

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**Current Report**

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

Date of Report (Date of earliest event reported): **February 23, 2005**

**SPX CORPORATION**

(Exact name of registrant as specified in its charter)

**DELAWARE**

(State or other jurisdiction of  
incorporation or organization)

**1-6948**

(Commission File Number)

**38-1016240**

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

**13515 Ballantyne Corporate Place  
Charlotte, North Carolina 28277**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code **(704) 752-4400**

**NOT APPLICABLE**

(Former name or former address if changed since last)

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

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

**Item 1.01. Entry Into a Material Definitive Agreement.**

**Non-Employee Directors' Compensation Plans**

On February 23, 2005, the Board of SPX Corporation (the "Company") amended the SPX Corporation 1997 Non-Employee Directors' Compensation Plan to discontinue payments to the non-employee directors based on the EVA Plan and pay each non-employee director a flat fee annual retainer of \$60,000. The Board and Compensation Committee are examining the alternatives with respect to the non-employee directors' EVA bonus banks remaining after the computation of the 2004 EVA bonus. The foregoing description of the amendment to the SPX Corporation 1997 Non-Employee Directors' Compensation Plan is qualified in its entirety by reference to the text of the amendment, which is attached as Exhibit 10.1 hereto and incorporated herein by reference.

The Board also adopted the SPX Corporation 2005 Non-Employee Directors' Compensation Plan (the "2005 Plan") under which non-employee directors will receive annually 2,500 shares of phantom equity with a three-year vesting period based on SPX shareholder return versus the S&P 500. On each vesting date, the Company will compare SPX shareholder return to the performance of the S&P 500 for the prior year and for the cumulative period since the date of the phantom stock grant. If SPX outperforms the S&P 500 for the prior year, the one-third portion of the grant associated with that year will vest. If SPX outperforms the S&P 500 for the cumulative period, any unvested portion of the grant that was subject to vesting on or prior to the vesting date will vest. The vested portion of any phantom equity grant will be settled in cash. The foregoing description of the 2005 Plan is qualified in its entirety by reference to the text of the plan, which is attached as Exhibit 10.2 hereto and incorporated herein by reference.

**Employment Agreements**

The Board also approved employment agreements for Christopher J. Kearney, our President and Chief Executive Officer, Patrick J. O'Leary, our Executive Vice President, Treasurer and Chief Financial Officer, Thomas J. Riordan, our Executive Vice President and Co-Chief Operating Officer, Jay Caraviello, our Executive Vice President and Co-Chief Operating Officer, and Robert B. Foreman, our Senior Vice President, Human Resources, which agreements were executed and entered into on February 28, 2005 and are effective as of February 23, 2005. The agreements are the same with the exception of differing titles (and associated reporting responsibilities), annual base salary levels and allowance amounts for annual income tax return preparation and financial planning. The agreements have a rolling two-year term. The expiration date is automatically extended by one day for each day of the term that elapses.

Under the agreements, the Company is not permitted to reduce the annual base salary rate without the executive's consent. The agreements provide for participation in any annual performance bonus plans, long-term incentive plans, and/or equity-based compensation plans established or maintained by the

expense reimbursement, perquisites and vacation entitlements also are continued pursuant to the agreements.

Upon termination of employment for any reason, the agreements provide for the following payments and benefits:

- Earned but unpaid base salary;
- Any earned annual incentive plan bonus, for which the performance measurement period has ended;
- Any accrued but unpaid vacation;
- Any amounts payable under any of the Company's benefit plans; and
- Unreimbursed business expenses.

Upon termination of employment by reason of death or disability, the executive (or the executive's estate) will receive – in addition to the payments and benefits provided in the event of termination of employment for any reason — a pro rata portion of any bonus payable under the Company's annual incentive plan for the year in which such termination occurs determined based on the higher of the actual annual bonus paid for the bonus plan year immediately preceding such termination, or the target bonus for the bonus plan year in which such termination occurs. The executive also will receive the executive's bonus bank amount, if positive, as of the date of such termination.

Upon termination of employment by the Company other than for cause, or upon voluntary termination of employment by the executive for good reason – in addition to the payments and benefits provided in the event of termination of employment for any reason – the agreements provide for the following payments and benefits:

- The base salary and annual bonus that the Company would have paid under the agreement had the executive's employment continued to the end of the employment term;
- Continued coverage under the Company's executive benefit plans through the end of the employment term, at the same cost to the executive as in effect on the date of the executive's termination;
- Executive perquisites, reduced to the extent comparable perquisites are actually received by or made available to the executive without cost, during the period following the executive's employment termination through December 31 of the year that includes the second anniversary of the executive's employment termination;
- The period through the end of the employment term shall continue to count for purposes of determining the executive's age and service with the Company with respect to eligibility, vesting and the amount of benefits under the Company's benefit plans to the extent permitted by applicable law;

- Any outstanding stock options, restricted stock or other equity-based compensation awards shall immediately vest upon such termination date, and any such stock options shall be immediately exercisable at any time prior to the earlier of: two years; or the stock option expiration or other termination date;
- The executive's bonus bank amount, if positive, as of the date of such termination; and
- Outplacement services.

In the event of certain terminations following a change of control, Messrs. Kearney, O'Leary, Foreman, Riordan and Caraviello will be entitled to the payments and benefits specified in their change-of-control severance agreements. Those payments and benefits would replace those provided under the employment agreements to the extent that such payments or benefits would otherwise be duplicative.

For purposes of the employment agreements, "cause" is defined as:

- the executive's willful and continued failure to substantially perform his duties as an executive of the Company;
- the executive's willful misconduct, which is demonstrably and materially injurious to the Company, monetarily or otherwise; or
- the executive's engaging in egregious misconduct involving serious moral turpitude to the extent that his credibility and reputation no longer conform to the standard of senior executive officers of the Company.

For purposes of the employment agreements, "good reason" is defined as the occurrence of any of the following without the executive's consent:

- assigning duties to the executive that are inconsistent with those of the executive's position at similar companies in similar industries;

- changing the executive's reporting responsibility;
- the failure of the Company to pay any portion of the executive's compensation within 10 days of the date such compensation is due;
- the Company requires the executive to relocate his principal business office to a location not within 50 miles of the Company's principal business office; or
- the Company's failure to continue in effect any cash or stock-based incentive or bonus plan, pension plan, welfare benefit plan or other benefit plan, program or arrangement, unless the aggregate value of all such arrangements provided to the executive after such discontinuance is not materially less than the aggregate value as of the effective date of the agreement.

The foregoing description of the employment agreements is qualified in its entirety by reference to the text of the employment agreements, which are attached as Exhibits 10.3, 10.4, 10.5, 10.6 and 10.7 hereto and incorporated herein by reference.

**Restricted Stock Grants (Tax True-Up)**

On February 25, 2005, in accordance with a five year arrangement approved by the Board in August 2001 and which began as of January 2003, restricted shares were granted to the following individuals to "true-up" the individuals for their respective state tax increases incurred as a result of the relocation of the Company's corporate headquarters from Muskegon, Michigan to Charlotte, North Carolina: Mr. Foreman, 1,826 shares; Mr. Kearney, 1,614 shares; and Mr. O'Leary, 3,229 shares. These restricted shares will fully vest on June 30, 2005 or, if earlier, upon the individual's death, disability, retirement, or upon a change in control. Prior to vesting, these restricted shares will be forfeited upon termination of employment for a reason other than retirement, disability, death or a change in control. The foregoing description of the restricted stock grants is qualified in its entirety by reference to the text of the Supplemental Form of Restricted Stock Agreement, which is attached as Exhibit 10.8 hereto and incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

The following exhibits are filed herewith.

Exhibit Number	Description
10.1	Amendment to the SPX Corporation 1997 Non-Employee Directors' Compensation Plan
10.2	SPX Corporation 2005 Non-Employee Directors' Compensation Plan
10.3	Employment Agreement between SPX Corporation and Christopher J. Kearney executed on February 28, 2005
10.4	Employment Agreement between SPX Corporation and Patrick J. O'Leary executed on February 28, 2005
10.5	Employment Agreement between SPX Corporation and Thomas J. Riordan executed on February 28, 2005
10.6	Employment Agreement between SPX Corporation and Jay Caraviello executed on February 28, 2005
10.7	Employment Agreement between SPX Corporation and Robert B. Foreman executed on February 28, 2005
10.8	Supplemental Form of Restricted Stock Agreement

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 hereunto duly authorized.

SPX CORPORATION

Date: March 1, 2005

By:           /s/ Patrick J. O'Leary            
 Patrick J. O'Leary  
 Executive Vice President, Treasurer  
 and Chief Financial Officer

EXHIBIT INDEX

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**AMENDMENT TO THE SPX CORPORATION  
1997 NON-EMPLOYEE DIRECTORS' COMPENSATION PLAN**

Pursuant to the powers of amendment reserved in Section 10 of the SPX Corporation 1997 Non-Employee Directors' Compensation Plan (the "Plan"), effective as of December 31, 2004, SPX Corporation hereby amends the Plan in the following manner:

1. Section 1.2 is amended to by replacing the first sentence with the following:

"In conjunction with the SPX Corporation 2005 Non-Employee Directors' Compensation Plan, the purpose of the Plan is to advance the interests of the Company and its shareholders by providing a compensation program for Non-Employee Directors."

2. Section 8 is amended by inserting the current paragraph thereof into a new subsection 8.1.

3. Section 8.1 is amended by (i) replacing "on and after the Effective Date" with "on and after the Effective Date, but before January 1, 2005", and (ii) inserting "provided hereunder" after each "Cash Payment".

4. Section 8.1 is amended to by adding the following:

"Nothing herein shall be construed to prevent the amount payable for 2004 to the Non-Employee Director with respect to the EVA Plan Bonus Multiple from being determined and paid in 2005."

5. Section 8 is amended by the addition of the following subsection 8.2:

"8.2 With respect to service during each calendar year (or portion thereof) after December 31, 2004, each Non-Employee Director shall be entitled to receive a flat fee retainer payment at an annual rate of \$60,000 (prorated for partial years of Board membership). Payment of all or a portion of the Cash Payment described hereunder otherwise payable to a Non-Employee Director may be deferred as specified by a timely election filed by the Non-Employee Director with the Company. The amount of Cash Payment so deferred shall be credited to an Account established pursuant to Section 5 hereof as Deferred Mutual Fund Units as provided in the Non-Employee Director's deferral election based on the value of the mutual fund shares or other security underlying such Deferred Mutual Fund Units on the date of the deferred Cash Payment would otherwise have been made. Such amounts shall thereafter be subject to the provisions of Section 5 and 6 hereof relating to Deferred Mutual Fund Units, dividends thereon, and distribution thereof. The deferral of Cash Payment provided under this subsection 8.2 shall be subject to Code Section 409A."

6. Section 9.2(a) is amended by replacing "Section 8" with "subsection 8.1".
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7. Section 11.2 is amended by revising the first sentence to read as follows:

"Neither a Non-Employee Director nor any other person shall have any interest in any fund or in any specific asset of the Company by reason of amounts credited to the Account of such Non-Employee Director, any Cash Payments entitled to pursuant to Section 8, or any Director Options granted to such Non-Employee Director under the Plan, nor the right to exercise any of the rights or privileges of a shareholder with respect to any Deferred Mutual Fund Units credited to such Account or any granted Director Options, nor the right to receive any distribution under the Plan except as expressly provided herein."

8. Section 11.6 is amended by adding the following:

"Without limiting the foregoing, the election of any Non-Employee Director to defer cash payments, including Cash Payments made pursuant to Section 8, shall be made and filed in accordance with procedures and forms set by the Board, and the timeliness of such elections shall be determined by the Board. Any deferral elections shall be made in accordance with the applicable requirements of Code Section 409A and guidance promulgated thereunder."

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**SPX CORPORATION  
2005 NON-EMPLOYEE DIRECTORS'  
COMPENSATION PLAN**

**SECTION 1. ESTABLISHMENT OF PLAN**

1.1 Establishment. SPX Corporation, a Delaware corporation, hereby establishes the "SPX CORPORATION 2005 NON-EMPLOYEE DIRECTORS' COMPENSATION PLAN" (the "Plan"). The Plan provides for compensation of the Company's Non-Employee Directors.

1.2 Purpose. In conjunction with the SPX Corporation 1997 Non-Employee Directors' Compensation Plan, the purpose of the Plan is to advance the interests of the Company and its shareholders by providing a compensation program for Non-Employee Directors. Such program utilizes, in part, Performance Shares where the vesting of such Performance Shares depends on certain performance thresholds, thereby presenting a strong incentive to enhance shareholder value. By thus compensating Non-Employee Directors, the Company seeks to attract, retain, compensate and motivate those highly competent individuals whose judgment, initiative, leadership, and efforts are important to the continued success of the Company.

1.3 Effective Date. The effective date of the Plan is February 28, 2005.

**SECTION 2. DEFINITIONS**

As used herein, the following terms shall have the meanings hereinafter set forth:

- (a) "Board" means the board of directors of the Company.
- (b) "Change of Control" means the occurrence of one of the following:
  - (i) any person, entity or group (within the meaning of Sections 13(d) and 14(d) of the Exchange Act), excluding, for this purpose, the Company or any subsidiaries, any employee benefit plan of the Company or its subsidiaries which acquires beneficial ownership of voting securities of the Company, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly of securities of the Company representing fifteen percent (15%) or more of the combined voting power of the Company's then outstanding securities; provided, however, that no Change of Control shall be deemed to have occurred as the result of an acquisition of securities of the Company by the Company which, by reducing the number of voting securities outstanding, increases the direct or indirect beneficial ownership interest of any person to fifteen percent (15%) or more of the combined voting power of the Company's then outstanding securities, but any subsequent increase in the direct or indirect beneficial ownership interest of such/a person in the Company shall be deemed a Change of Control; and provided further that if the Board determines in good faith

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that a person who has become the beneficial owner directly or indirectly of securities of the Company representing fifteen percent (15%) or more of the combined voting power of the Company's then outstanding securities has inadvertently reached that level of ownership interest, and if such person divests as promptly as practicable a sufficient amount of securities of the Company so that the person no longer has a direct or indirect beneficial ownership interest in fifteen percent (15%) or more of the combined voting power of the Company's then outstanding securities, then no Change of Control shall be deemed to have occurred; or

- (ii) during any period of two (2) consecutive years (not including any period prior to the Effective Date), individuals who at the beginning of such two-year period constitute the Board and any new director (except for a director designated by a person who has entered into an agreement to effect a transaction described elsewhere in this subsection (b)) whose election by the Board or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination of election was previously so approved, cease for any reason to constitute at least a majority thereof; or

- (iii) the shareholders of the Company approve a plan of complete liquidation of the Company, an agreement for the sale or other disposition by the Company of all or substantially all of the Company's assets, or a plan of reorganization, merger or consolidation of the Company with any other corporation, except for a reorganization, merger or consolidation in which the security owners of the Company immediately prior to the reorganization, merger or consolidation continue to own at least eighty-five percent (85%) of the voting securities of the new (or continuing) entity immediately after such reorganization, merger or consolidation.

- (c) "Code" means the Internal Revenue Code of 1986, as amended. References to any Section of the Code shall include any successor provision thereto and applicable regulations or guidance thereunder.

- (d) "Company" means SPX Corporation, a Delaware corporation.

- (e) "Effective Date" means February 28, 2005.

- (f) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

- (g) "Fair Market Value" means, as to any date, the closing price of a share of SPX Common Stock as reported in the "NYSE-Composite Transactions" Section of the Midwest Edition of The Wall Street Journal for such date or, if no prices are quoted for such date, on the next preceding date on which such prices of SPX Common Stock are so quoted.

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(h) "Non-Employee Director" means any person who is a member of the Board and who is not, as of the date of an award under the Plan, an employee of the Company or any of its subsidiaries.

(i) "Performance Share" means the expression on the Company's books which is equivalent to one SPX Share.

(j) "Return Condition" means, for the applicable measurement period, that the Total Shareholder Return exceeds the S&P Return.

(k) "S&P Return" means the percentage return of the S&P 500 Composite Index (using total shareholder return of the S&P 500 Composite Index as reported by Interactive Data Corporation) during the applicable measurement period.

(l) "SPX Common Stock" or "SPX Share" means the common stock, par value \$10.00 per share, of the Company.

(m) "Total Shareholder Return" means the percentage change in the Fair Market Value of one SPX Share (using total shareholder return of the SPX Common Stock as reported by Interactive Data Corporation) during the applicable measurement period.

### SECTION 3. ELIGIBILITY

Each Non-Employee Director as of the Effective Date and each person who becomes a Non-Employee Director after the Effective Date shall be eligible to participate in the Plan. Upon the date on which any such person ceases to be a Non-Employee Director, such person shall not be eligible to participate in the Plan thereafter.

### SECTION 4. PERFORMANCE SHARES

4.1 Grant & Vesting Schedule. With respect to service during each calendar year after December 31, 2004, each Non-Employee Director shall receive a grant of 2,500 Performance Shares on January 1 of each calendar year (or such other date as the Board may provide) that shall vest (provided the Non-Employee Director is still a member of the Board as of the applicable date) as follows:

(a) One-third (1/3) of the Performance Shares granted shall vest on:

(i) the first anniversary of the grant date if the Return Condition is met for the measurement period dating from the grant date to the day immediately preceding such first anniversary date; or, if such Return Condition is not met,

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(ii) the second anniversary of the grant date if the Return Condition is met for the measurement period dating from the grant date to the day immediately preceding such second anniversary date; or, if such Return Condition is not met,

(iii) the third anniversary of the grant date if the Return Condition is met for the measurement period dating from the grant date to the day immediately preceding such third anniversary date.

(b) One-third (1/3) of the Performance Shares granted shall vest on:

(i) the second anniversary of the grant date if the Return Condition is met for the measurement period dating from the first anniversary of the grant date to the day immediately preceding such second anniversary date; or, if such Return Condition is not met,

(ii) the third anniversary of the grant date if the Return Condition is met for the measurement period dating from the first anniversary of the grant date to the day immediately preceding such third anniversary date.

(c) One-third (1/3) of the Performance Shares granted shall vest on the third anniversary of the grant date if the Return Condition is met for the measurement period dating from the second anniversary of the grant date to the day immediately preceding such third anniversary date.

Notwithstanding the foregoing, for purposes of determining the vesting measurement periods (and applicable vesting dates, if any) of any Performance Shares granted to Non-Employee Directors in 2005, the grant date of such Performance Shares shall be deemed to be January 1, 2005.

4.2 Forfeiture. Any unvested Performance Shares shall be forfeited and cancelled upon the earlier of (i) the date on which the Non-Employee Director ceases to be a member of the Board for any reason other than death or disability, or (ii) the third anniversary of the applicable grant date if the applicable Return Condition(s) was not met as provided above. Notwithstanding the foregoing, any unvested Performance Shares (which have not been forfeited and cancelled pursuant to the preceding sentence) shall vest upon the earlier of (i) the death or disability of the Non-Employee Director, or (ii) a Change of Control.

4.3 Payout. Upon the vesting of any Performance Shares, the Performance Shares shall be paid out in cash on the applicable vesting date (or as soon as administratively feasible thereafter). The cash payment shall equal the Fair Market Value, determined as of the applicable vesting date, of the number of SPX Shares that are equal to the applicable number of Performance Shares that are vesting on such vesting date.

4.4 Adjustment in Capitalization. In the event of any change in the outstanding shares of SPX Common Stock that occurs after the Effective Date by reason of a SPX Common Stock dividend or split, recapitalization, merger, consolidation, combination, exchange of shares,

or other similar corporate change, the aggregate number of Performance Shares to be granted or outstanding pursuant to Section 4 hereof shall be appropriately adjusted by the Board, whose determination shall be conclusive; provided, however, that fractional Performance Shares shall be rounded to the nearest whole Performance Share.

4.5 Dividends. No dividends or dividend equivalents are payable on Performance Shares.

## SECTION 5. AMENDMENT AND TERMINATION

The Board reserves the right to modify, amend or terminate this Plan in whole or in part, effective as of any specified date. The Plan shall continue in effect without limit unless and until the Board otherwise determines.

## SECTION 6. MISCELLANEOUS

6.1 Administration. The Board shall have complete power and discretionary authority to interpret and administer the Plan, and make factual determinations thereunder, including the power to determine the rights or eligibility of Non-Employee Directors and any other persons, and the amounts of their benefits under the Plan, and to remedy ambiguities, inconsistencies or omissions, and any such interpretations and determinations shall be conclusive and binding on all parties. The Board may establish such rules and regulations with respect to the proper administration of the Plan as it may determine, and may amend or revoke any rule or regulation so established. No benefits shall be payable from this Plan if the Board determines in its sole discretion that such person is not entitled to such benefits.

6.2 Delegation. The Board has the authority to delegate any of its powers under this Plan to any other person, persons, or committee. This person, persons, or committee may further delegate its reserved powers to another person, persons, or committee as they see fit. Any delegation or subsequent delegation shall include the same full, final and discretionary authority that the Board has listed herein and any decisions, actions or interpretations made by any delegate shall have the same ultimate binding effect as if made by the Board.

6.3 Rights of Directors. Neither the Plan nor any action taken hereunder shall be construed as giving any Non-Employee Director any right to continue to serve as a member of the Board or otherwise to be retained in the service of the Company.

6.4 Funding Not Required.

(a) Neither a Non-Employee Director nor any other person shall have any interest in any fund or in any specific asset of the Company by reason of any Performance Shares granted to such Non-Employee Director, nor the right to exercise any of the rights or privileges of a shareholder with respect to any Performance Share

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granted to a Non-Employee Director, nor the right to receive any distribution under the Plan except as expressly provided herein.

(b) Distributions hereunder shall be made from the general funds of the Company or from a grantor trust established (at the Company's discretion) for purposes of assuring that funds will be available to satisfy the obligations of the Company with respect to the payments hereunder, and the rights of the Non-Employee Director (or any other person) shall be those of an unsecured general creditor of the Company. If such grantor trust is established, however, individuals entitled to benefits hereunder shall not have any identifiable interest in any such funds, accounts or assets of such trust nor shall such individuals be entitled to any preference or priority with respect to the assets of such trust. The assets of the grantor trust would still be available to judgment creditors of the Company and to all creditors in the event of the Company's insolvency or bankruptcy.

6.5 Non-Alienation. Performance Shares may not be sold, transferred, pledged, assigned, encumbered or otherwise alienated or hypothecated, whether voluntarily or involuntarily or by operation of law; any attempt to anticipate, alienate, sell, transfer, assign, pledge, or encumber in contradiction of this provision shall be void.

6.6 Tax Withholding. The Company may withhold from the distribution of any payment hereunder the amount necessary to satisfy the participant's federal, state and local withholding tax requirements.

6.7 Indemnification. Each person who is or shall have been a member of the Board shall be indemnified and held harmless by the Company against and from any loss, cost, liability or expense that may be imposed upon or reasonably incurred by him in connection with or resulting from any claim, action, suit or proceeding to which he may be a party or in which he may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him in settlement thereof, with the Company's approval, or paid by him in satisfaction of any judgment in any such action, suit or proceeding against him, provided he shall give the Company an opportunity, at its expense, to handle and defend the same before he undertakes to handle and defend it on his own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Certificate of Incorporation or Bylaws, as a matter of law or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

6.8 Requirements of Law. The Plan and any Performance Share grants shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

6.9 Governing Law. The Plan shall be construed in accordance with and governed by the laws of the State of Delaware.

6.10 Construction. In the construction of the Plan, the masculine shall include the feminine and the singular shall include the plural in all cases where such meanings would be appropriate.

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**Employment Agreement of Christopher J. Kearney**

This Employment Agreement (the "Agreement") is effective as of February 23, 2005 (the "Effective Date"), by and between SPX Corporation (the "Company"), and Christopher J. Kearney (the "Executive").

WHEREAS, the Company desires to continue to employ the Executive as its President and Chief Executive Officer; and

WHEREAS, the Company and the Executive have reached agreement concerning the terms and conditions of his continued employment and wish to formalize that agreement;

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions stated in this Agreement, the Company and the Executive hereby agree as follows:

1. **Employment.** The Company employs the Executive and the Executive hereby accepts continued employment with the Company as President and Chief Executive Officer. During the Employment Term (as hereinafter defined), the Executive will have the title, status and duties of President and Chief Executive Officer and will report directly to the Company's Board of Directors. The Executive's principal business office shall be at the Company's principal business office located in Charlotte, North Carolina, and Executive's principal family residence shall be located within 50 miles of the Company's principal business office for the duration of the Employment Term. If domiciled elsewhere on the date of Executive's execution of this Agreement, Executive shall relocate his principal family residence to the area specified in this Paragraph. Executive's failure to complete such relocation on or before July 15, 2005 shall render this Agreement null and void.

2. **Term of Employment.** The term of employment ("Employment Term") will commence on the Effective Date, and will continue thereafter until two (2) years from the Effective Date and will be automatically extended for subsequent one (1) day periods for each day of the Employment Term that passes after the Effective Date, unless sooner terminated by either party in accordance with the provisions of this Agreement. The intent of the foregoing provision is that the Agreement becomes "evergreen" on the Effective Date so that on each passing day after the Effective Date the Employment Term automatically extends to a full two-year period.

3. **Duties.** During the Employment Term:

(a) The Executive will perform duties assigned by the Company's Board of Directors (the "Board"), from time to time; provided that the Executive shall not be assigned tasks inconsistent with those of President and Chief Executive Officer.

(b) The Executive will devote his full time and best efforts, talents, knowledge and experience to serving as the Company's President and Chief Executive Officer. However, the Executive may devote reasonable time to activities such as

supervision of personal investments and activities involving professional, charitable, educational, religious and similar types of activities, speaking engagements and membership on other boards of directors, provided such activities do not interfere in any material way with the business of the Company; provided that, the Executive cannot serve on the board of directors of more than one publicly-traded company without the Board's written consent. The time involved in such activities shall not be treated as vacation time. The Executive shall be entitled to keep any amounts paid to him in connection with such activities (*e.g.*, director fees and honoraria).

(c) The Executive will perform his duties diligently and competently and shall act in conformity with the Company's written and oral policies and within the limits, budgets and business plans set by the Company. The Executive will at all times during the Employment Term strictly adhere to and obey all of the rules and regulations in effect from time to time relating to the conduct of executives of the Company. Except as provided in (b) above, the Executive shall not engage in consulting work or any trade or business for his own account or for or on behalf of any other person, firm or company that competes, conflicts or interferes with the performance of his duties hereunder in any material way.

4. **Compensation and Benefits.** During the Executive's employment hereunder, the Company shall provide to the Executive, and the Executive shall accept from the Company as full compensation for the Executive's services hereunder, compensation and benefits as follows:

(a) **Base Salary.** The Company shall pay the Executive at an annual base salary ("Base Salary") of eight hundred, seventy-five thousand dollars (\$875,000). The Board, or such committee of the Board as is responsible for setting the compensation of senior executive officers, shall review the Executive's performance and Base Salary annually in January of each year, and determine whether to adjust the Executive's Base Salary on a prospective basis. The first review shall be in January 2006. Such adjusted annual salary then shall become the Executive's "Base Salary" for purposes of this Agreement. The Executive's annual Base Salary shall not be reduced after any increase, without the Executive's consent. The Company shall pay the Executive's Base Salary according to payroll practices in effect for all senior executive officers of the Company.

(b) **Incentive Compensation.** The Executive shall be eligible to participate in any annual performance bonus plans, long-term incentive plans, and/or equity-based compensation plans established or maintained by the Company for its senior executive officers, including, but not limited to, the Executive EVA Compensation Plan ("EVA Plan") and the SPX Corporation Stock Compensation Plan. For the 2005 bonus plan year, the Executive shall be eligible for a target bonus under the Company's EVA Plan equal to 100% of his Base Salary provided that all performance goals set by the Company are met. The Board (or appropriate Board committee) will determine and communicate to the Executive his annual incentive plan participation for subsequent bonus plan years, no later than March 31 of such bonus plan year.

(c) **Executive Benefit Plans.** The Executive will be eligible to participate on substantially the same basis as the Company's other senior executive officers in any

executive benefit plans offered by the Company including, without limitation, medical, dental, short-term and long-term disability, life, pension, profit sharing and nonqualified deferred compensation arrangements. The Company reserves the right to modify, suspend or discontinue any and all of the plans, practices, policies and programs at any time without recourse by the Executive, so long as the Company takes such action generally with respect to other similarly situated senior executive officers.

(d) Business Expenses. The Company shall reimburse the Executive for all reasonable and necessary business expenses incurred in the performance of services with the Company, according to the Company's policies and upon Executive's presentation of an itemized written statement and such verification as the Company may require.

(e) Perquisites. The Company will provide the Executive with all perquisites it provides to other senior executive officers. Such perquisites shall not be less than those provided to the Executive on the Effective Date. The Company will also reimburse the Executive for annual income tax return preparation and financial planning up to \$40,000 per year.

(f) Vacation. The Executive will be entitled to vacation in accordance with the Company's vacation policy for senior executive officers, but in no event less than 5 weeks per calendar year. Unused vacation shall be carried over for a period not in excess of twelve (12) months.

## 5. Payments on Termination of Employment.

(a) Termination of Employment for any Reason. The following payments will be made upon the Executive's termination of employment for any reason:

- (i) Earned but unpaid Base Salary through the date of termination;
- (ii) Any annual incentive plan bonus, for which the performance measurement period has ended, but which is unpaid at the time of termination;
- (iii) Any accrued but unpaid vacation;
- (iv) Any amounts payable under any of the Company's benefit plans in accordance with the terms of those plans, except as may be required under Code Section 401(a)(13); and
- (v) Unreimbursed business expenses incurred by the Executive on the Company's behalf.

(b) Termination of Employment for Death or Disability. In addition to the amounts determined under (a) above, if the Executive's termination of employment occurs by reason of death or disability, the Executive (or his estate) will receive a pro rata portion of any bonus payable under the Company's annual incentive plan for the year in which such termination occurs determined based on the highest of (i) the actual annual bonus paid for the bonus plan year immediately preceding such termination, or (ii) the

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target bonus for the bonus plan year in which such termination occurs. The Executive also will receive the Executive's bonus bank amount, if positive, as of the date of such termination. The Executive will be deemed to be disabled upon the earlier of (i) the end of a six (6) consecutive month period during which, by reason of physical or mental injury or disease, the Executive has been unable to perform substantially all of his usual and customary duties under this Agreement or (ii) the date that a reputable physician selected by the Board, and as to whom the Executive has no reasonable objection, determines in writing that the Executive will, by reason of physical or mental injury or disease, be unable to perform substantially all of the Executive's usual and customary duties under this Agreement for a period of at least six (6) consecutive months. If any question arises as to whether the Executive is disabled, upon reasonable request therefore by the Board, the Executive shall submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. In accordance with Paragraph 10, the Board shall promptly give the Executive written notice of any such determination of the Executive's disability and of any decision of the Board to terminate the Executive's employment by reason thereof. In the event of disability, until the date of termination, the base salary payable to the Executive under Paragraph 4 hereof shall be reduced dollar-for-dollar by the amount of disability benefits paid to the Executive in accordance with any disability policy or program of the Corporation.

(c) Termination by the Company Without Cause, or Voluntary Termination by the Executive for Good Reason. If the Company terminates the Executive's employment other than for Cause, or the Executive voluntarily terminates his employment for Good Reason, in addition to the benefits payable under (a), the Company will pay the following amounts and provide the following benefits:

- (i) The Base Salary and annual bonus that the Company would have paid under the Agreement had the Executive's employment continued to the end of the Employment Term. For this purpose, annual bonus will be determined as the highest of (A) the actual bonus paid for the bonus plan year immediately preceding such termination, or (B) the target bonus for the bonus plan year in which such termination occurs.
- (ii) Continued coverage under the Company's medical, dental, life, disability, pension, profit sharing and other executive benefit plans through the end of the Employment Term, at the same cost to the Executive as in effect on the date of the Executive's termination. If the Company determines that the Executive cannot participate in any benefit plan because he is not actively performing services for the Company, the Company may provide such benefits under an alternate arrangement, such as through the purchase of an individual insurance policy that provides similar benefits or, if applicable, through a nonqualified pension or profit sharing plan. To the extent that the Executive's compensation is necessary for determining the amount of any such continued coverage or benefits, such compensation (Base Salary and annual bonus) through the end of the Employment Term shall be at the highest rate in effect during the

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12-month period immediately preceding the Executive's termination of employment.

(iii) Executive perquisites on the same basis on which the Executive was receiving such perquisites prior to his employment termination, including: (A) reimbursement for club dues through the end of the Employment Term; and (B) reimbursement of expenses relating to financial planning services, tax return preparation and annual physicals through December 31 of the calendar year that includes the second anniversary of the Executive's employment termination. The Company will bear the cost of such perquisites, at the same level in effect immediately prior to the Executive's employment termination. Perquisites otherwise receivable by the Executive pursuant to this Paragraph shall be reduced to the extent comparable perquisites are actually received by or made available to the Executive without cost during the period following the Executive's employment termination covered by this Paragraph. The Executive shall report to the Company any such perquisites actually received by or made available to the Executive.

(iv) The period through the end of the Employment Term shall continue to count for purposes of determining the Executive's age and service with the Company with respect to eligibility, vesting and the amount of benefits under the Company's benefit plans to the maximum extent permitted by applicable law.

(v) Any outstanding stock options, restricted stock or other equity-based compensation awards shall immediately vest upon such termination date, and any such stock options shall be immediately exercisable at any time prior to the earlier of: (A) two years; or (B) the stock option expiration or other termination date.

(vi) The Executive's bonus bank amount, if positive, as of the date of such termination.

(vii) Outplacement services, as elected by the Executive (and with a firm elected by the Executive), not to exceed \$50,000 in total.

(d) **Good Reason.** For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following without the Executive's consent (i) assigning duties to the Executive that are inconsistent with those of the position of President and Chief Executive Officer for similar companies in similar industries (except to the extent the Company promotes the Executive to a higher executive position); (ii) requiring the Executive to report to other than the Company's Board; (iii) the failure of the Company to pay any portion of the Executive's compensation within 10 days of the date such compensation is due; (iv) the Company requires the Executive to relocate his principal business office to a location not within 50 miles of the Company's principal business office located in the Charlotte, North Carolina metropolitan area, or (v) the Company's failure to continue in effect any cash or stock-based incentive or bonus plan, pension

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plan, welfare benefit plan or other benefit plan, program or arrangement, unless the aggregate value of all such arrangements provided to the Executive after such discontinuance is not materially less than the aggregate value as of the Effective Date (using, for purposes of bonus plan comparisons, the target bonus potential before and after any such discontinuance).

(e) **Cause.** For purposes of this Agreement, "Cause" shall mean: (i) the Executive's willful and continued failure to substantially perform his duties as an executive of the Company (other than any such failure resulting from incapacity due to physical or mental illness) after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties, and which gives the Executive at least 30 days to cure such alleged deficiencies, (ii) the Executive's willful misconduct, which is demonstrably and materially injurious to the Company, monetarily or otherwise, or (iii) the Executive's engaging in egregious misconduct involving serious moral turpitude to the extent that his credibility and reputation no longer conforms to the standard of senior executive officers of the Company.

(f) **Timing of Payments.** All payments described above shall be made in a lump sum cash payment as soon as practicable (but in no event more than 10 days unless prohibited by applicable law or plan documents) following the Executive's termination of employment. If the total amount of annual bonus is not determinable on that date, the Company shall pay the amount of bonus that is determinable and the remainder shall be paid in a lump sum cash payment at the time such bonuses are paid generally.

6. **Assignment; Successors.** This Agreement shall inure to the benefit of and be binding upon the Company and its successors. The Company may not assign this Agreement without the Executive's written consent, except that the Company's obligations under this Agreement shall be the binding legal obligations of any successor to the Company by sale, and in the event of any transaction that results in the transfer of substantially all of the assets or business of the Company, the Company will use its best efforts to cause the transferee to assume the obligations of the Company under this Agreement. The Executive may not assign this Agreement during his life. Upon the Executive's death this Agreement will inure to the benefit of the Executive's heirs, legatees and legal representatives of the Executive's estate.

7. **Interpretation.** The laws of the State of Delaware shall govern the validity, interpretation, construction and performance of this Agreement, without regard to the conflict of laws principles thereof.

8. **Withholding.** The Company may withhold from any payment that it is required to make under this Agreement amounts sufficient to satisfy applicable withholding requirements under any federal, state or local law.

9. **Amendment or Termination.** This Agreement may be amended at any time by written agreement between the Company and the Executive.

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10. **Notices.** Notices given pursuant to this Agreement shall be in writing and shall be deemed received when personally delivered, or on the date of written confirmation of receipt by (i) overnight carrier, (ii) telecopy, (iii) registered or certified mail, return receipt requested, addressee only, postage prepaid, or (iv) such other method of delivery that provides a written confirmation of delivery. Notice to the Company shall be directed to:

SPX Corporation  
13515 Ballantyne Corporate Place  
Charlotte, NC 28277  
Attention: General Counsel

The Company may change the person and/or address to whom the Executive must give notice under this Section by giving the Executive written notice of such change, in accordance with the procedures described above. Notices to or with respect to the Executive will be directed to the Executive, or to the Executive's executors, personal representatives or distributees, if the Executive is deceased, or the assignees of the Executive, at the Executive's home address on the records of the Company.

11. **Severability.** If any provisions(s) of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, in whole or in part, then it is the parties' mutual desire that such court modify such provision(s) to the extent and in the manner necessary to render the same valid and enforceable, and this Agreement shall be construed and enforced to the maximum extent permitted by law, as if such provision(s) had been originally incorporated herein as so modified or restricted, or as if such provision(s) had not been originally incorporated herein, as the case may be.

12. **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and the Executive and supersedes all prior agreements and understandings, written or oral, relating to the subject matter hereof; provided, however, that: (i) the Executive's Change in Control Agreement dated May 10, 1999 shall remain in full force and effect, and payments and benefits provided thereunder shall replace those provided in this Agreement to the extent that such payments or benefits would otherwise clearly be duplicative; and (ii) the Executive's non-compete, non-solicitation, confidentiality or similar restrictive covenants shall remain in full force and effect.

13. **Consultation With Counsel.** The Executive acknowledges that he has had a full and complete opportunity to consult with counsel of the Executive's own choosing concerning the terms, enforceability and implications of this Agreement, and the Company has made no representations or warranties to the Executive concerning the terms, enforceability or implications of this Agreement other than as are reflected in this Agreement.

14. **No Waiver.** No failure or delay by the Company or the Executive in enforcing or exercising any right or remedy hereunder shall operate as a waiver thereof. No modification, amendment or waiver of this Agreement nor consent to any departure by the Executive from any of the terms or conditions thereof, shall be effective unless in writing and signed by the Chairman of the Company's Board. Any such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

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15. **Effect on Other Obligations.** Payments and benefits herein provided to be paid to the Executive by the Company shall be made without regard to and in addition to any other payments or benefits required to be paid the Executive at any time hereafter under the terms of any other agreement between the Executive and the Company or under any other policy of the Company relating to compensation, or retirement or other benefits. Except as otherwise expressly provided herein, payments or benefits provided the Executive hereunder shall be reduced by any amount the Executive may earn or receive from employment with another employer or from any other source.

16. **Survival.** All Sections of this Agreement survive beyond the Employment Term except as otherwise specifically stated.

17. **Headings.** The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning thereof.

18. **Counterparts.** The parties may execute this Agreement in one or more counterparts, all of which together shall constitute but one Agreement.

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

EXECUTIVE ACCEPTANCE

SPX CORPORATION

/s/ Christopher J. Kearney  
Christopher J. Kearney

By: /s/ Robert B. Foreman

Its: Senior Vice President, Human Resources

Date: February 28, 2005

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**Employment Agreement of Patrick J. O'Leary**

This Employment Agreement (the "Agreement") is effective as of February 23, 2005 (the "Effective Date"), by and between SPX Corporation (the "Company"), and Patrick J. O'Leary (the "Executive").

WHEREAS, the Company desires to continue to employ the Executive as its Executive Vice President and Chief Financial Officer; and

WHEREAS, the Company and the Executive have reached agreement concerning the terms and conditions of his continued employment and wish to formalize that agreement;

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions stated in this Agreement, the Company and the Executive hereby agree as follows:

1. **Employment.** The Company employs the Executive and the Executive hereby accepts continued employment with the Company as Executive Vice President and Chief Financial Officer. During the Employment Term (as hereinafter defined), the Executive will have the title, status and duties of Executive Vice President and Chief Financial Officer and will report directly to the Company's Chief Executive Officer. The Executive's principal business office shall be at the Company's principal business office located in Charlotte, North Carolina, and Executive's principal family residence shall be located within 50 miles of the Company's principal business office for the duration of the Employment Term. If domiciled elsewhere on the date of Executive's execution of this Agreement, Executive shall relocate his principal family residence to the area specified in this Paragraph. Executive's failure to complete such relocation on or before July 15, 2005 shall render this Agreement null and void.

2. **Term of Employment.** The term of employment ("Employment Term") will commence on the Effective Date, and will continue thereafter until two (2) years from the Effective Date and will be automatically extended for subsequent one (1) day periods for each day of the Employment Term that passes after the Effective Date, unless sooner terminated by either party in accordance with the provisions of this Agreement. The intent of the foregoing provision is that the Agreement becomes "evergreen" on the Effective Date so that on each passing day after the Effective Date the Employment Term automatically extends to a full two-year period.

3. **Duties.** During the Employment Term:

(a) The Executive will perform duties assigned by the Company's Chief Executive Officer, or the Company's Board of Directors (the "Board"), from time to time; provided that the Executive shall not be assigned tasks inconsistent with those of Executive Vice President and Chief Financial Officer.

(b) The Executive will devote his full time and best efforts, talents, knowledge and experience to serving as the Company's Executive Vice President and

Chief Financial Officer. However, the Executive may devote reasonable time to activities such as supervision of personal investments and activities involving professional, charitable, educational, religious and similar types of activities, speaking engagements and membership on other boards of directors, provided such activities do not interfere in any material way with the business of the Company; provided that, the Executive cannot serve on the board of directors of more than one publicly-traded company without the Board's written consent. The time involved in such activities shall not be treated as vacation time. The Executive shall be entitled to keep any amounts paid to him in connection with such activities (e.g., director fees and honoraria).

(c) The Executive will perform his duties diligently and competently and shall act in conformity with the Company's written and oral policies and within the limits, budgets and business plans set by the Company. The Executive will at all times during the Employment Term strictly adhere to and obey all of the rules and regulations in effect from time to time relating to the conduct of executives of the Company. Except as provided in (b) above, the Executive shall not engage in consulting work or any trade or business for his own account or for or on behalf of any other person, firm or company that competes, conflicts or interferes with the performance of his duties hereunder in any material way.

4. **Compensation and Benefits.** During the Executive's employment hereunder, the Company shall provide to the Executive, and the Executive shall accept from the Company as full compensation for the Executive's services hereunder, compensation and benefits as follows:

(a) **Base Salary.** The Company shall pay the Executive at an annual base salary ("Base Salary") of seven hundred, fifty thousand dollars (\$750,000). The Board, or such committee of the Board as is responsible for setting the compensation of senior executive officers, shall review the Executive's performance and Base Salary annually in January of each year, and determine whether to adjust the Executive's Base Salary on a prospective basis. The first review shall be in January 2006. Such adjusted annual salary then shall become the Executive's "Base Salary" for purposes of this Agreement. The Executive's annual Base Salary shall not be reduced after any increase, without the Executive's consent. The Company shall pay the Executive's Base Salary according to payroll practices in effect for all senior executive officers of the Company.

(b) **Incentive Compensation.** The Executive shall be eligible to participate in any annual performance bonus plans, long-term incentive plans, and/or equity-based compensation plans established or maintained by the Company for its senior executive officers, including, but not limited to, the Executive EVA Compensation Plan ("EVA Plan") and the SPX Corporation Stock Compensation Plan. For the 2005 bonus plan year, the Executive shall be eligible for a target bonus under the Company's EVA Plan equal to 100% of his Base Salary provided that all performance goals set by the Company are met. The Board (or appropriate Board committee) will determine and communicate to the Executive his annual incentive plan participation for subsequent bonus plan years, no later than March 31 of such bonus plan year.

(c) Executive Benefit Plans. The Executive will be eligible to participate on substantially the same basis as the Company's other senior executive officers in any executive benefit plans offered by the Company including, without limitation, medical, dental, short-term and long-term disability, life, pension, profit sharing and nonqualified deferred compensation arrangements. The Company reserves the right to modify, suspend or discontinue any and all of the plans, practices, policies and programs at any time without recourse by the Executive, so long as the Company takes such action generally with respect to other similarly situated senior executive officers.

(d) Business Expenses. The Company shall reimburse the Executive for all reasonable and necessary business expenses incurred in the performance of services with the Company, according to the Company's policies and upon Executive's presentation of an itemized written statement and such verification as the Company may require.

(e) Perquisites. The Company will provide the Executive with all perquisites it provides to other senior executive officers. Such perquisites shall not be less than those provided to the Executive on the Effective Date. The Company will also reimburse the Executive for annual income tax return preparation and financial planning up to \$20,000 per year.

(f) Vacation. The Executive will be entitled to vacation in accordance with the Company's vacation policy for senior executive officers, but in no event less than 5 weeks per calendar year. Unused vacation shall be carried over for a period not in excess of twelve (12) months.

5. **Payments on Termination of Employment.**

(a) Termination of Employment for any Reason. The following payments will be made upon the Executive's termination of employment for any reason:

- (i) Earned but unpaid Base Salary through the date of termination;
- (ii) Any annual incentive plan bonus, for which the performance measurement period has ended, but which is unpaid at the time of termination;
- (iii) Any accrued but unpaid vacation;
- (iv) Any amounts payable under any of the Company's benefit plans in accordance with the terms of those plans, except as may be required under Code Section 401(a)(13); and
- (v) Unreimbursed business expenses incurred by the Executive on the Company's behalf.

(b) Termination of Employment for Death or Disability. In addition to the amounts determined under (a) above, if the Executive's termination of employment occurs by reason of death or disability, the Executive (or his estate) will receive a pro rata portion of any bonus payable under the Company's annual incentive plan for the year in

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which such termination occurs determined based on the highest of (i) the actual annual bonus paid for the bonus plan year immediately preceding such termination, or (ii) the target bonus for the bonus plan year in which such termination occurs. The Executive also will receive the Executive's bonus bank amount, if positive, as of the date of such termination. The Executive will be deemed to be disabled upon the earlier of (i) the end of a six (6) consecutive month period during which, by reason of physical or mental injury or disease, the Executive has been unable to perform substantially all of his usual and customary duties under this Agreement or (ii) the date that a reputable physician selected by the Board, and as to whom the Executive has no reasonable objection, determines in writing that the Executive will, by reason of physical or mental injury or disease, be unable to perform substantially all of the Executive's usual and customary duties under this Agreement for a period of at least six (6) consecutive months. If any question arises as to whether the Executive is disabled, upon reasonable request therefore by the Board, the Executive shall submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. In accordance with Paragraph 10, the Board shall promptly give the Executive written notice of any such determination of the Executive's disability and of any decision of the Board to terminate the Executive's employment by reason thereof. In the event of disability, until the date of termination, the base salary payable to the Executive under Paragraph 4 hereof shall be reduced dollar-for-dollar by the amount of disability benefits paid to the Executive in accordance with any disability policy or program of the Corporation.

(c) Termination by the Company Without Cause, or Voluntary Termination by the Executive for Good Reason. If the Company terminates the Executive's employment other than for Cause, or the Executive voluntarily terminates his employment for Good Reason, in addition to the benefits payable under (a), the Company will pay the following amounts and provide the following benefits:

- (i) The Base Salary and annual bonus that the Company would have paid under the Agreement had the Executive's employment continued to the end of the Employment Term. For this purpose, annual bonus will be determined as the highest of (A) the actual bonus paid for the bonus plan year immediately preceding such termination, or (B) the target bonus for the bonus plan year in which such termination occurs.
- (ii) Continued coverage under the Company's medical, dental, life, disability, pension, profit sharing and other executive benefit plans through the end of the Employment Term, at the same cost to the Executive as in effect on the date of the Executive's termination. If the Company determines that the Executive cannot participate in any benefit plan because he is not actively performing services for the Company, the Company may provide such benefits under an alternate arrangement, such as through the purchase of an individual insurance policy that provides similar benefits or, if applicable, through a nonqualified pension or profit sharing plan. To the extent that the Executive's compensation is necessary for determining the amount of any such continued coverage or benefits, such compensation (Base Salary and annual bonus) through

the end of the Employment Term shall be at the highest rate in effect during the 12-month period immediately preceding the Executive's termination of employment.

(iii) Executive perquisites on the same basis on which the Executive was receiving such perquisites prior to his employment termination, including: (A) reimbursement for club dues through the end of the Employment Term; and (B) reimbursement of expenses relating to financial planning services, tax return preparation and annual physicals through December 31 of the calendar year that includes the second anniversary of the Executive's employment termination. The Company will bear the cost of such perquisites, at the same level in effect immediately prior to the Executive's employment termination. Perquisites otherwise receivable by the Executive pursuant to this Paragraph shall be reduced to the extent comparable perquisites are actually received by or made available to the Executive without cost during the period following the Executive's employment termination covered by this Paragraph. The Executive shall report to the Company any such perquisites actually received by or made available to the Executive.

(iv) The period through the end of the Employment Term shall continue to count for purposes of determining the Executive's age and service with the Company with respect to eligibility, vesting and the amount of benefits under the Company's benefit plans to the maximum extent permitted by applicable law.

(v) Any outstanding stock options, restricted stock or other equity-based compensation awards shall immediately vest upon such termination date, and any such stock options shall be immediately exercisable at any time prior to the earlier of: (A) two years; or (B) the stock option expiration or other termination date.

(vi) The Executive's bonus bank amount, if positive, as of the date of such termination.

(vii) Outplacement services, as elected by the Executive (and with a firm elected by the Executive), not to exceed \$50,000 in total.

(d) **Good Reason.** For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following without the Executive's consent (i) assigning duties to the Executive that are inconsistent with those of the position of Executive Vice President and Chief Financial Officer for similar companies in similar industries (except to the extent the Company promotes the Executive to a higher executive position); (ii) requiring the Executive to report to other than the Company's Chief Executive Officer, or the Company's Board; (iii) the failure of the Company to pay any portion of the Executive's compensation within 10 days of the date such compensation is due; (iv) the Company requires the Executive to relocate his principal business office to a location not within 50 miles of the Company's principal business office located in the Charlotte, North

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Carolina metropolitan area, or (v) the Company's failure to continue in effect any cash or stock-based incentive or bonus plan, pension plan, welfare benefit plan or other benefit plan, program or arrangement, unless the aggregate value of all such arrangements provided to the Executive after such discontinuance is not materially less than the aggregate value as of the Effective Date (using, for purposes of bonus plan comparisons, the target bonus potential before and after any such discontinuance).

(e) **Cause.** For purposes of this Agreement, "Cause" shall mean: (i) the Executive's willful and continued failure to substantially perform his duties as an executive of the Company (other than any such failure resulting from incapacity due to physical or mental illness) after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties, and which gives the Executive at least 30 days to cure such alleged deficiencies, (ii) the Executive's willful misconduct, which is demonstrably and materially injurious to the Company, monetarily or otherwise, or (iii) the Executive's engaging in egregious misconduct involving serious moral turpitude to the extent that his credibility and reputation no longer conforms to the standard of senior executive officers of the Company.

(f) **Timing of Payments.** All payments described above shall be made in a lump sum cash payment as soon as practicable (but in no event more than 10 days unless prohibited by applicable law or plan documents) following the Executive's termination of employment. If the total amount of annual bonus is not determinable on that date, the Company shall pay the amount of bonus that is determinable and the remainder shall be paid in a lump sum cash payment at the time such bonuses are paid generally.

6. **Assignment; Successors.** This Agreement shall inure to the benefit of and be binding upon the Company and its successors. The Company may not assign this Agreement without the Executive's written consent, except that the Company's obligations under this Agreement shall be the binding legal obligations of any successor to the Company by sale, and in the event of any transaction that results in the transfer of substantially all of the assets or business of the Company, the Company will use its best efforts to cause the transferee to assume the obligations of the Company under this Agreement. The Executive may not assign this Agreement during his life. Upon the Executive's death this Agreement will inure to the benefit of the Executive's heirs, legatees and legal representatives of the Executive's estate.

7. **Interpretation.** The laws of the State of Delaware shall govern the validity, interpretation, construction and performance of this Agreement, without regard to the conflict of laws principles thereof.

8. **Withholding.** The Company may withhold from any payment that it is required to make under this Agreement amounts sufficient to satisfy applicable withholding requirements under any federal, state or local law.

9. **Amendment or Termination.** This Agreement may be amended at any time by written agreement between the Company and the Executive.

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10. **Notices.** Notices given pursuant to this Agreement shall be in writing and shall be deemed received when personally delivered, or on the date of written confirmation of receipt by (i) overnight carrier, (ii) telecopy, (iii) registered or certified mail, return receipt requested, addressee only, postage prepaid, or (iv) such other method of delivery that provides a written confirmation of delivery. Notice to the Company shall be directed to:

SPX Corporation  
13515 Ballantyne Corporate Place  
Charlotte, NC 28277  
Attention: General Counsel

The Company may change the person and/or address to whom the Executive must give notice under this Section by giving the Executive written notice of such change, in accordance with the procedures described above. Notices to or with respect to the Executive will be directed to the Executive, or to the Executive's executors, personal representatives or distributees, if the Executive is deceased, or the assignees of the Executive, at the Executive's home address on the records of the Company.

11. **Severability.** If any provisions(s) of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, in whole or in part, then it is the parties' mutual desire that such court modify such provision(s) to the extent and in the manner necessary to render the same valid and enforceable, and this Agreement shall be construed and enforced to the maximum extent permitted by law, as if such provision(s) had been originally incorporated herein as so modified or restricted, or as if such provision(s) had not been originally incorporated herein, as the case may be.

12. **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and the Executive and supersedes all prior agreements and understandings, written or oral, relating to the subject matter hereof; provided, however, that: (i) the Executive's Change in Control Agreement dated May 10, 1999 shall remain in full force and effect, and payments and benefits provided thereunder shall replace those provided in this Agreement to the extent that such payments or benefits would otherwise clearly be duplicative; and (ii) the Executive's non-compete, non-solicitation, confidentiality or similar restrictive covenants shall remain in full force and effect.

13. **Consultation With Counsel.** The Executive acknowledges that he has had a full and complete opportunity to consult with counsel of the Executive's own choosing concerning the terms, enforceability and implications of this Agreement, and the Company has made no representations or warranties to the Executive concerning the terms, enforceability or implications of this Agreement other than as are reflected in this Agreement.

14. **No Waiver.** No failure or delay by the Company or the Executive in enforcing or exercising any right or remedy hereunder shall operate as a waiver thereof. No modification, amendment or waiver of this Agreement nor consent to any departure by the Executive from any of the terms or conditions thereof, shall be effective unless in writing and signed by the Chairman of the Company's Board. Any such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

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15. **Effect on Other Obligations.** Payments and benefits herein provided to be paid to the Executive by the Company shall be made without regard to and in addition to any other payments or benefits required to be paid the Executive at any time hereafter under the terms of any other agreement between the Executive and the Company or under any other policy of the Company relating to compensation, or retirement or other benefits. Except as otherwise expressly provided herein, payments or benefits provided the Executive hereunder shall be reduced by any amount the Executive may earn or receive from employment with another employer or from any other source.

16. **Survival.** All Sections of this Agreement survive beyond the Employment Term except as otherwise specifically stated.

17. **Headings.** The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning thereof.

18. **Counterparts.** The parties may execute this Agreement in one or more counterparts, all of which together shall constitute but one Agreement.

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

EXECUTIVE ACCEPTANCE

SPX CORPORATION

/s/ Patrick J. O'Leary  
Patrick J. O'Leary

By: /s/ Christopher J. Kearney

Its: President and Chief Executive Officer

Date: February 28, 2005

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**Employment Agreement of Thomas J. Riordan**

This Employment Agreement (the "Agreement") is effective as of February 23, 2005 (the "Effective Date"), by and between SPX Corporation (the "Company"), and Thomas J. Riordan (the "Executive").

WHEREAS, the Company desires to continue to employ the Executive as its Executive Vice President and Chief Operating Officer; and

WHEREAS, the Company and the Executive have reached agreement concerning the terms and conditions of his continued employment and wish to formalize that agreement;

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions stated in this Agreement, the Company and the Executive hereby agree as follows:

1. **Employment.** The Company employs the Executive and the Executive hereby accepts continued employment with the Company as Executive Vice President and Chief Operating Officer. During the Employment Term (as hereinafter defined), the Executive will have the title, status and duties of Executive Vice President and Chief Operating Officer and will report directly to the Company's Chief Executive Officer. The Executive's principal business office shall be at the Company's principal business office located in Charlotte, North Carolina, and Executive's principal family residence shall be located within 50 miles of the Company's principal business office for the duration of the Employment Term. If domiciled elsewhere on the date of Executive's execution of this Agreement, Executive shall relocate his principal family residence to the area specified in this Paragraph. Executive's failure to complete such relocation on or before July 15, 2005 shall render this Agreement null and void.

2. **Term of Employment.** The term of employment ("Employment Term") will commence on the Effective Date, and will continue thereafter until two (2) years from the Effective Date and will be automatically extended for subsequent one (1) day periods for each day of the Employment Term that passes after the Effective Date, unless sooner terminated by either party in accordance with the provisions of this Agreement. The intent of the foregoing provision is that the Agreement becomes "evergreen" on the Effective Date so that on each passing day after the Effective Date the Employment Term automatically extends to a full two-year period.

3. **Duties.** During the Employment Term:

(a) The Executive will perform duties assigned by the Company's Chief Executive Officer, or the Company's Board of Directors (the "Board"), from time to time; provided that the Executive shall not be assigned tasks inconsistent with those of Executive Vice President and Chief Operating Officer.

(b) The Executive will devote his full time and best efforts, talents, knowledge and experience to serving as the Company's Executive Vice President and

Chief Operating Officer. However, the Executive may devote reasonable time to activities such as supervision of personal investments and activities involving professional, charitable, educational, religious and similar types of activities, speaking engagements and membership on other boards of directors, provided such activities do not interfere in any material way with the business of the Company; provided that, the Executive cannot serve on the board of directors of more than one publicly-traded company without the Board's written consent. The time involved in such activities shall not be treated as vacation time. The Executive shall be entitled to keep any amounts paid to him in connection with such activities (*e.g.*, director fees and honoraria).

(c) The Executive will perform his duties diligently and competently and shall act in conformity with the Company's written and oral policies and within the limits, budgets and business plans set by the Company. The Executive will at all times during the Employment Term strictly adhere to and obey all of the rules and regulations in effect from time to time relating to the conduct of executives of the Company. Except as provided in (b) above, the Executive shall not engage in consulting work or any trade or business for his own account or for or on behalf of any other person, firm or company that competes, conflicts or interferes with the performance of his duties hereunder in any material way.

4. **Compensation and Benefits.** During the Executive's employment hereunder, the Company shall provide to the Executive, and the Executive shall accept from the Company as full compensation for the Executive's services hereunder, compensation and benefits as follows:

(a) **Base Salary.** The Company shall pay the Executive at an annual base salary ("Base Salary") of six hundred thousand dollars (\$600,000). The Board, or such committee of the Board as is responsible for setting the compensation of senior executive officers, shall review the Executive's performance and Base Salary annually in January of each year, and determine whether to adjust the Executive's Base Salary on a prospective basis. The first review shall be in January 2006. Such adjusted annual salary then shall become the Executive's "Base Salary" for purposes of this Agreement. The Executive's annual Base Salary shall not be reduced after any increase, without the Executive's consent. The Company shall pay the Executive's Base Salary according to payroll practices in effect for all senior executive officers of the Company.

(b) **Incentive Compensation.** The Executive shall be eligible to participate in any annual performance bonus plans, long-term incentive plans, and/or equity-based compensation plans established or maintained by the Company for its senior executive officers, including, but not limited to, the Executive EVA Compensation Plan ("EVA Plan") and the SPX Corporation Stock Compensation Plan. For the 2005 bonus plan year, the Executive shall be eligible for a target bonus under the Company's EVA Plan equal to 100% of his Base Salary provided that all performance goals set by the Company are met. The Board (or appropriate Board committee) will determine and communicate to the Executive his annual incentive plan participation for subsequent bonus plan years, no later than March 31 of such bonus plan year.

(c) Executive Benefit Plans. The Executive will be eligible to participate on substantially the same basis as the Company's other senior executive officers in any executive benefit plans offered by the Company including, without limitation, medical, dental, short-term and long-term disability, life, pension, profit sharing and nonqualified deferred compensation arrangements. The Company reserves the right to modify, suspend or discontinue any and all of the plans, practices, policies and programs at any time without recourse by the Executive, so long as the Company takes such action generally with respect to other similarly situated senior executive officers.

(d) Business Expenses. The Company shall reimburse the Executive for all reasonable and necessary business expenses incurred in the performance of services with the Company, according to the Company's policies and upon Executive's presentation of an itemized written statement and such verification as the Company may require.

(e) Perquisites. The Company will provide the Executive with all perquisites it provides to other senior executive officers. Such perquisites shall not be less than those provided to the Executive on the Effective Date. The Company will also reimburse the Executive for annual income tax return preparation and financial planning up to \$20,000 per year.

(f) Vacation. The Executive will be entitled to vacation in accordance with the Company's vacation policy for senior executive officers, but in no event less than 5 weeks per calendar year. Unused vacation shall be carried over for a period not in excess of twelve (12) months.

## 5. Payments on Termination of Employment.

(a) Termination of Employment for any Reason. The following payments will be made upon the Executive's termination of employment for any reason:

- (i) Earned but unpaid Base Salary through the date of termination;
- (ii) Any annual incentive plan bonus, for which the performance measurement period has ended, but which is unpaid at the time of termination;
- (iii) Any accrued but unpaid vacation;
- (iv) Any amounts payable under any of the Company's benefit plans in accordance with the terms of those plans, except as may be required under Code Section 401(a)(13); and
- (v) Unreimbursed business expenses incurred by the Executive on the Company's behalf.

(b) Termination of Employment for Death or Disability. In addition to the amounts determined under (a) above, if the Executive's termination of employment occurs by reason of death or disability, the Executive (or his estate) will receive a pro rata portion of any bonus payable under the Company's annual incentive plan for the year in

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which such termination occurs determined based on the highest of (i) the actual annual bonus paid for the bonus plan year immediately preceding such termination, or (ii) the target bonus for the bonus plan year in which such termination occurs. The Executive also will receive the Executive's bonus bank amount, if positive, as of the date of such termination. The Executive will be deemed to be disabled upon the earlier of (i) the end of a six (6) consecutive month period during which, by reason of physical or mental injury or disease, the Executive has been unable to perform substantially all of his usual and customary duties under this Agreement or (ii) the date that a reputable physician selected by the Board, and as to whom the Executive has no reasonable objection, determines in writing that the Executive will, by reason of physical or mental injury or disease, be unable to perform substantially all of the Executive's usual and customary duties under this Agreement for a period of at least six (6) consecutive months. If any question arises as to whether the Executive is disabled, upon reasonable request therefore by the Board, the Executive shall submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. In accordance with Paragraph 10, the Board shall promptly give the Executive written notice of any such determination of the Executive's disability and of any decision of the Board to terminate the Executive's employment by reason thereof. In the event of disability, until the date of termination, the base salary payable to the Executive under Paragraph 4 hereof shall be reduced dollar-for-dollar by the amount of disability benefits paid to the Executive in accordance with any disability policy or program of the Corporation.

(c) Termination by the Company Without Cause, or Voluntary Termination by the Executive for Good Reason. If the Company terminates the Executive's employment other than for Cause, or the Executive voluntarily terminates his employment for Good Reason, in addition to the benefits payable under (a), the Company will pay the following amounts and provide the following benefits:

- (i) The Base Salary and annual bonus that the Company would have paid under the Agreement had the Executive's employment continued to the end of the Employment Term. For this purpose, annual bonus will be determined as the highest of (A) the actual bonus paid for the bonus plan year immediately preceding such termination, or (B) the target bonus for the bonus plan year in which such termination occurs.
- (ii) Continued coverage under the Company's medical, dental, life, disability, pension, profit sharing and other executive benefit plans through the end of the Employment Term, at the same cost to the Executive as in effect on the date of the Executive's termination. If the Company determines that the Executive cannot participate in any benefit plan because he is not actively performing services for the Company, the Company may provide such benefits under an alternate arrangement, such as through the purchase of an individual insurance policy that provides similar benefits or, if applicable, through a nonqualified pension or profit sharing plan. To the extent that the Executive's compensation is necessary for determining the amount of any such continued coverage or benefits, such compensation (Base Salary and annual bonus) through

the end of the Employment Term shall be at the highest rate in effect during the 12-month period immediately preceding the Executive's termination of employment.

(iii) Executive perquisites on the same basis on which the Executive was receiving such perquisites prior to his employment termination, including: (A) reimbursement for club dues through the end of the Employment Term; and (B) reimbursement of expenses relating to financial planning services, tax return preparation and annual physicals through December 31 of the calendar year that includes the second anniversary of the Executive's employment termination. The Company will bear the cost of such perquisites, at the same level in effect immediately prior to the Executive's employment termination. Perquisites otherwise receivable by the Executive pursuant to this Paragraph shall be reduced to the extent comparable perquisites are actually received by or made available to the Executive without cost during the period following the Executive's employment termination covered by this Paragraph. The Executive shall report to the Company any such perquisites actually received by or made available to the Executive.

(iv) The period through the end of the Employment Term shall continue to count for purposes of determining the Executive's age and service with the Company with respect to eligibility, vesting and the amount of benefits under the Company's benefit plans to the maximum extent permitted by applicable law.

(v) Any outstanding stock options, restricted stock or other equity-based compensation awards shall immediately vest upon such termination date, and any such stock options shall be immediately exercisable at any time prior to the earlier of: (A) two years; or (B) the stock option expiration or other termination date.

(vi) The Executive's bonus bank amount, if positive, as of the date of such termination.

(vii) Outplacement services, as elected by the Executive (and with a firm elected by the Executive), not to exceed \$50,000 in total.

(d) **Good Reason.** For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following without the Executive's consent (i) assigning duties to the Executive that are inconsistent with those of the position of Executive Vice President and Chief Operating Officer for similar companies in similar industries (except to the extent the Company promotes the Executive to a higher executive position); (ii) requiring the Executive to report to other than the Company's Chief Executive Officer, or the Company's Board; (iii) the failure of the Company to pay any portion of the Executive's compensation within 10 days of the date such compensation is due; (iv) the Company requires the Executive to relocate his principal business office to a location not within 50 miles of the Company's principal business office located in the Charlotte, North

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Carolina metropolitan area, or (v) the Company's failure to continue in effect any cash or stock-based incentive or bonus plan, pension plan, welfare benefit plan or other benefit plan, program or arrangement, unless the aggregate value of all such arrangements provided to the Executive after such discontinuance is not materially less than the aggregate value as of the Effective Date (using, for purposes of bonus plan comparisons, the target bonus potential before and after any such discontinuance).

(e) **Cause.** For purposes of this Agreement, "Cause" shall mean: (i) the Executive's willful and continued failure to substantially perform his duties as an executive of the Company (other than any such failure resulting from incapacity due to physical or mental illness) after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties, and which gives the Executive at least 30 days to cure such alleged deficiencies, (ii) the Executive's willful misconduct, which is demonstrably and materially injurious to the Company, monetarily or otherwise, or (iii) the Executive's engaging in egregious misconduct involving serious moral turpitude to the extent that his credibility and reputation no longer conforms to the standard of senior executive officers of the Company.

(f) **Timing of Payments.** All payments described above shall be made in a lump sum cash payment as soon as practicable (but in no event more than 10 days unless prohibited by applicable law or plan documents) following the Executive's termination of employment. If the total amount of annual bonus is not determinable on that date, the Company shall pay the amount of bonus that is determinable and the remainder shall be paid in a lump sum cash payment at the time such bonuses are paid generally.

6. **Assignment; Successors.** This Agreement shall inure to the benefit of and be binding upon the Company and its successors. The Company may not assign this Agreement without the Executive's written consent, except that the Company's obligations under this Agreement shall be the binding legal obligations of any successor to the Company by sale, and in the event of any transaction that results in the transfer of substantially all of the assets or business of the Company, the Company will use its best efforts to cause the transferee to assume the obligations of the Company under this Agreement. The Executive may not assign this Agreement during his life. Upon the Executive's death this Agreement will inure to the benefit of the Executive's heirs, legatees and legal representatives of the Executive's estate.

7. **Interpretation.** The laws of the State of Delaware shall govern the validity, interpretation, construction and performance of this Agreement, without regard to the conflict of laws principles thereof.

8. **Withholding.** The Company may withhold from any payment that it is required to make under this Agreement amounts sufficient to satisfy applicable withholding requirements under any federal, state or local law.

9. **Amendment or Termination.** This Agreement may be amended at any time by written agreement between the Company and the Executive.

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10. **Notices.** Notices given pursuant to this Agreement shall be in writing and shall be deemed received when personally delivered, or on the date of written confirmation of receipt by (i) overnight carrier, (ii) telecopy, (iii) registered or certified mail, return receipt requested, addressee only, postage prepaid, or (iv) such other method of delivery that provides a written confirmation of delivery. Notice to the Company shall be directed to:

SPX Corporation  
13515 Ballantyne Corporate Place  
Charlotte, NC 28277  
Attention: General Counsel

The Company may change the person and/or address to whom the Executive must give notice under this Section by giving the Executive written notice of such change, in accordance with the procedures described above. Notices to or with respect to the Executive will be directed to the Executive, or to the Executive's executors, personal representatives or distributees, if the Executive is deceased, or the assignees of the Executive, at the Executive's home address on the records of the Company.

11. **Severability.** If any provisions(s) of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, in whole or in part, then it is the parties' mutual desire that such court modify such provision(s) to the extent and in the manner necessary to render the same valid and enforceable, and this Agreement shall be construed and enforced to the maximum extent permitted by law, as if such provision(s) had been originally incorporated herein as so modified or restricted, or as if such provision(s) had not been originally incorporated herein, as the case may be.

12. **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and the Executive and supersedes all prior agreements and understandings, written or oral, relating to the subject matter hereof; provided, however, that: (i) the Executive's Change in Control Agreement dated April 8, 1999 shall remain in full force and effect, and payments and benefits provided thereunder shall replace those provided in this Agreement to the extent that such payments or benefits would otherwise clearly be duplicative; and (ii) the Executive's non-compete, non-solicitation, confidentiality or similar restrictive covenants shall remain in full force and effect.

13. **Consultation With Counsel.** The Executive acknowledges that he has had a full and complete opportunity to consult with counsel of the Executive's own choosing concerning the terms, enforceability and implications of this Agreement, and the Company has made no representations or warranties to the Executive concerning the terms, enforceability or implications of this Agreement other than as are reflected in this Agreement.

14. **No Waiver.** No failure or delay by the Company or the Executive in enforcing or exercising any right or remedy hereunder shall operate as a waiver thereof. No modification, amendment or waiver of this Agreement nor consent to any departure by the Executive from any of the terms or conditions thereof, shall be effective unless in writing and signed by the Chairman of the Company's Board. Any such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

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15. **Effect on Other Obligations.** Payments and benefits herein provided to be paid to the Executive by the Company shall be made without regard to and in addition to any other payments or benefits required to be paid the Executive at any time hereafter under the terms of any other agreement between the Executive and the Company or under any other policy of the Company relating to compensation, or retirement or other benefits. Except as otherwise expressly provided herein, payments or benefits provided the Executive hereunder shall be reduced by any amount the Executive may earn or receive from employment with another employer or from any other source.

16. **Survival.** All Sections of this Agreement survive beyond the Employment Term except as otherwise specifically stated.

17. **Headings.** The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning thereof.

18. **Counterparts.** The parties may execute this Agreement in one or more counterparts, all of which together shall constitute but one Agreement.

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

EXECUTIVE ACCEPTANCE

SPX CORPORATION

/s/ Thomas J. Riordan  
Thomas J. Riordan

By: /s/ Christopher J. Kearney

Its: President and Chief Executive Officer

Date: February 28, 2005

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**Employment Agreement of Jay Caraviello**

This Employment Agreement (the "Agreement") is effective as of February 23, 2005 (the "Effective Date"), by and between SPX Corporation (the "Company"), and Jay Caraviello (the "Executive").

WHEREAS, the Company desires to continue to employ the Executive as its Executive Vice President and Chief Operating Officer; and

WHEREAS, the Company and the Executive have reached agreement concerning the terms and conditions of his continued employment and wish to formalize that agreement;

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions stated in this Agreement, the Company and the Executive hereby agree as follows:

1. **Employment.** The Company employs the Executive and the Executive hereby accepts continued employment with the Company as Executive Vice President and Chief Operating Officer. During the Employment Term (as hereinafter defined), the Executive will have the title, status and duties of Executive Vice President and Chief Operating Officer and will report directly to the Company's Chief Executive Officer. The Executive's principal business office shall be at the Company's principal business office located in Charlotte, North Carolina, and Executive's principal family residence shall be located within 50 miles of the Company's principal business office for the duration of the Employment Term. If domiciled elsewhere on the date of Executive's execution of this Agreement, Executive shall relocate his principal family residence to the area specified in this Paragraph. Executive's failure to complete such relocation on or before July 15, 2005 shall render this Agreement null and void.

2. **Term of Employment.** The term of employment ("Employment Term") will commence on the Effective Date, and will continue thereafter until two (2) years from the Effective Date and will be automatically extended for subsequent one (1) day periods for each day of the Employment Term that passes after the Effective Date, unless sooner terminated by either party in accordance with the provisions of this Agreement. The intent of the foregoing provision is that the Agreement becomes "evergreen" on the Effective Date so that on each passing day after the Effective Date the Employment Term automatically extends to a full two-year period.

3. **Duties.** During the Employment Term:

(a) The Executive will perform duties assigned by the Company's Chief Executive Officer, or the Company's Board of Directors (the "Board"), from time to time; provided that the Executive shall not be assigned tasks inconsistent with those of Executive Vice President and Chief Operating Officer.

(b) The Executive will devote his full time and best efforts, talents, knowledge and experience to serving as the Company's Executive Vice President and

Chief Operating Officer. However, the Executive may devote reasonable time to activities such as supervision of personal investments and activities involving professional, charitable, educational, religious and similar types of activities, speaking engagements and membership on other boards of directors, provided such activities do not interfere in any material way with the business of the Company; provided that, the Executive cannot serve on the board of directors of more than one publicly-traded company without the Board's written consent. The time involved in such activities shall not be treated as vacation time. The Executive shall be entitled to keep any amounts paid to him in connection with such activities (*e.g.*, director fees and honoraria).

(c) The Executive will perform his duties diligently and competently and shall act in conformity with the Company's written and oral policies and within the limits, budgets and business plans set by the Company. The Executive will at all times during the Employment Term strictly adhere to and obey all of the rules and regulations in effect from time to time relating to the conduct of executives of the Company. Except as provided in (b) above, the Executive shall not engage in consulting work or any trade or business for his own account or for or on behalf of any other person, firm or company that competes, conflicts or interferes with the performance of his duties hereunder in any material way.

4. **Compensation and Benefits.** During the Executive's employment hereunder, the Company shall provide to the Executive, and the Executive shall accept from the Company as full compensation for the Executive's services hereunder, compensation and benefits as follows:

(a) **Base Salary.** The Company shall pay the Executive at an annual base salary ("Base Salary") of six hundred thousand dollars (\$600,000). The Board, or such committee of the Board as is responsible for setting the compensation of senior executive officers, shall review the Executive's performance and Base Salary annually in January of each year, and determine whether to adjust the Executive's Base Salary on a prospective basis. The first review shall be in January 2006. Such adjusted annual salary then shall become the Executive's "Base Salary" for purposes of this Agreement. The Executive's annual Base Salary shall not be reduced after any increase, without the Executive's consent. The Company shall pay the Executive's Base Salary according to payroll practices in effect for all senior executive officers of the Company.

(b) **Incentive Compensation.** The Executive shall be eligible to participate in any annual performance bonus plans, long-term incentive plans, and/or equity-based compensation plans established or maintained by the Company for its senior executive officers, including, but not limited to, the Executive EVA Compensation Plan ("EVA Plan") and the SPX Corporation Stock Compensation Plan. For the 2005 bonus plan year, the Executive shall be eligible for a target bonus under the Company's EVA Plan equal to 100% of his Base Salary provided that all performance goals set by the Company are met. The Board (or appropriate Board committee) will determine and communicate to the Executive his annual incentive plan participation for subsequent bonus plan years, no later than March 31 of such bonus plan year.

(c) Executive Benefit Plans. The Executive will be eligible to participate on substantially the same basis as the Company's other senior executive officers in any executive benefit plans offered by the Company including, without limitation, medical, dental, short-term and long-term disability, life, pension, profit sharing and nonqualified deferred compensation arrangements. The Company reserves the right to modify, suspend or discontinue any and all of the plans, practices, policies and programs at any time without recourse by the Executive, so long as the Company takes such action generally with respect to other similarly situated senior executive officers.

(d) Business Expenses. The Company shall reimburse the Executive for all reasonable and necessary business expenses incurred in the performance of services with the Company, according to the Company's policies and upon Executive's presentation of an itemized written statement and such verification as the Company may require.

(e) Perquisites. The Company will provide the Executive with all perquisites it provides to other senior executive officers. Such perquisites shall not be less than those provided to the Executive on the Effective Date. The Company will also reimburse the Executive for annual income tax return preparation and financial planning up to \$20,000 per year.

(f) Vacation. The Executive will be entitled to vacation in accordance with the Company's vacation policy for senior executive officers, but in no event less than 5 weeks per calendar year. Unused vacation shall be carried over for a period not in excess of twelve (12) months.

5. **Payments on Termination of Employment.**

(a) Termination of Employment for any Reason. The following payments will be made upon the Executive's termination of employment for any reason:

- (i) Earned but unpaid Base Salary through the date of termination;
- (ii) Any annual incentive plan bonus, for which the performance measurement period has ended, but which is unpaid at the time of termination;
- (iii) Any accrued but unpaid vacation;
- (iv) Any amounts payable under any of the Company's benefit plans in accordance with the terms of those plans, except as may be required under Code Section 401(a)(13); and
- (v) Unreimbursed business expenses incurred by the Executive on the Company's behalf.

(b) Termination of Employment for Death or Disability. In addition to the amounts determined under (a) above, if the Executive's termination of employment occurs by reason of death or disability, the Executive (or his estate) will receive a pro rata portion of any bonus payable under the Company's annual incentive plan for the year in

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which such termination occurs determined based on the highest of (i) the actual annual bonus paid for the bonus plan year immediately preceding such termination, or (ii) the target bonus for the bonus plan year in which such termination occurs. The Executive also will receive the Executive's bonus bank amount, if positive, as of the date of such termination. The Executive will be deemed to be disabled upon the earlier of (i) the end of a six (6) consecutive month period during which, by reason of physical or mental injury or disease, the Executive has been unable to perform substantially all of his usual and customary duties under this Agreement or (ii) the date that a reputable physician selected by the Board, and as to whom the Executive has no reasonable objection, determines in writing that the Executive will, by reason of physical or mental injury or disease, be unable to perform substantially all of the Executive's usual and customary duties under this Agreement for a period of at least six (6) consecutive months. If any question arises as to whether the Executive is disabled, upon reasonable request therefore by the Board, the Executive shall submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. In accordance with Paragraph 10, the Board shall promptly give the Executive written notice of any such determination of the Executive's disability and of any decision of the Board to terminate the Executive's employment by reason thereof. In the event of disability, until the date of termination, the base salary payable to the Executive under Paragraph 4 hereof shall be reduced dollar-for-dollar by the amount of disability benefits paid to the Executive in accordance with any disability policy or program of the Corporation.

(c) Termination by the Company Without Cause, or Voluntary Termination by the Executive for Good Reason. If the Company terminates the Executive's employment other than for Cause, or the Executive voluntarily terminates his employment for Good Reason, in addition to the benefits payable under (a), the Company will pay the following amounts and provide the following benefits:

- (i) The Base Salary and annual bonus that the Company would have paid under the Agreement had the Executive's employment continued to the end of the Employment Term. For this purpose, annual bonus will be determined as the highest of (A) the actual bonus paid for the bonus plan year immediately preceding such termination, or (B) the target bonus for the bonus plan year in which such termination occurs.
- (ii) Continued coverage under the Company's medical, dental, life, disability, pension, profit sharing and other executive benefit plans through the end of the Employment Term, at the same cost to the Executive as in effect on the date of the Executive's termination. If the Company determines that the Executive cannot participate in any benefit plan because he is not actively performing services for the Company, the Company may provide such benefits under an alternate arrangement, such as through the purchase of an individual insurance policy that provides similar benefits or, if applicable, through a nonqualified pension or profit sharing plan. To the extent that the Executive's compensation is necessary for determining the amount of any such continued coverage or benefits, such compensation (Base Salary and annual bonus) through

the end of the Employment Term shall be at the highest rate in effect during the 12-month period immediately preceding the Executive's termination of employment.

(iii) Executive perquisites on the same basis on which the Executive was receiving such perquisites prior to his employment termination, including: (A) reimbursement for club dues through the end of the Employment Term; and (B) reimbursement of expenses relating to financial planning services, tax return preparation and annual physicals through December 31 of the calendar year that includes the second anniversary of the Executive's employment termination. The Company will bear the cost of such perquisites, at the same level in effect immediately prior to the Executive's employment termination. Perquisites otherwise receivable by the Executive pursuant to this Paragraph shall be reduced to the extent comparable perquisites are actually received by or made available to the Executive without cost during the period following the Executive's employment termination covered by this Paragraph. The Executive shall report to the Company any such perquisites actually received by or made available to the Executive.

(iv) The period through the end of the Employment Term shall continue to count for purposes of determining the Executive's age and service with the Company with respect to eligibility, vesting and the amount of benefits under the Company's benefit plans to the maximum extent permitted by applicable law.

(v) Any outstanding stock options, restricted stock or other equity-based compensation awards shall immediately vest upon such termination date, and any such stock options shall be immediately exercisable at any time prior to the earlier of: (A) two years; or (B) the stock option expiration or other termination date.

(vi) The Executive's bonus bank amount, if positive, as of the date of such termination.

(vii) Outplacement services, as elected by the Executive (and with a firm elected by the Executive), not to exceed \$50,000 in total.

(d) **Good Reason.** For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following without the Executive's consent (i) assigning duties to the Executive that are inconsistent with those of the position of Executive Vice President and Chief Operating Officer for similar companies in similar industries (except to the extent the Company promotes the Executive to a higher executive position); (ii) requiring the Executive to report to other than the Company's Chief Executive Officer, or the Company's Board; (iii) the failure of the Company to pay any portion of the Executive's compensation within 10 days of the date such compensation is due; (iv) the Company requires the Executive to relocate his principal business office to a location not within 50 miles of the Company's principal business office located in the Charlotte, North

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Carolina metropolitan area, or (v) the Company's failure to continue in effect any cash or stock-based incentive or bonus plan, pension plan, welfare benefit plan or other benefit plan, program or arrangement, unless the aggregate value of all such arrangements provided to the Executive after such discontinuance is not materially less than the aggregate value as of the Effective Date (using, for purposes of bonus plan comparisons, the target bonus potential before and after any such discontinuance).

(e) **Cause.** For purposes of this Agreement, "Cause" shall mean: (i) the Executive's willful and continued failure to substantially perform his duties as an executive of the Company (other than any such failure resulting from incapacity due to physical or mental illness) after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties, and which gives the Executive at least 30 days to cure such alleged deficiencies, (ii) the Executive's willful misconduct, which is demonstrably and materially injurious to the Company, monetarily or otherwise, or (iii) the Executive's engaging in egregious misconduct involving serious moral turpitude to the extent that his credibility and reputation no longer conforms to the standard of senior executive officers of the Company.

(f) **Timing of Payments.** All payments described above shall be made in a lump sum cash payment as soon as practicable (but in no event more than 10 days unless prohibited by applicable law or plan documents) following the Executive's termination of employment. If the total amount of annual bonus is not determinable on that date, the Company shall pay the amount of bonus that is determinable and the remainder shall be paid in a lump sum cash payment at the time such bonuses are paid generally.

6. **Assignment; Successors.** This Agreement shall inure to the benefit of and be binding upon the Company and its successors. The Company may not assign this Agreement without the Executive's written consent, except that the Company's obligations under this Agreement shall be the binding legal obligations of any successor to the Company by sale, and in the event of any transaction that results in the transfer of substantially all of the assets or business of the Company, the Company will use its best efforts to cause the transferee to assume the obligations of the Company under this Agreement. The Executive may not assign this Agreement during his life. Upon the Executive's death this Agreement will inure to the benefit of the Executive's heirs, legatees and legal representatives of the Executive's estate.

7. **Interpretation.** The laws of the State of Delaware shall govern the validity, interpretation, construction and performance of this Agreement, without regard to the conflict of laws principles thereof.

8. **Withholding.** The Company may withhold from any payment that it is required to make under this Agreement amounts sufficient to satisfy applicable withholding requirements under any federal, state or local law.

9. **Amendment or Termination.** This Agreement may be amended at any time by written agreement between the Company and the Executive.

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10. **Notices.** Notices given pursuant to this Agreement shall be in writing and shall be deemed received when personally delivered, or on the date of written confirmation of receipt by (i) overnight carrier, (ii) telecopy, (iii) registered or certified mail, return receipt requested, addressee only, postage prepaid, or (iv) such other method of delivery that provides a written confirmation of delivery. Notice to the Company shall be directed to:

SPX Corporation  
13515 Ballantyne Corporate Place  
Charlotte, NC 28277  
Attention: General Counsel

The Company may change the person and/or address to whom the Executive must give notice under this Section by giving the Executive written notice of such change, in accordance with the procedures described above. Notices to or with respect to the Executive will be directed to the Executive, or to the Executive's executors, personal representatives or distributees, if the Executive is deceased, or the assignees of the Executive, at the Executive's home address on the records of the Company.

11. **Severability.** If any provisions(s) of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, in whole or in part, then it is the parties' mutual desire that such court modify such provision(s) to the extent and in the manner necessary to render the same valid and enforceable, and this Agreement shall be construed and enforced to the maximum extent permitted by law, as if such provision(s) had been originally incorporated herein as so modified or restricted, or as if such provision(s) had not been originally incorporated herein, as the case may be.

12. **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and the Executive and supersedes all prior agreements and understandings, written or oral, relating to the subject matter hereof; provided, however, that: (i) the Executive's Change in Control Agreement dated May 22, 2003 shall remain in full force and effect, and payments and benefits provided thereunder shall replace those provided in this Agreement to the extent that such payments or benefits would otherwise clearly be duplicative; and (ii) the Executive's non-compete, non-solicitation, confidentiality or similar restrictive covenants shall remain in full force and effect.

13. **Consultation With Counsel.** The Executive acknowledges that he has had a full and complete opportunity to consult with counsel of the Executive's own choosing concerning the terms, enforceability and implications of this Agreement, and the Company has made no representations or warranties to the Executive concerning the terms, enforceability or implications of this Agreement other than as are reflected in this Agreement.

14. **No Waiver.** No failure or delay by the Company or the Executive in enforcing or exercising any right or remedy hereunder shall operate as a waiver thereof. No modification, amendment or waiver of this Agreement nor consent to any departure by the Executive from any of the terms or conditions thereof, shall be effective unless in writing and signed by the Chairman of the Company's Board. Any such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

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15. **Effect on Other Obligations.** Payments and benefits herein provided to be paid to the Executive by the Company shall be made without regard to and in addition to any other payments or benefits required to be paid the Executive at any time hereafter under the terms of any other agreement between the Executive and the Company or under any other policy of the Company relating to compensation, or retirement or other benefits. Except as otherwise expressly provided herein, payments or benefits provided the Executive hereunder shall be reduced by any amount the Executive may earn or receive from employment with another employer or from any other source.

16. **Survival.** All Sections of this Agreement survive beyond the Employment Term except as otherwise specifically stated.

17. **Headings.** The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning thereof.

18. **Counterparts.** The parties may execute this Agreement in one or more counterparts, all of which together shall constitute but one Agreement.

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

EXECUTIVE ACCEPTANCE

SPX CORPORATION

/s/ Jay Caraviello  
Jay Caraviello

By: /s/ Christopher J. Kearney

Its: President and Chief Executive Officer

Date: February 28, 2005

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**Employment Agreement of Robert B. Foreman**

This Employment Agreement (the "Agreement") is effective as of February 23, 2005 (the "Effective Date"), by and between SPX Corporation (the "Company"), and Robert B. Foreman (the "Executive").

WHEREAS, the Company desires to continue to employ the Executive as its Senior Vice President Human Resources; and

WHEREAS, the Company and the Executive have reached agreement concerning the terms and conditions of his continued employment and wish to formalize that agreement;

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions stated in this Agreement, the Company and the Executive hereby agree as follows:

1. **Employment.** The Company employs the Executive and the Executive hereby accepts continued employment with the Company as Senior Vice President Human Resources. During the Employment Term (as hereinafter defined), the Executive will have the title, status and duties of Senior Vice President Human Resources and will report directly to the Company's Chief Executive Officer. The Executive's principal business office shall be at the Company's principal business office located in Charlotte, North Carolina, and Executive's principal family residence shall be located within 50 miles of the Company's principal business office for the duration of the Employment Term. If domiciled elsewhere on the date of Executive's execution of this Agreement, Executive shall relocate his principal family residence to the area specified in this Paragraph. Executive's failure to complete such relocation on or before July 15, 2005 shall render this Agreement null and void.

2. **Term of Employment.** The term of employment ("Employment Term") will commence on the Effective Date, and will continue thereafter until two (2) years from the Effective Date and will be automatically extended for subsequent one (1) day periods for each day of the Employment Term that passes after the Effective Date, unless sooner terminated by either party in accordance with the provisions of this Agreement. The intent of the foregoing provision is that the Agreement becomes "evergreen" on the Effective Date so that on each passing day after the Effective Date the Employment Term automatically extends to a full two-year period.

3. **Duties.** During the Employment Term:

(a) The Executive will perform duties assigned by the Company's Chief Executive Officer, or the Company's Board of Directors (the "Board"), from time to time; provided that the Executive shall not be assigned tasks inconsistent with those of Senior Vice President Human Resources.

(b) The Executive will devote his full time and best efforts, talents, knowledge and experience to serving as the Company's Senior Vice President Human

Resources. However, the Executive may devote reasonable time to activities such as supervision of personal investments and activities involving professional, charitable, educational, religious and similar types of activities, speaking engagements and membership on other boards of directors, provided such activities do not interfere in any material way with the business of the Company; provided that, the Executive cannot serve on the board of directors of more than one publicly-traded company without the Board's written consent. The time involved in such activities shall not be treated as vacation time. The Executive shall be entitled to keep any amounts paid to him in connection with such activities (e.g., director fees and honoraria).

(c) The Executive will perform his duties diligently and competently and shall act in conformity with the Company's written and oral policies and within the limits, budgets and business plans set by the Company. The Executive will at all times during the Employment Term strictly adhere to and obey all of the rules and regulations in effect from time to time relating to the conduct of executives of the Company. Except as provided in (b) above, the Executive shall not engage in consulting work or any trade or business for his own account or for or on behalf of any other person, firm or company that competes, conflicts or interferes with the performance of his duties hereunder in any material way.

4. **Compensation and Benefits.** During the Executive's employment hereunder, the Company shall provide to the Executive, and the Executive shall accept from the Company as full compensation for the Executive's services hereunder, compensation and benefits as follows:

(a) **Base Salary.** The Company shall pay the Executive at an annual base salary ("Base Salary") of five hundred thousand dollars (\$500,000). The Board, or such committee of the Board as is responsible for setting the compensation of senior executive officers, shall review the Executive's performance and Base Salary annually in January of each year, and determine whether to adjust the Executive's Base Salary on a prospective basis. The first review shall be in January 2006. Such adjusted annual salary then shall become the Executive's "Base Salary" for purposes of this Agreement. The Executive's annual Base Salary shall not be reduced after any increase, without the Executive's consent. The Company shall pay the Executive's Base Salary according to payroll practices in effect for all senior executive officers of the Company.

(b) **Incentive Compensation.** The Executive shall be eligible to participate in any annual performance bonus plans, long-term incentive plans, and/or equity-based compensation plans established or maintained by the Company for its senior executive officers, including, but not limited to, the Executive EVA Compensation Plan ("EVA Plan") and the SPX Corporation Stock Compensation Plan. For the 2005 bonus plan year, the Executive shall be eligible for a target bonus under the Company's EVA Plan equal to 100% of his Base Salary provided that all performance goals set by the Company are met. The Board (or appropriate Board committee) will determine and communicate to the Executive his annual incentive plan participation for subsequent bonus plan years, no later than March 31 of such bonus plan year.

(c) Executive Benefit Plans. The Executive will be eligible to participate on substantially the same basis as the Company's other senior executive officers in any executive benefit plans offered by the Company including, without limitation, medical, dental, short-term and long-term disability, life, pension, profit sharing and nonqualified deferred compensation arrangements. The Company reserves the right to modify, suspend or discontinue any and all of the plans, practices, policies and programs at any time without recourse by the Executive, so long as the Company takes such action generally with respect to other similarly situated senior executive officers.

(d) Business Expenses. The Company shall reimburse the Executive for all reasonable and necessary business expenses incurred in the performance of services with the Company, according to the Company's policies and upon Executive's presentation of an itemized written statement and such verification as the Company may require.

(e) Perquisites. The Company will provide the Executive with all perquisites it provides to other senior executive officers. Such perquisites shall not be less than those provided to the Executive on the Effective Date. The Company will also reimburse the Executive for annual income tax return preparation and financial planning up to \$20,000 per year.

(f) Vacation. The Executive will be entitled to vacation in accordance with the Company's vacation policy for senior executive officers, but in no event less than 5 weeks per calendar year. Unused vacation shall be carried over for a period not in excess of twelve (12) months.

## 5. Payments on Termination of Employment.

(a) Termination of Employment for any Reason. The following payments will be made upon the Executive's termination of employment for any reason:

- (i) Earned but unpaid Base Salary through the date of termination;
- (ii) Any annual incentive plan bonus, for which the performance measurement period has ended, but which is unpaid at the time of termination;
- (iii) Any accrued but unpaid vacation;
- (iv) Any amounts payable under any of the Company's benefit plans in accordance with the terms of those plans, except as may be required under Code Section 401(a)(13); and
- (v) Unreimbursed business expenses incurred by the Executive on the Company's behalf.

(b) Termination of Employment for Death or Disability. In addition to the amounts determined under (a) above, if the Executive's termination of employment occurs by reason of death or disability, the Executive (or his estate) will receive a pro rata portion of any bonus payable under the Company's annual incentive plan for the year in

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which such termination occurs determined based on the highest of (i) the actual annual bonus paid for the bonus plan year immediately preceding such termination, or (ii) the target bonus for the bonus plan year in which such termination occurs. The Executive also will receive the Executive's bonus bank amount, if positive, as of the date of such termination. The Executive will be deemed to be disabled upon the earlier of (i) the end of a six (6) consecutive month period during which, by reason of physical or mental injury or disease, the Executive has been unable to perform substantially all of his usual and customary duties under this Agreement or (ii) the date that a reputable physician selected by the Board, and as to whom the Executive has no reasonable objection, determines in writing that the Executive will, by reason of physical or mental injury or disease, be unable to perform substantially all of the Executive's usual and customary duties under this Agreement for a period of at least six (6) consecutive months. If any question arises as to whether the Executive is disabled, upon reasonable request therefore by the Board, the Executive shall submit to reasonable medical examination for the purpose of determining the existence, nature and extent of any such disability. In accordance with Paragraph 10, the Board shall promptly give the Executive written notice of any such determination of the Executive's disability and of any decision of the Board to terminate the Executive's employment by reason thereof. In the event of disability, until the date of termination, the base salary payable to the Executive under Paragraph 4 hereof shall be reduced dollar-for-dollar by the amount of disability benefits paid to the Executive in accordance with any disability policy or program of the Corporation.

(c) Termination by the Company Without Cause, or Voluntary Termination by the Executive for Good Reason. If the Company terminates the Executive's employment other than for Cause, or the Executive voluntarily terminates his employment for Good Reason, in addition to the benefits payable under (a), the Company will pay the following amounts and provide the following benefits:

- (i) The Base Salary and annual bonus that the Company would have paid under the Agreement had the Executive's employment continued to the end of the Employment Term. For this purpose, annual bonus will be determined as the highest of (A) the actual bonus paid for the bonus plan year immediately preceding such termination, or (B) the target bonus for the bonus plan year in which such termination occurs.
- (ii) Continued coverage under the Company's medical, dental, life, disability, pension, profit sharing and other executive benefit plans through the end of the Employment Term, at the same cost to the Executive as in effect on the date of the Executive's termination. If the Company determines that the Executive cannot participate in any benefit plan because he is not actively performing services for the Company, the Company may provide such benefits under an alternate arrangement, such as through the purchase of an individual insurance policy that provides similar benefits or, if applicable, through a nonqualified pension or profit sharing plan. To the extent that the Executive's compensation is necessary for determining the amount of any such continued coverage or benefits, such compensation (Base Salary and annual bonus) through

the end of the Employment Term shall be at the highest rate in effect during the 12-month period immediately preceding the Executive's termination of employment.

(iii) Executive perquisites on the same basis on which the Executive was receiving such perquisites prior to his employment termination, including: (A) reimbursement for club dues through the end of the Employment Term; and (B) reimbursement of expenses relating to financial planning services, tax return preparation and annual physicals through December 31 of the calendar year that includes the second anniversary of the Executive's employment termination. The Company will bear the cost of such perquisites, at the same level in effect immediately prior to the Executive's employment termination. Perquisites otherwise receivable by the Executive pursuant to this Paragraph shall be reduced to the extent comparable perquisites are actually received by or made available to the Executive without cost during the period following the Executive's employment termination covered by this Paragraph. The Executive shall report to the Company any such perquisites actually received by or made available to the Executive.

(iv) The period through the end of the Employment Term shall continue to count for purposes of determining the Executive's age and service with the Company with respect to eligibility, vesting and the amount of benefits under the Company's benefit plans to the maximum extent permitted by applicable law.

(v) Any outstanding stock options, restricted stock or other equity-based compensation awards shall immediately vest upon such termination date, and any such stock options shall be immediately exercisable at any time prior to the earlier of: (A) two years; or (B) the stock option expiration or other termination date.

(vi) The Executive's bonus bank amount, if positive, as of the date of such termination.

(vii) Outplacement services, as elected by the Executive (and with a firm elected by the Executive), not to exceed \$50,000 in total.

(d) **Good Reason.** For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following without the Executive's consent (i) assigning duties to the Executive that are inconsistent with those of the position of Senior Vice President Human Resources for similar companies in similar industries (except to the extent the Company promotes the Executive to a higher executive position); (ii) requiring the Executive to report to other than the Company's Chief Executive Officer, or the Company's Board; (iii) the failure of the Company to pay any portion of the Executive's compensation within 10 days of the date such compensation is due; (iv) the Company requires the Executive to relocate his principal business office to a location not within 50 miles of the Company's principal business office located in the Charlotte, North Carolina

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metropolitan area, or (v) the Company's failure to continue in effect any cash or stock-based incentive or bonus plan, pension plan, welfare benefit plan or other benefit plan, program or arrangement, unless the aggregate value of all such arrangements provided to the Executive after such discontinuance is not materially less than the aggregate value as of the Effective Date (using, for purposes of bonus plan comparisons, the target bonus potential before and after any such discontinuance).

(e) **Cause.** For purposes of this Agreement, "Cause" shall mean: (i) the Executive's willful and continued failure to substantially perform his duties as an executive of the Company (other than any such failure resulting from incapacity due to physical or mental illness) after a written demand for substantial performance is delivered to the Executive by the Board, which demand specifically identifies the manner in which the Board believes that the Executive has not substantially performed his duties, and which gives the Executive at least 30 days to cure such alleged deficiencies, (ii) the Executive's willful misconduct, which is demonstrably and materially injurious to the Company, monetarily or otherwise, or (iii) the Executive's engaging in egregious misconduct involving serious moral turpitude to the extent that his credibility and reputation no longer conforms to the standard of senior executive officers of the Company.

(f) **Timing of Payments.** All payments described above shall be made in a lump sum cash payment as soon as practicable (but in no event more than 10 days unless prohibited by applicable law or plan documents) following the Executive's termination of employment. If the total amount of annual bonus is not determinable on that date, the Company shall pay the amount of bonus that is determinable and the remainder shall be paid in a lump sum cash payment at the time such bonuses are paid generally.

6. **Assignment; Successors.** This Agreement shall inure to the benefit of and be binding upon the Company and its successors. The Company may not assign this Agreement without the Executive's written consent, except that the Company's obligations under this Agreement shall be the binding legal obligations of any successor to the Company by sale, and in the event of any transaction that results in the transfer of substantially all of the assets or business of the Company, the Company will use its best efforts to cause the transferee to assume the obligations of the Company under this Agreement. The Executive may not assign this Agreement during his life. Upon the Executive's death this Agreement will inure to the benefit of the Executive's heirs, legatees and legal representatives of the Executive's estate.

7. **Interpretation.** The laws of the State of Delaware shall govern the validity, interpretation, construction and performance of this Agreement, without regard to the conflict of laws principles thereof.

8. **Withholding.** The Company may withhold from any payment that it is required to make under this Agreement amounts sufficient to satisfy applicable withholding requirements under any federal, state or local law.

9. **Amendment or Termination.** This Agreement may be amended at any time by written agreement between the Company and the Executive.

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10. **Notices.** Notices given pursuant to this Agreement shall be in writing and shall be deemed received when personally delivered, or on the date of written confirmation of receipt by (i) overnight carrier, (ii) telecopy, (iii) registered or certified mail, return receipt requested, addressee only, postage prepaid, or (iv) such other method of delivery that provides a written confirmation of delivery. Notice to the Company shall be directed to:

SPX Corporation  
13515 Ballantyne Corporate Place  
Charlotte, NC 28277  
Attention: General Counsel

The Company may change the person and/or address to whom the Executive must give notice under this Section by giving the Executive written notice of such change, in accordance with the procedures described above. Notices to or with respect to the Executive will be directed to the Executive, or to the Executive's executors, personal representatives or distributees, if the Executive is deceased, or the assignees of the Executive, at the Executive's home address on the records of the Company.

11. **Severability.** If any provisions(s) of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, in whole or in part, then it is the parties' mutual desire that such court modify such provision(s) to the extent and in the manner necessary to render the same valid and enforceable, and this Agreement shall be construed and enforced to the maximum extent permitted by law, as if such provision(s) had been originally incorporated herein as so modified or restricted, or as if such provision(s) had not been originally incorporated herein, as the case may be.

12. **Entire Agreement.** This Agreement sets forth the entire agreement and understanding between the Company and the Executive and supersedes all prior agreements and understandings, written or oral, relating to the subject matter hereof; provided, however, that: (i) the Executive's Change in Control Agreement dated May 10, 1999 shall remain in full force and effect, and payments and benefits provided thereunder shall replace those provided in this Agreement to the extent that such payments or benefits would otherwise clearly be duplicative; and (ii) the Executive's non-compete, non-solicitation, confidentiality or similar restrictive covenants shall remain in full force and effect.

13. **Consultation With Counsel.** The Executive acknowledges that he has had a full and complete opportunity to consult with counsel of the Executive's own choosing concerning the terms, enforceability and implications of this Agreement, and the Company has made no representations or warranties to the Executive concerning the terms, enforceability or implications of this Agreement other than as are reflected in this Agreement.

14. **No Waiver.** No failure or delay by the Company or the Executive in enforcing or exercising any right or remedy hereunder shall operate as a waiver thereof. No modification, amendment or waiver of this Agreement nor consent to any departure by the Executive from any of the terms or conditions thereof, shall be effective unless in writing and signed by the Chairman of the Company's Board. Any such waiver or consent shall be effective only in the specific instance and for the purpose for which given.

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15. **Effect on Other Obligations.** Payments and benefits herein provided to be paid to the Executive by the Company shall be made without regard to and in addition to any other payments or benefits required to be paid the Executive at any time hereafter under the terms of any other agreement between the Executive and the Company or under any other policy of the Company relating to compensation, or retirement or other benefits. Except as otherwise expressly provided herein, payments or benefits provided the Executive hereunder shall be reduced by any amount the Executive may earn or receive from employment with another employer or from any other source.

16. **Survival.** All Sections of this Agreement survive beyond the Employment Term except as otherwise specifically stated.

17. **Headings.** The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning thereof.

18. **Counterparts.** The parties may execute this Agreement in one or more counterparts, all of which together shall constitute but one Agreement.

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

EXECUTIVE ACCEPTANCE

SPX CORPORATION

/s/ Robert B. Foreman  
Robert B. Foreman

By: /s/ Christopher J. Kearney

Its: President and Chief Executive Officer

Date: February 28, 2005

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## SPX Corporation

## 2002 STOCK COMPENSATION PLAN

## SUPPLEMENTAL RESTRICTED STOCK AGREEMENT

## 20 AWARD

Recipient:

Award Date:

Effective Date for Start of Vesting:

Number of Shares:

THIS AGREEMENT is made between SPX CORPORATION, a Delaware corporation (the "Company"), and the Recipient pursuant to the SPX Corporation 2002 Stock Compensation Plan and related plan documents (the "Plan") on and as of the Award Date. The parties hereto agree as follows:

1. **Grant of Restricted Stock.** The Company hereby grants to the Recipient, pursuant to Section 9 of the Plan, the number of shares of Company common stock (the "Common Stock") specified above (the "Restricted Stock"), subject to the terms and conditions of the Plan and this Agreement. The Recipient must accept the Restricted Stock award within 90 days after the Award Date in accordance with the instructions provided by the Company. The award automatically will be rescinded upon the action of the Company, in its discretion, if the award is not accepted within 90 days after the Award Date.

2. **Restrictions.** The Restricted Stock may not be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, whether voluntarily or involuntarily or by operation of law, until the termination of the applicable Period of Restriction (as defined in Section 4 below) or as otherwise provided in the Plan or this Agreement. Except for such restrictions, the Recipient will be treated as the owner of the shares of Restricted Stock and shall have all of the rights of a shareholder, including, but not limited to, the right to vote such shares and the right to receive all dividends, if any, paid on such shares. If any dividends are paid in shares of Common Stock, the dividend shares shall be subject to the same restrictions as the shares of Restricted Stock with respect to which they were paid.

3. **Restricted Stock Certificates.** The stock certificate(s) representing the Restricted Stock shall be issued or held in book entry form promptly following the acceptance of this Agreement. If a stock certificate is issued, it shall be delivered to the Secretary of the Company or such other custodian as may be designated by the Company, to be held until the end of the Period of Restriction or until the Restricted Stock is forfeited. The certificates representing shares of Restricted Stock granted pursuant to this Agreement shall bear a legend in substantially the form set forth below:

The sale or other transfer of the shares of stock represented by this certificate, whether voluntary, involuntary or by operation of law, is subject to certain restrictions on transfer set forth in the SPX Corporation 2002 Stock Compensation Plan, rules and administration adopted pursuant to such Plan, and a Restricted Stock award agreement with an Award Date of . A copy of the Plan, such rules and such Restricted Stock award agreement may be obtained from the Secretary of SPX Corporation.

4. **Period of Restriction.** Subject to the provisions of the Plan and this Agreement, unless it is vested or forfeited earlier as described in Section 5, 6, or 7 of this Agreement, as applicable, the Restricted Stock shall become vested and freely transferable on June 30, 20 . Upon vesting, all vested shares shall cease to be considered Restricted Stock, subject to the terms and conditions of the Plan and this Agreement, and the Recipient shall be entitled to have the legend removed from his or her Common Stock certificate(s). The period prior to the vesting date with respect to a share of Restricted Stock is referred to as the "Period of Restriction."

5. **Vesting upon Termination due to Retirement, Disability or Death.** If, while the Restricted Stock is subject to a Period of Restriction, the Recipient terminates employment with the Company (or a Subsidiary of the Company if the Recipient is then in the employ of such Subsidiary) by reason of retirement, disability (as determined by the Company) or death, then the portion of the Restricted Stock subject to a Period of Restriction shall become fully vested as of the date of employment termination without regard to the Period of Restriction set forth in Section 4 of this Agreement. A Recipient will be eligible for "retirement" treatment for purposes of this Agreement if, at the time of employment termination, he/she is age 55 or older, he/she has completed five years of service with the Company or a Subsidiary (provided that the Subsidiary has been directly or indirectly owned by the Company for at least three years), and he/she voluntarily elects to retire. The term "Subsidiary" is defined in the Plan and means a corporation with respect to which the Company directly or indirectly owns 50% or more of the voting power.

6. **Forfeiture upon Termination due to Reason other than Retirement, Disability or Death.** If, while the Restricted Stock is subject to a Period of Restriction, the Recipient's employment with the Company (or a Subsidiary of the Company if the Recipient is then in the employ of such Subsidiary) terminates for a reason other than the Recipient's retirement, disability or death, then the Recipient shall forfeit any portion of the Restricted Stock that is subject to a Period of Restriction on the date of such employment termination.

7. **Vesting upon Change of Control.** In the event of a "Change of Control" of the Company as defined in this Section, the Restricted Stock shall cease to be subject to the Period

of Restriction set forth in Section 4 of this Agreement. A "Change of Control" shall be deemed to have occurred if:

(a) Any "Person" (as defined below), excluding for this purpose (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company, and (iii) any entity organized, appointed or established for or pursuant to

the terms of any such plan that acquires beneficial ownership of common shares of the Company, is or becomes the “Beneficial Owner” (as defined below) of twenty percent (20%) or more of the common shares of the Company then outstanding; provided, however, that no Change of Control shall be deemed to have occurred as the result of an acquisition of common shares of the Company by the Company which, by reducing the number of shares outstanding, increases the proportionate beneficial ownership interest of any Person to twenty percent (20%) or more of the common shares of the Company then outstanding, but any subsequent increase in the beneficial ownership interest of such a Person in common shares of the Company shall be deemed a Change of Control; and provided further that if the Board of Directors of the Company determines in good faith that a Person who has become the Beneficial Owner of common shares of the Company representing twenty percent (20%) or more of the common shares of the Company then outstanding has inadvertently reached that level of ownership interest, and if such Person divests as promptly as practicable a sufficient number of shares of the Company so that the Person no longer has a beneficial ownership interest in twenty percent (20%) or more of the common shares of the Company then outstanding, then no Change of Control shall be deemed to have occurred. For purposes of this paragraph (a), the following terms shall have the meanings set forth below:

- (i) “Person” shall mean any individual, firm, limited liability company, corporation or other entity, and shall include any successor (by merger or otherwise) of any such entity.
- (ii) “Affiliate” and “Associate” shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).
- (iii) A Person shall be deemed the “Beneficial Owner” of and shall be deemed to “beneficially own” any securities:
  - (A) which such Person or any of such Person’s Affiliates or Associates beneficially owns, directly or indirectly (determined as provided in Rule 13d-3 under the Exchange Act);
  - (B) which such Person or any of such Person’s Affiliates or Associates has (1) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding (other than customary agreements with and between underwriters and selling group members with respect to a *bona fide* public offering of securities), or upon the exercise of conversion

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rights, exchange rights, rights (other than rights under the Company’s Rights Agreement dated June 25, 1996 with The Bank of New York, as amended), warrants or options, or otherwise; provided, however, that a Person shall not be deemed the Beneficial Owner of, or to beneficially own, securities tendered pursuant to a tender or exchange offer made by or on behalf of such Person or any of such Person’s Affiliates or Associates until such tendered securities are accepted for purchase or exchange; or (2) the right to vote pursuant to any agreement, arrangement or understanding; provided, however, that a Person shall not be deemed the Beneficial Owner of, or to beneficially own, any security if the agreement, arrangement or understanding to vote such security (a) arises solely from a revocable proxy or consent given to such Person in response to a public proxy or consent solicitation made pursuant to, and in accordance with, the applicable rules and regulations promulgated under the Exchange Act and (b) is not also then reportable on Schedule 13D under the Exchange Act (or any comparable or successor report); or

- (C) which are beneficially owned, directly or indirectly, by any other Person with which such Person or any of such Person’s Affiliates or Associates has any agreement, arrangement or understanding (other than customary agreements with and between underwriters and selling group members with respect to a *bona fide* public offering of securities) for the purpose of acquiring, holding, voting (except to the extent contemplated by the proviso to subparagraph (a)(iii)(B)(2), above) or disposing of any securities of the Company.

Notwithstanding anything in this “Beneficial Ownership” definition to the contrary, the phrase “then outstanding,” when used with reference to a Person’s beneficial ownership of securities of the Company, shall mean the number of such securities then issued and outstanding together with the number of such securities not then actually issued and outstanding which such Person would be deemed to own beneficially hereunder.

- (b) During any period of two (2) consecutive years (not including any period prior to the acceptance of this Agreement), individuals who at the beginning of such two-year period constitute the Board of Directors of the Company and any new director or directors (except for any director designated by a person who has entered into an agreement with the Company to effect a transaction described in paragraph (a), above, or paragraph (c), below) whose election by the Board or nomination for election by the Company’s shareholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the Board; or

- (c) Approval by the shareholders of (or if such approval is not required, the consummation of) (i) a plan of complete liquidation of the Company, (ii) an agreement for the sale or disposition of the Company or all or substantially all of the Company’s

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assets, (iii) a plan of merger or consolidation of the Company with any other corporation, or (iv) a similar transaction or series of transactions involving the Company (any transaction described in parts (i) through (iv) of this paragraph (c) being referred to as a “Business Combination”), in each case unless after such a Business Combination the shareholders of the Company immediately prior to the Business Combination continue to own at least eighty percent (80%) of the voting securities of the new (or continued) entity immediately after such Business Combination, in substantially the same proportion as their ownership of the Company immediately prior to such Business Combination.

Notwithstanding any provision of this Agreement to the contrary, a “Change of Control” shall not include any transaction described in paragraph (a) or (c), above, where, in connection with such transaction, the Recipient and/or any party acting in concert with the Recipient substantially increases his or its,

as the case may be, ownership interest in the Company or a successor to the Company (other than through conversion of prior ownership interests in the Company and/or through equity awards received entirely as compensation for past or future personal services).

8. Settlement Following Change of Control. Notwithstanding any provision of this Agreement to the contrary, in connection with or after the occurrence of a Change of Control as defined in Section 7 of this Agreement, the Company may, in its sole discretion, fulfill its obligation with respect to all or any portion of the Restricted Stock that ceases to be subject to a Period of Restriction in conjunction with the Change of Control by:

- (a) delivery of (i) the number of shares of Common Stock that have ceased to be subject to a Period of Restriction or (ii) such other ownership interest as such shares of Common Stock may be converted into by virtue of the Change of Control transaction;
- (b) payment of cash in an amount equal to the fair market value of the Common Stock at that time; or
- (c) delivery of any combination of shares of Common Stock (or other converted ownership interest) and cash having an aggregate fair market value equal to the fair market value of the Common Stock at that time.

9. Adjustment in Capitalization. In the event of any change in the Common Stock of the Company through stock dividends or stock splits, a corporate split-off or split-up, or recapitalization, merger, consolidation, exchange of shares, or a similar event, the number of shares of Restricted Stock subject to this Agreement may be equitably adjusted by the Committee, in its sole discretion.

10. Delivery of Stock Certificates. Subject to the requirements of Sections 11 and 12 below, as promptly as practicable after shares of Restricted Stock cease to be subject to a Period of Restriction in accordance with Section 4, 5, or 7 of this Agreement, the Company shall cause to be issued and delivered to the Recipient, the Recipient's legal representative, or a brokerage account for the benefit of the Recipient, as the case may be, certificates for the vested shares of Common Stock.

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11. Tax Withholding. Whenever a Period of Restriction applicable to the Recipient's rights to some or all of the Restricted Stock lapses as provided in Section 4, 5, or 7 of this Agreement, the Company or its agent shall notify the Recipient of the related amount of tax that must be withheld under applicable tax laws. Regardless of any action the Company, any Subsidiary of the Company, or the Recipient's employer takes with respect to any or all income tax, social security, payroll tax, payment on account or other tax-related withholding ("Tax") that the Recipient is required to bear pursuant to all applicable laws, the Recipient hereby acknowledges and agrees that the ultimate liability for all Tax is and remains the responsibility of the Recipient.

Prior to receipt of any shares that correspond to Restricted Stock that vests in accordance with this Agreement, the Recipient shall pay or make adequate arrangements satisfactory to the Company and/or any Subsidiary of the Company to satisfy all withholding and payment on account obligations of the Company and/or any Subsidiary of the Company. In this regard, the Recipient authorizes the Company and/or any Subsidiary of the Company to withhold all applicable Tax legally payable by the Recipient from the Recipient's wages or other cash compensation paid to the Recipient by the Company and/or any Subsidiary of the Company or from the proceeds of the sale of shares. Alternatively, or in addition, the Company may sell or arrange for the sale of Common Stock that the Recipient is due to acquire to satisfy the withholding obligation for Tax and/or withhold any Common Stock, provided that the Company sells or withholds only the amount of Common Stock necessary to satisfy the minimum withholding amount. Finally, the Recipient agrees to pay the Company or any Subsidiary of the Company any amount of any Tax that the Company or any Subsidiary of the Company may be required to withhold as a result of the Recipient's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to deliver Common Stock if the Recipient fails to comply with its obligations in connection with the tax as described in this section.

The Company advises the Recipient to consult his or her lawyer or accountant with respect to the tax consequences for the Recipient under the Plan.

The Company and/or any Subsidiary of the Company: (a) make no representations or undertakings regarding the tax treatment in connection with the Plan; and (b) do not commit to structure the Plan to reduce or eliminate the Recipient's liability for Tax.

12. Securities Laws. This award is a private offer that may be accepted only by a Recipient who is an employee or director of the Company or a Subsidiary of the Company and who satisfies the eligibility requirements outlined in the Plan and the Committee's administrative procedures. If a Registration Statement under the Securities Act of 1933, as amended, is not in effect with respect to the shares of Common Stock to be issued pursuant to this Agreement, the Recipient hereby represents that he or she is acquiring the shares of Common Stock for investment and with no present intention of selling or transferring them and that he or she will not sell or otherwise transfer the shares except in compliance with all applicable securities laws and requirements of any stock exchange on which the shares of Common Stock may then be listed.

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13. No Employment or Compensation Rights. Participation in the Plan is permitted only on the basis that the Recipient accepts all of the terms and conditions of the Plan and this Agreement, as well as the administrative rules established by the Committee. This Agreement shall not confer upon the Recipient any right to continuation of employment by the Company or its Subsidiaries, nor shall this Agreement interfere in any way with the Company's or its Subsidiaries' right to terminate Recipient's employment at any time. Neither the Plan nor this Agreement forms any part of any contract of employment between the Company or any Subsidiary and the Recipient, and neither the Plan nor this Agreement confers on the Recipient any legal or equitable rights (other than those related to the Restricted Stock award) against the Company or any Subsidiary or directly or indirectly gives rise to any cause of action in law or in equity against the Company or any Subsidiary.

The Restricted Stock granted pursuant to this Agreement does not constitute part of the Recipient's wages or remuneration or count as pay or remuneration for pension or other purposes. If the Recipient terminates employment with the Company or any Subsidiary, in no circumstances will the Recipient be entitled to any compensation for any loss of any right or benefit or any prospective right or benefit under the Plan or this Agreement that he or she might otherwise have enjoyed had such employment continued, whether such compensation is claimed by way of damages for wrongful dismissal, breach of contract or otherwise.

14. Plan Terms and Committee Authority. This Agreement and the rights of the Recipient hereunder are subject to all of the terms and conditions of the Plan, as it may be amended from time to time, as well as to such rules and regulations as the Committee (meaning the Compensation Committee of the Board of Directors of the Company, as defined in the Plan) may adopt for administration of the Plan. It is expressly understood that the Committee is authorized to administer, construe and make all determinations necessary or appropriate for the administration of the Plan and this Agreement, all of which shall be binding upon Recipient. Any inconsistency between this Agreement and the Plan shall be resolved in favor of the Plan. The Recipient hereby acknowledges receipt of a copy of the Plan and this Agreement.

15. Governing Law and Jurisdiction. This Agreement is governed by the substantive and procedural laws of the state of Michigan. The Recipient and the Company agree to submit to the exclusive jurisdiction of, and venue in, the courts in Michigan in any dispute relating to this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the Award Date.

[signature page follows]

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SPX CORPORATION

Attest:

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RECIPIENT

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