
**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): August 4, 2005

CIRCOR INTERNATIONAL, INC.

(Exact name of registrant as specified in charter)

DELAWARE
(State or other jurisdiction
of incorporation)

001-14962
(Commission file number)

04-3477276
(IRS employer
identification no.)

**25 CORPORATE DRIVE, SUITE 130
BURLINGTON, MASSACHUSETTS 01803-4238**
(Address of principal executive offices) (Zip Code)

(781) 270-1200
(Registrant's telephone number, including area code)

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 (*see* General Instruction A.2. below):

- ☐ 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 1.01. Entry into a Material Definitive Agreement.**Executive Officer Agreements**

On August 5, 2005, the Company entered into an Indemnification Agreement with Susan M. McCuaig in connection with Ms. McCuaig's recent appointment as Vice President of Human Resources of the Company. The Indemnification Agreement is identical to the form of Indemnification Agreement previously entered into between the Company and each of its directors and executive officers. Generally, under the Indemnification Agreement, the Company, subject to certain exceptions (principally relating to a final court adjudication that Ms. McCuaig has failed to act in good faith and in a manner she reasonably believed to be in the best interest of the Company) agrees to indemnify Ms. McCuaig against all expenses and liabilities she may incur in the event she is made a party or threatened to be made a party to any judicial or administrative proceeding by virtue of her position with the Company. A copy of this Indemnification Agreement is attached hereto as Exhibit 10.6.

On August 5, 2005, the Company entered into an Indemnification Agreement and an Executive Change of Control Agreement with John W. Cope in connection with Mr. Cope's recent appointment as Group Vice President Thermal Fluid Products. As with Ms. McCuaig's agreement, the Indemnification Agreement is identical to the form of Indemnification Agreement previously entered into between the Company and each of its directors and executive officers. A copy of this Indemnification Agreement is attached hereto as Exhibit 10.7. Under the Executive Change of Control Agreement, if a "change in control" (as defined in the Agreement) occurs and Mr. Cope's employment is terminated by the Company without cause or by Mr. Cope with good reason within twelve months of such change in control, Mr. Cope will receive a lump sum amount in cash equal to one times the sum of his then current base salary and highest bonus during the three preceding fiscal years, all of his stock options and stock-based awards will become immediately exercisable, he will be fully vested in any accrued benefit under the supplemental executive retirement plan and the Company will pay health insurance premiums for Mr. Cope and his family for one year. A copy of the Executive Change of Control Agreement is attached hereto as Exhibit 10.8.

Item 2.02. Results of Operations and Financial Condition

On August 4, 2005, the Company announced its financial results for the fiscal quarter and six months ended July 3, 2005. The full text of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this form 8-K and the Exhibit 99.1 attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities and Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any registration statement or other document filed under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by special reference in such filing.

In the press release and accompanying supplemental information, the Company uses the following non-GAAP financial measures: free cash flow, EBIT, EBITDA, and earnings per share excluding special charges. Management of the Company believes that free cash flow (defined as net cash flow from operating activities, less capital expenditures and dividends paid) is an important measure of its liquidity as well as its ability to service long-term debt, fund future growth and to provide a return to shareholders. EBIT (defined as net income plus interest expense, net plus provision for income taxes), EBITDA (defined as net income plus interest expense, net plus provision for income taxes, plus depreciation and amortization) and earnings per share excluding special charges (defined as earnings per common share, excluding the impact of special charges, net of tax) is provided because management believes these measurements are commonly used by investors and financial institutions to analyze and compare companies on the basis of operating performance. Free cash flow, EBIT, EBITDA, and earnings per share excluding special charges are not measurements for financial performance under GAAP and should not be construed as a substitute for cash flows, operating income, net income or earnings per share. Free cash flow, EBIT, EBITDA, and earnings per share excluding special charges, as we have calculated here, may not necessarily be comparable to similarly titled measures used by other companies. A reconciliation of free cash flow, EBIT, EBITDA, and earnings per share excluding special charges, to the most directly comparable GAAP financial measure is provided in the supplemental information table titled “Reconciliation of Key Performance Measures to Commonly Used Generally Accepted Accounting Principle Terms” which is included as an attachment to the press release.

Item 9.01. Financial Statements and Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.6	Indemnification Agreement with Susan M. McCuaig
10.7	Indemnification Agreement with John W. Cope
10.8	Executive Change of Control Agreement with John W. Cope
99.1	Press Release Dated August 4, 2005

SIGNATURE

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

Date: August 9, 2005

CIRCOR INTERNATIONAL, INC.

/S/ Kenneth W. Smith

By: Kenneth W. Smith
Senior Vice President, Chief Financial Officer and Treasurer

INDEMNIFICATION AGREEMENT

This Agreement is made as of this 5th day of August 2005 ("Agreement"), by and between CIRCOR International, Inc., a Delaware corporation (the "Company," which term shall include, where appropriate, any Entity (as hereinafter defined) controlled directly or indirectly by the Company) and Susan M. McCuaig ("Indemnitee").

WHEREAS, it is essential to the Company that it be able to retain and attract as officers and directors the most capable persons available;

WHEREAS, increased corporate litigation has subjected officers and directors to litigation risks and expenses, and the limitations on the availability of directors and officers liability insurance have made it increasingly difficult for the Company to attract and retain such persons;

WHEREAS, the Company's Amended and Restated By-laws require it to indemnify its officers and directors to the fullest extent permitted by law and permit it to make other indemnification arrangements and agreements;

WHEREAS, the Company desires to provide Indemnitee with specific contractual assurance of Indemnitee's rights to full indemnification against litigation risks and expenses (regardless of, among other things, any amendment to or revocation of any such By-laws or any change in the ownership of the Company or the composition of its Board of Directors); and

WHEREAS, Indemnitee is relying upon the rights afforded under this Agreement in continuing in Indemnitee's position as an officer or director of the Company.

NOW, THEREFORE, in consideration of the promises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

1. Definitions.

(a) "Corporate Status" describes the status of a person who is serving or has served (i) as a director or officer of the Company, (ii) in any capacity with respect to any employee benefit plan of the Company, or (iii) as a director, partner, trustee, officer, employee or agent of any other Entity at the request of the Company. For purposes of subsection (iii) of this Section 1(a), an officer or director of the Company who is serving or has served as a director, partner, trustee, officer, employee or agent of a Subsidiary shall be deemed to be serving at the request of the Company.

(b) "Entity" shall mean any corporation, partnership, limited liability company, joint venture, trust, foundation, association, organization or other legal entity.

(c) "Expenses" shall mean all fees, costs and expenses incurred in connection with any Proceeding (as defined below), including, without limitation, attorneys' fees, disbursements and retainers (including, without limitation, any such fees,

disbursements and retainers incurred by Indemnatee pursuant to Sections 10 and 11(c) of this Agreement), fees and disbursements of expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), court costs, transcript costs, fees of experts, travel expenses, duplicating, printing and binding costs, telephone and fax transmission charges, postage, delivery services, secretarial services, and other disbursements and expenses.

(d) “Indemnifiable Expenses,” “Indemnifiable Liabilities” and “Indemnifiable Amounts” shall have the meanings ascribed to those terms in Section 3(a) below.

(e) “Liabilities” shall mean judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement.

(f) “Proceeding” shall mean any threatened, pending or completed claim, action, suit, arbitration, alternate dispute resolution process, investigation, administrative hearing, appeal, or any other proceeding, whether civil, criminal, administrative, arbitral or investigative, whether formal or informal, including a proceeding initiated by Indemnatee pursuant to Section 10 of this Agreement to enforce Indemnatee’s rights hereunder.

(g) “Subsidiary” shall mean any corporation, partnership, limited liability company, joint venture, trust or other Entity of which the Company owns (either directly or through or together with another Subsidiary of the Company) either (i) a general partner, managing member or other similar interest or (ii) (A) 50% or more of the voting power of the voting capital equity interests of such corporation, partnership, limited liability company, joint venture or other Entity, or (B) 50% or more of the outstanding voting capital stock or other voting equity interests of such corporation, partnership, limited liability company, joint venture or other Entity.

2. Services of Indemnatee. In consideration of the Company’s covenants and commitments hereunder, Indemnatee agrees to serve or continue to serve as a director or officer of the Company. However, this Agreement shall not impose any obligation on Indemnatee or the Company to continue Indemnatee’s service to the Company beyond any period otherwise required by law or by other agreements or commitments of the parties, if any.

3. Agreement to Indemnify. The Company agrees to indemnify Indemnatee as follows:

(a) Subject to the exceptions contained in Section 4(a) below, if Indemnatee was or is a party or is threatened to be made a party to any Proceeding (other than an action by or in the right of the Company) by reason of Indemnatee’s Corporate Status, Indemnatee shall be indemnified by the Company against all Expenses and Liabilities incurred or paid by Indemnatee in connection with such Proceeding (referred to herein as “Indemnifiable Expenses” and “Indemnifiable Liabilities,” respectively, and collectively as “Indemnifiable Amounts”).

(b) Subject to the exceptions contained in Section 4(b) below, if Indemnatee was or is a party or is threatened to be made a party to any Proceeding by or in the right of the Company to procure a judgment in its favor by reason of Indemnatee’s Corporate Status, Indemnatee shall be indemnified by the Company against all Indemnifiable Expenses.

(c) If Indemnitee, in connection with Indemnitee's Corporate Status, is compelled or asked to be a witness in connection with any Proceeding but is not otherwise a Party or threatened to be made a party to such Proceeding, Indemnitee shall be indemnified by the Company against all Indemnifiable Expenses.

4. Exceptions to Indemnification. Indemnitee shall be entitled to indemnification under Sections 3(a) and 3(b) above in all circumstances other than the following:

(a) If indemnification is requested under Section 3(a) and it has been adjudicated finally by a court of competent jurisdiction that, in connection with the subject of the Proceeding out of which the claim for indemnification has arisen, Indemnitee failed to act (i) in good faith and (ii) in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal action or proceeding, Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful, Indemnitee shall not be entitled to payment of Indemnifiable Amounts hereunder.

(b) If indemnification is requested under Section 3(b) and

(i) it has been adjudicated finally by a court of competent jurisdiction that, in connection with the subject of the Proceeding out of which the claim for indemnification has arisen, Indemnitee failed to act (A) in good faith and (B) in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, Indemnitee shall not be entitled to payment of Indemnifiable Expenses hereunder; or

(ii) it has been adjudicated finally by a court of competent jurisdiction that Indemnitee is liable to the Company with respect to any claim, issue or matter involved in the Proceeding out of which the claim for indemnification has arisen, including, without limitation, a claim that Indemnitee received an improper personal benefit, no Indemnifiable Expenses shall be paid with respect to such claim, issue or matter unless the Court of Chancery or another court in which such Proceeding was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnity for such Indemnifiable Expenses which such court shall deem proper.

5. Procedure for Payment of Indemnifiable Amounts. Indemnitee shall submit to the Company a written request specifying the Indemnifiable Amounts for which Indemnitee seeks payment under Section 3 of this Agreement and the basis for the claim. The Company shall pay such Indemnifiable Amounts to Indemnitee within twenty (20) calendar days of receipt of the request. At the request of the Company, Indemnitee shall furnish such documentation and information as are reasonably available to Indemnitee and necessary to establish that Indemnitee is entitled to indemnification hereunder.

6. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, and without limiting any such provision, to the extent that Indemnitee is, by reason of Indemnitee's Corporate Status, a

party to and is successful, on the merits or otherwise, in any Proceeding, Indemnatee shall be indemnified against all Expenses reasonably incurred by Indemnatee or on Indemnatee's behalf in connection therewith. If Indemnatee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnatee against all Expenses reasonably incurred by Indemnatee or on Indemnatee's behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Agreement, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

7. Effect of Certain Resolutions. Neither the settlement or termination of any Proceeding nor the failure of the Company to award indemnification or to determine that indemnification is payable shall create an adverse presumption that Indemnatee is not entitled to indemnification hereunder. In addition, the termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not create a presumption that Indemnatee did not act in good faith and in a manner which Indemnatee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal action or proceeding, had reasonable cause to believe that Indemnatee's action was unlawful.

8. Agreement to Advance Expenses; Conditions. The Company shall pay to Indemnatee all Indemnifiable Expenses incurred by Indemnatee in connection with any Proceeding, including a Proceeding by or in the right of the Company, in advance of the final disposition of such Proceeding. To the extent required by Delaware law, Indemnatee hereby undertakes to repay the amount of Indemnifiable Expenses paid to Indemnatee if it is finally determined by a court of competent jurisdiction that Indemnatee is not entitled under this Agreement to indemnification with respect to such Expenses. This undertaking is an unlimited general obligation of Indemnatee.

9. Procedure for Advance Payment of Expenses. Indemnatee shall submit to the Company a written request specifying the Indemnifiable Expenses for which Indemnatee seeks an advancement under Section 8 of this Agreement, together with documentation evidencing that Indemnatee has incurred such Indemnifiable Expenses. Payment of Indemnifiable Expenses under Section 8 shall be made no later than twenty (20) calendar days after the Company's receipt of such request.

10. Remedies of Indemnatee.

(a) Right to Petition Court. In the event that Indemnatee makes a request for payment of Indemnifiable Amounts under Sections 3 and 5 above or a request for an advancement of Indemnifiable Expenses under Sections 8 and 9 above and the Company fails to make such payment or advancement in a timely manner pursuant to the terms of this Agreement, Indemnatee may petition the Court of Chancery to enforce the Company's obligations under this Agreement.

(b) Burden of Proof. In any judicial proceeding brought under Section 10(a) above, the Company shall have the burden of proving by clear and convincing evidence that Indemnatee is not entitled to payment of Indemnifiable Amounts hereunder.

(c) Expenses. The Company agrees to reimburse Indemnatee in full for any Expenses incurred by Indemnatee in connection with investigating, preparing for, litigating, defending or settling any action brought by Indemnatee under Section 10(a) above, or in connection with any claim or counterclaim brought by the Company in connection therewith.

(d) Validity of Agreement. The Company shall be precluded from asserting in any Proceeding, including, without limitation, an action under Section 10(a) above, that the provisions of this Agreement are not valid, binding and enforceable or that there is insufficient consideration for this Agreement and shall stipulate in court that the Company is bound by all the provisions of this Agreement.

(e) Failure to Act Not a Defense. The failure of the Company (including its Board of Directors or any committee thereof, independent legal counsel or stockholders) to make a determination concerning the permissibility of the payment of Indemnifiable Amounts or the advancement of Indemnifiable Expenses under this Agreement shall not be a defense in any action brought under Section 10(a) above, and shall not create a presumption that such payment or advancement is not permissible.

11. Defense of the Underlying Proceeding.

(a) Notice by Indemnatee. Indemnatee agrees to notify the Company promptly upon being served with any summons, citation, subpoena, complaint, indictment, information, or other document relating to any Proceeding which may result in the payment of Indemnifiable Amounts or the advancement of Indemnifiable Expenses hereunder; provided, however, that the failure to give any such notice shall not disqualify Indemnatee from the right to receive payments of Indemnifiable Amounts or advancements of Indemnifiable Expenses unless the Company is materially and adversely prejudiced thereby.

(b) Indemnatee's Option to Control Defense. Subject to the provisions of Section 11(c) below, the Indemnatee shall have the right to control the defense of any Proceeding brought against the Indemnatee including, but not limited to, the selection of defense counsel and the determination of whether or not to consent to the entry of any judgment against Indemnatee or enter into any settlement or compromise. Alternatively, Indemnatee may elect to tender defense of the Proceeding to the Company by providing the

Company with written notice as soon as practicable after Indemnatee has learned of the circumstances giving rise to Indemnatee's claim for indemnification in connection with such Proceeding. Upon receipt of Indemnatee's notice tendering defense of the Proceeding to the Company, the Company, at the Company's sole cost and expense, shall provide such defense with counsel reasonably acceptable to the Indemnatee. In no event, however, shall the Company consent to the entry of any judgment against Indemnatee or enter into any settlement or compromise without the prior written consent of the Indemnatee.

(c) Limitations of Defense by Indemnatee. Notwithstanding paragraph 11(b) above and except as otherwise provided by paragraph 11(d) below, the Company's obligation to indemnify Indemnatee with respect to legal fees shall be limited to the fees charged by counsel unanimously selected by Indemnatee and all other persons similarly entitled to indemnification by the Company in the same Proceeding on account of their Corporate Status to defend the interests of all such persons entitled to indemnification. .

(d) Indemnatee's Right to Individual Counsel. Notwithstanding the provisions of Section 11(c) above, if in a Proceeding to which Indemnatee is a party by reason of Indemnatee's Corporate Status, Indemnatee reasonably concludes that it may have separate defenses or counterclaims to assert with respect to any issue which may not be consistent with the position of other defendants in such Proceeding, Indemnatee shall be entitled to be represented by separate legal counsel of Indemnatee's choice at the expense of the Company. In addition, if the Company fails to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any action, suit or proceeding to deny or to recover from Indemnatee the benefits intended to be provided to Indemnatee hereunder, Indemnatee shall have the right to retain counsel of Indemnatee's choice, at the expense of the Company, to represent Indemnatee in connection with any such matter.

12. Representations and Warranties of the Company. The Company hereby represents and warrants to Indemnatee as follows:

(a) Authority. The Company has all necessary power and authority to enter into, and be bound by the terms of, this Agreement, and the execution, delivery and performance of the undertakings contemplated by this Agreement have been duly authorized by the Company.

(b) Enforceability. This Agreement, when executed and delivered by the Company in accordance with the provisions hereof, shall be a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws affecting the enforcement of creditors' rights generally.

13. Insurance.

(a) Prior to any Change of Control. Prior to any Change in Control (as defined in paragraph 13(c) below), the Company shall, from time to time, make the good faith determination whether or not it is practicable for the Company to obtain

and maintain a policy or policies of insurance with a reputable insurance company providing Indemnitee with coverage for losses from wrongful acts, and to ensure the Company's performance of its indemnification obligations under this Agreement. Among other considerations, the Company will weigh the costs of obtaining such insurance coverage against the protection afforded by such coverage. In all policies of director and officer liability insurance, Indemnitee shall be named as an insured in such a manner as to provide Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company's officers and directors. Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain such insurance if the Company determines in good faith that such insurance is not reasonably available, if the premium costs for such insurance are disproportionate to the amount of coverage provided, or if the coverage provided by such insurance is limited by exclusions so as to provide an insufficient benefit. The Company shall promptly notify Indemnitee of any good faith determination not to provide such coverage.

(b) Upon a Change of Control. In the event of and immediately upon a Change of Control (as defined in paragraph 13(c) below), the Company (or any successor to the interests of the Company by way of merger, sale of assets or otherwise) shall be obligated to continue, procure and/or otherwise maintain in effect for a period of six (6) years from the date on which such Change of Control is effective a policy or policies of insurance (the "Change of Control Coverage") with an insurance company having a minimum rating by A.M. Best (or its successor) of "excellent" providing Indemnitee with coverage for losses from wrongful acts occurring on or before the effective date of the Change of Control, and to ensure the Company's performance of its indemnification obligations under this Agreement. If such insurance is in place immediately prior to the Change of Control, then the Change of Control Coverage shall contain limits, deductibles and exclusions substantially identical to those in place immediately prior to the Change in Control. In the event that the Company does not maintain such insurance immediately prior to the Change of Control, the Change of Control Coverage shall contain such limits, deductibles and exclusions as are customary for companies of similar size as determined by an insurance brokerage company of national reputation, provided, however, that in no event shall the Change of Control Coverage contain limits, deductibles and exclusions that are less favorable to Indemnitee than those set forth in the policy or policies most recently maintained by the Company. Each policy evidencing the Change of Control Coverage shall contain an endorsement or other provision requiring that Indemnitee be provided with at least sixty (60) days written notice prior to the termination or non-renewal (as applicable) of such policy or policies.

(c) Definition of "Change of Control". For purposes of this Section 13, the term "Change of Control" shall mean any of the following:

(i) Any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Act") or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Parent or any of its subsidiaries), together with all "affiliates" and "associates" (as

such terms are defined in Rule 12b-2 under the Act) of such person, shall become the “beneficial owner” (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Parent representing fifty percent (50%) or more of either (A) the combined voting power of the Company’s then outstanding securities having the right to vote in an election of the Company’s Board (“Voting Securities”) or (B) the then outstanding shares of the Company’s common stock, par value \$0.01 per share (“Common Stock”) (other than as a result of an acquisition of securities directly from the Company); or

(ii) Incumbent Directors (as defined below) cease for any reason, including, without limitation, as a result of a tender offer, proxy contest, merger or similar transaction, to constitute at least a majority of the Board; or

(iii) The stockholders of the Company shall approve (A) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate fifty percent (50%) or more of the voting shares of the Company or other party issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), (B) any sale, lease, exchange or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company or (C) any plan or proposal for the liquidation or dissolution of the Company.

Notwithstanding the foregoing, a “Change of Control” shall not be deemed to have occurred for purposes of the foregoing clause (i) solely as the result of an acquisition of securities by the Company which, by reducing the number of shares of Common Stock or other Voting Securities outstanding, increases the proportionate number of shares beneficially owned by any person to fifty percent (50%) or more of either (A) the combined voting power of all of the then outstanding Voting Securities or (B) Common Stock; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities or Common Stock (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Company) and immediately thereafter beneficially owns fifty percent (50%) or more of either (A) the combined voting power of all of the then outstanding Voting Securities or (B) Common Stock, then a “Change of Control” shall be deemed to have occurred for purposes of the foregoing clause (i).

14. Contract Rights Not Exclusive. The rights to payment of Indemnifiable Amounts and advancement of Indemnifiable Expenses provided by this Agreement shall be in addition to, but not exclusive of, any other rights which Indemnitee may have at any time under applicable law, the Company’s By-laws or Certificate of Incorporation, or any other agreement, vote of stockholders or directors (or a committee of directors), or otherwise, both as to action in Indemnitee’s official capacity and as to action in any other capacity as a result of Indemnitee’s serving as an officer or director of the Company.

15. Successors. This Agreement shall be (a) binding upon all successors and assigns of the Company (including any transferee of all or a substantial portion of the business, stock and/or assets of the Company and any direct or indirect successor by merger or consolidation or otherwise by operation of law) and (b) binding on and shall inure to the benefit of the heirs, personal representatives, executors and administrators of Indemnatee. This Agreement shall continue for the benefit of Indemnatee and such heirs, personal representatives, executors and administrators after Indemnatee has ceased to have Corporate Status.

16. Subrogation. In the event of any payment of Indemnifiable Amounts under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of contribution or recovery of Indemnatee against other persons, and Indemnatee shall take, at the request of the Company, all reasonable action necessary to secure such rights, including the execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

17. Change in Law. To the extent that a change in Delaware law (whether by statute or judicial decision) shall permit broader indemnification or advancement of expenses than is provided under the terms of the By-laws of the Company and this Agreement, Indemnatee shall be entitled to such broader indemnification and advancements, and this Agreement shall be deemed to be amended to such extent.

18. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement, or any clause thereof, shall be determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, in whole or in part, such provision or clause shall be limited or modified in its application to the minimum extent necessary to make such provision or clause valid, legal and enforceable, and the remaining provisions and clauses of this Agreement shall remain fully enforceable and binding on the parties.

19. Indemnatee as Plaintiff. Except as provided in Section 10(c) of this Agreement and in the next sentence, Indemnatee shall not be entitled to payment of Indemnifiable Amounts or advancement of Indemnifiable Expenses with respect to any Proceeding brought by Indemnatee against the Company, any Entity which it controls, any director or officer thereof, or any third party, unless such Company has consented to the initiation of such Proceeding. This Section shall not apply to counterclaims or affirmative defenses asserted by Indemnatee in an action brought against Indemnatee, nor shall this Section apply to any Proceeding brought by Indemnatee in order to enforce Indemnatee's rights under any policies of insurance that the Company has secured under Section 13 above.

20. Modifications and Waiver. Except as provided in Section 17 above with respect to changes in Delaware law which broaden the right of Indemnatee to be indemnified by the Company, no supplement, modification or amendment of this Agreement shall be binding unless executed in writing by each of the parties hereto. This Agreement supercedes any prior indemnification agreements between the Indemnatee and the Company. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement (whether or not similar), nor shall such waiver constitute a continuing waiver.

21. General Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given (a) when delivered by hand, (b) when transmitted by facsimile and receipt is acknowledged, or (c) if mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

- (i) If to Indemnitee, to:
Susan M. McCuaig
c/o CIRCOR International, Inc.
25 Corporate Drive
Burlington, Massachusetts 01803
- (ii) If to the Company, to:
CIRCOR International, Inc.
25 Corporate Drive
Burlington, Massachusetts 01803
Attn: General Counsel

or to such other address as may have been furnished in the same manner by any party to the others.

22. Governing Law. This Agreement shall be governed by and construed and enforced under the laws of Delaware without giving effect to the provisions thereof relating to conflicts of law.

23. Consent to Jurisdiction. The Company hereby irrevocably and unconditionally consents to the jurisdiction of the courts of the State of Delaware and the United States District Court for the District of Delaware. The Company hereby irrevocably and unconditionally waives any objection to the laying of venue of any Proceeding arising out of or relating to this Agreement in the courts of the State of Delaware or the United States District Court for the District of Delaware, and hereby irrevocably and unconditionally waives and agrees not to plead or claim that any such Proceeding brought in any such court has been brought in an inconvenient forum.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

CIRCOR INTERNATIONAL, INC.

By: /S/ David A. Bloss Sr.

Name: David A. Bloss, Sr.

Title: Chairman, President & CEO

INDEMNITEE:

/S/ Susan M. McCuaig

Name: Susan M. McCuaig

INDEMNIFICATION AGREEMENT

This Agreement is made as of this 5th day of August 2005 ("Agreement"), by and between CIRCOR International, Inc., a Delaware corporation (the "Company," which term shall include, where appropriate, any Entity (as hereinafter defined) controlled directly or indirectly by the Company) and John W. Cope ("Indemnitee").

WHEREAS, it is essential to the Company that it be able to retain and attract as officers and directors the most capable persons available;

WHEREAS, increased corporate litigation has subjected officers and directors to litigation risks and expenses, and the limitations on the availability of directors and officers liability insurance have made it increasingly difficult for the Company to attract and retain such persons;

WHEREAS, the Company's Amended and Restated By-laws require it to indemnify its officers and directors to the fullest extent permitted by law and permit it to make other indemnification arrangements and agreements;

WHEREAS, the Company desires to provide Indemnitee with specific contractual assurance of Indemnitee's rights to full indemnification against litigation risks and expenses (regardless of, among other things, any amendment to or revocation of any such By-laws or any change in the ownership of the Company or the composition of its Board of Directors); and

WHEREAS, Indemnitee is relying upon the rights afforded under this Agreement in continuing in Indemnitee's position as an officer or director of the Company.

NOW, THEREFORE, in consideration of the promises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

1. Definitions.

(a) "Corporate Status" describes the status of a person who is serving or has served (i) as a director or officer of the Company, (ii) in any capacity with respect to any employee benefit plan of the Company, or (iii) as a director, partner, trustee, officer, employee or agent of any other Entity at the request of the Company. For purposes of subsection (iii) of this Section 1(a), an officer or director of the Company who is serving or has served as a director, partner, trustee, officer, employee or agent of a Subsidiary shall be deemed to be serving at the request of the Company.

(b) "Entity," shall mean any corporation, partnership, limited liability company, joint venture, trust, foundation, association, organization or other legal entity.

(c) "Expenses" shall mean all fees, costs and expenses incurred in connection with any Proceeding (as defined below), including, without limitation, attorneys' fees, disbursements and retainers (including, without limitation, any such fees,

disbursements and retainers incurred by Indemnatee pursuant to Sections 10 and 11(c) of this Agreement), fees and disbursements of expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), court costs, transcript costs, fees of experts, travel expenses, duplicating, printing and binding costs, telephone and fax transmission charges, postage, delivery services, secretarial services, and other disbursements and expenses.

(d) “Indemnifiable Expenses,” “Indemnifiable Liabilities” and “Indemnifiable Amounts” shall have the meanings ascribed to those terms in Section 3(a) below.

(e) “Liabilities” shall mean judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement.

(f) “Proceeding” shall mean any threatened, pending or completed claim, action, suit, arbitration, alternate dispute resolution process, investigation, administrative hearing, appeal, or any other proceeding, whether civil, criminal, administrative, arbitral or investigative, whether formal or informal, including a proceeding initiated by Indemnatee pursuant to Section 10 of this Agreement to enforce Indemnatee’s rights hereunder.

(g) “Subsidiary” shall mean any corporation, partnership, limited liability company, joint venture, trust or other Entity of which the Company owns (either directly or through or together with another Subsidiary of the Company) either (i) a general partner, managing member or other similar interest or (ii) (A) 50% or more of the voting power of the voting capital equity interests of such corporation, partnership, limited liability company, joint venture or other Entity, or (B) 50% or more of the outstanding voting capital stock or other voting equity interests of such corporation, partnership, limited liability company, joint venture or other Entity.

2. Services of Indemnatee. In consideration of the Company’s covenants and commitments hereunder, Indemnatee agrees to serve or continue to serve as a director or officer of the Company. However, this Agreement shall not impose any obligation on Indemnatee or the Company to continue Indemnatee’s service to the Company beyond any period otherwise required by law or by other agreements or commitments of the parties, if any.

3. Agreement to Indemnify. The Company agrees to indemnify Indemnatee as follows:

(a) Subject to the exceptions contained in Section 4(a) below, if Indemnatee was or is a party or is threatened to be made a party to any Proceeding (other than an action by or in the right of the Company) by reason of Indemnatee’s Corporate Status, Indemnatee shall be indemnified by the Company against all Expenses and Liabilities incurred or paid by Indemnatee in connection with such Proceeding (referred to herein as “Indemnifiable Expenses” and “Indemnifiable Liabilities,” respectively, and collectively as “Indemnifiable Amounts”).

(b) Subject to the exceptions contained in Section 4(b) below, if Indemnatee was or is a party or is threatened to be made a party to any Proceeding by or in the right of the Company to procure a judgment in its favor by reason of Indemnatee’s Corporate Status, Indemnatee shall be indemnified by the Company against all Indemnifiable Expenses.

(c) If Indemnatee, in connection with Indemnatee's Corporate Status, is compelled or asked to be a witness in connection with any Proceeding but is not otherwise a Party or threatened to be made a party to such Proceeding, Indemnatee shall be indemnified by the Company against all Indemnifiable Expenses.

4. Exceptions to Indemnification. Indemnatee shall be entitled to indemnification under Sections 3(a) and 3(b) above in all circumstances other than the following:

(a) If indemnification is requested under Section 3(a) and it has been adjudicated finally by a court of competent jurisdiction that, in connection with the subject of the Proceeding out of which the claim for indemnification has arisen, Indemnatee failed to act (i) in good faith and (ii) in a manner Indemnatee reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal action or proceeding, Indemnatee had reasonable cause to believe that Indemnatee's conduct was unlawful, Indemnatee shall not be entitled to payment of Indemnifiable Amounts hereunder.

(b) If indemnification is requested under Section 3(b) and

(i) it has been adjudicated finally by a court of competent jurisdiction that, in connection with the subject of the Proceeding out of which the claim for indemnification has arisen, Indemnatee failed to act (A) in good faith and (B) in a manner Indemnatee reasonably believed to be in or not opposed to the best interests of the Company, Indemnatee shall not be entitled to payment of Indemnifiable Expenses hereunder; or

(ii) it has been adjudicated finally by a court of competent jurisdiction that Indemnatee is liable to the Company with respect to any claim, issue or matter involved in the Proceeding out of which the claim for indemnification has arisen, including, without limitation, a claim that Indemnatee received an improper personal benefit, no Indemnifiable Expenses shall be paid with respect to such claim, issue or matter unless the Court of Chancery or another court in which such Proceeding was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, Indemnatee is fairly and reasonably entitled to indemnity for such Indemnifiable Expenses which such court shall deem proper.

5. Procedure for Payment of Indemnifiable Amounts. Indemnatee shall submit to the Company a written request specifying the Indemnifiable Amounts for which Indemnatee seeks payment under Section 3 of this Agreement and the basis for the claim. The Company shall pay such Indemnifiable Amounts to Indemnatee within twenty (20) calendar days of receipt of the request. At the request of the Company, Indemnatee shall furnish such documentation and information as are reasonably available to Indemnatee and necessary to establish that Indemnatee is entitled to indemnification hereunder.

6. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, and without limiting any such provision, to the extent that Indemnatee is, by reason of Indemnatee's Corporate Status, a

party to and is successful, on the merits or otherwise, in any Proceeding, Indemnatee shall be indemnified against all Expenses reasonably incurred by Indemnatee or on Indemnatee's behalf in connection therewith. If Indemnatee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnatee against all Expenses reasonably incurred by Indemnatee or on Indemnatee's behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Agreement, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

7. Effect of Certain Resolutions. Neither the settlement or termination of any Proceeding nor the failure of the Company to award indemnification or to determine that indemnification is payable shall create an adverse presumption that Indemnatee is not entitled to indemnification hereunder. In addition, the termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not create a presumption that Indemnatee did not act in good faith and in a manner which Indemnatee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal action or proceeding, had reasonable cause to believe that Indemnatee's action was unlawful.

8. Agreement to Advance Expenses; Conditions. The Company shall pay to Indemnatee all Indemnifiable Expenses incurred by Indemnatee in connection with any Proceeding, including a Proceeding by or in the right of the Company, in advance of the final disposition of such Proceeding. To the extent required by Delaware law, Indemnatee hereby undertakes to repay the amount of Indemnifiable Expenses paid to Indemnatee if it is finally determined by a court of competent jurisdiction that Indemnatee is not entitled under this Agreement to indemnification with respect to such Expenses. This undertaking is an unlimited general obligation of Indemnatee.

9. Procedure for Advance Payment of Expenses. Indemnatee shall submit to the Company a written request specifying the Indemnifiable Expenses for which Indemnatee seeks an advancement under Section 8 of this Agreement, together with documentation evidencing that Indemnatee has incurred such Indemnifiable Expenses. Payment of Indemnifiable Expenses under Section 8 shall be made no later than twenty (20) calendar days after the Company's receipt of such request.

10. Remedies of Indemnatee.

(a) Right to Petition Court. In the event that Indemnatee makes a request for payment of Indemnifiable Amounts under Sections 3 and 5 above or a request for an advancement of Indemnifiable Expenses under Sections 8 and 9 above and the Company fails to make such payment or advancement in a timely manner pursuant to the terms of this Agreement, Indemnatee may petition the Court of Chancery to enforce the Company's obligations under this Agreement.

(b) Burden of Proof. In any judicial proceeding brought under Section 10(a) above, the Company shall have the burden of proving by clear and convincing evidence that Indemnatee is not entitled to payment of Indemnifiable Amounts hereunder.

(c) Expenses. The Company agrees to reimburse Indemnatee in full for any Expenses incurred by Indemnatee in connection with investigating, preparing for, litigating, defending or settling any action brought by Indemnatee under Section 10(a) above, or in connection with any claim or counterclaim brought by the Company in connection therewith.

(d) Validity of Agreement. The Company shall be precluded from asserting in any Proceeding, including, without limitation, an action under Section 10(a) above, that the provisions of this Agreement are not valid, binding and enforceable or that there is insufficient consideration for this Agreement and shall stipulate in court that the Company is bound by all the provisions of this Agreement.

(e) Failure to Act Not a Defense. The failure of the Company (including its Board of Directors or any committee thereof, independent legal counsel or stockholders) to make a determination concerning the permissibility of the payment of Indemnifiable Amounts or the advancement of Indemnifiable Expenses under this Agreement shall not be a defense in any action brought under Section 10(a) above, and shall not create a presumption that such payment or advancement is not permissible.

11. Defense of the Underlying Proceeding.

(a) Notice by Indemnatee. Indemnatee agrees to notify the Company promptly upon being served with any summons, citation, subpoena, complaint, indictment, information, or other document relating to any Proceeding which may result in the payment of Indemnifiable Amounts or the advancement of Indemnifiable Expenses hereunder; provided, however, that the failure to give any such notice shall not disqualify Indemnatee from the right to receive payments of Indemnifiable Amounts or advancements of Indemnifiable Expenses unless the Company is materially and adversely prejudiced thereby.

(b) Indemnatee's Option to Control Defense. Subject to the provisions of Section 11(c) below, the Indemnatee shall have the right to control the defense of any Proceeding brought against the Indemnatee including, but not limited to, the selection of defense counsel and the determination of whether or not to consent to the entry of any judgment against Indemnatee or enter into any settlement or compromise. Alternatively, Indemnatee may elect to tender defense of the Proceeding to the Company by providing the

Company with written notice as soon as practicable after Indemnatee has learned of the circumstances giving rise to Indemnatee's claim for indemnification in connection with such Proceeding. Upon receipt of Indemnatee's notice tendering defense of the Proceeding to the Company, the Company, at the Company's sole cost and expense, shall provide such defense with counsel reasonably acceptable to the Indemnatee. In no event, however, shall the Company consent to the entry of any judgment against Indemnatee or enter into any settlement or compromise without the prior written consent of the Indemnatee.

(c) Limitations of Defense by Indemnatee. Notwithstanding paragraph 11(b) above and except as otherwise provided by paragraph 11(d) below, the Company's obligation to indemnify Indemnatee with respect to legal fees shall be limited to the fees charged by counsel unanimously selected by Indemnatee and all other persons similarly entitled to indemnification by the Company in the same Proceeding on account of their Corporate Status to defend the interests of all such persons entitled to indemnification. .

(d) Indemnatee's Right to Individual Counsel. Notwithstanding the provisions of Section 11(c) above, if in a Proceeding to which Indemnatee is a party by reason of Indemnatee's Corporate Status, Indemnatee reasonably concludes that it may have separate defenses or counterclaims to assert with respect to any issue which may not be consistent with the position of other defendants in such Proceeding, Indemnatee shall be entitled to be represented by separate legal counsel of Indemnatee's choice at the expense of the Company. In addition, if the Company fails to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes any action to declare this Agreement void or unenforceable, or institutes any action, suit or proceeding to deny or to recover from Indemnatee the benefits intended to be provided to Indemnatee hereunder, Indemnatee shall have the right to retain counsel of Indemnatee's choice, at the expense of the Company, to represent Indemnatee in connection with any such matter.

12. Representations and Warranties of the Company. The Company hereby represents and warrants to Indemnatee as follows:

(a) Authority. The Company has all necessary power and authority to enter into, and be bound by the terms of, this Agreement, and the execution, delivery and performance of the undertakings contemplated by this Agreement have been duly authorized by the Company.

(b) Enforceability. This Agreement, when executed and delivered by the Company in accordance with the provisions hereof, shall be a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar laws affecting the enforcement of creditors' rights generally.

13. Insurance.

(a) Prior to any Change of Control. Prior to any Change in Control (as defined in paragraph 13(c) below), the Company shall, from time to time, make the good faith determination whether or not it is practicable for the Company to obtain

and maintain a policy or policies of insurance with a reputable insurance company providing Indemnitee with coverage for losses from wrongful acts, and to ensure the Company's performance of its indemnification obligations under this Agreement. Among other considerations, the Company will weigh the costs of obtaining such insurance coverage against the protection afforded by such coverage. In all policies of director and officer liability insurance, Indemnitee shall be named as an insured in such a manner as to provide Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company's officers and directors. Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain such insurance if the Company determines in good faith that such insurance is not reasonably available, if the premium costs for such insurance are disproportionate to the amount of coverage provided, or if the coverage provided by such insurance is limited by exclusions so as to provide an insufficient benefit. The Company shall promptly notify Indemnitee of any good faith determination not to provide such coverage.

(b) Upon a Change of Control. In the event of and immediately upon a Change of Control (as defined in paragraph 13(c) below), the Company (or any successor to the interests of the Company by way of merger, sale of assets or otherwise) shall be obligated to continue, procure and/or otherwise maintain in effect for a period of six (6) years from the date on which such Change of Control is effective a policy or policies of insurance (the "Change of Control Coverage") with an insurance company having a minimum rating by A.M. Best (or its successor) of "excellent" providing Indemnitee with coverage for losses from wrongful acts occurring on or before the effective date of the Change of Control, and to ensure the Company's performance of its indemnification obligations under this Agreement. If such insurance is in place immediately prior to the Change of Control, then the Change of Control Coverage shall contain limits, deductibles and exclusions substantially identical to those in place immediately prior to the Change in Control. In the event that the Company does not maintain such insurance immediately prior to the Change of Control, the Change of Control Coverage shall contain such limits, deductibles and exclusions as are customary for companies of similar size as determined by an insurance brokerage company of national reputation, provided, however, that in no event shall the Change of Control Coverage contain limits, deductibles and exclusions that are less favorable to Indemnitee than those set forth in the policy or policies most recently maintained by the Company. Each policy evidencing the Change of Control Coverage shall contain an endorsement or other provision requiring that Indemnitee be provided with at least sixty (60) days written notice prior to the termination or non-renewal (as applicable) of such policy or policies.

(c) Definition of "Change of Control". For purposes of this Section 13, the term "Change of Control" shall mean any of the following:

(i) Any "person," as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Act") or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Parent or any of its subsidiaries), together with all "affiliates" and "associates" (as

such terms are defined in Rule 12b-2 under the Act) of such person, shall become the “beneficial owner” (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Parent representing fifty percent (50%) or more of either (A) the combined voting power of the Company’s then outstanding securities having the right to vote in an election of the Company’s Board (“Voting Securities”) or (B) the then outstanding shares of the Company’s common stock, par value \$0.01 per share (“Common Stock”) (other than as a result of an acquisition of securities directly from the Company); or

(ii) Incumbent Directors (as defined below) cease for any reason, including, without limitation, as a result of a tender offer, proxy contest, merger or similar transaction, to constitute at least a majority of the Board; or

(iii) The stockholders of the Company shall approve (A) any consolidation or merger of the Company where the stockholders of the Company, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate fifty percent (50%) or more of the voting shares of the Company or other party issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), (B) any sale, lease, exchange or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Company or (C) any plan or proposal for the liquidation or dissolution of the Company.

Notwithstanding the foregoing, a “Change of Control” shall not be deemed to have occurred for purposes of the foregoing clause (i) solely as the result of an acquisition of securities by the Company which, by reducing the number of shares of Common Stock or other Voting Securities outstanding, increases the proportionate number of shares beneficially owned by any person to fifty percent (50%) or more of either (A) the combined voting power of all of the then outstanding Voting Securities or (B) Common Stock; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities or Common Stock (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Company) and immediately thereafter beneficially owns fifty percent (50%) or more of either (A) the combined voting power of all of the then outstanding Voting Securities or (B) Common Stock, then a “Change of Control” shall be deemed to have occurred for purposes of the foregoing clause (i).

14. Contract Rights Not Exclusive. The rights to payment of Indemnifiable Amounts and advancement of Indemnifiable Expenses provided by this Agreement shall be in addition to, but not exclusive of, any other rights which Indemnitee may have at any time under applicable law, the Company’s By-laws or Certificate of Incorporation, or any other agreement, vote of stockholders or directors (or a committee of directors), or otherwise, both as to action in Indemnitee’s official capacity and as to action in any other capacity as a result of Indemnitee’s serving as an officer or director of the Company.

15. Successors. This Agreement shall be (a) binding upon all successors and assigns of the Company (including any transferee of all or a substantial portion of the business, stock and/or assets of the Company and any direct or indirect successor by merger or consolidation or otherwise by operation of law) and (b) binding on and shall inure to the benefit of the heirs, personal representatives, executors and administrators of Indemnatee. This Agreement shall continue for the benefit of Indemnatee and such heirs, personal representatives, executors and administrators after Indemnatee has ceased to have Corporate Status.

16. Subrogation. In the event of any payment of Indemnifiable Amounts under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of contribution or recovery of Indemnatee against other persons, and Indemnatee shall take, at the request of the Company, all reasonable action necessary to secure such rights, including the execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

17. Change in Law. To the extent that a change in Delaware law (whether by statute or judicial decision) shall permit broader indemnification or advancement of expenses than is provided under the terms of the By-laws of the Company and this Agreement, Indemnatee shall be entitled to such broader indemnification and advancements, and this Agreement shall be deemed to be amended to such extent.

18. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement, or any clause thereof, shall be determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, in whole or in part, such provision or clause shall be limited or modified in its application to the minimum extent necessary to make such provision or clause valid, legal and enforceable, and the remaining provisions and clauses of this Agreement shall remain fully enforceable and binding on the parties.

19. Indemnatee as Plaintiff. Except as provided in Section 10(c) of this Agreement and in the next sentence, Indemnatee shall not be entitled to payment of Indemnifiable Amounts or advancement of Indemnifiable Expenses with respect to any Proceeding brought by Indemnatee against the Company, any Entity which it controls, any director or officer thereof, or any third party, unless such Company has consented to the initiation of such Proceeding. This Section shall not apply to counterclaims or affirmative defenses asserted by Indemnatee in an action brought against Indemnatee, nor shall this Section apply to any Proceeding brought by Indemnatee in order to enforce Indemnatee's rights under any policies of insurance that the Company has secured under Section 13 above.

20. Modifications and Waiver. Except as provided in Section 17 above with respect to changes in Delaware law which broaden the right of Indemnatee to be indemnified by the Company, no supplement, modification or amendment of this Agreement shall be binding unless executed in writing by each of the parties hereto. This Agreement supercedes any prior indemnification agreements between the Indemnatee and the Company. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement (whether or not similar), nor shall such waiver constitute a continuing waiver.

21. General Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given (a) when delivered by hand, (b) when transmitted by facsimile and receipt is acknowledged, or (c) if mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(i) If to Indemnitee, to:
John W. Cope
[at Indemnitee's home address as set forth in the Company's records]

(ii) If to the Company, to:
CIRCOR International, Inc.
25 Corporate Drive, Suite 130
Burlington, Massachusetts 01803
Attn: General Counsel

or to such other address as may have been furnished in the same manner by any party to the others.

22. Governing Law. This Agreement shall be governed by and construed and enforced under the laws of Delaware without giving effect to the provisions thereof relating to conflicts of law.

23. Consent to Jurisdiction. The Company hereby irrevocably and unconditionally consents to the jurisdiction of the courts of the State of Delaware and the United States District Court for the District of Delaware. The Company hereby irrevocably and unconditionally waives any objection to the laying of venue of any Proceeding arising out of or relating to this Agreement in the courts of the State of Delaware or the United States District Court for the District of Delaware, and hereby irrevocably and unconditionally waives and agrees not to plead or claim that any such Proceeding brought in any such court has been brought in an inconvenient forum.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

CIRCOR INTERNATIONAL, INC.

By: /S/ David A. Bloss Sr.

Name: David A. Bloss, Sr.

Title: Chairman, President & CEO

INDEMNITEE:

/S/ John W. Cope

Name: John W. Cope

EXECUTIVE CHANGE OF CONTROL AGREEMENT

This EXECUTIVE CHANGE OF CONTROL AGREEMENT (“Agreement”) is made as of the 5th day of August, 2005, between Leslie Controls, Inc., a New Jersey corporation (the “Company”), and John W. Cope (“Executive”).

WHEREAS, the Company presently employs the Executive in which capacity the Executive serves as an officer of the Company and its Parent (as defined below); and

WHEREAS, the Board of Directors of the Parent (the “Board”) recognizes the valuable services rendered to the Company, the Parent and their respective affiliates by the Executive; and

WHEREAS, the Board has determined that it is in the best interests of the Company, the Parent and their affiliates to encourage in advance the continued loyalty of the Executive as well as the Executive’s continued attention to his assigned duties and objectivity in the event of a threatened or possible change in control of the Parent;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Definitions.** For purposes of this Agreement, the following terms shall have the following meanings:

“Cause” shall mean: (a) conduct by Executive constituting a material act of willful misconduct in connection with the performance of his duties, including, without limitation, misappropriation of funds or property of the Company or any of its affiliates other than the occasional, customary and de minimis use of Company property for personal purposes; (b) criminal or civil conviction of Executive, a plea of *nolo contendere* by Executive or conduct by Executive that would reasonably be expected to result in material injury to the reputation of the Company if he were retained in his position with the Company, including, without limitation, conviction of a felony involving moral turpitude; (c) continued, willful and deliberate non-performance by Executive of his duties hereunder (other than by reason of Executive’s physical or mental illness, incapacity or disability) which has continued for more than thirty (30) days following written notice of such non-performance from the Chief Executive Officer; or (d) a violation by Executive of the Company’s employment policies which has continued following written notice “of such violation from the Chief Executive Officer.

“Change in Control” shall mean any of the following:

(a) Any “person,” as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the “Act”) (other than the Parent, any of its subsidiaries, any member of the Home Family Group (as defined herein) or any trustee, fiduciary or other person or entity holding securities under any employee benefit plan or trust of the Parent

or any of its subsidiaries), together with all “affiliates” and “associates” (as such terms are defined in Rule 12b-2 under the Act) of such person, shall become the “beneficial owner” (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, of securities of the Parent representing twenty-five percent (25%) or more of either (A) the combined voting power of the Parent’s then outstanding securities having the right to voice in an election of the Parent’s Board (“Voting Securities”) or (B) the then outstanding shares of Parent’s common stock, par value \$0.01 per share (“Common Stock”) (other than as a result of an acquisition of securities directly from the Parent); or

(b) Incumbent Directors (as defined below) cease for any reason, including, without limitation, as a result of a tender offer, proxy contest, merger or similar transaction, to constitute at least a majority of the Board; or

(c) The stockholders of the Parent shall approve (A) any consolidation or merger of the Parent where the stockholders of the Parent, immediately prior to the consolidation or merger, would not, immediately after the consolidation or merger, beneficially own (as such term is defined in Rule 13d-3 under the Act), directly or indirectly, shares representing in the aggregate fifty percent (50%) or more of the voting shares of the Parent or other party issuing cash or securities in the consolidation or merger (or of its ultimate parent corporation, if any), (B) any sale, lease, exchange or other transfer (in one transaction or a series of transactions contemplated or arranged by any party as a single plan) of all or substantially all of the assets of the Parent or (C) any plan or proposal for the liquidation or dissolution of the Parent.

Notwithstanding the foregoing, a “Change of Control” shall not be deemed to have occurred for purposes of the foregoing clause (a) solely as the result of an acquisition of securities by the Parent which, by reducing the number of shares of Common Stock or other Voting Securities outstanding, increases the proportionate number of shares beneficially owned by any person to twenty-five percent (25%) or more of either (A) the combined voting power of all of the then outstanding Voting Securities or (B) Common Stock; provided, however, that if any person referred to in this sentence shall thereafter become the beneficial owner of any additional shares of Voting Securities or Common Stock (other than pursuant to a stock split, stock dividend, or similar transaction or as a result of an acquisition of securities directly from the Parent) and immediately thereafter beneficially owns twenty-five percent (25%) or more of either (A) the combined voting power of all of the then outstanding Voting Securities or (B) Common Stock, then a “Change of Control” shall be deemed to have occurred for purposes of the foregoing clause (a).

“**Good Reason**” shall mean that Executive has complied with the “Good Reason Process” (hereinafter defined) following the occurrence of any of the following events: (a) a substantial diminution or other substantive adverse change, not consented to by Executive, in the nature or scope of Executive’s responsibilities, authorities, powers, functions or duties; (b) any removal, during the term of this Agreement from Executive of his title as an officer of the Parent; (c) an involuntary reduction in Executive’s Base Salary except for across-the-board reductions similarly affecting all or substantially all management employees; (d) a breach by the Company of any of its other material obligations under this Agreement and the failure of the Company to cure such breach within thirty (30) days after written notice thereof by Executive; (e) the involuntary relocation of the Company’s offices at which Executive is principally employed or

the involuntary relocation of the offices of Executive's primary workgroup to a location more than thirty (30) miles from such offices, or the requirement by the Company that Executive be based anywhere other than the Company's offices at such location on an extended basis, except for required travel on the Company's business to an extent substantially consistent with Executive's business travel obligations; or (f) a reduction in Executive's opportunity for annual incentive compensation below the annual incentive opportunity most recently in effect under the Company's Executive Bonus Incentive Plan prior to the Change in Control. "Good Reason Process" shall mean that (i) Executive reasonably determines in good faith that a "Good Reason" event has occurred; (ii) Executive notifies the Company in writing of the occurrence of the Good Reason event; (iii) Executive cooperates in good faith with the Company's efforts, for a period not less than ninety (90) days following such notice, to modify Executive's employment situation in a manner acceptable to Executive and Company; and (iv) notwithstanding such efforts, one or more of the Good Reason events continues to exist and has not been modified in a manner acceptable to Executive. If the Company cures the Good Reason event in a manner acceptable to Executive during the ninety (90) day period, Good Reason shall be deemed not to have occurred.

"Incumbent Directors" shall mean persons who, as of the Commencement Date, constitute the Board; provided that any person becoming a director of the Parent subsequent to the Commencement Date shall be considered an Incumbent Director if such person's election was approved by or such person was nominated for election by a vote of at least a majority of the Incumbent Directors; but provided further, that any such person whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of members of the Board or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board, including by reason of agreement intended to avoid or settle any such actual or threatened contest or solicitation, shall not be considered an Incumbent Director.

"Parent" shall mean CIRCOR International, Inc., a Delaware corporation as well as its successors by merger or otherwise.

"Horne Family Group" shall mean Timothy P. Horne and the George B. Horne Voting Trust.

2. **Term.** The term of this Agreement shall extend from the date hereof (the "Commencement Date") until the first anniversary of the Commencement Date; provided, however, that the term of this Agreement shall automatically be extended for one additional year on the first anniversary of the Commencement Date and each anniversary thereafter unless, not less than 90 days prior to each such date, either party shall have given notice to the other that it does not wish to extend this Agreement; provided, further, that if a Change in Control occurs during the original or extended term of this Agreement, the term of this Agreement shall continue in effect for a period of not less than twelve (12) months beyond the month in which the Change in Control occurred.

3. **Change in Control Payment.** The provisions of this Paragraph 3 set forth certain terms of an agreement reached between Executive and the Company regarding Executive's rights

and obligations upon the occurrence of a Change in Control of the Parent. These provisions are intended to assure and encourage in advance Executive's continued attention and dedication to his assigned duties and his objectivity during the pendency and after the occurrence of any such event. These provisions shall terminate and be of no further force or effect beginning twelve (12) months after the occurrence of a Change of Control.

(a) Change in Control.

(i) If within twelve (12) months after the occurrence of the first event constituting a Change in Control, Executive's employment is terminated by the Company without Cause as defined in Section 1 or Executive terminates his employment for Good Reason as provided in Section 1, then the Company shall pay Executive a lump sum in cash in an amount equal to one (1) times the sum of (A) Executive's current Base Salary plus (B) Executive's highest annual incentive compensation under the Company's Executive Bonus Incentive Plan in the three (3) immediately preceding fiscal years, excluding any sign-on bonus, retention bonus or any other special bonus. Such lump sum cash payment shall be paid to Executive within thirty (30) days following the Date of Termination; and

(ii) Notwithstanding anything to the contrary in any applicable option agreement or stock-based award agreement, upon a Change in Control, all stock options and other stock-based awards granted to Executive by the Parent shall immediately accelerate and become exercisable or non-forfeitable as of the effective date of such Change in Control. In addition, all restricted stock units held by the Executive pursuant to the Management Stock Purchase Plan shall become fully vested upon a Change of Control and the Executive shall be entitled to receive the shares of stock represented by such restricted stock units. Executive shall also be entitled to any other rights and benefits with respect to stock-related awards, to the extent and upon the terms, provided in the employee stock option or incentive plan or any agreement or other instrument attendant thereto pursuant to which such options or awards were granted; and

(iii) If the Executive is otherwise eligible for participation in the Company's Supplemental Executive Retirement Plan ("SERP"), the Executive shall be fully vested in his accrued benefit under the SERP as of the Date of Termination; and

(iv) The Company shall, for a period of one (1) year commencing on the Date of Termination, pay such health insurance premiums as may be necessary to allow Executive, Executive's spouse and dependents to continue to receive health insurance coverage substantially similar to the coverage they received prior to the Date of Termination.

(b) Additional Limitation.

(i) Anything in this Agreement to the contrary notwithstanding, in the event that any compensation, payment or distribution by the Company to or for the benefit of Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (the "Severance Payments"), would be subject

to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the “Code”), the following provisions shall apply:

(A) If the Severance Payments, reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state and local income and employment taxes payable by Executive on the amount of the Severance Payments which are in excess of the Threshold Amount, are greater than or equal to the Threshold Amount, Executive shall be entitled to the full benefits payable under this Agreement.

(B) If the Threshold Amount is less than (x) the Severance Payments, but greater than (y) the Severance Payments reduced by the sum of (1) the Excise Tax and (2) the total of the Federal, state, and local income and employment taxes on the amount of the Severance Payments which are in excess of the Threshold Amount, then the benefits payable under this Agreement shall be reduced (but not below zero) to the extent necessary so that the maximum Severance Payments shall not exceed the Threshold Amount. To the extent that there is more than one method of reducing the payments to bring them within the Threshold Amount, Executive shall determine which method shall be followed; provided that if Executive fails to make such determination within 45 days after the Company has sent Executive written notice of the need for such reduction, the Company may determine the amount of such reduction in its sole discretion.

For the purposes of this Paragraph 3, “Threshold Amount” shall mean three times Executive’s “base amount” within the meaning of Section 280G(b)(3) of the Code and the regulations promulgated thereunder less one dollar (\$1.00); and “Excise Tax” shall mean the excise tax imposed by Section 4999 of the Code, and any interest or penalties incurred by Executive with respect to such excise tax.

(ii) The determination as to which of the alternative provisions of Paragraph 3(b)(i) shall apply to Executive shall be made by KPMG LLP or any other nationally recognized accounting firm selected by the Company (the “Accounting Firm”), which shall provide detailed supporting calculations both to the Company and Executive within 15 business days of the Date of Termination, if applicable, or at such earlier time as is reasonably requested by the Company or Executive. For purposes of determining which of the alternative provisions of Paragraph 3(b)(i) shall apply, Executive shall be deemed to pay federal income taxes at the highest marginal rate of federal income taxation applicable to individuals for the calendar year in which the determination is to be made, and state and local income taxes at the highest marginal rates of individual taxation in the state and locality of Executive’s residence on the Date of Termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes. Any determination by the Accounting Firm shall be binding upon the Company and Executive.

4. Unauthorized Disclosures. Executive acknowledges that in the course of his employment with the Company (and, if applicable, its predecessors), he has been allowed to become, and will continue to be allowed to become, acquainted with the Company's and the Parent's business affairs, information, trade secrets, and other matters which are of a proprietary or confidential nature, including but not limited to the Company's, the Parent's and their affiliates' and predecessors' operations, business opportunities, price and cost information, finance, customer information, business plans, various sales techniques, manuals, letters, notebooks, procedures, reports, products, processes, services, and other confidential information and knowledge (collectively the "Confidential Information") concerning the Company's, the Parent's and their affiliates' and predecessors' business. The Company agrees to provide on an ongoing basis such Confidential Information as the Company deems necessary or desirable to aid Executive in the performance of his duties. Executive understands and acknowledges that such Confidential Information is confidential, and he agrees not to disclose such Confidential Information to anyone outside the Company or the Parent except to the extent that (i) Executive deems such disclosure or use reasonably necessary or appropriate in connection with performing his duties on behalf of the Company and the Parent, (ii) Executive is required by order of a court of competent jurisdiction (by subpoena or similar process) to disclose or discuss any Confidential Information, provided that in such case, Executive shall promptly inform the Company or the Parent, as appropriate, of such event, shall cooperate with the Company or the Parent, as appropriate, in attempting to obtain a protective order or to otherwise restrict such disclosure, and shall only disclose Confidential Information to the minimum extent necessary to comply with any such court order; (iii) such Confidential Information becomes generally known to and available for use in the Company's industry (the "Fluid-Control Industry"), other than as a result of any action or inaction by Executive; or (iv) such information has been rightfully received by a member of the Fluid-Control Industry or has been published in a form generally available to the Fluid-Control Industry prior to the date Executive proposes to disclose or use such information. Executive further agrees that he will not during employment and/or at any time thereafter use such Confidential Information in competing, directly or indirectly, with the Company or the Parent. At such time as Executive shall cease to be employed by the Company, he will immediately turn over to the Company or the Parent, as appropriate, all Confidential Information, including papers, documents, writings, electronically stored information, other property, and all copies of them provided to or created by him during the course of his employment with the Company. The provisions of this Paragraph 4 shall survive termination of this Agreement for any reason.

5. Covenant Not to Compete. In consideration of the benefits afforded the Executive under the terms provided in this Agreement and as a means to aid in the performance and enforcement of the terms of the provisions of Paragraph 4, Executive agrees that

(a) during the term of Executive's employment with the Company and for a period of twelve (12) months thereafter, regardless of the reason for termination of employment, Executive will not, directly or indirectly, as an owner, director, principal, agent, officer, employee, partner, consultant, servant, or otherwise, carry on, operate, manage, control, or become involved in any manner with any business, operation, corporation, partnership, association, agency, or other person or entity which is engaged in a business that is competitive with any of the Company's or the Parent's products which are produced by the Company or the Parent or any affiliate of either entity as of the date of Executive's termination of employment

with the Company, in any area or territory in which the Company or the Parent or any affiliate of either entity conducts operations; provided, however, that the foregoing shall not prohibit Executive from owning up to one percent (1%) of the outstanding stock of a publicly held company engaged in the Fluid-Control Industry; and

(b) during the term of Executive's employment with the Company and for a period of twelve (12) months thereafter, regardless of the reason for termination of employment, Executive will not directly or indirectly solicit or induce any present or future employee of the Company or the Parent or any affiliate of either entity to accept employment with Executive or with any business, operation, corporation, partnership, association; agency, or other person or entity with which Executive may be associated, and Executive will not employ or cause any business, operation, corporation, partnership, association, agency, or other person or entity with which Executive may be associated to employ any present or future employee of the Company or the Parent without providing the Company or the Parent, as appropriate, with ten (10) days' prior written notice of such proposed employment.

Should Executive violate any of the provisions of this Paragraph, then in addition to all other rights and remedies available to the Company at law or in equity, the duration of this covenant shall automatically be extended for the period of time from which Executive began such violation until he permanently ceases such violation.

6. **Notice.** For purposes of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when delivered or mailed by United States certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

At his home address as shown in the Company's personnel records;

If to the Company:

Leslie Controls, Inc.
c/o CIRCOR International, Inc.
25 Corporate Drive, Suite 130
Burlington, MA 01803
Attention: Board of Directors of CIRCOR International, Inc.

or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

7. **Not an Employment Contract.** This Agreement is intended only to provide those benefits for the Executive as set forth in Paragraph 3 in connection with a Change of Control. As such, this Agreement is not intended to and does not in anyway constitute an employment agreement or other contract which would cause the employee to be considered anything other than an employee at will or to in any way be entitled to any specific payments or benefits from the Company in the event of a termination of employment not subject to Paragraph 3 of this Agreement.

8. **Miscellaneous.** No provisions of this Agreement may be modified, waived, or discharged unless such waiver, modification, or discharge is agreed to in writing and signed by Executive and such officer of the Company as may be specifically designated by the Board. No waiver by either party hereto of or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, unless specifically referred to herein, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. The validity, interpretation, construction, and performance of this Agreement shall be governed by the laws of the Commonwealth of Massachusetts (without regard to principles of conflicts of laws).

9. **Validity.** The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect. The invalid portion of this Agreement, if any, shall be modified by any court having jurisdiction to the extent necessary to render such portion enforceable.

10. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

11. **Arbitration; Other Disputes.** In the event of any dispute or controversy arising under or in connection with this Agreement, the parties shall first promptly try in good faith to settle such dispute or controversy by mediation under the applicable rules of the American Arbitration Association before resorting to arbitration. In the event such dispute or controversy remains unresolved in whole or in part for a period of thirty (30) days after it arises, the parties will settle any remaining dispute or controversy exclusively by arbitration in Boston, Massachusetts, in accordance with the rules of the American Arbitration Association then in effect. Judgment may be entered on the arbitrator's award in any court having jurisdiction. Notwithstanding the above, the Company shall be entitled to seek a restraining order or injunction in any court of competent jurisdiction to prevent any continuation of any violation of Paragraph 4 or 5 hereof.

12. **Litigation and Regulatory Cooperation.** During and after Executive's employment, Executive shall reasonably cooperate with the Company and the Parent in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company and/or the Parent which relate to events or occurrences that transpired while Executive was employed by the Company; provided, however, that such cooperation shall not materially and adversely affect Executive or expose Executive to an increased probability of civil or criminal litigation. Executive's cooperation in connection with such claims or actions shall include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Company and/or the Parent at mutually convenient times. During and after Executive's employment, Executive

also shall cooperate fully with the Company and the Parent in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while Executive was employed by the Company. The Company shall also provide Executive with compensation on an hourly basis (to be derived from the sum of his Base Compensation and Average Incentive Compensation) for requested litigation and regulatory cooperation that occurs after his termination of employment, and reimburse Executive for all costs and expenses incurred in connection with her performance under this Paragraph 12, including, but not limited to, reasonable attorneys’ fees and costs.

13. **Gender Neutral.** Wherever used herein, a pronoun in the masculine gender shall be considered as including the feminine gender unless the context clearly indicates otherwise.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the date and year first above written.

LESLIE CONTROLS, INC.

By: /S/ Kenneth W. Smith

Kenneth W. Smith
Vice President

EXECUTIVE

/S/ John W. Cope

John W. Cope

PRESS RELEASE

Contact: Kenneth W. Smith
Chief Financial Officer
CIRCOR International, Inc.
(781) 270-1200

CIRCOR Posts Record Earnings of \$0.38 Per Share in the Second Quarter

- Earnings before special charges increase 52% to \$0.39 per share as revenues rise 25%
- Shipments of delayed project orders boost Energy Products segment results
- Market conditions remain favorable in primary markets

Burlington, MA, August 4, 2005

CIRCOR International, Inc. (NYSE: CIR), a leading provider of valves and other fluid control products for the instrumentation, aerospace, thermal fluid and energy markets, today announced results for the second quarter ended July 3, 2005. Net income for the second quarter of 2005 was \$6.2 million, or \$0.38 per diluted share, compared to \$4.1 million, or \$0.26 per diluted share, for the 2004 second quarter. Revenues for the 2005 second quarter were \$118.7 million, an increase of 25% from \$94.6 million for the second quarter of 2004.

For the six months ended July 3, 2005, net income was \$11.3 million, or \$0.70 per diluted share. Net income for the six months ended June 27, 2004, totaled \$8.4 million, or \$0.53 per diluted share. Revenues for the first six months of 2005 were \$220.9 million, an increase of 19% from \$185.2 million for the first six months of 2004.

The Company indicated that higher shipment levels helped drive its second quarter results to the upper end of the guidance provided in the Company's April 27, 2005, press release and April 28, 2005, investor conference call. The Company's Chairman and Chief Executive Officer, David A. Bloss, Sr., said, "Our results for the quarter reflect the shipment of delayed project orders by our Energy Products segment and increased business activity in our industrial and aerospace markets. Despite the variable pattern of large project order bookings within our Energy Products segment, quotation activity remains strong and our backlogs continue to be well ahead of last year in substantially all of the Company's primary markets."

During the first half of 2005, the Company generated \$12.2 million of free cash flow (defined as net cash from operating activities, less capital expenditures and dividends paid) compared to \$9.5 million of free cash flow generated in the first half of 2004. Uses of free cash flow for 2005 include incremental capital expenditures totaling \$4.1 million related to two new facilities, one in the Netherlands and an expanded one being constructed in China.

Revenues for the Company's CIRCOR Energy Products segment increased 40% to \$55.7 million from \$39.7 million in the second quarter of last year and were up 23% on a year-to-date basis primarily due to the increase in shipments to international oil and gas projects. Incoming orders for the quarter were down 15% compared to the second quarter 2004 and, sequentially, decreased 7%. Mr. Bloss reiterated, however, that, "Market activity remains very healthy within the oil and gas sector. The negative order comparisons this quarter are primarily the result of the high volume of large project orders booked during the second quarter of 2004. Incoming orders for this segment have increased 8% on a year-to-date basis while backlogs have increased 22% compared to last year. We expect that project bookings for the third quarter will be healthy based upon letters of intent we have received thus far." Mr. Bloss added, "This segment achieved adjusted operating margins of 10.7% (excluding special charge items) for the second quarter 2005 primarily due to record second quarter shipments from our Pibiviesse business unit in Italy that serves the international project markets as well as profitability improvements in our North American operations. While producing higher margins than the average of the past several quarters, these operational improvements were somewhat offset by higher metals costs and approximately \$0.2 million in pretax costs associated with the initial phases of the consolidation of the Mallard operations into our Oklahoma City facility."

CIRCOR's Instrumentation and Thermal Fluid Controls Products segment revenues were up 15% to \$62.9 million for the second quarter compared to \$54.9 million for the same period last year and up 16% on a year-to-date basis. Excluding acquisitions, incoming orders for this segment were up 10% compared to the second quarter last year, while backlog at quarter-end increased 5% versus last year, and increased 4% sequentially. Operating income for this segment increased 22% during the second quarter of 2005 and adjusted operating margin was 12.1% (excluding special charge items) compared to 11.4% during the same period last year. Mr. Bloss noted, "The results for this segment benefited from stronger industrial market conditions that were partially offset by two factors, higher metal costs and unabsorbed manufacturing expenses due to manufacturing process improvement activities that allowed us to reduce the amount of inventory we carry at our instrumentation products operations."

CIRCOR provided guidance for its third quarter 2005 results, indicating that it expects earnings to be in the range of \$0.28 to \$0.31 per diluted share excluding special charges and other costs associated with the consolidation of the Mallard operations into the Oklahoma City facility, compared to \$0.22 per share in the third quarter last year. Third quarter estimates include an anticipated \$5.0 million to \$6.0 million reduction of inventory as a consequence of the progress in the Company's previously announced implementation of lean operating principles at its major manufacturing facilities. Mr. Bloss commented on the Company's outlook stating, "Our transition to a lean operating environment is starting to allow us to reduce floor space and inventory requirements and to complete our latest phase of facility consolidations. While these actions will have some negative impacts on near term results due to the costs of implementation and related under absorption, they are designed to improve our operating performance going forward. In addition, our healthy market conditions should allow us to accelerate our transition as we increase our inventory turns within a strong demand environment."

CIRCOR International has scheduled a conference call to review its results for the second quarter of 2005 on Friday, August 5, 2005, at 2:00 pm ET. Interested parties may access the call by dialing (800) 289-0496 or (913) 981-5519. A replay of the call will be available from 5:00 pm ET on August 5, 2005 through midnight on August 11, 2005. To access the replay, interested

parties should dial (888) 203-1112 or (719) 457-0820 and enter confirmation code #9881426 when prompted. The presentation slides that will be discussed in the conference call are expected to be available on Thursday, August 4, 2005, by 6:00 pm ET. The presentation slides may be downloaded from the quarterly earnings page of the investor section on the CIRCOR website: <http://www.CIRCOR.com>. An audio recording of the conference call also is expected to be posted on the company's website by August 9, 2005.

CIRCOR International, Inc. is a leading provider of valves and fluid control products that allow customers around the world to use fluids safely and efficiently in the instrumentation, thermal fluid regulation and petrochemical markets. CIRCOR's executive headquarters are located at 25 Corporate Drive, Burlington, MA 01803.

This press release contains certain statements that are "forward-looking statements" as that term is defined under the Private Securities Litigation Reform Act of 1995 (the "Act") and releases issued by the Securities and Exchange Commission (SEC). The words "may," "hope," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "potential," "continue," and other expressions which are predictions of or indicate future events and trends and which do not relate to historical matters identify forward-looking statements. We believe that it is important to communicate our future expectations to our stockholders, and we, therefore, make forward-looking statements in reliance upon the safe harbor provisions of the Act. However, there may be events in the future that we are not able to accurately predict or control, and our actual results, performance or achievements may differ materially from the expectations we describe in our forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, the cyclical nature and highly competitive nature of some of our end markets, changes in the price of and demand for oil and gas in both domestic and international markets, variability of raw material and component pricing, fluctuations in foreign currency exchange rates, and our ability to continue operating our manufacturing facilities at efficient levels and to successfully implement our lean and acquisition strategies. We advise you to read further about these and other risk factors set forth under the caption "Certain Risk Factors That May Affect Future Results" in our SEC filings. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

CIRCOR INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
UNAUDITED

	Three Months Ended		Six Months Ended	
	July 3, 2005	June 27, 2004	July 3, 2005	June 27, 2004
Net revenues	\$ 118,657	\$ 94,552	\$ 220,895	\$ 185,249
Cost of revenues	84,121	66,878	153,418	129,282
GROSS PROFIT	34,536	27,674	67,477	55,967
Selling, general and administrative expenses	24,043	20,557	48,134	41,082
Special charges	133	—	437	38
OPERATING INCOME	10,360	7,117	18,906	14,847
Other (income) expense:				
Interest income	(229)	(184)	(314)	(355)
Interest expense	896	1,156	1,768	2,347
Other (income) expense, net	204	(193)	23	(50)
Total other expense	871	779	1,477	1,942
INCOME BEFORE INCOME TAXES	9,489	6,338	17,429	12,905
Provision for income taxes	3,321	2,216	6,100	4,515
NET INCOME	\$ 6,168	\$ 4,122	\$ 11,329	\$ 8,390
Earnings per common share:				
Basic	\$ 0.39	\$ 0.27	\$ 0.73	\$ 0.55
Diluted	\$ 0.38	\$ 0.26	\$ 0.70	\$ 0.53
Weighted average common shares outstanding:				
Basic	15,676	15,334	15,597	15,321
Diluted	16,171	15,908	16,089	15,946

CIRCOR INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
UNAUDITED

	Six Months Ended	
	July 3, 2005	June 27, 2004
OPERATING ACTIVITIES		
Net income	\$ 11,329	\$ 8,390
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	5,183	5,033
Amortization	265	115
Compensation expense of stock-based plans	475	304
Loss on disposal of property, plant and equipment	20	11
Loss on write-down of property, plant and equipment	—	100
Gain on disposal of assets held for sale	—	(387)
Gain on sale of marketable securities	—	—
Equity in undistributed earnings of affiliates	(105)	(44)
Changes in operating assets and liabilities, net of effects from business acquisitions:		
Trade accounts receivable	(5,793)	1,785
Inventories	(9,745)	(5,624)
Prepaid expenses and other assets	(290)	(729)
Accounts payable, accrued expenses and other liabilities	18,793	4,593
Net cash provided by operating activities	20,132	13,547
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(6,804)	(2,869)
Proceeds from disposal of property, plant and equipment	7	732
Proceeds from sale of assets held for sale	—	3,030
Business acquisitions, net of cash acquired	(41,497)	(12,156)
Purchase price adjustments on previous acquisitions	(596)	(1,010)
Purchase of investments	—	(1,456)
Proceeds from sale of investments	—	1,456
Other	—	(15)
Net cash used in investing activities	(48,890)	(12,288)
FINANCING ACTIVITIES		
Proceeds from long-term borrowings	2,645	125
Payments of long-term debt	(3,135)	(3,462)
Dividends paid	(1,175)	(1,149)
Proceeds from the exercise of stock options	2,756	243
Net cash provided by (used in) financing activities	1,091	(4,243)
Effect of exchange rate changes on cash and cash equivalents	(1,717)	(691)
DECREASE IN CASH AND CASH EQUIVALENTS	(29,384)	(3,675)
Cash and cash equivalents at beginning of year	58,653	58,202
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 29,269	\$ 54,527

CIRCOR INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)
UNAUDITED

	<u>July 3, 2005</u>	<u>December 31, 2004</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 29,269	\$ 58,653
Investments	4,026	4,155
Trade accounts receivable, less allowance for doubtful accounts of \$2,150 and \$2,549, respectively	68,777	64,521
Inventories	114,491	105,150
Prepaid expenses and other current assets	4,746	2,414
Deferred income taxes	4,705	6,953
Assets held for sale	1,319	—
	<hr/>	<hr/>
Total Current Assets	227,333	241,846
	<hr/>	<hr/>
Property, Plant and Equipment, net	59,871	59,302
Other Assets:		
Goodwill	143,755	120,307
Intangibles, net	4,840	1,424
Other assets	10,194	5,539
	<hr/>	<hr/>
Total Assets	\$ 445,993	\$ 428,418
	<hr/>	<hr/>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 48,018	\$ 38,023
Accrued expenses and other current liabilities	33,220	30,490
Income taxes payable	2,432	1,362
Notes payable and current portion of long-term debt	15,550	15,051
	<hr/>	<hr/>
Total Current Liabilities	99,220	84,926
	<hr/>	<hr/>
Long-Term Debt, net of current portion	28,116	27,829
Deferred Income Taxes	7,651	6,932
Other Non-Current Liabilities	10,863	10,646
Minority Interest	—	4,650
Shareholders' Equity:		
Preferred stock, \$.01 par value; 1,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, \$.01 par value; 29,000,000 shares authorized; and 15,705,399 and 15,430,305 issued and outstanding, respectively	157	154
Additional paid-in capital	212,966	208,392
Retained earnings	74,447	64,293
Accumulated other comprehensive income	12,573	20,596
	<hr/>	<hr/>
Total Shareholders' Equity	300,143	293,435
	<hr/>	<hr/>
Total Liabilities and Shareholders' Equity	\$ 445,993	\$ 428,418
	<hr/>	<hr/>

CIRCOR INTERNATIONAL, INC.
SUMMARY OF ORDERS AND BACKLOG
(in thousands)
UNAUDITED

		Three Months Ended		Six Months Ended	
		July 3, 2005	June 27, 2004	July 3, 2005	June 27, 2004
ORDERS					
Instrumentation & Thermal Fluid Controls		\$ 62,087	\$ 54,153	\$ 128,521	\$ 111,253
Energy Products		42,188	49,598	87,713	81,473
Total orders		\$ 104,275	\$ 103,751	\$ 216,234	\$ 192,726
			July 3, 2005		December 31, 2004
BACKLOG					
Instrumentation & Thermal Fluid Controls			\$ 61,970		\$ 39,819
Energy Products			66,677		75,923
Total backlog			\$ 128,647		\$ 115,742

Note: Backlog includes all unshipped customer orders.

CIRCOR INTERNATIONAL, INC.
SUMMARY REPORT BY SEGMENT
(in thousands, except earnings per share)
UNAUDITED

	2004					2005		
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	YTD	1ST QTR	2ND QTR	YTD
NET REVENUES								
Instrumentation & Thermal Fluid Controls (TFC)	\$51,639	\$54,864	\$52,966	\$ 59,187	\$218,656	\$ 61,025	\$ 62,908	\$123,933
Energy Products	39,058	39,688	36,794	47,638	163,178	41,213	55,749	96,962
Total	90,697	94,552	89,760	106,825	381,834	102,238	118,657	220,895
OPERATING MARGIN								
Instrumentation & TFC	11.2%	11.4%	10.9%	10.5%	11.0%	14.8%	12.1%	13.4%
Energy Products	10.9%	7.7%	7.8%	-2.3%	5.6%	8.0%	10.7%	9.5%
Segment operating margin	11.1%	9.8%	9.7%	4.7%	8.7%	12.0%	11.5%	11.7%
Corporate expenses	-2.5%	-2.3%	-2.9%	-3.6%	-2.8%	-3.4%	-2.6%	-3.0%
Special charges	0.0%	0.0%	-0.3%	0.0%	-0.1%	-0.3%	-0.1%	-0.2%
Total operating margin	8.5%	7.5%	6.5%	1.2%	5.7%	8.4%	8.7%	8.6%
OPERATING INCOME								
Instrumentation & TFC (excl. special charges)	5,776	6,239	5,786	6,188	23,989	9,004	7,641	16,645
Energy Products (excl. special charges)	4,251	3,066	2,877	(1,116)	9,078	3,290	5,957	9,247
Segment operating income (excl. special charges)	10,027	9,305	8,663	5,072	33,067	12,294	13,598	25,892
Corporate expenses	(2,259)	(2,188)	(2,585)	(3,798)	(10,830)	(3,443)	(3,105)	(6,548)
Special charges	(38)	—	(265)	—	(303)	(305)	(133)	(438)
Total operating income	7,730	7,117	5,813	1,274	21,934	8,546	10,360	18,906
INTEREST EXPENSE, NET	(1,020)	(972)	(1,001)	(697)	(3,690)	(787)	(667)	(1,454)
OTHER (EXPENSE) INCOME, NET	(143)	193	241	(57)	234	181	(204)	(23)
PRETAX INCOME	6,567	6,338	5,053	520	18,478	7,940	9,489	17,429
PROVISION FOR INCOME TAXES	(2,299)	(2,216)	(1,770)	(390)	(6,675)	(2,779)	(3,321)	(6,100)
EFFECTIVE TAX RATE	35.0%	35.0%	35.0%	75.0%	36.1%	35.0%	35.0%	35.0%
NET INCOME	\$ 4,268	\$ 4,122	\$ 3,283	\$ 130	\$ 11,803	\$ 5,161	\$ 6,168	\$ 11,329
Weighted Average Common Shares Outstanding (Diluted)	16,001	15,908	15,825	15,932	15,877	16,054	16,171	16,089
EARNINGS PER COMMON SHARE (Diluted)	\$ 0.27	\$ 0.26	\$ 0.21	\$ 0.01	\$ 0.74	\$ 0.32	\$ 0.38	\$ 0.70
EARNINGS PER COMMON SHARE (Diluted) excluding special charges	\$ 0.27	\$ 0.26	\$ 0.22	\$ 0.01	\$ 0.76	\$ 0.33	\$ 0.39	\$ 0.72
EBIT	\$ 7,587	\$ 7,310	\$ 6,054	\$ 1,217	\$ 22,168	\$ 8,727	\$ 10,156	\$ 18,883
Depreciation	2,680	2,353	2,528	2,103	9,664	2,597	2,586	5,183
Amortization of intangibles	77	38	38	39	192	38	227	265
EBITDA	\$10,344	\$ 9,701	\$ 8,620	\$ 3,359	\$ 32,024	\$ 11,362	\$ 12,969	\$ 24,331
EBITDA AS A PERCENT OF SALES	11.4%	10.3%	9.6%	3.1%	8.4%	11.1%	10.9%	11.0%
CAPITAL EXPENDITURES	\$ 1,294	\$ 1,575	\$ 757	\$ 1,661	\$ 5,287	\$ 3,668	\$ 3,136	\$ 6,804

CIRCOR INTERNATIONAL, INC.
RECONCILIATION OF KEY PERFORMANCE MEASURES TO COMMONLY USED
GENERALLY ACCEPTED ACCOUNTING PRINCIPLE TERMS
(in thousands)
UNAUDITED

	2004					2005		
	1ST QTR	2ND QTR	3RD QTR	4TH QTR	YTD	1ST QTR	2ND QTR	YTD
FREE CASH FLOW [NET CASH FLOW FROM OPERATING ACTIVITIES LESS CAPITAL EXPENDITURES LESS DIVIDENDS PAID]	\$ 2,254	\$ 7,275	\$ 4,438	\$ 7,692	\$ 21,659	\$ (412)	\$ 12,565	\$ 12,153
ADD: Capital expenditures	1,294	1,575	757	1,661	5,287	3,668	3,136	6,804
Dividends paid	573	576	576	578	2,303	586	589	1,175
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 4,121	\$ 9,426	\$ 5,771	\$ 9,931	\$ 29,249	\$ 3,842	\$ 16,290	\$ 20,132
NET (CASH) DEBT [TOTAL DEBT LESS CASH AND CASH EQUIVALENTS LESS INVESTMENTS]	\$ (8,706)	\$ (4,054)	\$ (9,918)	\$ (19,928)	\$ (19,928)	\$ 15,367	\$ 10,371	\$ 10,371
ADD: Cash and cash equivalents	59,963	54,527	60,055	58,653	58,653	24,942	29,269	29,269
Investments	7,679	7,517	7,953	4,155	4,155	4,117	4,026	4,026
TOTAL DEBT	\$ 58,936	\$ 57,990	\$ 58,090	\$ 42,880	\$ 42,880	\$ 44,426	\$ 43,666	\$ 43,666
NET DEBT AS % OF NET CAPITALIZATION	-3.3%	-1.5%	-3.6%	-7.3%	-7.3%	4.9%	3.3%	3.3%
NET CAPITALIZATION [TOTAL DEBT PLUS SHAREHOLDERS' EQUITY LESS CASH AND CASH EQUIVALENTS, LESS INVESTMENTS]	\$ 267,728	\$ 276,260	\$ 275,870	\$ 273,507	\$ 273,507	\$ 313,378	\$ 310,514	\$ 310,514
LESS: Total debt	(58,936)	(57,990)	(58,090)	(42,880)	(42,880)	(44,426)	(43,666)	(43,666)
ADD: Cash and cash equivalents	59,963	54,527	60,055	58,653	58,653	24,942	29,269	29,269
Investments	7,679	7,517	7,953	4,155	4,155	4,117	4,026	4,026
TOTAL SHAREHOLDERS' EQUITY	276,434	280,314	285,788	293,435	293,435	298,011	300,143	300,143
ADD: Total debt	58,936	57,990	58,090	42,880	42,880	44,426	43,666	43,666
TOTAL CAPITAL	\$ 335,370	\$ 338,304	\$ 343,878	\$ 336,315	\$ 336,315	\$ 342,437	\$ 343,809	\$ 343,809
TOTAL DEBT / TOTAL CAPITAL	17.6%	17.1%	16.9%	12.7%	12.7%	13.0%	12.7%	12.7%
EBIT [NET INCOME LESS INTEREST EXPENSE, NET]	\$ 7,587	\$ 7,310	\$ 6,054	\$ 1,217	\$ 22,168	\$ 8,727	\$ 10,156	\$ 18,883
LESS: Interest expense, net	(1,020)	(972)	(1,001)	(697)	(3,690)	(787)	(667)	(1,454)
Provision for income taxes	(2,299)	(2,216)	(1,770)	(390)	(6,675)	(2,779)	(3,321)	(6,100)
NET INCOME	\$ 4,268	\$ 4,122	\$ 3,283	\$ 130	\$ 11,803	\$ 5,161	\$ 6,168	\$ 11,329
EBITDA [NET INCOME LESS INTEREST EXPENSE, NET LESS DEPRECIATION LESS AMORTIZATION LESS TAXES]	\$ 10,344	\$ 9,701	\$ 8,620	\$ 3,359	\$ 32,024	\$ 11,362	\$ 12,969	\$ 24,331
LESS:								
Interest expense, net	(1,020)	(972)	(1,001)	(697)	(3,690)	(787)	(667)	(1,454)
Depreciation	(2,680)	(2,353)	(2,528)	(2,103)	(9,664)	(2,597)	(2,586)	(5,183)
Amortization of intangibles	(77)	(38)	(38)	(39)	(192)	(38)	(227)	(265)
Provision for income taxes	(2,299)	(2,216)	(1,770)	(390)	(6,675)	(2,779)	(3,321)	(6,100)
NET INCOME	\$ 4,268	\$ 4,122	\$ 3,283	\$ 130	\$ 11,803	\$ 5,161	\$ 6,168	\$ 11,329
INCOME EXCLUDING SPECIAL CHARGES [NET INCOME LESS SPECIAL CHARGES, NET OF TAX]	\$ 4,293	\$ 4,122	\$ 3,455	\$ 130	\$ 11,997	\$ 5,359	\$ 6,254	\$ 11,614
LESS: Special charges, net of tax	(25)	—	(172)	—	(194)	(198)	(86)	(285)
NET INCOME	\$ 4,268	\$ 4,122	\$ 3,283	\$ 130	\$ 11,803	\$ 5,161	\$ 6,168	\$ 11,329