

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
Date of report (Date of earliest event reported): February 22, 2021

KAMAN CORPORATION

(Exact name of registrant as specified in its charter)

Connecticut
(State or Other Jurisdiction of Incorporation)

001-35419
(Commission File Number)

06-0613548
(IRS Employer Identification No.)

1332 Blue Hills Avenue, Bloomfield, Connecticut
(Address of principal executive offices)

06002
(Zip Code)

(860) 243-7100
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock (\$1 par value per share)	KAMN	New York Stock Exchange LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

☐

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Grant of Long-Term Incentive Awards

On February 22, 2021, the Compensation Committee (the “Committee”) of the Board of Directors of Kaman Corporation (the “Company”) took action to modify the Company’s long-term incentive program to increase the emphasis on equity and permit the more timely reporting of long-term incentive compensation payouts. In so doing, the Committee approved the grant of a combination of time-based restricted share awards (“RSAs”) and performance-based restricted share units (“PSUs”) and, together with the RSAs, the “Long-Term Incentive Awards”) to the Company’s senior leadership group, including our Named Executive Officers. The Committee also approved a new form of Restricted Share Agreement and a new form of Performance Stock Unit Award Agreement to evidence the Long-Term Incentive Awards, as well as future RSAs and PSUs granted under, and subject to the terms and conditions of, the Management Incentive Plan.

The following table sets forth certain information relating to the Long-Term Incentive Awards that were granted to each of our Named Executive Officers on February 22, 2021:

Name	Target %	Target Value	RSAs	PSUs
Neal J. Keating	--	--	--	--
Ian K. Walsh	300%	\$2,550,200	19,385	26,065
Robert D. Starr	150%	\$706,144	3,145	9,440
Richard R. Barnhart	--	--	--	--
Shawn G. Lisle	105%	\$438,780	1,955	5,865
Gregory T. Troy	--	--	--	--
James G. Coogan	55%	\$151,216	675	2,020

The aggregate target value of the Long-Term Incentive Awards for each Named Executive Officer was determined as the indicated percentage of such officer’s base salary in effect as of the date of grant and allocated such that (i) 25% of the aggregate target value was granted in the form of RSAs and (ii) 75% of the aggregate target value was granted in the form of PSUs. The target values shown in the table were determined based upon the closing price of the Company’s common stock on February 8, 2021, or \$56.11 per share. The number of RSAs granted to Mr. Walsh includes an additional one-time grant of 10,695 RSAs, or approximately \$600,000 in value, in accordance with the terms and provisions of the Walsh Employment Agreement. No awards are shown for Messrs. Keating, Barnhart and Troy because they either have or are currently in the process of retiring from the Company.

Each RSA will vest ratably over three years, commencing as of March 1, 2022 and continuing as of the first and second anniversaries of such date, subject to the continued employment of the participant through the applicable vesting date. In the event that a participant’s employment with the Company terminates for any reason other than, death, disability or retirement all unvested shares shall be forfeited to the Company. In the event that a participant dies or becomes disabled while in the employ of the Company or retires after attaining age 62 with at least five years of employment service or after attaining age 65, all unvested shares will become fully vested. All holders of RSAs will be entitled to receive dividends when and as paid on the Company’s common stock.

Each PSU represents the contingent right to receive one share of the Company’s common stock, or at the Company’s election, the value of such share, subject to the terms and conditions set forth in the Performance Stock Unit Award Agreement evidencing each award. Depending on the financial performance of the Company during the three year performance period commencing as of January 1, 2021 and ending as of December 31, 2023 (the “Performance Period”), the holder of each PSU may earn from 0% to 200% of the target number of PSUs. The performance measures for each PSU are average return on total capital (“ROIC”) and total shareholder return (“TSR”), each equally weighted at 50% of the total award. ROIC will be measured against internally generated targets and TSR will be measured on a relative basis against the performance of the companies comprising the Russell 2000 index during the Performance Period. Earned PSUs, if any, shall vest on the last day of the Performance Period (the “Vesting Date”) if the participant is then employed by the Company. In the event that a

participant's employment with the Company terminates for any reason other than death, disability or retirement prior to the Vesting Date, all unvested PSUs shall be forfeited to the Company. In the event that a participant dies or becomes disabled while in the employ of the Company or retires after attaining age 62 with at least five years of employment service or after attaining age 65 prior to the Vesting Date, the number of PSUs that become earned shall be determined at the end of the Performance Period and the earned PSUs, if any, shall be settled on a pro rata basis. All holders of PSUs will be entitled to receive dividend equivalents on earned PSUs when the awards are settled after the completion of the Performance Period.

The foregoing descriptions of the RSAs and the PSUs are not complete and are qualified in their entirety by reference to the full text of the form of Restricted Share Agreement and the form of Performance Stock Unit Award Agreement, copies of each of which are filed as Exhibits 10.1 and 10.2, respectively, to this Current Report on Form 8-K and are incorporated herein by this reference.

Elimination of Automobile Allowance Perquisites

On February 22, 2021, the Committee also took action to eliminate the automobile allowance perquisite previously provided to certain of our NEOs. The annual base salaries of the affected individuals were increased by the full amount of the discontinued perquisite, effective March 1, 2021.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

The following exhibits are filed as part of this report:

<u>Exhibit</u>	<u>Description</u>
10.1	<u>Form of Restricted Share Agreement* under the Amended and Restated Kaman Corporation 2013 Management Incentive Plan.</u>
10.2	<u>Form of Performance Stock Unit Award Agreement* under the Amended and Restated Kaman Corporation 2013 Management Incentive Plan.</u>
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File, formatted in iXBRL and contained in Exhibit 101

* Management contract or compensatory plan.

SIGNATURES

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

KAMAN CORPORATION

By: /s/ Shawn G. Lisle
Shawn G. Lisle
Senior Vice President and General Counsel

Date: February 26, 2021

RESTRICTED SHARE AGREEMENT
(Under the Kaman Corporation
Amended and Restated 2013 Management Incentive Plan)

THIS RESTRICTED SHARE AGREEMENT (this “Agreement”), is made and entered into as of the ___ day of _____, 20___, by and between KAMAN CORPORATION, a Connecticut corporation with its principal office in Bloomfield, Connecticut (the “Company”), and «FIRST_NAME» «MI» «LAST_NAME», (the “Participant”).

Grant Date: [Insert Date]

Number of Restricted Shares: [Insert Number of Shares]

1. Restricted Share Award.

(a) Subject to the terms and conditions set forth in this Agreement, the Company hereby grants to the Participant, effective as of the Grant Date set forth above (the “Grant Date”), the number of Restricted Shares set forth above (the “Restricted Shares”). The Restricted Shares are granted under, and are subject to all of the terms and provisions of, the Kaman Corporation Amended and Restated 2013 Management Incentive Plan (the “Plan”). All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan.

(b) The number of Restricted Shares shall be transferred to the Participant as additional compensation for services rendered to the Company or one of its Subsidiaries. The Restricted Shares may be subject to forfeiture during a specified time period, as more particularly described in Sections 2 and 3 of this Agreement.

(c) In order for the transfer of Restricted Shares to occur, each Participant must execute and deliver a copy of this Agreement to the Chief Human Resources Officer of the Company (the “Custodian”) at the Company’s principal executive offices located in Bloomfield, Connecticut, within sixty (60) days of the Grant Date. Promptly thereafter, the Restricted Shares shall be issued in uncertificated form and recorded on the shareholder records maintained by the Transfer Agent and Registrar of the Company’s Common Stock (the “Transfer Agent”). If the Restricted Shares are subject to forfeiture, the Custodian will cause a notation to be placed on such records restricting any transfer of the Restricted Shares until the end of the applicable Installment Restriction Period described in Section 2 of this Agreement. Restricted Shares not subject to forfeiture at the Grant Date shall also be promptly issued in uncertificated form to the Participant but without such restrictive notation.

(d) Effective upon the date of issuance to the Participant of the Restricted Shares registered in the Participant’s name, the Participant will be a holder of record of the Restricted Shares and will have, subject to the terms and conditions of this Agreement, all rights of a shareholder with respect to such Shares including the right to vote such Shares at any meeting of shareholders of the Company at which such Shares are entitled to vote and the right to receive all distributions of any kind paid with respect to such Shares. If distributions are paid in the form of Shares, any such Shares will be deemed additional “Restricted Shares” hereunder, will be subject to forfeiture if and to the same extent as the Shares with respect to which such

Shares are paid as a dividend and will be issued in the same manner as provided in subsection (c) above.

2. Lapse of Restrictions.

(a) All restrictions set forth in Section 3 below will lapse in their entirety with respect to one-third (33.33%) of the Restricted Shares on each of the following dates:

March 1, 20__
March 1, 20__
March 1, 20__

Each such period is called an “Installment Restriction Period.” Installment Restriction Periods are collectively referred to as the “Restriction Period.” Subject to the following provisions, Restricted Shares subject to an Installment Restriction Period shall, as of the end of that Installment Restriction Period, be no longer subject to forfeiture (e.g., they will become “vested”).

(b) As soon as reasonably practicable after the end of an Installment Restriction Period, the Custodian will instruct the Transfer Agent to remove the transfer restriction notation referred to in Section 1(c) of this Agreement; provided, however, that the Custodian shall not issue such instruction until the Participant has either (i) paid, or (ii) made provisions satisfactory to the Committee for the payment of, all applicable tax withholding obligations.

(c) If the Participant’s employment with or other service to the Company or a Subsidiary terminates during the Restriction Period because of death or Disability (as defined in Section 22(e)(3) of the Code), effective on the date of that event all restrictions set forth in Section 3 of this Agreement will lapse in their entirety with respect to all of the Restricted Shares and all such Shares shall be vested.

(d) The vesting of Restricted Shares under this Agreement will result in the Participant’s recognition of income for federal and state tax purposes (and/or foreign tax purposes, if applicable) and shall be subject to all applicable tax and tax withholding requirements. The Company or any Subsidiary shall have the authority and the right to deduct or withhold, or require the Participant to remit to the Company, an amount sufficient to satisfy all applicable federal, state, local and foreign taxes (including Participant’s FICA or employment tax obligations) required by law to be withheld with respect to the vesting of the Restricted Shares. The Company may, in its sole discretion and in satisfaction of the foregoing requirement, withhold, or allow the Participant to elect to have the Company withhold, Shares otherwise issuable upon the vesting of any of the Restricted Shares (or allow the surrender of Shares). Unless otherwise determined by the Committee, the number of Shares so withheld or surrendered shall be limited to the number of Shares that have a Fair Market Value on the date of withholding or repurchase no greater than the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes that are applicable to supplemental taxable income. For purposes of this paragraph, such withheld or surrendered Shares shall be valued at the closing price of the Company’s

Common Stock in the New York Stock Exchange on the most recent trading day preceding the date of determination on which sales of the Shares occurred.

3. Restrictions. The Restricted Shares are restricted and subject to forfeiture in accordance with and subject to the following provisions:

(a) Except as provided in Sections 2(c) and 3(b), if the Participant's employment with or other service to the Company or a Subsidiary terminates during the Restriction Period, then effective upon the date of termination, all Restricted Shares which are not vested shall automatically be forfeited to the Company. Employment or other service will not be deemed to have terminated for this purpose by reason of a leave of absence approved by the Committee.

(b) In the event that the Participant's employment with the Company or a Subsidiary terminates other than for "Cause" (as defined below) (i) after attaining age 62 with at least five years of employment service or (ii) after attaining age 65 (a "Retirement") during the Restriction Period, effective upon such Retirement the Restricted Shares which are not vested will automatically be vested. For purposes of this Agreement, "Cause" means (x) the willful refusal by the Participant to perform proper responsibilities of the Participant's position with the Company or a Subsidiary, (y) a violation of law by the Participant which adversely affects the assets, financial position or reputation of the Company or a Subsidiary, or (z) a violation by the Participant of any code of ethics, code of conduct or similar policy maintained by the Company or a Subsidiary. A Participant's service shall be deemed to have terminated for Cause if, after the Participant's service has terminated, facts and circumstances are discovered that would have justified a termination for Cause.

(c) None of the Restricted Shares, nor the Participant's interest in any of the Restricted Shares, may be encumbered, sold, assigned, transferred, pledged or otherwise disposed of at any time during the Restriction Period. In the event of any such action, all then Restricted Shares shall automatically be forfeited to the Company effective upon the date of such event. The Participant will repay to the Company all dividends, if any, paid on or after the date of the event with respect to the forfeited Shares.

(d) If the Participant at any time forfeits Restricted Shares pursuant to this Agreement, the Custodian is authorized to cause such forfeited Shares to be cancelled and transferred to the Company. All of the Participant's rights to and interest in the Restricted Shares shall terminate upon forfeiture without payment of consideration.

(e) If Restricted Shares are forfeited under this Agreement, the Custodian shall direct the Transfer Agent to make appropriate entries upon its records showing the cancellation of the Restricted Shares and to return the Shares to the Company.

(f) The Committee shall make all determinations in connection with this Agreement, including determinations as to whether an event has occurred resulting in the forfeiture of or lapse of restrictions on Restricted Shares and all such determinations of the Committee shall be final and conclusive.

4. Appointment of Agent. By executing this Agreement, the Participant, if the Restricted Shares are subject to forfeiture, irrevocably nominates, constitutes and appoints the Custodian as his or her agent and attorney-in-fact for purposes of surrendering or transferring the Restricted Shares to the Company upon any forfeiture required or authorized by this Agreement. This power is intended as a power coupled with an interest and shall survive the Participant's death. In addition, it is intended as a durable power and shall survive the Participant's Disability

5. No Employment Rights. No provision of this Agreement shall:

(a) confer or be deemed to confer upon the Participant any right to continue in the employ of the Company or any Subsidiary or in any way affect the right of the Company or any Subsidiary to dismiss or otherwise terminate the Participant's employment at any time for any reason with or without Cause, or

(b) be construed to impose upon the Company or any Subsidiary any liability for any forfeiture of Restricted Shares which may result under this Agreement if the Participant's employment is so terminated, or

(c) affect the Company's right to terminate or modify any contractual relationship with a Participant, who is not an employee of the Company or a Subsidiary.

6. No Liability for Business Acts or Omissions.

(a) The Participant recognizes and agrees that the Board or the officers, agents or employees of the Company, including the Custodian, their conduct of the business and affairs of the Company, may cause the Company to act, or to omit to act, in a manner that may, directly or indirectly, prevent the Restricted Shares from vesting under this Agreement. No provision of this Agreement shall be interpreted or construed to impose any liability upon the Company, the Board or any officer, agent or employee of the Company, including the Custodian for any forfeiture of Restricted Shares that may result, directly or indirectly, from any such action or omission.

(b) In the event of recapitalization, stock split, stock dividend, divisive reorganization or other change in capitalization affecting the Company's Shares, an appropriate adjustment will be made in respect of the Restricted Shares. Any new or additional or different Shares or securities issued as the result of such an adjustment will be deemed included within the term "Restricted Shares" hereunder, will be subject to forfeiture if and to the same extent as the Shares with respect to which such adjustment is made and will be issued in the same manner as provided in Section 1(c) of this Agreement.

7. Interpretation. This Agreement shall at all times be interpreted, administered and applied in a manner consistent with the provisions of the Plan. In the event of any inconsistency between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall control and the Plan is incorporated herein by reference.

8. Amendment; Modification; Waiver. No provision of this Agreement may be amended, modified or waived unless such amendment, modification or waiver shall be

authorized by the Committee; provided, that no such amendment or modification shall adversely affect the Grantee's material rights under this Agreement without the Grantee's consent, except to comply with laws, regulations or rules under Section 18.8 of the Plan.

9. Complete Agreement. This Agreement and the terms and provisions of the Plan contain the entire agreement of the parties relating to the subject matter of this Agreement and supersedes any prior agreements or understandings with respect thereto.

10. Agreement Binding. This Agreement shall be binding upon and inure to the benefit of the Company, its successors and assigns and the Participant, his or her heirs, devisees and legal representatives.

11. Legal Representative. In the event of the Participant's death or a judicial determination of his or her incompetence, reference in this Agreement to the Participant shall be deemed to refer to his or her legal representative, heirs or devisees, as the case may be.

12. Business Day. If any event provided for in this Agreement is scheduled to take place on a day on which the Company's corporate offices are not open for business, such event shall take place on the next succeeding day on which the Company's corporate offices are open for business.

13. Titles. The titles to sections or paragraphs of this Agreement are intended solely for convenience and no provision of this Agreement is to be construed by reference to the title of any section or paragraph.

14. Consent to Transfer of Data. By accepting this Agreement, the Participant hereby consents to the transfer of such Participant's personal data in connection with, or as necessary or appropriate for, the administration of this award and the Plan under which it is issued.

15. Notices.

(a) Any notice to the Company pursuant to any provision of this Agreement will be deemed to have been delivered when delivered in person to the President or Secretary of the Company, when deposited in the United States mail, addressed to the President or Secretary of the Company, at the Company's corporate offices, when delivered to the President or Secretary of the Company by electronic mail, or when delivered to such other address as the Company may from time to time designate in writing.

(b) Any notice to the Participant pursuant to any provision of this Agreement will be deemed to have been delivered when delivered to the Participant in person, when deposited in the United States mail, addressed to the Participant at the address on the shareholder records of the Company, when delivered to the Participant by electronic mail, or when delivered to such other address as the Participant may from time to time designate in writing.

16. Administration And Interpretation. The administration of the Restricted Share Award evidenced by this Agreement shall be subject to such rules and regulations as the Committee deems necessary or advisable for the administration of the Plan. The determination

or the interpretation and construction of any provision of this Agreement and the Plan by the Committee shall be final and conclusive upon all concerned, unless otherwise determined by the Board of Directors of the Company. This Agreement shall at all times be interpreted and applied in a manner consistent with the provisions of the Plan, and in the event of any inconsistency between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall control, the terms of the Plan being incorporated herein by reference.

17. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

18. Electronic Delivery. In lieu of receiving documents in paper format, the Participant agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company may be required to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other agreements, forms and communications) in connection with this and any other prior or future incentive award or program made or offered by the Company or its predecessors or successors. Electronic delivery of a document to the Participant may be via a Company e-mail system or by reference to a location on a Company intranet site to which the Participant has access.

19. Compensation Recovery. The Company may cancel, forfeit or recoup any rights or benefits of, or payments to, the Participant hereunder, including but not limited to any Shares issued by the Company following vesting of the Restricted Shares under this Agreement or the proceeds from the sale of any such Shares, under any compensation recovery policy that it may establish and maintain from time to time, to meet listing requirements that may be imposed in connection with the Dodd-Frank Wall Street Reform and Consumer Protection Act or otherwise. The Company shall delay the exercise of its rights under this Section for the period as may be required to preserve equity accounting treatment.

20. Taxes; Limitation on Excess Parachute Payments. The settlement of this Award is conditioned on the Participant making arrangements reasonably satisfactory to the Company for the withholding of all applicable federal, state, local or foreign taxes as may be required under applicable law. The Participant shall bear all expense of, and be solely responsible for, all federal, state, local or foreign taxes due with respect to any payment received under this Award Agreement. Notwithstanding any other provision in this Award Agreement to the contrary, any payment or benefit received or to be received by the Participant in connection with a Change in Control or the termination of employment (whether payable under the terms of this Award Agreement or any other plan, arrangement or agreement with the Company or one of its Subsidiaries (collectively, the "Payments") that would constitute a "parachute payment" within the meaning of Section 280G of the Code, shall be reduced to the extent necessary so that no portion thereof shall be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), but only if, by reason of such reduction, the net after-tax benefit received by the Participant shall exceed the net after-tax benefit that would be received by the Participant if no

such reduction was made. Whether and how the limitation under this Section 20 is applicable shall be determined under the Section 280G Rules set forth in Exhibit A, which shall be enforceable as if set forth in this Award Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement, or caused this Agreement to be executed, as of the date first written above.

KAMAN CORPORATION

By: _____
Name:
Title:

PARTICIPANT

«FIRST_NAME» «MI» «LAST_NAME»

Exhibit A—Section 280G Rules

To Restricted Stock Agreement

The following rules shall apply for purposes of determining whether and how the limitations provided under Section 20 are applicable to the Participant.

1. The “net after-tax benefit” shall mean (i) the Payments (as defined in Section 20) which the Participant receives or is then entitled to receive from the Company or a Subsidiary or Affiliate that would constitute “parachute payments” within the meaning of Section 280G of the Code, less (ii) the amount of all federal, state and local income and employment taxes payable by the Participant with respect to the foregoing calculated at the highest marginal income tax rate for each year in which the foregoing shall be paid to the Participant (based on the rate in effect for such year as set forth in the Code as in effect at the time of the first payment of the foregoing), less (iii) the amount of Excise Tax imposed with respect to the payments and benefits described in (i) above.

2. All determinations under Section 20 of this Award Agreement and this Exhibit A will be made by an accounting firm or law firm that is selected for this purpose by the Company’s Chief Executive Officer prior to a Change in Control (the “280G Firm”). All fees and expenses of the 280G Firm shall be borne by the Company. The Company will direct the 280G Firm to submit any determination it makes under Section 20 of this Award Agreement and this Exhibit A and detailed supporting calculations to both the Participant and the Company as soon as reasonably practicable.

3. If the 280G Firm determines that one or more reductions are required under Section 20 of this Award Agreement, the 280G Firm shall also determine which Payments shall be reduced (first from cash payments and then from non-cash benefits, in each such case first from amounts not subject to Section 409A of the Code and then from amounts subject to Section 409A of the Code, with the Payments that otherwise would be made last in time reduced first) to the extent necessary so that no portion thereof shall be subject to the excise tax imposed by Section 4999 of the Code, and the Company shall pay such reduced amount to the Participant.

4. As a result of the uncertainty in the application of Section 280G at the time that the 280G Firm makes its determinations under this Section, it is possible that amounts will have been paid or distributed to the Participant that should not have been paid or distributed (collectively, the “Overpayments”), or that additional amounts should be paid or distributed to the Participant (collectively, the “Underpayments”). If the 280G Firm determines, based on either the assertion of a deficiency by the Internal Revenue Service against the Company or the Participant, which assertion the 280G Firm believes has a high probability of success or controlling precedent or substantial authority, that an Overpayment has been made, the Participant must repay to the Company, without interest; provided, however, that no loan will be deemed to have been made and no amount will be payable by the Participant to the Company unless, and then only to the extent that, the deemed loan and payment would either reduce the amount on which the Participant is subject to tax under Section 4999 of the Code or generate a refund of tax imposed under Section 4999 of the Code. If the 280G Firm determines, based upon controlling precedent or substantial authority, that an Underpayment has occurred, the 280G

Firm will notify the Participant and the Company of that determination and the amount of that Underpayment will be paid to the Participant promptly by the Company.

5. The Participant will provide the 280G Firm access to, and copies of, any books, records, and documents in the Participant's possession as reasonably requested by the 280G Firm, and otherwise cooperate with the 280G Firm in connection with the preparation and issuance of the determinations and calculations contemplated by Section 20 of this Award Agreement and this Exhibit A.

PERFORMANCE STOCK UNIT AWARD AGREEMENT
(Under the Kaman Corporation
Amended and Restated 2013 Management Incentive Plan)

Name of Participant: [_____]

No. of PSUs: [_____]

Grant Date: [_____]

Performance Period: [_____] through [_____]

This Performance Stock Unit Award Agreement (the “Agreement”) is between Kaman Corporation, a Connecticut corporation (the “Company”), and the Participant named above (the “Participant”), a person notified by the Company, and identified in the Company’s records, as the recipient of an Award of performance-based Restricted Stock Units (“Performance Stock Units”). This Agreement is effective as of the Grant Date set forth above.

The Company wishes to award to the Participant Performance Stock Units representing the opportunity to earn Shares, or cash or other property in lieu of Shares, subject to the terms and conditions set forth in this Agreement, in order to carry out the purpose of the Company’s Amended and Restated Kaman Corporation Amended and Restated 2013 Management Incentive Plan (the “Plan”).

Accordingly, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and the Participant hereby agree as follows:

1. Award of Performance Stock Units.

The Company hereby grants to the Participant, effective as of the Grant Date, an Award of Performance Stock Units for that number of Performance Stock Units set forth above (the “PSUs”), on the terms and conditions set forth in this Agreement and the Plan. Each PSU represents the right to receive one Share, or cash or other property in lieu of one Share, subject to the terms and conditions set forth herein.

2. Rights with Respect to the PSUs.

The PSUs granted hereunder do not and shall not give the Participant any of the rights and privileges of a shareholder of the Company. The Participant’s rights with respect to the PSUs shall remain forfeitable at all times prior to the date or dates on which such rights become vested, and the restrictions with respect to the PSUs lapse, in accordance with Sections 3 or 4 hereof. The Participant’s right to receive Shares, cash payments and other distributions with respect to the PSUs is more particularly described in Section 7 hereof.

3. Vesting.

(a) Subject to the terms and conditions of this Agreement, including the clawback and forfeiture provisions under Section 6 below, the Earned PSUs (as defined below), if any, shall vest, and the restrictions with respect to the PSUs shall lapse, on the dates and in the amounts set forth in this Agreement if the Participant remains continuously employed by the Company or a Subsidiary until the date the Participant becomes vested in accordance with the terms and conditions of this Agreement.

(b) The number of PSUs that shall become earned, if any (the “Earned PSUs”), following the end of the Performance Period shall be determined (i) with respect to fifty percent (50%) of the PSUs by multiplying such PSUs by the Relative TSR Earned Percentage, calculated as set forth in Exhibit A to this Agreement, which percentage may range from zero to two hundred percent (200%) and (ii) with respect to the remaining fifty percent (50%) of the PSUs by multiplying the PSUs by the ROIC Earned Percentage, calculated as set forth in Exhibit B to this Agreement, which percentage may range from zero to two hundred percent (200%).

(c) The Earned PSUs, if any, shall vest on the last day of the Performance Period (the “Vesting Date”).

(d) The calculations under this Section 3 shall be made by the Compensation Committee (the “Committee”) of the Company’s Board of Directors (the “Board”) following the end of the Performance Period and any vesting resulting from such calculations shall be effective as of the Vesting Date. Any PSUs that do not vest on the Vesting Date pursuant to the terms of Section 3 or 4 hereof shall be immediately and irrevocably forfeited, including the right to receive cash payments and other distributions pursuant to Sections 7(c) and (d) hereof, as of the Vesting Date.

(e) The Committee shall have the authority to make any determinations regarding questions arising from the application of the provisions of this Section 3, which determination shall be final, conclusive and binding on the Participant and the Company.

4. Termination of Employment; Forfeiture.

If the Participant ceases to be employed by the Company or a Subsidiary prior to the vesting or forfeiture of the PSUs pursuant to Section 3 hereof, the Participant’s rights to all of the PSUs shall be immediately and irrevocably forfeited, including the right to receive cash payments and other distributions pursuant to Sections 7(c) and (d) hereof. Notwithstanding the foregoing, the PSUs shall vest subject to the terms and conditions of this Agreement, including the clawback and forfeiture provisions under Section 6 below:

(a) If the Participant’s employment with or other service to the Company or a Subsidiary terminates during the Performance Period because of death or Disability (as defined in Section 22(e)(3) of the Code), then the number of PSUs that become earned shall be determined at the end of the Performance Period in accordance with Section 3(b) hereof, and the Earned PSUs, if any, shall become vested on a pro rata basis by multiplying a fraction, the numerator of which shall be the number of calendar days from the beginning of the Performance

Period to the date of the Participant's termination of employment and the denominator of which shall be the total number of calendar days during the Performance Period.

(b) In the event that the Participant's employment with the Company or a Subsidiary terminates other than for "Cause" (as defined below) (i) after attaining age 62 with at least five years of employment service or (ii) after attaining age 65 (a "Retirement") during the Performance Period, then the number of PSUs that become earned shall be determined at the end of the Performance Period in accordance with Section 3(b) hereof, and the Earned PSUs, if any, shall become vested on a pro rata basis by multiplying a fraction, the numerator of which shall be the number of calendar days from the beginning of the Performance Period to the date of the Participant's termination of employment and the denominator of which shall be the total number of calendar days during the Performance Period. For purposes of this Agreement, "Cause" means (x) the willful refusal by the Participant to perform proper responsibilities of the Participant's position with the Company or a Subsidiary, (y) a violation of law by the Participant which adversely affects the assets, financial position or reputation of the Company or a Subsidiary, or (z) a violation by the Participant of any code of ethics, code of conduct or similar policy maintained by the Company or a Subsidiary. A Participant's service shall be deemed to have terminated for Cause if, after the Participant's service has terminated, facts and circumstances are discovered that would have justified a termination for Cause.

5. Restriction on Transfer.

Except as contemplated by Section 7(a), none of the PSUs may be sold, assigned, transferred, pledged, attached or otherwise encumbered, and no attempt to transfer the PSUs, whether voluntary or involuntary, by operation of law or otherwise, shall vest the transferee with any interest or right in or with respect to the PSUs.

6. Application of Clawback Policy and Stock Ownership Policy.

The PSUs and any rights to Shares, cash or other property in connection with the PSUs and any other incentive compensation paid to or received by the Participant, including annual cash incentive compensation granted to the Participant under the Plan, are subject to terms and conditions of the Kaman Corporation Compensation Recoupment Policy and any other Company clawback policy and Company minimum stock ownership policy as may be in effect from time to time (the "Policies"). By accepting the PSUs, the Participant voluntarily agrees and acknowledges that: (a) the Policies are part of this Performance Stock Unit Award Agreement, (b) the Company may cancel the PSUs, require reimbursement of Shares, cash or other property acquired under the PSUs or any other incentive compensation paid to or received by the Participant, including annual cash incentive compensation granted to the Participant under the Plan and effect any other right of recoupment as provided under the Plan or otherwise in accordance with the Policies as they currently exist or as they may from time to time be adopted or modified in the future by the Company, and (c) the Participant may be required to repay to the Company certain previously paid compensation, whether provided under the Plan, the PSUs, or otherwise in accordance with the Policies. The Company's rights under this Section 6 shall be in addition to its rights under Section 24 of the Plan.

7. Settlement of PSUs.

(a) No Shares, or cash or other property in lieu of Shares, shall be issued to the Participant (or the Participant's beneficiary or, if none, the Participant's estate in the event of the Participant's death) prior to the date on which the applicable PSUs vest, in accordance with the terms and conditions set forth in this Agreement.

(i) Except as otherwise provided in this Section 7(a), the Company shall promptly following the end of the Performance Period, as applicable, but no later than the 15th day of the third month following the end of the Company's taxable year that includes the last day of the Performance Period, as applicable, with respect to PSUs that vest pursuant to Section 3(c) hereof, subject to any applicable withholding taxes pursuant to Section 9 hereof, cause the Shares underlying the Participant's vested PSUs (as adjusted by the applicable Earned Percentage) to be delivered to the Participant in a manner the Committee deems appropriate, including by a certificate or electronically transfer to the Participant by book-entry (the date of such delivery, the "Settlement Date"). The Committee may, in its sole discretion, elect to deliver to the Participant cash or other property in lieu of the Shares underlying the Participant's vested PSUs (as adjusted by the applicable Earned Percentage) provided such cash or other property is in an amount equal to the Fair Market Value of such Shares on the Settlement Date.

(ii) In the event that the Participant's employment terminates in accordance with the provisions of Section 4(a) or Section 4(b) hereof, the Company shall (x) promptly following the last day of the Performance Period, but no later than the 15th day of the third month following the end of the Company's taxable year that includes the last day of the Performance Period, with respect to PSUs that vest pursuant to Section 4(a) or Section 4(b) hereof on account of the Participant's termination of employment with the Company on or prior to the Vesting Date, subject to any applicable withholding taxes pursuant to Section 9 hereof, cause the Shares underlying the Participant's vested PSUs (as adjusted by the applicable Earned Percentage) to be delivered to the Participant or the Participant's legal representatives, beneficiaries or heirs, as the case may be, in a manner the Committee deems appropriate, including by a certificate or electronically transfer to the Participant by book-entry. The Committee may, in its sole discretion, elect to deliver to the Participant, or the Participant's legal representatives, beneficiaries or heirs, as the case may be, cash or other property in lieu of the Shares underlying the Participant's vested PSUs (as adjusted by the applicable Earned Percentage) provided such cash or other property is in an amount equal to the Fair Market Value of such Shares on the Settlement Date.

(b) Notwithstanding the foregoing, any distribution (including any distribution of amounts otherwise described in Sections 7(c) and (d) below) to any "specified employee" as determined in accordance with procedures adopted by the Company that reflect the requirements of Section 409A(a)(2)(B)(i) of the Code (and any applicable guidance thereunder), that constitutes "deferred compensation" under Section 409A of the Code and is on account of the Participant's "separation from service" (within the meaning of Section 409A of the Code) shall be made as soon as reasonably practicable after the first day of the seventh month following such separation from service (or, if earlier, the date of the specified employee's death) as required to comply with Section 409A of the Code. The Company will not deliver any fractional Share and will not make any cash payment related to any fractional Share; instead, any fractional Share will

be eliminated by rounding upward to the nearest whole share if the fractional is 0.5 or greater and otherwise downward to the nearest whole Share. In the event of the Participant's death after the Participant's Retirement or termination of employment and before payment, the number of Shares otherwise deliverable and the amount otherwise payable under Section 7(a) shall be delivered or paid, as applicable, to the Participant's beneficiary or, if none, the Participant's estate as soon as practicable after the Participant's death. No transfer by will or the applicable laws of descent and distribution of any PSUs which vest by reason of the Participant's death shall be effective to bind the Company unless the Committee shall have been furnished with written notice of such transfer and a copy of the will or such other evidence as the Committee may deem necessary to establish the validity of the transfer.

(c) On each date on which Shares, cash or other property in lieu of Shares under Section 7(a) are delivered to the Participant (or the Participant's beneficiary or, if none, the Participant's estate in the event of the Participant's death), the Company shall also deliver to the Participant (or the Participant's beneficiary or, if none, the Participant's estate in the event of the Participant's death) the number of additional Shares, the number of any other securities of the Company and the value or actual issuance of any other property (in each case as determined by the Committee) (except for cash dividends and other cash distributions), in each case that the Company would have distributed to the Participant during the period commencing on the Grant Date and ending on the Vesting Date in respect of the Shares that are being delivered to the Participant under Section 7(a) had such shares been issued to the Participant on the Grant Date, without interest, and less any tax withholding amount applicable to such distribution. To the extent that the PSUs are forfeited prior to vesting, the right to receive such distributions shall also be forfeited.

(d) On each date on which Shares, cash or other property in lieu of Shares under Section 7(a) are delivered to the Participant (or the Participant's beneficiary or, if none, the Participant's estate in the event of the Participant's death), the Company shall also deliver to the Participant (or the Participant's beneficiary or, if none, the Participant's estate in the event of the Participant's death) a cash payment equal to the aggregate amount of cash dividends and other cash distributions that the Company would have paid to the Participant during the period commencing on the Grant Date and ending on the applicable vesting date in respect of the Shares that are being delivered to the Participant under Section 7(a) had such shares been issued to the Participant on the Grant Date, without interest, and less any applicable withholding taxes. To the extent that the PSUs are forfeited prior to vesting, the right to receive such cash payment shall also be forfeited.

8. Adjustments.

In the event of any event described in Section 12 of the Plan, an appropriate adjustment will be made by the Committee in respect of the PSUs under Section 12 of the Plan. Any new or additional or different Shares or securities covered by this Agreement as the result of such an adjustment will be deemed included within the term "PSUs" hereunder and will be subject to the provisions of this Agreement.

9. Taxes.

(a) The Participant acknowledges that the Participant will consult with the Participant's personal tax advisor regarding the income tax consequences of the grant of the PSUs, the receipt of cash payments or other distributions pursuant to Section 7 hereof, the vesting of the PSUs and the receipt of Shares, cash or other property upon the settlement of the PSUs, and any other matters related to this Agreement. In order to comply with all applicable federal, state, local or foreign income tax laws or regulations, the Company may take such action as it deems appropriate to ensure that all applicable federal, state, local or foreign payroll, withholding, income or other taxes, which are the Participant's sole and absolute responsibility, are withheld or collected from the Participant.

(b) In accordance with the terms of the Plan, and such rules as may be adopted by the Committee, the Participant may elect to satisfy any applicable tax withholding obligations arising from the vesting of the PSUs and the corresponding receipt of Shares and cash or other payments by (i) delivering cash (including check, draft, money order or wire transfer made payable to the order of the Company), (ii) having the Company withhold a portion of the Shares or cash otherwise to be delivered or paid having a Fair Market Value equal to the minimum statutory withholding amount or such greater amount as may be permitted under applicable accounting standards, or (iii) delivering to the Company Shares having a Fair Market Value equal to the amount of such taxes. The Participant's election must be made on or before the date that the amount of tax to be withheld is determined. The maximum number of Shares that may be withheld to satisfy any applicable tax withholding obligations arising from the vesting and settlement of the PSUs may not exceed such number of Shares having a Fair Market Value equal to the minimum statutory amount required by the Company to be withheld and paid to any federal, state, or local taxing authority with respect to such vesting and settlement of the PSUs, or such greater amount as may be permitted under applicable accounting standards, at the discretion of the Company. If the Participant does not make a tax withholding election under this Section 9(b), the Company shall withhold Shares, cash or other property as provided in Section 9(b)(ii) above.

(c) Notwithstanding any other provision in this Agreement to the contrary, any payment or benefit received or to be received by the Participant in connection with a Change in Control or the termination of employment (whether payable under the terms of this Agreement or any other plan, arrangement or agreement with the Company or one of its Subsidiaries (collectively, the "Payments") that would constitute a "parachute payment" within the meaning of Section 280G of the Code, shall be reduced to the extent necessary so that no portion thereof shall be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), but only if, by reason of such reduction, the net after-tax benefit received by the Participant shall exceed the net after-tax benefit that would be received by the Participant if no such reduction was made. Whether and how the limitation under this Section 9(c) is applicable shall be determined under the Section 280G Rules set forth in Exhibit C to this Agreement, which shall be enforceable as if set forth in this Agreement.

10. [Reserved.]

11. General Provisions.

(a) Interpretations. This Agreement is subject in all respects to the terms of the Plan. A copy of the Plan is available upon the Participant's request. Terms used herein which are defined in the Plan shall have the respective meanings given to such terms in the Plan, unless otherwise defined herein. In the event that any provision of this Agreement is inconsistent with the terms of the Plan, the terms of the Plan shall govern. Any question of administration or interpretation arising under this Agreement shall be determined by the Committee, and such determination shall be final, conclusive and binding upon all parties in interest. To the extent that any Award granted by the Company is subject to Section 409A of the Code, such Award shall be subject to terms and conditions that comply with the requirements of Section 409A of the Code to avoid adverse tax consequences under Section 409A of the Code.

(b) Integrated Agreement. This Agreement and the Plan constitute the entire understanding and agreement between the Company and the Participant with respect to the subject matter contained herein and supersedes any prior agreements, understandings, restrictions, representations, or warranties between the Company and the Participant with respect to such subject matter other than those as set forth or provided for herein.

(c) Amendment of PSU Award. No provision of this Agreement may be amended, modified or waived unless such amendment, modification or waiver shall be authorized by the Committee; provided, that no such amendment or modification shall adversely affect the Participant's material rights under this Agreement without the Participant's consent, except to comply with laws, regulations or rules under Section 18.8 of the Plan.

(d) No Right to Employment. Nothing in this Agreement or the Plan shall be construed as giving the Participant the right to be retained as an employee of the Company or any Subsidiary. In addition, the Company or any Subsidiary may at any time dismiss the Participant from employment, free from any liability or any claim under this Agreement, unless otherwise expressly provided in this Agreement.

(e) Consent to Transfer of Data. By accepting this Agreement, the Participant hereby consents to the transfer of the Participant's personal data in connection with, or as necessary or appropriate for, the administration of this award and the Plan under which it is issued.

(f) Securities Matters. The Company shall not be required to deliver any Shares, or any certificates therefore or book-entry transfer notation thereof, until the requirements of any federal or state securities or other laws, rules or regulations (including the rules of any securities exchange) as may be determined by the Company to be applicable are satisfied.

(g) Headings. Headings are given to the sections and subsections of this Agreement solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Agreement or any provision hereof.

(h) Sections. Sections (if any) that are referenced but “intentionally omitted” from this Agreement shall not be deemed in any way material or relevant to the construction or interpretation of this Agreement or any provision hereof.

(i) Governing Law. The validity, construction, interpretation and effect of this Agreement shall exclusively be governed by and determined in accordance with the laws of the State of Connecticut, except to the extent preempted by federal law, which shall to the extent of such preemption govern.

(j) Notices.

(i) Any notice to the Company pursuant to any provision of this Agreement will be deemed to have been delivered when delivered in person to the President or Secretary of the Company, when deposited in the United States mail, addressed to the President or Secretary of the Company, at the Company’s corporate offices, when delivered to the President or Secretary of the Company by electronic mail, or when delivered to such other address as the Company may from time to time designate in writing.

(ii) Any notice to the Participant pursuant to any provision of this Agreement will be deemed to have been delivered when delivered to the Participant in person, when deposited in the United States mail, addressed to the Participant at the address on the shareholder records of the Company, when delivered to the Participant by electronic mail, or when delivered to such other address as the Participant may from time to time designate in writing.

(k) Offset. Any severance or other payment or benefits to the Participant under the Company’s plans and agreements may be reduced in the Company’s discretion, by any amounts that the Participant owes the Company under Section 6 of this Agreement, provided that any such offset occurs at a time so that it does not violate Section 409A of the Code and is permitted under applicable laws.

(l) Electronic Delivery. In lieu of receiving documents in paper format, the Participant agrees, to the fullest extent permitted by law, to accept electronic delivery of any documents that the Company may be required to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other agreements, forms and communications) in connection with this and any other prior or future incentive award or program made or offered by the Company or its predecessors or successors. Electronic delivery of a document to the Participant may be via a Company e-mail system or by reference to a location on a Company intranet site to which the Participant has access.

(m) Savings Clause. If any provision(s) of this Agreement shall be determined to be illegal or unenforceable, such determination shall in no manner affect the legality or enforceability of any other provision hereof.

(n) Award Agreement and Related Documents. This PSU Agreement shall have no force or effect unless the Participant has been notified by the Company, and identified in the Company's records, as the recipient of a PSU grant.

YOU MUST REVIEW AND ACKNOWLEDGE ACCEPTANCE OF THE TERMS OF THIS AGREEMENT, INCLUDING SPECIFICALLY THE CLAWBACK AND FORFEITURE PROVISIONS UNDER SECTION 6 OF THIS AGREEMENT AND THE COMPANY'S OFFSET PROVISIONS, BY EXECUTING THIS AGREEMENT ELECTRONICALLY WITHIN 60 DAYS OF THE DATE OF GRANT; PROVIDED, HOWEVER, THAT THE COMMITTEE MAY, AT ITS DISCRETION, EXTEND THIS DATE. FAILURE TO ACCEPT THE REFERENCED TERMS AND TO EXECUTE THIS AGREEMENT ELECTRONICALLY WILL PRECLUDE YOU FROM RECEIVING YOUR PSU GRANT.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the Grant Date specified above.
KAMAN CORPORATION

By: _____
Name:
Title:

PARTICIPANT

Name: