term basis. As we have both the ability and intent to refinance these obligations on a long-term basis, our commercial paper borrowings were classified as long-term in the condensed consolidated balance sheet at June 30, 2014 and December 31, 2013. As of June 30, 2014, our commercial paper borrowings had a weighted average interest rate of 0.31%.

NOTE 7. INCOME TAXES

Our income tax provisions for the three months ended June 30, 2014 and 2013, reflected effective tax rates of 32.2% and 28.2%, respectively. The year-over-year increase was primarily due to changes in U.S. and Norwegian tax law effective from 2014, an unfavorable change in the forecasted country mix of earnings and the tax impact related to the gain on sale of the Material Handling Products business.

Our income tax provisions for the six months ended June 30, 2014 and 2013, reflected effective tax rates of 32.6% and 25.3%, respectively. Excluding a retroactive benefit related to the American Taxpayer Relief Act of 2012 recorded in the first quarter of 2013, our effective tax rate for the six months ended June 30, 2013 was 27.7%. The year-over-year increase from this adjusted rate was primarily due to changes in U.S. and Norwegian tax law effective from 2014 and an unfavorable change in the forecasted country mix of earnings.

Our effective tax rate can fluctuate depending on our country mix of earnings, since our foreign earnings are generally subject to lower tax rates than in the United States. In certain jurisdictions, primarily Singapore and Malaysia, our tax rate is significantly less than the relevant statutory rate due to tax holidays.

NOTE 8. WARRANTY OBLIGATIONS

Warranty cost and accrual information was as follows:

(In millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Balance at beginning of period	\$ 18.9	\$ 13.5	\$ 18.0	\$ 15.4
Expense for new warranties	5.5	8.5	10.9	13.9
Adjustments to existing accruals	0.2	1.9	0.6	0.6
Claims paid	(5.2)	(8.0)	(10.1)	(14.0)
Balance at end of period	\$ 19.4	\$ 15.9	\$ 19.4	\$ 15.9

NOTE 9. PENSION AND OTHER POST-RETIREMENT BENEFITS

In October 2009, the Board of Directors amended the U.S. Qualified and Non-Qualified Defined Benefit Pension Plans (“U.S. Pension Plans”) to freeze participation in the U.S. Pension Plans for all new nonunion employees hired on or after January 1, 2010, and current nonunion employees with less than five years of vesting service as of December 31, 2009 (“frozen participants”). The Company amended the U.S. Qualified Pension Plan, and effective June 1, 2014, the assets and liabilities attributable to participants who are (i) either frozen participants or participants that had terminated service and subsequently became re-employed on or after January 1, 2010, and (ii) active employees of FMC Technologies as of June 1, 2014 were transferred from the U.S. Qualified Pension Plan to the FMC Technologies, Inc. Frozen Retirement Plan (“Frozen Plan”). As of June 1, 2014, the benefits under the Frozen Plan were actuarially equivalent to the benefits each participant would have received under the U.S. Qualified Pension Plan.

The components of net periodic benefit cost were as follows:

(In millions)	Pension Benefits							
	Three Months Ended June 30,				Six Months Ended June 30,			
	2014		2013		2014		2013	
	U.S.	Int'l	U.S.	Int'l	U.S.	Int'l	U.S.	Int'l
Service cost	\$ 3.5	\$ 4.3	\$ 4.0	\$ 3.6	\$ 6.9	\$ 8.6	\$ 8.3	\$ 7.4
Interest cost	7.3	4.7	6.4	4.0	14.6	9.4	12.9	8.1
Expected return on plan assets	(11.6)	(7.7)	(9.8)	(5.8)	(23.2)	(15.3)	(20.8)	(11.8)
Amortization of prior service cost (credit)	—	0.1	—	—	—	0.1	—	—
Amortization of actuarial loss (gain), net	3.0	1.7	6.7	1.3	6.1	3.4	13.4	2.6
Net periodic benefit cost	<u>\$ 2.2</u>	<u>\$ 3.1</u>	<u>\$ 7.3</u>	<u>\$ 3.1</u>	<u>\$ 4.4</u>	<u>\$ 6.2</u>	<u>\$ 13.8</u>	<u>\$ 6.3</u>
Other Post-retirement Benefits								
(In millions)	Three Months Ended June 30,				Six Months Ended June 30,			
	2014		2013		2014		2013	
	U.S.	Int'l	U.S.	Int'l	U.S.	Int'l	U.S.	Int'l
Interest cost	\$ —	\$ 0.1	\$ —	\$ —	\$ —	\$ 0.2	\$ —	\$ 0.1
Amortization of prior service cost (credit)	—	—	—	—	—	—	—	(0.2)
Amortization of actuarial loss (gain), net	—	—	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Net periodic benefit cost	<u>\$ —</u>	<u>\$ 0.1</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>	<u>\$ (0.1)</u>	<u>\$ 0.1</u>	<u>\$ (0.1)</u>	<u>\$ (0.2)</u>

During the six months ended June 30, 2014, we contributed \$8.0 million to our domestic pension benefit plans and \$15.5 million to our international pension benefit plans.

NOTE 10. STOCK-BASED COMPENSATION

Under the Amended and Restated FMC Technologies, Inc. Incentive Compensation and Stock Plan (the “Plan”), we have primarily granted awards in the form of nonvested stock units (also known as restricted stock units in the plan document). We recognize compensation expense and the corresponding tax benefits for awards under the Plan. Stock-based compensation expense for nonvested stock units was \$9.9 million and \$13.2 million for the three months ended June 30, 2014 and 2013, respectively, and \$27.8 million and \$26.5 million for the six months ended June 30, 2014 and 2013, respectively.

During the six months ended June 30, 2014, we granted the following restricted stock units to employees:

(Number of restricted stock shares in thousands)	Shares	Weighted-Average Grant Date Fair Value (per share)
Time-based	455	
Performance-based	171 *	
Market-based	86 *	
Total granted	712	\$ 50.64

* Assumes grant date expected payout

For current-year performance-based awards, actual payouts may vary from zero to 342 thousand shares, contingent upon our performance relative to a peer group of companies with respect to earnings growth and return on investment for the year ending December 31, 2014. Compensation cost is measured based on the current expected outcome of the performance conditions and may be adjusted until the performance period ends.

For current-year market-based awards, actual payouts may vary from zero to 172 thousand shares, contingent upon our performance relative to the same peer group of companies with respect to total shareholder return (“TSR”) for a three year period ending December 31, 2016. The payout for the TSR metric is determined based on our performance relative to the peer group, however a payout is possible regardless of whether our TSR for the three year period is positive or negative. If our TSR for the three years is not positive, the payout with respect to TSR is limited to the target previously established by the Compensation Committee of the Board of Directors. Compensation cost for these awards is calculated using the grant date fair market value, as estimated using a Monte Carlo simulation, and is not subject to change based on future events.

NOTE 11. STOCKHOLDERS’ EQUITY

There were no cash dividends declared during the three and six months ended June 30, 2014 and 2013.

Repurchases of shares of common stock under our share repurchase program were as follows:

(In millions, except share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Shares of common stock repurchased	470,600	404,096	1,369,329	974,096
Value of common stock repurchased	\$ 26.2	\$ 22.0	\$ 72.0	\$ 49.0

As of June 30, 2014, our Board of Directors had authorized 75.0 million shares of common stock under our share repurchase program, and approximately 11.5 million shares of common stock remained available for purchase, which may be executed from time to time in the open market. We intend to hold repurchased shares in treasury for general corporate purposes, including issuances under our stock-based compensation plan. Treasury shares are accounted for using the cost method.

During the six months ended June 30, 2014, 0.5 million shares of common stock were issued from treasury stock in connection with our stock-based compensation plan. During the year ended December 31, 2013, 1.0 million shares of common stock were issued from treasury stock.

[Table of Contents](#)

Accumulated other comprehensive loss consisted of the following:

(In millions)	Foreign Currency Translation	Hedging	Defined Pension and Other Post-retirement Benefits	Accumulated Other Comprehensive Loss
December 31, 2013	\$ (204.3)	\$ 31.9	\$ (168.3)	\$ (340.7)
Other comprehensive income (loss) before reclassifications, net of tax	16.4	(8.4)	—	8.0
Reclassification adjustment for net losses (gains) included in net income, net of tax	—	(6.9)	5.9	(1.0)
Other comprehensive income (loss), net of tax	16.4	(15.3)	5.9	7.0
June 30, 2014	\$ (187.9)	\$ 16.6	\$ (162.4)	\$ (333.7)

Reclassifications out of accumulated other comprehensive loss consisted of the following:

(In millions)	Three Months Ended		Six Months Ended		Affected Line Item in the Condensed Consolidated Statement of Income
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013	
Details about Accumulated Other Comprehensive Loss Components	Amount Reclassified out of Accumulated Other Comprehensive Loss				
<u>Gains (losses) on hedging instruments</u>					
Foreign exchange contracts:	\$ (4.3)	\$ (3.8)	\$ (14.8)	\$ (1.5)	Revenue
	9.0	1.5	20.3	3.0	Cost of sales
	0.1	—	—	0.1	Selling, general and administrative expense
	4.8	(2.3)	5.5	1.6	Income before income taxes
	(0.3)	0.2	1.4	(0.5)	Income tax (expense) benefit
	\$ 4.5	\$ (2.1)	\$ 6.9	\$ 1.1	Net income
<u>Defined pension and other post-retirement benefits</u>					
Amortization of actuarial gain (loss)	\$ (4.6)	\$ (7.7)	\$ (9.3)	\$ (15.7)	(a)
Amortization of prior service credit (cost)	—	0.1	0.1	0.3	(a)
	(4.6)	(7.6)	(9.2)	(15.4)	Income before income taxes
	1.4	2.7	3.3	5.4	Income tax (expense) benefit
	\$ (3.2)	\$ (4.9)	\$ (5.9)	\$ (10.0)	Net income

(a) These accumulated other comprehensive income components are included in the computation of net periodic pension cost (see Note 9 for additional details).

NOTE 12. DERIVATIVE FINANCIAL INSTRUMENTS

We hold derivative financial instruments for the purpose of hedging the risks of certain identifiable and anticipated transactions. The types of risks hedged are those relating to the variability of future earnings and cash flows caused by movements in foreign currency exchange rates. We hold the following types of derivative instruments:

Foreign exchange rate forward contracts—The purpose of these instruments is to hedge the risk of changes in future cash flows of anticipated purchase or sale commitments denominated in foreign currencies. At June 30, 2014, we held the following material positions:

(In millions)	Notional Amount Bought (Sold)	
	USD Equivalent	
Australian dollar	26.8	25.2
Brazilian real	(104.6)	(47.6)
British pound	196.6	335.2
Canadian dollar	(136.5)	(127.9)
Euro	181.0	247.3
Kuwaiti dinar	(6.1)	(21.5)
Norwegian krone	2,154.2	350.2
Russian ruble	(819.7)	(24.4)
Singapore dollar	119.1	95.4
Swedish krona	149.0	22.2
U.S. dollar	(856.5)	(856.5)

Foreign exchange rate instruments embedded in purchase and sale contracts—The purpose of these instruments is to match offsetting currency payments and receipts for particular projects, or comply with government restrictions on the currency used to purchase goods in certain countries. At June 30, 2014, our portfolio of these instruments included the following material positions:

(In millions)	Notional Amount Bought (Sold)	
	USD Equivalent	
Brazilian real	(92.1)	(41.9)
British pound	6.6	11.2
Euro	(11.4)	(15.6)
U.S. dollar	31.0	31.0

The purpose of our foreign currency hedging activities is to manage the volatility associated with anticipated foreign currency purchases and sales created in the normal course of business. We primarily utilize forward exchange contracts with maturities of less than three years.

Our policy is to hold derivatives only for the purpose of hedging risks and not for trading purposes where the objective is solely to generate profit. Generally, we enter into hedging relationships such that changes in the fair values or cash flows of the transactions being hedged are expected to be offset by corresponding changes in the fair value of the derivatives. For derivative instruments that qualify as a cash flow hedge, the effective portion of the gain or loss of the derivative, which does not include the time value component of a forward currency rate, is reported as a component of other comprehensive income ("OCI") and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings.

[Table of Contents](#)

The following table of all outstanding derivative instruments is based on estimated fair value amounts that have been determined using available market information and commonly accepted valuation methodologies. Refer to Note 13 for further disclosures related to the fair value measurement process. Accordingly, the estimates presented may not be indicative of the amounts that we would realize in a current market exchange and may not be indicative of the gains or losses we may ultimately incur when these contracts settle or mature.

(In millions)	June 30, 2014		December 31, 2013	
	Assets	Liabilities	Assets	Liabilities
Derivatives designated as hedging instruments:				
Foreign exchange contracts:				
Current – Derivative financial instruments	\$ 96.3	\$ 88.1	\$ 149.3	\$ 152.5
Long-term – Derivative financial instruments	49.3	36.0	65.4	44.1
Total derivatives designated as hedging instruments	145.6	124.1	214.7	196.6
Derivatives not designated as hedging instruments:				
Foreign exchange contracts:				
Current – Derivative financial instruments	20.5	20.0	16.6	18.8
Long-term – Derivative financial instruments	2.4	1.7	3.1	3.0
Total derivatives not designated as hedging instruments	22.9	21.7	19.7	21.8
Total derivatives	\$ 168.5	\$ 145.8	\$ 234.4	\$ 218.4

We recognized losses of \$0.5 million and \$0.3 million on cash flow hedges for the three months ended June 30, 2014 and 2013, respectively, and losses of \$0.5 million and nil for the six months ended June 30, 2014 and 2013, respectively, due to hedge ineffectiveness as it was probable that the original forecasted transaction would not occur. Cash flow hedges of forecasted transactions, net of tax, resulted in accumulated other comprehensive gains of \$16.6 million and \$31.9 million at June 30, 2014, and December 31, 2013, respectively. We expect to transfer an approximate \$7.3 million gain from accumulated OCI to earnings during the next 12 months when the anticipated transactions actually occur. All anticipated transactions currently being hedged are expected to occur by the end of 2016.

[Table of Contents](#)

The following tables present the impact of derivative instruments in cash flow hedging relationships and their location within the accompanying condensed consolidated statements of income.

(In millions)	Gain (Loss) Recognized in OCI (Effective Portion)			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Foreign exchange contracts	\$ (10.8)	\$ 6.3	(8.9)	(19.7)

(In millions)	Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Foreign exchange contracts:				
Revenue	\$ (4.3)	\$ (3.8)	\$ (14.8)	\$ (1.5)
Cost of sales	9.0	1.5	20.3	3.0
Selling, general and administrative expense	0.1	—	—	0.1
Total	\$ 4.8	\$ (2.3)	\$ 5.5	\$ 1.6

(In millions)	Gain (Loss) Recognized in Income (Ineffective Portion and Amount Excluded from Effectiveness Testing)			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Foreign exchange contracts:				
Revenue	\$ 4.1	\$ (4.4)	\$ 8.7	\$ 0.5
Cost of sales	(9.4)	(1.3)	(13.1)	(4.2)
Total	\$ (5.3)	\$ (5.7)	\$ (4.4)	\$ (3.7)

Instruments that are not designated as hedging instruments are executed to hedge the effect of exposures in the condensed consolidated balance sheets, and occasionally, forward foreign currency contracts or currency options are executed to hedge exposures which do not meet all of the criteria to qualify for hedge accounting.

(In millions)	Gain (Loss) Recognized in Income on Derivatives (Instruments Not Designated as Hedging Instruments)			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Foreign exchange contracts:				
Revenue	\$ (1.0)	\$ 0.1	\$ (2.0)	\$ 1.1
Cost of sales	(0.2)	(0.2)	0.3	(0.6)
Other income (expense), net	(5.9)	(7.0)	(2.3)	0.3
Total	\$ (7.1)	\$ (7.1)	\$ (4.0)	\$ 0.8

Table of Contents

Balance Sheet Offsetting—We execute derivative contracts only with counterparties that consent to a master netting agreement which permits net settlement of the gross derivative assets against gross derivative liabilities. Each instrument is accounted for individually and assets and liabilities are not offset. As of June 30, 2014, and December 31, 2013, we had no collateralized derivative contracts. The following tables present both gross information and net information of recognized derivative instruments:

(In millions)	June 30, 2014			December 31, 2013		
	Gross Amount Recognized	Gross Amounts Not Offset Permitted Under Master Netting Agreements	Net Amount	Gross Amount Recognized	Gross Amounts Not Offset Permitted Under Master Netting Agreements	Net Amount
Derivative assets	\$ 168.5	\$ (125.8)	\$ 42.7	\$ 234.4	\$ (198.5)	\$ 35.9

(In millions)	June 30, 2014			December 31, 2013		
	Gross Amount Recognized	Gross Amounts Not Offset Permitted Under Master Netting Agreements	Net Amount	Gross Amount Recognized	Gross Amounts Not Offset Permitted Under Master Netting Agreements	Net Amount
Derivative liabilities	\$ 145.8	\$ (125.8)	\$ 20.0	\$ 218.4	\$ (198.5)	\$ 19.9

NOTE 13. FAIR VALUE MEASUREMENTS

Assets and liabilities measured at fair value on a recurring basis were as follows:

(In millions)	June 30, 2014				December 31, 2013			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets								
Investments:								
Equity securities	\$ 21.9	\$ 21.9	\$ —	\$ —	\$ 21.2	\$ 21.2	\$ —	\$ —
Fixed income	9.1	9.1	—	—	13.2	13.2	—	—
Money market fund	4.1	—	4.1	—	3.8	—	3.8	—
Stable value fund	0.7	—	0.7	—	1.0	—	1.0	—
Other	2.4	2.4	—	—	2.4	2.4	—	—
Derivative financial instruments:								
Foreign exchange contracts	168.5	—	168.5	—	234.4	—	234.4	—
Total assets	\$ 206.7	\$ 33.4	\$ 173.3	\$ —	\$ 276.0	\$ 36.8	\$ 239.2	\$ —
Liabilities								
Derivative financial instruments:								
Foreign exchange contracts	145.8	—	145.8	—	218.4	—	218.4	—
Contingent earn-out consideration	0.7	—	—	0.7	70.1	—	—	70.1
Total liabilities	\$ 146.5	\$ —	\$ 145.8	\$ 0.7	\$ 288.5	\$ —	\$ 218.4	\$ 70.1

Investments—The fair value measurement of our equity securities, fixed income and other investment assets is based on quoted prices that we have the ability to access in public markets. Our stable value fund and money market fund are valued at the net asset value of the shares held at the end of the quarter, which is based on the fair value of the underlying investments using information reported by the investment advisor at quarter-end.

[Table of Contents](#)

Derivative financial instruments—We use the income approach as the valuation technique to measure the fair value of foreign currency derivative instruments on a recurring basis. This approach calculates the present value of the future cash flow by measuring the change from the derivative contract rate and the published market indicative currency rate, multiplied by the contract notional values. Credit risk is then incorporated by reducing the derivative's fair value in asset positions by the result of multiplying the present value of the portfolio by the counterparty's published credit spread. Portfolios in a liability position are adjusted by the same calculation; however, a spread representing our credit spread is used. Our credit spread, and the credit spread of other counterparties not publicly available are approximated by using the spread of similar companies in the same industry, of similar size and with the same credit rating.

At the present time, we have no credit-risk-related contingent features in our agreements with the financial institutions that would require us to post collateral for derivative positions in a liability position.

See Note 12 for additional disclosure related to derivative financial instruments.

Multi Phase Meters contingent earn-out consideration—We determined the fair value of the contingent earn-out consideration using a discounted cash flow model. The key assumptions used in applying the income approach were the expected profitability and debt, net of cash, of the acquired company during the earn-out period and the discount rate which approximates our debt credit rating. The fair value measurement was based upon significant inputs not observable in the market. Changes in the value of the contingent earn-out consideration were recorded as cost of service and other revenue in our condensed consolidated statements of income.

Changes in the fair value of our Level 3 contingent earn-out consideration obligation were as follows:

(In millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Balance at beginning of period	\$ 72.2	\$ 99.9	\$ 70.1	\$ 105.3
Remeasurement adjustment	0.7	9.1	2.0	9.1
Payment	(72.5)	(57.3)	(72.5)	(57.3)
Foreign currency translation adjustment	0.3	(1.2)	1.1	(6.6)
Balance at end of period	\$ 0.7	\$ 50.5	\$ 0.7	\$ 50.5

Fair value of debt—At June 30, 2014, the fair value, based on Level 1 quoted market rates, of our 2.00% Notes due 2017 and 3.45% Notes due 2022 (collectively, "Senior Notes") was approximately \$800.1 million as compared to the \$800.0 million face value of the debt, net of issue discounts, recorded in the consolidated balance sheet.

Other fair value disclosures—The carrying amounts of cash and cash equivalents, trade receivables, accounts payable, short-term debt, commercial paper, debt associated with our term loan, as well as amounts included in other current assets and other current liabilities that meet the definition of financial instruments, approximate fair value.

Credit risk—By their nature, financial instruments involve risk, including credit risk, for non-performance by counterparties. Financial instruments that potentially subject us to credit risk primarily consist of trade receivables and derivative contracts. We manage the credit risk on financial instruments by transacting only with what management believes are financially secure counterparties, requiring credit approvals and credit limits, and monitoring counterparties' financial condition. Our maximum exposure to credit loss in the event of non-performance by the counterparty is limited to the amount drawn and outstanding on the financial instrument. Allowances for losses on trade receivables are established based on collectability assessments. We mitigate credit risk on derivative contracts by executing contracts only with counterparties that consent to a master netting agreement which permits the net settlement of gross derivative assets against gross derivative liabilities.

NOTE 14. COMMITMENTS AND CONTINGENT LIABILITIES

In the ordinary course of business with customers, vendors and others, we issue standby letters of credit, performance bonds, surety bonds and other guarantees. The majority of these financial instruments represent guarantees of our future performance. Additionally, we were the named guarantor on certain letters of credit and performance bonds issued by our former subsidiary, John Bean Technologies Corporation (“JBT”). Pursuant to the terms of the Separation and Distribution Agreement, dated July 31, 2008, between FMC Technologies and JBT (the “JBT Separation and Distribution Agreement”), we are fully indemnified by JBT with respect to certain residual obligations. Management does not expect any of these financial instruments to result in losses that, if incurred, would have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Contingent liabilities associated with legal matters—We are involved in various pending or potential legal actions in the ordinary course of our business. Management is unable to predict the ultimate outcome of these actions, because of the inherent uncertainty of litigation. However, management believes that the most probable, ultimate resolution of these matters will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

In addition, under the Separation and Distribution Agreement, dated May 31, 2001, between FMC Corporation and FMC Technologies, FMC Corporation is required to indemnify us for certain claims made prior to our spin-off from FMC Corporation, as well as for other claims related to discontinued operations. Under the JBT Separation and Distribution Agreement, JBT is required to indemnify us for certain claims made prior to the spin-off of our Airport and FoodTech businesses, as well as for certain other claims related to JBT products or business operations. We expect that FMC Corporation will bear responsibility for a majority of these claims initiated subsequent to the spin-off, and that JBT will bear most, if not substantially all, of any responsibility for certain other claims initiated subsequent to the spin-off.

Contingent liabilities associated with liquidated damages—Some of our contracts contain penalty provisions that require us to pay liquidated damages if we are responsible for the failure to meet specified contractual milestone dates and the applicable customer asserts a conforming claim under these provisions. These contracts define the conditions under which our customers may make claims against us for liquidated damages. Based upon the evaluation of our performance and other commercial and legal analysis, management believes we have appropriately accrued for probable liquidated damages at June 30, 2014, and December 31, 2013, and that the ultimate resolution of such matters will not materially affect our consolidated financial position, results of operations or cash flows for the year ending December 31, 2014.

NOTE 15. BUSINESS SEGMENT INFORMATION

Beginning in the third quarter of 2013 and in conjunction with management's efforts to accelerate the development and commercialization of subsea boosting technology for subsea markets, the results of direct drive systems technology development is now reported in Subsea Technologies. All prior-year information has been adjusted to reflect the current presentation.

Segment revenue and segment operating profit were as follows:

(In millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Segment revenue				
Subsea Technologies	\$ 1,328.6	\$ 1,123.7	\$ 2,530.6	\$ 2,217.0
Surface Technologies	510.9	440.2	990.4	861.9
Energy Infrastructure	149.2	157.9	294.7	292.2
Other revenue ⁽¹⁾ and intercompany eliminations	(3.4)	(13.9)	(6.0)	(17.2)
Total revenue	<u>\$ 1,985.3</u>	<u>\$ 1,707.9</u>	<u>\$ 3,809.7</u>	<u>\$ 3,353.9</u>
Income before income taxes:				
<u>Segment operating profit:</u>				
Subsea Technologies	\$ 193.7	\$ 120.2	\$ 335.4	\$ 217.6
Surface Technologies	79.2	57.3	167.1	114.6
Energy Infrastructure	18.2	21.7	33.7	33.8
Intercompany eliminations	—	0.2	(0.1)	—
Total segment operating profit	<u>291.1</u>	<u>199.4</u>	<u>536.1</u>	<u>366.0</u>
<u>Corporate items:</u>				
Corporate expense ⁽²⁾	(16.8)	(12.5)	(31.7)	(22.8)
Other revenue ⁽¹⁾ and other expense, net ⁽³⁾	68.0	(31.5)	48.3	(48.5)
Net interest expense	(8.3)	(8.8)	(16.5)	(16.9)
Total corporate items	<u>42.9</u>	<u>(52.8)</u>	<u>0.1</u>	<u>(88.2)</u>
Income before income taxes attributable to FMC Technologies, Inc. ⁽⁴⁾	<u>\$ 334.0</u>	<u>\$ 146.6</u>	<u>\$ 536.2</u>	<u>\$ 277.8</u>

⁽¹⁾ Other revenue comprises certain unrealized gains and losses on derivative instruments related to unexecuted sales contracts.

⁽²⁾ Corporate expense primarily includes corporate staff expenses.

⁽³⁾ Other expense, net, generally includes stock-based compensation, other employee benefits, LIFO adjustments, certain foreign exchange gains and losses, and the impact of unusual or strategic transactions not representative of segment operations.

⁽⁴⁾ Excludes amounts attributable to noncontrolling interests.

[Table of Contents](#)

Segment operating capital employed and assets were as follows:

(In millions)	June 30, 2014	December 31, 2013
Segment operating capital employed ⁽¹⁾:		
Subsea Technologies	\$ 2,302.1	\$ 2,126.3
Surface Technologies	1,169.1	1,139.1
Energy Infrastructure	346.6	345.4
Total segment operating capital employed	3,817.8	3,610.8
Segment liabilities included in total segment operating capital employed ⁽²⁾	2,266.8	2,272.8
Corporate ⁽³⁾	669.4	722.0
Total assets	\$ 6,754.0	\$ 6,605.6
Segment assets:		
Subsea Technologies	\$ 4,102.2	\$ 3,923.6
Surface Technologies	1,532.2	1,484.0
Energy Infrastructure	483.6	496.4
Intercompany eliminations	(33.4)	(20.4)
Total segment assets	6,084.6	5,883.6
Corporate ⁽³⁾	669.4	722.0
Total assets	\$ 6,754.0	\$ 6,605.6

⁽¹⁾ FMC Technologies' management views segment operating capital employed, which consists of assets, net of its liabilities, as the primary measure of segment capital.

Segment operating capital employed excludes debt, pension liabilities, income taxes, and LIFO and valuation adjustments.

⁽²⁾ Segment liabilities included in total segment operating capital employed consist of trade and other accounts payable, advance payments and progress billings, accrued payroll and other liabilities.

⁽³⁾ Corporate includes cash, LIFO adjustments, deferred income tax balances, property, plant and equipment not associated with a specific segment, pension assets and the fair value of derivative financial instruments.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Business Outlook

Overall, management is optimistic about the fundamentals of the global oil and gas market for the remainder of 2014 as global economic growth continues to recover. While expectations of future energy demand remain closely tied to economic activity in major world economies, total world consumption of crude oil and liquid fuels is expected to increase in 2014 and 2015. As a result and absent any unexpected events related to the geopolitical circumstances in key oil-producing regions, we currently expect crude oil prices to remain at a level that supports exploration and production activity.

Our strong subsea project backlog as of June 30, 2014, combined with continued demand for subsea systems and services related to exploration and production activity, supports our expectations of improved results. Our mix of projects in subsea backlog continues to improve, and as a result, we continue to expect margin improvement throughout 2014. Our customers continue to focus on field development costs and lead times and are seeking solutions from subsea suppliers that will improve their productivity and return on investment, including investments in ageing fields. We have standardized many aspects of subsea development which has helped several of our customers achieve high returns on some of the most challenging deepwater projects and accelerate first oil production. Our comprehensive portfolio of subsea products and technology, along with our valued customer alliances, position us to implement an integrated subsea standard which will assist our customers subsea developments. Our subsea services business will support the growing installed base of subsea wells, ageing subsea fields, and the future of offshore developments.

Regarding our surface technologies portfolio, the slowdown that began in the North American surface market in 2012, resulting from oversupply of equipment and lower natural gas prices, led to curtailed fracturing capacity expansion throughout most of 2013. In the first half of 2014, North American surface orders began to recover and benefited our operating results in the first half of the year. We have increased levels of confidence in the outlook of the North American market for the latter half of 2014 which we expect to improve our operational performance for the full year. We continue to undertake several initiatives to integrate our North American surface wellhead and completion service businesses to strengthen our market presence and service offerings which we believe will bring increased value to our customers.

CONSOLIDATED RESULTS OF OPERATIONS
THREE MONTHS ENDED JUNE 30, 2014 AND 2013

(In millions, except %)	Three Months Ended June 30,		Change	
	2014	2013	\$	%
Revenue	\$ 1,985.3	\$ 1,707.9	277.4	16.2
Costs and expenses:				
Cost of sales	1,507.8	1,350.1	157.7	11.7
Selling, general and administrative expense	188.4	172.1	16.3	9.5
Research and development expense	29.4	29.2	0.2	0.7
Total costs and expenses	1,725.6	1,551.4	174.2	11.2
Gain on sale of Material Handling Products	85.6	—	85.6	*
Other income (expense), net	(1.6)	0.2	(1.8)	*
Net interest expense	(8.3)	(8.8)	0.5	5.7
Income before income taxes	335.4	147.9	187.5	126.8
Provision for income taxes	107.7	41.4	66.3	160.1
Net income	227.7	106.5	121.2	113.8
Net income attributable to noncontrolling interests	(1.4)	(1.3)	(0.1)	(7.7)
Net income attributable to FMC Technologies, Inc.	\$ 226.3	\$ 105.2	121.1	115.1

* Not meaningful

Revenue increased by \$277.4 million in the second quarter of 2014 compared to the prior-year quarter. Revenue in the second quarter of 2014 included a \$25.6 million unfavorable impact of foreign currency translation. The impact of the strong backlog entering 2014 and volume growth in our subsea services, particularly in the Gulf of Mexico, led to increased Subsea Technologies revenue year-over-year. Surface Technologies posted higher revenue during the second quarter of 2014 primarily due to increased sales of conventional wellhead systems in our international surface wellhead businesses and increased demand for our well service pumps and flowline products in our fluid control business.

Gross profit (revenue less cost of sales) increased as a percentage of sales to 24.1% in the second quarter of 2014, from 20.9% in the prior-year quarter. The improvement in gross profit as a percentage of sales was primarily due to our Western Region subsea business from higher margin project backlog conversion and higher volumes in subsea services, particularly in the Gulf of Mexico. Additionally, Surface Technologies posted higher gross profit due to increased sales of conventional wellhead systems in our international surface wellhead business and increased demand for our well service pumps and flowline products in our fluid control business.

Selling, general and administrative expense increased \$16.3 million year-over-year, resulting from costs associated with terminating a representative agreement, higher subsea project tendering costs, and bonus accruals.

During the second quarter of 2014, we recognized an \$85.6 million gain on the sale of our Material Handling Products business. Further information of the sale is incorporated herein by reference from Note 4 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

[Table of Contents](#)

Our income tax provisions for the second quarter of 2014 and 2013 reflected effective tax rates of 32.2% and 28.2%, respectively. The increase in our effective tax rate was primarily due to changes in U.S. and Norwegian tax law effective from 2014, an unfavorable change in the forecasted country mix of earnings and the tax impact related to the gain on sale of the Material Handling Products business. Our effective tax rate can fluctuate depending on our country mix of earnings since our foreign earnings are generally subject to lower tax rates than in the United States. In certain jurisdictions, primarily Singapore and Malaysia, our tax rate is significantly less than the relevant statutory rate due to tax holidays. The cumulative balance of foreign earnings for which no provision for U.S. income taxes has been recorded was \$1,579 million at June 30, 2014. We would need to accrue and pay U.S. tax on such undistributed earnings if these funds were repatriated. We have no current intention to repatriate these earnings.

OPERATING RESULTS OF BUSINESS SEGMENTS
THREE MONTHS ENDED JUNE 30, 2014 AND 2013

(In millions, except %)	Three Months Ended June 30,		Favorable/(Unfavorable)	
	2014	2013	\$	%
Revenue				
Subsea Technologies	\$ 1,328.6	\$ 1,123.7	204.9	18.2
Surface Technologies	510.9	440.2	70.7	16.1
Energy Infrastructure	149.2	157.9	(8.7)	(5.5)
Other revenue and intercompany eliminations	(3.4)	(13.9)	10.5	*
Total revenue	<u>\$ 1,985.3</u>	<u>\$ 1,707.9</u>	<u>277.4</u>	<u>16.2</u>
Net income				
<u>Segment operating profit</u>				
Subsea Technologies	\$ 193.7	\$ 120.2	73.5	61.1
Surface Technologies	79.2	57.3	21.9	38.2
Energy Infrastructure	18.2	21.7	(3.5)	(16.1)
Intercompany eliminations	—	0.2	(0.2)	*
Total segment operating profit	<u>291.1</u>	<u>199.4</u>	<u>91.7</u>	<u>46.0</u>
<u>Corporate items</u>				
Corporate expense	(16.8)	(12.5)	(4.3)	(34.4)
Other revenue and other expense, net	68.0	(31.5)	99.5	315.9
Net interest expense	(8.3)	(8.8)	0.5	5.7
Total corporate items	<u>42.9</u>	<u>(52.8)</u>	<u>95.7</u>	<u>181.3</u>
Income before income taxes	334.0	146.6	187.4	127.8
Provision for income taxes	107.7	41.4	(66.3)	(160.1)
Net income attributable to FMC Technologies, Inc.	<u>\$ 226.3</u>	<u>\$ 105.2</u>	<u>121.1</u>	<u>115.1</u>

* Not meaningful

Segment operating profit is defined as total segment revenue less segment operating expenses. The following items have been excluded in computing segment operating profit: corporate staff expense, interest income and expense associated with corporate investments and debt, income taxes and other revenue and other expense, net.

Subsea Technologies

Subsea Technologies revenue increased \$204.9 million year-over-year. Revenue for the second quarter of 2014 included a \$25.0 million unfavorable impact of foreign currency translation. Excluding the impact of foreign currency translation, total revenue increased by \$229.9 million year-over-year. Subsea Technologies revenue is primarily impacted by the amount of beginning backlog entering the period and the rates of backlog conversion. Our subsea revenue increase year-over-year was led by our Western Region business from project backlog conversion as well as increased volumes in subsea services, particularly in the Gulf of Mexico. We entered 2014 with solid subsea backlog and continued to have strong subsea systems and service order activity during the second quarter of 2014.

Subsea Technologies operating profit in the second quarter of 2014 totaled \$193.7 million, or 14.6% of revenue, compared to the prior-year quarter's operating profit as a percentage of revenue of 10.7%. The margin improvement was primarily driven by our Western Region subsea business from higher margin project backlog conversion and higher volumes in subsea services particularly in the Gulf of Mexico and from headcount reductions and operational improvements made in our Eastern Region subsea business. Operating profit for the second quarter of 2014 included a \$3.9 million unfavorable impact of foreign currency translation.

Surface Technologies

Surface Technologies revenue increased \$70.7 million year-over-year. The increase in revenue was primarily driven by our international surface wellhead businesses due to conventional wellhead system sales and our fluid control business from increased demand for our well service pumps and flowline products in the second quarter of 2014.

Surface Technologies operating profit in the second quarter of 2014 totaled \$79.2 million, or 15.5% of revenue, compared to the prior-year quarter's operating profit as a percentage of revenue of 13.0%. The margin improvement was primarily driven by the following:

- Fluid Control - 1.5 percentage point increase due to increased volumes in our well service pumps and flowline products resulting from improvements in the North American shale markets;
- Surface Wellhead - 0.8 percentage point increase due to strong sales growth in the Asia Pacific region from higher margin projects; and
- Completion Services - 0.5 percentage point increase due to increased wireline and flowback volumes primarily in the United States.

[Table of Contents](#)

Energy Infrastructure

Energy Infrastructure revenue decreased \$8.7 million year-over-year. The decrease was driven by the sale of our Material Handling Products business early in the second quarter of 2014, partially offset by increased volumes in our loading systems and separations system businesses.

Energy Infrastructure operating profit in the second quarter of 2014 totaled \$18.2 million, or 12.2% of revenue, compared to the prior-year quarter's operating profit as a percentage of revenue of 13.7%. The margin decline was primarily driven by the following:

- Material Handling - 1.7 percentage point decrease due to the sale of our Material Handling Products business early in the second quarter of 2014;
- Measurement Solutions - 1.4 percentage point decrease due to increased project costs and higher headcount; and
- Separation Systems - 1.5 percentage point increase due to improved execution on higher margin projects.

Corporate Items

Our corporate items increased earnings \$42.9 million in the second quarter of 2014 and reduced earnings \$52.8 million in the second quarter of 2013. The year-over-year change primarily reflected the following:

- favorable variance related to the gain on sale of our Material Handling Products business of \$85.6 million;
- favorable variance of \$8.5 million related to a larger remeasurement of the Multi Phase Meters earn-out consideration in the second quarter of 2013; and an
- unfavorable variance related to higher corporate staff expenses of \$4.3 million.

CONSOLIDATED RESULTS OF OPERATIONS
SIX MONTHS ENDED JUNE 30, 2014 AND 2013

(In millions, except %)	Six Months Ended June 30,		Change	
	2014	2013	\$	%
Revenue	\$ 3,809.7	\$ 3,353.9	455.8	13.6
Costs and expenses:				
Cost of sales	2,911.3	2,657.3	254.0	9.6
Selling, general and administrative expense	371.2	342.9	28.3	8.3
Research and development expense	54.7	57.7	(3.0)	(5.2)
Total costs and expenses	3,337.2	3,057.9	279.3	9.1
Gain on sale of Material Handling Products	85.6	—	85.6	*
Other income (expense), net	(2.7)	1.2	(3.9)	*
Net interest expense	(16.5)	(16.9)	0.4	2.4
Income before income taxes	538.9	280.3	258.6	92.3
Provision for income taxes	174.7	70.2	104.5	148.9
Net income	364.2	210.1	154.1	73.3
Net income attributable to noncontrolling interests	(2.7)	(2.5)	(0.2)	(8.0)
Net income attributable to FMC Technologies, Inc.	\$ 361.5	\$ 207.6	153.9	74.1

* Not meaningful

Revenue increased by \$455.8 million in the first half of 2014 compared to the prior-year. Revenue in the first half of 2014 included a \$101.8 million unfavorable impact of foreign currency translation. The impact of the strong backlog entering 2014 and volume growth in our subsea services, particularly in the Gulf of Mexico, led to increased Subsea Technologies revenue year-over-year. Surface Technologies posted higher revenue during the first half of 2014 primarily due to increased sales of conventional wellhead systems in our international surface wellhead business and increased demand for our well service pumps and flowline products in our fluid control business.

Gross profit (revenue less cost of sales) increased as a percentage of sales to 23.6% in the first half of 2014, from 20.8% in the prior-year. The improvement in gross profit as a percentage of sales was primarily due to our Western Region subsea business from higher margin project backlog conversion and higher volumes in subsea services, particularly in the Gulf of Mexico. Additionally, Surface Technologies posted higher gross profit due to increased sales of conventional wellhead systems in our international surface wellhead businesses and increased demand for our well service pumps and flowline products in our fluid control business.

Selling, general and administrative expense increased \$28.3 million year-over-year, resulting from severance charges taken in our Eastern Region subsea business, higher project tendering costs, and commissions.

During the second quarter of 2014, we recognized an \$85.6 million gain on the sale of our Material Handling Products business. Further information of the sale is incorporated herein by reference from Note 4 to our condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

[Table of Contents](#)

Our income tax provisions for the first half of 2014 and 2013 reflected effective tax rates of 32.6% and 25.3%, respectively. Excluding a retroactive benefit related to the American Taxpayer Relief Act of 2012 recorded in the first quarter of 2013, our effective tax rate for the first half of 2013 was 27.7%. The year-over-year increase from this adjusted rate was primarily due to changes in U.S. and Norwegian tax law effective from 2014 and an unfavorable change in the forecasted country mix of earnings. Our effective tax rate can fluctuate depending on our country mix of earnings since our foreign earnings are generally subject to lower tax rates than in the United States. In certain jurisdictions, primarily Singapore and Malaysia, our tax rate is significantly less than the relevant statutory rate due to tax holidays. The cumulative balance of foreign earnings for which no provision for U.S. income taxes has been recorded was \$1,579 million at June 30, 2014. We would need to accrue and pay U.S. tax on such undistributed earnings if these funds were repatriated. We have no current intention to repatriate these earnings.

OPERATING RESULTS OF BUSINESS SEGMENTS
SIX MONTHS ENDED JUNE 30, 2014 AND 2013

(In millions, except %)	Six Months Ended June 30,		Favorable/(Unfavorable)	
	2014	2013	\$	%
Revenue				
Subsea Technologies	\$ 2,530.6	\$ 2,217.0	313.6	14.1
Surface Technologies	990.4	861.9	128.5	14.9
Energy Infrastructure	294.7	292.2	2.5	0.9
Other revenue and intercompany eliminations	(6.0)	(17.2)	11.2	*
Total revenue	<u>\$ 3,809.7</u>	<u>\$ 3,353.9</u>	<u>455.8</u>	<u>13.6</u>
Net income				
<u>Segment operating profit</u>				
Subsea Technologies	\$ 335.4	\$ 217.6	117.8	54.1
Surface Technologies	167.1	114.6	52.5	45.8
Energy Infrastructure	33.7	33.8	(0.1)	(0.3)
Intercompany eliminations	(0.1)	—	(0.1)	*
Total segment operating profit	<u>536.1</u>	<u>366.0</u>	<u>170.1</u>	<u>46.5</u>
<u>Corporate items</u>				
Corporate expense	(31.7)	(22.8)	(8.9)	(39.0)
Other revenue and other expense, net	48.3	(48.5)	96.8	199.6
Net interest expense	(16.5)	(16.9)	0.4	2.4
Total corporate items	<u>0.1</u>	<u>(88.2)</u>	<u>88.3</u>	<u>100.1</u>
Income before income taxes	<u>536.2</u>	<u>277.8</u>	<u>258.4</u>	<u>93.0</u>
Provision for income taxes	<u>174.7</u>	<u>70.2</u>	<u>(104.5)</u>	<u>(148.9)</u>
Net income attributable to FMC Technologies, Inc.	<u>\$ 361.5</u>	<u>\$ 207.6</u>	<u>153.9</u>	<u>74.1</u>

* Not meaningful

Segment operating profit is defined as total segment revenue less segment operating expenses. The following items have been excluded in computing segment operating profit: corporate staff expense, interest income and expense associated with corporate investments and debt, income taxes and other revenue and other expense, net.

Subsea Technologies

Subsea Technologies revenue increased \$313.6 million year-over-year. Revenue for the first half of 2014 included a \$93.9 million unfavorable impact of foreign currency translation. Excluding the impact of foreign currency translation, total revenue increased by \$407.5 million year-over-year. Subsea Technologies revenue is primarily impacted by the amount of beginning backlog entering the period and the rates of backlog conversion. Our subsea revenue increase year-over-year was led by our Western Region business from project backlog conversion as well as increased volumes in subsea services, particularly in the Gulf of Mexico. We entered 2014 with solid subsea backlog and continued to have strong subsea systems and service order activity during the first half of 2014, including a subsea systems order with a potential value of \$720 million for Eni's Jangkrik project and a subsea systems order with an estimated value of \$322 million for BP's Shah Deniz Stage 2 project.

Subsea Technologies operating profit in the first half of 2014 totaled \$335.4 million, or 13.3% of revenue, compared to the prior-year's operating profit as a percentage of revenue of 9.8%. The margin improvement was primarily driven by our Western Region subsea business from higher margin project backlog conversion and higher volumes in subsea services, particularly in the Gulf of Mexico. Operating profit for the first half of 2014 included a \$13.1 million unfavorable impact of foreign currency translation.

Surface Technologies

Surface Technologies revenue increased \$128.5 million year-over-year. The increase in revenue was primarily driven by our international surface wellhead businesses due to conventional wellhead system sales and our fluid control business from increased demand for our well service pumps and flowline products in the first half of 2014.

Surface Technologies operating profit in the first half of 2014 totaled \$167.1 million, or 16.9% of revenue, compared to the prior-year's operating profit as a percentage of revenue of 13.3%. The margin improvement was primarily driven by the following:

- Surface Wellhead - 1.9 percentage point increase due to strong sales growth in the Asia Pacific region from higher margin projects; and
- Fluid Control - 1.8 percentage point increase due to increased volumes in our well service pumps and flowline products resulting from improvements in the North American shale markets.

Energy Infrastructure

Energy Infrastructure revenue increased \$2.5 million year-over-year. The increase was driven by increased activity in the U.S. shale markets in our measurement solutions business and increased revenue on the Shell Prelude project in our loading systems business, partially offset by the sale of our Material Handling Products business early in the second quarter of 2014.

Energy Infrastructure operating profit in the first half of 2014 totaled \$33.7 million, or 11.4% of revenue, compared to the prior-year's operating profit as a percentage of revenue of 11.5%. The margin decline was primarily driven by the following:

- Material Handling - 1.1 percentage point decrease due to the sale of our Material Handling Products business early in the second quarter of 2014; and
- Separation Systems - 1.0 percentage point increase due to higher volumes related to increased activity in Brazil and Africa.

Corporate Items

Our corporate items increased earnings \$0.1 million in the first half of 2014 and reduced earnings \$88.2 million in the first half of 2013. The year-over-year change in corporate items primarily reflected the following:

- favorable variance related to the gain on sale of our Material Handling Products business of \$85.6 million;
- favorable variance of \$10.1 million related to lower amortization of pension actuarial losses resulting from a lower discount rate;
- favorable variance of \$7.1 million related to a larger remeasurement of the Multi Phase Meters earn-out consideration in the first half of 2013; and an
- unfavorable variance related to higher corporate staffing expenses of \$8.9 million.

[Table of Contents](#)

Inbound Orders and Order Backlog

Inbound orders represent the estimated sales value of confirmed customer orders received during the reporting period.

(In millions)	Inbound Orders			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2014	2013	2014	2013
Subsea Technologies	\$ 850.1	\$ 2,562.2	\$ 2,768.9	\$ 3,756.4
Surface Technologies	501.6	501.1	1,028.9	949.9
Energy Infrastructure	108.0	145.9	249.3	278.7
Intercompany eliminations and other	(7.0)	(14.3)	(7.0)	(25.7)
Total inbound orders	\$ 1,452.7	\$ 3,194.9	\$ 4,040.1	\$ 4,959.3

Order backlog is calculated as the estimated sales value of unfilled, confirmed customer orders at the reporting date. Translation positively affected backlog by \$25.7 million and \$106.8 million for the three and six months ended June 30, 2014, respectively, and negatively affected backlog by \$193.5 million and \$262.9 million for the three and six months ended June 30, 2013, respectively.

(In millions)	Order Backlog		
	June 30, 2014	December 31, 2013	June 30, 2013
Subsea Technologies	\$ 6,337.3	\$ 5,988.8	\$ 5,866.3
Surface Technologies	779.2	742.4	581.8
Energy Infrastructure	241.6	288.4	281.2
Intercompany eliminations	(22.7)	(21.4)	(9.0)
Total order backlog	\$ 7,335.4	\$ 6,998.2	\$ 6,720.3

Order backlog for Subsea Technologies at June 30, 2014, increased by \$348.5 million compared to December 31, 2013. Subsea Technologies backlog of \$6.3 billion at June 30, 2014, was composed of various subsea projects, including BP's Mad Dog Phase 2 and Shah Deniz Stage 2; Chevron's Wheatstone; CNR International's Baobab Field Phase 3; Eni's Jangkrik; ExxonMobil's Hibernia Southern Extension and Julia; Petrobras' tree frame agreement and pre-salt tree and manifold award; Shell's BC-10 Phase 3; Statoil's Snorre B Platform Workover System; Total's Egina; and Tullow Ghana's TEN.

Surface Technologies order backlog at June 30, 2014, increased by \$36.8 million compared to December 31, 2013. The increase was due to strong inbound orders in our Asia Pacific wellhead business and in our fluid control business.

Energy Infrastructure order backlog at June 30, 2014, decreased by \$46.8 million compared to December 31, 2013, driven primarily by a decrease in backlog in our loading systems, material handling and measurement solutions businesses.

LIQUIDITY AND CAPITAL RESOURCES

Substantially all of our cash balances are held outside the United States and are generally used to meet the liquidity needs of our non-U.S. operations. Most of our cash held outside the United States could be repatriated to the United States, but under current law, any such repatriation would be subject to U.S. federal income tax, as adjusted for applicable foreign tax credits. We have provided for U.S. federal income taxes on undistributed foreign earnings where we have determined that such earnings are not indefinitely reinvested.

We expect to meet the continuing funding requirements of our U.S. operations with cash generated by such U.S. operations, cash from earnings generated by non-U.S. operations that are not indefinitely reinvested and our existing credit facility. If cash held by non-U.S. operations is required for funding operations in the United States, and if U.S. tax has not previously been provided on the earnings of such operations, we would make a provision for additional U.S. tax in connection with repatriating this cash, which may be material to our cash flows and results of operations.

Net debt, or net cash, is a non-GAAP measure reflecting debt, net of cash and cash equivalents. Management uses this non-GAAP measure to evaluate our capital structure and financial leverage. We believe net debt, or net cash, is a meaningful measure that may assist investors in understanding our results and recognizing underlying trends. Net debt, or net cash, should not be considered an alternative to, or more meaningful than, cash and cash equivalents as determined in accordance with GAAP or as an indicator of our operating performance or liquidity. The following table provides a reconciliation of our cash and cash equivalents to net debt, utilizing details of classifications from our condensed consolidated balance sheets.

(In millions)	June 30, 2014	December 31, 2013
Cash and cash equivalents	\$ 382.2	\$ 399.1
Short-term debt and current portion of long-term debt	(20.8)	(42.5)
Long-term debt, less current portion	(1,289.0)	(1,329.8)
Net debt	<u>\$ (927.6)</u>	<u>\$ (973.2)</u>

The change in our net debt position was primarily due to cash generated from operations and proceeds received from the sale of our Material Handling Products business, partially offset by capital expenditures, repurchases of common stock, and a payment related to the Multi Phase Meters earn-out obligation.

Cash Flows

We generated \$235.8 million and \$271.6 million in cash flows from operating activities during the six months ended June 30, 2014 and 2013, respectively. The decrease in cash flows from operating activities year-over-year was primarily due to changes in our working capital driven by our portfolio of projects and a payment related to the Multi Phase Meters earn-out obligation, partially offset by higher income from operations. Our working capital balances can vary significantly depending on the payment and delivery terms on key contracts. During the first six months of 2013, we received a higher amount of advance payments related to projects as compared to first six months of 2014.

Investing activities used \$70.8 million and \$154.0 million in cash flows during the six months ended June 30, 2014 and 2013, respectively. The change in cash flows from investing activities was due to proceeds from the sale of the Material Handling Products business, partially offset by increased capital expenditures to fund our investment in subsea capacity expansion in the first half of 2014.

Financing activities used \$182.3 million and \$189.2 million in cash flows during the six months ended June 30, 2014 and 2013, respectively. The change in cash flows from financing activities was due a larger reduction in our short- and long-term debt position in the first six months of 2013, partially offset by increased treasury stock repurchases during the first six months of 2014.

[Table of Contents](#)

Debt and Liquidity

Senior Notes—Refer to Part II, Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2013 for information related to our Senior Notes.

Credit Facility—The following is a summary of our revolving credit facility at June 30, 2014:

(In millions) Description	Amount	Debt Outstanding	Commercial Paper Outstanding ^(a)	Letters of Credit	Unused Capacity	Maturity
Five-year revolving credit facility	\$ 1,500.0	\$ —	\$ 457.9	\$ 6.0	\$ 1,036.1	March 2017

^(a) Under our commercial paper program, we have the ability to access up to \$1.0 billion of financing through our commercial paper dealers. Our available capacity under our revolving credit facility is reduced by any outstanding commercial paper.

Committed credit available under our revolving credit facility provides the ability to issue our commercial paper obligations on a long-term basis. We had \$457.9 million of commercial paper issued under our facility at June 30, 2014. As we had both the ability and intent to refinance these obligations on a long-term basis, our commercial paper borrowings were classified as long-term in the accompanying condensed consolidated balance sheets at June 30, 2014.

As of June 30, 2014, we were in compliance with all restrictive covenants under our revolving credit facility.

Credit Risk Analysis

Valuations of derivative assets and liabilities reflect the value of the instruments, including the values associated with counterparty risk. These values must also take into account our credit standing, thus including in the valuation of the derivative instrument the value of the net credit differential between the counterparties to the derivative contract. Our methodology includes the impact of both counterparty and our own credit standing. Adjustments to our derivative assets and liabilities related to credit risk were not material for any period presented. Additional information about credit risk is incorporated herein by reference from Note 12 to our condensed consolidated financial statements included in Item 1 of this Quarterly Report on Form 10-Q.

Outlook

Historically, we have generated our capital resources primarily through operations and, when needed, through our credit facility. The volatility in credit, equity and commodity markets creates some uncertainty for our businesses. However, management believes, based on our current financial condition, existing backlog levels and current expectations for future market conditions, that we will continue to meet our short- and long-term liquidity needs with a combination of cash on hand, cash generated from operations and access to capital markets.

We project spending approximately \$400 million in 2014 for capital expenditures, largely towards our subsea expansion and related growth of our subsea service offerings. During the remainder of 2014, we expect to make contributions of approximately \$1.0 million and \$5.5 million to our domestic and international pension plans, respectively. Actual contribution amounts are dependent upon plan investment returns, changes in pension obligations, regulatory environments and other economic factors. We update our pension estimates annually during the fourth quarter or more frequently upon the occurrence of significant events. Further, we expect to continue our stock repurchases authorized by our Board of Directors, with the timing and amounts of these repurchases dependent upon market conditions and liquidity.

We have \$1,036.1 million of capacity available under our revolving credit facility that we expect to utilize if working capital needs temporarily increase in response to market demand. We continue to evaluate acquisitions, divestitures and joint ventures that meet our strategic priorities. Our intent is to maintain a level of financing sufficient to meet these objectives.

CRITICAL ACCOUNTING ESTIMATES

Refer to our Annual Report on Form 10-K for the year ended December 31, 2013, for a discussion of our critical accounting estimates. During the six months ended June 30, 2014, there were no material changes in our judgments and assumptions associated with the development of our critical accounting estimates.

OTHER MATTERS

During the second quarter of 2014, the Company received an inquiry and a subpoena from the SEC seeking information about certain accruals for paid time off (“PTO”) during the first quarter of 2013. The Company has cooperated and fully responded to the requests for information. The inquiry is with regard to the reversal of an accrual for PTO that caused the liability for PTO to be understated for the quarter ended March 31, 2013. During the second quarter of 2013, the Company identified and corrected the understatement of the PTO liability and assessed and concluded that the correction was not material (\$0.6 million, net of tax) to the Company’s consolidated financial statements for the quarters ended March 31 and June 30, 2013, respectively. The Company discussed the matter with its independent registered public accounting firm and the Company’s Audit Committee.

RECENTLY ISSUED ACCOUNTING STANDARDS

In May 2014, the FASB issued ASU No. 2014-09, “*Revenue from Contracts with Customers*.” This update requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU will supersede most existing GAAP related to revenue recognition and will supersede some cost guidance in existing GAAP related to construction-type and production-type contract accounting. Additionally, the ASU will significantly increase disclosures related to revenue recognition. The amendments in the ASU are effective for the Company on January 1, 2017. Early application is not permitted. Entities are permitted to apply the amendments either retrospectively to each prior reporting period presented or retrospectively with the cumulative effect of initially applying the ASU recognized at the date of initial application. The Company has not determined the method to be utilized upon adoption. The impacts that adoption of the ASU is expected to have on the Company’s consolidated financial statements and related disclosures are being evaluated. Additionally, the Company has not determined the effect of the ASU on its internal control over financial reporting or other changes in business practices and processes.

Management believes that other recently issued accounting standards, which are not yet effective, will not have a material impact on our condensed consolidated financial statements upon adoption.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Refer to Part II, Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2013, for quantitative and qualitative disclosures about market risk. There have been no material changes in our exposures to market risk since December 31, 2013.

ITEM 4. CONTROLS AND PROCEDURES

As of June 30, 2014, and under the direction of our principal executive officer and principal financial officer, we have evaluated the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon this evaluation, we have concluded as of June 30, 2014, that our disclosure controls and procedures were:

- i) effective in ensuring that information required to be disclosed in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms; and
- ii) effective in ensuring that information required to be disclosed in reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

There were no changes in internal controls over financial reporting identified in the evaluation for the quarter ended June 30, 2014, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are involved in various pending or potential legal actions in the ordinary course of our business. Management is unable to predict the ultimate outcome of these actions because of the inherent uncertainty of litigation. However, management believes that the most probable, ultimate resolution of these matters will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

ITEM 1A. RISK FACTORS

As of the date of this filing, there have been no material changes or updates in our risk factors that were previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2013.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

We had no unregistered sales of equity securities during the three months ended June 30, 2014.

The following table summarizes repurchases of our common stock during the three months ended June 30, 2014.

ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased ^(a)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs ^(b)
April 1, 2014—April 30, 2014	228,000	\$ 53.47	216,500	11,772,375
May 1, 2014—May 31, 2014	143,500	\$ 56.29	135,600	11,636,775
June 1, 2014—June 30, 2014	118,500	\$ 59.13	118,500	11,518,275
Total	490,000	\$ 55.67	470,600	11,518,275

(a) Represents 470,600 shares of common stock repurchased and held in treasury and 19,400 shares of common stock purchased and held in an employee benefit trust established for the FMC Technologies, Inc. Non-Qualified Savings and Investment Plan. In addition to these shares purchased on the open market, we sold 51,370 shares of registered common stock held in this trust, as directed by the beneficiaries during the three months ended June 30, 2014.

(b) In 2005, we announced a repurchase plan approved by our Board of Directors authorizing the repurchase of up to two million shares of our issued and outstanding common stock through open market purchases. The Board of Directors authorized extensions of this program, adding five million shares in February 2006 and eight million shares in February 2007 for a total of 15 million shares of common stock authorized for repurchase. As a result of the two-for-one stock splits (i) on August 31, 2007, the authorization was increased to 30 million shares; and (ii) on March 31, 2011, the authorization was increased to 60 million shares. In December 2011, the Board of Directors authorized an extension of our repurchase program, adding 15 million shares, for a total of 75 million shares.

[Table of Contents](#)

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Information required by this item is incorporated herein by reference from the section entitled “Index of Exhibits” of this Quarterly Report on Form 10-Q for the period ended June 30, 2014.

SIGNATURE

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

FMC Technologies, Inc.
(Registrant)

/s/ Jay A. Nutt

Jay A. Nutt

Vice President and Controller
(Chief Accounting Officer and a Duly Authorized Officer)

Date: July 25, 2014

[Table of Contents](#)

INDEX OF EXHIBITS

Exhibit No.	Exhibit Description
2.1	Separation and Distribution Agreement by and between FMC Corporation and FMC Technologies, Inc., dated as of May 31, 2001 (incorporated by reference from Exhibit 2.1 to the Form S-1/A filed on June 6, 2001) (Registration No. 333-55920).
2.2	Separation and Distribution Agreement by and between FMC Technologies, Inc. and John Bean Technologies Corporation, dated July 31, 2008 (incorporated by reference from Exhibit 2.1 to the Current Report on Form 8-K filed on August 6, 2008) (File No. 001-16489).
2.2.a	Amendment, dated October 25, 2010, by and between FMC Technologies, Inc. and John Bean Technologies Corporation that amends the Separation and Distribution Agreement by and between FMC Technologies, Inc. and John Bean Technologies Corporation, dated July 31, 2008 (incorporated by reference from Exhibit 2.2.a to the Quarterly Report on Form 10-Q filed on November 3, 2010) (File No. 001-16489).
2.3	Arrangement Agreement dated August 17, 2012 between FMC Technologies, Inc. and Pure Energy Services Ltd. (incorporated by reference from Exhibit 2.1 to the Current Report on Form 8-K filed on August 20, 2012) (File No. 001-16489).
3.1	Restated Certificate of Incorporation of FMC Technologies, Inc. (incorporated by reference from Exhibit 3.1 to the Annual Report on Form 10-K filed on February 22, 2013) (File No. 001-16489).
3.2	Amended and Restated Bylaws of FMC Technologies, Inc. (incorporated by reference from Exhibit 3.1 to the Current Report on Form 8-K filed on December 11, 2013) (File No. 001-16489).
4.1	Form of Specimen Certificate for the Company's Common Stock (incorporated by reference from Exhibit 4.1 to the Form S-1/A filed on May 4, 2001) (File No. 333-55920).
4.2	Indenture, dated September 21, 2012 between FMC Technologies, Inc. and U.S. Bank National Association, as trustee (incorporated by reference from Exhibit 4.1 to the Current Report on Form 8-K filed on September 25, 2012) (File No. 001-16489).
4.2.a	First Supplemental Indenture, dated September 21, 2012 between FMC Technologies, Inc. and U.S. Bank National Association, as trustee (incorporated by reference from Exhibit 4.2 to the Current Report on Form 8-K filed on September 25, 2012) (File No. 001-16489).
4.2.b	Form of 2.00% Senior Notes due 2017 (incorporated by reference from Exhibit 4.3 to the Current Report on Form 8-K filed on September 25, 2012) (File No. 001-16489).
4.2.c	Second Supplemental Indenture, dated September 21, 2012 between FMC Technologies, Inc. and U.S. Bank National Association, as trustee (incorporated by reference from Exhibit 4.4 to the Current Report on Form 8-K filed on September 25, 2012) (File No. 001-16489).
4.2.d	Form of 3.45% Senior Notes due 2022 (incorporated by reference from Exhibit 4.5 to the Current Report on Form 8-K filed on September 25, 2012) (File No. 001-16489).
10.1	FMC Technologies, Inc. Frozen Retirement Plan, effective June 1, 2014.
10.2	Second Amendment of Amended and Restated FMC Technologies, Inc. Employees' Retirement Program Part I Salaries and Nonunion Hourly Employees' Retirement Plan, effective June 1, 2014.
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1 *	Certification of Chief Executive Officer Under Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. 1350.
32.2 *	Certification of Chief Financial Officer Under Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. 1350.
101.INS	XBRL Instance Document.
101.SCH	XBRL Schema Document.
101.CAL	XBRL Calculation Linkbase Document.
101.DEF	XBRL Definition Linkbase Document.
101.LAB	XBRL Label Linkbase Document.
101.PRE	XBRL Presentation Linkbase Document.

* Furnished with this Quarterly Report on Form 10-Q

FMC TECHNOLOGIES, INC. FROZEN RETIREMENT PLAN

(Effective as of June 1, 2014)

ARTICLE I Definitions

Actuarial Equivalent

Administrator

Affiliate

Annuity Starting Date

Beneficiary

Benefits Agreement

Board

Code

Committee

Company

Early Retirement Benefit

Early Retirement Date

Earnings

Effective Date

Eligible Employee

Employee

Employee Contributions

Employment Commencement Date

ERISA

50% Joint and Survivor's Annuity

Final Average Yearly Earnings

FMC

FMC Beneficiary

FMC Joint Annuitant

FMC Participant

FMC Plan

FMCTI Beneficiary

FMCTI Joint Annuitant

FMCTI Participant

[FMCTI Plan](#)

[FMCTI Spinoff](#)

[FTI Spinoff](#)

[Foreign Subsidiary](#)

[Hour of Service](#)

[Individual Life Annuity](#)

[Interest](#)

[Investment Manager](#)

[Joint Annuitant](#)

[Leased Employee](#)

[Level Income Option](#)

[Normal Retirement Date](#)

[100% Joint and Survivor's Annuity](#)

[One-Year Period of Severance](#)

[Participant](#)

[Participating Employer](#)

[Period of Service](#)

[Period of Severance](#)

[Plan](#)

[Plan Year](#)

[Primary Social Security Benefit](#)

[Reemployment Commencement Date](#)

[Savings Plan](#)

[Severance From Service Date](#)

[Social Security Covered Compensation Base](#)

[Supplement](#)

[Trust](#)

[Trust Fund](#)

[Year of Credited Service](#)

[Year of Vesting Service](#)

[ARTICLE II Participation](#)

[2.1 Eligibility and Commencement of Participation](#)

- [2.2 Provision of Information](#)
- [2.3 Termination of Participation](#)
- [2.4 Special Rules Relating to Veterans' Reemployment Rights](#)

[ARTICLE III Normal, Early and Deferred Retirement Benefits](#)

- [3.1 Normal Retirement Benefits](#)
- [3.2 Early Retirement Benefits](#)
- [3.3 Deferred Retirement Benefits](#)
- [3.4 Suspension of Benefits](#)
- [3.5 Benefit Limitations](#)
- [3.6 FMC Participants' and FMCTI Participants' Benefits](#)

[ARTICLE IV Termination Benefits](#)

- [4.1 Termination of Service](#)
- [4.2 Amount of Termination Benefit](#)

[ARTICLE V Refund of Employee Contributions](#)

- [5.1 Employee Contributions](#)
- [5.2 Withdrawal of Employee Contributions](#)
- [5.3 Refund Upon Death Before Annuity Starting Date](#)
- [5.4 Refund After Annuity Starting Date](#)

[ARTICLE VI Payment of Retirement Benefits](#)

- [6.1 Normal Form of Benefit](#)
- [6.2 Available Forms of Benefits](#)
- [6.3 Election of Benefits](#)
- [6.4 Joint Annuitants](#)
- [6.5 FMC Participants in Pay Status](#)
- [6.6 Election of Retroactive Annuity Starting Date](#)

[ARTICLE VII Survivor's Benefits](#)

- [7.1 Preretirement Survivor's Benefit](#)
- [7.2 Surviving Spouse's Benefit](#)
- [7.3 Certain Former Employees](#)

[ARTICLE VIII Fiduciaries](#)

- [8.1 Named Fiduciaries](#)
 - [8.2 Employment of Advisers](#)
-

[8.3 Multiple Fiduciary Capacities](#)

[8.4 Payment of Expenses](#)

[8.5 Indemnification](#)

[ARTICLE IX Plan Administration](#)

[9.1 Powers, Duties and Responsibilities of the Administrator and the Committee](#)

[9.2 Delegation of Administration Responsibilities](#)

[9.3 Committee Members](#)

[ARTICLE X Funding of the Plan](#)

[10.1 Appointment of Trustee](#)

[10.2 Actuarial Cost Method](#)

[10.3 Cost of the Plan](#)

[10.4 Funding Policy](#)

[10.5 Cash Needs of the Plan](#)

[10.6 Public Accountant](#)

[10.7 Enrolled Actuary](#)

[10.8 Basis of Payments to the Plan](#)

[10.9 Basis of Payments from the Plan](#)

[10.10 Funding Based Benefit Restrictions: Limitations Applicable If the Plan's Adjusted Funding Target Attainment Percentage Is Less Than 80 Percent or If the Company, as Plan Sponsor, Is In Bankruptcy](#)

[ARTICLE XI Plan Amendment or Termination](#)

[11.1 Plan Amendment or Termination](#)

[11.2 Limitations on Plan Amendment](#)

[11.3 Effect of Plan Termination](#)

[11.4 Allocation of Trust Fund on Termination](#)

[ARTICLE XII Miscellaneous Provisions](#)

[12.1 Subsequent Changes](#)

[12.2 Plan Mergers](#)

[12.3 No Assignment of Property Rights](#)

[12.4 Beneficiary](#)

[12.5 Benefits Payable to Minors, Incompetents and Others](#)

- [12.6 Employment Rights](#)
- [12.7 Proof of Age and Marriage](#)
- [12.8 Small Annuities](#)
- [12.9 Controlling Law](#)
- [12.10 Direct Rollover Option](#)
- [12.11 Claims Procedure](#)
- [12.12 Participation in the Plan by an Affiliate](#)
- [12.13 Action by Participating Employers](#)

[ARTICLE XIII Top Heavy Provisions](#)

- [13.1 Top Heavy Definitions](#)
- [13.2 Determination of Top Heavy Status](#)
- [13.3 Minimum Benefit Requirement for Top Heavy Plan](#)
- [13.4 Vesting Requirement for Top Heavy Plan](#)

[EXHIBIT A CREDITED SERVICE](#)

[EXHIBIT B INACTIVE LOCATIONS](#)

[EXHIBIT C MERGED PLANS](#)

[SUPPLEMENT 1 JETWAY SYSTEMS DIVISION](#)

[SUPPLEMENT 2 STEIN](#)

[SUPPLEMENT 3 MOORCO INTERNATIONAL INC. RETIREMENT INCOME PLAN](#)

[SUPPLEMENT 4 SMITH METER, INC. SALARIED RETIREMENT PLAN](#)

FMC TECHNOLOGIES, INC. FROZEN RETIREMENT PLAN

INTRODUCTION

WHEREAS, the FMC Technologies, Inc. Frozen Retirement Plan (the “Plan”) is hereby established effective June 1, 2014, in connection with a spin-off of assets and liabilities from the FMC Technologies, Inc. Employees’ Retirement Program (the “FMCTI Plan”) attributable to FMCTI Participants (as hereinafter defined), which spinoff complies with the requirements of Code Section 414(l); and

WHEREAS, Supplements to the Plan contain provisions which apply only to a specific group of Employees or Participants as specified therein and override any contrary provision of the Plan; and

WHEREAS, this document covers only the FMCTI Participants, as provided in Article II Participation, and is generally originally effective as of June 1, 2014; except as and to the extent otherwise provided herein or as required with respect to the accrued benefits of any Participant affected by the FTI Spinoff and the FMCTI Spinoff; and

WHEREAS, the Plan shall not be construed to affect an FMC Participant’s accrued benefit under the FMC Plan, or to alter in any way the rights of any FMC Participant, FMC Joint Annuitant or FMC Beneficiary thereof who has retired, died, or with respect to whom there has been a severance from service date under the FMC Plan before May 1, 2001; and

WHEREAS, the Plan shall not be construed to affect an FMCTI Participant’s accrued benefit under the FMCTI Plan, or to alter in any way the rights of any FMCTI Participant, FMCTI Joint Annuitant or FMCTI Beneficiary thereof who has retired, died, or with respect to whom there has been a severance from service date under the FMCTI Plan before June 1, 2014; and

WHEREAS, Plan is intended to be qualified under Code Section 401(a), and its associated trust is intended to be tax exempt under Code Section 501(a). The Plan is intended also to meet the requirements of ERISA and shall be interpreted, wherever possible, to comply with the terms of the Code and ERISA. The Plan is intended to provide a regular monthly retirement benefit for employees who meet the eligibility requirements; and

NOW, THEREFORE, effective as of June 1, 2014, the Plan is hereby established to provide as follows:

ARTICLE 1

Definitions

For purposes of this Plan and any amendments to it, the following terms have the meanings ascribed to them below.

Actuarial Equivalent means a benefit determined to be of equal value to another benefit, on the basis of either (a) the actuarial assumptions in Exhibit E-1, E-2, E-3, or E-4, as applicable or (b) the mortality table and interest rate described in the applicable Supplement.

Notwithstanding the above to the contrary, effective February 1, 2006, for purposes of optional form of benefit conversions (including optional form of benefit conversions described in Supplements 2, 3 and 4, but excluding optional form of benefit conversions described in Supplement 1), Actuarial Equivalent means a benefit determined to be of equal value to another benefit on the basis of the greater of (1) either (a) the actuarial equivalent, computed using the actuarial assumptions in Exhibit E-1, E-2, E-3, or E-4, as applicable, of the accrued benefit as of February 1, 2006 or (b) the actuarial equivalent, computed using the mortality and interest rate described in the applicable Supplement, of the accrued benefit as of February 1, 2006, or (2) the actuarial equivalent, computed using the RP-2000 Combined Healthy Participant Table (RP2000CH), weighted 80% male/20% female and 6% interest compounded annually, of the accrued benefit as of the date of determination on or after February 1, 2006.

Notwithstanding anything herein to the contrary, for purposes of Section 12.8 Actuarial Equivalent value shall be determined as follows: (and, effective February 1, 2006, for purposes of the determination of the optional form of benefit conversion to the Level Income Option described in Section 6.2.4, Actuarial Equivalent value shall be determined as follows (provided, that with respect to the Level Income Option optional form of benefit conversion determination, Actuarial Equivalent value shall be determined on the basis of the greater of (1) either (a) the actuarial equivalent, computed using the actuarial assumptions in Exhibit E-1, E-2, E-3, or E-4, as applicable, of the accrued benefit as of February 1, 2006 or (b) the actuarial equivalent, computed using the mortality and interest rate described in the applicable Supplement, of the accrued benefit as of February 1, 2006, or (2) the actuarial equivalent, computed as provided below, of the accrued benefit as of the date of determination on or after February 1, 2006)):

- (a) with respect to FMC Participants whose Annuity Starting Dates occurred prior to June 1, 1995, based on the actuarial assumptions in Exhibit E-4; provided that the interest rate shall not exceed the immediate rate used by the Pension Benefit Guaranty Corporation for lump sum distributions occurring on the first day of the Plan Year that contains the Annuity Starting Date;
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- (b) with respect to FMC Participants with Annuity Starting Dates occurring on or after June 1, 1995, and who had an Hour of Service prior to August 31, 1999, based on the 1983 Group Annuity Mortality Table (weighed 50% male and 50% female) (or the applicable mortality table prescribed under Section 417(e)(3) of the Code) and the lesser of the interest rate in Exhibit E-4 or the applicable interest rate prescribed under Section 417(e)(3) of the Code for the November preceding the Plan Year that contains the Annuity Starting Date;
- (c) for Annuity Starting Dates occurring on or after August 31, 1999, with respect to any Participant who did not have an Hour of Service prior to August 31, 1999, based on the 1983 Group Annuity Mortality Table (weighted 50% male and 50% female) (or the applicable mortality table, prescribed under Section 417(e)(3) of the Code) and the applicable interest rate prescribed under Section 417(e)(3) of the Code for the November preceding the Plan Year that contains the Annuity Starting Date;
- (d) for Annuity Starting Dates occurring on or after December 31, 2002, using the applicable interest rate as described above, and based on the 1994 Group Annuity Reserving Table (weighted 50% male, 50% female and projected to 2002 using Scale AA), which is the applicable mortality table prescribed in Rev. Rul. 2001-62, (or the applicable mortality table, prescribed under Section 417(e)(3) of the Code or other guidance of general applicability issued thereunder); and
- (e) Effective January 1, 2008, and solely for purposes of the determination of the present value of benefits pursuant to Code Section 417(e): (1) the applicable interest rate shall mean the applicable interest rate described in Code Section 417(e)(3)(C), which is the adjusted first, second and third segment rates (defined in Code Section 417(e)(3)(D)) applied under rules similar to the rules of Code Section 430(h)(2)(C) for the month of November preceding the first day of the Plan Year which includes the date of distribution, and (2) the applicable mortality table shall mean the applicable mortality table described in Code Section 417(e)(3)(B), Revenue Ruling 2007-67 and subsequent guidance (including regulations) issued by the Internal Revenue Service.

Administrator means the Company. The Plan is administered by the Company through the Committee. “The Administrator” and the Committee have the responsibilities specified in Article IX.

Affiliate means any corporation, partnership, or other entity that is:

- (a) a member of a controlled group of corporations of which the Company is a member (as described in Code Section 414(b));
- (b) a member of any trade or business under common control with the Company (as described in Code Section 414(c));
- (c) a member of an affiliated service group that includes the Company (as described in Code Section 414(m));
- (d) an entity required to be aggregated with the Company pursuant to regulations promulgated under Code Section 414(o); or
- (e) a leasing organization that provides Leased Employees to the Company or an Affiliate (as determined under paragraphs (a) through (d) above), unless (i) the Leased Employees constitute less than 20% of the nonhighly compensated workforce of the Company and Affiliates (as determined under paragraphs (a) through (d) above); and (ii) the Leased Employees are covered by a plan described in Code Section 414(n)(5).

“Leasing organization” has the meaning ascribed to it in the definition of “Leased Employee” below.

For purposes of Section 3.5, the 80% thresholds of Code Sections 414(b) and (c) are deemed to be “more than 50%,” rather than “at least 80%.”

Annuity Starting Date means the first day of the first period for which an amount is paid in an annuity or other form of benefit. In the case of a lump sum distribution, the Annuity Starting Date is the date payment is actually made.

Beneficiary means the person or persons determined pursuant to Section 12.4.

Benefits Agreement means the Employee Benefits Agreement by and between FMC and the Company.

Board means the board of directors of the Company.

Code means the Internal Revenue Code of 1986, as amended from time to time. Reference to a specific provision of the Code includes that provision, any successor to it and any valid regulation promulgated under the provision or successor provision.

Committee means the FTI Employee Benefits Plan Committee as described in Section 9.3, its authorized delegates and any successor to the Committee.

Company means FMC Technologies, Inc., a Delaware corporation, and any successor to it.

Early Retirement Benefit means the benefits determined pursuant to Section 3.2.

Early Retirement Date means (a) in the case of an FMC Participant who became a Participant in the FMC Plan before January 1, 1984, such Participant's 55th birthday; and (b) in the case of an FMC Participant who became a Participant in the FMC Plan after December 31, 1983, any FMCTI Participant who became a Participant in the FMCTI Plan on or after May 1, 2001, or any other Employee who became a Participant in this Plan after the Effective Date, the later of the Participant's 55th birthday and the date the Participant acquires 10 Years of Credited Service.

Earnings means the total compensation paid by the Company or a Participating Employer to an Eligible Employee for each Plan Year that is currently includible in gross income for federal income tax purposes:

- (a) **including:** overtime, administrative and discretionary bonuses (including, gainsharing bonuses, performance related bonuses, completion bonuses (except as provided below); sales incentive bonuses; earned but unused vacation, back pay, sick pay (other than a cash payment of unused sick days) and state disability benefits; plus the Employee's Pre-Tax Contributions and amounts contributed to a plan described in Code Section 125 or 132; and the incentive compensation (including management incentive bonuses which may be paid in cash and restricted stock and local incentive bonuses) earned during the Plan Year;
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- (b) but excluding: hiring bonuses; referral bonuses; stay bonuses; retention bonuses; awards (including safety awards, “Gutbuster” awards and other similar awards); amounts received as deferred compensation; disability payments from insurance or the Long-Term Disability Plan for Employees of FMC Technologies, Inc. (other than state disability benefits); workers’ compensation benefits; flexible credits (i.e., wellness awards and payments for opting out of benefit coverage); expatriate premiums (including completion of expatriate assignment bonuses); grievance or settlement pay; severance pay; incentives for reduction in force; accrued (but not earned) vacation; other special payments such as reimbursements, relocation or moving expense allowances; stock options or other stock-based compensation (except as provided above); any gross-up paid by a Participating Employer; other distributions that receive special tax benefits; any amounts paid by a Participating Employer to cover an Employee’s FICA tax obligation as to amounts deferred or accrued under any nonqualified retirement plan of a Participating Employer; and, pay in lieu of notice.
- (c) The annual amount of Earnings taken into account for a Participant must not exceed \$160,000 (as adjusted by the Internal Revenue Service for cost-of-living increases in accordance with Code Section 401(a)(17)(B)); provided, however, in determining benefit accruals after December 31, 2001, the annual amount of Earnings taken into account for a Participant must not exceed \$200,000 (as adjusted by the Internal Revenue Service, for cost of living increases in accordance with code Section 401(a)(17)(B)). For purposes of determining benefit accruals in any Plan year after December 31, 2001, Earnings for any prior Plan Year shall be subject to the applicable limit on Earnings for that prior year.

Participant’s Earnings will be conclusively determined according to the Company’s records.

An FMC Participant’s Earnings shall include all “Earnings” determined under the FMC Plan on and prior to April 30, 2001 and all “Earnings” determined under the FMCTI Plan on and after May 1, 2001 but prior to June 1, 2014.

Notwithstanding anything herein to the contrary, effective January 1, 2009, Earnings shall include differential wage payments as described in Section 2.4(b) of the Plan.

Notwithstanding any Plan provision to the contrary, a Participant's Earnings shall not include any compensation paid by the Company or a Participating Employer to the Participant for any Plan Year commencing on or after January 1, 2010.

Effective Date means June 1, 2014 or, if later, the date an FMCTI Participant's accrued benefit under the FMCTI Plan is deemed transferred to this Plan.

Eligible Employee No Employee shall become an Eligible Employee and no Participant shall be an Eligible Employee.

Employee means a common law employee or Leased Employee of the Company or an Affiliate, subject to the following rules:

- (a) a person who is not a Leased Employee and who is engaged as an independent contractor is not an Employee;
- (b) only individuals who are paid as employees from the payroll of the Company or an Affiliate and treated as employees are Employees under the Plan; and
- (c) any person retroactively found to be a common law employee shall not be eligible to participate in the Plan for any period he was not an Employee under the Plan.

Employee Contributions means required contributions made by Participants to the FMC Plan or prior plans prior to May 1, 1969.

Employment Commencement Date means the date on which the Employee first performs an Hour of Service.

ERISA means the Employee Retirement Income Security Act of 1974, as amended from time to time. Reference to a specific provision of ERISA includes the provision, any successor provision and any valid regulation promulgated under the provision or successor provision.

50% Joint and Survivor's Annuity means the immediate annuity determined pursuant to Section 6.1.2.

Final Average Yearly Earnings means 1/5th of the sum of the Participant's Earnings while an Eligible Employee (or with respect to an FMC Participant, while an Eligible Employee or while an eligible employee under the FMC Plan or FMCTI Plan) (or with respect to an FMCTI Participant, while an eligible employee under the FMCTI Plan) for the 60 consecutive calendar months (not taking into account months in which the Participant had no Earnings) out of the past 120 calendar months in which such Earnings were the highest. If the commencement of a Participant's retirement benefits hereunder is preceded by a period of long-term disability, the Company may adjust Final Average Yearly Earnings on a nondiscriminatory basis; provided, however, that no such adjustment shall be made to the Final Average Yearly Earnings of any Participant who initially commences receiving disability benefits on or after January 12, 2006 under the Long-Term Disability Plan for Employees of FMC Technologies, Inc. With respect to Participants who accepted offers of employment with Snap-On Incorporated ("Snap-On") as a result of the Company's sale of assets of its Automotive Service Equipment Division to Snap-On, the Participants' Earnings shall include eligible wages with Snap-On and its subsidiaries for purposes of calculating Final Average Yearly Earnings. Notwithstanding any Plan provision to the contrary, a Participant's Final Average Yearly Earnings shall be determined as of December 31, 2009, and shall not be redetermined thereafter.

FMC means FMC Corporation, a Delaware corporation.

FMC Beneficiary means an individual who was receiving benefits under the FMC Plan as a result of the death of an FMC Participant.

FMC Joint Annuitant means an individual who was designated as a joint annuitant of an FMC Participant under the FMC Plan, the benefits of such FMC Participant which were transferred to this Plan pursuant to the FTI Spinoff.

FMC Participant means any participant in Part I Salaried and Non-Union Hourly Employee's Retirement Plan of the FMC Plan who had their accrued benefit, years of credited service and years of vesting service under the FMC Plan transferred to the FMCTI Plan, pursuant to the FTI Spinoff.

FMC Plan means the FMC Corporation Employees' Retirement Program.

FMCTI Beneficiary means an individual who was receiving benefits under the FMCTI Plan as a result of the death of an FMCTI Participant and whose benefit was transferred to this Plan pursuant to the FMCTI Spinoff.

FMCTI Joint Annuitant means an individual who was designated as a joint annuitant of an FMCTI Participant under the FMCTI Plan, the benefits of such FMCTI Participant which were transferred to this Plan pursuant to the FMCTI Spinoff.

FMCTI Participant means any participant (including any FMC Participant) in Part I Salaried and Non-Union Hourly Employee's Retirement Plan of the FMCTI Plan who (a) is either (i) a Frozen Participant under the FMCTI Plan (as such term is defined under such plan) or (ii) has an accrued benefit under the FMCTI Plan, incurred a Severance From Service Date under the FMCTI Plan (as such term is defined under such plan) and subsequently became re-employed on or after January 1, 2010, (b) was an active Employee of the Company or an Affiliate on June 1, 2014, and (c) had their accrued benefit, years of credited service and years of vesting service under the FMCTI Plan transferred to this Plan, pursuant to the FMCTI Spinoff.

FMCTI Plan means the FMC Technologies, Inc. Employees' Retirement Program.

FMCTI Spinoff means the transfer of assets and liabilities attributable to FMCTI Participants from the FMCTI Plan to this Plan.

FTI Spinoff means the transfer of assets and liabilities attributable to FMC Participants from the FMC Plan to the FMCTI Plan pursuant to the Benefits Agreement.

Foreign Subsidiary means a foreign corporation covered by an agreement between the Company and the Internal Revenue Service extending Federal Social Security benefits to such foreign corporation's employees who are United States citizens, provided that either (a) not less than 20% of the voting stock of such foreign corporation is owned by the Company or (b) more than 50% of the voting stock of such foreign corporation is owned by another foreign corporation which is described in (a) above.

Hour of Service means each hour (a) for which an Employee is directly or indirectly paid or entitled to payment by the Company or an Affiliate for the performance of duties, (b) for each FMC Participant, each hour of service credited to such individual under the FMC Plan and the FMCTI Plan as of the date prior to the Effective Date for such FMC Participant and (c) for each FMCTI Participant each hour of service credited to such individual under the FMCTI Plan as of the date prior to the Effective Date for such FMCTI Participant. Hours of Service will be credited to the Employee for the computation period in which the duties are performed. To the extent required by law, Hour of Service will include each hour for which an Employee is paid, or entitled to payment, by the Company or any Affiliate 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. Nor more than 501 Hours of Service will be credited for any single continuous period (whether or not such period occurs in a single computation period). Hours of Service for these purposes will be calculated and credited pursuant to section 2530.200b-2 of the Department of Labor Regulations which is incorporated herein by this reference. Also to the extent required by law, Hours of Service will include each hour for which back pay, irrespective of mitigation of damages, is either awarded or agreed to by the Company or an Affiliate, provided however, the same hours of service will not be credited. 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.

Individual Life Annuity means the annuity determined pursuant to Section 6.1.1.

Interest means interest compounded annually at the following rates:

- (a) if Employee Contributions are withdrawn prior to retirement then
 - (i) for periods prior to January 1, 1976 at a rate equal to 3%; and
 - (ii) for periods on and after January 1, 1976 at a rate equal to 5%.
- (b) if Employee Contributions are not withdrawn and are used to increase a Participant's Normal Retirement Benefit under Section 3.1.3, then at a rate equal to 5%.

Investment Manager means a person who is an "investment manager" as defined in section 3(38) of ERISA.

Joint Annuitant means the individual determined pursuant to Section 6.4.

Leased Employee means an individual who performs services for the Company or an Affiliate on a substantially full-time basis for a period of at least one year, under the primary direction or control of the Company or an Affiliate, and under an agreement between the Company or Affiliate and a leasing organization. The leasing organization can be a third party or the Leased Employee himself.

Level Income Option means the annuity determined pursuant to Section 6.2.4.

Normal Retirement Date means the Participant's 65th birthday.

100% Joint and Survivor's Annuity means the immediate annuity determined pursuant to Section 6.2.3.

One-Year Period of Severance means a 12-consecutive-month period commencing on an Employee's Severance From Service Date in which the Employee is not credited with an Hour of Service.

Participant means a FMCTI Participant.

Participating Employer means the Company and each other Affiliate that adopts the Plan with the consent of the Board, as provided in Section 12.12.

Period of Service means the period commencing on the Effective Date and ending on the Severance From Service Date including, for each FMC Participant and each FMCTI Participant, periods of service credited under the FMC Plan and/or the FMCTI Plan, as applicable, as of the date immediately prior to the relevant Effective Date for such FMC Participant or FMCTI Participant. All Periods of Service (whether or not consecutive) shall be aggregated. For a Participant who is not immediately eligible to participate in the Plan under the terms of Section 2.1 hereof, Period of Service shall include service from and after the first day of the period in which they become eligible to participate in the Plan pursuant to the terms of Section 2.1, but in no event earlier than the Participant's date of hire by the Company or its Affiliates. Notwithstanding the foregoing, if an Employee incurs a One-Year Period of Severance at a time when he or she has no vested interest under the Plan and the Employee does not perform an Hour of Service within 5 years after the beginning of the One-Year Period of Severance, the Period of Vesting Service prior to such One-Year Period of Severance shall not be aggregated.

Period of Severance means the period commencing on the Severance From Service Date and ending on the date on which the Employee again performs an Hour of Service.

Plan means the FMC Technologies, Inc. Frozen Retirement Plan.

Plan Year means the period beginning June 1, 2014 and ending December 31, 2014 and thereafter the 12-month period beginning on January 1 and ending the next December 31.

Primary Social Security Benefit means the primary benefit which the Participant is eligible to receive at age 65 under the old age portion of the Federal Old Age, Survivors' and Disability Insurance Program assuming that after termination of employment with the Company and Affiliates the Participant has no further earnings subject to such programs. A Participant's Primary Social Security Benefit shall be determined by taking his Earnings at the time of his employment and applying a salary scale, projected backwards, reflecting the actual change in the average wage from year to year as determined by the Social Security Administration.

Reemployment Commencement Date means the first date following a Period of Severance which is not required to be taken into account for purposes of an Employee's Period of Vesting Service on which the Employee performs an Hour of Service.

Savings Plan means the FMC Technologies, Inc. Employees' Savings and Investment Plan, as amended from time to time.

Severance From Service Date means the earliest of:

- (a) the date on which an Employee voluntarily terminates, retires, is discharged or dies;
 - (b) the first anniversary of the first date of a period in which an Employee remains absent from service (with or without pay) with the Company and Affiliates for any reason other than voluntary termination, retirement, discharge or death; or
 - (c) the second anniversary of the date an Employee is absent pursuant to a maternity or paternity leave of absence; provided, however, that the period between the first and second anniversaries of the first date of such absence shall be neither a Period of Service nor a One-Year Period of Severance.
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Notwithstanding the foregoing, a Severance From Service Date shall not be considered to have occurred under the following circumstances:

- (i) during a leave of absence, vacation or holiday with pay; during a leave of absence without pay granted by reason of disability or under the Family and Medical Leave Act of 1993;
- (ii) during a period of qualified military service, provided the Employee makes application to return within 90 days after completion of active service and returns to active employment as an Employee while reemployment rights are protected by law. If the Employee does not so return, the Employee shall have a Severance From Service Date on the first anniversary of the date of entry into military service.

If the Employee violates the terms of a leave of absence, the Employee shall be deemed to have voluntarily terminated as of the date of such violation. In the case of a leave in excess of 12 months, if the Employee fails to return to active employment immediately after such leave, the Employee shall be deemed to have voluntarily terminated as of the last day of the 12th month of the leave.

A “maternity or paternity leave of absence” means an absence from work by reason of the Employee’s pregnancy, birth of the Employee’s child, placement of a child with the Employee in connection with the adoption of such child, or any absence for the purpose of caring for such child for a period immediately following such birth or placement.

Social Security Covered Compensation Base means the average of the compensation and benefit bases in effect under Section 230 of the Social Security Act for each year in the 35-year period ending with the year in which the participant attains Social Security retirement age as defined in Section 415(b)(8) of the Code. Notwithstanding any Plan provision to the contrary, no future adjustments occurring pursuant to Section 230 of the Social Security Act after December 31, 2009 shall be made to the Social Security Covered Compensation Base with respect to any Participant.

Supplement means the provisions of the Plan which apply only to a specific group of Employees or Participants as detailed in such Supplement and which override any contrary provision of the Plan.

Trust means the trust established by the Trust Agreement. “Trust Agreement” means the trust agreement or agreements, as amended from time to time, entered into by the Company and the Trustee pursuant to Section 8.1. “Trustee” means the trustee or trustees at any time appointed by the Company pursuant to Section 8.1.

Trust Fund means the trust fund established and maintained by the Trustee to hold all assets of the Plan pursuant to the Trust Agreement.

Year of Credited Service means (a) for an FMC Participant, his or her years of credited service under the FMC Plan and/or the FMCTI Plan prior to such FMC Participant's Effective Date, (b) for an FMCTI Participant, his or her years of credited service under the FMCTI Plan prior to such FMCTI Participant's Effective Date, and (c) the total number of calendar months during the Employee's Period of Service while the Employee is an Eligible Employee and after he has become a Participant divided by 12. A partial month in such Period of Service counts as a whole month, and fractional Years of Credited Service shall be taken into account in determining a Participant's benefits. Year of Credited Service shall also include such other periods as the Company recognizes as a Year of Credited Service, pursuant to written and nondiscriminatory rules.

Notwithstanding the foregoing, Year of Credited Service shall not include (i) any leave of absence without pay unless the Employee returns to active employment as an Employee immediately after such leave and abides by all the terms of the leave, (ii) any maternity or paternity leave of absence unless the Employee returns to active employment as an Employee within 12 months after the first day of such leave, (iii) any period of service with respect to which such Eligible Employee accrues a benefit under the FMC Plan on or after May 1, 2001, the FMCTI Plan on or after June 1, 2014 or any pension, profit sharing or other retirement plan listed on Exhibit A, or (iv) with respect to any Employee who initially commences receiving disability benefits effective on or after January 12, 2006 under the Long-Term Disability Plan for Employees of FMC Technologies, Inc., any period for which the Employee receives such benefits.

Notwithstanding any Plan provision to the contrary, except as provided below with respect solely to the determination of whether a Participant has attained his or her Early Retirement Date, the accrual of any future Year of Credited Service for all Participants shall cease and, as a result, Year of Credited Service with respect to a Participant shall not include any Period of Service of the Participant on or after January 1, 2010. Notwithstanding the preceding to the contrary, with respect solely to the determination of whether a Participant has attained his or her Early Retirement Date, each future Year of Credited Service of the Participant shall be taken into account.

Year of Vesting Service means (a) for an FMC Participant, his or her years of service and years of vesting service credited under the FMC Plan and FMCTI Plan prior to such FMC Participant's Effective Date, (b) for an FMCTI Participant, his or her years of service and years of vesting service credited under the FMCTI Plan prior to such FMCTI Participant's Effective Date, and (c) the total number of calendar months during the Employee's Period of Service divided by 12, determined in accordance with the following rules:

- (i) a partial month in the Employee's Period of Service counts as a whole month;
 - (ii) if the Employee has a Severance From Service Date by reason of a voluntary termination, discharge or retirement and the Employee then performs 1 Hour of Service within 12 months of the Severance From Service Date, such Period of Severance is included in the Period of Vesting Service. If the Employee has a Severance From Service Date by reason of a voluntary termination, discharge or retirement during an absence from service of 12 months or less for any reason other than a voluntary termination, discharge or retirement, and then performs 1 Hour of Service within 12 months of the date on which the Employee was first absent from service, such Period of Severance is included in the Period of Vesting Service;
 - (iii) period of Vesting Service also includes the following:
 - (1) a period of employment with an employer substantially all of the equity interest or assets of which have been acquired by the Company or an Affiliate, but only to the extent that the Company expressly recognizes such period as a Period of Vesting Service pursuant to written and nondiscriminatory rules; and
 - (2) such other periods as the Company recognizes as a Period of Vesting Service pursuant to written and nondiscriminatory rules.
 - (iv) Notwithstanding the foregoing, Year of Vesting Service shall not include with respect to any Employee who initially commences receiving disability benefits effective on or after January 12, 2006 under the Long-Term Disability Plan for Employees of FMC Technologies, Inc., any period for which the Employee receives such benefits.
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ARTICLE II

Participation

2.1 Eligibility and Commencement of Participation

Participation in the Plan is limited to FMCTI Participants. No Participant shall be credited with future Earnings for any Plan Year commencing on or after January 1, 2010. Additionally, except with respect solely to the determination of whether a Participant has attained his or her Early Retirement Date as set forth in the definition of Year of Credited Service set forth in Article I of the Plan, no Participant shall accrue any future Year of Credited Service on or after January 1, 2010. Finally, no future adjustments occurring pursuant to Section 230 of the Social Security Act on or after January 1, 2010 shall be made to the Social Security Covered Compensation Base with respect to any Participant.

2.2 Provision of Information

Each Participant must make available to the Administrator any information it reasonably requests. As a condition of participation in the Plan, each Employee and FMCTI Participant agrees, on his or her own behalf and on behalf of all persons who may have or claim any right by reason of the Employee's participation in the Plan, to be bound by all provisions of the Plan.

2.3 Termination of Participation

A Participant ceases to be a Participant when he or she dies or, if earlier, when his or her entire vested benefit accrued under the Plan has been paid to him or her.

2.4 Special Rules Relating to Veterans' Reemployment Rights

- (a) **General Rule.** Notwithstanding any provisions of this Plan to the contrary, contributions, benefits and service credit with respect to "qualified military service" will be provided in accordance with Section 414(u) of the Code. "Qualified military service" means any service in the uniformed services (as defined in chapter 43 of title 38 of the United States Code) by any individual if such individual is entitled to reemployment rights under such chapter with respect to such service.
 - (b) **Differential Wage Payments.** Effective January 1, 2009, an individual receiving a differential wage payment, as defined by Section 3401(h)(2) of the Code, is treated as an Employee of the Participating Employer making the payment and the differential wage payment is treated as Earnings under the Plan.
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The Plan is not treated as failing to meet the requirements of any provision described in Section 414(u)(1)(C) of the Code due to any contribution or benefit which is based on the differential wage payment provided that all Employees of the Participating Employer are entitled to receive differential wage payments, and to make contributions based on such payments, on reasonably equivalent terms.

- (c) Death During Qualified Military Service. In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing qualified military service (as defined in Section 414(u) of the Code), the survivors of the Participant are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed and then terminated employment on account of death.

ARTICLE III

Normal, Early and Deferred Retirement Benefits

3.1 Normal Retirement Benefits

3.1.1 **Normal Retirement:** A Participant who retires on the Normal Retirement Date shall be entitled to receive a Normal Retirement Benefit determined under Section 3.1.2. Payment of such benefit shall commence as of the first day of the month coincident with or next following the Participant's Normal Retirement Date, unless the Participant elects to defer commencement subject to Section 3.3.2.

3.1.2 **Calculation of Normal Retirement Benefit:** Subject to Section 3.1.3, a Participant's monthly Normal Retirement Benefit shall be equal to the product of (a) multiplied by (b) below:

(a) 1/12th of the sum of (i) and (ii) below:

- (i) the sum of (1) 1% of the Participant's Final Average Yearly Earnings up to the Social Security Covered Compensation Base and (2) 1-1/2% of the Participant's Final Average Yearly Earnings in excess of the Social Security Covered Compensation Base multiplied by the Participant's expected Years of Credited Service at age 65 up to 35 Years of Credited Service; and
 - (ii) 1-1/2% of the Participant's Final Average Yearly Earnings multiplied by the Participant's expected Years of Credited Service at age 65 in excess of 35 Years of Credited Service.
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- (b) the ratio of actual Years of Credited Service to expected Years of Credited Service at age 65.

In no event, however, shall an FMC Participant's monthly Normal Retirement Benefit be less than his or her accrued monthly Normal Retirement Benefit under the FMC Plan as of December 31, 1990.

3.1.3 **Increases for Employee Contributions:** Employee Contributions and Interest credited to a Participant are not paid as an accrued benefit, but rather may be withdrawn by the Participant at any time pursuant to Section 5.2 hereof. However, if a Participant does not elect to withdraw the Employee Contributions and Interest credited to the Participant either at the time of Retirement or before, pursuant to the terms of Section 5.2 hereof, a Participant's Normal Retirement Benefit shall be increased \$1 for each \$120.00 of unwithdrawn Employee Contributions credited to the Participant.

3.1.4 **Reductions for Certain Benefits:** A Participant's Normal Retirement Benefit shall be reduced by the value of (a) for FMC Participants, the FMC Participant's vested benefit accrued under the FMC Plan as of November 30, 1985 (to the extent funded by the Aetna nonparticipating annuity contract or the Prudential nonparticipating annuity contract) and (b) any vested benefit payable to the Participant under the FMC Plan, the FMCTI Plan or any pension, profit sharing or other retirement plan other than the Savings Plan (hereinafter called "Duplicate Benefit Plan") which is attributable to any period which counts as Credited Service under this Plan. For purposes of determining the amount of any Duplicate Benefit Plan reduction, the vested benefit under the Duplicate Benefit Plan shall be converted to a form which is identical to the form of benefit which is to be paid under this Plan, including any applicable reductions for early commencement as determined under the Plan or the Duplicate Benefit Plan, as applicable. Such values will be determined as of the earlier of the Annuity Starting Date under the Plan, or the date distribution of such vested benefit was made or commenced under the Duplicate Benefit Plan as applicable.

3.2 **Early Retirement Benefits**

3.2.1 **Early Retirement:** A Participant who retires on or after the Early Retirement Date shall be entitled to receive an Early Retirement Benefit determined under Section 3.2.2. Payment of such benefit shall commence as of the first of the month after the Participant retires or, if the Participant elects, as of the first day of any subsequent month. Any such election of a deferred commencement date may be revoked at any time prior to such date and a new date may be elected by giving advance written notice to the Administrator in accordance with rules prescribed by the Administrator.

3 . 2 . 2 **Calculation of Early Retirement Benefit:** Subject to Sections 3.2.3 and 3.2.4, a Participant's monthly Early Retirement Benefit shall be equal to the greater of (a) or (b) below:

- (a) an amount determined pursuant to Section 3.1.2; and
- (b) for an FMC Participant, his or her accrued monthly unreduced Early Retirement Benefit under the FMC Plan as of December 31, 1990 that was transferred to the FMCTI Plan in the FTI Spinoff.

3.2.3 **Early Retirement Reduction Factor:** The Participant's Early Retirement Benefit computed pursuant to Section 3.2.2 shall be reduced by 1 /3 of 1% for each 1 month in excess of 36 by which the commencement of the Participant's Early Retirement Benefit precedes the Participant's 65th birthday.

3.2.4 **Adjustments to Early Retirement Benefit:** To the extent applicable, a Participant's Early Retirement Benefit shall be increased as provided in Section 3.1.3 except that the number of dollars of unwithdrawn Employee Contributions and Interest required to provide \$1 of monthly retirement benefits shall be increased by \$3 for each full year by which the commencement of the Participant's Early Retirement Benefit precedes the Participant's Normal Retirement Date. Partial years shall be prorated on the basis of \$0.25 per month.

3.3 **Deferred Retirement Benefits**

3 . 3 . 1 **Deferred Retirement:** A Participant who retires after the Normal Retirement Date shall be entitled to receive a Normal Retirement Benefit determined under Section 3.1.2 commencing as of the first day of the month coinciding with or next following the date the Participant actually retires. Each Participant shall accrue additional benefits hereunder after the Participant's Normal Retirement Date with respect to the portion of the Normal Retirement Benefit which is attributable to contributions by the Company, and the amount, if any, of Employee Contributions and Interest required to provide \$1 of monthly retirement benefit under Section 3.1.3 shall be decreased by \$3 for each full year by which the commencement of the Normal Retirement Benefit follows the Normal Retirement Date. Partial years shall be prorated on the basis of \$0.25 per month. If a Participant who is not employed by the Company or its Affiliates on his or her Normal Retirement Date defers his or her Normal Retirement Benefit will be paid retroactive to the Participant's Normal Retirement Date as soon as reasonably practicable after the Plan Administrator learns of the deferred benefit.

3.3.2 **Distribution Requirements:** Except as hereinafter provided, unless the Participant elects otherwise in accordance with the terms of the Plan, payment of a Participant's retirement benefits will begin no later than 60 days after the close of the Plan Year in which the latest of the following events occurs:

- (a) the Participant's 65th birthday;
- (b) the 10th anniversary of the year in which the Participant commenced participation in the Plan; and
- (c) the Participant terminates employment with the Company and all Affiliates.

If the amount of the payment required to commence on the date determined under this Section 3.3.2 cannot be ascertained by such date, or if it is not possible to make such payment on such date because the Administrator cannot locate the Participant after making reasonable efforts to do so, a payment retroactive to such date may be made no later than 60 days after the earliest date on which the amount of such payment can be ascertained under this Plan or the date the Participant is located.

Notwithstanding any other provision of this Plan:

- (i) the accrued benefit of a Participant who attains age 70-1/2 on or after January 1, 2000 must be distributed or commence to be distributed no later than the April 1 following the later of (1) the calendar year in which the Participant attains age 70-1/2 or (2) the calendar year in which the Participant retires (unless the Participant is a 5% owner, as defined in Code Section 416, of the Company with respect to the Plan Year in which the Participant attains age 70-1/2, in which case this Subsection (2) shall not apply); and
 - (ii) the accrued benefit of a Participant who attains age 70-1/2 prior to January 1, 2000 must be distributed or commence to be distributed no later than the April 1 following the calendar year in which the Participant attains age 70-1/2 unless the Participant is not a 5% owner (as defined in Subsection (i)) and elects to defer distribution to the calendar year in which the Participant retires.
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All Plan distributions will comply with Code Section 401(a)(9), including Department of Treasury Regulation Section 1.401(a)(9)-2. With respect to distributions made under the Plan for Plan Years beginning on or after January 1, 2003, all Plan distributions will comply with Code Section 401(a)(9), including Department of Treasury Regulation Section 1.401(a)(9)-2 through 1.401(a)(9)-9, as promulgated under Final and Temporary Regulations published in the Federal Register on April 17, 2002 (the '401(a)(9) Regulations'), with respect to minimum distributions under Code Section 401(a)(9). In addition, the benefit payments distributed to any Participant on or after January 1, 2003, will satisfy the incidental death benefit provisions under Code Section 401(a)(9)(G) and Department of Treasury Regulation Section 1.401(a)(9)-5(d), as promulgated in the 401(a)(9) Regulations. To the extent required by Code Section 401(a)(9)(C)(iii), or any other applicable guidance issued thereunder, with respect to a Participant who retires in a calendar year after the calendar year in which the Participant attains age 70 ½, the actuarial increase in such Participant's accrued benefit mandated by Code Section 401(a)(9)(C)(iii) shall be implemented notwithstanding any suspension of benefits provision applicable to such Participant pursuant to ERISA 203(a)(3)(B), Code Section 411(a)(3)(B) and the terms of the Plan.

3.4 **Suspension of Benefits**

3.4.1 **Prior to Normal Retirement Date:** If a Participant receives retirement benefits under the Plan following a termination of his employment prior to the Participant's Normal Retirement Date and again becomes an Employee prior to the Participant's Normal Retirement Date, no retirement benefits shall be paid during such later period of employment and up to the Participant's Normal Retirement Date. Any benefits payable under the Plan to or on behalf of the Participant at the time of the Participant's subsequent termination of employment shall be reduced by the actuarial equivalent (based on the assumptions in Exhibit E-4) of any benefits paid to the Participant after the Participant earlier termination and prior to his Normal Retirement Date.

3.4.2 **After Normal Retirement Date:** If (a) a Participant whose employment terminates again becomes an Employee after the Participant's Normal Retirement Date, or again becomes an Employee prior to the Participant's Normal Retirement Date and continues in employment beyond the Participant's Normal Retirement Date, or (b) a Participant continues in employment with the Company and Affiliates after his Normal Retirement Date without a prior termination, the following provisions of this Section 3.4.2 shall become applicable to the Participant as of the Participant's Normal Retirement Date or, if later, the Participant's date of reemployment.

- (i) For purposes of this Section 3.4.2, the following definitions shall apply:
- (1) **Postretirement Date Service** means each calendar month after a Participant's Normal Retirement Date and subsequent to the time that:
 - (A) payment of retirement benefits commenced to the Participant if the Participant returned to employment with the Company and Affiliates, or
 - (B) payment of retirement benefits would have commenced to him if the Participant had not remained in employment with the Company and Affiliates, if in either case the Participant receives pay from the Company and Affiliates for any Hours of Service performed on each of 8 or more days (or separate work shifts) in such calendar month.
 - (2) **Suspendable Amount** means the monthly retirement benefits otherwise payable in a calendar month in which the Participant is engaged in Postretirement Date Service.
- (ii) Payment shall be permanently withheld of a portion of a Participant's retirement benefits, not in excess of the Suspendable Amount, for each calendar month during which the Participant is employed in Postretirement Date Service. If payments have been suspended pursuant to Subsection (ii) above, such payments shall resume no later than the first day of the third calendar month after the calendar month in which the Participant ceases to be employed in Postretirement Date Service; provided, however, that no payments shall resume until the Participant has complied with the requirements set forth in Subsection (vi) below. The initial payment upon resumption shall include the payment scheduled to occur in the calendar month when payments resume and any amounts withheld during the period between the cessation of Postretirement Date Service and the resumption of payment, less any amounts that are subject to offset pursuant to Subsection (iv) below.
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- (iii) Retirement benefits made subsequent to Postretirement Date Service shall be reduced by (1) the actuarial equivalent (based on the assumptions in Exhibit E-4) of any benefits paid to the Participant prior to the time the Participant is reemployed after the Participant's Normal Retirement Date; and (2) the amount of any payments previously made during those calendar months in which the Participant was engaged in Postretirement Date Service; provided, however, that such reduction under (Subsection (2)) shall not exceed, in any one month, 25% percent of that month's total retirement benefits (excluding amounts described in Subsection (ii) above) that would have been due but for the offset.
 - (iv) Any Participant whose retirement benefits are suspended pursuant to Subsection (ii) of this Section 3.4.2 shall be notified (by personal delivery or certified or registered mail) during the first calendar month in which payments are withheld that the Participant's retirement benefits are suspended. Such notification shall include:
 - (1) a description of the specific reasons for the suspension of payments;
 - (2) a general description of the Plan provisions relating to the suspension;
 - (3) a copy of the provisions;
 - (4) a statement to the effect that applicable Department of Labor Regulations may be found at Section 2530.203-3 of Title 29 of the Code of Federal Regulations;
 - (5) the procedure for appealing the suspension, which procedure shall be governed by Section 12.11; and
 - (6) the procedure for filing a benefits resumption notification pursuant to Subsection (vi) below.
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If payments subsequent to the suspension are to be reduced by an offset pursuant to Subsection (iv) above, the notification shall specifically identify the periods of employment for which the amounts to be offset were paid, the Suspendable Amounts subject to offset, and the manner in which the Plan intends to offset such Suspendable Amounts.

- (v) Payments shall not resume as set forth in Subsection (iii) above until a Participant performing Postretirement Date Service notifies the Administrator in writing of the cessation of such Service and supplies the Administrator with such proof of the cessation as the Administrator may reasonably require.
- (vi) A Participant may request, pursuant to the procedure contained in Section 12.11, a determination whether specific contemplated employment will constitute Postretirement Date Service.

3.5 **Benefit Limitations**

3.5.1 **Limitation on Accrued Benefit:** Notwithstanding any other provision of the Plan, the annual benefit payable under the Plan to a Participant, when expressed as a monthly benefit commencing at the Participant's Social Security Retirement Age (as defined in Code Section 415(b)(8)), shall not exceed the lesser of (a) \$13,333.33 or (b) the highest average of the Participant's monthly compensation for 3 consecutive calendar years, subject to the following:

- (i) The maximum shall apply to the Individual Life Annuity computed under Section 3.1, 3.2, 3.3 or Article IV and to that portion of the Accrued Benefit (as adjusted as required under Code Section 415) payable in the form elected to the Participant during the Participant's lifetime.
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- (ii) If a Participant has fewer than 10 years of participation in the Plan, the maximum dollar limitation of Subsection (a) above shall be multiplied by a fraction of which the numerator is the Participant's actual years of participation in the Plan (computed to fractional parts of a year) and the denominator is 10. If a Participant has fewer than 10 Years of Vesting Service, the maximum compensation limitation in Subsection (b) above shall be multiplied by a fraction of which the numerator is the Years of Vesting Service (computed to fractional parts of a year) and the denominator is 10. Provided, however, that in no event shall such dollar or compensation limitation, as applicable, be less than 1/10th of such limitation determined without regard to any adjustment under this Subsection (ii).
 - (iii) As of January 1 of each year, the dollar limitation as adjusted by the Commissioner of Internal Revenue for that calendar year to reflect increases in the cost of living shall become effective as the maximum dollar limitation in Subsection (a) above for the Plan Year ending within that calendar year for Participants terminating in or after such Plan Year.
 - (iv) If the benefit of a Participant begins prior to age 62, the defined benefit dollar limitation applicable to the Participant at such earlier age is an annual benefit payable in the form of a Life Annuity beginning at the earlier age that is the Actuarial Equivalent of the dollar limitation under Subsection (a) above applicable to the Participant at age 62. The defined benefit dollar limitation applicable at an age prior to age 62 is determined by using the lesser of the effective Early Retirement reduction, as determined under the Plan, or 5% per year. The mortality basis for determining Actuarial Equivalence for terminations on or after December 31, 2002, as applicable, shall be the 1994 Group Annuity Reserving Table (weighted 50% male, 50% female and projected to 2002 using Scale AA), which is the table prescribed in Rev. Rul. 2001-62, (or the applicable mortality table, prescribed under Section 417(e)(3) of the Code or other guidance of general applicability issued thereunder).
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For periods prior to January 1, 2002, the dollar limitation under Code Section 415 in effect for the applicable Plan Year above shall be modified as follows to reflect commencement of retirement benefits on a date other than the Participant's Social Security Retirement Age:

- (1) if the Participant's Social Security Retirement Age is 65, the dollar limitation for benefits commencing on or after age 62 is determined by reducing the dollar limitation under Subsection (a) above by $\frac{5}{9}$ ths of 1% for each month by which benefits commence before the month in which the Participant attains age 65;
 - (2) if the Participant's Social Security Retirement Age is greater than 65, the dollar limitation for benefits commencing on or after age 62 is determined by reducing the dollar limitation under Subsection (a) above by $\frac{5}{9}$ ths of 1% for each of the first 36 months and by $\frac{5}{12}$ ths of 1% for each of the additional months by which benefits commence before the month in which the Participant attains the Participant's Social Security Retirement Age;
 - (3) if the Participant's benefit commences prior to age 62, the dollar limitation shall be the actuarial equivalent of Subsection (a) above, payable at age 62, as determined above, reduced for each month by which benefits commence before the month in which the Participant attains age 62. The interest rate for determining Actuarial Equivalence shall be the greater of the interest rate assumption under the Plan for determining early retirement benefits or 5% per year. The mortality basis for determining Actuarial Equivalence for terminations on or after January 1, 1995 shall be the 1983 Group Annuity Mortality Table (weighted 50% male and 50% female);
- (v) Notwithstanding the foregoing, the maximum as applied to any FMC Participant on April 1, 1987 shall in no event be less than the FMC Participant's "current accrued benefit" as of March 31, 1987, under the FMC Plan, as that term is defined in Section 1106 of the Tax Reform Act of 1986.
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- (vi) The maximum shall apply to the benefits payable to a Participant under the Plan and all other tax-qualified defined benefit plans of the Company and Affiliates (whether or not terminated), and benefits shall be reduced, if necessary, in the reverse of the chronological order of participation in such plans.
- (vii) For purposes of this Section 3.5.1, the term “compensation” means compensation as defined in Code Section 415(c)(3) and the term “monthly compensation” means compensation divided by 12.

3.5.2 Multiple Plan Reduction: With respect to each FMC Participant who did not have 1 Hour of Service after December 31, 1999 and who is (or has been) a participant in any defined contribution plan (whether or not terminated) maintained by FMC, the Company or an Affiliate, the sum of the FMC Participant’s defined benefit plan fraction (as defined under Code Section 415(e)(2)) and defined contribution plan fraction (as defined under Code Section 415(e)(3)) shall not exceed 1. If such sum exceeds 1, the FMC Participant’s defined benefit plan fraction shall be reduced until such sum equal 1.

3.5.3 Annual Compensation Limit: The accrued benefit of each “Section 401(a)(17) employee” under this Plan will be the greater of the accrued benefit determined for the Employee under (a) or (b) below:

- (a) the Employee’s accrued benefit determined with respect to the benefit formula applicable for the Plan Year beginning on or after January 1, 1994, as applied to the Employee’s total Years of Credited Service, or
- (b) the sum of:
 - (i) the Employee’s accrued benefit as of the last day of the last Plan Year beginning before January 1, 1994, frozen in accordance with section 1.401(a)(4)-13 of the regulations under the Code, and the Employee’s accrued benefit determined under the benefit formula applicable for the Plan Year beginning on or after January 1, 1994, as applied to the Employee’s Years of Credited Service credited to the Employee for Plan Years beginning on or after January 1, 1994.

A “Section 401(a)(17) employee” means an Employee whose current accrued benefit as of a date on or after the first day of the first Plan Year beginning on or after January 1, 1994, is based on Earnings for a year beginning prior to January 1, 1994 that exceeded \$150,000.

3.5.4 **Incorporation of Section 415 of the Code:** The provisions set forth in Article III are intended to comply with the requirements of Section 415 of the Code and shall be interpreted, applied and if and to the extent necessary, deemed modified without formal language so as to satisfy solely the minimum requirements of Section 415.

3.6 **FMC Participants' and FMCTI Participants' Benefits**

The Normal Retirement Benefit, Early Retirement Benefit and Termination Benefit for each FMC Participant who is not an Employee and who does not complete an Hour of Service on or after May 1, 2001 shall, notwithstanding the provisions of Sections 3.1, 3.2, 3.3 or 4.2 hereof, equal the accrued benefit of such FMC Participant as transferred from the FMC Plan in the FTI Spinoff.

The Normal Retirement Benefit, Early Retirement Benefit and Termination Benefit for each FMCTI Participant who is not an Employee and who does not complete an Hour of Service on or after June 1, 2014 shall, notwithstanding the provisions of Sections 3.1, 3.2, 3.3 or 4.2 hereof, equal the accrued benefit of such FMCTI Participant as transferred from the FMCTI Plan in the FMCTI Spinoff.

ARTICLE IV

Termination Benefits

4.1 Termination of Service

Except as otherwise provided in the applicable Supplement, a Participant who has 5 Years of Vesting Service but who ceases to be an Employee before the Participant's Early Retirement Date for any reason other than death, shall be entitled to receive a "Termination Benefit" determined under Section 4.2. Except as otherwise provided in the applicable Supplement, unless the Participant elects otherwise subject to Section 3.3.2, payment of such benefit shall commence as of the first day of the month coincident with or next following the Participant's Normal Retirement Date or, if the Participant elects, as of the first day of any month before such Normal Retirement Date and coincident with or following the Participant's 55th birthday. Any such election of the earlier Annuity Starting Date shall be made by giving advance written notice to the Administrator in accordance with rules prescribed by the Administrator. Except as provided in Article V and Article VII, no benefits shall be payable to any person if the Participant dies prior to the Annuity Starting Date. A terminated Participant who has no vested interest in the Participant's accrued benefit shall be deemed to have received a distribution of the Participant's entire vested benefit. The Committee or its delegatee may, in its discretion, fully vest a Participant in the Participant's accrued benefit in the event the Participant's employment with the Company is affected by a transaction undertaken by the Company. Notwithstanding any other provision of the Plan, effective April 30, 2014, the accrued benefit of any Participant who ceased to be an employee of the Company effective as of April 30, 2014 as a result of the Company's divestiture of its material handling products business to Syntrol Material Handling, LLC, effective April 30, 2014, shall at all times be fully vested.

4.2 Amount of Termination Benefit

Except as otherwise provided in the applicable Supplement or in Section 3.6, a Participant's monthly Termination Benefit shall be determined pursuant to Sections 3.1.2 and 3.1.3 as in effect on the date the Participant terminates employment, except that the following adjustments shall be made if payment of the Participant's Termination Benefit is to commence before the Normal Retirement Date:

- (a) the amount computed pursuant to Section 3.1.2 shall be reduced by 1/2 of 1% for each month between the Annuity Starting Date and the Normal Retirement Date;
 - (b) the amount of Employee Contributions and Interest required to provide \$1 of monthly retirement benefit under Section 3.1.3 shall be increased by \$3 for each full year by which the Annuity Starting Date precedes the Normal Retirement Date, and partial years shall be prorated on the basis of \$0.25 per month;
 - (c) notwithstanding Subsection (a) of this Section 4.2, the amounts computed pursuant to Section 3.1.2 shall be reduced by 1/3 of 1% for each month in excess of 36 by which the Annuity Starting Date precedes the Participant's 65th birthday if:
 - (i) the Participant's combined age and Years of Vesting Service equal at least 65, and the Participant ceases to be an Employee (1) because of the permanent shutdown of a single site of employment or one or more facilities or operating units within a single site of employment or (2) in connection with a permanent reduction in force; or
 - (ii) the Participant has Years of Vesting Service attributable to employment with FMC before January 1, 1989, has attained age 40, and permanently ceases to be an Employee because of the permanent shutdown of a single site of employment, resulting in the termination of employment of not more than 20 Participants at that employment site.
 - (d) If a Participant ceases to be an Employee (1) because of the permanent shut down of a single site of employment of one or more facilities or operating units within a single site of employment, or (2) in connection with a permanent reduction in force, solely for purposes of determining a Participant's eligibility for Early Retirement, a Participant with 10 Years of Credited Service shall have added to his or her age the number of weeks of pay he or she receives that are attributable to severance pay, unused vacation pay and accrued vacation pay.
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- (e) Notwithstanding anything herein to the contrary, for purposes of determining a Participant's total combined age and Years of Vesting Service under Section 4.2(c) and 4.2(d), a partial month of age or Period of Service shall be counted as a whole month, and fractional years of age and Years of Vesting Service shall be taken into account.

ARTICLE V

Refund of Employee Contributions

5.1 Employee Contributions

No Employee Contributions are permitted to be made to this Plan. However, Employee Contributions which were transferred from the FMC Plan are held under this Plan for the FMC Participants. All Employee Contributions transferred from the FMC Plan are fully vested and nonforfeitable and will be paid in accordance with the terms of Sections 5.2, 5.3 or 5.4 or in accordance with the terms of Section 3.1.3, 3.2.4, or 3.3.1, as applicable.

5.2 Withdrawal of Employee Contributions

A FMC Participant may withdraw all of the FMC Participant's Employee Contributions, plus Interest thereon to the date of withdrawal, at any time before payment of a monthly retirement benefit commences by giving advance written notice to the Administrator in accordance with procedures prescribed by the Administrator. No partial withdrawal of Employee Contributions and Interest shall be permitted.

Payment of the FMC Participant's Employee Contributions plus Interest shall be in the normal form of benefit (50% Joint and Survivor's Annuity for a married FMC Participant, Individual Life Annuity for an unmarried FMC Participant) unless the FMC Participant waives such annuity (with the consent of the FMC Participant's spouse, if the FMC Participant is married, in accordance with Section 6.3) and elects payment in a single sum.

5.3 **Refund Upon Death Before Annuity Starting Date**

If a FMC Participant dies before the Annuity Starting Date, the FMC Participant's Beneficiary shall receive in a lump sum a refund of the FMC Participant's unwithdrawn Employee Contributions and Interest. The refund shall be made as soon as reasonably practicable after the date of the FMC Participant's death, and Interest shall be computed to the date when the refund is paid.

5.4 **Refund After Annuity Starting Date**

If a FMC Participant dies after the Annuity Starting Date, there shall be paid to his or her Beneficiary the difference, if any, between such FMC Participant's Employee Contributions and Interest as of the Annuity Starting Date and:

- (a) if the FMC Participant elected an Individual Life Annuity or a Level Income Option, the portion of the benefits which the FMC Participant has received which are attributable to Employee Contributions and Interest;
- (b) if the FMC Participant elected any other form of benefit, the portion of the benefits received by the FMC Participant and the FMC Participant's Joint Annuitant which are attributable to Employee Contributions and Interest.

Any payment pursuant to (a) above shall be made as soon as reasonably practicable after the FMC Participant's death. Any payment pursuant to (b) above shall be made as soon as reasonably practicable after all other benefit payments to the Joint Annuitant have ceased.

ARTICLE VI

Payment of Retirement Benefits

6.1 **Normal Form of Benefit**

Except as otherwise provided in the applicable Supplement, a Participant's benefit shall be paid in the form of a 50% Joint and Survivor's Annuity, with the Participant's spouse as Joint Annuitant if the Participant is married on the Annuity Starting Date, and in the form of an Individual Life Annuity if the Participant is not married on the Annuity Starting Date, unless the Participant elects with spousal consent not to receive payments pursuant to this 6.1 and to receive payments in one of the optional forms permitted under Section 6.2. An election not to receive the normal form of benefit and to receive payment in any optional form shall satisfy the applicable requirements of Section 6.3.

6.2 **Available Forms of Benefits**

A Participant may elect with spousal consent and in accordance with Section 6.3, to receive the Participant's benefits in any one of the forms of benefits described in this Section 6.2.

6.2.1 **Individual Life Annuity:** An Individual Life Annuity is an immediate annuity which provides equal monthly payments for the Participant's life only.

6.2.2 **50% Joint and Survivor's Annuity:** A 50% Joint and Survivor's Annuity is an immediate annuity which is the actuarial equivalent of an Individual Life Annuity (determined in accordance with Exhibit E-1) (effective February 1, 2006, the Actuarial Equivalent of an Individual Life Annuity), but which provides a smaller monthly annuity for the Participant's life than an Individual Life Annuity.

6.2.3 **100% Joint and Survivor's Annuity:** A 100% Joint and Survivor's Annuity is an immediate annuity which is the actuarial equivalent of an Individual Life Annuity (determined in accordance with Exhibit E-2) (effective February 1, 2006, the Actuarial Equivalent of an Individual Life Annuity), but which provides a smaller monthly annuity for the Participant's life than an Individual Life Annuity.

6.2.4 **Level Income Option:** The Level Income Option provides greater monthly annuity payments prior the Participant's 62nd birthday (determined in accordance with Exhibit E-3 (effective February 1, 2006, determined in accordance with the definition of Actuarial Equivalence in Article I)) and after such birthday provides reduced monthly annuity payments in an amount which, when added to the Primary Social Security Benefits which the Participant could elect to receive, approximately equals the amount of the monthly annuity paid prior to the Participant's 62nd birthday. A Participant who is entitled to an Early Retirement Benefit under Section 3.2 and who elects to have such benefit commence prior to age 62 may elect the Level Income Option, unless the Primary Social Security Benefits which the Participant could elect to receive at age 62 would equal or exceed the amount of the monthly annuity payments prior to age 62 or unless the Participant is receiving Social Security disability benefits. Such election shall be subject to the approval of the Participant's spouse, given in accordance with the requirements for spousal consent under Section 6.3.

6.2.5 **Qualified Optional Survivor Annuity:** Effective for Plan Years beginning on or after January 1, 2008, a Participant may elect a Qualified Optional Survivor Annuity which is an immediate annuity for the life of the Participant with a survivor annuity for the life of the Participant's surviving spouse that equals 75% of the amount of the annuity which is payable during the joint lives of the Participant and the Participant's spouse.

6.3 **Election of Benefits**

6.3.1 The Administrator shall provide each Participant with a written notice containing the following information:

- (a) a general description of the normal form of benefit payable under the Plan;
- (b) the Participant's right to make and the effect of an election to waive the normal form of benefit;
- (c) the right of the Participant's spouse not to consent to the Participant's election under Section 6.1;
- (d) the right of Participant to revoke such election, and the effect of such revocation;
- (e) the optional forms of benefits available under the Plan; and
- (f) the Participant's right to request in writing information on the particular financial effect of an election by the Participant to receive an optional form of benefit in lieu of the normal form of benefit.

6.3.2 The notice under Section 6.3.1 shall be provided to the Participant at each of the following times as shall be applicable to him:

- (a) not more than 90 (effective January 1, 2008, 180) days and not less than 30 days after a Participant who is in the employ of the Company or an Affiliate gives notice of the Participant's intention to terminate employment and commence receipt of the Participant's retirement benefits under the Plan; or
 - (b) not more than 90 (effective January 1, 2008, 180) days and not less than 30 days prior to the attainment of age 65 of a Participant (whether or not the Participant has terminated employment) who has not previously commenced receiving retirement benefits.
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The election period in Section 6.3.3 for a Participant who requests additional information during the election period will be extended until 90 days after the additional information is mailed or personally delivered. Any such request shall be made only within 90 days after the date the information described in Section 6.3.1 is given to the Participant, and the Administrator shall not be obligated to comply with more than one such request. Any information provided pursuant to this Section 6.3.2 will be given to the Participant within 30 days after the date of the Participant's request and will be based upon the estimated benefits to which the Participant will be entitled as of the later of the first day on which such benefits could commence or the last day of the Plan Year in which the Participant's request is received. If a Participant files an election (or revokes an election) pursuant to this Section 6.3 less than 60 days prior to the Annuity Starting Date, such Participant's initial payments may be delayed for administrative reasons. In such event, the payments shall begin as soon as practicable and shall be made retroactively to such date. Notwithstanding the above to the contrary, effective January 1, 2004, in the event a Participant elects a Retroactive Annuity Starting Date as provided in Section 6.6, the notice under 6.3.1 shall be provided to the Participant on or about the date that the Participant files an election for a Retroactive Annuity Starting Date.

6.3.3 A Participant may make the election provided in Section 6.3 by filing the prescribed form with the Administrator at any time during the election period. The election period shall begin 90 (effective January 1, 2008, 180) days prior to the Participant's Annuity Starting Date. Such election shall be subject to the written consent of the Participant's spouse, acknowledging the effect of the election and witnessed by a Plan representative or a notary public. Such spousal consent shall not be required if the Participant establishes to the satisfaction of the Administrator that the consent of the spouse may not be obtained because there is no spouse or the spouse cannot be located. A spouse's consent shall be irrevocable. The election in Section 6.3 may be revoked or changed at any time during the election period but shall be irrevocable thereafter.

6.3.4 Notwithstanding Section 6.3.3:

- (a) distribution of benefits may commence less than 30 days after the notice required pursuant to Section 6.3.1 is provided if:
 - (i) the Participant elects to waive the requirement that notice be given at least 30 days prior to the Annuity Starting Date; and
 - (ii) the distribution commences more than 7 days after such notice is provided.
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- (b) The notice described in Section 6.3.1 may be provided after the Annuity Starting Date, in which case the applicable election period shall not end before the 30th day after the date on which such notice is provided, unless the Participant elects to waive the 30-day notice requirements pursuant to Subsection (a) above.

6.3.5 Notwithstanding the foregoing provisions in Section 6.3, effective January 1, 2004, a Participant may elect a Retroactive Annuity Starting Date (as defined in Treas. Reg. 1.417(e)-1(b)(3)(iv)(B)), pursuant to Section 6.6. In the event that the notice information described in Section 6.3 is provided to the Participant after the Participant's Annuity Starting Date (as defined in Section 417(f)(2) of the Code) or Retroactive Annuity Starting Date, the Participant shall have at least 30 days after the date the notification is provided to make the election described in Section 6.3. The Participant may waive this 30 day period pursuant to the provisions of Section 6.3.4.

6.4 **Joint Annuitants**

A Participant who elects a joint and survivor's annuity shall designate a Joint Annuitant when making such an election. A Participant may designate any individual as the Joint Annuitant; provided, however, that the Joint Annuitant shall be the Participant's spouse unless the Participant's spouse consents to the designation of another individual in accordance with the requirements for spousal consent under Section 6.3.3. A designation of a Joint Annuitant may be revoked or changed at any time during the applicable election period described in Section 6.3.3 but shall become irrevocable thereafter. If the Joint Annuitant dies on or after the Annuity Starting Date the Participant shall continue to receive the reduced monthly annuity.

6.5 **FMC Participants in Pay Status**

Notwithstanding any provision in the Plan to the contrary, each FMC Participant who had elected to receive and/or was receiving their normal retirement benefit, early retirement benefit, deferred retirement benefit or termination benefit under the FMC Plan prior to the Effective Date shall on and after the Effective Date continue to receive such benefits in the same form, and in the same amount as such FMC Participant and/or, as applicable, FMC Joint Annuitant, was receiving or would have received under the FMC Plan prior to the Effective Date as if such benefits were paid by the FMC Plan. In addition, each FMC Beneficiary who was receiving benefits under the FMC Plan on behalf of an FMC Participant prior to the Effective Date shall continue to receive such benefits from this Plan after the Effective Date in the same form and in the same amount as if such benefits were paid by the FMC Plan.

6.6 **Election of Retroactive Annuity Starting Date**

Effective January 1, 2004, a Participant may elect a “Retroactive Annuity Starting Date” (as defined in Treas. Reg. 1.417(e)-1(b)(3)(iv)(B)), that occurs on or before the date the notice information described in Section 6.3 is provided to the Participant, provided the following conditions are satisfied:

- (a) The Participant’s spouse (including an alternate payee who is treated as the spouse under a qualified domestic relations order), determined as if the date distributions commence were the Participant’s Annuity Starting Date (as defined in Section 417(f)(2) of the Code), consents to the Participant’s election of a Retroactive Annuity Starting Date. The spousal consent requirement of this Section 6.6(a) is satisfied if such consent satisfies the conditions of Section 6.3.3 above.
- (b) If the date distribution commences is more than 12 months from the Retroactive Annuity Starting Date, the distribution provided based on the Retroactive Annuity Starting Date shall satisfy Section 415 of the Code as though the date distribution commences is substituted for the annuity starting date for all purposes, including for purposes of determining the applicable interest rate and applicable mortality table (as defined in Article I).
- (c) If the distribution is payable as a lump sum, the distribution amount shall not be less than the present value of the Participant’s accrued benefit, determined (i) using the applicable mortality table and applicable interest rate as of the distribution date or (ii) using the applicable mortality table and applicable interest rate as of the Participant’s Retroactive Annuity Starting Date. For purposes of this paragraph (c) applicable mortality table and applicable interest rate are defined in Article I.

If a Participant elects a Retroactive Annuity Starting Date the following provisions shall apply:

- (d) future periodic payments shall be the same as the future periodic payments, if any, that would have been paid with respect to the Participant had payments actually commenced on the Retroactive Annuity Starting Date;
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- (e) the Participant shall receive a make-up payment to reflect any missed payment or payments for the period from the Retroactive Annuity Starting Date to the date of actual make-up payment (with appropriate adjustment for interest from the date the missed payment or payments would have been made to the date of the actual make-up payment);
- (f) the benefit determined as of the Retroactive Annuity Starting Date shall satisfy Section 417(e)(3) of the Code, if applicable, and Section 415 with the applicable interest rate and applicable mortality table (as defined in Article I) determined as of that date; and the Retroactive Annuity Starting Date shall not precede the date the Participant could have otherwise started receiving benefits under the Plan.

ARTICLE VII

Survivor's Benefits

7.1 Preretirement Survivor's Benefit

7.1.1 **Eligibility:** If a Participant who continues to be employed by the Company at any time on or after attaining age 55 and 10 Years of Credited Service dies (whether or not so employed on the date of death) before the Annuity Starting Date, then such Participant's surviving Joint Annuitant (if any) shall be entitled to receive a survivor's benefit for life, determined under Section 7.2. Payment of such benefit shall commence as of the first day of the month coincident with or next following the date of the Participant's death.

7.1.2 **Amount of Preretirement Survivor's Benefit:** The preretirement survivor's benefit under this Section 7.1 shall be computed as follows:

- (a) If the Participant's Period of Service has not terminated before the Participant's death, the survivor's benefit shall be equal to the benefit which would have been paid to the Participant's Joint Annuitant if the Participant's Period of Service had terminated on the date of death, benefits in the form of a 50% Joint and Survivor's Annuity commenced as of the first day of the next following month, and the Participant died on such day.
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- (b) If the Participant's Period of Service has terminated before the Participant's death but the Participant has deferred the commencement of the Early Retirement Benefit, the survivor's benefit shall be equal to the benefit which the Participant's Joint Annuitant would have been paid if the Participant had elected a 50% Joint and Survivor's benefit commencing as of the first day of the month next following the date of the Participant's death.
- (c) The survivor's benefit payable pursuant to this Section 7.1.2 shall exclude any retirement benefit based upon Employee Contributions and Interest (which will be refunded upon the Participant's death, to the extent provided in Article V).

7.1.3 Designation of Joint Annuitant Other Than Spouse: A participant may elect at any time during the Election Period (as defined in Section 7.1.5) to waive the Preretirement Survivor Annuity and to revoke any such election at any time during the Election Period. Any election by a Participant to waive the Preretirement Survivor Annuity shall not take effect unless the Participant's spouse consents in writing to such election, such consent acknowledges the effect of such an election and the consent is witnessed by a representative of the Plan or a notary public, unless the Participant establishes to the satisfaction of the Committee that such consent may not be obtained because there is no spouse, the spouse cannot be located or because of such other circumstances as the Secretary of the Treasury may by regulations prescribe. The consent by a spouse shall be irrevocable and shall be effective only with respect to that spouse.

7.1.4 Explanation of Preretirement Survivor's Benefit: The Committee shall provide each Participant with a written explanation with respect to the Preretirement Survivor Annuity as soon as administratively feasible after the Participant attains age 55. The explanation shall include:

- (a) the terms and conditions of the Preretirement Survivor Annuity,
 - (b) the Participant's right to make, and the effect of, an election to waive the Preretirement Survivor Annuity,
 - (c) the rights of the Participant's spouse in connection therewith, and
 - (d) the right to make, and the effect of, the revocation of an election to waive the Preretirement Survivor Annuity.
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7.1.5 **Election Period:** For purposes of this Section 7.1.5, the term “Election Period” means the period that begins on the Participant’s 55th birthday and ends on the date of the Participant’s death.

7.2 **Surviving Spouse’s Benefit**

If a Participant who has 5 or more Years of Vesting Service but does not meet the requirements for the preretirement survivor’s benefit under Section 7.1 dies before the Annuity Starting Date, then such Participant’s surviving spouse (if any) shall be entitled to receive a survivor’s benefit for life. The amount of such survivor’s benefit shall be determined pursuant to Section 4.2 based upon the Participant’s age and Years of Credited Service on the date of the Participant’s death and paid in the form of a 50% Joint and Survivor’s Annuity as if the Participant had died on the date such benefits commenced. The survivor’s benefit payable pursuant to this Section 7.2 shall exclude any retirement benefit based upon Employee Contributions and Interest (which will be refunded upon the Participant’s death to the extent provided in Article V). Payment of the survivor’s benefit shall commence on the first day of the month coincident with or next following the later of the Participant’s 55th birthday or his death, unless the Participant’s spouse elects to commence payment of benefits as of the first day of any subsequent month, but not later than the Participant’s Normal Retirement Date.

7.3 **Certain Former Employees**

FMC Participants who have 10 Years of Vesting Service but who have not been credited with an Hour of Service on or after August 23, 1984 and are not receiving benefits on that date shall be entitled to elect survivor’s benefits only as follows:

- (a) If the FMC Participant was credited with an Hour of Service under the FMC Plan, the FMCTI Plan or a predecessor plan on or after September 2, 1974, but is not otherwise credited with an Hour of Service in a Plan Year beginning on or after January 1, 1976, under the FMC Plan, the FMCTI Plan or this Plan, the Participant shall be afforded an opportunity to elect payment of benefits in the form of a 50% Joint and Survivor’s Annuity.
 - (b) If the Participant is credited with an Hour of Service under this Plan, the FMCTI Plan or the FMC Plan or a predecessor plan in a Plan Year beginning after December 31, 1975, the Participant shall be afforded the opportunity to elect a Surviving Spouse’s Benefit under Section 7.2.
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ARTICLE VIII

Fiduciaries

8.1 Named Fiduciaries

8.1.1 The Company is the Plan sponsor and a “named fiduciary” with respect to control over and management of the Plan’s assets only to the extent that it (a) shall appoint the members of the Committee which administers the Plan at the Administrator’s direction; (b) shall delegate its authorities and duties as “plan administrator,” as defined under ERISA, to the Committee; and (c) shall continually monitor the performance of the Committee.

8.1.2 The Company, as Administrator, and the Committee, which administers the Plan at the Administrator’s direction, are “named fiduciaries” of the Plan, as that term is defined in ERISA Section 402(a)(2), with authority to control and manage the operation and administration of the Plan. The Administrator is also the “administrator” and “plan administrator” of the Plan, as those terms are defined in ERISA Section 3(16)(A) and Code Section 414(g), respectively.

8.1.3 The Trustee is a “named fiduciary” of the Plan, as that term is defined in ERISA Section 402(a)(2), with authority to manage and control all Trust assets, except to the extent that authority is delegated to an Investment Manager or to the extent the Administrator or the Committee directs the allocation of Trust assets among general investment categories.

8.1.4 The Company, the Administrator, and the Trustee are the only named fiduciaries of the Plan.

8.2 Employment of Advisers

A named fiduciary, and any fiduciary appointed by a named fiduciary, may employ one or more persons to render advice regarding any of the named fiduciary’s or fiduciary’s responsibilities under the Plan.

8.3 Multiple Fiduciary Capacities

Any named fiduciary and any other fiduciary may serve in more than one fiduciary capacity with respect to the Plan.

8.4 Payment of Expenses

All Plan expenses, including expenses of the Administrator, the Committee, the Trustee, any Investment Manager and any insurance company, will be paid by the Trust Fund, unless a Participating Employer elects to pay some or all of those expenses.

8.5 Indemnification

To the extent not prohibited by state or federal law, each Participating Employer agrees to, and will indemnify and save harmless the Administrator, any past, present, additional or replacement member of the Committee, and any other employee, officer or director of that Participating Employer, from all claims for liability, loss, damage (including payment of expenses to defend against any such claim) fees, fines, taxes, interest, penalties and expenses which result from any exercise or failure to exercise any responsibilities with respect to the Plan, other than willful misconduct or willful failure to act.

ARTICLE IX

Plan Administration

9.1 Powers, Duties and Responsibilities of the Administrator and the Committee

9.1.1 The Administrator and the Committee have full discretion and power to construe the Plan and to determine all questions of fact or interpretation that may arise under it. Interpretation of the Plan or determination of questions of fact regarding the Plan by the Administrator or the Committee will be conclusively binding on all persons interested in the Plan.

9.1.2 The Administrator and the Committee have the power to promulgate such rules and procedures, to maintain or cause to be maintained such records, and to issue such forms as they deem necessary or proper to administer the Plan.

9.1.3 Subject to the terms of the Plan, the Administrator and/or the Committee will determine the time and manner in which all elections authorized by the Plan must be made or revoked.

9.1.4 The Administrator and the Committee have all the rights, powers, duties and obligations granted or imposed upon them elsewhere in the Plan.

9.1.5 The Administrator and the Committee have the power to do all other acts in the judgment of the Administrator or Committee necessary or desirable for the proper and advantageous administration of the Plan.

9.1.6 The Administrator and the Committee will exercise all responsibilities in a uniform and nondiscriminatory manner.

9.2 **Delegation of Administration Responsibilities**

The Administrator and the Committee may designate by written instrument one or more actuaries, accountants or consultants as fiduciaries to carry out, where appropriate, their administrative responsibilities, including their fiduciary duties. The Committee may from time to time allocate or delegate to any subcommittee, member of the Committee and others, not necessarily employees of the Company, any of its duties relative to compliance with ERISA, administration of the Plan and other related matters, including those involving the exercise of discretion. The Company's duties and responsibilities under the Plan shall be carried out by its directors, officers and employees, acting on behalf of and in the name of the Company in their capacities as directors, officers and employees, and not as individual fiduciaries. No director, officer nor employee of the Company shall be a fiduciary with respect to the Plan unless he or she is specifically so designated and expressly accepts such designation.

9.3 **Committee Members**

The Committee shall consist of not less than three people, who need not be directors, and shall be appointed by the Board of Directors of the Company. Any Committee member may resign and the Board of Directors may remove any Committee member, with or without cause, at any time. A majority of the members of the Committee shall constitute a quorum for the transaction of business and the act of a majority of the Committee members at a meeting at which a quorum is present shall be the act of the Committee. The Committee can act by written consent signed by all of its members. Any members of the Committee who are Employees shall not receive compensation for their services for the Committee. No Committee member shall be entitled to act on or decide any matter relating solely to his or her status as a Participant.

ARTICLE X

Funding of the Plan

10.1 Appointment of Trustee

The Committee or its authorized delegatee will appoint the Trustee and either may remove it. The Trustee accepts its appointment by executing the Trust Agreement. A Trustee will be subject to direction by the Committee or its authorized delegatee or, to the extent specified by the Company, by an Investment Manager, and will have the degree of discretion to manage and control Plan assets specified in the Trust Agreement. Neither the Company nor any other Plan fiduciary will be liable for any act or omission to act of a Trustee, as to duties delegated to the Trustee.

10.2 Actuarial Cost Method

The Committee or its authorized delegatee shall determine the actuarial cost method to be used in determining costs and liabilities under the Plan pursuant to Section 301 et seq., of ERISA, and Section 412 of the Code. The Committee or its authorized delegatee shall review such actuarial cost method from time to time, and if it determines from review that such method is no longer appropriate, then it shall petition the Secretary of the Treasury for approval of a change of actuarial cost method.

10.3 Cost of the Plan

Annually the Committee or its authorized delegatee shall determine the normal cost of the Plan for the Plan Year and the amount (if any) of the unfunded past service cost on the basis of the actuarial cost method established for the Plan using actuarial assumptions which, in the aggregate, are reasonable. The Committee or its authorized delegatee shall also determine the contributions required to be made for each Plan Year by the Participating Employers in order to satisfy the minimum funding standard (or alternative minimum funding standard) for such Plan Year determined pursuant to Sections 302 through 305 of ERISA and Section 412 of the Code.

10.4 **Funding Policy**

The Participating Employers shall cause contributions to be made to the Plan for each Plan Year in the amount necessary to satisfy the minimum funding standard (or alternative minimum funding standard) for such Plan Year; provided, however, that this obligation shall cease when the Plan is terminated. In the case of a partial termination of the Plan, this obligation shall cease with respect to those Participants, Joint Annuitants and Beneficiaries who are affected by such partial termination. Each contribution is conditioned upon its deductibility under Section 404 of the Code and shall be returned to the Participating Employers within one year after the disallowance of the deduction (to the extent disallowed). Upon the Company's written request, a contribution that was made by a mistake of fact shall be returned to the Participating Employer within one year after the payment of the contribution.

10.5 **Cash Needs of the Plan**

The Committee or its authorized delegatee from time to time shall estimate the benefits and administrative expenses to be paid out of the Plan during the period for which the estimate is made and shall also estimate the contributions to be made to the Plan during such period by the Participating Employers. The Committee or its authorized delegatee shall inform the Trustees of the estimated cash needs of and contributions to the Plan during the period for which such estimates are made. Such estimates shall be made on an annual, quarterly, monthly or other basis, as the Committee shall determine.

10.6 **Public Accountant**

The Committee or its authorized delegatee shall engage an independent qualified public accountant to conduct such examinations and to render such opinions as may be required by Section 103(a)(3) of ERISA. The Committee or its authorized delegatee in its discretion may remove and discharge the person so engaged, but in such case it shall engage a successor independent qualified public accountant to perform such examinations and to render such opinions.

10.7 **Enrolled Actuary**

The Committee or its authorized delegatee shall engage an enrolled actuary to prepare the actuarial statement described in Section 103(d) of ERISA and to render the opinion described in Section 103(a)(4) of ERISA. The Committee or its authorized delegatee in its discretion may remove and discharge the person so engaged, but in such event it shall engage a successor enrolled actuary to perform such examination and render such opinion.

10.8 **Basis of Payments to the Plan**

All contributions to the Plan shall be made by the Participating Employers, and no contributions shall be required of or permitted by Participants. From time to time the Participating Employers shall make such contributions to the Plan as the Company determines to be necessary or desirable in order to fund the benefits provided by the Plan, and any expenses thereof which are paid out of the Trust Fund and in order to carry out the obligations of the Participating Employers set forth in Section 10.3. All contributions to the Plan shall be held by the Trustee in accordance with the Trust Agreement.

10.9 **Basis of Payments from the Plan**

All benefits payable under the Plan shall be paid by the Trustee out of the Trust Fund pursuant to the directions of the Administrator or the Committee and the terms of the Trust Agreement. The Trustee shall pay all proper expenses of the Plan and the Trust Fund out of the Trust Fund, except to the extent paid by the Participating Employers.

10.10 **Funding Based Benefit Restrictions: Limitations Applicable If the Plan's Adjusted Funding Target Attainment Percentage Is Less Than 80 Percent or If the Company, as Plan Sponsor, Is In Bankruptcy**

- (a) Limitations Applicable If the Plan's Adjusted Funding Target Attainment Percentage Is Less Than 80 Percent, But Not Less Than 60 Percent. Notwithstanding any other provisions of the Plan, if the Plan's adjusted funding target attainment percentage for a Plan Year is less than 80 percent (or would be less than 80 percent to the extent described in Section 10.10(a)(ii) below) but is not less than 60 percent, then the limitations set forth in this Section 10.10(a) apply.
 - (i) 50 Percent Limitation on Single Sum Payments, Other Accelerated Forms of Distribution, and Other Prohibited Payments. A Participant or Beneficiary is not permitted to elect, and the Plan shall not pay, a single sum payment or other optional form of benefit that includes a prohibited payment with an annuity starting date on or after the applicable Code Section 436 measurement date, and the Plan shall not make any payment for the purchase of an irrevocable commitment from an insurer to pay benefits or any other payment or transfer that is a prohibited payment, unless the present value of the portion of the benefit that is being paid in a prohibited payment does not exceed the lesser of:
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- (1) 50 percent of the present value of the benefit payable in the optional form of benefit that includes the prohibited payment; or
- (2) 100 percent of the PBGC maximum benefit guarantee amount (as defined in Section 1.436-1(d)(3)(iii)(C) of the Treasury Regulations).

The limitation set forth in this Section 10.10(a)(i) does not apply to any payment of a benefit which under Section 411(a)(11) of the Code may be immediately distributed without the consent of the Participant. If an optional form of benefit that is otherwise available under the terms of the Plan is not available to a Participant or Beneficiary as of the annuity starting date because of the application of the requirements of this Section 10.10(a)(i), the Participant or Beneficiary is permitted to elect to bifurcate the benefit into unrestricted and restricted portions (as described in Section 1.436-1(d)(3)(iii)(D) of the Treasury Regulations). The Participant or Beneficiary may also elect any other optional form of benefit otherwise available under the Plan at that annuity starting date that would satisfy the 50 percent/PBGC maximum benefit guarantee amount limitation described in this Section 10.10(a)(i), or may elect to defer the benefit in accordance with any general right to defer commencement of benefits under the Plan.

- (ii) **Plan Amendments Increasing Liability for Benefits.** No amendment to the Plan that has the effect of increasing liabilities of the Plan by reason of increases in benefits, establishment of new benefits, changing the rate of benefit accrual, or changing the rate at which benefits become nonforfeitable shall take effect in a Plan Year if the adjusted funding target attainment percentage for the Plan Year is:
 - (1) Less than 80 percent; or
 - (2) 80 percent or more, but would be less than 80 percent if the benefits attributable to the amendment were taken into account in determining the adjusted funding target attainment percentage.

The limitation set forth in this Section 10.10(a)(ii) does not apply to any amendment to the Plan that provides a benefit increase under a Plan formula that is not based on compensation, provided that the rate of such increase does not exceed the contemporaneous rate of increase in the average wages of Participants covered by the amendment.

- (b) Limitations Applicable If the Plan's Adjusted Funding Target Attainment Percentage Is Less Than 60 Percent. Notwithstanding any other provisions of the Plan, if the Plan's adjusted funding target attainment percentage for a Plan Year is less than 60 percent (or would be less than 60 percent to the extent described in Section 10.10(b)(ii) below), then the limitations in this Section 10.10(b) apply.
- (i) **Single Sums, Other Accelerated Forms of Distribution, and Other Prohibited Payments Not Permitted.** A Participant or Beneficiary is not permitted to elect, and the Plan shall not pay, a single sum payment or other optional form of benefit that includes a prohibited payment with an annuity starting date on or after the applicable Code Section 436 measurement date, and the Plan shall not make any payment for the purchase of an irrevocable commitment from an insurer to pay benefits or any other payment or transfer that is a prohibited payment. The limitation set forth in this Section 10.10(b)(i) does not apply to any payment of a benefit which under Section 411(a)(11) of the Code may be immediately distributed without the consent of the Participant.
 - (ii) **Shutdown Benefits and Other Unpredictable Contingent Event Benefits Not Permitted to Be Paid.** An unpredictable contingent event benefit with respect to an unpredictable contingent event occurring during a Plan Year shall not be paid if the adjusted funding target attainment percentage for the Plan Year is:
 - (1) Less than 60 percent; or
 - (2) 60 percent or more, but would be less than 60 percent if the adjusted funding target attainment percentage were redetermined applying an actuarial assumption that the likelihood of occurrence of the unpredictable contingent event during the Plan Year is 100 percent.
 - (iii) **Benefit Accruals Frozen.** Benefit accruals under the Plan shall cease as of the applicable Code Section 436 measurement date. In addition, if the Plan is required to cease benefit accruals under this Section 10.10(b)(iii), then the Plan is not permitted to be amended in a manner that would increase the liabilities of the Plan by reason of an increase in benefits or establishment of new benefits.
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- (c) Limitations Applicable If the Company, as Plan Sponsor, Is In Bankruptcy. Notwithstanding any other provisions of the Plan, a Participant or Beneficiary is not permitted to elect, and the Plan shall not pay, a single sum payment or other optional form of benefit that includes a prohibited payment with an annuity starting date that occurs during any period in which the Company, as Plan sponsor, is a debtor in a case under title 11, United States Code, or similar Federal or State law, except for payments made within a Plan Year with an annuity starting date that occurs on or after the date on which the Plan's enrolled actuary certifies that the Plan's adjusted funding target attainment percentage for that Plan Year is not less than 100 percent. In addition, during such period in which the Company, as Plan sponsor, is a debtor, the Plan shall not make any payment for the purchase of an irrevocable commitment from an insurer to pay benefits or any other payment or transfer that is a prohibited payment, except for payments that occur on a date within a Plan Year that is on or after the date on which the Plan's enrolled actuary certifies that the Plan's adjusted funding target attainment percentage for that Plan Year is not less than 100 percent. The limitation set forth in this Section 10.10(c) does not apply to any payment of a benefit which under Section 411(a)(11) of the Code may be immediately distributed without the consent of the Participant.
- (d) Provisions Applicable After Limitations Cease to Apply.
- (i) Resumption of Prohibited Payments. If a limitation on prohibited payments under Section 10.10(a)(i), Section 10.10(b)(i), or Section 10.10(c) applied to the Plan as of a Code Section 436 measurement date, but that limit no longer applies to the Plan as of a later Code Section 436 measurement date, then that limitation does not apply to benefits with annuity starting dates that are on or after that later Code Section 436 measurement date.
 - (ii) Resumption of Benefit Accruals. If a limitation on benefit accruals under Section 10.10(b)(iii) applied to the Plan as of a Code Section 436 measurement date, but that limitation no longer applies to the Plan as of a later Code Section 436 measurement date, then benefit accruals shall resume prospectively and that limitation does not apply to benefit accruals that are based on service on or after that later Code Section 436 measurement date, except as otherwise provided under the Plan. The Plan shall comply with the rules relating to partial years of participation and the prohibition on double proration under Department of Labor regulation 29 CFR § 2530.204-2(c) and (d).
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- (iii) **Shutdown and Other Unpredictable Contingent Event Benefits.** If an unpredictable contingent event benefit with respect to an unpredictable contingent event that occurs during the Plan Year is not permitted to be paid after the occurrence of the event because of the limitation of Section 10.10(b)(ii), but is permitted to be paid later in the same Plan Year (as a result of additional contributions or pursuant to the enrolled actuary's certification of the adjusted funding target attainment percentage for the Plan Year that meets the requirements of Section 1.436-1(g)(5)(ii)(B) of the Treasury Regulations), then that unpredictable contingent event benefit shall be paid, retroactive to the period that benefit would have been payable under the terms of the Plan (determined without regard to Section 10.10(b)(ii)). If the unpredictable contingent event benefit does not become payable during the Plan Year in accordance with the preceding sentence, then the Plan is treated as if it does not provide for that benefit.
 - (iv) **Treatment of Plan Amendments That Do Not Take Effect.** If a Plan amendment does not take effect as of the effective date of the amendment because of the limitation of Section 10.10(a)(ii) or Section 10.10(b)(iii), but is permitted to take effect later in the same Plan Year (as a result of additional contributions or pursuant to the enrolled actuary's certification of the adjusted funding target attainment percentage for the Plan Year that meets the requirements of Section 1.436-1(g)(5)(ii)(C) of the Treasury Regulations), then the Plan amendment must automatically take effect as of the first day of the Plan Year (or, if later, the original effective date of the amendment). If the Plan amendment cannot take effect during the same Plan Year, then it shall be treated as if it were never adopted, unless the Plan amendment provides otherwise.
 - (e) **Notice Requirement.** See Section 101(j) of ERISA for rules requiring the plan administrator of a single company defined benefit pension plan to provide a written notice to participants and beneficiaries within 30 days after certain specified dates if the plan has become subject to a limitation described in Section 10.10(a)(i), Section 10.10(b), or 10.10(c).
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- (f) Methods to Avoid or Terminate Benefit Limitations. See Code Sections 436(b)(2), (c)(2), (e)(2), and (f) and Section 1.436-1(f) of the Treasury Regulations for rules relating to Company contributions and other methods to avoid or terminate the application of the limitations set forth in Sections 10.10(a) through 10.10(c) for a Plan Year. In general, the methods the Company, as Plan sponsor, may use to avoid or terminate one or more of the benefit limitations under 10.10(a) through 10.10(c) for a Plan Year include Company contributions and elections to increase the amount of Plan assets which are taken into account in determining the adjusted funding target attainment percentage, making a Company contribution that is specifically designated as a current year contribution that is made to avoid or terminate application of certain of the benefit limitations, or providing security to the Plan.
- (g) Special Rules.
- (i) Rules of Operation for Periods Prior to and After Certification of Plan's Adjusted Funding Target Attainment Percentage.
- (1) In General. Code Section 436(h) and Section 1.436-1(h) of the Treasury Regulations set forth a series of presumptions that apply (1) before the Plan's enrolled actuary issues a certification of the Plan's adjusted funding target attainment percentage for the Plan Year and (2) if the Plan's enrolled actuary does not issue a certification of the Plan's adjusted funding target attainment percentage for the Plan Year before the first day of the 10th month of the Plan Year (or if the Plan's enrolled actuary issues a range certification for the Plan Year pursuant to Section 1.436-1(h)(4)(ii) of the Treasury Regulations but does not issue a certification of the specific adjusted funding target attainment percentage for the Plan by the last day of the Plan Year). For any period during which a presumption under Code Section 436(h) and Section 1.436-1(h) of the Treasury Regulations applies to the Plan, the limitations under Sections 10.10(a) through 10.10(c) are applied to the Plan as if the adjusted funding target attainment percentage for the Plan Year were the presumed adjusted funding target attainment percentage determined under the rules of Code Section 436(h) and, Section 1.436-1(h)(1), (2), or (3) of the Treasury Regulations. These presumptions are set forth in Section 10.10(g)(i)(B) through 10.10(g)(i)(D).
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- (2) **Presumption of Continued Underfunding Beginning First Day of Plan Year.** If a limitation under Section 10.10(a), 10.10(b), or 10.10(c) applied to the Plan on the last day of the preceding Plan Year, then, commencing on the first day of the current Plan Year and continuing until the Plan 's enrolled actuary issues a certification of the adjusted funding target attainment percentage for the Plan for the current Plan Year, or, if earlier, the date Section 10.10(g)(i)(C) or Section 10.10(g)(i)(D) applies to the Plan:
- (A) The adjusted funding target attainment percentage of the Plan for the current Plan Year is presumed to be the adjusted funding target attainment percentage in effect on the last day of the preceding Plan Year; and
 - (B) The first day of the current Plan Year is a Code Section 436 measurement date.
- (3) **Presumption of Underfunding Beginning First Day of 4th Month.** If the Plan 's enrolled actuary has not issued a certification of the adjusted funding target attainment percentage for the Plan Year before the first day of the 4th month of the Plan Year and the Plan's adjusted funding target attainment percentage for the preceding Plan Year was either at least 60 percent but less than 70 percent or at least 80 percent but less than 90 percent, or is described in Section 1.436-1(h)(2)(ii) of the Treasury Regulations, then, commencing on the first day of the 4th month of the current Plan Year and continuing until the Plan 's enrolled actuary issues a certification of the adjusted funding target attainment percentage for the Plan for the current Plan Year, or, if earlier, the date Section 10.10(g)(i)(D) applies to the Plan:
- (A) The adjusted funding target attainment percentage of the Plan for the current Plan Year is presumed to be the Plan 's adjusted funding target attainment percentage for the preceding Plan Year reduced by 10 percentage points; and
 - (B) The first day of the 4th month of the current Plan Year is a Code Section 436 measurement date.
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- (4) **Presumption of Underfunding On and After First Day of 10th Month.** If the Plan 's enrolled actuary has not issued a certification of the adjusted funding target attainment percentage for the Plan Year before the first day of the 10th month of the Plan Year (or if the Plan's enrolled actuary has issued a range certification for the Plan Year pursuant to Section 1.436-1(h)(4)(ii) of the Treasury Regulations but has not issued a certification of the specific adjusted funding target attainment percentage for the Plan by the last day of the Plan Year), then, commencing on the first day of the 10th month of the current Plan Year and continuing through the end of the Plan Year:
 - (A) The adjusted funding target attainment percentage of the Plan for the current Plan Year is presumed to be less than 60 percent; and
 - (B) The first day of the 10th month of the current Plan Year is a Code Section 436 measurement date.
 - (ii) **New Plans, Plan Termination, Certain Frozen Plans, and Other Special Rules.**
 - (1) **First 5 Plan Years.** The limitations in Section 10.10(a)(ii), Section 10.10(b)(ii), and Section 10.10(b)(iii) do not apply to a new plan for the first 5 plan years of the plan, determined under the rules of Code Section 436(i) and Section 1.436-1(a)(3)(i) of the Treasury Regulations.
 - (2) **Plan Termination.** The limitations on prohibited payments in Section 10.10(a)(i), Section 10.10(b)(i), and Section 10.10(c) do not apply to prohibited payments that are made to carry out the termination of the Plan in accordance with applicable law. Any other limitations under this section of the Plan do not cease to apply as a result of termination of the Plan.
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- (3) Exception to Limitations on Prohibited Payments Under Certain Frozen Plans. The limitations on prohibited payments set forth in Sections 10.10(a)(i), 10.10(b)(i), and 10.10(c) do not apply for a Plan Year if the terms of the Plan , as in effect for the period beginning on September 1, 2005, and continuing through the end of the Plan Year, provide for no benefit accruals with respect to any Participants. This Section 10.10(g)(ii)(C) shall cease to apply as of the date any benefits accrue under the Plan or the date on which a Plan amendment that increases benefits takes effect.
 - (4) Special Rules Relating to Unpredictable Contingent Event Benefits and Plan Amendments Increasing Benefit Liability. During any period in which none of the presumptions under Section 10.10(g)(i) apply to the Plan and the Plan 's enrolled actuary has not yet issued a certification of the Plan's adjusted funding target attainment percentage for the Plan Year, the limitations under Section 10.10(a)(ii) and Section 10.10(b)(ii) shall be based on the inclusive presumed adjusted funding target attainment percentage for the Plan, calculated in accordance with the rules of Section 1.436-1(g)(2)(iii) of the Treasury Regulations.
 - (iii) Special Rules Under PRA 2010.
 - (1) Payments Under Social Security Leveling Options. For purposes of determining whether the limitations under Section 10.10(a)(i) or 10.10(b)(i) apply to payments under a social security leveling option, within the meaning of Code Section 436(j)(3)(C)(i), the adjusted funding target attainment percentage for a Plan Year shall be determined in accordance with the “Special Rule for Certain Years” under Code Section 436(j)(3) and any Treasury Regulations or other published guidance thereunder issued by the Internal Revenue Service.
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- (2) Limitation on Benefit Accruals. For purposes of determining whether the accrual limitation under Section 10.10(b)(iii) applies to the Plan, the adjusted funding target attainment percentage for a Plan Year shall be determined in accordance with the “Special Rule for Certain Years” under Code Section 436(j)(3) (except as provided under section 203(b) of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, if applicable).
- (iv) Interpretation of Provisions. The limitations imposed by this section of the Plan shall be interpreted and administered in accordance with Code Section 436 and Section 1.436-1 of the Treasury Regulations.
- (h) Definitions. The definitions in the following Treasury Regulations apply for purposes of Sections 10.10(a) through 10.10(g): Section 1.436-1(j)(1) defining adjusted funding target attainment percentage; Section 1.436-1(j)(2) defining annuity starting date; Section 1.436-1(j)(6) defining prohibited payment; Section 1.436-1(j)(8) defining Code Section 436 measurement date; and Section 1.436-1(j)(9) defining an unpredictable contingent event and an unpredictable contingent event benefit.
- (i) Effective Date. The rules in Sections 10.10(a) through 10.10(i) are effective for Plan Years beginning after December 31, 2007.

ARTICLE XI

Plan Amendment or Termination

11.1 Plan Amendment or Termination

The Company may amend, modify or terminate the Plan at any time by resolution of the Board or by resolution of or other action recorded in the minutes of the Administrator or the Committee. Execution and delivery by the Chairman of the Board, the President, any Vice President of the Company or the Committee of an amendment to the Plan is conclusive evidence of the amendment, modification or termination.

11.2 Limitations on Plan Amendment

No Plan amendment can:

- (a) authorize any part of the Trust Fund to be used for, or diverted to, purposes other than the exclusive benefit of Participants or their Joint Annuitants and Beneficiaries;
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- (b) decrease the accrued benefits of any Participant or his or her Joint Annuitant or Beneficiary under the Plan; or
- (c) except to the extent permitted by law, eliminate or reduce an early retirement benefit or retirement-type subsidy (as defined in Code Section 411) or an optional form of benefit with respect to service prior to the date the amendment is adopted or effective, whichever is later.

11.3 **Effect of Plan Termination**

Upon termination of the Plan, each Participant's rights to benefits accrued hereunder shall be vested and nonforfeitable, and the Trust shall continue until the Trust Fund has been distributed as provided in Section 11.4. Any other provision hereof notwithstanding, the Participating Employers shall have no obligation to continue making contributions to the Plan after termination of the Plan. Except as otherwise provided in ERISA, neither the Participating Employers nor any other person shall have any liability or obligation to provide benefits hereunder after such termination in excess of the value of the Trust Fund. Upon such termination, Participants, Joint Annuitants, and Beneficiaries shall obtain benefits solely from the Trust Fund. Upon partial termination of the Plan, this Section 11.3 shall apply only with respect to such Participants, Joint Annuitants and Beneficiaries as are affected by such partial termination.

11.4 **Allocation of Trust Fund on Termination**

On termination of the Plan, the Trust Fund shall be allocated by the Administrator on an actuarial basis among Participants, Joint Annuitants and Beneficiaries in the manner prescribed by Section 4044 of ERISA. Any residual assets of the Trust Fund remaining after such allocation shall be distributed to the Company if (a) all liabilities of the Plan to Participants, Joint Annuitants and Beneficiaries have been satisfied and (b) such a distribution does not contravene any provision of law. The foregoing notwithstanding, if any remaining assets of the Plan are attributable to Employee Contributions, such assets shall be equitably distributed to the FMC Participants who made such contributions (or to their Beneficiaries) in accordance with their rate of contribution. The benefit of any highly compensated employee or former employee (determined in accordance with section 414(g) of the Code and regulations thereunder) shall be limited to a benefit that is nondiscriminatory under section 401(a)(4) of the Code. In the event of a partial termination of the Plan, the Administrator shall arrange for the division of the Trust Fund, on a nondiscriminatory basis to the extent required by section 401 of the Code, into the portion attributable to those Participants, Joint Annuitants and Beneficiaries who are not affected by such partial termination and the portion attributable to such persons who are so affected. The portion of the Trust Fund attributable to persons who are so affected shall be allocated in the manner prescribed by section 4044 of ERISA.

ARTICLE XII

Miscellaneous Provisions

12.1 **Subsequent Changes**

All benefits to which any Participant, Joint Annuitant, or Beneficiary may be entitled hereunder shall be determined under the Plan in effect when the Participant ceases to be an Eligible Employee (or under the FMC Plan, as of the date each FMC Participant who is not an Employee ceased being an eligible employee under the FMC Plan) and shall not be affected by any subsequent change in the provisions of the Plan, unless the Participant again becomes an Eligible Employee.

12.2 **Plan Mergers**

The Plan shall not be merged or consolidated with any other plan, and no assets or liabilities of the Plan shall be transferred to any other plan, unless each Participant would receive a benefit immediately after such merger, consolidation or transfer (if the Plan then terminated) which is equal to or greater than the benefit such Participant would have been entitled to receive immediately before such merger, consolidation or transfer (if the Plan had then been terminated). A list of plans which were merged into the FMC Plan since May 27, 1994 and whose assets were transferred to the FMCTI Plan in connection with the FTI Spinoff and whose assets were transferred to this Plan in connection with the FMCTI Spinoff is attached hereto and made a part hereof as Exhibit C.

12.3 **No Assignment of Property Rights**

The interest or property rights of any person in the Plan, in the Trust Fund or in any payment to be made under the Plan shall not be assignable nor be subject to alienation or option, either by voluntary or involuntary assignment or by operation of law, including (without limitation) bankruptcy, garnishment, attachment or other creditor's process, and any act in violation of this Section 12.3 shall be void. This provision shall not apply to a "qualified domestic relations order" defined in Code Section 414(p). The Company shall establish a written procedure to determine the qualified status of domestic relations orders and to administer distributions under such qualified orders.

In addition, the prohibition of this Section 12.3 will not apply to any offset of a Participant's benefit under the Plan against an amount the Participant is ordered or required to pay to the Plan under a judgment, order, decree or settlement agreement that meets the requirements as set forth in this Section 12.3. The Participant must be ordered or required to pay the Plan under a judgment of conviction for a crime involving the Plan, under a civil judgment (including a consent order or decree) entered by a court in an action brought in connection with a violation (or alleged violation) of part 4 of subtitle B of title I of ERISA, or pursuant to a settlement agreement between the Secretary of Labor and the Participant in connection with a violation (or alleged violation) of that part 4. This judgment, order, decree or settlement agreement must expressly provide for the offset of all or part of the amount that must be paid to the Plan against the Participant's benefit under the Plan. In addition, if a Participant is entitled to receive a 50% Joint and Survivor Annuity under Section 6.1 of the Plan or a Survivor's Benefit under Article VII of the Plan, and the Participant is married at the time at which the offset is to be made, the Participant's spouse must consent to the offset in accordance with the spousal consent requirements of Section 6.3.3 of the Plan, an election to waive the right of the spouse to the 50% Joint and Survivor Annuity (made in accordance with Section 6.3 of the Plan) or to the Survivor's Benefit (made in accordance with Article VII of the Plan) must be in effect, the spouse is ordered or required in the judgment, order, decree, or settlement to pay an amount to the Plan in connection with a violation of Part 4 of subtitle B or ERISA Title I, or the spouse retains in the judgment, order, decree, or settlement the right to receive the survivor annuity under the 50% Joint and Survivor Annuity or under the Survivor's Benefit, determined in the following manner: the Participant terminated employment on the date of the offset, there was no offset, the Plan permitted the commencement of benefits only on or after Normal Retirement Age, the Plan provided only the minimum-required qualified joint and survivor annuity, and the amount of the Survivor's Benefit under the Plan is equal to the amount of the survivor annuity payable under the minimum-required qualified joint and survivor annuity. For purposes of this Section 12.3 the term "minimum-required qualified joint and survivor annuity" means a qualified joint and survivor annuity which is the actuarial equivalent of the Participant's accrued benefit and under which the survivor's annuity is 50% of the amount of the annuity which is payable during the joint lives of the Participant and the Participant's spouse.

12.4 **Beneficiary**

The Beneficiary of a Participant shall be the person or persons so designated by such Participant. If no Beneficiary has been designated or if the designated Beneficiary is not living when a Plan Benefit is to be distributed, the Beneficiary shall be such Participant's spouse if then living or, if not, such Participant's then living children in equal shares or, if there are no children, such Participant's estate. A Participant may revoke and change a designation of a Beneficiary at any time. A designation of a Beneficiary, or any revocation and change thereof, shall be effective only if it is made in writing in a form acceptable to the Administrator and is received by it prior to the Participant's death.

12.5 **Benefits Payable to Minors, Incompetents and Others**

If any benefit is payable to a minor, an incompetent, or a person otherwise under a legal disability, or to a person the Administrator reasonably believes to be physically or mentally incapable of handling and disposing of his or her property, whether because of his or her advanced age, illness, or other physical or mental impairment, the Administrator has the power to apply all or any part of the benefit directly to the care, comfort, maintenance, support, education, or use of the person, or to pay all or any part of the benefit to the person's parent, guardian, committee, conservator, or other legal representative, wherever appointed, to the individual with whom the person is living or to any other individual or entity having the care and control of the person. The Plan, the Administrator and any other Plan fiduciary will have fully discharged all responsibilities to the Participant, Joint Annuitant or Beneficiary entitled to a payment by making payment under the preceding sentence.

12.6 **Employment Rights**

Nothing in the Plan shall be deemed to give any person a right to remain in the employ of the Company and Affiliates or affect any right of the Company or any Affiliate to terminate a person's employment with or without cause.

12.7 **Proof of Age and Marriage**

Participants and Joint Annuitants shall furnish proof of age and marital status satisfactory to the Administrator at such time or times as it shall prescribe. The Administrator may delay the disbursement of any benefits under the Plan until all pertinent information with respect to age or marital status has been furnished and then make payment retroactively.

12.8 **Small Annuities**

If the sum of (a) the lump sum Actuarial Equivalent value of a Normal, Early, or Deferred Retirement Benefit under Article III, Termination Benefit (payable at the Participant's Normal Retirement Date) under Article IV, or Survivor's Benefit under Article VII, excluding any Aetna or Prudential nonparticipating annuity; and (b) the lump sum Actuarial Equivalent value of any Aetna or Prudential nonparticipating annuity is equal to \$5,000 (effective January 1, 2005, \$1,000) (or such other amount as may be prescribed in or under the Code) or less, such amounts shall be paid in a lump sum as soon as administratively practicable following the Participant's retirement, termination of employment or death.

For lump sum distributions paid on or after January 1, 2003, if the Participant is thereafter reemployed by the Company, the Participant's subsequent benefit will be reduced by the lump sum Actuarial Equivalent value of the lump sum distribution previously paid to the Participant. For lump sum distributions paid prior to January 1, 2003, if a Participant who has received such a lump sum distribution is thereafter reemployed by the Company, the Participant shall have the option to repay to the Plan the amount of such distribution, together with interest at the rate of 5% per annum (or such other rate as may be prescribed pursuant to section 411(c)(2)(C) (III) of the Code), compounded annually from the date of the distribution to the date of repayment. If a reemployed Participant does not make such repayment, no part of the Period of Service with respect to which the lump sum distribution was made shall count as Years of Vesting Service or Years of Credited Service.

12.9 Controlling Law

The Plan and all rights thereunder shall be interpreted and construed in accordance with ERISA and, to the extent that state law is not preempted by ERISA, the law of the State of Illinois.

12.10 Direct Rollover Option

Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section 12.10, a distributee may elect, at the time and in the manner prescribed by the 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.

- (a) As used in this Section 12.10, an "eligible rollover distribution" means any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of 10 years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any other distribution(s) that is reasonably expected to total less than \$200 during a year.
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A portion of a distribution shall not fail to be an eligible rollover distribution because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in Section 408(a) or (b) of the Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

Notwithstanding the preceding to the contrary, effective for Plan Years beginning on or after January 1, 2007, a Participant may also elect to make a direct rollover of after-tax employee contributions to a qualified plan or to a 403(b) plan that agrees to separately account for such amounts.

- (b) As used in this Section 12.10, an “eligible retirement plan” means an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, a qualified trust described in Section 401(a) of the Code, that accepts the distributee’s eligible rollover distribution and an annuity contract described in Section 403(b) of the Code or an eligible retirement plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of “eligible retirement plan” shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code. For distributions made on or after January 1, 2008, an “eligible retirement plan” shall also include a Roth IRA defined in Section 408A(b) of the Code.
 - (c) As used in this Section 12.10, a “distributee” includes an Employee or former Employee. In addition, the Employee’s or former Employee’s surviving spouse and the Employee’s or former Employee’s spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.
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Effective January 1, 2010, and notwithstanding any provision herein to the contrary, with respect to any portion of a distribution from the Plan of a deceased Employee, an individual who is the designated Beneficiary (as defined by Code Section 401(a)(9)(E)) of the Employee and who is not the surviving spouse of the Employee shall be permitted to make a direct trustee-to-trustee transfer of the distribution to an individual retirement plan described in Code Section 402(c)(8)(B)(i) or (ii) established for the purposes of receiving the distribution on behalf of such designated Beneficiary. In such event, the transfer shall be treated as an “eligible rollover distribution,” the individual retirement plan shall be treated as an inherited individual retirement account or individual retirement annuity (within the meaning of Code Section 408(d)(3)(C)) and Code Section 401(a)(9)(B) (other than clause (iv) thereof) shall apply to such individual retirement plan. As used in this Section 12.10, a “direct rollover” is a payment by the Plan to the eligible retirement plan specified by the distributee.

12.11 **Claims Procedure**

12.11.1 Any application for benefits under the Plan and all inquiries concerning the Plan shall be submitted to the Company at such address as may be announced to Participants from time to time. Applications for benefits shall be in the form and manner prescribed by the Company and shall be signed by the Participant or, in the case of a benefit payable after the death of the Participant, by the Participant’s Surviving Spouse or Beneficiary, as the case may be.

12.11.2 The Plan Administrator shall give written or electronic notice of its decision on any application to the applicant within 90 days of receipt of the application. Electronic notification may be used, at the discretion of the Plan Administrator (or Review Panel, as discussed below). If special circumstances require a longer period of time, the Plan Administrator shall provide notice to the applicant within the initial 90-day period, explaining the special circumstances requiring the extension of time and the date by which the Plan expects to render a benefit determination. A decision will be given as soon as possible, but no later than 180 days after receipt of the application. In the event any application for benefits is denied in whole or in part, the Plan Administrator shall notify the applicant in writing or electronic notification of the right to a review of the denial. Such notice shall set forth, in a manner calculated to be understood by the applicant: the specific reasons for the denial; the specific references to the Plan provisions on which the denial is based; a description of any information or material necessary to perfect the application and an explanation of why such material is necessary; and a description of the Plan’s review procedures and the applicable time limits to such procedures, including a statement of the applicant’s right to bring a civil action under ERISA Section 502(a) following a denial on review.

12.11.3 The Company shall appoint a “Review Panel,” which shall consist of three or more individuals who may (but need not) be employees of the Company. The Review Panel shall be the named fiduciary that has the authority to act with respect to any appeal from a denial of benefits under the Plan, and shall hold meetings at least quarterly, as needed. The Review Panel shall have the authority to further delegate its responsibilities to two or more individuals who may (but need not) be employees of the Company.

12.11.4 Any person (or his authorized representative) whose application for benefits is denied in whole or in part may appeal the denial by submitting to the Review Panel a request for a review of the application within 60 days after receiving notice of the denial. The Review Panel shall give the applicant or such representative the opportunity to submit written comments, documents, and other information relating to the claim; and an opportunity to review, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other relevant information (other than legally privileged documents) in preparing such request for review. The request for review shall be in writing and addressed as follows: “Review Panel of the Employee Welfare Benefits Plan Committee, 1803 Gears Road, Houston, TX 77067-4097.” The request for review shall set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the applicant deems pertinent. The Review Panel may require the applicant to submit such additional facts, documents, or other material as it may deem necessary or appropriate in making its review. The Review Panel will consider all comments, documents, and other information submitted by the applicant regardless of whether such information was submitted or considered during the initial benefit determination.

12.11.5 The Review Panel shall act upon each request for review within 60 days after receipt thereof. If special circumstances require a longer period of time, the Review Panel shall so notify the applicant within the initial 60 days, explaining the special circumstances requiring the extension of time and the date by which the Review Panel expects to render a benefit determination. A decision will be given as soon as possible, but no later than 120 days after receipt of the request for review. The Review Panel shall give notice of its decision to the Company and the applicant. In the event the Review Panel confirms the denial of the application for benefits in whole or in part, such notice shall set forth in a manner calculated to be understood by the applicant, the specific reasons for such denial and specific references to the Plan provisions on which the decision is based. If such an extension of time for review is required because of special circumstances, the Plan Administrator shall provide the applicant with written notice of the extension, describing the special circumstances and the date as of which the benefit determination will be made, prior to the commencement of the extension. In the event the Review Panel confirms the denial of the application for benefits in whole or in part, such notice shall set forth in a manner calculated to be understood by the applicant: the specific reasons for such denial; the specific references to the Plan provisions on which the decision is based; the applicant’s right, upon request and free of charge, to receive reasonable access to, and copies of, all documents and other relevant information (other than legally-privileged documents and information); and a statement of the applicant’s right to bring a civil action under ERISA Section 502(a).

12.11.6 The Review Panel shall establish such rules and procedures, consistent with ERISA and the Plan, as it may deem necessary or appropriate in carrying out its responsibilities under this Section 12.11.

12.11.7 To the extent an application for benefits as a result of a Disability requires the Plan Administrator or the Review Panel, as applicable, to make a determination of Disability under the terms of the Plan, such determination shall be subject to all of the general rules described in this Section 12.11, except as they are expressly modified by this Section 12.11.7.

- (a) If the applicant's claim is for benefits as a result of Disability, then the initial decision on a claim for benefits will be made within 45 days after the Plan receives the applicant's claim, unless special circumstances require additional time, in which case the Plan Administrator will notify the applicant before the end of the initial 45-day period of an extension of up to 30 days. If necessary, the Plan Administrator may notify the applicant, prior to the end of the initial 30-day extension period, of a second extension of up to 30 days. If an extension is due to the applicant's failure to supply the necessary information, the notice of extension will describe the additional information and the applicant will have 45 days to provide the additional information. Moreover, the period for making the determination will be delayed from the date the notification of extension was sent out until the applicant responds to the request for additional information. No additional extensions may be made, except with the applicant's voluntary consent. The contents of the notice shall be the same as described in Section 12.11.12 above. If a benefit claim as a result of Disability is denied in whole or in part, the applicant (or his authorized representative) will receive written or electronic notification, as described in Section 12.11.2.
 - (b) If an internal rule, guideline, protocol or similar criterion is relied upon in making the adverse determination, then the notice to the applicant of the adverse decision will either set forth the internal rule, guideline, protocol or similar criterion, or will state that such was relied upon and will be provided free of charge to the applicant upon request (to the extent not legally-privileged) and if the applicant's claim was denied based on a medical necessity or experimental treatment of similar exclusion or limit, then the applicant will be provided a statement either explaining the decision or indicating that an explanation will be provided to the applicant free of charge upon request.
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- (c) The Review Panel, as described above in Section 12.11.3 shall be the named fiduciary with the authority to act on any appeal from a denial of benefits as a result of Disability under the Plan. Any applicant (or his authorized representative) whose application for benefits as a result of Disability is denied in whole or in part may appeal the denial by submitting to the Review Panel a request for a review of the application within 180 days after receiving notice of the denial. The request for review shall be in the form and manner prescribed by the Review Panel and addressed as follows: "Review Panel of the Employee Welfare Benefits Plan Committee, 1803 Gears Road, Houston, TX 77067-4097." In the event of such an appeal for review, the provisions of Section 12.11.4 regarding the applicant's rights and responsibilities shall apply. Upon request, the Review Panel will identify any medical or vocational expert whose advice was obtained on behalf of the Review Panel in connection with an adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination. The entity or individual appointed by the Review Panel to review the claim will consider the appeal de novo, without any deference to the initial benefit denial. The review will not include any person who participated in the initial benefit denial or who is the subordinate of a person who participated in the initial benefit denial.
 - (d) If the initial benefit denial was based in whole or in part on a medical judgment, then the Review Panel will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment, and who was neither consulted in connection with the initial benefit determination nor is the subordinate of any person who was consulted in connection with that determination; and upon notifying the applicant of an adverse determination on review, include in the notice either an explanation of the clinical basis for the determination, applying the terms of the Plan to the applicant's medical circumstances, or a statement that such explanation will be provided free of charge upon request.
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- (e) A decision on review shall be made promptly, but not later than 45 days after receipt of a request for review, unless special circumstances require an extension of time for processing. If an extension is required, the applicant will be notified before the end of the initial 45-day period that an extension of time is required and the anticipated date that the review will be completed. A decision will be given as soon as possible, but not later than 90 days after receipt of a request for review. The Review Panel shall give notice of its decision to the applicant; such notice shall comply with the requirements set forth in Section 12.11.5. In addition, if the applicant's claim was denied based on a medical necessity or experimental treatment or similar exclusion, the applicant will be provided a statement explaining the decision, or a statement providing that such explanation will be furnished to the applicant free of charge upon request. The notice shall also contain the following statement: "You and your Plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency."

12.11.8 No legal or equitable action for benefits under the Plan shall be brought unless and until the applicant (a) has submitted a written application for benefits in accordance with Section 12.11.1 (or 12.11.7(a), as applicable), (b) has been notified by the Plan Administrator that the application is denied, (c) has filed a written request for a review of the application in accordance with Section 12.11.4 (or 12.11.7(c), as applicable); and (d) has been notified that the Review Panel has affirmed the denial of the application; provided that legal action may be brought after the Review Panel has failed to take any action on the claim within the time prescribed in Section 12.11.5 (or 12.11.7(e), as applicable). An applicant may not bring an action for benefits in accordance with this Section 12.11.8 later than 90 days after the Review Panel denies the applicant's application for benefits.

12.12 Participation in the Plan by an Affiliate

12.12.1 With the consent of the Board, any Affiliate, by appropriate action of its board of directors, a general partner or the sole proprietor, as the case may be, may adopt the Plan and determine the classes of its Employees that will be Eligible Employees.

12.12.2 A Participating Employer will have no power with respect to the Plan except as specifically provided herein.

12.13 **Action by Participating Employers**

Any action required to be taken by the Company pursuant to any Plan provisions will be evidenced in the manner set forth in Section 11.1. Any action required to be taken by a Participating Employer will be evidenced by a resolution of the Participating Employer's board of directors (or an authorized committee of that board). Participating Employer action may also be evidenced by a written instrument executed by any person or persons authorized to take the action by the Participating Employer's board of directors, any authorized committee of that board, or the stockholders. A copy of any written instrument evidencing the action by the Company or Participating Employer must be delivered to the secretary or assistant secretary of the Company or Participating Employer.

ARTICLE XIII

Top Heavy Provisions

13.1 **Top Heavy Definitions**

For purposes of this Article XIII and any amendments to it, the terms listed in this Section 13.1 have the meanings ascribed to them below.

Aggregate Account means the value of all accounts maintained on behalf of a Participant, whether attributable to Company or employee contributions, determined under applicable provisions of the defined contribution plan used in determining Top Heavy Plan status.

Aggregation Group means the group of plans in a Mandatory Aggregation Group, if any, that includes the Plan, unless including additional Related Plans in the group would prevent the Plan from being a Top Heavy Plan, in which case Aggregation Group means the group of plans in a Permissive Aggregation Group, if any, that includes the Plan.

Compensation means compensation as defined in Code Section 415(c)(3) and Treasury regulations thereunder. For purposes of determining who is a Key Employee, Compensation will be applied by taking into account amounts paid by Affiliates who are not Participating Employers, as well as amounts paid by Participating Employers, and without applying the exclusions for amounts paid by a Participating Employer to cover an Employee's nonqualified deferred compensation FICA tax obligations and for gross-up payments on such FICA tax payments.

Determination Date means, for a Plan Year, the last day of the preceding Plan Year. If the Plan is part of an Aggregation Group, the Determination Date for each other plan will be, for any Plan Year, the Determination Date for that other plan that falls in the same calendar year as the Determination Date for the Plan.

Key Employee means an employee described in Code Section 416(i)(1), the regulations promulgated thereunder and other guidance of general applicability issued thereunder. Generally, a Key Employee is an Employee or former Employee who, at any time during the Plan Year containing the Determination Date is:

- (a) an officer of the Company or an Affiliate with annual Compensation greater than \$130,000 (as adjusted under Code Section 416(i)(1) for Plan Years beginning after December 31, 2002);
- (b) a 5% owner of the Company or an Affiliate; or
- (c) a 1% owner of the Company or an Affiliate with annual Compensation from the Company and all Affiliates of more than \$150,000.

Mandatory Aggregation Group means each plan (considering the Plan and Related Plans) that, during the Plan Year that contains the Determination Date or any of the 4 preceding Plan Years:

- (d) had a participant who was a Key Employee; or
- (e) was required to be considered with a plan in which a Key Employee participated in order to enable the plan in which the Key Employee participated to meet the requirements of Code Section 401(a)(4) or 410(b).

Non-Key Employee means an Employee or former Employee who is not a Key Employee.

Permissive Aggregation Group means the group of plans consisting of the plans in a Mandatory Aggregation Group with the Plan, plus any other Related Plan or Plans that, when considered as a part of the Aggregation Group, does not cause the Aggregation Group to fail to satisfy the requirements of Code Section 401(a)(4) or 410(b).

Present Value of Accrued Benefits means, in the case of a defined benefit plan, a Participant's present value of accrued benefits determined as follows:

- (f) as of the most recent "Actuarial Valuation Date," which is the most recent valuation date within a 12-month period ending on the Determination Date.
 - (g) as if the Participant terminated service as of the actuarial valuation date; and
 - (h) the Actuarial Valuation Date must be the same date used for computing the defined benefit plan minimum funding costs, regardless of whether a valuation is performed that Plan Year.
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sum of: **Present Value** means, in calculating a Participant's present value of accrued benefits as of a Determination Date, the

- (i) the present value of accrued benefits using the actuarial assumptions of Exhibit E-4;
 - (j) any Plan distributions made within the Plan Year that includes the Determination Date, provided however, in the case of a distribution made for a reason other than severance from employment, death or disability, this provision shall also include distributions made within the 4 preceding Plan Years. In the case of distributions made after the valuation date and prior to the Determination Date, such distributions are not included as distributions for top heavy purposes to the extent that such distributions are already included in the Participant's present value of accrued benefits as of the valuation date. Notwithstanding anything herein to the contrary, all distributions, including distributions under a terminated plan which if it had not been terminated would have been required to be included in an Aggregation Group, will be counted;
 - (k) any Employee Contributions, whether voluntary or mandatory. However, amounts attributable to tax deductible Qualified Voluntary Employee Contributions shall not be considered to be a part of the Participant's present value of accrued benefits;
 - (l) with respect to unrelated rollovers and plan-to-plan transfers (ones which are both initiated by the Participant and made from a plan maintained by one employer to a plan maintained by another employer), if this Plan provides for rollovers or plan-to-plan transfers, it shall always consider such rollover or plan-to-plan transfer as a distribution for the purposes of this Section 13.1. If this Plan is the plan accepting such rollovers or plan to-plan transfers, it shall not consider such rollovers or plan-to-plan transfers, as part of the Participant's present value of accrued benefits;
 - (m) with respect to related rollovers and plan-to-plan transfers (ones either not initiated by the Participant or made to a plan maintained by the same employer), if this Plan provides the rollover or plan-to-plan transfer, it shall not be counted as a distribution for purposes of this Section. If this Plan is the plan accepting such rollover or plan-to-plan transfer, it shall consider such rollover or plan-to-plan transfer as part of the Participant's present value of accrued benefits, irrespective of the date on which such rollover or plan-to-plan transfer is accepted; and
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- (n) if an individual has not performed services for a Participating Employer within the Plan Year that includes the Determination Date, any accrued benefit for such individual shall not be taken into account.

Related Plan means any other defined contribution plan (a “Related Defined Contribution Plan”) or defined benefit plan (a “Related Defined Benefit Plan”) (both as defined in Code Section 415(k), maintained by the Company or an Affiliate.

A Super Top Heavy Aggregation Group exists in any Plan Year for which, as of the Determination Date, the sum of the present value of accrued benefits and the Aggregate Accounts of Key Employees under all plans in the Aggregation Group exceeds 90% of the sum of the present value of accrued benefits and the Aggregate Accounts of all employees under all plans in the Aggregation Group. In determining the sum of the Present Value of Accrued Benefits and/or Aggregate Accounts for all employees, the present value of accrued benefits and/or Aggregate Accounts for any Non-key Employee who was a Key Employee for any Plan Year preceding the Plan Year that contains the Determination Date will be excluded.

Super Top Heavy Plan means the Plan when it is described in the second sentence of Section 13.2.

A Top Heavy Aggregation Group exists in any Plan Year for which, as of the Determination Date, the sum of the Present Value of Accrued Benefits for Key Employees under all plans in the Aggregation Group exceeds 60% of the sum of the Present Value of Accrued Benefits for all employees under all plans in the Aggregation Group. In determining the sum of the Present Value of Accrued Benefits for all employees, the Present Value of Accrued Benefits for any Non-key Employee who was a Key Employee for any Plan Year preceding the Plan Year that contains the Determination Date will be excluded.

Top Heavy Plan means the Plan when it is described in the first sentence of Section 13.2.

13.2 **Determination of Top Heavy Status**

This Plan is a Top Heavy Plan in any Plan Year in which it is a member of a Top Heavy Aggregation Group, including a Top Heavy Aggregation Group that includes only the Plan. The Plan is a Super Top Heavy Plan in any Plan Year in which it is a member of a Super Top Heavy Aggregation Group, including a Super Top Heavy Aggregation Group that includes only the Plan.

13.3 **Minimum Benefit Requirement for Top Heavy Plan**

13.3.1 **Minimum Accrued Benefit:** The minimum accrued benefit (expressed as an Individual Life Annuity commencing at Normal Retirement Date) derived from Company contributions to be provided under this Section for each Non-key Employee who is a Participant for any Plan Year in which this Plan is a Top Heavy Plan shall equal the product of (a) 1/12th of “416 Compensation” averaged over 5 the consecutive Plan Years (or actual number of Plan Years if less) which produce the highest average and (b) the lesser of (i) 2% multiplied by Years of Vesting Service or (ii) 20%.

13.3.2 For purposes of providing the minimum benefit under Code Section 416, a Non-key Employee who is not a Participant solely because (a) his compensation is below a stated amount or (b) he declined to make mandatory contributions to the Plan will be considered to be a Participant.

13.3.3 For purposes of this Section 13.3, Years of Vesting Service for any Plan Year during which the Plan was not a Top Heavy Plan shall be disregarded.

13.3.4 For purposes of this Section 13.3, 416 Compensation for any Plan Year subsequent to the last Plan Year during which the Plan is a Top Heavy Plan shall be disregarded.

13.3.5 For the purposes of this Section 13.3, “416 Compensation” shall mean W-2 wages for the calendar year ending with or within the Plan Year, plus any elective deferral (as defined in Code section 402(g)), any amounts contributed to a plan described in Code Section 125 and any amounts contributed to a plan described in Code Section 132. 416 Compensation shall be limited to \$200,000 (as adjusted for cost-of-living in accordance with Section 401(a)(17)(B) of the Code in Top Heavy Plan Years).

13.3.6 If payment of the minimum accrued benefit commences at a date other than Normal Retirement Date, or if the form of benefit is other than an Individual Life Annuity, the minimum accrued benefit shall be the actuarial equivalent of the minimum accrued benefit expressed as an Individual Life Annuity commencing at Normal Retirement Date pursuant to Exhibits E-1, E-2, E-3 and E-4, except, effective February 1, 2006, with respect to the optional form of benefit conversion, the minimum accrued benefit shall be determined pursuant to the definition of Actuarial Equivalent.

13.3.7 To the extent required to be nonforfeitable under Section 13.4, the minimum accrued benefit under this Section 13.3 may not be forfeited under Code Section 411(a)(3)(B) or Code Section 411(a)(3)(D).

13.3.8 In determining Years of Service, any service shall be disregarded to the extent such service occurs during a Plan Year when the Plan benefits (within the meaning of Code Section 410(b)) no Key Employee or Former Key Employee.

13.4 **Vesting Requirement for Top Heavy Plan**

13.4.1 Notwithstanding any other provision of this Plan, for any Top Heavy Plan Year, the vested portion of any Participant's accrued benefit shall be determined on the basis of the Participant's number of Years of Vesting Service according to the following schedule:

<u>Years of Service</u>	<u>Percentage Vested</u>
1-2	0%
3	100%

If in any subsequent Plan Year, the Plan ceases to be a Top Heavy Plan, the Company may, in its sole discretion, elect to continue to apply this vesting schedule in determining the vested portion of any Participant's accrued benefit, or revert to the vesting schedule in effect before this Plan became a Top Heavy Plan. Any such reversion shall be treated as a Plan amendment.

13.4.2 The computation of the nonforfeitable percentage of the Participant's interest in the Plan shall not be reduced as the result of any direct or indirect amendment to this Plan. In the event that this Plan is amended to change or modify any vesting schedule, a Participant with at least 3 Years of Service as of the expiration date of the election period may elect to have the Participant's nonforfeitable percentage computed under the Plan without regard to such amendment. 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 adoption date of the amendment and shall end 60 days after the latest of:

- (a) the adoption date of the amendment,
 - (b) the effective date of the amendment, or
 - (c) the date the Participant receives written notice of the amendment from the Company.
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IN WITNESS WHEREOF, the Company has executed this Plan by a duly authorized representative this 30th day of June, 2014, to be effective as of June 1, 2014, except as otherwise expressly provided herein.

FMC Technologies, Inc.

By: /s/ Maryann T. Seaman

Its: Executive Vice President and Chief Financial
Officer

EXHIBIT A

CREDITED SERVICE

Any service acquired as a participant under any of the plans listed herein shall not be counted as Credited Service for purposes of this Plan.

1. Frigoscandia Inc. Money Purchase Pension Plan
2. Frigoscandia Inc. Retirement Plan: Pension Plan/401(k) Plan

To the extent applicable to any FMC Participant, any service acquired as a participant under any of the plans listed below shall not be counted as Credited Service for purposes of this Plan.

3. Stearns Electric Company Profit Sharing Plan
 4. Fritzke & Icke Employees Savings and Profit Sharing Plan
 5. Employees Profit Sharing Plan of Industrial Brush Company
 6. Wayne Manufacturing Company Profit Sharing Plan
 7. P.E. Van Pelt, Inc. Profit Sharing Plan
 8. Mojonner Bros. Co. Salaried Employees Profit Sharing Plan
 9. Lithium Corporation of America Retirement Plan
 10. Elf Aquitaine, Inc. Pension Plan
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EXHIBIT B

INACTIVE LOCATIONS

The following is a list of former locations of FMC which have been sold or closed. As a result of the FTI Spinoff and the FMCTI Spinoff, the Plan retains the assets and liabilities with respect to certain Participants formerly employed by FMC at such locations:

<u>LOCATION</u>	<u>DATE SOLD/CLOSED</u>
Invalco	February 26, 1999
Houston Fluid Control	January 1, 1984

EXHIBIT C

MERGED PLANS

The following is a list of other plans which were merged into the FMC Plan on and after May 27, 1994, the assets of which are retained by the FMCTI Plan as a result of the FTI Spinoff and the Plan as a result of the FMCTI Spinoff.

<u>PLAN NAME</u>	<u>EFFECTIVE DATE OF MERGER</u>	<u>SUPPLEMENT NUMBER</u>
Pneumo Abex Corporation Retirement Income Plan (Jetway Equipment Division)	May 27, 1994	1
Retirement Plan for Employees of Stein	June 1, 1997	2
Moorco International, Inc. Retirement Income Plan	July 1, 1997	3
Smith Meter, Inc. Salaried Retirement Plan	July 1, 1997	4

SUPPLEMENT 1

JETWAY SYSTEMS DIVISION

1-1 Eligible Employees

The terms of this Supplement apply only to individuals who are current or former salaried and nonunion hourly employees of the FMC Technologies, Inc., Jetway Systems Division and who were participants in the Pneumo Abex Corporation Retirement Income Plan ("Prior Plan") before May 27, 1994 (the "Merger Date") who had not received a full distribution of their benefit under such plan, or the FMC Plan, as of the Effective Date ("Participant"). On the Merger Date the benefits of such participants were spun off from the Prior Plan and merged into the FMC Plan.

1-2 Calculation of Normal Retirement Benefit

A Participant's monthly Normal Retirement Benefit shall be no less than the normal retirement benefit to which the Participant would have been entitled under the Prior Plan if the Participant had terminated employment immediately prior to the Merger Date.

1-3 Early Retirement Date

Early Retirement Date means the earlier of: (a) a Participant's Early Retirement Date under the Plan or (b) the date the Participant has a Severance from Service before Normal Retirement Date for a reason other than death (i) if the Participant is at least age 55 and has at least 10 Years of Vesting Service, (ii) if the Participant was hired before age 35 and before January 1, 1989 and the sum of the Participant's age and Years of Vesting Service is at least 75, or (iii) if the Participant was entitled to an early retirement benefit under the Prior Plan.

1-4 Termination Benefit

If a Participant has a Severance from Service before Early or Normal Retirement Date for a reason other than death and had accrued at least 10 Years of Vesting Service, the Participant may begin to receive the Participant's Plan benefit, subject to the Plan's reduction for early retirement, as early as the date the Participant reaches age 55.

1-5 **Years of Vesting Service**

A Participant is fully vested in the Participant's benefit under the Prior Plan. A Participant's Employment Commencement Date will be the date the Participant was first employed by the Company or an Affiliate, or any earlier date from which the Participant was granted vesting service under the FMC Plan, the FMCTI Plan or the Prior Plan. In no event will a Participant be credited with fewer Years of Vesting Service under the Plan than the Participant would have been credited with under the vesting rules of the Prior Plan.

1-6 **Available Forms of Benefits**

In addition to the optional forms of benefit described in the Plan, a Participant may elect to receive his benefit under the Prior Plan in the following form of benefit:

Life and 10 Year Certain Annuity: A Life and 10 Year Certain Annuity is an immediate annuity which is the Actuarial Equivalent of an Individual Life Annuity, but which provides a smaller monthly annuity for the Participant's life than an Individual Life Annuity. After the Participant's death, if the monthly annuity has been paid for a period shorter than 10 years, it will continue in the same amount as during the Participant's life, for the remainder of the 10 year term certain. The Participant's Joint Annuitant will receive any payments due after the Participant's death.

1-7 **Special Provisions for Participants in the Retirement Plan for Salaried Employees of Abex Corporation**

In addition to the special provisions of the preceding sections, a Participant who participated in the Retirement Plan for Employees of Abex Corporation before January 1, 1989 will be subject to the following provision with respect to the Participant's Prior Plan benefit accrued before May 27, 1994.

Special Rule of 75 Benefit: Participants who were hired before age 35 and before January 1, 1989, and who accrue total years of age and Vesting Service at Early Retirement equal to at least 75 will be entitled to a monthly benefit at their Early Retirement Date reduced by 1/3 of 1% for each month payments are made before the Participant reaches age 65.

SUPPLEMENT 2

STEIN

2-1 Eligible Employees

The terms of this Supplement apply only to individuals who were participants in the Retirement Plan for Employees of Stein (the "Prior Plan") prior to June 1, 1997 (the "Merger Date") and who had not received a full distribution of their benefit under such Prior Plan, the FMC Plan or the FMCTI Plan as of the Effective Date ("Participant").

2-2 Calculation of Normal Retirement Benefit

A Participant's Normal Retirement Benefit shall be no less than the normal retirement benefit to which the Participant would have been entitled under the Prior Plan if the Participant had permanently terminated employment immediately prior to the Merger Date.

2-3 Years of Vesting Service

A Participant is fully vested in the Participant's benefit under the Prior Plan. A Participant's Employment Commencement Date will be the date the Participant was first employed by the Company or an Affiliate, or any earlier date from which the Participant was granted vesting service under the FMC Plan, the FMCTI Plan or the Prior Plan. In no event will a Participant be credited with fewer Years of Vesting Service under the Plan than the Participant would have been credited with under the vesting rules of the Prior Plan.

2-4 Available Forms of Benefits

In addition to the optional forms of benefit described in the Plan, a Participant may elect to receive the Participant's benefit under the Prior Plan in the following form of benefit:

Life and 10 Year Certain Annuity: A Life and 10 Year Certain Annuity is an immediate annuity which is the Actuarial Equivalent of an Individual Life Annuity, but which provides a smaller monthly annuity for the Participant's life than an Individual Life Annuity. After the Participant's death, if the monthly annuity has been paid for a period shorter than 120 months, it will continue, in the same amount as during the Participant's life, for the remainder of the 120-month term certain. The Participant's Joint Annuitant will receive any payments due after the Participant's death.

SUPPLEMENT 3

MOORCO INTERNATIONAL INC. RETIREMENT INCOME PLAN

3-1 Eligible Employees

The terms of this Supplement apply only to individuals who were participants in the Moorco International Inc. Retirement Income Plan (the "Prior Plan") prior to July 1, 1997 (the "Merger Date") and who had not yet received a full distribution of their benefit under such Prior Plan, the FMC Plan or the FMCTI Plan as of the Effective Date ("Participant").

3-2 Calculation of Normal Retirement Benefit

A Participant's Normal Retirement Benefit shall be no less than the normal retirement benefit to which the Participant would have been entitled if the Participant had terminated employment immediately prior to the Merger Date.

3-3 Early Retirement Date

Early Retirement Date means the earlier of: (a) Early Retirement Date under the Plan; or (b) the date the Participant has a Severance from Service before Normal Retirement Date for a reason other than death, if the Participant is at least age 55 and has at least 10 Years of Vesting Service or if the Participant was entitled to an early retirement benefit under the Geosource Inc. Retirement Income Plan.

3-4 Years of Vesting Service

A Participant is fully vested in the Participant's benefits under the Prior Plan. A Participant's Employment Commencement Date will be the date the Participant was first employed by the Company or an Affiliate, or any earlier date from which the Participant was first granted vesting service under the FMC Plan, the FMCTI Plan or the Prior Plan. Each Participant will be credited with the number of full years of vesting service with which the Participant was credited under the Prior Plan plus the greater of: (a) 6 months of Vesting Service; and (b) if the Participant accrued 1,000 hours of service under the Prior Plan during the period from January 1, 1997 through June 30, 1997, 1 Year of Vesting Service. In no event will a Participant be credited with fewer Years of Vesting Service under the Plan than the Participant would have been credited with under the vesting rules of the Prior Plan.

3-5 **Prior Plan Benefits**

(a) **Early Retirement Reductions for No Service after June 30, 1997.** A Participant who did not have an Hour of Service after June 30, 1997, will be subject to the following early retirement reductions upon commencement of the Participant's Prior Plan benefit prior to Normal Retirement Age, calculating actuarial equivalence by using the UP-1984 Mortality Table and an interest rate of 4.0%:

(i) A Participant who was employed with Moorco International Inc. until the attainment of age 55 and 10 years of Vesting Service will have his or her vested benefits reduced by 0.25% for each of the first 60 months, and by 0.5% for each subsequent month by which the Participant's benefit commencement date precedes the Participant's 65th birthday.

(ii) A Participant who terminated their employment with Moorco International, Inc. prior to the attainment of age 55 and 10 years of Vesting Service will have his or her vested benefits reduced actuarially for commencement prior to the Participant's 65th birthday.

(iii) **Available Forms of Benefits.** In addition to the optional forms of benefit described in the Plan, a Participant may elect to receive the Participant's benefit under the Prior Plan in the following form of a Life and Term Certain Annuity as described below. A Life and Term Certain Annuity is an immediate annuity which is the Actuarial Equivalent of an Individual Life Annuity, but which provides a smaller monthly annuity for the Participant's life than an Individual Life Annuity. After the Participant's death, if the monthly annuity has been paid for a period shorter than the term chosen by the Participant, it will continue, in the same amount as during the Participant's life, for the remainder of the term certain. The Participant's Joint Annuitant will receive any payments due after the Participant's death. The Participant may choose a term certain of 60, 120, 180 or 240 months, so long as the term certain does not exceed the joint life expectancies of the Participant and the Joint Annuitant. For purposes of converting the Prior Plan benefit from the normal form of payment into an optional form of payment, actuarial equivalence shall be calculated based upon the UP-1984 Mortality Table and an interest rate of 4.0%.

(b) **Early Retirement Reductions for Service after June 30, 1997.** A Participant who has an Hour of Service after June 30, 1997, will have the option to receive the Prior Plan benefit in the form of a Life and Term Certain Annuity as described in (a)(iii) **Available Forms of Benefits** above. If so elected, the Prior Plan benefit shall be adjusted for early retirement in accordance with the reductions described in (a) **Early Retirement Reductions for No Service after June 30, 1997** above. The remainder of the Participant's Plan benefit shall be available in any of the optional payment forms described under the Plan and subject to any early retirement reductions as apply under Sections 3.2 and 4.2 of the Plan.

3-6 **Non-Spouse Death Benefit**

If the Preretirement Survivor's Benefit is not payable to the spouse of a deceased Participant, and if the Participant dies on or after the Participant's Early Retirement Date, the Participant's Beneficiary will be entitled to a death benefit consisting of monthly payments made for a period of 60 months, beginning as of the first day of the month coincident with or next following the month in which the Participant dies. The amount of the monthly payment will be equal to the monthly payment to which the Participant would have been entitled if the Participant had retired on the day before his death, and had elected to receive only the Participant's Prior Plan benefit in the form of an immediate Life and Term Certain Annuity with a term certain of 60 months.

SUPPLEMENT 4

SMITH METER, INC. SALARIED RETIREMENT PLAN

4-1 Eligible Employees

The terms of this Supplement apply only to individuals who were participants in the Smith Meter, Inc. Salaried Retirement Plan ("Prior Plan") prior to July 1, 1997 (the "Merger Date") and who had not yet received a full distribution of their benefit under the FMC Plan, the FMCTI Plan or the Prior Plan as of the Effective Date ("Participant").

4-2 Calculation of Normal Retirement Benefit

A Participant's Normal Retirement Benefit shall be no less than the normal retirement benefit to which the Participant would have been entitled if the Participant had permanently terminated employment with FMC and all of its Affiliates (as defined in the FMC Plan) on the Merger Date.

4-3 Early Retirement Date

Early Retirement Date means the earlier of: (a) the Participant's Early Retirement Date under the Plan, or (b) the date the Participant **has** a Severance from Service before Normal Retirement Date for a reason other than death (i) if the Participant is at least age 57 and has at least 10 Years of Vesting Service or (ii) if the Participant was entitled to an early retirement benefit under the Geosource Inc. Smith Meter Systems Division Salaried Retirement Income Plan.

4-4 Normal Retirement Date

Normal Retirement Date means the earlier of: (a) the Participant's Normal Retirement Date under the Plan, or (b) the date the **Participant** has a Severance from Service with at least 10 Years of Vesting Service at or after age 62.

4-5 Years of Vesting Service

A Participant is fully vested in the Participant's benefits under the Prior Plan. A Participant's Employment Commencement Date will be the date the Participant was first employed by the Company or any Affiliate, or any earlier date from which he was granted vesting service under the FMC Plan, the FMCTI Plan or the Prior Plan. Each Participant will be credited with the number of full years of vesting service with which the Participant was credited under the Prior Plan plus the greater of: (a) 6 months of Vesting Service, or (b) if the Participant accrued 1,000 hours of service under the Prior Plan during the period from January 1, 1997 through June 30, 1997, 1 Year of Vesting Service. In no event will a Participant be credited with fewer Years of Vesting Service under the Plan than the Participant would have been credited with under the vesting rules of the Prior Plan.

4-6 Prior Plan Benefits

(a) **Early Retirement Reductions for No Service after June 30, 1997.** A Participant who did not have an Hour of Service after June 30, 1997, will be subject to the following early retirement reductions upon commencement of the Participant's Prior Plan benefit prior to Normal Retirement Age, calculating actuarial equivalence by using the UP-1984 Mortality Table and an interest rate of 4.0%:

(i) Participant who was employed with Smith Meter, Inc. until the attainment of age 57 and 10 years of Vesting Service will have his or her vested benefits reduced by 1/180 for each complete month between the date of the Participant's benefit commencement and the Participant's 62nd birthday.

(ii) A Participant who terminated their employment with Smith Meter, Inc. prior to the attainment of age 57 and 10 years of Vesting Service will have his or her vested benefits reduced actuarially for commencement prior to the Participant's 62nd birthday.

(iii) **Available Forms of Benefits.** In addition to the optional forms of benefit described in the Plan, a Participant may elect to receive the Participant's benefit under the Prior Plan in the following form of a Life and Term Certain Annuity as described below. A Life and Term Certain Annuity is an immediate annuity which is the Actuarial Equivalent of an Individual Life Annuity, but which provides a smaller monthly annuity for the Participant's life than an Individual Life Annuity. After the Participant's death, if the monthly annuity has been paid for a period shorter than the term chosen by the Participant, it will continue, in the same amount as during the Participant's life, for the remainder of the term certain. The Participant's Joint Annuitant will receive any payments due after the Participant's death. The Participant may choose a term certain of 60, 120, 180 or 240 months, so long as the term certain does not exceed the joint life expectancies of the Participant and the Joint Annuitant. For purposes of converting the Prior Plan benefit from the normal form of payment into an optional form of payment, actuarial equivalence shall be calculated based upon the UP-1984 Mortality Table and an interest rate of 4.0%.

(b) **Early Retirement Reductions for Service after June 30, 1997.** A Participant who has an Hour of Service after June 30, 1997, will have the option to receive the Prior Plan benefit in the form of a Life and Term Certain Annuity as described in (a)(iii) **Available Forms of Benefits** above. If so elected, the Prior Plan benefit shall be adjusted for early retirement in accordance with the reductions described in (a) **Early Retirement Reductions for No Service after June 30, 1997** above. The remainder of the Participant's Plan benefit shall be available in any of the optional payment forms described under the Plan and subject to any early retirement reductions as apply under Sections 3.2 and 4.2 of the Plan.

4-7 Payment to Active Participant After Normal Retirement Date

A Participant who continues to be employed by the Company or a Participating Employer after reaching Normal Retirement Date may begin receiving the Participant's Prior Plan benefit at or after Normal Retirement Date.

4-8 Non-Spouse Death Benefit

If the Preretirement Survivor's Benefit is not payable to the spouse of a deceased Participant, and if the Participant dies on or after the Participant's Early Retirement Date, the Participant's Beneficiary will be entitled to a death benefit consisting of monthly payments made for a period of 60 months, beginning as of the first day of the month coincident with or next following the month in which the Participant dies. The amount of the monthly payment will be equal to the monthly payment to which the Participant would have been entitled if he had retired on the day before his death, and had elected to receive only his Prior Plan benefit in the form of an immediate Life and Term Certain Annuity with a term certain of 60 months.

**SECOND AMENDMENT OF
FMC TECHNOLOGIES, INC. EMPLOYEES' RETIREMENT PROGRAM
PART I SALARIED AND NONUNION HOURLY EMPLOYEES' RETIREMENT PLAN**

WHEREAS, FMC Technologies, Inc. (the "Company") maintains the FMC Technologies, Inc. Employees' Retirement Program Part I Salaried and Nonunion Hourly Employees' Retirement Plan, as amended and restated effective January 1, 2013 (the "Plan");

WHEREAS, the Company now deems it necessary and desirable to amend the Plan to spinoff the assets and liabilities of certain Participants into the FMC Technologies, Inc. Frozen Retirement Plan, which plan is also maintained by the Company; and

WHEREAS, this Second Amendment shall supersede the provisions of the Plan to the extent those provisions are inconsistent with the provisions of the amendment;

NOW, THEREFORE, by virtue and in exercise of the powers reserved to the Company under Section 11.1 Plan Amendment or Termination of the Plan, the Plan is hereby amended as follows, effective as of June 1, 2014:

- Effective as of June 1, 2014, the following text is hereby added to the Plan to read as follows:

SPINOFF OF ASSETS AND LIABILITIES

Effective as of June 1, 2014, the assets and liabilities attributable to Participants who are (a) either (i) Frozen Participants or (ii) Participants that incurred a Severance From Service Date and subsequently became re-employed on or after January 1, 2010, and (b) active Employees of the Company or an Affiliate as of June 1, 2014 (each, a "Transferred Participant") are hereby transferred from the Plan to the FMC Technologies, Inc. Frozen Retirement Plan (the "Frozen Plan"). In accordance with Section 414(l) of the Code, the benefit each such Transferred Participant would receive if the Frozen Plan were terminated immediately after the transfer is not less than the benefit each such Participant would have received if the Plan had terminated immediately before the transfer. The transfer of assets and liabilities from the Plan to the Frozen Plan shall be accomplished in a manner that complies with Section 414(l) of the Code and Treasury regulations promulgated thereunder (including the allocation of excess assets), the protected benefit rules under Section 411(d)(6) of Code and Treasury regulations promulgated thereunder and all other applicable laws.

IN WITNESS WHEREOF, the Company has caused this amendment to be executed by a duly authorized representative this
30th day of June, 2014.

FMC Technologies, Inc.

By: Maryann T. Seaman

Its: Executive Vice President and
Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, John T. Grempp, certify that:

1. I have reviewed this quarterly report on Form 10-Q of FMC Technologies, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 25, 2014

/s/ JOHN T. GREMP

John T. Grempp
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Maryann T. Seaman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of FMC Technologies, Inc. (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 25, 2014

/s/ MARYANN T. SEAMAN

Maryann T. Seaman
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
UNDER SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002, 18 U.S.C. 1350**

I, John T. Grempe, Chairman, President and Chief Executive Officer of FMC Technologies, Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(a) The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2014, as filed with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(b) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 25, 2014

/s/ JOHN T. GREMP

John T. Grempe
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
UNDER SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002, 18 U.S.C. 1350**

I, Maryann T. Seaman, Executive Vice President and Chief Financial Officer of FMC Technologies, Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(a) The Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2014, as filed with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(b) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 25, 2014

/s/ MARYANN T. SEAMAN

Maryann T. Seaman
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)