
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):

May 4, 2011

Materion Corporation

(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.

At the Annual Meeting of Shareholders of Materion Corporation (the "Company") held on May 4, 2011 (the "Annual Meeting"), the shareholders of the Company approved and adopted the amendment and restatement of the Materion Corporation 2006 Stock Incentive Plan (the "Plan"), which, among other things, (i) increased the authorized number of shares available for issuance under the Plan to 2,050,000 shares of common stock, an increase of 800,000 shares, and (ii) changed the definition of the term "Change in Control" for awards granted on or after May 4, 2011 to increase the percentage of shares whose acquisition constitutes a Change in Control in certain circumstances from 20% to 30% for future awards under the Plan. The Amended and Restated Materion Corporation 2006 Stock Incentive Plan (As Amended and Restated) is attached as Exhibit 10.1 to Item 9.01 of this Form 8-K and is incorporated herein by reference.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On May 4, 2011, the Board of Directors of the Company approved an amendment to the Company's Amended and Restated Code of Regulations to reflect the name change from Brush Engineered Materials Inc. to Materion Corporation. The Amended and Restated Code of Regulations is attached as Exhibit 3.1 to Item 9.01 of this Form 8-K.

Item 5.07 Submission of Matters to a Vote of Security Holders.

As of the record date of the Annual Meeting, there were 20,643,536 shares of common stock outstanding and entitled to vote on each matter presented for vote at the Annual Meeting. At the Annual Meeting, 18,268,514, or 88.5% of the outstanding common shares entitled to vote were represented in person or by proxy. Those shares were voted as follows (vote totals may not agree due to rounding of fractional shares):

1. The following individuals were nominated in 2011 to serve as directors until 2014. All nominees were elected. The results were as follows:
Joseph P. Keithley

Votes For: 14,566,901
Votes Withheld: 1,727,334
Broker Non-Votes: 1,974,279

N. Mohan Reddy

Votes For: 14,795,958
Votes Withheld: 1,498,276
Broker Non-Votes: 1,974,279

Craig S. Shular

Votes For: 14,753,839
Votes Withheld: 1,540,396
Broker Non-Votes: 1,974,279

2. Approval of the Materion Corporation 2006 Stock Incentive Plan (As Amended and Restated as of May 4, 2011):

Votes For: 11,925,467
Votes Against: 3,886,970
Abstentions: 481,797
Broker Non-Votes: 1,974,279

3. Approval of the Materion Corporation 2006 Non-employee Director Equity Plan (As Amended and Restated as of May 4, 2011):

Votes For: 13,561,939
Votes Against: 2,243,716
Abstentions: 488,585

Broker Non-Votes: 1,974,279

4. Ratification of the appointment of Ernst & Young LLP as the independent registered public accounting firm of the Company for the year 2011:

Votes For: 17,432,891
Votes Against: 807,712
Abstentions: 27,910

5. Advisory vote to approve the compensation of the Company's named executive officers for 2011:

Votes For: 11,188,351
Votes Against: 3,183,316
Abstentions: 1,922,567
Broker Non-Votes: 1,974,279

6. Advisory vote to determine the frequency with which shareholders will be entitled to vote on an advisory basis regarding the compensation of the Company's named executive officers:

Votes For Every Year: 12,609,935
Votes For Every 2 Years: 352,234
Votes For Every 3 Years: 1,818,774
Abstentions: 1,481,291

The Company has determined that the advisory vote on named executive officer compensation would be held every year until the next vote on the frequency of such advisory votes.

Item 9.01 Financial Statements and Exhibits.

3.1 Amended and Restated Code of Regulations of Materion Corporation

10.1 Amended and Restated Materion Corporation 2006 Stock Incentive Plan (As Amended and Restated as of May 4, 2011).

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.

Materion Corporation

May 5, 2011

By: /s/Michael C. Hasychak

Name: Michael C. Hasychak

Title: Vice President, Treasurer and Secretary

Exhibit Index

Exhibit No.	Description
3.1	Amended and Restated Code of Regulations of Materion Corporation
10.1	Amended and Restated Materion Corporation 2006 Stock Incentive Plan (As Amended and Restated as of May 4, 2011).

EXHIBIT 3.1

AMENDED AND RESTATED CODE OF REGULATIONS OF MATERION CORPORATION SHAREHOLDER MEETINGS

1. Time And Place Of Meetings. All meetings of the shareholders for the election of directors or for any other purpose will be held at such time and place, within or without the State of Ohio, as may be designated by the Board of Directors or, in the absence of a designation by the Board of Directors, the Chairman of the Board of Directors, if any (the "Chairman"), the President, the Secretary or any other individual entitled to give notice pursuant to Regulation 4. The time of the meeting shall be stated in the notice of meeting. The Board of Director may postpone and reschedule any previously scheduled annual or special meeting of the shareholders.

2. Annual Meeting. An annual meeting of the shareholders will be held at such time and place as may be designated pursuant to Regulation 1, at which meeting the shareholders will elect directors to succeed those directors whose terms expire at such meeting and will transact such other business as may be brought properly before the meeting in accordance with Regulation 9. If the annual meeting is not held or if the number of directors elected thereat is not sufficient to replace the directors whose terms expire at that meeting and to fill all other vacancies, directors may be elected at a special meeting called for the purpose of electing directors.

3. Special Meetings. (a) Special meetings of shareholders may be called by the Chairman, by the President, by a Vice President, by a majority of the Board of Directors acting with or without a meeting or by any person or persons who hold not less than 50% of all the shares outstanding and entitled to be voted on any proposal to be submitted at the meeting to be called. Special meetings of the holders of shares that are entitled to call a special meeting by virtue of any Preferred Stock Designation may call such meetings in the manner and for the purposes provided in the applicable terms of such Preferred Stock Designation. For purposes of this Amended and Restated Code of Regulations, "Preferred Stock Designation" means the express terms of shares of any class or series of capital stock of the Corporation, whether now or hereafter issued, with rights to distributions senior to those of the Common Stock including, without limitation, any relative, participating, optional or other special rights and privileges of, and any qualifications or restrictions on, such shares.

(b) Upon written request by any person or persons entitled to call a meeting of shareholders delivered in person or by registered mail to the President or the Secretary, such officer shall forthwith cause notice of the meeting to be given to the shareholders entitled to notice of such meeting in accordance with Regulation 4. If such notice shall not be given within 60 days after the delivery or mailing of such request, the person or persons requesting the meeting may fix the time of the meeting and give, or cause to be given, notice in the manner provided in Regulation 4.

4. Notice Of Meetings. Written notice of every meeting of the shareholders called in accordance with these Regulations (including any postponed and rescheduled meeting), stating the time, place and purposes for which the meeting is called, will be given by or at the direction of the President, a Vice President, the Secretary or an Assistant Secretary (or in case of their refusal to give notice by the person or persons entitled to call the meeting under Regulation 3). Such notice will be given by personal delivery, by mail or by electronic medium not fewer than 7 nor more than 60 calendar days before the date of the meeting to each shareholder of record entitled to notice of such meeting. If such notice is mailed, it shall be addressed to the shareholders at their respective addresses as they appear on the records of the Corporation, and notice shall be deemed to have been given on the day so mailed. Notice of adjournment of a meeting need not be given if the time and place to which it is adjourned are fixed and announced at such meeting.

5. Inspectors. Inspectors of election may be appointed to act at any meeting of shareholders in accordance with Ohio law.

6. Shareholder Lists. At any meeting of shareholders, an alphabetically arranged list, or classified lists, of the shareholders of record as of the applicable record date who are entitled to vote, showing their respective addresses and the number and classes of shares held by each, shall be produced on the request of any shareholder.

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Quorum. To constitute a quorum at any meeting of shareholders, there shall be present, in person or by proxy, shareholders of record entitled to exercise not less than a majority of the voting power of the Corporation in respect of any one of the purposes for which the meeting is called, unless a greater or lesser number is expressly provided for with respect to a particular class or series of capital stock by the terms of any applicable Preferred Stock Designation. Except as may be otherwise provided in any Preferred Stock Designation, the holders of a majority of the voting power of the Corporation represented in person or by proxy at a meeting of shareholders, whether or not a quorum be present, may adjourn the meeting from time to time. For purposes of this Amended and Restated Code of Regulations, "voting power of the Corporation" means the aggregate voting power of (a) all the outstanding shares of Common Stock of the Corporation and (b) all the outstanding shares of any class or series of capital stock of the Corporation that has (i) rights to distributions senior to those of the Common Stock including, without limitation, any relative, participating, optional or other special rights and privileges of, and any qualifications or restrictions on, such shares and (ii) voting rights entitling such shares to vote generally in the election of directors.

8. Voting. Except as otherwise expressly required by law, the Amended and Restated Articles of Incorporation or this Amended and Restated Code of Regulations, at any meeting of shareholders at which a quorum is present, a majority of the votes cast, whether in person or by proxy, on any matter properly brought before such meeting in accordance with Regulation 9 will be the act of the shareholders. An abstention shall not represent a vote cast. A shareholder may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by filing with the Secretary written notice of revocation or a later appointment. The vote upon any question brought before a meeting of the shareholders may be by voice vote, unless otherwise required by law, the Amended and Restated Articles of Incorporation or this Amended and Restated Code of Regulations or unless the presiding officer otherwise determines. Every vote taken by written ballot will be counted by the inspectors of election, if inspectors of election are appointed.

9. Order Of Business. (a) The Chairman, or such other officer of the Corporation as is designated by a majority of the total number of directors that the Corporation would have if there were no vacancies on the Board of Directors (such number being referred to as the "Whole Board"), will call meetings of

shareholders to order and will act as presiding officer thereof. Unless otherwise determined by the Board of Directors prior to the meeting, the presiding officer of the meeting of shareholders will also determine the order of business and have the authority in his or her sole discretion to regulate the conduct of any such meeting, including, without limitation, (i) by imposing restrictions on the persons (other than shareholders of the Corporation or their duly appointed proxies) who may attend any such shareholders' meeting, (ii) by ascertaining whether any shareholder or his proxy may be excluded from any meeting of shareholders based upon the presiding officer's determination that any such person has unduly disrupted or is likely to disrupt the proceedings of the meeting and (iii) by determining the circumstances in which and time at which any person may make a statement or ask questions at any meeting of shareholders.

(b) At an annual meeting of the shareholders, only such business will be conducted or considered as is properly brought before the meeting. To be properly brought before an annual meeting, business must be (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the President, a Vice President, the Secretary or an Assistant Secretary in accordance with Regulation 4, (ii) otherwise properly brought before the meeting by the presiding officer or by or at the direction of a majority of the Whole Board or (iii) otherwise properly requested to be brought before the meeting by a shareholder of the Corporation in accordance with Regulation 9(c).

(c) For business to be properly requested by a shareholder to be brought before an annual meeting, the shareholder must (i) be a shareholder of the Corporation of record at the time of the giving of the notice for such annual meeting as provided for in this Amended and Restated Code of Regulations, (ii) be entitled to vote at such meeting and (iii) have given timely written notice of the request to the Secretary. To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation not fewer than 60 nor more than 90 calendar days prior to the annual meeting; *provided, however*, that in the event public announcement of the date of the annual meeting is not made at least 75 calendar days prior to the date of the annual meeting and the annual meeting is held on a date more than ten calendar days before or after the first anniversary of the date on which the prior year's annual meeting was held, notice by the shareholder, to be timely, must be so received not later than the close of business on the 10th calendar day following the day on which public announcement is first made of the date of the annual meeting. A shareholder's notice to the Secretary must set forth as to each matter the shareholder proposes to bring before the annual meeting (A) a description in reasonable detail of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (B) the name and address, as they appear on the Corporation's books, of the shareholder proposing such business and of the beneficial owner, if other than the shareholder, on whose behalf the proposal is made, (C) the class and number of shares of the Corporation that are owned beneficially and of record by the shareholder proposing such business and by the beneficial owner, if other than the shareholder, on whose behalf the proposal is made and (D) any material interest of the shareholder proposing such business and the beneficial owner, if other than the shareholder, on whose behalf the proposal is made in such business. Notwithstanding the foregoing provisions of this Amended and Restated Code of Regulations, a shareholder must also comply with all applicable requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder with respect to the matters set forth in this Regulation 9(c). For purposes of this Regulation 9(c) and Regulation 14, "public announcement" means disclosure in a press release reported by the Dow Jones News Service, Associated Press, or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or publicly filed by the Corporation with any national securities exchange or quotation service through which the Corporation's stock is listed or traded, or furnished by the Corporation to its shareholders. Nothing in this Regulation 9(c) will be deemed to affect any rights of shareholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended.

(d) At a special meeting of shareholders, only such business may be conducted or considered as is properly brought before the meeting. To be properly brought before a special meeting, business must be (i) specified in the notice of the meeting (or any supplement thereto) given by or at the direction of the President, a Vice President, the Secretary or an Assistant Secretary (or in case of their failure to give any required notice, the other persons entitled to give notice) in accordance with Regulation 4 or (ii) otherwise brought before the meeting by the presiding officer or by or at the direction of a majority of the Whole Board.

(e) The determination of whether any business sought to be brought before any annual or special meeting of the shareholders is properly brought before such meeting in accordance with this Regulation 9 will be made by the presiding officer of such meeting. If the presiding officer determines that any business is not properly brought before such meeting, he or she will so declare to the meeting and any such business will not be conducted or considered.

10. Report To Shareholders. At the annual meeting, or at the meeting held in lieu thereof, the officers of the Corporation shall lay before the shareholders a financial statement as required by statute.

11. Action Without A Meeting. Any action that may be authorized or taken at a meeting of the shareholders may be authorized or taken without a meeting in a writing or writings signed by all of the shareholders who would be entitled to notice of a meeting for such purpose, which writing or writings shall be filed with or entered upon the records of the Corporation.

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DIRECTORS

12. Function. Except where the law, the Amended and Restated Articles of Incorporation or this Amended and Restated Code of Regulations requires action to be authorized or taken by the shareholders, all of the authority of the Corporation shall be exercised by or under the direction of the Board of Directors.

13. Number, Terms And Election Of Directors. (a) The directors of the corporation, other than those who may be expressly elected by virtue of the terms of any Preferred Stock Designation, shall be classified with respect to the time for which they severally hold office into three classes. Except as may be otherwise provided in any Preferred Stock Designation, each class will consist of not less than three directors, unless and until the number of directors of any such class is changed in accordance with this Regulation 13. The number of directors of any class will be determined from time to time by (i) the affirmative vote of the holders of a majority of the voting power of the Corporation, voting together as a single class, or (ii) a vote of a majority of the Whole Board, provided that the number of directors of any class changed by a vote of a majority of the Whole Board shall not differ by more than one from the number of directors of such class as last fixed by the shareholders.

(b) The directors first appointed to Class I will hold office for a term expiring at the annual meeting of shareholders to be held in 2001; the directors first appointed to Class II will hold office for a term expiring at the annual meeting of shareholders to be held in 2002; and the directors first appointed to Class III

will hold office for a term expiring at the annual meeting of shareholders to be held in 2003. The members of each class will hold office until their successors are elected. At each annual meeting beginning in 2001, directors will be elected for a term of three years from the date of their election and until the election of their successors.

(c) At each annual meeting of the shareholders of the Corporation, the successors to the directors whose terms expire at that meeting shall be elected by a plurality of all the votes cast at such meeting. Cumulative voting in the election of directors shall be permitted as provided by statute. Election of directors of the Corporation need not be by written ballot unless requested by the presiding officer or by the holders of a majority of the voting power of the Corporation present in person or represented by proxy at a meeting of the shareholders at which directors are to be elected. Directors may also be elected by a majority of the votes cast at a special meeting called for the purpose of electing directors or as may otherwise be provided by any Preferred Stock Designation.

14. Newly Created Directorships And Vacancies. Except as may be otherwise provided in any Preferred Stock Designation, any vacancy (including newly created directorships resulting from any increase in the number of directors and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal, or other cause) may be filled by (i) the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors, (ii) sole remaining director or (iii) the affirmative vote of the holders of a majority of the Voting Power of the Corporation, voting together as a single class, after a vote to increase the number of directors at a meeting called for that purpose in accordance with this Amended and Restated Code of Regulations. Any director elected in accordance with this Regulation 14, any Preferred Stock Designation or applicable statute will hold office for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor has been elected.

15. Removal. Except as may otherwise be provided by any Preferred Stock Designation, all Directors, for whatever terms elected, shall hold office subject to applicable statutory provisions as to the creation of vacancies and removal. No decrease in the number of directors constituting the Board of Directors may shorten the term of any incumbent director.

16. Nominations Of Directors; Election. (a) Except as may be otherwise provided in any Preferred Stock Designation, only persons who are nominated in accordance with this Regulation 16 will be eligible for election at a meeting of shareholders to be members of the Board of Directors of the Corporation.

(b) Nominations of persons for election as directors of the Corporation may be made only at a meeting of shareholders (i) by or at the direction of the Board of Directors or a committee thereof or (ii) by any shareholder who is a shareholder of record at the time of giving of notice provided for in this Regulation 16, who is entitled to vote for the election of directors at such meeting, and who complies with the procedures set forth in this Regulation 16. All nominations by shareholders must be made to the Secretary in proper written form and must be timely.

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(c) To be timely, a shareholder's notice must be delivered to or mailed and received at the principal executive offices of the Corporation, in the case of a special meeting of the shareholders, at the time the meeting request is made in accordance with Regulation 3, or, in the case of an annual meeting, not fewer than 60 nor more than 90 calendar days prior to such annual meeting; *provided, however*, that in the event that public announcement of the date of the annual meeting is not made at least 75 calendar days prior to the date of the annual meeting and the annual meeting is held on a date more than one week before or after the first anniversary of the date on which the prior year's annual meeting was held, notice by the shareholder to be timely must be so received not later than the close of business on the 10th calendar day following the day on which public announcement is first made of the date of the annual meeting.

(d) To be in proper written form, such shareholder's notice must set forth or include:

(i) the name and address, as they appear on the Corporation's books, of the shareholder giving the notice and of the beneficial owner, if any, on whose behalf the nomination is made;

(ii) a representation that the shareholder giving the notice is a holder of record of stock of the Corporation entitled to vote at such annual meeting and intends to appear in person or by proxy at the annual meeting to nominate the person or persons specified in the notice;

(iii) the class and number of shares of stock of the Corporation owned beneficially and of record by the shareholder giving the notice and by the beneficial owner, if any, on whose behalf the nomination is made;

(iv) a description of all arrangements or understandings between or among any of (A) the shareholder giving the notice, (B) the beneficial owner on whose behalf the notice is given, (C) each nominee and (D) any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder giving the notice;

(v) such other information regarding each nominee proposed by the shareholder giving the notice as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission had the nominee been nominated, or intended to be nominated, by the Board of Directors; and

(vi) the signed consent of each nominee to serve as a director of the Corporation if so elected.

(e) The presiding officer of any annual meeting may, if the facts warrant, determine that a nomination was not made in accordance with this Regulation 16, and if he or she should so determine, he or she will so declare to the meeting, and the defective nomination will be disregarded. Notwithstanding the foregoing provisions of this Regulation 16, a shareholder must also comply with all applicable requirements of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder with respect to the matters set forth in this Regulation 16.

17. Resignation. Any director may resign at any time by giving written notice of his resignation to the Chairman or the Secretary. Any resignation will be effective upon actual receipt by any such person or, if later, as of the date and time specified in such written notice.

18. Regular Meetings. Regular meetings of the Board of Directors shall be held immediately after the annual meeting of the shareholders and at such other time and place either within or without the State of Ohio as may from time to time be determined by a majority of the Whole Board. Notice of regular meetings of the Board of Directors need not be given.

19. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman, by the President, by a Vice President, by the Secretary or by any two directors. Notice of special meetings, stating the place, date and hour, shall be given to each director by whom such notice is not waived. Notice must be given either personally or by mail, telephone, telegram, telex, facsimile or similar medium of communication not less than twenty- four hours before the designated hour for such meeting. Special meetings of the Board of Directors may be held at such time and place either within or without the State of Ohio as is determined by a majority of the Whole Board or specified in the notice of any such meeting.

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Quorum And Vote. At all meetings of the Board of Directors, a majority of the total number of directors then in office will constitute a quorum for the transaction of business. Except as may be otherwise provided in any Preferred Stock Designation or by this Amended and Restated Code of Regulations, the act of a majority of the directors present at any meeting at which a quorum is present will be the act of the Board of Directors. If a quorum is not present at any meeting of the Board of Directors, the directors present thereat may adjourn the meeting from time to time to another time or place, without notice other than announcement at the meeting, until a quorum is present.

21. Action Without A Meeting. Any action that may be authorized or taken at a meeting of the Board of Directors may be authorized or taken without a meeting in a writing or writings signed by all the directors, which writing or writings shall be filed with or entered upon the records of the Corporation.

22. Participation In Meetings By Communications Equipment. Meetings of the Board of Directors or of any committee of the Board of Directors may be held through any means of communication equipment if all persons participating can hear each other, and such participation will constitute presence in person at such meeting,.

23. Committees. The Board of Directors may from time to time create an executive committee or any other committee or committees of directors to act in the intervals between meetings of the Board of Directors and may delegate to such committee or committees any of its authority other than that of filling vacancies among the Board of Directors or in any committee of the Board of Directors. Each committee shall consist of one or more directors. The Board of Directors may appoint one or more directors as alternate members of any such committee to take the place of absent committee members at meetings of such committee. Unless otherwise ordered by the Board of Directors, a majority of the members of any committee appointed by the Board of Directors pursuant to this Regulation 23 shall constitute a quorum at any meeting thereof, and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of such committee. Action may be taken by any such committee without a meeting by a writing or writings signed by all of its members. Any such committee shall prescribe its own rules for calling and holding meetings and its method of procedure, subject to any rules prescribed by the Board of Directors, and will keep a written record of all action taken by it.

24. Compensation. The Board of Directors may establish the compensation and expense reimbursement policies for directors in exchange for service on the Board of Directors and on committees of the Board of Directors, for attendance at meetings of the Board of Directors or committees of the Board of Directors, and for other services by directors to the Corporation or any of its subsidiaries.

25. Bylaws. The Board of Directors may adopt Bylaws for the conduct of its meetings and those of any committees of the Board of Directors that are not inconsistent with the Amended and Restated Articles of Incorporation or this Amended and Restated Code of Regulations.

OFFICERS

26. Generally. The Corporation may have a Chairman, elected by the directors from among their number, and shall have a President, who shall also be a director, a Secretary and a Treasurer. The Corporation may also have one or more Vice Presidents and such other officers and assistant officers as the Board of Directors may deem appropriate. If the Board of Directors so desires, it may elect a Chief Executive Officer to manage the affairs of the Corporation, subject to the direction and control of the Board of Directors. All of the officers shall be elected by the Board of Directors. Notwithstanding the foregoing, by specific action, the Board of Directors may authorize the Chairman or the President to appoint any person to any office other than Chairman, President, Secretary or Treasurer. Any number of offices may be held by the same person, and no two offices must be held by the same person. Any of the offices, other than the office of President, Secretary and Treasurer, may be left vacant from time to time as the Board of Directors may determine. In case of the absence or disability of any officer of the Corporation or for any other reason deemed sufficient by a majority of the Board of Directors, the Board of Directors may delegate the absent or disabled officer's powers or duties to any other officer or to any director.

27. Authority And Duties Of Officers. The officers of the Corporation shall have such authority and shall perform such duties as are customarily incident to their respective offices, or as may be specified from time to time by the Board of Directors, regardless of whether such authority and duties are customarily incident to such office.

2. Compensation. The compensation of all officers and agents of the Corporation who are also members of the Board of Directors of the Corporation will be fixed by the Board of Directors or by a committee of the Board of Directors. The Board of Directors may fix the compensation of the other officers and agents of the Corporation, or delegate the power to fix such compensation, to the Chief Executive Officer or any other officer of the Corporation.

29. Succession. The officers of the Corporation will hold office until their successors are elected pursuant to Regulation 26. Any officer may be removed at any time by the affirmative vote of a majority of the Whole Board. Any vacancy occurring in any office of the Corporation may be filled by the Board of Directors or by the Chairman or President as provided in Regulation 26.

STOCK

30. Transfer And Registration Of Certificates. The Board of Directors shall have authority to make such rules and regulations as it deems expedient concerning the issuance, transfer and registration of certificates for shares and the shares represented thereby and may appoint transfer agents and registrars thereof.

31. Substituted Certificates. Any person claiming a certificate for shares to have been lost, stolen or destroyed (i) shall make an affidavit or affirmation of that fact, (ii) shall give the Corporation and its registrar or registrars and its transfer agent or agents a bond of indemnity satisfactory to the Board of Directors or a committee thereof or to the President or a Vice President and the Secretary or the Treasurer and (iii) shall, if required by the Board of Directors or a committee thereof or the officers named in this Regulation 31, advertise the fact that the certificate has been lost, stolen or destroyed, whereupon a new certificate may be executed and delivered of the same tenor and for the same number of shares as the one alleged to have been lost, stolen or destroyed.

32. Voting Of Shares Held By The Corporation. Unless otherwise ordered by the Board of Directors, the President, in person or by proxy or proxies appointed by him, shall have full power and authority on behalf of the Corporation to vote, act and consent with respect to any shares issued by other corporations and owned by the Corporation.

33. Record Dates And Owners. (a) In order that the Corporation may determine the shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or to designate an agent to act on behalf of the shareholders to call a special meeting of shareholders, or to take any other collective action on behalf of the shareholders, the Board of Directors may fix a record date, which will not be fewer than 7 nor more than 60 calendar days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining shareholders entitled to notice of or to vote at a meetin^g of shareholders will be the date next preceding the day on which notice is given, or, if notice is waived, the date next preceding the day on which the meeting is held.

(b) The Corporation will be entitled to treat the person in whose name shares are registered on the books of the Corporation as the absolute owner thereof, and will not be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether or not the Corporation has knowledge or notice of the claim or interest, except as expressly provided by applicable law.

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INDEMNIFICATION AND INSURANCE

34. Indemnification.

(a) The Corporation shall indemnify, to the full extent then permitted by law, any director or officer or former director or officer of the Corporation who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a member of the Board of Directors or an officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. The Corporation shall pay, to the full extent then required by law, expenses, including attorney's fees, incurred by a member of the Board of Directors in defending any such action, suit or proceeding as they are incurred, in advance of the final disposition thereof.

(b) To the full extent then permitted by law, the Corporation may indemnify employees, agents and other persons and may pay expenses, including attorney's fees, incurred by any employee, agent or other person in defending any action, suit or proceeding as such expenses are incurred, in advance of the final disposition thereof.

(c) The indemnification and payment of expenses provided by this Regulation 34 shall not be exclusive of, and shall be in addition to, any other rights granted to any person seeking indemnification under any law, the Amended and Restated Articles of Incorporation, any agreement, vote of shareholders or disinterested members of the Board of Directors, or otherwise, both as to action in official capacities and as to action in another capacity while he or she is a member of the Board of Directors or an officer, employee or agent of the Corporation, and shall continue as to a person who has ceased to be a member of the Board of Directors, trustee, officer, employee or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

35. Insurance. The Corporation may, to the full extent then permitted by law and authorized by the Board of Directors, purchase and maintain insurance or furnish similar protection, including but not limited to trust funds, letters of credit or self-insurance, on behalf of or for any persons described in Regulation 34 against any liability asserted against and incurred by any such person in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify such person against such liability. Insurance may be purchased from or maintained with a person in which the Corporation has a financial interest.

36. Agreements. The Corporation, upon approval by the Board of Directors, may enter into agreements with any persons who the Corporation may indemnify under this Amended and Restated Code of Regulations or under law and may undertake thereby to indemnify such persons and to pay the expenses incurred by them in defending any action, suit or proceeding against them, whether or not the Corporation would have the power under law or this Amended and Restated Code of Regulations to indemnify any such person.

GENERAL

37. Fiscal Year. The fiscal year of the Corporation will end on the thirty-first day of December in each calendar year or such other date as may be fixed from time to time by the Board of Directors.

38. Seal. The seal of the Corporation shall be circular in form with the name of the Corporation stamped around the mar^k in and the word "Seal" stamped across the center.

39. Amendments. Except as otherwise provided by law or by the Amended and Restated Articles of Incorporation or this Amended and

Restated Code of Regulations, these Regulations or any of them may be amended in any respect or repealed at any time, either (i) by the affirmative vote of the holders of a majority of the voting power of the Corporation, voting together as a single class, or (ii) to the extent as may be permitted by Chapter 1701 of the Ohio Revised Code in effect from time to time, by the Board of Directors.

MATERION CORPORATION**2006 STOCK INCENTIVE PLAN****(AS AMENDED AND RESTATED AS OF MAY 4, 2011)****TABLE OF CONTENTS****Page**

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MATERION CORPORATION**2006 STOCK INCENTIVE PLAN****(AS AMENDED AND RESTATED AS OF MAY 4, 2011)**

1. Purpose. The purpose of this Plan is to attract and retain officers, other key employees and

consultants of Materion Corporation (formerly named Brush Engineered Materials Inc.) (the Company) and its Subsidiaries and to provide such persons with incentives and rewards for superior performance and to promote equity participation by the officers, key employees and consultants of the Company, and thereby reinforcing a mutuality of interest with other shareholders, and permitting officers, key employees and consultants to share in the Company's growth.

2. Definitions. As used in this Plan,

"Appreciation Right" means a right granted pursuant to Section 8 of this Plan, including a Free-standing Appreciation Right and a Tandem Appreciation Right.

"Base Price" means the price to be used as the basis for determining the Spread upon the exercise of a Free-standing Appreciation Right.

"Board" means the Board of Directors of the Company.

A **"Change in Control"** of the Company, for purposes of awards granted under this Plan on or after May 4, 2011, shall mean, unless otherwise determined by the Committee:

(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 (Exchange Act)) (Person) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of voting securities of the Company where such acquisition causes such Person to own (X) 30% or more of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the

election of directors (Outstanding Company Voting Securities) without the approval of the Incumbent

Board as defined in (ii) below or (Y) 35% or more of the Outstanding Voting Securities of the Company 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:

(A) any acquisition directly from the Company that is approved by the Incumbent Board (as defined

in subsection (ii), below), (B) any acquisition by the Company or a subsidiary of the Company,

(C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the

Company or any corporation controlled by the Company, (D) any acquisition by any Person pursuant

to a transaction described in clauses (A), (B) and (C) of subsection (iii) below, or (E) any acquisition by, or other Business Combination (as defined in (iii) below) with, a person or group of which employees of the Company or any subsidiary of the Company control a greater than 25% interest (MBO) but only if the Participant who holds the award in question is one of those employees of the

Company or any subsidiary of the Company that are participating in the MBO; provided, further, that

if any Person's beneficial ownership of the Outstanding Company Voting Securities reaches or exceeds

30% or 35%, as the case may be, as a result of a transaction described in clause (A) or (B) above, and such Person subsequently acquires beneficial ownership of additional voting securities of the

Company, 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 Company 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 Company 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 Company 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 (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 Company'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 Company 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 Company 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 Company 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 Company or all

or substantially all of the Company's assets either directly or through one or more subsidiaries),

(B) no Person (excluding any employee benefit plan (or related trust) of the Company, the Company

or such entity resulting from such Business Combination) beneficially owns, directly or indirectly

(X) 30% or more, if such Business Combination is approved by the Incumbent Board or (Y) 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 Company of a complete liquidation or dissolution of the Company except pursuant to a Business Combination described in clauses (A), (B) and (C) of subsection (iii), above.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Committee" means the committee described in Section 10(a) of this Plan.

"Common Shares" means (i) Common Shares without par value of the Company and (ii) any security

into which Common Shares may be converted by reason of any transaction or event of the type referred to in

Section 11 of this Plan.

"Covered Employee" means a Participant who is, or is determined by the Committee to be likely to become, a "covered employee" within the meaning of section 162(m) of the Code (or any successor provision).

"Date of Grant" means the date specified by the Committee on which a grant of Performance Restricted Shares, Performance Shares or Performance Units, Option Rights, Appreciation Rights or a grant or sale of Restricted Stock or Restricted Stock Units shall become effective,

which shall not be earlier than the date on which the Committee takes action with respect thereto.

“Designated Subsidiary” means a subsidiary that is (i) not a corporation or (ii) a corporation in which at

the time the Company owns or controls, directly or indirectly, less than 80 percent of the total combined voting power represented by all classes of stock issued by such corporation.

“Detrimental Activity” means any wrongdoing or misconduct as defined by the Committee in an

Evidence of Award, including, but not limited to, any action contributing to a restatement of the Company’s financials if the award to a Participant 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.

“Evidence of Award” means an agreement, certificate, resolution or other type or form of writing or other evidence approved by the Committee which sets forth the terms and conditions of the award granted

under this Plan. An Evidence of Award may be in any electronic medium, may be limited to a notation on the books and records of the Company and, unless otherwise determined by the Committee, need not be signed by

a representative of the Company or a Participant.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, as such law, rules and regulation may be amended from time to time.

“Free-standing Appreciation Right” means an Appreciation Right granted pursuant to Section 8 of this

Plan that is not granted in tandem with an Option Right.

“Incentive Stock Option” means an Option Right that is intended to qualify as an “incentive stock option” under section 422 of the Code or any successor provision thereto.

“Management Objectives” means the measurable performance objective or objectives established

pursuant to this Plan for Participants who have received grants of Performance Restricted Shares, Performance Shares or Performance Units or, when so determined by the Committee, Option Rights, Appreciation Rights, Restricted Stock Units or dividend credits. Management Objectives may be described in terms of Company-wide objectives or objectives that are related to the performance of the individual Participant or of the

Subsidiary, division, department, region or function within the Company or Subsidiary in which the Participant

is employed. The Management Objectives may be relative to the performance of one or more other companies

or subsidiaries, divisions, departments, regions or functions within such other companies, and may be made relative to an index of one or more of the performance criteria themselves. The Committee may grant awards subject to Management Objectives that are either Qualified Performance-Based Awards or are not Qualified Performance-Based Awards. The Management Objectives applicable to any Qualified Performance-Based

Awards to a Covered Employee shall be based on one or more, or a combination, of the following criteria,

which may be measured before special items designated by the Committee at the time the Management

Objectives are established and/or subject to GAAP definition:

(i) **Profits** (e.g., operating income, EBIT, EBT, net income, earnings per share, residual or economic earnings);

(ii) **Cash Flow** (e.g., EBITDA, operating cash flow, total cash flow, free cash flow, residual cash flow

or cash flow return on investment);

- (iii) **Returns** (e.g., profits or cash flow returns on: assets, invested capital, net capital employed, and equity);
- (iv) **Working Capital** (e.g., working capital divided by sales, days' sales outstanding, days' sales inventory, and days' sales in payables, or any combination thereof);
- (v) **Profit Margins** (e.g., operating profit or gross profit divided by revenues or value added revenues); (vi) **Liquidity Measures** (e.g., debt-to-debt-plus-equity, debt-to-capital, debt-to-EBITDA, total debt

ratio, EBITDA multiple);

- (vii) **Sales Growth, Cost Initiative and Stock Price Metrics** (e.g., revenues, revenue growth, new product sales growth, growth in value added sales, stock price appreciation, total return to shareholders, sales and administrative costs divided by sales, sales per employee); and

- (viii) **Strategic Initiative Key Deliverable Metrics** (e.g., product development, strategic partnering, research and development, market penetration, geographic business expansion goals, cost targets, customer satisfaction, employee satisfaction, management of employment practices and employee

benefits, supervision of litigation and information technology, increase in yield and productivity and

goals relating to acquisitions or divestitures of subsidiaries, affiliates and joint ventures).

If the Committee determines that a change in the business, operations, corporate structure or capital structure

of the Company, or the manner in which it conducts its business, or other events or circumstances render the

Management Objectives unsuitable, the Committee may in its discretion modify such Management Objectives

or any related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate and equitable, except in the case of a Qualified Performance-Based Award (other than in connection with a Change in Control) where such action would result in the loss of the otherwise available exemption of the award under section 162(m) of the Code. In such case, the Committee will not make any

modification of the Management Objectives or minimum acceptable level of achievement with respect to such

Covered Employee.

“Market Value per Share” means, as of any particular date, unless otherwise determined by the

Committee, the per share closing price of a Common Share on the New York Stock Exchange on the day such determination is being made (as reported in *The Wall Street Journal*) or, if there was no closing price reported

on such day, on the next day on which such a closing price was reported; or if the Common Shares are not listed or admitted to trading on the New York Stock Exchange on the day as of which the determination is being made, the amount determined by the Committee to be the fair market value of a Common Share on such day. The Committee is authorized to adopt another fair market value pricing method, provided such

method is stated in the Evidence of Award, and is in compliance with the fair market value pricing rules set forth in section 409A of the Code.

“Nonqualified Option” means an Option Right that is not intended to, qualify as a Tax-qualified Option.

“Optionee” means the person so designated in an Evidence of Award evidencing an outstanding Option

Right.

“Option Price” means the purchase price payable upon the exercise of an Option Right.

“Option Right” means the right to purchase Common Shares from the Company upon the exercise of a

Nonqualified Option or a Tax-qualified Option granted pursuant to Section 7 of this Plan.

“Participant” means a person who is selected by the Committee to receive benefits under this Plan and

(i) is at that time an officer, including without limitation an officer who may also be a member of the Board,

or other salaried employee or consultant of the Company or a Subsidiary or (ii) has agreed to commence serving in any of such capacities, within 90 days of the Date of Grant. The term “Participant” shall also

include any person who is determined by the Committee to provide services to the Company or a Subsidiary

that are substantially equivalent to those typically provided by an employee.

“Performance Period” means, in respect of a Performance Share or Performance Unit, a period of time established pursuant to Section 5 of this Plan within, which the Management Objective relating thereto is to be achieved.

“Performance Restricted Shares” means Common Shares granted pursuant to Section 4 of this Plan as

to which neither substantial risk of forfeiture nor the restrictions on transfer referred to in such Section 4 has expired.

“Performance Share” means a bookkeeping entry that records the equivalent of one Common Share and

is awarded pursuant to Section 5 of this Plan.

“Performance Unit” means a bookkeeping entry that records a unit equivalent to the Market Value per

Share of one Common Share on the Date of Grant and is awarded pursuant to Section 5 of this Plan.

“Plan” means the Materion Corporation 2006 Stock Incentive Plan (As Amended and Restated as of

May 4, 2011), as may be further amended from time to time.

“Qualified Performance-Based Award” means any award of Performance Shares, Performance Units, Performance Restricted Shares or Restricted Stock Units, or portion of such award, to a Covered Employee that

is intended to satisfy the requirements for “qualified performance-based compensation” under section 162(m) of the Code.

“Restricted Stock” means Common Shares granted or sold pursuant to Section 6 of this Plan as to which neither the substantial risk of forfeiture nor the restrictions on transfer referred to in such Section 6 has

expired. Restricted Stock is not subject to Management Objectives specified by the Committee.

“Restriction Period” means the period of time during which Restricted Stock Units are subject to restrictions under Section 9 of this Plan.

“Restricted Stock Units” means an award pursuant to Section 9 of this Plan of the right to receive

Common Shares at the end of a specified Restriction Period.

“Spread” means, in the case of a Free-standing Appreciation Right, the amount by which the Market

Value per Share on the date when any such right is exercised exceeds the Base Price specified in such right or,

in the case of a Tandem Appreciation Right, the amount by which the Market Value per Share on the date when any such right is exercised exceeds the Option Price specified in the related Option Right.

“Subsidiary” means a corporation, company or other entity (i) at least 50 percent of whose outstanding shares or securities (representing the right to vote for the election of directors or other managing authority) are, or (ii) which does not have outstanding shares or securities (as may be the case in a partnership, joint venture or unincorporated association), but at least 50 percent of whose ownership interest representing the right generally to make decisions for such other entity is, now or hereafter, owned or controlled, directly or indirectly, by the Company except that for purposes of determining whether any person may be a Participant for purposes of any grant of Incentive Stock Options, “Subsidiary” means any corporation in which at the time the Company owns or controls, directly or indirectly, at least 50 percent of the total combined voting power represented by all classes of stock issued by such corporation.

“Tandem Appreciation Right” means an Appreciation Right granted pursuant to Section 8 of this Plan that is granted in tandem with an Option Right.

“Tax-qualified Option” means an Option Right that is intended to qualify under particular provisions of the Code, including without limitation an Incentive Stock Option.

3. Shares Subject to this Plan.

(a) Maximum Shares Available Under Plan.

- (i) Subject to adjustment as provided in Section 11 of this Plan, the number of Common Shares that may be issued or transferred (A) upon the exercise of Option Rights or Appreciation Rights,

(B) as Restricted Stock or Performance Restricted Shares and released from substantial risks of forfeiture thereof, (C) in payment of Restricted Stock Units, (D) in payment of Performance Shares or Performance Units that have been earned, or (E) in payment of dividend equivalents paid with respect to awards made under this Plan will not exceed in the aggregate 2,050,000 Common Shares (1,250,000 of which were approved by shareholders of the Company in 2006 and 800,000 of which will be added upon approval by shareholders of the Company in 2011), plus any Common Shares relating to awards that expire or are forfeited or are cancelled under this Plan. Such shares may be shares of original issuance or treasury shares or a combination of the foregoing.

- (ii) Each Common Share issued or transferred pursuant to an award of Option Rights or Appreciation Rights will reduce the aggregate plan limit described above in Section 3(a)(i) by one share

of Common Share. Each Common Share issued or transferred (and in the case of Performance

Restricted Shares and Restricted Stock, released from all substantial risk of forfeiture) pursuant to an award other than Option Rights or Appreciation Rights shall reduce the aggregate plan limit described above in Section 3(a)(i) by (A) one Common Share if issued or transferred pursuant to an award granted prior to May 4, 2011 and (B) 1.3 Common Shares if issued or transferred pursuant to an award granted on or after May 4, 2011. Any Common Shares that again become available for issuance pursuant to this Section 3 shall be added back to the aggregate plan limit in the same manner such shares were originally deducted from the aggregate plan limit pursuant to this Section 3(a)(ii).

- (iii) Subject to the share-counting rules provided in Section 3(a)(ii) and in this Section 3(a)(iii), the

Common Shares covered by an award granted under this Plan shall not be counted as used unless and until they are actually issued and delivered to a Participant and, therefore, the total number of shares available under this Plan as of a given date shall not be reduced by any shares relating to prior awards that have expired or have been forfeited or cancelled. Upon payment in cash of the benefit provided by any award granted under this Plan, any Common Shares that were covered by that award will be available for issue or transfer hereunder. Notwithstanding anything to the contrary contained herein: (A) if Common Shares are tendered or otherwise used in payment of the Option Price of an Option Right, the total number of shares covered by Option Right being exercised shall count against the aggregate plan limit described above; (B) Common Shares withheld by the Company to satisfy the tax withholding obligation shall count against the aggregate plan limit described above; (C) the number of Common Shares that are repurchased by the Company with Option Right proceeds shall not increase the aggregate plan limit described above; and (D) the number of Common Shares covered by an Appreciation Right, to the extent that it is exercised and settled in Common Shares, whether or not all Common Shares covered by the award are actually issued to the Participant upon exercise of the Appreciation Right, shall be considered issued or transferred pursuant to this Plan.

- (b) Incentive Stock Option Limit. Notwithstanding anything in this Section 3, or elsewhere in this Plan, to the contrary and subject to adjustment pursuant to Section 10 of this Plan, the aggregate number of Common Shares actually issued or transferred by the Company upon the exercise of Incentive Stock Options shall not exceed 2,050,000.

- (c) Individual Participant Limits. Notwithstanding anything in this Section 3, or elsewhere in this Plan,

to the contrary and subject to adjustment pursuant to Section 10 of this Plan:

- (i) No Participant shall be granted Qualified Performance-Based Awards of Restricted Stock Units, Performance Restricted Shares, Performance Shares, in the aggregate, for more than

100,000 Common Shares during any calendar year;

- (ii) No Participant shall be granted in any calendar year a Qualified Performance-Based Award of Performance Units having an aggregate maximum value as of their respective Dates of Grant in excess of \$1,500,000; and

(iii) No Participant shall be granted Option Rights or Appreciation Rights, in the aggregate, for more than 200,000 Common Shares during any calendar year.

(d) Exclusion from Certain Restrictions. Notwithstanding anything in this Plan to the contrary, up to

5% of the maximum number of Common Shares provided for in Section 3(a)(i) above may be used

for awards granted under Sections 4 through 10 of this Plan that do not comply with the three-year requirements set forth in Sections 6 (c) and 9(c) of this Plan and the one-year requirements of Sections 4(b), 5(b) and 9(b) of this Plan.

4. Performance Restricted Shares. The Committee may, from time to time and upon such terms and conditions as it may determine, authorize grants to Participants of Performance Restricted Shares. Each such

grant may utilize any or all of the authorizations, and will be subject to all of the requirements contained in the following provisions:

(a) Each grant or sale shall constitute an immediate transfer of the ownership of Common Shares to the Participant in consideration of the performance of services, entitling such Participant to dividend (subject to Section 4(f) below), voting and other ownership rights, subject to the substantial risk of forfeiture and restrictions on transfer hereinafter referred to;

(b) Any grant of Performance Restricted Shares shall specify Management Objectives which, if achieved, will result in termination or early termination of the restrictions applicable to such Performance Restricted Shares and each grant may specify in respect of the specified Management Objectives, a minimum acceptable level of achievement and shall set forth a formula for determining the number

of Performance Restricted Shares on which restrictions will terminate if performance is at or above

the minimum level, but falls short of full achievement of the specified Management Objectives; provided, however, that no such termination shall occur sooner than one year after the Date of Grant, except in the event of the retirement, death or disability of the Participant or a Change in Control of

the Company. The grant of a Qualified Performance-Based Award of Performance Restricted Shares shall specify that, before the termination or early termination of restrictions applicable to such Performance Restricted Shares, the Committee must determine that the Management Objectives have been satisfied;

(c) Each grant may be made without payment of additional consideration from the Participant;

(d) Each grant shall provide that the Performance Restricted Shares covered thereby shall be subject to a "substantial risk of forfeiture" within the meaning of section 83 of the Code for a period to be determined by the Committee on the Date of Grant, and any grant may provide for the earlier termination of such period in the event of the retirement, death or disability of the Participant or a Change in Control of the Company;

(e) Each grant shall provide that, during or after the period for which such substantial risk of forfeiture is

to continue, the transferability of the Performance Restricted Shares shall be prohibited or restricted

in the manner and to the extent prescribed by the Committee on the Date of Grant. Such restrictions may include without limitation rights of repurchase or first refusal in the Company or provisions subjecting the Performance Restricted Shares to a continuing substantial risk of forfeiture in the hands

of any transferee;

(f) Any grant shall require that any or all dividends or other, distributions paid on the Performance

Restricted Shares during the period of such restrictions be automatically sequestered. Such distribution may be reinvested on an immediate or deferred basis in additional Common Shares, which may be subject to the same restrictions as the underlying award or such other restrictions as the Committee may determine, provided, however, that dividends or other distributions on Performance Restricted

Shares with restrictions that lapse as a result of the achievement of Management Objectives shall be deferred until and paid contingent upon the achievement of the applicable Management Objectives;

And

- (g) Each grant of Performance Restricted Shares shall be evidenced by an Evidence of Award, which shall contain such terms and provisions as the Committee may determine consistent with this Plan. Unless otherwise directed by the Committee, (i) all certificates representing Performance Restricted Shares, together with a stock power that shall be endorsed in blank by the Participant with respect to the Performance Restricted Shares, shall be held in custody by the Company until all restrictions thereon lapse or (ii) all Performance Restricted Shares shall be held at the Company's transfer agent in book entry form with appropriate restrictions relating to the transfer of such Performance Restricted Shares.

5. Performance Shares and Performance Units. The Committee may also, from time to time and upon such terms and conditions as it may determine, authorize grants of Performance Shares and Performance

Units that shall become payable to the Participant upon the achievement of specified Management Objectives

during the Performance Period. Each such grant may utilize any or all of the authorizations, and will be subject to all of the requirements contained in the following provisions:

- (a) Each grant shall specify the number of Performance Shares or Performance Units to which it pertains, which may be subject to adjustment to reflect changes in compensation or other factors; provided, however, that no such adjustment will be made in the case of a Qualified Performance-Based Award of Performance Shares or Performance Units (other than in connection with the death or disability of the Participant or a Change in Control of the Company) where such action would result in the loss of the otherwise available exemption of the award under section 162(m) of the Code.

- (b) The Performance Period with respect to each Performance Share or Performance Unit will be such period of time (not less than one year), commencing with the Date of Grant as shall be determined

by the Committee on the Date of Grant and may be subject to earlier termination or other modification in the event of the retirement, death or disability of the Participant or a Change in Control of the Company.

- (c) Each grant shall specify the Management Objectives that are to be achieved by the Participant and each grant may specify in respect of the specified Management Objectives a minimum acceptable level of achievement below which no payment will be made and shall set forth a formula for determining the amount of any payment to be made if performance is at or above the minimum

acceptable level, but falls short of full achievement of the specified Management Objective. The grant

of a Qualified Performance-Based Award of Performance Shares or Performance Units shall specify that, before the Performance Shares or Performance Units will be earned and paid, the Committee must determine that the Management Objectives have been satisfied.

- (d) Each grant shall specify the time and manner of payment of Performance Shares or Performance

Units that shall have been earned, and any grant may specify that any such amount may be paid by the Company in cash, Common Shares or any combination thereof and may either grant to the Participant or reserve to the Committee the right to elect among those alternatives.

- (e) Any grant of Performance Shares may specify that the amount payable with respect thereto may not exceed a maximum specified by the Committee at the Date of Grant. Any grant of Performance Units may specify that the amount payable or the number of Common Shares issued with respect thereto

may not exceed maximums specified by the Committee at the Date of Grant.

- (f) The Committee may at the Date of Grant of Performance Shares, provide for the payment of dividend equivalents to the holder thereof on either a current, deferred or contingent basis, either in cash or in additional Common Shares, subject in all cases to payment on a contingent basis based on the Participant's earning of the Performance Shares with respect to which such dividend equivalents are

paid.

- (g) Each grant of Performance Shares or Performance Units shall be evidenced by an Evidence of Award, which shall contain such terms and provisions as the Committee may determine consistent with this

Plan.

6. Restricted Stock. The Committee may, from time to time and upon such terms and conditions as it may determine, also authorize the grant or sale to Participants of Restricted Stock. Each such grant or sale

may utilize any or all of the authorizations, and will be subject to all of the requirements contained in the

following provisions:

- (a) Each grant shall, constitute an immediate transfer of the ownership of Common Shares to the Participant in consideration of the performance of services entitling such Participant to dividend, voting and other ownership rights, subject to the substantial risk of forfeiture and restrictions on transfer hereinafter referred to.
- (b) Each grant or sale may be made without payment of additional consideration or in consideration of a payment by such Participant that is less than the Market Value per Share at the Date of Grant.
- (c) Each grant or sale shall provide that the Restricted Stock covered thereby shall be subject to a “substantial risk of forfeiture” within the meaning of section 83 of the Code for a period of at least three years, except that the restrictions may be removed no sooner than ratably on an annual basis during the three-year period, to be determined by the Committee on the Date of Grant. Any grant

may provide for the earlier termination of such period in the event of the retirement, death or disability of the Participant or a Change in Control of the Company.

- (d) Each grant or sale shall provide that, during or after the period for which such substantial risk of forfeiture is to continue, the transferability of the Restricted Stock shall be prohibited or restricted in the manner and to the extent prescribed by the Committee on the Date of Grant. Such restrictions

may include, without limitation, rights of repurchase or first refusal by the Company or provisions subjecting the Restricted Stock to a continuing substantial risk of forfeiture in the hands of any transferee.

- (e) Any grant or sale may require that any or all dividends or other distributions paid on the Restricted Stock during the period of such restrictions be automatically sequestered. Such distribution may be reinvested on an immediate or deferred basis in additional, Common Shares which may be subject to the same restrictions as the underlying award or such other restrictions as the Committee may determine.
- (f) Each grant of Restricted Stock shall be evidenced by an Evidence of Award, which shall contain such terms and provisions as the Committee may determine consistent with this Plan. Unless otherwise directed by the Committee, (i) all certificates representing Restricted Stock, together with a stock

power that shall be endorsed in blank by the Participant with respect to the Restricted Stock, shall be held in custody by the Company until all restrictions thereon lapse, or (ii) Restricted Stock shall be held at the Company’s transfer agent in book entry form with appropriate restrictions relating to the

transfer of such Restricted Stock.

7. Option Rights. The Committee may, from time to time and upon such terms and conditions as it may determine, authorize grants to Participants of options to purchase Common Shares. Each such grant may utilize any or all of the authorizations, and will be subject to all of the requirements contained in the following provisions:

- (a) Each grant of Option Rights shall specify the number of Common Shares to which it pertains.
- (b) Each grant shall specify an Option Price per Common Share, which shall be equal to or greater than the Market Value per Share on the Date of Grant.
- (c) Each grant shall specify the form of consideration to be paid in satisfaction of the Option Price and the manner of payment of such consideration, which may include:
 - (i) cash in the form of currency or check or other cash equivalent acceptable to the Company or by wire transfer of immediately available funds;
 - (ii) the actual or constructive transfer to the Company of nonforfeitable, unrestricted Common Shares, which are already owned by the Optionee and having a value at the time of exercise that is equal to the Option Price;
 - (iii) a “net exercise” arrangement pursuant to which the Company will withhold Common Shares that would otherwise be issued upon exercise (it being understood that, solely for purposes of determining the number of treasury shares held by the Company, the shares so withheld shall not be treated as issued and acquired by the Company upon such exercise);

(iv) any other legal consideration that the Committee may deem appropriate, including without limitation any form of consideration authorized under Section 7(d) below, on such basis as the Committee may determine in accordance with this Plan; or

(v) any combination of the foregoing.

(d) Any grant of a Nonqualified Option may provide that payment of the Option Price may also be

made in whole or in part in the form of Restricted Stock or other Common Shares that are subject to risk of forfeiture or restrictions on transfer. Unless otherwise determined by the Committee on or after the Date of Grant, whenever any Option Price is paid in whole or in part by means of any of

the forms of consideration specified in this Section 7(d), the Common Shares received by the

Optionee upon the exercise of the Nonqualified Option shall be subject to the same risks of forfeiture

or restrictions on transfer as those that applied to the consideration surrendered by the Optionee;

provided, however, that such risks of forfeiture and restrictions on transfer shall apply only to the

same number of Common Shares received by the Optionee as applied to the forfeitable or restricted

Common Shares surrendered by the Optionee.

(e) To the extent permitted by law, any grant may provide for deferred payment of the Option Price from the proceeds of sale through a broker of some or, all of the Common Shares to which the exercise relates.

(f) Successive grants may be made to the same Optionee regardless of whether any Option Rights previously granted to the Optionee remain unexercised.

(g) Each grant shall specify the period or periods of continuous employment of the Optionee by the Company or any Subsidiary that are necessary before the Option Rights or installments thereof shall become exercisable. A grant of Option Rights may provide for the earlier exercise of the Option

Rights in the event of the retirement, death or disability of the Participant or a Change in Control of

the Company.

(h) Any grant of Option Rights may specify Management Objectives which, if achieved, will result in exercisability of such rights.

(i) Option Rights granted under this Plan may be (i) options that are intended to qualify under particular provisions of the Code, including without limitation Incentive Stock Options, (ii) options that are not intended to so qualify or (iii) combinations of the foregoing. Incentive Stock Options may be granted only to Participants who, on the date of the grant, are officers or other key employees of the

Company or any Subsidiary who must meet the definition of "employees" under section 3401(c) of the Code.

(j) The exercise of an Option Right will result in the cancellation on a share-for-share basis of any

Tandem Appreciation Right authorized under Section 8 of this Plan.

(k) No Option Right granted pursuant to this Section 7 may be exercised more than seven years from the Date of Grant. Subject to this limit, the Committee may cause Option Rights to continue to be exercisable after termination of employment of the Participant under circumstances specified by the

Committee.

(l) The Committee reserves the discretion after the Date of Grant to provide for (i) the availability of a loan at exercise; or (ii) the right to tender in satisfaction of the Option Price nonforfeitable,

unrestricted Common Shares, which are already owned by the Optionee and have a value at the time

of exercise that is equal to the Option Price.

(m) The Committee may substitute, without receiving Participant permission, Appreciation Rights

payable only in Common Shares (or Appreciation Rights payable in cash, Common Shares, or in any combination thereof as elected by the Committee) for outstanding Options; provided, however, that the terms of the substituted Appreciation Rights are substantially the same as the terms for the Options and the difference between the Market Value per Share of the underlying Common Shares and the Base Price of the Appreciation Rights is equivalent to the difference between the Market Value Share of the underlying Common Shares and the Option Price of the Options. If, in the opinion of the Company's auditors, this provision creates adverse accounting consequences for the

Company, it shall be considered null and void.

(n) Each grant of Option Rights shall be evidenced by an Evidence of Award, which shall contain such terms and provisions as the Committee may determine consistent with this Plan.

8. Appreciation Rights. The Committee may, from time to time and upon such terms and conditions as

it may determine, also authorize grants to Participants of Appreciation Rights. An Appreciation Right shall be

a right of the Participant to receive from the Company an amount, which shall be determined by the Committee and shall be expressed as a percentage (not exceeding 100%) of the Spread at the time of the exercise of such right. An Appreciation Right awarded in relation to an Incentive Stock Option must be granted concurrently with such Incentive Stock Option. Each such grant may utilize any or all of the authorizations, and will be subject to all of the requirements contained in the following provisions:

(a) Any grant may specify that the amount payable upon the exercise of an Appreciation Right may be paid by the Company in cash, Common Shares or any combination thereof and may either grant to

the Participant or reserve to the Committee the right to elect among those alternatives.

(b) Any grant may specify that the amount payable upon the exercise of an Appreciation Right shall not exceed a maximum specified by the Committee on the Date of Grant.

(c) Any grant may specify (i) a waiting period or periods before Appreciation Rights shall become exercisable and (ii) permissible dates or periods on or during which Appreciation Rights shall be exercisable.

(d) Any grant may specify that an Appreciation Right may be exercised only in the event of the retirement, death or disability of the Participant or a Change in Control of the Company.

(e) Any grant of Appreciation Rights may specify Management Objectives that must be achieved as a condition of the exercise of such rights.

(f) Each grant shall be evidenced by an Evidence of Award, which shall describe the subject Appreciation Rights, identify any related Option Rights, state that the Appreciation Rights are subject to all of the terms and conditions of this Plan and contain such other terms and provisions as the Committee may determine consistent with this Plan.

(g) No Appreciation Right granted under this Plan may be exercised more than seven years from the

Date of Grant.

(h) Regarding Tandem Appreciation Rights only:

(i) Each grant shall provide that a Tandem Appreciation Right may be exercised only at a time when the related Option Right (or any similar right granted under any other plan of the Company) is

also exercisable and the Spread is positive and by surrender of the related Option Right (or such other right) for cancellation.

(ii) The Option Price of the related Option Right shall be equal to or greater than the Market Value

Per Share on the Date of Grant.

(i) Regarding Free-standing Appreciation Rights only:

(i) Each grant shall specify in respect of each Free-standing Appreciation Right a Base Price per

Common Share, which shall be equal to or greater than the Market Value per Share on the Date

of Grant;

(ii) Successive grants may be made to the same Participant regardless of whether any Free-standing

Appreciation Rights previously granted to such Participant remain unexercised; and

(iii) Each grant shall specify the period or periods of continuous employment of the Participant by

the Company or any Subsidiary that are necessary before the Free-standing Appreciation Rights

or installments thereof shall become exercisable, and any grant may provide for the earlier exercise of such rights in the event of the retirement, death or disability of the Participant or a Change in Control of the Company or similar transaction or event.

9. Restricted Stock Units. The Committee may, from time to time and upon such terms and conditions

as it may determine, also authorize grants or sales of Restricted Stock Units to Participants. Each such grant may utilize any or all of the authorizations, and will be subject to all of the requirements contained in the following provisions:

(a) Each grant or sale shall constitute the agreement by the Company to deliver Common Shares or cash

to the Participant in the future in consideration of the performance of services, subject to the fulfillment during the Restriction Period of such conditions (which may include the achievement of Management Objectives) as the Committee may specify.

(b) If a grant or sale of Restricted Stock Units specifies that the Restriction Period will terminate upon the achievement of Management Objectives, such Restriction Period may not terminate sooner than one year from the Date of Grant. Each grant may specify in respect of such Management Objectives a minimum acceptable level of achievement and may set forth a formula for determining the number of Restricted Stock Units which restriction will terminate if performance is at or above the minimum level, but falls short of full achievement of the specified Management Objectives. The grant of Qualified Performance-Based Awards of Restricted Stock Units shall specify that, before the termination or early termination of the restrictions applicable to such Restricted Stock Units, the Committee must determine that the Management Objectives have been satisfied.

(c) Each grant or sale may be made without additional consideration from the Participant or in consideration of a payment by the Participant that is less than the Market Value per Share on the Date of Grant.

(d) If the Restriction Period lapses only by the passage of time rather than the achievement of

Management Objectives, each grant or sale shall provide that the Restricted Stock Units covered

thereby shall be subject to a Restriction Period of at least three years, except that a grant or sale may provide that the Restriction Period shall expire not sooner than ratably on an annual basis during the three-year period as determined by the Committee at the Date of Grant.

(e) Notwithstanding anything to the contrary contained in this Plan, any grant or sale of Restricted Stock

Units may provide for the earlier lapse or other modification of the Restriction Period in the event of the retirement, death or disability of the Participant or a Change in Control of the Company.

(f) During the Restriction Period, the Participant shall not have any right to transfer any rights under the subject award, shall not have any rights of ownership in the Restricted Stock Units and shall not have any right to vote such shares, but the Committee may on or after the Date of Grant authorize the payment of dividend equivalents on such Restricted Stock Units in cash or in additional Common

Shares on a current, deferred or contingent basis; provided, however, that any dividends or other distributions with respect to the number of shares of Common shares covered by Restricted Stock

Units that are subject to Management Objectives shall be subject to restrictions and risk of forfeiture

to the same extent as the Restricted Stock Units with respect to which such dividends or other distributions have been distributed.

- (g) Each grant or sale shall specify the time and manner of payment of Restricted Stock Units that have been earned. Any grant or sale may specify that the amount payable with respect thereto may be paid

by the Company in cash, in Common Shares or in any combination thereof and may either grant to the Participant or retain by the Committee the right to elect among those alternatives.

- (h) Each grant or sale shall be evidenced by an Evidence of Award, which shall contain such terms and provisions as the Committee may determine consistent with this Plan.

10. Administration of the Plan.

- (a) This Plan shall be administered by the Compensation Committee of the Board. A majority of the Committee shall constitute a quorum, and the acts of the members of the Committee who are present at any meeting thereof at which a quorum is present, or acts unanimously approved by the members of the Committee in writing, shall be the acts of the Committee.

- (b) The interpretation and construction, including any action to correct defects and supply omission and correct administrative errors, by the Committee of any provision of this Plan or any agreement, notification or document evidencing the grant of Option Rights, Restricted Stock, Performance

Restricted Shares, Performance Shares or Performance Units, Appreciation Rights or Restricted Stock

Units and any determination by the Committee pursuant to any provision of this Plan or any such agreement, notification or document, shall be final and conclusive. No member of the Committee shall be liable for any such action taken or determination made in good faith.

- (c) The Committee may suspend the right to exercise Option Rights or Appreciation Rights during any blackout period that is necessary or desirable to comply with the requirements of applicable laws and/or to extend the award exercise period in a manner consistent with applicable law.

- (d) The Committee may delegate to the appropriate officer or officers of the Company or any Subsidiary, part or all of its authority with respect to the administration of awards made by the Committee to individuals who are not officers or directors of the Company within the meaning of the Exchange

Act.

- (e) To the extent permitted by Ohio law, the Committee may, from time to time, delegate to one or more officers of the Company the authority of the Committee to grant and determine the terms and

conditions of awards granted under this Plan. In no event shall any such delegation of authority be permitted with respect to awards to any executive officer or any person subject to section 162(m) of the Code or who is an officer, director or more than 10% beneficial owner of any class of the Company's equity securities that is registered pursuant to Section 12 of the Exchange Act, as determined by the Committee in accordance with section 16 of the Exchange Act.

11. Adjustments. The Committee shall make or provide for such adjustments in the (a) number of Common Shares covered by outstanding Option Rights, Appreciation Rights, Restricted Stock Units and Performance Shares and Performance Units granted hereunder, (b) prices per share applicable to such Option Rights and Appreciation Rights, and (c) kind of shares (including shares of another issuer) covered thereby, as

the Committee in its sole discretion may in good faith determine to be equitably required in order to prevent dilution or enlargement of the rights of Participants that otherwise would result from (x) any stock dividend, stock split, combination of shares, recapitalization or other change in the capital structure of the Company,

- (y) any merger, consolidation, spin-off, spin-out, split-off, split-up, reorganization, partial or complete

liquidation or other distribution of assets, issuance of rights or warrants to purchase securities or (z) any other corporate transaction or event having an effect similar to any of the foregoing. Moreover, in the event of any such transaction or event, the Committee may provide in substitution for any or all outstanding awards under

this Plan such alternative consideration (including cash) as it may in good faith determine to be equitable

under the circumstances and may require in connection therewith the surrender of all awards so replaced in a manner that complies with section 409A of the Code. In addition, for each Option Right or Appreciation Right with an Option Price or Base Price greater than the consideration offered in connection with any such

transaction or event or Change in Control, the Committee may in its sole discretion elect to cancel such Option Right or Appreciation Right without any payment to the person holding such Option Right or Appreciation Right. Moreover, the Committee may on or after the Date of Grant provide in the agreement

evidencing any award under this Plan that the holder of the award may elect to receive an equivalent award in respect of securities of the surviving entity of any merger, consolidation or other transaction or event having a similar effect, or the Committee may provide that the holder will automatically be entitled to receive such an equivalent award. The Committee shall also make or provide for such adjustments in the numbers and kind of shares specified in Section 3 of this Plan as the Committee in its sole discretion, exercised in good faith, may determine is appropriate to reflect any transaction or event described in this Section 11; provided, however,

that any such adjustment to the number specified in Section 3(a)(i) will be made only if and to the extent that such adjustment would not cause any option intended to qualify as an Incentive Stock Option to fail so to

qualify. This Section 11 shall not be construed to permit the re-pricing of any Option Rights in the absence of any of the circumstances described above in contravention of Section 19(b) hereof. Notwithstanding the foregoing: (i) any adjustments made pursuant to this Section 11 to awards that are considered “deferred compensation” within the meaning of section 409A of the Code shall be made in compliance with the requirements of section 409A of the Code; (ii) any adjustments made pursuant to this Section 11 of the Plan

to awards that are not considered “deferred compensation” subject to section 409A of the Code shall be made

in such a manner as to ensure that after such adjustment, the awards either continue not to be subject to section 409A of the Code or comply with the requirements of section 409A of the Code; and (iii) the

Committee shall not have the authority to make any adjustments pursuant to this Section 11 of the Plan to the extent that the existence of such authority would cause an award that is not intended to be subject to section 409A of the Code to be subject thereto.

12. Detrimental Activity. Any Evidence of Award may provide that if a Participant, either during employment by the Company or a Subsidiary or within a specified period after termination of such employment, shall engage in any Detrimental Activity, and the Board shall so find, forthwith upon notice of such finding, the Participant shall:

(a) Forfeit any award granted under this Plan then held by the Participant;

(b) Return to the Company, in exchange for payment by the Company of any amount actually paid therefore by the Participant, all Common Shares that the Participant has not disposed of that were

offered pursuant to this Plan within a specified period prior to the date of the commencement of such

Detrimental Activity; and

(c) With respect to any Common Shares so acquired that the Participant has disposed of, pay to the

Company in cash the difference between:

(i) Any amount actually paid therefore by the Participant pursuant to this Plan; and

(ii) The Market Value per Share of the Common Shares on the date of such acquisition.

To the extent that such amounts are not paid to the Company, the Company may set off the amounts so

payable to it against any amounts that may be owing from time to time by the Company or a Subsidiary to the

Participant, 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.

13. Participation by Employees of Designated Subsidiaries. As a condition to the effectiveness of any grant or award to be made hereunder to a Participant who is an employee of a Designated Subsidiary, whether or not such Participant is also employed by the Company or another Subsidiary, the Board may

require such Designated Subsidiary to agree to transfer to such employee (when, as and if provided for under this Plan, and any applicable Agreement entered into with any such employee pursuant to this Plan) the Common Shares that would otherwise be delivered by the Company, upon receipt by such Designated

Subsidiary of any consideration then otherwise payable by such Participant to the Company. Any such award shall be evidenced by an agreement between the Participant and the Designated Subsidiary, in lieu of the Company, on terms consistent with this Plan and approved by the Board and such Designated Subsidiary. All such Common Shares so delivered by or to a Designated Subsidiary shall be treated as if they had been delivered by or to the Company for purposes of Section 3 of this Plan, and all references to the Company in

this Plan shall be deemed to refer to such Designated Subsidiary, except for purposes of the definition of

“Board” and except in other cases where the context otherwise requires.

14. Non-U.S. Participants. In order to facilitate the making of any grant or combination of grants

under this Plan, the Committee may provide for such special terms for awards to Participants who are foreign nationals or who are employed by the Company or any Subsidiary or Designated Subsidiary outside of the United States of America or who provide services to the Company under an agreement with a foreign nation

or agency, as the Committee may consider necessary or appropriate to accommodate differences in local law;

tax policy or custom. Moreover, the Committee may approve such supplements to or amendments, restatements or alternative versions of this Plan (including, without limitation, sub-plans) as it may consider necessary or appropriate for such purposes, without thereby affecting the terms of this Plan as in effect for any other purpose, and the Secretary or other appropriate officer of the Company may certify any such document

as having been approved and adopted in the same manner as this Plan. No such special terms, supplements, amendments or restatements, however, shall include any provisions that are inconsistent with the terms of this

Plan as then in effect unless this Plan could have been amended to eliminate such inconsistency without further approval by the shareholders of the Company.

15. Transferability.

(a) Except as provided in Section 15(c) below, no Option Right or Appreciation Right or other derivative security granted under this Plan may be transferred by a Participant except by will or the laws of descent and distribution, and in no event shall any award granted under this Plan be transferred for value. Except as otherwise determined by the Committee, Option Rights and Appreciation Rights granted under this Plan may not be exercised during a Participant’s lifetime except by the Participant

or, in the event of the Participant’s legal incapacity, by his guardian or legal representative acting in a

fiduciary capacity on behalf of the Participant under state law and court supervision.

(b) The Committee may specify at the Date of Grant, that all or any part of the Common Shares that are

(i) to be issued or transferred by the Company upon the exercise of Option Rights or Appreciation Rights, or in payment of Performance Shares or Performance Units or upon the termination of the Restriction Period applicable to Restricted Stock Units, or (ii) no longer subject to the substantial risk

of forfeiture and restriction on transfer referred to in Sections 4 and 6 of this Plan, shall be subject to further restrictions upon transfer.

(c) The Committee may determine that Option Rights (other than Incentive Stock Options) and

Appreciation Rights may be transferable by a Participant, without payment of consideration therefore

by the transferee, only to any one or more members of the Participant’s immediate family; provided, however, that (i) no such transfer

shall be effective unless reasonable prior notice thereof is delivered to the Company and such transfer is thereafter effected in accordance with any terms and conditions

that shall have been made applicable thereto by the Company or the Committee and (ii) any such transferee shall be subject to the same terms and conditions hereunder as the Participant. For the purposes of this Section 15(c), the term "immediate family" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daugh-

ter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the Participant's household (other than a tenant or employee), a trust in which these persons have more than fifty percent of the beneficial interest, a foundation in which these persons (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant)

own more than fifty percent of the voting interests.

16. Withholding Taxes. To the extent that the Company is required to withhold federal, state, local or foreign taxes in connection with any payment made or benefit realized by a Participant or other person under

this Plan, and the amounts available to the Company for the withholding are insufficient, it shall be a condition

to the receipt of any such payment or the realization of any such benefit that the Participant or such other

person make arrangements satisfactory to the Company for payment of the balance of any taxes required to be withheld. At the discretion of the Committee, any such arrangements may without limitation include relinquishment of a portion of any such payment or benefit.

Participants shall also make such arrangements as

the Company may require for the payment of any withholding tax obligation that may arise in connection with

the disposition of Common Shares acquired upon the exercise of Option Rights. In no event shall the value 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.

17. Compliance with Section 409A of the Code.

(a) To the extent applicable, it is intended that this Plan and any grants made hereunder 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 Participant. This Plan and any grants made hereunder shall be administered in a manner consistent with this intent. Any reference in this Plan to section 409A of

the Code 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.

(b) Neither a Participant nor any of a Participant's creditors or beneficiaries shall have the right to subject any deferred compensation (within the meaning of section 409A of the Code) payable under this Plan and grants hereunder to any anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment or garnishment. Except as permitted under section 409A of the Code, any deferred compensation (within the meaning of section 409A of the Code) payable to a Participant or for a Participant's benefit under this Plan and grants hereunder may not be reduced by, or offset against,

any amount owing by a Participant to the Company or any of its affiliates.

(c) If, at the time of a Participant's separation from service (within the meaning of section 409A of the Code), (i) the Participant shall be a specified employee (within the meaning of section 409A of the Code and using the identification methodology selected by the Company from time to time) and

(ii) the Company shall make a good faith determination that an amount payable hereunder constitutes

deferred compensation (within the meaning of section 409A of the Code) the payment of which is required to be delayed pursuant to the six-month delay rule set forth in section 409A of the Code in order to avoid taxes or penalties under section 409A of the Code, then the Company shall not pay

such amount on the otherwise scheduled payment date but shall instead pay it, without interest, on the first business day of the month after such six-month period.

- (d) Notwithstanding any provision of this Plan and grants hereunder to the contrary, in light of the uncertainty with respect to the proper application of section 409A of the Code, the Company reserves

the right to make amendments to this Plan and grants hereunder as the Company deems necessary or desirable to avoid the imposition of taxes or penalties under section 409A of the Code. In any case, a Participant shall be solely responsible and liable for the satisfaction of all taxes and penalties that

may be imposed on a Participant or for a Participant's account in connection with this Plan and grants hereunder (including any taxes and penalties under section 409A of the Code), and neither the Company nor any of its affiliates shall have any obligation to indemnify or otherwise hold a

Participant harmless from any or all of such taxes or penalties.

18. Effective Date. The Materion Corporation 2006 Stock Incentive Plan first became effective on May 2, 2006, the date it was approved by shareholders. This amended and restated Plan shall be effective May 4, 2011 when approved by shareholders.

19. Amendments.

- (a) The Committee may at any time and from time to time amend this Plan in whole or in part; provided, however, that if an amendment to this Plan (i) would materially increase the benefits accruing to participants under this Plan, (ii) would materially increase the number of securities which may be

issued under this Plan, (iii) would materially modify the requirements for participation in this Plan or

(iv) must otherwise be approved by the shareholders of the Company in order to comply with

applicable law or the rules of the New York Stock Exchange or, if the Common Shares are not traded

on the New York Stock Exchange, the principal national securities exchange upon which the Common

Shares are traded or quoted, then, such amendment will be subject to shareholder approval and will not be effective unless and until such approval has been obtained.

- (b) Except in connection with a corporate transaction or event described in Section 11 of this Plan, the terms of outstanding awards may not be amended to reduce the Option Price of outstanding Option Rights or the Base Price of outstanding Appreciation Rights, or cancel outstanding Option Rights or Appreciation Rights in exchange for cash, other awards or Option Rights or Appreciation Rights with

an Option Price or Base Price, as applicable, that is less than the Option Price of the original Option Rights or Base Price of the original Appreciation Rights, as applicable, without shareholder approval. This Section 19(b) is intended to prohibit the repricing of "underwater" Option Rights and Appreciation Rights and will not be construed to prohibit the adjustments provided for in Section 11 of this Plan. Notwithstanding any provision of the Plan to the contrary, this Section 19(b) may not be amended without approval by the Company's shareholders.

- (c) If permitted by section 409A of the Code, but subject to section 19(d) hereof, in case of termination of employment by reason of the death, disability or normal or early retirement of a Participant who holds an Option Right or Appreciation Right not immediately exercisable in full, or any Performance Restricted Shares or Restricted Stock as to which the substantial risk of forfeiture or the prohibition or restriction on transfer has not lapsed, or any Restricted Stock Units as to which the Restriction Period has not been completed, or any Performance Shares or Performance Units which have not been fully earned, or in the case of a Change in Control of the Company or similar transaction or event, the Committee may, in its sole discretion, accelerate the time at which such Option Right or Appreciation Right may be exercised or the time at which such substantial risk of forfeiture or prohibition or restriction on transfer will lapse or the time when such Restriction Period will end or the time at which such Performance Shares or Performance Units will be deemed to have been fully earned or may waive any other limitation or requirement under any such award.

- (d) Subject to section 19(c) hereof, the Committee may amend the terms of any award theretofore

granted under this Plan prospectively or retroactively, except in the case of a Qualified Performance-Based Award (other than in connection with the Participant's death or disability, or a Change in

Control of the Company) where such action would result in the loss of the otherwise available

exemption of the award under section 162(m) of the Code. In such case, the Board will not make any modification of the Management Objectives or the level or levels of achievement with respect to such Qualified Performance-Based Award. Subject to Section 11

above, no such amendment shall impair

the rights of any Participant without his or her consent. The Committee may, in its discretion, terminate this Plan at any time. Termination of this Plan will not affect the rights of Participants or their successors under any awards outstanding hereunder and not exercised in full on the date of termination.

20. Termination of the Plan. No further awards shall be granted under this amended and restated Plan after May 4, 2021, 10 years from the date on which this 2011 amendment and restatement was approved by

the shareholders of the Company, but all grants made on or prior to such date will continue in effect thereafter subject to the terms thereof and of this Plan.

21. Governing Law. The Plan and all grants and awards and actions taken thereunder shall be governed

by and construed in accordance with the internal substantive laws of the State of Ohio.

22. Miscellaneous Provisions.

(a) The Company shall not be required to issue any fractional Common Shares pursuant to this Plan. The

Committee may provide for the elimination of fractions or for the settlement of fractions in cash.

(b) This Plan shall not confer upon any Participant any right with respect to continuance of employment or other service with the Company or any Subsidiary, nor shall it interfere in any way with any right the Company or any Subsidiary would otherwise have to terminate such Participant's employment or other service at any time.

(c) To the extent that any provision of this Plan would prevent any Option Right that was intended to qualify as a Tax-qualified Option from qualifying as such, that provision shall be null and void with respect to such Option Right. Such provision, however, will remain in effect for other Option Rights and there will be no further effect on any provision of this Plan.

(d) No award under this Plan may be exercised by the holder thereof if such exercise, and the receipt of cash or stock thereunder, would be, in the opinion of counsel selected by the Committee, contrary to law or the regulations of any duly constituted authority having jurisdiction over this Plan.

(e) Leave of absence approved by a duly constituted officer of the Company or any of its Subsidiaries shall not be considered interruption or termination of service of any employee for any purposes of

this Plan or awards granted hereunder, except that no awards may be granted to an employee while he

or she is on a leave of absence.

(f) No Participant shall have any rights as a shareholder with respect to any shares subject to awards granted to him or her under this Plan prior to the date as of which he or she is actually recorded as the holder of such shares upon the stock records of the Company.

(g) The Committee may condition the grant of any award or combination of awards authorized under this Plan on the surrender or deferral by the Participant of his or her right to receive a cash bonus or other compensation otherwise payable by the Company or a Subsidiary to the Participant.

(h) If any provision of this Plan is or becomes invalid, illegal or unenforceable in any jurisdiction, or would disqualify this Plan or any award under any law deemed applicable by the Board, such provision shall be construed or deemed amended or limited in scope to conform to applicable laws or, in the discretion of the Board, it shall be stricken and the remainder of this Plan shall remain in full force and effect.