
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):

March 1, 2011

Brush Engineered Materials Inc.

(Exact name of registrant as specified in its charter)

Ohio

001-15885

34-1919973

(State or other jurisdiction
of incorporation)

(Commission
File Number)

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

6070 Parkland Blvd., Mayfield Hts., Ohio

44124

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

216-486-4200

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing 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))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 1, 2011, the Compensation Committee of the Board of Directors of Brush Engineered Materials Inc. approved new form award agreements for stock-settled restricted stock units, cash-settled restricted stock units and stock appreciation rights. Among other changes from prior award agreements, the new form award agreements include a "double trigger" that requires both a change in control and a subsequent termination of employment to occur for accelerated vesting of awards in connection with a change in control and increases the beneficial ownership trigger required for a change in control from 20% to 30%.

The forms of stock-settled restricted stock unit award agreement, cash-settled restricted stock unit award agreement and stock appreciation rights award agreement are filed as Exhibits 10.1, 10.2 and 10.3, respectively, to this Current Report on Form 8-K and are incorporated herein.

Item 9.01 Financial Statements and Exhibits.

- 10.1 Form of 2011 Restricted Stock Unit Agreement (Stock-settled)
 - 10.2 Form of 2011 Restricted Stock Unit Agreement (Cash-settled)
 - 10.3 Form of 2011 Stock Appreciation Rights Agreement
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SIGNATURES

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.

Brush Engineered Materials Inc.

March 3, 2011

By: Michael C. Hasychak

Name: Michael C. Hasychak

Title: Vice President, Secretary and Treasurer

Exhibit Index

Exhibit No.	Description
10.1	Form of 2011 Restricted Stock Unit Agreement (Stock-settled)
10.2	Form of 2011 Restricted Stock Unit Agreement (Cash-settled)
10.3	Form of 2011 Stock Appreciation Rights Agreement

EXHIBIT 10.1

MATERION CORPORATION

Restricted Stock Units Agreement (Stock-Settled)

WHEREAS, ____, (the "Grantee") is an employee of Materion Corporation, an Ohio corporation (the "Corporation") or a Subsidiary; and

WHEREAS, the execution of an agreement in the form hereof (this "Agreement") has been authorized by a resolution of the Compensation Committee (the "Committee") of the Board of Directors of the Corporation that was duly adopted on March 1, 2011.

NOW, THEREFORE, pursuant to the Corporation's 2006 Stock Incentive Plan (the "Plan"), the Corporation hereby confirms to the Grantee the grant, effective on May 4, 2011 (the "Date of Grant"), of ____ Restricted Stock Units (as defined in the Plan) ("RSUs"), subject to the terms and conditions of the Plan and the following additional terms, conditions, limitations and restrictions:

ARTICLE I

DEFINITIONS

All terms used herein with initial capital letters that are defined in the Plan shall have the meanings assigned to them in the Plan when used herein with initial capital letters.

ARTICLE II

CERTAIN TERMS OF RESTRICTED STOCK UNITS

1. RSUs Not Transferable. The RSUs covered by the Agreement shall not be transferable other than by will or pursuant to the laws of descent and distribution prior to payment.

2. Vesting and Payment of RSUs.

(a) General. Subject to the provisions of Sections 2(b), 2(c) and 2(d) of this Article II, all of the RSUs covered by this Agreement shall become nonforfeitable if the Grantee shall have remained in the continuous employ of the Corporation or a Subsidiary for three years from the Date of Grant and shall be payable by the issuance of Common Shares to the Grantee on such date.

(b) Death or Disability. Notwithstanding the provisions of Section 2(a) of this Article II, all of the RSUs covered by this Agreement shall immediately become nonforfeitable and shall be immediately payable if the Grantee dies or becomes permanently disabled (as hereinafter defined) while in the employ of the Corporation or a Subsidiary during the three-year period from the Date of Grant. The Grantee shall be considered to have become permanently disabled if the Grantee has suffered a permanent disability within the meaning of the long-term disability plan in effect for, or applicable to, the Grantee and is "disabled" within the meaning of Section 409A(a)(2)(C) of the Code.

(c) Retirement.

(i) If the Grantee should Retire (as hereinafter defined) one year or more after the Date of Grant, notwithstanding the requirement of continuous employment contained in Section 2(a) of this Article II, the RSUs covered by this Agreement shall continue to vest and shall become payable three years from the Date of Grant, provided that the RSUs shall be paid on any earlier date when payment would otherwise have been made under Section 2 of this Article II if the Grantee had continued employment through such date.

(ii) If the Grantee should Retire less than one year from the Date of Grant, the RSUs covered by this Agreement shall be forfeited, unless the Committee determines that such RSUs will continue to vest and become nonforfeitable three years from the Date of Grant.

(iii) "Retire" shall mean the Grantee's retirement from the Corporation or a Subsidiary at (A) age 65 or older or

(B) at age 55 or older with 10 or more years of continuous employment with the Corporation or a Subsidiary.

(d) Change in Control.

(i) Notwithstanding Section 2(a) of this Article II above, the RSUs granted hereby shall immediately become nonforfeitable and payable if at any time during the employment of the Grantee and prior to the end of the three-year vesting period:

(A) a Change in Control shall occur after the Date of Grant; and

(B) within two years following the Change in Control the Grantee's employment with the Corporation or a Subsidiary is terminated by the Grantee as a Termination for Good Cause (as defined in Section 2(f) of this Article) or the Grantee is terminated by the Corporation other than as a Termination for Cause (as defined in Section 2(e) of this Article II). If the Change in Control constitutes a "change in control" for purposes of Section 409A of the Code and if the Grantee incurs a "separation from service" for purposes of Section 409A of the Code within two years following such Change in Control, payment for the RSUs will be made upon the Grantee's separation from service, provided however, that if at such time the Grantee is a "specified employee" as determined pursuant to the identification methodology adopted by the Corporation in compliance with Section 409A of the Code, the date of payment for the RSUs shall be the first business day of the seventh month after the date of the Grantee's separation from service (or if earlier the Grantee's death). If payment is not made pursuant to the preceding sentence because the Change in Control does not constitute a "change-in-control" for purposes of Section 409A of the Code, then payment shall be made at the earliest date that payment otherwise would have been made under Section 2 of this Article II if no Change in Control had occurred, assuming continued employment through such date.

(ii) Notwithstanding anything in this Section 2(d) to the contrary, in connection with a Business Combination, the result of which is that the Outstanding Corporation Voting Stock is exchanged for or becomes exchangeable for securities of another entity, cash or a combination thereof, if the entity resulting from such Business Combination does not assume the RSUs evidenced hereby and the Corporation's obligations hereunder, or replace the RSUs evidenced hereby with a substantially equivalent security of the entity resulting from such Business Combination, then the RSUs evidenced hereby shall become exercisable as of immediately prior to such Business Combination. Payment for the RSUs will be upon such Change in Control; provided, however, if the Change in Control does not constitute a "change in control" for purposes of Section 409A(a)(2)(A)(v) of the Code, then payment for the RSUs will be made upon the date that payment otherwise would have been made under Section 2 of this Article II if no Change in Control had occurred, assuming continued employment through such date.

(e) "Termination for Cause" means a termination of Grantee's employment by the Corporation for "Cause" (as defined in Section 7(f) of this Article II).

(f) "Termination for Good Cause" shall mean the Grantee's termination of the Grantee's employment with the Corporation or a Subsidiary as a result of the occurrence of any of the following:

(i) a change in the Grantee's principal location of employment that is greater than 50 miles from its location as of the date hereof without the Grantee's consent; provided, however, that the Grantee hereby acknowledges that the Grantee may be required to engage in travel in connection with the performance of the Grantee's duties hereunder and that such travel shall not constitute a change in the Grantee's principal location of employment for purposes hereof;

(ii) a material diminution in the Grantee's base compensation;

(iii) a change in the Grantee's position with the Corporation without the Grantee's consent such that there is a material diminution in the Grantee's authority, duties or responsibilities; or

(iv) any other action or inaction that constitutes a material breach by the Corporation of the agreement under which the Grantee provides services.

Notwithstanding the foregoing, the Grantee's termination of the Grantee's employment with the Corporation as a result of the occurrence of any of the foregoing shall not constitute a "Termination for Good Cause" unless (A) the Grantee gives the Corporation written notice of such occurrence within 90 days of such occurrence and such occurrence is not cured by the Corporation within 30 days of the date on which such written notice is received by the Corporation and (B) the Grantee actually terminates his or her employment with the Corporation prior to the 365th day following such occurrence.

3. Form and Time of Payment of RSUs. Except as otherwise provided for in Section 2 of Article III, payment for the RSUs shall be made in form of the Common Shares at the time the RSUs vest and become nonforfeitable or otherwise become payable in accordance with Section 2 of this Article II. To the extent that the Corporation is required to withhold federal, state, local or foreign taxes in connection with the delivery of Common Shares to the Grantee or any other person under this Agreement, the number of Common Shares to be delivered to the Grantee or such other person shall be reduced (based on the Market Value per Share) as of the date the RSUs are reduced) to provide for the taxes required to be withheld, with any fractional shares that would otherwise be delivered being rounded up to the next nearest whole share. The Committee may, at its discretion, adopt any alternative method of providing for taxes required to be withheld.

4. Forfeiture of RSUs. The RSUs shall be forfeited, except as otherwise provided in Section 2(b), 2(c) or 2(d) of this Article II above, if the Grantee ceases to be employed by the Corporation or a Subsidiary prior to three years from the Date of Grant.

5. Dividend Equivalents. From and after the Date of Grant and until the earlier of (a) the time when the RSUs vest and become nonforfeitable and payable in accordance with Section 2 of this Article II or (b) the time when the Grantee's right to receive Common Shares in payment of the RSUs is forfeited in accordance with Section 4 of this Article II, on the date that the Corporation pays a cash dividend (if any) to holders of Common Shares generally, the Grantee shall be entitled to a number of additional whole RSUs determined by dividing (i) the product of (A) the dollar amount of the cash dividend paid per Common Share on such date and (B) the total number of RSUs (including dividend equivalents paid thereon) previously credited to the Grantee as of such date, by (ii) the Market Value per Share on such date. Such dividend equivalents (if any) shall be subject to the same terms and conditions and shall be paid or forfeited in the same manner and at the same time as the RSUs to which the dividend equivalents were credited.

6. Effect of Detrimental Activity. Notwithstanding anything herein to the contrary, if the Grantee, either during employment by the Corporation or a Subsidiary or within one year after termination of such employment, shall engage in any Detrimental Activity, (as hereinafter defined) and the Board shall so find, the Grantee shall:

(a) Forfeit all RSUs held by the Grantee.

(b) Return to the Corporation all Common Shares that the Grantee has not disposed of that were paid out pursuant to this Agreement within a period of one year prior to the date of the commencement of such Detrimental Activity.

(c) With respect to any Common Shares that the Grantee has disposed of that were paid out pursuant to this Agreement within a period of one year prior to the date of the commencement of such Detrimental Activity, pay to the Corporation in cash the value of such Common Shares on the date such Common Shares were paid out.

(d) To the extent that the amounts referred to above in Section 6(b) and 6(c) of this Article II are not paid to the Corporation, the Corporation may set off the amounts so payable to it against any amounts that may be owing from time to time by the Corporation or a Subsidiary to the Grantee, whether as wages, deferred compensation or vacation pay or in the form of any other benefit or for any other reason, except that no setoff shall be permitted against any amount that constitutes "deferred compensation" within the meaning of Section 409A of the Code.

7. For purposes of this Agreement, the term "Detrimental Activity" shall include:

(a) (i) Engaging in any activity in violation of the Section entitled "Competitive Activity; Confidentiality; Nonsolicitation" in the Severance Agreement between the Corporation and the Grantee, if such agreement is in effect at the date hereof, or in violation of any corresponding provision in any other agreement between the Corporation and the Grantee in effect on the date hereof providing for the payment of severance compensation; or

(ii) If no such severance agreement is in effect as of the date hereof or if a severance agreement does not contain a Section corresponding to "Competitive Activity; Confidentiality; Nonsolicitation":

(A) Competitive Activity During Employment. Competing with the Corporation anywhere within the United States during the term of the Grantee's employment, including, without limitation:

(I) entering into or engaging in any business which competes with the business of the Corporation;

(II) soliciting customers, business, patronage or orders for, or selling, any products or services in competition with, or for any business that competes with, the business of the Corporation;

(III) diverting, enticing or otherwise taking away any customers, business, patronage or orders of the Corporation or attempting to do so; or

(IV) promoting or assisting, financially or otherwise, any person, firm, association, partnership, corporation or other entity engaged in any business which competes with the business of the Corporation.

(B) Following Termination. For a period of one year following the Grantee's termination date:

(I) entering into or engaging in any business which competes with the Corporation's business within the Restricted Territory (as hereinafter defined);

(II) soliciting customers, business, patronage or orders for, or selling, any products or services in competition with, or for any business, wherever located, that competes with, the Corporation's business within the Restricted Territory;

(III) diverting, enticing or otherwise taking away any customers, business, patronage or orders of the Corporation within the Restricted Territory, or attempting to do so; or

(IV) promoting or assisting, financially or otherwise, any person, firm, association, partnership, corporation or other entity engaged in any business which competes with the Corporation's business within the Restricted Territory.

For the purposes of Sections 7(a)(ii)(A) and (B) above, inclusive, but without limitation thereof, the Grantee will be in violation thereof if the Grantee engages in any or all of the activities set forth therein directly as an individual on the Grantee's own account, or indirectly as a partner, joint venturer, employee, agent, salesperson, consultant, officer and/or director of any firm, association, partnership, corporation or other entity, or as a stockholder of any corporation in which the Grantee or the Grantee's spouse, child or parent owns, directly or indirectly, individually or in the aggregate, more than five percent (5%) of the outstanding stock.

(C) "The Corporation." For the purposes of this Section 7(a)(ii) of Article II, the "Corporation" shall include any and all direct and indirect subsidiaries, parents, and affiliated, or related companies of the Corporation for which the Grantee worked or had responsibility at the time of termination of the Grantee's employment and at any time during the two year period prior to such termination.

(D) "The Corporation's Business." For the purposes of this Section 7 of Article II inclusive, the Corporation's business is defined to be the manufacture, marketing and sale of high performance engineered materials serving global telecommunications and computer, magnetic and optical data storage, aerospace and defense, automotive electronics, industrial components and appliance markets, as further described in any and all manufacturing, marketing and sales manuals and materials of the Corporation as the same may be altered, amended, supplemented or otherwise changed from time to time, or of any other products or services substantially similar to or readily substitutable for any such described products and services.

(E) "Restricted Territory." For the purposes of Section 7(a)(ii)(B) of Article II, the Restricted Territory shall be defined as and limited to:

(I) the geographic area(s) within a one hundred mile radius of any and all of the Corporation's location(s) in, to, or for which the Grantee worked, to which the Grantee was assigned or had any responsibility (either direct or supervisory) at the time of termination of the Grantee's employment and at any time during the two-year period prior to such termination; and

(II) all of the specific customer accounts, whether within or outside of the geographic area described in (I) above, with which the Grantee had any contact or for which the Grantee had any responsibility (either direct or supervisory) at the time of termination of the Grantee's employment and at any time during the two-year period prior to such termination.

(F) Extension. If it shall be judicially determined that the Grantee has violated any of the Grantee's obligations under Section 7(a)(ii)(B) of Article II, then the period applicable to each obligation that the Grantee shall have been determined to have violated shall automatically be extended by a period of time equal in length to the period during which such violation(s) occurred.

(b) Non-Solicitation. Except as otherwise provided in Section 7(a)(i) of Article II, Detrimental Activity shall also include directly or indirectly at any time soliciting or inducing or attempting to solicit or induce any employee(s), sales representative(s), agent(s) or consultant(s) of the Corporation and/or of its parents, or its other subsidiaries or affiliated or related companies to terminate their employment, representation or other association with the Corporation and/or its parent or its other subsidiary or affiliated or related companies.

(c) Further Covenants. Except as otherwise provided in Section 7(a)(i) of Article II, Detrimental Activity shall also include:

(i) directly or indirectly, at any time during or after the Grantee's employment with the Corporation, disclosing, furnishing, disseminating, making available or, except in the course of performing the Grantee's duties of employment, using any trade secrets or confidential business and technical information of the Corporation or its customers or vendors, including without limitation as to when or how the Grantee may have acquired such information. Such confidential information shall include, without limitation, the Corporation's unique selling, manufacturing and servicing methods and business techniques, training, service and business manuals, promotional materials, training courses and other training and instructional materials, vendor and product information, customer and prospective customer lists, other customer and prospective customer information and other business information. The Grantee specifically acknowledges that all such confidential information, whether reduced to writing, maintained on any form of electronic media, or maintained in the Grantee's mind or memory and whether compiled by the Corporation, and/or the Grantee, derives independent economic value from not being readily known to or ascertainable by proper means by others who can obtain economic value from its disclosure or use, that reasonable efforts have been made by the Corporation to maintain the secrecy of such information, that such information is the sole property of the Corporation and that any retention and use of such information by the Grantee during the Grantee's employment with the Corporation (except in the course of performing the Grantee's duties and obligations to the Corporation) or after the termination of the Grantee's employment shall constitute a misappropriation of the Corporation's trade secrets.

(ii) Upon termination of the Grantee's employment with the Corporation, for any reason, the Grantee's failure to return to the Corporation, in good condition, all property of the Corporation, including without limitation, the originals and all copies of any materials which contain, reflect, summarize, describe, analyze or refer or relate to any items of information listed in Section 7(c)(i) of Article II of this Agreement.

(d) Discoveries and Inventions. Except as otherwise provided in Section 7(a)(i) of Article II, Detrimental Activity shall also include the failure or refusal of the Grantee to assign to the Corporation, its successors, assigns or nominees, all of the Grantee's rights to any discoveries, inventions and improvements, whether patentable or not, made, conceived or suggested, either solely or jointly with others, by the Grantee while in the Corporation's employ, whether in the course of the Grantee's employment with the use of the Corporation's time, material or facilities or that is in any way within or related to the existing or contemplated scope of the Corporation's business. Any discovery, invention or improvement relating to any subject matter with which the Corporation was concerned during the Grantee's employment and made, conceived or suggested by the Grantee, either solely or jointly with others, within one year following termination of the Grantee's employment under this Agreement or any successor agreements shall be irrebuttably presumed to have been so made, conceived or suggested in the course of such employment with the use of the Corporation's time, materials or facilities. Upon request by the Corporation with respect to any such discoveries, inventions or improvements, the Grantee will execute and deliver to the Corporation, at any time during or after the Grantee's employment, all appropriate documents for use in applying for, obtaining and maintaining such domestic and foreign patents as the Corporation may desire, and all proper assignments therefor, when so requested, at the expense of the Corporation, but without further or additional consideration.

(e) Work Made For Hire. Except as otherwise provided in Section 7(a)(i) of Article II, Detrimental Activity shall also include violation of the Corporation's rights in any or all work papers, reports, documentation, drawings, photographs, negatives, tapes and masters therefore, prototypes and other materials (hereinafter, "items"), including without limitation, any and all such items generated and maintained on any form of electronic media, generated by Grantee during the Grantee's employment with the Corporation. The Grantee acknowledges that, to the extent permitted by law, all such items shall be considered a "work made for hire" and that ownership of any and all copyrights in any and all such items shall belong to the Corporation. The item will recognize the Corporation as the copyright owner, will contain all proper copyright notices, e.g., "(creation date) [Corporation's Name], All Rights Reserved," and will be in condition to be registered or otherwise placed in compliance with registration or other statutory requirements throughout the world.

(f) Termination for Cause. Except as otherwise provided in Section 8(a)(i) of Article II, Detrimental Activity shall also include activity that results in termination for Cause. For the purposes of this Section, "Cause" shall mean that, the Grantee shall have:

(i) been convicted of a criminal violation involving fraud, embezzlement, theft or violation of federal antitrust statutes or federal securities laws in connection with his duties or in the course of his employment with the Corporation or any affiliate of the Corporation;

(ii) committed intentional wrongful damage to property of the Corporation or any affiliate of the Corporation; or

(iii) committed intentional wrongful disclosure of secret processes or confidential information of the Corporation or any affiliate of the Corporation;

and any such act shall have been demonstrably and materially harmful to the Corporation.

(g) Other Injurious Conduct. Detrimental Activity shall also include any action contributing to a restatement of the Corporation's financials if this award of RSUs to the Grantee is favorably affected by such restatement as provided under Section 10D of the Exchange Act and any applicable rules or regulations promulgated by the Securities and Exchange Commission or any national securities exchange or national securities association on which the Common Shares may be traded, and any other conduct or act determined to be injurious, detrimental or prejudicial to any significant interest of the Corporation or any subsidiary unless the Grantee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation.

(h) Reasonableness. The Grantee acknowledges that the Grantee's obligations under this Section 7 of Article II are reasonable in the context of the nature of the Corporation's business and the competitive injuries likely to be sustained by the Corporation if the Grantee were to violate such obligations. The Grantee further acknowledges that this Agreement is made in consideration of, and is adequately supported by the agreement of the Corporation to perform its obligations under this Agreement and by other consideration, which the Grantee acknowledges constitutes good, valuable and sufficient consideration.

ARTICLE III

GENERAL PROVISIONS

1. Compliance with Law. The Corporation shall make reasonable efforts to comply with all applicable federal and state securities laws.

2. Dilution and Other Adjustments. The Committee shall make such adjustments in the RSUs covered by this Agreement as such Committee in its sole discretion, exercised in good faith, may determine is equitably required to prevent dilution or enlargement of the rights of the Grantee that otherwise would result from (a) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Corporation, or (b) any merger, consolidation, spin-off, reorganization, partial or complete liquidation or other distribution of assets, or issuance of warrants or other rights to purchase securities, or (c) any other corporate transaction or event having an effect similar to any of the foregoing. In the event of any such transaction or event, the Committee may provide in substitution for this award of RSUs such alternative consideration as it may in good faith determine to be equitable under the circumstances and may require in connection therewith the surrender of this award of RSUs so replaced.

3. Continuous Employment. For purposes of this Agreement, the continuous employment of the Grantee with the Corporation or a Subsidiary shall not be deemed to have been interrupted, and the Grantee shall not be deemed to have ceased to be an employee of the Corporation or a Subsidiary, by reason of the transfer of his employment among the Corporation and its Subsidiaries or a leave of absence approved by the Board.

4. No Employment Contract; Right to Terminate Employment. The grant of the RSUs to the Grantee is a voluntary, discretionary award being made on a one-time basis and it does not constitute a commitment to make any future awards. The grant of the RSUs and any payments made hereunder will not be considered salary or other compensation for purposes of any severance pay or similar allowance, except as otherwise required by law. Nothing in this Agreement will give the Grantee any right to continue employment with the Corporation or any Subsidiary, as the case may be, or interfere in any way with the right of the Corporation or a Subsidiary to terminate the employment of the Grantee at any time.

5. Relation to Other Benefits. Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Corporation or a Subsidiary and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Corporation or a Subsidiary.

6. Information. Information about the Grantee and the Grantee's participation in the Plan may be collected, recorded and held, used and disclosed for any purpose related to the administration of the Plan. The Grantee understands that such processing of this information may need to be carried out by the Corporation and its Subsidiaries and by third party administrators whether such persons are located within the Grantee's country or elsewhere, including the United States of America. The Grantee consents to the processing of information relating to the Grantee and the Grantee's participation in the Plan in any one or more of the ways referred to above.

7. Amendments. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that no amendment shall adversely affect the rights of the Grantee under this Agreement without the Grantee's consent. Notwithstanding the foregoing, the limitation requiring the consent of a Grantee to certain amendments shall not apply to any amendment that is deemed necessary by the Corporation to ensure compliance with Section 409A of the Code.

8. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

9. Governing Law. This agreement is made under, and shall be construed in accordance with, the internal substantive laws of the State of Ohio.

10. Compliance with Section 409A of the Code. To the extent applicable, it is intended that this Agreement and the Plan comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A(a)(1) of the Code do not apply to the Grantee. This Agreement and the Plan shall be administered in a manner consistent with this intent. Reference to Section 409A of the Code is to Section 409A of the Internal Revenue Code of 1986, as amended, and will also include any regulations or any other formal guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

11. Relation to Severance Agreement. Section 2(d) of Article II hereof shall supersede the provisions of any Severance Agreement between the Grantee and the Corporation, in effect at the Date of Grant, providing for earlier vesting of the RSUs granted hereby in the event of a Change in Control.

The undersigned Grantee hereby accepts the award granted pursuant to this Agreement on the terms and conditions set forth herein.

Dated:

Grantee

Executed in the name of and on behalf of the Corporation at Mayfield Heights, Ohio as of this ____ day of ____, 2011.

BRUSH ENGINEERED MATERIALS INC.

By

[NAME]

[TITLE]

EXHIBIT 10.2

MATERION CORPORATION

Restricted Stock Units Agreement (Cash-Settled)

WHEREAS, ____, (the "Grantee") is an employee of Materion Corporation (named Brush Engineered Materials Inc. on the Date of Grant), an Ohio corporation (the "Corporation") or a Subsidiary; and

WHEREAS, the execution of an agreement in the form hereof (this "Agreement") has been authorized by a resolution of the Compensation Committee (the "Committee") of the Board of Directors of the Corporation that was duly adopted on March 1, 2011 (the "Date of Grant");

NOW, THEREFORE, pursuant to the Corporation's 2006 Stock Incentive Plan (the "Plan"), the Corporation hereby confirms to the Grantee the grant, effective on the Date of Grant, of ____ Restricted Stock Units (as defined in the Plan) ("RSUs"), subject to the terms and conditions of the Plan and the following additional terms, conditions, limitations and restrictions:

ARTICLE I

DEFINITIONS

All terms used herein with initial capital letters that are defined in the Plan shall have the meanings assigned to them in the Plan when used herein with initial capital letters.

ARTICLE II

CERTAIN TERMS OF RESTRICTED STOCK UNITS

1. RSUs Not Transferable. The RSUs covered by the Agreement shall not be transferable other than by will or pursuant to the laws of descent and distribution prior to payment.

2. Vesting and Payment of RSUs.

(a) General. Subject to the provisions of Sections 2(b), 2(c) and 2(d) of this Article II, all of the RSUs covered by this Agreement shall become nonforfeitable if the Grantee shall have remained in the continuous employ of the Corporation or a Subsidiary for three years from the Date of Grant and shall be payable in cash to the Grantee on such date.

(b) Death or Disability. Notwithstanding the provisions of Section 2(a) of this Article II, all of the RSUs covered by this Agreement shall immediately become nonforfeitable and shall be immediately payable if the Grantee dies or becomes permanently disabled (as hereinafter defined) while in the employ of the Corporation or a Subsidiary during the three-year period from the Date of Grant. The Grantee shall be considered to have become permanently disabled if the Grantee has suffered a permanent disability within the meaning of the long-term disability plan in effect for, or applicable to, the Grantee and is "disabled" within the meaning of Section 409A(a)(2)(C) of the Code.

(c) Retirement.

(i) If the Grantee should Retire (as hereinafter defined) one year or more after the Date of Grant, notwithstanding the requirement of continuous employment contained in Section 2(a) of this Article II, the RSUs covered by this Agreement shall continue to vest and shall become payable three years from the Date of Grant, provided that the RSUs shall be paid on any earlier date when payment would otherwise have been made under this Section 2 of Article II if the Grantee had continued employment through such date.

(ii) If the Grantee should Retire less than one year from the Date of Grant, the RSUs covered by this Agreement shall be forfeited, unless the Committee determines that such RSUs will continue to vest and become nonforfeitable three years from the Date of Grant.

(iii) "Retire" shall mean the Grantee's retirement from the Corporation or a Subsidiary at age 65 or older or at 55 or older with 10 or more years of continuous employment with the Corporation or a Subsidiary.

(d) Change in Control.

(i) Notwithstanding Section 2(a) of Article II above, the RSUs granted hereby shall immediately become nonforfeitable and payable if at any time during the employment of the Grantee and prior to the end of the three-year vesting period:

(A) a Change in Control (as defined in Section 2(g) of this Article II) shall occur after the Date of Grant; and

(B) within two years following the Change in Control the Grantee's employment with the Corporation or a Subsidiary is terminated by the Grantee as a Termination for Good Cause (as defined in Section 2(f)) or the Grantee is terminated by the Corporation other than as a "Termination for Cause." If the Change in Control constitutes a "change in control" for purposes of Section 409A of the Code and if the Grantee incurs a "separation from service" for purposes of Section 409A of the Code within two years following such Change in Control, payment for the RSUs will be made upon the Grantee's separation from service, provided however, that if at such time the Grantee is a "specified employee" as determined pursuant to the identification methodology adopted by the Corporation in compliance with Section 409A of the Code, the date of payment for the RSUs shall be the first business day of the seventh month after the date of the Grantee's separation from service (or if earlier the Grantee's death). If payment is not made pursuant to the preceding sentence because the Change in Control does not constitute a "change-in-control" for purposes of Section 409A of the Code, then payment shall be made at the earliest date that payment would have been made under Section 2 of Article II if no Change in Control had occurred, assuming continued employment through such date.

(ii) Notwithstanding anything in this Section 2(d) to the contrary, in connection with a Business Combination (as defined below in Section 2(g)) the result of which is that the Outstanding Corporation Voting Stock (as defined below in Section 3(g)) is exchanged for or becomes exchangeable for securities of another entity, cash or a combination thereof, if the entity resulting from such Business Combination does not assume the RSUs evidenced hereby and the Corporation's obligations hereunder, or replace the RSUs evidenced hereby with a substantially equivalent security of the entity resulting from such Business Combination, then the RSUs evidenced hereby shall become exercisable as of immediately prior to such Business Combination. Payment for the RSUs will be upon such Change in Control; provided, however, if the Change in Control does not constitute a "change in control" for purposes of Section 409A(a)(2)(A)(v) of the Code, then payment for the RSUs will be made upon the date that payment otherwise would have been made under Section 2 of Article II if no Change in Control had occurred, assuming continued employment through such date.

(e) "Termination for Cause" means a termination of Grantee's employment by the Corporation for "Cause" (as defined in Section 7(f) of this Agreement).

(f) "Termination for Good Cause" shall mean the Grantee's termination of the Grantee's employment with the Corporation or a Subsidiary as a result of the occurrence of any of the following:

(i) a change in the Grantee's principal location of employment that is greater than 50 miles from its location as of the date hereof without the Grantee's consent; provided, however, that the Grantee hereby acknowledges that the Grantee may be required to engage in travel in connection with the performance of the Grantee's duties hereunder and that such travel shall not constitute a change in the Grantee's principal location of employment for purposes hereof;

(ii) a material diminution in the Grantee's base compensation;

(iii) a change in the Grantee's position with the Corporation without the Grantee's consent such that there is a material diminution in the Grantee's authority, duties or responsibilities; or

(iv) any other action or inaction that constitutes a material breach by the Corporation of the agreement under which the Grantee provides services.

Notwithstanding the foregoing, the Grantee's termination of the Grantee's employment with the Corporation as a result of the occurrence of any of the foregoing shall not constitute a "Termination for Good Cause" unless (a) the Grantee gives the Corporation written notice of such occurrence within 90 days of such occurrence and such occurrence is not cured by the Corporation within 30 days of the date on which such written notice is received by the Corporation and (b) the Grantee actually terminates his or her employment with the Corporation prior to the 365th day following such occurrence.

(g) For purposes of this Agreement, "Change in Control" means:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of voting securities of the Corporation where such acquisition causes such Person to own (A) 30% or more of the combined voting power of the then outstanding voting securities of the Corporation entitled to vote generally in the election of directors (the “Outstanding Corporation Voting Securities”) without the approval of the Incumbent Board as defined in (ii) below or (B) 35% or more of the Outstanding Voting Securities of the Corporation with the approval of the Incumbent Board; *provided, however*, that for purposes of this subsection (i), the following acquisitions shall not be deemed to result in a Change of Control: (I) any acquisition directly from the Corporation that is approved by the Incumbent Board (as defined in subsection (ii), below), (II) any acquisition by the Corporation or a subsidiary of the Corporation, (III) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any corporation controlled by the Corporation, (IV) any acquisition by any Person pursuant to a transaction described in clauses (A), (B) and (C) of subsection (iii) below, or (V) any acquisition by, or other Business Combination (as defined in (iii) below) with, a person or group of which employees of the Corporation or any subsidiary of the Corporation control a greater than 25% interest (a “MBO”) but only if the Grantee is one of those employees of the Corporation or any subsidiary of the Corporation that are participating in the MBO; *provided, further*, that if any Person’s beneficial ownership of the Outstanding Corporation Voting Securities reaches or exceeds 30% or 35%, as the case may be, as a result of a transaction described in clause (I) or (II) above, and such Person subsequently acquires beneficial ownership of additional voting securities of the Corporation, such subsequent acquisition shall be treated as an acquisition that causes such Person to own 30% or 35% or more, as the case may be, of the Outstanding Corporation Voting Securities; and *provided, further*, that if at least a majority of the members of the Incumbent Board determines in good faith that a Person has acquired beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 30% or more of the Outstanding Corporation Voting Securities inadvertently, and such Person divests as promptly as practicable a sufficient number of shares so that such Person beneficially owns (within the meanings of Rule 13d-3 promulgated under the Exchange Act) less than 30% of the Outstanding Corporation Voting Securities, then no Change of Control shall have occurred as a result of such Person’s acquisition; or

(ii) individuals who, as of the date hereof, constitute the Board (the “Incumbent Board” (as modified by this clause (ii)) cease for any reason to constitute at least a majority of the Board; *provided, however*, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Corporation’s shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (either by a specific vote or by approval of the proxy statement of the Corporation in which such person is named as a nominee for director, without objection to such nomination) shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(iii) the consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Corporation or the acquisition of assets of another corporation, or other transaction (“Business Combination”) excluding, however, such a Business Combination pursuant to which (A) the individuals and entities who were the ultimate beneficial owners of voting securities of the Corporation immediately prior to such Business Combination beneficially own, directly or indirectly, more than 65% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the entity resulting from such Business Combination (including, without limitation, an entity that as a result of such transaction owns the Corporation or all or substantially all of the Corporation’s assets either directly or through one or more subsidiaries), (B) no Person (excluding any employee benefit plan (or related trust) of the Corporation, the Corporation or such entity resulting from such Business Combination) beneficially owns, directly or indirectly (I) 30% or more, if such Business Combination is approved by the Incumbent Board or (II) 35% or more, if such Business Combination is not approved by the Incumbent Board, of the combined voting power of the then outstanding securities entitled to vote generally in the election of directors of the entity resulting from such Business Combination and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(iv) approval by the shareholders of the Corporation of a complete liquidation or dissolution of the Corporation except pursuant to a Business Combination described in clauses (A), (B) and (C) of subsection (iii), above.

3. Form and Time of Payment of RSUs. Except as otherwise provided for in Section 2 of Article III, payment for the RSUs shall be made in form of cash at the time the RSUs vest and become nonforfeitable or otherwise become payable in accordance with Section 2 of this Article II. The cash payment shall be equal to (a) Market Value per Share on the date the RSUs vest and become nonforfeitable times (b) the number of RSUs covered by this Agreement plus any dividend equivalents accrued

on the RSUs since the Date of Grant (as provided in Section 5 of this Article II below). Payments will be made in U.S. Dollars, less any applicable federal, state, local or foreign withholding taxes. For the avoidance of doubt, in no event shall the Grantee be entitled to receive payment in any form other than cash, and under no circumstances shall the Grantee be entitled to receive Common Shares or any other security hereunder.

4. Forfeiture of RSUs. The RSUs shall be forfeited, except as otherwise provided in Section 2(b), 2(c) or 2(d) of this Article II above, if the Grantee ceases to be employed by the Corporation or a Subsidiary prior to three years from the Date of Grant.

5. Dividend Equivalents. From and after the Date of Grant and until the earlier of (a) the time when the RSUs vest and become nonforfeitable and payable in accordance with Section 2 of this Article II or (b) the time when the Grantee's right to receive cash payment of the RSUs is forfeited in accordance with Section 4 of this Article II, on the date that the Corporation pays a cash dividend (if any) to holders of Common Shares generally, the Grantee shall be entitled to a number of additional whole RSUs determined by dividing (i) the product of (A) the dollar amount of the cash dividend paid per Common Share on such date and (B) the total number of RSUs (including dividend equivalents paid thereon) previously credited to the Grantee as of such date, by (ii) the Market Value per Share on such date. Such dividend equivalents (if any) shall be subject to the same terms and conditions and shall be paid or forfeited in the same manner and at the same time as the RSUs to which the dividend equivalents were credited.

6. Effect of Detrimental Activity. Notwithstanding anything herein to the contrary, if the Grantee, either during employment by the Corporation or a Subsidiary or within one year after termination of such employment, shall engage in any Detrimental Activity, (as hereinafter defined) and the Board shall so find, the Grantee shall:

(a) Forfeit all RSUs held by the Grantee.

(b) With respect to any RSUs that have become nonforfeitable and been paid out pursuant to this Agreement, pay to the Corporation in cash an amount equal to the payment Grantee received when the RSUs became nonforfeitable.

(c) To the extent that the amount referred to in Section 6(b) above are not paid to the Corporation, the Corporation may set off the amounts so payable to it against any amounts that may be owing from time to time by the Corporation or a Subsidiary to the Grantee, whether as wages, deferred compensation or vacation pay or in the form of any other benefit or for any other reason, except that no setoff shall be permitted against any amount that constitutes "deferred compensation" within the meaning of Section 409A of the Code.

7. For purposes of this Agreement, the term "Detrimental Activity" shall include:

(a) (i) Engaging in any activity in violation of the Section entitled "Competitive Activity; Confidentiality; Nonsolicitation" in the Severance Agreement between the Corporation and the Grantee, if such agreement is in effect at the date hereof, or in violation of any corresponding provision in any other agreement between the Corporation and the Grantee in effect on the date hereof providing for the payment of severance compensation; or

(ii) If no such severance agreement is in effect as of the date hereof or if a severance agreement does not contain a Section corresponding to "Competitive Activity; Confidentiality; Nonsolicitation":

(A) Competitive Activity During Employment. Competing with the Corporation anywhere within the United States during the term of the Grantee's employment, including, without limitation:

(I) entering into or engaging in any business which competes with the business of the Corporation;

(II) soliciting customers, business, patronage or orders for, or selling, any products or services in competition with, or for any business that competes with, the business of the Corporation;

(III) diverting, enticing or otherwise taking away any customers, business, patronage or orders of the Corporation or attempting to do so; or

(IV) promoting or assisting, financially or otherwise, any person, firm, association, partnership, corporation or other entity engaged in any business which competes with the business of the Corporation.

(B) Following Termination. For a period of one year following the Grantee's termination date:

(I) entering into or engaging in any business which competes with the Corporation's business within the Restricted Territory (as hereinafter defined);

(II) soliciting customers, business, patronage or orders for, or selling, any products or services in competition with, or for any business, wherever located, that competes with, the Corporation's business within the Restricted Territory;

(III) diverting, enticing or otherwise taking away any customers, business, patronage or orders of the Corporation within the Restricted Territory, or attempting to do so; or

(IV) promoting or assisting, financially or otherwise, any person, firm, association, partnership, corporation or other entity engaged in any business which competes with the Corporation's business within the Restricted Territory.

For the purposes of Sections 7(a)(ii)(A) and (B) above, inclusive, but without limitation thereof, the Grantee will be in violation thereof if the Grantee engages in any or all of the activities set forth therein directly as an individual on the Grantee's own account, or indirectly as a partner, joint venturer, employee, agent, salesperson, consultant, officer and/or director of any firm, association, partnership, corporation or other entity, or as a stockholder of any corporation in which the Grantee or the Grantee's spouse, child or parent owns, directly or indirectly, individually or in the aggregate, more than five percent (5%) of the outstanding stock.

(C) "The Corporation." For the purposes of this Section 7(a)(ii) of Article II, the "Corporation" shall include any and all direct and indirect subsidiaries, parents, and affiliated, or related companies of the Corporation for which the Grantee worked or had responsibility at the time of termination of the Grantee's employment and at any time during the two year period prior to such termination.

(D) "The Corporation's Business." For the purposes of this Section 7 of Article II inclusive, the Corporation's business is defined to be the manufacture, marketing and sale of high performance engineered materials serving global telecommunications and computer, magnetic and optical data storage, aerospace and defense, automotive electronics, industrial components and appliance markets, as further described in any and all manufacturing, marketing and sales manuals and materials of the Corporation as the same may be altered, amended, supplemented or otherwise changed from time to time, or of any other products or services substantially similar to or readily substitutable for any such described products and services.

(E) "Restricted Territory." For the purposes of Section 8(a)(ii)(B) of Article II, the Restricted Territory shall be defined as and limited to:

(I) the geographic area(s) within a one hundred mile radius of any and all of the Corporation's location(s) in, to, or for which the Grantee worked, to which the Grantee was assigned or had any responsibility (either direct or supervisory) at the time of termination of the Grantee's employment and at any time during the two-year period prior to such termination; and

(II) all of the specific customer accounts, whether within or outside of the geographic area described in (I) above, with which the Grantee had any contact or for which the Grantee had any responsibility (either direct or supervisory) at the time of termination of the Grantee's employment and at any time during the two-year period prior to such termination.

(F) Extension. If it shall be judicially determined that the Grantee has violated any of the Grantee's obligations under Section 7(a)(ii)(B) of Article II, then the period applicable to each obligation that the Grantee shall have been determined to have violated shall automatically be extended by a period of time equal in length to the period during which such violation(s) occurred.

(b) Non-Solicitation. Except as otherwise provided in Section 7(a)(i) of Article II, Detrimental Activity shall also include directly or indirectly at any time soliciting or inducing or attempting to solicit or induce any employee(s), sales representative(s), agent(s) or consultant(s) of the Corporation and/or of its parents, or its other subsidiaries or affiliated or related companies to terminate their employment, representation or other association with the Corporation and/or its parent or its other subsidiary or affiliated or related companies.

(c) Further Covenants. Except as otherwise provided in Section 7(a)(i) of Article II, Detrimental Activity shall also include:

(i) directly or indirectly, at any time during or after the Grantee's employment with the Corporation, disclosing, furnishing, disseminating, making available or, except in the course of performing the Grantee's duties of employment, using any trade secrets or confidential business and technical information of the Corporation or its customers or vendors, including without limitation as to when or how the Grantee may have acquired such information. Such confidential information shall include, without limitation, the Corporation's unique selling, manufacturing and servicing methods and business techniques, training, service and business manuals, promotional materials, training courses and other training and instructional materials, vendor and product information, customer and prospective customer lists, other customer and prospective customer information and other business information. The Grantee specifically acknowledges that all such confidential information, whether reduced to writing, maintained on any form of electronic media, or maintained in the Grantee's mind or memory and whether compiled by the Corporation, and/or the Grantee, derives independent economic value from not being readily known to or ascertainable by proper means by others who can obtain economic value from its disclosure or use, that reasonable efforts have been made by the Corporation to maintain the secrecy of such information, that such information is the sole property of the Corporation and that any retention and use of such information by the Grantee during the Grantee's employment with the Corporation (except in the course of performing the Grantee's duties and obligations to the Corporation) or after the termination of the Grantee's employment shall constitute a misappropriation of the Corporation's trade secrets.

(ii) Upon termination of the Grantee's employment with the Corporation, for any reason, the Grantee's failure to return to the Corporation, in good condition, all property of the Corporation, including without limitation, the originals and all copies of any materials which contain, reflect, summarize, describe, analyze or refer or relate to any items of information listed in Section 7(c)(i) of Article II of this Agreement.

(d) Discoveries and Inventions. Except as otherwise provided in Section 8(a)(i) of Article II, Detrimental Activity shall also include the failure or refusal of the Grantee to assign to the Corporation, its successors, assigns or nominees, all of the Grantee's rights to any discoveries, inventions and improvements, whether patentable or not, made, conceived or suggested, either solely or jointly with others, by the Grantee while in the Corporation's employ, whether in the course of the Grantee's employment with the use of the Corporation's time, material or facilities or that is in any way within or related to the existing or contemplated scope of the Corporation's business. Any discovery, invention or improvement relating to any subject matter with which the Corporation was concerned during the Grantee's employment and made, conceived or suggested by the Grantee, either solely or jointly with others, within one year following termination of the Grantee's employment under this Agreement or any successor agreements shall be irrebuttably presumed to have been so made, conceived or suggested in the course of such employment with the use of the Corporation's time, materials or facilities. Upon request by the Corporation with respect to any such discoveries, inventions or improvements, the Grantee will execute and deliver to the Corporation, at any time during or after the Grantee's employment, all appropriate documents for use in applying for, obtaining and maintaining such domestic and foreign patents as the Corporation may desire, and all proper assignments therefor, when so requested, at the expense of the Corporation, but without further or additional consideration.

(e) Work Made For Hire. Except as otherwise provided in Section 7(a)(i) of Article II, Detrimental Activity shall also include violation of the Corporation's rights in any or all work papers, reports, documentation, drawings, photographs, negatives, tapes and masters therefore, prototypes and other materials (hereinafter, "items"), including without limitation, any and all such items generated and maintained on any form of electronic media, generated by Grantee during the Grantee's employment with the Corporation. The Grantee acknowledges that, to the extent permitted by law, all such items shall be considered a "work made for hire" and that ownership of any and all copyrights in any and all such items shall belong to the Corporation. The item will recognize the Corporation as the copyright owner, will contain all proper copyright notices, e.g., "(creation date) [Corporation's Name], All Rights Reserved," and will be in condition to be registered or otherwise placed in compliance with registration or other statutory requirements throughout the world.

(f) Termination for Cause. Except as otherwise provided in Section 8(a)(i) of Article II, Detrimental Activity shall also include activity that results in termination for Cause. For the purposes of this Section, "Cause" shall mean that, the Grantee shall have:

(i) been convicted of a criminal violation involving fraud, embezzlement, theft or violation of federal antitrust statutes or federal securities laws in connection with his duties or in the course of his employment with the Corporation or any affiliate of the Corporation;

(ii) committed intentional wrongful damage to property of the Corporation or any affiliate of the Corporation; or

(iii) committed intentional wrongful disclosure of secret processes or confidential information of the Corporation or any affiliate of the Corporation;

and any such act shall have been demonstrably and materially harmful to the Corporation.

(g) Other Injurious Conduct. Detrimental Activity shall also include any other conduct or act determined to be injurious, detrimental or prejudicial to any significant interest of the Corporation or any subsidiary unless the Grantee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation.

(h) Reasonableness. The Grantee acknowledges that the Grantee's obligations under this Section 7 of Article II are reasonable in the context of the nature of the Corporation's business and the competitive injuries likely to be sustained by the Corporation if the Grantee were to violate such obligations. The Grantee further acknowledges that this Agreement is made in consideration of, and is adequately supported by the agreement of the Corporation to perform its obligations under this Agreement and by other consideration, which the Grantee acknowledges constitutes good, valuable and sufficient consideration.

ARTICLE III

GENERAL PROVISIONS

1. Compliance with Law. The Corporation shall make reasonable efforts to comply with all applicable federal and state securities laws.

2. Dilution and Other Adjustments. The Committee shall make such adjustments in the RSUs covered by this Agreement as such Committee in its sole discretion, exercised in good faith, may determine is equitably required to prevent dilution or enlargement of the rights of the Grantee that otherwise would result from (a) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Corporation, or (b) any merger, consolidation, spin-off, reorganization, partial or complete liquidation or other distribution of assets, or issuance of warrants or other rights to purchase securities, or (c) any other corporate transaction or event having an effect similar to any of the foregoing. In the event of any such transaction or event, the Committee may provide in substitution for this award of RSUs such alternative consideration as it may in good faith determine to be equitable under the circumstances and may require in connection therewith the surrender of this award of RSUs so replaced.

3. Continuous Employment. For purposes of this Agreement, the continuous employment of the Grantee with the Corporation or a Subsidiary shall not be deemed to have been interrupted, and the Grantee shall not be deemed to have ceased to be an employee of the Corporation or a Subsidiary, by reason of the transfer of his employment among the Corporation and its Subsidiaries or a leave of absence approved by the Board.

4. No Employment Contract; Right to Terminate Employment. The grant of the RSUs to the Grantee is a voluntary, discretionary award being made on a one-time basis and it does not constitute a commitment to make any future awards. The grant of the RSUs and any payments made hereunder will not be considered salary or other compensation for purposes of any severance pay or similar allowance, except as otherwise required by law. Nothing in this Agreement will give the Grantee any right to continue employment with the Corporation or any Subsidiary, as the case may be, or interfere in any way with the right of the Corporation or a Subsidiary to terminate the employment of the Grantee at any time.

5. Relation to Other Benefits. Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Corporation or a Subsidiary and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Corporation or a Subsidiary.

6. Information. Information about the Grantee and the Grantee's participation in the Plan may be collected, recorded and held, used and disclosed for any purpose related to the administration of the Plan. The Grantee understands that such processing of this information may need to be carried out by the Corporation and its Subsidiaries and by third party administrators whether such persons are located within the Grantee's country or elsewhere, including the United States of America. The Grantee consents to the processing of information relating to the Grantee and the Grantee's participation in the Plan in any one or more of the ways referred to above.

7. Amendments. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that no amendment shall adversely affect the rights of the Grantee under this Agreement without the Grantee's consent. Notwithstanding the foregoing, the limitation requiring the consent of a Grantee to certain amendments shall not apply to any amendment that is deemed necessary by the Corporation to ensure compliance with Section 409A of the Code.

8. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

9. Governing Law. This agreement is made under, and shall be construed in accordance with, the internal substantive laws of the State of Ohio.

10. Compliance with Section 409A of the Code. To the extent applicable, it is intended that this Agreement and the Plan comply with the provisions of Section 409A of the Code, so that the income inclusion provisions of Section 409A(a)(1) of the Code do not apply to the Grantee. This Agreement and the Plan shall be administered in a manner consistent with this intent. Reference to Section 409A of the Code is to Section 409A of the Internal Revenue Code of 1986, as amended, and will also include any regulations or any other formal guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service.

11. Relation to Severance Agreement. Section 2(d) of Article II hereof shall supersede the provisions of any Severance Agreement between the Grantee and the Corporation, in effect at the Date of Grant, providing for earlier vesting of the RSUs granted hereby in the event of a Change in Control.

The undersigned Grantee hereby accepts the award granted pursuant to this Agreement on the terms and conditions set forth herein.

Dated:

Grantee

Executed in the name of and on behalf of the Corporation at Mayfield Heights, Ohio as of this ____day of ____, 2011.

BRUSH ENGINEERED MATERIALS INC.

By

[NAME]

[TITLE]

EXHIBIT 10.3
MATERION CORPORATION
Appreciation Rights Agreement

WHEREAS, [GRANTEE NAME] (the "Grantee") is an employee of Materion Corporation (the "Corporation") or a Subsidiary.

WHEREAS, the execution of an agreement in the form hereof has been authorized by a resolution of the Compensation Committee (the "Committee") of the Board of Directors (the "Board") of the Corporation that was duly adopted on March 1, 2011.

NOW, THEREFORE, the Corporation hereby confirms to the Grantee the grant, effective May 4, 2011 (the "Date of Grant"), pursuant to the 2006 Stock Incentive Plan, as amended from time to time (the "Plan"), of ____ Free-standing Appreciation Rights ("SARs") subject to the terms and conditions of the Plan and the terms and conditions described below.

1. Definitions

As used in this Agreement:

(A) "Base Price" means \$ ____ which was the Market Value per Share on the Date of Grant.

(B) "Detrimental Activity" shall have the meaning set forth in Section 7 of this Agreement.

(C) "Spread" means the excess of the Market value per Share on the date when an SAR is exercised over the Base Price.

(D) Capitalized terms used herein without definition shall have the meanings assigned to them in the Plan.

2. Grant of SARs.

The Corporation hereby grants to the Grantee the number of SARs set forth above. The SARs are a right to receive Common Shares in an amount equal to 100% of the Spread at the time of exercise.

3. Vesting of SARs.

(A) The SARs granted hereby shall become exercisable after the Grantee shall have remained in the continuous employ of the Corporation or any Subsidiary for three years from the Date of Grant, except such continuous employ shall not be required if the Grantee ceases to be an employee of the Corporation or any Subsidiary as described in Section 5(C) of this Agreement.

(B) Notwithstanding Section 3(A) above, the SARs granted hereby shall become immediately exercisable in full if (i) the Grantee should die while in the employ of the Corporation or any subsidiary; or (ii) the Grantee should become permanently disabled while in the employ of the Corporation.

(C) (i) Notwithstanding Section 3(A) above, the SARs granted hereby shall become immediately exercisable in full if at any time during the employment of the Grantee and prior to the termination of the SARs:

(a) a Change in Control shall occur after the Date of Grant; and

(b) within two years following the Change in Control, the Grantee's employment with the Corporation or a Subsidiary is terminated by the Grantee as a Termination for Good Cause (as defined in Section 3(E) below) or the Grantee is terminated by the Corporation other than as a Termination for Cause (as defined in Section 3(D) below).

(ii) Notwithstanding anything in this Section 3(C) to the contrary, in connection with a Business

Combination, the result of which is that the Outstanding Corporation Voting Stock is exchanged for or becomes exchangeable for securities of another entity, cash or a combination thereof, if the entity resulting from such Business Combination does not assume the SARs evidenced hereby and the Corporation's obligations hereunder, or replace the SARs evidenced hereby with a substantially equivalent security of the entity resulting from such Business Combination, then the SARs evidenced hereby shall become immediately exercisable in full as of immediately prior to such Business Combination.

(D) "Termination for Cause" means a termination of Grantee's employment by the Corporation for "Cause" (as defined in Section 7(F) of this Agreement).

(E) "Termination for Good Cause" shall mean the Grantee's termination of the Grantee's employment with the Corporation or a Subsidiary as a result of the occurrence of any of the following:

(i) a change in the Grantee's principal location of employment that is greater than 50 miles from its location as of the date hereof without the Grantee's consent; provided, however, that the Grantee hereby acknowledges that the Grantee may be required to engage in travel in connection with the performance of the Grantee's duties hereunder and that such travel shall not constitute a change in the Grantee's principal location of employment for purposes hereof;

(ii) a material diminution in the Grantee's base compensation;

(iii) a change in the Grantee's position with the Corporation without the Grantee's consent such that there is a material diminution in the Grantee's authority, duties or responsibilities; or

(iv) any other action or inaction that constitutes a material breach by the Corporation of the agreement under which the Grantee provides services.

Notwithstanding the foregoing, the Grantee's termination of the Grantee's employment with the Corporation as a result of the occurrence of any of the foregoing shall not constitute a "Termination for Good Cause" unless (a) the Grantee gives the Corporation written notice of such occurrence within 90 days of such occurrence and such occurrence is not cured by the Corporation within 30 days of the date on which such written notice is received by the Corporation and (b) the Grantee actually terminates his or her employment with the Corporation prior to the 365th day following such occurrence.

4. Exercise of SARs.

(A) To the extent exercisable as provided in Section 3 of this agreement, SARs may be exercised in whole or in part by giving notice to the Corporation specifying the number of SARs to be exercised.

(B) The Corporation will issue to the Grantee the number of Common Shares that equals the Market Price per Share divided into the Spread on the date of exercise rounded down to the nearest whole share.

5. Termination of SARs.

The SARs granted hereby shall terminate upon the earliest to occur of the following:

(A) 190 days after the Grantee ceases to be an employee of the Corporation or a Subsidiary, unless he ceases to be such employee by reason of death or in a manner described in clause (B), (C) or (F) below;

(B) One year after the Grantee ceases to be an employee of the Corporation or a Subsidiary if the Grantee is disabled within the meaning of Section 105(d)(4) of the Internal Revenue Code;

(C) Seven years from the Date of Grant after the Grantee ceases to be an employee of the Corporation or a Subsidiary if the Grantee is at the time of such termination (i) at least age 65 or (ii) at least age 55 and has completed at least 10 years of continuous employment with the Corporation or a Subsidiary;

(D) One year after the death of the Grantee, if the Grantee dies while an employee of the Corporation or a subsidiary or within the period specified in (A) or (B) above which is applicable to the Grantee;

(E) Seven years from the Date of Grant; and

(F) Immediately if the Grantee engages in any Detrimental Activity (as hereinafter defined).

6. Effect of Detrimental Activity.

If the Grantee, either during employment by the Corporation or a subsidiary or within one year after termination of such employment, shall engage in any Detrimental Activity, and the Board shall so find:

(A) All SARs held by the Grantee, whether or not exercisable, shall be forfeited to the Corporation.

(B) Return to the Corporation all Common Shares that the Grantee has not disposed of that were purchased pursuant to this Agreement, and

(C) With respect to any Common Shares that the Grantee received upon exercise of the SARs that have been disposed of pay to the Corporation in cash the amount equal to the Spread applicable to such Common Shares on the date of exercise of such SARs.

To the extent that such amounts are not paid to the Corporation, the Corporation may, to the extent permitted by law, set off the amounts so payable to it against any amounts that may be owing from time to time by the Corporation or a Subsidiary to the Grantee, whether as wages, deferred compensation or vacation pay or in the form of any other benefit or for any other reason, except that no set-off shall be permitted against any amount that constitutes “deferred compensation” within the meaning of Section 409A of the Code.

7. Definition of Detrimental Activity.

For purposes of this Agreement, the term “Detrimental Activity” shall include:

(A) (i) Engaging in any activity in violation of the Section entitled “Competitive Activity; Confidentiality; Nonsolicitation” in the Severance Agreement between the Corporation and the Grantee, if such agreement is in effect on the date hereof, or in violation of any corresponding provision in any other agreement between the Corporation and the Grantee in effect on the date hereof providing for the payment of severance compensation; or

(ii) If no such severance agreement is in effect or if a severance agreement does not contain a section corresponding to “Competitive Activity; Confidentiality; Nonsolicitation” as of the date hereof:

(a) Competitive Activity During Employment. Competing with the Corporation anywhere within the United States during the term of the Grantee’s employment, including, without limitation:

(1) entering into or engaging in any business which competes with the business of the Corporation;

(2) soliciting customers, business, patronage or orders for, or selling, any products or services in competition with, or for any business that competes with, the business of the Corporation;

(3) diverting, enticing or otherwise taking away any customers, business, patronage or orders of the Corporation or attempting to do so; or

(4) promoting or assisting, financially or otherwise, any person, firm, association, partnership, corporation or other entity engaged in any business which competes with the business of the Corporation.

(b) Following Termination. For a period of one year following the Grantee’s termination date:

- (1) entering into or engaging in any business which competes with the Corporation's business within the Restricted Territory (as hereinafter defined);
- (2) soliciting customers, business, patronage or orders for, or selling, any products or services in competition with, or for any business, wherever located, that competes with, the Corporation's business within the Restricted Territory;
- (3) diverting, enticing or otherwise taking away any customers, business, patronage or orders of the Corporation within the Restricted Territory, or attempting to do so; or
- (4) promoting or assisting, financially or otherwise, any person, firm, association, partnership, corporation or other entity engaged in any business which competes with the Corporation's business within the Restricted Territory.

For the purposes of Sections 7(A)(ii)(a) and (b) above, inclusive, but without limitation thereof, the Grantee will be in violation thereof if the Grantee engages in any or all of the activities set forth therein directly as an individual on the Grantee's own account, or indirectly as a partner, joint venturer, employee, agent, salesperson, consultant, officer and/or director of any firm, association, partnership, corporation or other entity, or as a stockholder of any corporation in which the Grantee or the Grantee's spouse, child or parent owns, directly or indirectly, individually or in the aggregate, more than five percent (5%) of the outstanding stock.

(c) "The Corporation." For the purposes of this Section 7(A)(ii), the "Corporation" shall include any and all direct and indirect subsidiaries, parents, and affiliated, or related companies of the Corporation for which the Grantee worked or had responsibility at the time of termination of the Grantee's employment and at any time during the two year period prior to such termination.

(d) "The Corporation's Business." For the purposes of this Section 7 inclusive, the Corporation's business is defined to be the manufacture, marketing and sale of high performance engineered materials serving global telecommunications and computer, magnetic and optical data storage, aerospace and defense, automotive electronics, industrial components and appliance markets, as further described in any and all manufacturing, marketing and sales manuals and materials of the Corporation as the same may be altered, amended, supplemented or otherwise changed from time to time, or of any other products or services substantially similar to or readily substitutable for any such described products and services.

(e) "Restricted Territory." For the purposes of Section 7(A)(ii)(b), the Restricted Territory shall be defined as and limited to:

- (1) the geographic area(s) within a one hundred mile radius of any and all Corporation location(s) in, to, or for which the Grantee worked, to which the Grantee was assigned or had any responsibility (either direct or supervisory) at the time of termination of the Grantee's employment and at any time during the two-year period prior to such termination; and
- (2) all of the specific customer accounts, whether within or outside of the geographic area described in (1) above, with which the Grantee had any contact or for which the Grantee had any responsibility (either direct or supervisory) at the time of termination of the Grantee's employment and at any time during the two-year period prior to such termination.

(f) Extension. If it shall be judicially determined that the Grantee has violated any of the Grantee's obligations under Section 7(A)(ii)(b), then the period applicable to each obligation that the Grantee shall have been determined to have violated shall automatically be extended by a period of time equal in length to the period during which such violation(s) occurred.

(B) Non-Solicitation. Except as otherwise provided in Section 7(A)(i), Detrimental Activity shall also include directly or indirectly at any time soliciting or inducing or attempting to solicit or induce any employee(s), sales representative(s), agent(s) or consultant(s) of the Corporation and/or of its parents, or its other subsidiaries or affiliated

or related companies to terminate their employment, representation or other association with the Corporation and/or its parent or its other subsidiary or affiliated or related companies.

(C) Further Covenants. Except as otherwise provided in Section 7(A)(i), Detrimental Activity shall also include:

(i) directly or indirectly, at any time during or after the Grantee's employment with the Corporation, disclosing, furnishing, disseminating, making available or, except in the course of performing the Grantee's duties of employment, using any trade secrets or confidential business and technical information of the Corporation or its customers or vendors, including without limitation as to when or how the Grantee may have acquired such information. Such confidential information shall include, without limitation, the Corporation's unique selling, manufacturing and servicing methods and business techniques, training, service and business manuals, promotional materials, training courses and other training and instructional materials, vendor and product information, customer and prospective customer lists, other customer and prospective customer information and other business information. The Grantee specifically acknowledges that all such confidential information, whether reduced to writing, maintained on any form of electronic media, or maintained in the Grantee's mind or memory and whether compiled by the Corporation, and/or the Grantee, derives independent economic value from not being readily known to or ascertainable by proper means by others who can obtain economic value from its disclosure or use, that reasonable efforts have been made by the Corporation to maintain the secrecy of such information, that such information is the sole property of the Corporation and that any retention and use of such information by the Grantee during the Grantee's employment with the Corporation (except in the course of performing the Grantee's duties and obligations to the Corporation) or after the termination of the Grantee's employment shall constitute a misappropriation of the Corporation's trade secrets.

(ii) Upon termination of the Grantee's employment with the Corporation, for any reason, the Grantee's failure to return to the Corporation, in good condition, all property of the Corporation, including without limitation, the originals and all copies of any materials which contain, reflect, summarize, describe, analyze or refer or relate to any items of information listed in Section 4(C)(i) of this Agreement.

(D) Discoveries and Inventions. Except as otherwise provided in Section 7(A)(i), Detrimental Activity shall also include the failure or refusal of the Grantee to assign to the Corporation, its successors, assigns or nominees, all of the Grantee's rights to any discoveries, inventions and improvements, whether patentable or not, made, conceived or suggested, either solely or jointly with others, by the Grantee while in the Corporation's employ, whether in the course of the Grantee's employment with the use of the Corporation's time, material or facilities or that is in any way within or related to the existing or contemplated scope of the Corporation's business. Any discovery, invention or improvement relating to any subject matter with which the Corporation was concerned during the Grantee's employment and made, conceived or suggested by the Grantee, either solely or jointly with others, within one year following termination of the Grantee's employment under this Agreement or any successor agreements shall be irrebuttably presumed to have been so made, conceived or suggested in the course of such employment with the use of the Corporation's time, materials or facilities. Upon request by the Corporation with respect to any such discoveries, inventions or improvements, the Grantee will execute and deliver to the Corporation, at any time during or after the Grantee's employment, all appropriate documents for use in applying for, obtaining and maintaining such domestic and foreign patents as the Corporation may desire, and all proper assignments therefor, when so requested, at the expense of the Corporation, but without further or additional consideration.

(E) Work Made For Hire. Except as otherwise provided in Section 7(A)(i), Detrimental Activity shall also include violation of the Corporation's rights in any or all work papers, reports, documentation, drawings, photographs, negatives, tapes and masters therefor, prototypes and other materials (hereinafter, "items"), including without limitation, any and all such items generated and maintained on any form of electronic media, generated by Grantee during the Grantee's employment with the Corporation. The Grantee acknowledges that, to the extent permitted by law, all such items shall be considered a "work made for hire" and that ownership of any and all copyrights in any and all such items shall belong to the Corporation. The item will recognize the Corporation as the copyright owner, will contain all proper copyright notices, e.g., "(creation date) [Corporation Name], All Rights Reserved," and will be in condition to be registered or otherwise placed in compliance with registration or other statutory requirements throughout the world.

(F) Termination for Cause. Except as otherwise provided in Section 7(A)(i), Detrimental Activity shall also include activity that results in termination for Cause. For the purposes of this Section, “Cause” shall mean that, the Grantee shall have:

(i) been convicted of a criminal violation involving fraud, embezzlement, theft or violation of federal antitrust statutes or federal securities laws in connection with his duties or in the course of his employment with the Corporation or any affiliate of the Corporation;

(ii) committed intentional wrongful damage to property of the Corporation or any affiliate of the Corporation; or

(iii) committed intentional wrongful disclosure of secret processes or confidential information of the Corporation or any affiliate of the Corporation;

and any such act shall have been demonstrably and materially harmful to the Corporation.

(G) Other Injurious Conduct. Detrimental Activity shall also include any action contributing to a restatement of the Corporation’s financials if this award of SARs to the Grantee is favorably affected by such restatement as provided under Section 10D of the Exchange Act and any applicable rules or regulations promulgated by the Securities and Exchange Commission or any national securities exchange or national securities association on which the Common Shares may be traded, and any other conduct or act determined to be injurious, detrimental or prejudicial to any significant interest of the Corporation or any Subsidiary unless the Grantee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation.

(H) Reasonableness. The Grantee acknowledges that the Grantee’s obligations under this Section 4 are reasonable in the context of the nature of the Corporation’s business and the competitive injuries likely to be sustained by the Corporation if the Grantee were to violate such obligations. The Grantee further acknowledges that this Agreement is made in consideration of, and is adequately supported by the agreement of the Corporation to perform its obligations under this Agreement and by other consideration, which the Grantee acknowledges constitutes good, valuable and sufficient consideration.

8. Transferability.

No SAR granted hereunder may be transferred by the Grantee other than by will or the laws of descent and distribution and may be exercised during a Grantee’s lifetime only by the Grantee or, in the event of the Grantee legal incapacity, by the Grantee’s guardian or legal representative acting in a fiduciary capacity on behalf of the Grantee under state law and court supervision.

9. Compliance with Law.

The SARs granted hereby shall not be exercisable if such exercise would involve a violation of any applicable federal or state securities law, and the Corporation hereby agrees to make reasonable efforts to comply with any applicable state securities law. If the Ohio Securities Act shall be applicable to the SARs, they shall not be exercisable unless under said Act at the time of exercise the shares of Common Stock or other securities purchasable hereunder are exempt, are the subject matter of an exempt transaction, are registered by description or by qualification, or at such time are the subject matter of a transaction which has been registered by description.

10. Adjustments.

In the event of any change in the aggregate number of outstanding Common Shares by reason of (a) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Corporation, or (b) any merger, consolidation, spin-off, spin-out, split-off, split-up, reorganization, partial or complete liquidation of the Corporation or other distribution of assets, issuance of rights or warrants to purchase securities of the Corporation, or (c) any other corporate transaction or event having an effect similar to any of the foregoing, then the Committee shall adjust the number of SARs covered by this Agreement and the Base Price in such manner as may be appropriate to prevent the dilution or enlargement of the rights of the Grantee that would otherwise result from such event.

11. Withholding Taxes.

To the extent that the Corporation is required to withhold federal, state, local or foreign taxes in connection with the exercise of the SARs, and the amounts available to the Corporation for such withholding are insufficient, it shall be a condition to such exercise that the Grantee make arrangements satisfactory to the Corporation for payment of the balance of such taxes required to be withheld. The Grantee may elect that all or any part of such withholding requirement be satisfied by retention by the Corporation of a portion of the Common Shares to be delivered to the Grantee. If such election is made, the shares so retained shall be credited against such withholding requirement at the Market Value per Share on the date of such exercise. In no event shall the Market Value per Share of the Common Shares to be withheld and/or delivered pursuant to this Section to satisfy applicable withholding taxes in connection with the benefit exceed the minimum amount of taxes required to be withheld.

12. Continuous Employment.

For purposes of this Agreement, the continuous employment of the Grantee with the Corporation or a Subsidiary shall not be deemed to have been interrupted, and the Grantee shall not be deemed to have ceased to be an employee of the Corporation or a Subsidiary, by reason of the transfer of his employment among the Corporation and its Subsidiaries or a leave of absence approved by the Board.

13. No Employment Contract; Right to Terminate Employment.

The grant of the SARs under this Agreement to the Grantee is a voluntary, discretionary award being made on a one-time basis and it does not constitute a commitment to make any future awards. The grant of the SARs and any payments made hereunder will not be considered salary or other compensation for purposes of any severance pay or similar allowance, except as otherwise required by law. Nothing in this Agreement will give the Grantee any right to continue employment with the Corporation or any Subsidiary, as the case may be, or interfere in any way with the right of the Corporation or a Subsidiary to terminate the employment of the Grantee at any time.

14. Relation to Other Benefits.

Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Corporation or a Subsidiary and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Corporation or a Subsidiary.

15. Information.

Information about the Grantee and the Grantee's participation in the Plan may be collected, recorded and held, used and disclosed for any purpose related to the administration of the Plan. The Grantee understands that such processing of this information may need to be carried out by the Corporation and its Subsidiaries and by third party administrators whether such persons are located within the Grantee's country or elsewhere, including the United States of America. The Grantee consents to the processing of information relating to the Grantee and the Grantee's participation in the Plan in any one or more of the ways referred to above.

16. Amendments.

Any amendment to the Plan shall be deemed to be an amendment to this agreement to the extent that the amendment is applicable hereto; provided, however, that no amendment shall adversely affect the rights of the Grantee with respect to the SARs without the Grantee's consent.

17. Severability.

In the event that one or more of the provisions of this agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions

hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

18. Governing Law.

This agreement is made under, and shall be construed in accordance with the internal substantive laws of the State of Ohio.

19. Relation to Severance Agreement.

Section 3(C) hereof shall supersede the provisions of any Severance Agreement between the Grantee and the Corporation, in effect at the Date of Grant, providing for earlier vesting of the SARs granted hereby in the event of a Change in Control.

The undersigned hereby acknowledges receipt of an executed original of this Appreciation Rights Agreement and accepts the Appreciation Rights granted thereunder on the terms and conditions set forth herein and in the Plan.

Date:

[GRANTEE NAME]

Executed in the name and on behalf of the Corporation at Mayfield Heights, Ohio as of the ____ day of ____
2011.

MATERION CORPORATION

By:

Michael C. Hasychak

Vice President, Treasurer and Secretary