

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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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 5, 2014

ESCO TECHNOLOGIES INC.  
(Exact Name of Registrant as Specified in Charter)

Missouri  
(State or Other  
Jurisdiction of Incorporation)

1-10596  
(Commission  
File Number)

43-1554045  
(I.R.S. Employer  
Identification No.)

9900A Clayton Road, St. Louis, Missouri  
(Address of Principal Executive Offices)

63124-1186  
(Zip Code)

Registrant's telephone number, including area code: 314-213-7200

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2 (b) under the Exchange Act (17 CFR 240.14d-2 (b))
  - Pre-commencement communications pursuant to Rule 13e-4 (c) under the Exchange Act (17 CFR 240.113d-4 (c))
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## **Item 2.02 Results of Operations and Financial Condition**

Today, August 7, 2014, the Registrant is issuing a press release (furnished as Exhibit 99.1 to this report) announcing its fiscal year 2014 third quarter financial and operating results. See Item 7.01, Regulation FD Disclosure, below.

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

Effective August 5, 2014, upon the unanimous recommendation of its Nominating and Corporate Governance Committee and by the unanimous written consent of its Board of Directors pursuant to Section 3.1 of its Bylaws, the Registrant increased the authorized size of its Board of Directors from eight to nine members and elected Mr. Vinod M. Khilnani, age 61, as a director to fill the vacancy thereby created.

Mr. Khilnani will receive compensation for his service on the Board of Directors and its Committees pursuant to the Registrant's Compensation Plan for Non-Employee Directors, as amended, on the same basis as the Registrant's other directors; provided that (i) his cash compensation for calendar 2014 will be prorated at 50% of a full year's fees, and (ii) on August 5, 2014 he received a standard directors' quarterly stock award of 900 shares for the fourth quarter of fiscal 2014.

Mr. Khilnani was designated as a Class III Director, to serve until the 2017 Annual Meeting of Shareholders and until his successor shall be duly elected and qualified. He will also serve on the Audit and Finance Committee of the Board of Directors. In order to retain equality of size among the three director classes, director James D. Woods resigned as a Class III Director and was immediately re-elected by the Board of Directors as a Class I Director, with no break in service.

In addition, Mr. Woods has notified the registrant that he will retire and resign from the Board of Directors as of October 1, 2014, effective immediately following the Committee meetings currently scheduled to be held on that date. Until his retirement, Mr. Woods will continue to serve as a member of the Audit and Finance Committee and as Chairman of the Human Resources and Compensation Committee. Pursuant to Section 3.1 of the registrant's Bylaws, the Board of Directors has approved a reduction in the authorized size of the Board of Directors from nine to eight members, and a corresponding reduction in Class I from three to two members, effective upon Mr. Woods' resignation.

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

On August 6, 2014, pursuant to Section 3.1 of the Registrant's Bylaws, the Registrant's Board of Directors unanimously voted to amend and restate the registrant's corporate Bylaws, effective immediately. The amendments and restatement were the result of a comprehensive review of the registrant's Bylaws for the first time in several years. In addition to changes such as rewriting numerous provisions for clarity and increasing the use of "plain English," the amendments also included the following substantive changes, among others:

The registrant's Articles of Incorporation contain advance notice provisions addressing the ability of shareholders to nominate directors and propose other business at meetings of shareholders and prescribing certain procedures for making these nomination or proposals. The amended Bylaws supplement the provisions of the Articles of Incorporation by requiring that the required advance notice also include additional information useful to the registrant in evaluating and responding to the nomination or proposal, including:

- ÿ Information regarding the shareholder's economic interests and other interests in the registrant, including derivatives, hedged positions, rights to dividends and other economic and voting interests, and interests in contracts with the registrant or its affiliates or competitors;
- ÿ Similar information regarding the interests of the shareholder's affiliates and associates and anyone acting in concert with the shareholder or its affiliates and associates;
- ÿ As to any prospective nominee, information with respect to such prospective nominee's economic interests in the registrant and any arrangements between such prospective nominee and the proposing shareholder; and
- ÿ As to proposals other than nominations, a full description of the proposal including its text, and a description of all agreements and arrangements between the proposing shareholder and any other person in connection with the proposal.

The amended Bylaws also require any prospective director nominee (including management nominees) to complete a questionnaire (which the registrant expects will be substantially the same as the annual questionnaire which all incumbent directors are required to complete), regarding the background and qualification of the nominee (and any person or entity on whose behalf the nomination is made), and require each nominee (including management nominees) to provide a written representation and agreement that he or she (a) is not, and will not become, a party to any undisclosed voting commitments or compensation arrangements with respect to service as a director, and (b) will comply with all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and stock trading policies and guidelines of the registrant. The registrant also intends to require all incumbent directors to execute a similar representation and agreement on an annual basis.

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All of the required information must be furnished to the registrant within the advance notice time limits currently provided in the Articles of Incorporation.

The amendments also added certain supplemental procedural requirements, including requiring that a proposing shareholder periodically update the information in the required shareholder's notice, requiring the proponent (or a qualified representative) to appear at the meeting; and expressly empowering the Board of Directors or the presiding officer at the meeting to determine whether a nomination or proposal is being submitted in compliance with the requirements and to reject and not permit a vote on any non-compliant nomination or proposal.

The requirements for additional information provided in the amended and restated Bylaws shall not be deemed to affect any rights of shareholders to request inclusion of proposals in, or of the registrant to omit proposals from, the registrant's proxy statement pursuant to Rule 14a-8 under the Exchange Act, if applicable. However, solely with respect to a shareholder proposal, other than the nomination of one or more directors, that a shareholder proposes to bring before an annual meeting of shareholders, the notice requirements set forth in the registrant's Articles of Incorporation and Bylaws shall be deemed satisfied by the shareholder if the shareholder has submitted the proposal to the registrant in compliance with Rule 14a-8 under the Exchange Act and the proposal has been included in a proxy statement that has been prepared and issued by the registrant to solicit proxies for the meeting.

The amendments also added certain other general procedural provisions regarding shareholder meetings which were not previously expressly stated in the Bylaws, including:

- **Notice and Voting:** The amendments codify current practice regarding the setting of the annual meeting date, and expressly permit notice of director and shareholder meetings to be given, and voting to occur, by electronic transmission and other methods consistent with the Missouri corporation law. The amendments also clarify the voting standards for shareholder meetings.
- **Conduct:** The amendments include expanded provisions expressly authorizing the Board and the presiding officer to control the conduct of a shareholder meeting.
- **Postponement:** The amendments permit the Board of Directors to postpone any previously scheduled shareholder meeting for up to 90 days, upon public disclosure of such postponement, without requiring individual notice to the shareholders.

The amendments also include various other provisions customarily included in bylaws to clarify their intended interpretation, including provisions addressing consistency with applicable law and the Articles of Incorporation, the construction and definition of certain terms, and the requirements for amendment.

The amendments also removed or updated certain outdated references such as references to the initial Board of Directors and the registrant's registered office, and make minor modifications intended to enhance the clarity of the Bylaws or conform to language used in the Missouri corporation law.

The foregoing description is qualified in its entirety by reference to Exhibit 3.1 to this Report, which is a complete copy of the registrant's amended and restated Bylaws, and to Exhibit 3.2 to this Report, which is a marked copy of the registrant's amended and restated Bylaws indicating the specific changes from the registrant's Bylaws as in effect immediately prior to their amendment and restatement.

#### **Item 7.01 Regulation FD Disclosure**

Today, August 7, 2014, the Registrant is issuing a press release (Exhibit 99.1) announcing its fiscal year 2014 third quarter financial and operating results. The Registrant will conduct a related Webcast conference call today at 4:00 p.m. Central Time. This press release will be posted on the Registrant's web site located at <http://www.escotechnologies.com>. It can be viewed through the "Investor Relations" page of the web site under the tab "Press Releases," although the Registrant reserves the right to discontinue that availability at any time.

#### **Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

<u>Exhibit No.</u>	<u>Exhibit</u>
3.1	Bylaws of the registrant, as amended and restated effective August 6, 2014
3.2	Bylaws of the registrant, as amended and restated effective August 6, 2014, marked to indicate changes from the Bylaws in effect immediately prior thereto
99.1	Press Release dated August 7, 2014 announcing quarterly earnings

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## **Other Matters**

The information in this report furnished pursuant to Item 2.02 and Item 7.01, including Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities of that section, unless the Registrant incorporates it by reference into a filing under the Securities Act of 1933, as amended, or the Exchange Act.

References to the Registrant’s web site address are included in this Form 8-K and its Exhibits only as inactive textual references, and the Registrant does not intend them to be active links to its web site. Information contained on the Registrant’s web site does not constitute part of this Form 8-K or its Exhibits.

## **Forward Looking Statements**

Statements contained in this Form 8-K and its Exhibits regarding future events are considered “forward-looking statements” within the meaning of the safe harbor provisions of the Federal securities laws. These include, but are not necessarily limited to, statements about: the future length and terms of service, compensation and committee membership of the Registrant’s directors; the amount of the Registrant’s expected 2014 growth, tax rates, EPS from Continuing Operations – “As Adjusted” and EPS, the costs and timing of the exit and relocation of Crissair’s operations; the Registrant’s ability to increase shareholder value; the success of acquisition efforts; the success of new products and solutions; the size, number and timing of growth opportunities in the future; the specific actions initiated as a result of the Capital Allocation Strategy including but not limited to the declaration of dividends and share repurchases; the long-term success of the Registrant; and any other statements which are not strictly historical. Words such as expects, anticipates, targets, goals, projects, intends, plans, believes, estimates, variations of such words, and similar expressions are intended to identify such forward-looking statements.

Investors are cautioned that such statements are only predictions and speak only as of the date of this Report, and the Registrant undertakes no duty to update them except as may be required by applicable laws or regulations. The Registrant’s actual results in the future may differ materially from those projected in the forward-looking statements. Factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements include, without limitation: those described in Item 1A, Risk Factors, of the Registrant’s annual report on Form 10-K for the year ended September 30, 2013; and the other factors set forth under “Forward-Looking Statements” in Exhibit 99.1.

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**SIGNATURE**

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

Date: August 7, 2014.

ESCO TECHNOLOGIES INC.

By: /s/ G.E. Muenster

G.E. Muenster

Executive Vice President

and Chief Financial Office

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**EXHIBIT INDEX**

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BYLAWS  
OF  
ESCO TECHNOLOGIES INC.  
(AS AMENDED AND RESTATED AUGUST 6, 2014)

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BYLAWS  
OF  
ESCO TECHNOLOGIES INC.

ARTICLE ONE

OFFICES

Section 1.1 Registered Office. The registered office of the Corporation in Missouri shall be located at 9900A Clayton Road, St. Louis, Missouri 63124, or at such other address within the State of Missouri as the Board of Directors may from time to time authorize by duly adopted resolution.

Section 1.2 Other Offices. The Corporation may maintain such other offices both within and without the State of Missouri as the business of the Corporation may from time to time require or as the Board of Directors may determine.

ARTICLE TWO

SHAREHOLDERS' MEETINGS

Section 2.1 Annual Meetings. The annual meeting of shareholders for the election of Directors and for the transaction of such other business as properly may come before such meeting shall be held at such place within or without the State of Missouri as the Board of Directors may direct in the notice of such meeting, on such business day during the first two weeks in February of each year as the Board of Directors may approve; provided that the Board of Directors may change a meeting date previously set, in its discretion, subject to any applicable limitations of law. Every meeting of the shareholders shall be convened at the hour stated in the notice for the meeting and shall continue until declared adjourned by a vote of the shareholders present or by the presiding officer.

Section 2.2 Special Meetings. Unless otherwise required by law or the Corporation's Articles of Incorporation, special meetings of the shareholders or of the holders of any class of stock may be called only by (i) the Board of Directors by the affirmative vote of a majority of the entire Board of Directors (as defined in the Articles of Incorporation), (ii) the Chairman or any Vice Chairman of the Board of Directors, or (iii) the President; in each case by delivering notice thereof in writing or by electronic transmission to the Secretary of the Corporation stating the time, place and purpose or purposes of the proposed meeting. At any special meeting of shareholders, only such business shall be conducted, and only such proposals shall be acted upon, as are specified in the notice calling the meeting.

Section 2.3 Notice of Meetings.

(a) Notice of each meeting of shareholders, stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered or given not less than 10 nor more than 70 days before the date of the meeting, by or at the direction of the Secretary to each shareholder of record entitled to vote at such meeting.

(b) Notice may be given in any form or manner permitted by law. Any notice of a shareholders' meeting sent by mail shall be deemed to be delivered when deposited in the United States mail with first class postage thereon prepaid, addressed to the shareholder at such shareholder's address as it appears on the records of the Corporation. Any notice of a shareholders' meeting given by electronic transmission shall be deemed given (i) if by fax, when directed to a fax number at which the shareholder has consented to receive notice; (ii) if by email, when directed to an email address at which the shareholder has consented to receive notice; (iii) if by posting on an electronic network together with separate notice to the shareholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and (iv) if by any other form of electronic transmission, when appropriately directed to the shareholder. As used in these Bylaws, "electronic transmission" means any process of communication not directly involving the physical transfer of paper that is suitable for the retention, retrieval, and reproduction of information by the recipient.

(c) A shareholder may waive notice of a meeting before or after the meeting in writing, by electronic transmission, or in any other manner permitted by law. Attendance of a shareholder at any meeting shall constitute a waiver of notice of such meeting except where such shareholder attends the meeting for the sole and express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

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#### Section 2.4 Quorum; Adjournment or Postponement.

(a) A majority of the outstanding shares entitled to vote at any meeting, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders; provided that less than such quorum shall have the right to adjourn the meeting as provided in paragraph 2.4(b). Shares represented by a proxy which directs that the shares abstain from voting or that a vote be withheld on a matter shall be deemed to be represented at the meeting for quorum purposes. Shares as to which voting instructions are given as to at least one of the matters to be voted on shall also be deemed to be represented at the meeting. If the proxy states how shares will be voted in the absence of instructions by the shareholder, such shares shall be deemed to be represented at the meeting.

(b) A meeting may be successively adjourned to a specified date not longer than 90 days after such adjournment or to another place. Notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless otherwise required by law. If the adjournment is for more than 90 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the date and place of the adjourned meeting shall be given to each shareholder of record entitled to vote at the meeting. At an adjourned meeting any business may be transacted which might have been transacted at the original meeting.

(c) Any meeting may be successively postponed by resolution of the Board of Directors to a specified date up to 90 days after such postponement or to another place, upon public disclosure given on or prior to the date previously scheduled for such meeting of shareholders.

(d) For purposes of this Section, “adjournment” means a delay in the date, which may also be combined with a change in the place, of a meeting after the meeting has been convened; “postponement” means a delay in the date, which may be combined with a change in the place, of the meeting before it has been convened, but after the time and place thereof have been set forth in a notice delivered or given to shareholders; and public disclosure shall be deemed to have been given if a public announcement is made by press release reported by a national news service or in a publicly available document filed with the Securities and Exchange Commission.

Section 2.5 Voting. Subject to the rights of any holders of preferred stock, each outstanding share entitled to vote under the provisions of the Articles of Incorporation shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders. If a quorum is present, the affirmative vote of a majority of the shares represented at the meeting and entitled to vote on the matter in question shall be the act of the shareholders unless the vote of a greater number of shares is required by law or the Articles of Incorporation or these Bylaws. No person shall be entitled to vote any shares belonging or hypothecated to the Corporation. A shareholder may vote either in person or by proxy, executed in writing by the shareholder or by his duly authorized attorney-in-fact, or by electronic transmission in any manner provided for such purpose by the Corporation.

#### Section 2.6 Organization and Conduct of Meetings of Shareholders.

(a) Each meeting of shareholders shall be convened and presided over by one of the following persons (the “Presiding Officer”), in the following order of precedence: (i) the Chairman of the Board, (ii) the Vice Chairman of the Board, if any, (iii) the President, or (iv) another officer or director of the Corporation who has been designated as chairman of the meeting by the Board of Directors. The Secretary of the Corporation or, in his or her absence, a person whom the Presiding Officer shall appoint, shall act as secretary of each meeting of shareholders. Whenever the Secretary shall be absent or shall be acting as Presiding Officer, the Presiding Officer shall appoint a person present to act as secretary of the meeting.

(b) The Board of Directors may adopt such rules, regulations and procedures for the conduct of the meeting as it shall deem appropriate. In addition, except to the extent inconsistent with such rules, regulations and procedures, the Presiding Officer shall have the right and authority to convene and (for any or no reason) to adjourn the meeting and to prescribe such rules, regulations and procedures and do all such acts as, in the judgment of the Presiding Officer, are necessary, appropriate or convenient for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the Presiding Officer, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present, including removing any shareholder who refuses to comply with the rules, regulations or procedures for the meeting; (iii) limitations on attendance at or participation in the meeting to shareholders of record of the Corporation, their duly authorized and constituted proxies and such other persons as the Presiding Officer shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; (v) limitations on the time allotted to questions or comments by participants; (vi) adjournment of the meeting either by the Presiding Officer or by the affirmative vote of a majority of the shares represented at the meeting; and (vii) regulation of the voting or balloting, as applicable, including matters, if any, which are to be voted on by ballot. Unless and except to the extent otherwise determined by the Board of Directors or the Presiding Officer, meetings of shareholders shall not be required to be held in accordance with the rules of parliamentary procedure.

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(c) The Presiding Officer shall have absolute authority to decide questions of compliance with the foregoing procedures, and his or her ruling thereon shall be final and conclusive.

Section 2.7 Nominations and Other Proposals by Shareholders.

(a) Shareholders shall not be permitted to propose business to be brought before a special meeting of shareholders, other than the nomination of directors if the Board of Directors has first determined that directors are to be elected at such special meeting.

(b) A shareholder desiring to nominate one or more persons for election to the Board of Directors or to propose other business to be considered by the shareholders at a meeting at which such a nomination or proposal is permitted must comply with all of the requirements set forth in these Bylaws and in the Articles of Incorporation, including timely providing a notice of the shareholder's intent to make such nomination or propose such other business ("Shareholder's Notice"), in order for the nomination or proposal to be eligible to be considered at the meeting. In the case of a shareholder's nomination of one or more persons for election to the Board of Directors, only such persons who are nominated in accordance with the procedures set forth in this Section and Article Six of the Articles of Incorporation shall be eligible to serve as directors.

(c) The Shareholder's Notice must contain all of the information set forth in Article Six or Article Nine of the Articles of Incorporation, as applicable, and must also set forth, as to each Proposing Person (as defined below):

(i) The name and address of such Proposing Person;

(ii) The class or series and number of shares of the Corporation which are, directly or indirectly, owned beneficially and of record by such Proposing Person;

(iii) Any Derivative Instrument (as defined below) directly or indirectly owned beneficially by such Proposing Person and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation;

(iv) Any proxy, contract, arrangement, understanding, or relationship pursuant to which such Proposing Person has a right to vote any class or series of shares of the Corporation;

(v) Any Short Interests (as defined below);

(vi) Any rights to dividends on the shares of the Corporation owned beneficially by such Proposing Person that are separated or separable from the underlying shares of the Corporation;

(vii) Any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such Proposing Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership;

(viii) Any performance-related fees (other than an asset-based fee) that any such Proposing Person is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments;

(ix) Any direct or indirect interest of such Proposing Person in the Corporation, in any affiliate of the Corporation, or in any principal competitor of the Corporation, not otherwise disclosed;

(x) Any direct or indirect interest of such Proposing Person in any contract with the Corporation, with any affiliate of the Corporation, or with any principal competitor of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement);

(xi) Any other information relating to such Proposing Person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies by such Proposing Person for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules and regulations promulgated thereunder;

(xii) In the case of the shareholder giving the Shareholder's Notice, a representation that the shareholder is a holder of record of stock of the Corporation entitled to vote at such meeting, intends to continuously hold such stock of the Corporation through such meeting, and intends to appear in person or by a qualified representative at the meeting to propose such business or nomination; and

(xiii) A representation as to whether such Proposing Person intends (A) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (B) otherwise to solicit proxies from shareholders in support of such proposal or nomination.

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(d) If the Shareholder's Notice relates to any business or proposal other than the nomination of one or more persons for election or reelection to the Board of Directors, then the Shareholder's Notice must also set forth:

(i) Any material interest of each Proposing Person in the subject matter of such business;

(ii) The text of the proposal, including the text of any related agreement or resolutions; and

(iii) A description of all agreements, arrangements and understandings among any of the Proposing Persons or between any Proposing Person and any other person or persons (including their names) in connection with the proposal.

(e) If the Shareholder's Notice relates to the proposed nomination of one or more persons for election or reelection to the Board of Directors (each, a "Prospective Nominee"), then the Shareholder's Notice must also set forth with respect to each Prospective Nominee:

(i) All information that would be required to be set forth in a Shareholder's Notice pursuant to paragraph (c) of this Section if the term "Prospective Nominee" were substituted for the term "Proposing Person" where it appears in such paragraph;

(ii) All information relating to the Prospective Nominee that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations thereunder;

(iii) A description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among any Proposing Person, on the one hand, and any of the Prospective Nominee, his or her respective affiliates and associates, or others acting in concert with the Prospective Nominee, on the other hand, including without limitation all information that would be required to be disclosed pursuant to Item 404 of Regulation S-K under the Exchange Act if the Proposing Person were the "registrant" for purposes of such rule and the Prospective Nominee were a director or executive officer of such registrant; and

(iv) The completed and signed questionnaire, written representation and agreement required by Section 2.8.

(f) For a Shareholder's Notice to be deemed timely given, all of the information required by paragraphs (b) through (e) of this Section must be received by the Secretary of the Corporation at the Corporation's principal executive offices within the time period prescribed for delivery of notice pursuant to Article Six or Article Nine of the Articles of Incorporation, as applicable.

(g) The Corporation may require any Prospective Nominee to furnish such other information as may reasonably be required by the Corporation to determine the Prospective Nominee's eligibility to serve as a director of the Corporation and to determine the Prospective Nominee's independence or lack thereof, or that could be material to a reasonable shareholder's understanding of the Prospective Nominee's independence or lack thereof. Any such additional information must be provided not later than the earlier of (i) ten (10) business days after the Corporation's request therefor or (ii) two (2) business days prior to the date of the meeting.

(h) The shareholder submitting a Shareholder's Notice shall update and supplement the Shareholder's Notice to the extent necessary so that the information provided or required to be provided therein pursuant to this Section and Articles Six and Nine of the Articles of Incorporation shall be true and correct as of (A) the record date for notice of the meeting, which update and supplement shall be due five (5) business days after the record date, (B) the date that is ten (10) business days prior to the meeting, which update and supplement shall be due eight (8) business days prior to the date for the meeting, and (C) the date that is ten (10) business days prior to any adjournment or postponement of the meeting, which update and supplement shall be due the later of (I) eight (8) business days prior to the date for the meeting as so adjourned or postponed or (II) the first practicable date after the announcement of the adjournment or postponement. Any such update and supplement must be received by the Secretary of the Corporation at the Corporation's principal executive offices not later than 4:30 p.m. Central Time on the date due.

(i) In no event shall any adjournment or postponement of a meeting or the announcement thereof commence a new time period for the giving of a Shareholder's Notice pursuant to Articles Six and Nine of the Articles of Incorporation and this Section.

(j) Notwithstanding Articles Six and Nine of the Articles of Incorporation and the other provisions of this Section, if the shareholder (or a qualified representative of the shareholder) does not appear at the meeting of shareholders to present a nomination or proposal, the nomination or proposal shall be disregarded and shall not be considered by the shareholders, even though proxies in respect of such vote may have been received by the Corporation. In order to be considered a qualified representative of a shareholder for purposes of these Bylaws, a person must be a duly authorized officer, manager or partner of such shareholder or must be authorized by a writing executed by such shareholder or an electronic transmission delivered by such shareholder to act for such shareholder as proxy at the meeting of shareholders, and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of shareholders.

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(k) The Board of Directors may reject any nomination or shareholder proposal submitted for consideration at any meeting of shareholders which is not made in accordance with the provisions of the Articles of Incorporation or this Section or which is not a proper subject for shareholder action under applicable law. If the Board of Directors does not determine the validity of any nomination or shareholder proposal, then except as otherwise provided by law, the Presiding Officer may, if the facts warrant, determine and declare at the meeting that the proposed nomination or proposal was not made or proposed in accordance with the procedures prescribed by the Articles of Incorporation and this Section or is not a proper subject for shareholder action under applicable law; and in such event the proposed nomination or proposal shall be disregarded and shall not be considered by the shareholders.

(l) Nothing in Articles Six and Nine of the Articles of Incorporation or in this Section shall be deemed to affect any rights (i) of shareholders to request inclusion of proposals in, or of the Corporation to omit proposals from, the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or any successor provision, if applicable, or (ii) of the holders of any series of preferred stock if and to the extent provided for under law, the Articles of Incorporation or these Bylaws. Subject to Rule 14a-8 under the Exchange Act, if applicable, nothing in these Bylaws shall be construed to permit any shareholder, or give any shareholder the right, to include or have disseminated or described in the Corporation's proxy statement any nomination of a director or directors or any other proposal; and in addition to complying with the requirements of Articles Six and Nine of the Articles of Incorporation and this Section, a shareholder must also comply with any applicable requirements of state law and of the Exchange Act and the rules and regulations thereunder. The provisions of Article Six or Article Nine of the Articles of Incorporation, as applicable, shall also govern what constitutes timely notice for purposes of Rule 14a-4(c) under the Exchange Act, or any successor provision. However, notwithstanding anything to the contrary in Article Nine of the Articles of Incorporation or this Section, solely with respect to a shareholder proposal, other than the nomination of one or more directors, that a shareholder proposes to bring before an annual meeting of shareholders, the notice requirements set forth in Article Nine of the Articles of Incorporation and this Section shall be deemed satisfied by a shareholder if such shareholder has submitted the proposal to the Corporation in compliance with Rule 14a-8 under the Exchange Act and the proposal has been included in a proxy statement that has been prepared and issued by the Corporation to solicit proxies for the meeting.

(m) As used in these Bylaws:

(i) The terms "affiliate" and "associate" have the meanings ascribed to such terms in Rule 12b-2 under the Exchange Act.

(ii) "Derivative Instrument" means any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation; any derivative or synthetic arrangement having the characteristics of a long position in any class or series of shares of the Corporation; or any contract, derivative, swap or other transaction or series of transactions designed to produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of the Corporation, including due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class or series of shares of the Corporation, whether or not such instrument, contract or right shall be subject to settlement in the underlying class or series of shares of the Corporation through the delivery of cash or other property, or otherwise, and without regard to whether the Proposing Person may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right.

(iii) "Proposing Person" means each of (A) the shareholder giving a Shareholder's Notice either of the intent to nominate one or more persons for election to the Board of Directors pursuant to Article Six of the Articles of Incorporation or proposing any other matter to be brought before an annual meeting of shareholders pursuant to Article Nine of the Articles of Incorporation, as the case may be, (B) the beneficial owner, if any, on whose behalf the nomination or proposal is made, (C) any affiliate or associate of such beneficial owner or shareholder, and (D) any other person with whom such shareholder or beneficial owner (or any of their respective affiliates or associates) is acting in concert with respect to the nomination or proposal.

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(iv) "Short Interests" means any agreement, arrangement, understanding, relationship or otherwise, including any repurchase or similar so-called "stock borrowing" agreement or arrangement, engaged in, directly or indirectly, by a Proposing Person the purpose or effect of which is to hedge against or mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class or series of the shares of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of such Proposing Person with respect to any class or series of the shares of the Corporation, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any decrease in the price or value of any class or series of the shares of the Corporation.

Section 2.8 Submission of Questionnaire, Representation and Agreement. To be eligible to be a nominee for election or reelection as a director of the Corporation, a person must deliver to the Secretary at the principal executive offices of the Corporation, in accordance with the time periods prescribed for delivery of a Shareholder's Notice pursuant to Article Six of the Articles of Incorporation, (i) a completed and executed questionnaire (the form for which shall be provided by the Secretary upon written request) with respect to the qualification of such person and the background of, and beneficial ownership of the Corporation's securities by, such person and any other person or entity on whose behalf, directly or indirectly, the nomination is being made, and (ii) an executed written representation and agreement (the form for which shall be provided by the Secretary upon written request) that (A) except as may be disclosed in such representation or agreement, such person is not, at the time of election will not be, and during his or her service as a Director will not become, a party to any agreement, arrangement or understanding with, and has not given and will not give any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question, or that could limit or interfere with such person's ability, if elected as a director of the Corporation, to comply with his or her fiduciary duties under applicable law, (B) except as may be disclosed in such representation or agreement, such person is not, at the time of election will not be, and during his or her service as a Director will not become, a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director, and (C) if elected as a director of the Corporation, such person would on the date of election be in compliance with, and at all times during his or her service as a Director will comply with, in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and stock trading policies and guidelines of the Corporation.

## ARTICLE THREE

### BOARD OF DIRECTORS

#### Section 3.1 Number, Election and Term.

(a) The Board of Directors shall consist of a minimum of three persons and a maximum of ten persons; provided, however, that the number of Directors may be determined from time to time only by the affirmative vote of a majority of the Board of Directors.

(b) The Board of Directors shall be divided into three classes, as nearly equal in number as possible. Directors shall be elected to hold office for terms of three years, and at each annual meeting of shareholders, the successors to the class of Directors whose terms shall then expire shall be elected for terms expiring at the third succeeding annual meeting after that election. In the event of any increase in the number of Directors, any additional Directors shall be added to such classes as may be necessary so that all classes shall be as nearly equal in number as possible. In the event of any decrease in the number of Directors, all classes of Directors shall be decreased as nearly equally as may be possible. No reduction in the number of Directors shall affect the term of office of any incumbent Director. Subject to the foregoing, the Board of Directors shall determine the class or classes to which any additional Directors shall be added and the class or classes which shall be decreased in the event of any decrease in the number of Directors.

(c) Directors shall serve for the terms for which they are elected and until their successors have been duly elected and qualified.

Section 3.2 Powers. The property and business of the Corporation shall be managed and controlled by or under the direction of the Board of Directors, which shall exercise or direct the exercise of all of the powers of the Corporation and do or cause to be done all acts and things as are not, by the Corporation's Articles of Incorporation, by these Bylaws or by law, directed or required to be done or exercised by the shareholders.

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Section 3.3 Meetings; Quorum. Regular meetings of the Board of Directors shall be held at such places, within or without the State of Missouri, and on such days and at such times as shall be fixed from time to time by the Board of Directors. Rules of procedure for the conduct of such meetings may be adopted by resolution of the Board of Directors. Notice of such regular meetings need not be given. A majority of members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but a lesser number may adjourn a meeting to another time or day if a quorum is not present. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Corporation's Articles of Incorporation, by these Bylaws or by law. Special meetings of the Board of Directors may be held at any time and place, within or without the State of Missouri, upon the call of the Chairman of the Board of Directors, the President or Secretary of the Corporation by notice duly given to each Director either in person or by telephone or electronic transmission to the number or address provided by such Director for the receipt of such information, not less than twenty-four hours before such meeting; provided, however, that any director may waive notice of any meeting, at any time either before or after the meeting, in writing or by electronic transmission. Attendance of a Director at any meeting shall constitute a waiver of notice of the meeting except where a Director attends a meeting for the sole and express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Members of the Board of Directors or of any committee designated by the Board of Directors may participate in a meeting of the Board of Directors or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

Section 3.4 Action by Consent. Any action which is required to be or may be taken at a meeting of the Directors or of a committee thereof may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all the Directors or committee members, as the case may be. Signatures may be provided by electronic transmission, in which case the Secretary shall cause a copy thereof to be printed and inserted in the appropriate minute book.

Section 3.5 Resignation of Directors. Any Director of the Corporation may resign at any time by giving written notice of such resignation to the Board of Directors, the Chairman of the Board of Directors, the President, or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein or, if no time be specified, upon receipt thereof by the Board of Directors or one of the above-named Officers; and, unless specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.6 Compensation of Directors. Directors, as such, may receive such compensation and be reimbursed for expenses of attendance at any meeting of the Board of Directors as shall be determined by resolution of the Board of Directors. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 3.7 Committees; General Rules. The Board of Directors, by resolution adopted by a majority of the whole Board of Directors, may designate two or more Directors to constitute a committee. Each committee, to the extent provided in such resolution, shall have and may exercise the authority of the Board of Directors, as so delegated in the resolution, in the management of the Corporation. Each committee of the Board of Directors shall keep regular minutes of its proceedings and report the same to the Board of Directors when required. The Board of Directors shall have the power at any time to fill vacancies in, to change the size or membership of, or to dissolve any one or more of such committees. At all meetings of a committee, a majority of the committee members then in office shall constitute a quorum for the purpose of transacting business, and the acts of a majority of the committee members present at any meeting at which there is a quorum shall be the acts of the committee. A Director who may be disqualified, by reason of personal interest, from voting on any particular matter before a meeting of a committee may nevertheless be counted for the purpose of constituting a quorum of the committee.

Section 3.8 Certain Qualifications. A person first elected to the Board of Directors effective on or after May 5, 2014 shall not be eligible for election as a Director under Section 3.1 of this Article Three if such person's 75th birthday shall fall on a date prior to the commencement of the term for which such person is to be elected or appointed. No person shall be qualified to be elected and to hold office as a Director if such person is determined by a majority of the Board of Directors to have acted in a manner contrary to the best interests of the Corporation, including, but not limited to, the violation of either Federal or State law, or breach of any agreement between that Director and the Corporation relating to his services as a Director, employee or agent of the Corporation. A Director need not be a shareholder.

Section 3.9 Directors Emeritus and Advisory Directors. The Board of Directors may from time to time create one or more positions of Director Emeritus and Advisory Director, and may fill such position or positions for such terms as the Board of Directors deems proper. Each Director Emeritus and Advisory Director shall, upon the invitation of the Board of Directors, have the privilege of attending meetings of the Board of Directors but shall do so solely as an observer. Notice of meetings of the Board of Directors to a Director Emeritus or Advisory Director shall not be required under any applicable law, the Articles of Incorporation or these Bylaws. Each Director Emeritus and Advisory Director shall be entitled to receive such compensation as may be fixed from time to time by the Board of Directors. No Director Emeritus or Advisory Director shall be entitled to vote on any business coming before the Board of Directors, nor shall they be counted as members of the Board of Directors for the purpose of determining the number of Directors necessary to constitute a quorum, for the purpose of determining whether a quorum is present, or for any other purpose whatsoever. In the case of a Director Emeritus or Advisory Director, the occurrence of any event which in the case of a Director would create a vacancy on the Board of Directors, shall be deemed to create a vacancy in such position; but the Board of Directors may declare the position terminated until such time as the Board of Directors shall again deem it proper to create and to fill the position.

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## ARTICLE FOUR

### OFFICERS

Section 4.1 Number, Election and Term. The officers of the Corporation shall be a Chairman of the Board, a President and a Secretary who shall be chosen by the Board of Directors at least annually. The Board of Directors may also choose one or more Vice-Chairmen of the Board, one or more Vice Presidents, a Treasurer, a Controller, one or more Assistant Secretaries, Assistant Treasurers and Assistant Controllers, and such other officers as the Board of Directors may deem appropriate. Any two or more offices may be held by the same person. Officers of the Corporation may be given distinctive designations such as Executive Vice President, Group Vice President, Senior Vice President, Chief Operating Officer, Chief Financial Officer and Chief Administrative Officer. All officers shall hold their offices at the pleasure of the Board of Directors.

Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors with or without cause whenever, in its judgment, the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any vacancy occurring in any office of the Corporation may be filled by the Board of Directors.

Section 4.2 Chairman of the Board. The Chairman of the Board shall be the Chief Executive Officer of the Corporation, shall be responsible for the general and active management of the business and affairs of the Corporation, subject only to the control of the Board of Directors, shall have full authority to sign and execute deeds, bonds, mortgages, contracts and other instruments of the Corporation. Unless otherwise determined by the Board of Directors, the Chairman of the Board shall also be, ex officio, a member of all standing committees of the Board of Directors, shall preside at all meetings of the shareholders and of the Board of Directors, and shall perform any other duties prescribed by the Board of Directors or these Bylaws.

Section 4.3 President. The President shall, in the absence or disability of the Chairman and Vice Chairman, perform the duties and exercise the powers of the Chairman of the Board, shall perform any duties prescribed by the Chairman of the Board, and shall see that all orders and resolutions of the Board of Directors are carried into effect. The President shall have equal authority with the Chairman and any Vice-Chairman of the Board to execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation.

Section 4.4 Vice Chairmen of the Board. Vice Chairmen of the Board, if any, may but need not be executive officers of the Corporation. The Vice Chairman, or, if there shall be more than one, the Vice Chairmen in order of seniority, shall, in the absence or disability of the Chairman of the Board, perform the duties and exercise the powers of the Chairman, and shall perform such other duties and have such other powers as the Chairman of the Board or the Board of Directors may prescribe. Each Vice Chairman shall have equal authority with the Chairman and the President with respect to the signing and execution of deeds, bonds, mortgages, contracts and other instruments of the Corporation.

Section 4.5 Vice Presidents. The Vice Presidents, if any, in the order of their seniority shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform any other duties prescribed by the Chairman of the Board, the President or the Board of Directors.

Section 4.6 Secretary and Assistant Secretaries. The Secretary shall keep or cause to be kept a record of all meetings of the shareholders and the Board of Directors and record all votes and the minutes of all proceedings in a book to be kept for that purpose, shall give, or cause to be given, notice of all meetings of the shareholders and special meetings of the Board of Directors, shall keep in safe custody the seal of the Corporation and affix the same to any instrument requiring it, and shall perform any other duties prescribed by the Chairman of the Board, the President or the Board of Directors. The Assistant Secretaries, if any, in order of their seniority shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform any other duties prescribed by the Chairman of the Board, the President or the Board of Directors.

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Section 4.7 Treasurer and Assistant Treasurers. The Treasurer, if any, shall have the custody of the corporate funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Chairman of the Board, the President or the Board of Directors and shall perform any other duties prescribed by the Chairman of the Board, the President or the Board of Directors. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Chairman of the Board, the President or the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board of Directors, or whenever they may require it, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation. If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his or her office and for the restoration to the Corporation, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation. The Assistant Treasurers, if any, in the order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform any other duties prescribed by the Chairman of the Board, the President or the Board of Directors.

Section 4.8 Controller and Assistant Controllers. The Controller, if any, shall have charge of the accounting records of the Corporation, shall maintain appropriate internal control and auditing of the Corporation, and shall perform such other duties prescribed by the Chairman of the Board, the President, the Board of Directors, or other senior officers. The Assistant Controllers, if any, in order of their seniority shall, in the absence or disability of the Controller, perform the duties and exercise the powers of the Controller and shall have any other duties prescribed by the Chairman of the Board, the President or the Board of Directors.

Section 4.9 Appointed Officers. In addition to the corporate officers elected by the Board of Directors, the Chairman of the Board or the President may, from time to time, appoint one or more other persons as appointed officers who shall not be deemed to be corporate officers. The person appointing such officers may assign the officers such titles as the appointing person may deem appropriate, may prescribe the powers to be exercised and the duties to be performed by each such appointed officer, may designate the term for which each such appointment is made, and may, from time to time, terminate any or all of such appointments with or without cause. Such appointments and termination of appointments shall be reported periodically to the Board of Directors.

## ARTICLE FIVE

### CAPITAL STOCK

Section 5.1 Stock Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate, in any form approved by the Board of Directors, certifying the number and class of shares owned by the shareholder in the Corporation, signed by the Chairman of the Board, the President or a Vice President and by the Secretary or Treasurer or an Assistant Secretary or Assistant Treasurer of the Corporation, and sealed with the seal of the Corporation. Any or all of the signatures on the certificate may be facsimiles, and the seal may be facsimile, engraved or printed. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on the certificate shall have ceased to be an officer, transfer agent or registrar before the certificate is issued, the certificate may nevertheless be issued by the Corporation with the same effect as if such person were an officer, transfer agent or registrar at the date of issue.

Section 5.2 Transfer of Stock. The shares of stock of the Corporation shall be transferable only upon its books by the holders thereof in person or by their duly authorized attorneys or legal representatives. Upon transfer, the old certificates shall be surrendered to the Corporation by the delivery thereof to the person in charge of the stock and transfer books and ledgers, or to such other persons as the Board of Directors may designate, by whom they shall be cancelled and new certificates shall thereupon be issued. Except as otherwise expressly provided by the statutes of the State of Missouri, the Corporation shall be entitled to treat the holder of record of any share or shares of stock as the absolute owner thereof for all purposes and, accordingly, shall not be bound to recognize any legal, equitable or other claim to or interest in such share or shares on the part of any other person whether or not it or they shall have express or other notice thereof.

Section 5.3 Closing of Transfer Books and Fixing of Record Date. The Board of Directors shall have the power to close the transfer books of the Corporation for a period not exceeding 70 days prior to the date of any meeting of shareholders, or the date for payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of shares shall go into effect. In lieu of so closing the transfer books, the Board of Directors may fix in advance a record date for the determination of the shareholders entitled to notice of and to vote at any meeting and any adjournment thereof, or entitled to receive payment of any dividend or any allotment of rights, or entitled to exercise the rights in respect of any change, conversion or exchange of shares, up to 70 days prior to the date of any meeting of shareholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of shares shall go into effect. In such case only the shareholders who are shareholders of record on the date of closing the transfer books or on the record date so fixed shall be entitled to receive notice of and to vote at such meeting and any adjournment or postponement thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights as the case may be, notwithstanding any transfer of any shares on the books of the Corporation after the date of closing of the transfer books or the record date fixed as aforesaid. If the Board of Directors does not close the transfer books or set a record date for the determination of the shareholders entitled to notice of and to vote at any meeting of shareholders, only the shareholders who are shareholders of record at the close of business on the 20th day preceding the date of the meeting shall be entitled to notice of and to vote at the meeting and upon any adjournment or postponement of the meeting, except that if prior to the meeting written waivers of notice of the meeting are signed and delivered to the Corporation by all of the shareholders of record at the time the meeting is convened, only the shareholders who are shareholders of record at the time the meeting is convened shall be entitled to vote at the meeting and any adjournment or postponement of the meeting.



Section 5.4 Lost or Destroyed Certificates. The holder of any shares of stock of the Corporation shall immediately notify the Corporation and its transfer agents and registrars, if any, of any loss or destruction of the certificates representing the same. The Corporation may issue a new certificate in place of any certificate theretofore issued by it which is alleged to have been lost or destroyed and the Chairman of the Board, the President or the Board of Directors may require the owner of the lost or destroyed certificate or the owner's legal representative to give the Corporation a bond in a sum and in a form approved by the Chairman of the Board, the President or the Board of Directors, and with a surety or sureties which the Chairman of the Board, the President or the Board of Directors finds satisfactory, to indemnify the Corporation and its transfer agents and registrars, if any, against any claim or liability that may be asserted against or incurred by it or any transfer agent or registrar on account of the alleged loss or destruction of any certificate or the issuance of a new certificate. A new certificate may be issued without requiring any bond when, in the judgment of the Chairman of the Board, the President or the Board of Directors, it is proper to do so. The Chairman of the Board, the President or the Board of Directors may delegate to any officer or officers of the Corporation any of the powers and authorities contained in this section.

Section 5.5 Transfer Agents and Registrars. The Chairman of the Board, the President or the Board of Directors may appoint one or more transfer agents or transfer clerks and one or more registrars of transfers which may be banks, trust companies or other financial institutions located within or without the State of Missouri; may define the authority of such transfer agents and registrars; may require all stock certificates to bear the signature of a transfer agent and/or a registrar (either of which may be facsimile); and may change or remove any such transfer agent or registrar.

Section 5.6 Book-Entry Ownership and Transfer of Stock. As an alternative to stock ownership and transfer by certificate, the stock of the Corporation may be included in a direct registration system operated by a securities depository and available for stocks traded on the New York Stock Exchange, under which the stock may be issued, recorded, owned and transferred electronically in book-entry form.

## ARTICLE SIX

### CORPORATE SEAL

The corporate seal shall be circular in form and shall bear the name of the Corporation, the year of its incorporation and the words "Corporate Seal" and "Missouri" and otherwise shall be in such form as shall be approved from time to time by the Chairman of the Board, the President or the Board of Directors.

## ARTICLE SEVEN

### FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of October of each year.

## ARTICLE EIGHT

### MISCELLANEOUS

Section 8.1 Amendments. These Bylaws may be amended, altered, changed or repealed, and any provision or provisions inconsistent with the provisions of the Bylaws as they exist from time to time may be adopted, only by a majority of the entire Board of Directors (as defined in the Articles of Incorporation).

Section 8.2 Construction; Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the General Business and Corporation Law of Missouri shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, the term "person" includes both a corporation and a natural person, and the masculine gender includes the feminine gender and vice versa. Whenever the words "include," "includes" or "including" are used in these Bylaws they shall be deemed to be followed by the words "without limitation."

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Section 8.3 Inconsistent Provisions. Any portion of these Bylaws which, upon being construed in the manner provided in Section 8.2, shall be contrary to or inconsistent with any applicable provisions of law or the Articles of Incorporation, shall not apply so long as said provisions of law or the Articles of Incorporation remain in effect, but such result shall not affect the validity or applicability of any other portion of these Bylaws, it being hereby declared that these Bylaws and each portion thereof would have been adopted, irrespective of the fact that any other portion is illegal.

Section 8.4 Provisions Additional to Provisions of Law. All restrictions, limitations, requirements and other provisions of these Bylaws shall be construed, insofar as possible, as supplemental and additional to all provisions of law applicable to the subject matter thereof and shall be fully complied with in addition to the said provisions of law unless such compliance shall be illegal.

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[Marked to show changes from current Bylaws]

BYLAWS

OF

ESCO TECHNOLOGIES INC.

ARTICLE ONE

OFFICES

Section 1.1 Registered Office. The registered office of the Corporation in Missouri shall be located at ~~8888 Ladue~~9900A Clayton Road, Suite 200, St. Louis, Missouri; 63124, or at such other address within the State of Missouri as the Board of Directors may from time to time authorize by duly adopted resolution.

Section 1.2 Other Offices. The Corporation may maintain such other offices both within and without the State of Missouri as the business of the Corporation may from time to time require or as the Board of Directors may determine.

ARTICLE TWO

SHAREHOLDERS' MEETINGS

Section 2.1 Annual Meetings. The annual meeting of shareholders for the election of Directors and for the transaction of such other business as properly may come before such meeting shall be held at such place within or without the State of Missouri as the Board of Directors may direct in the notice of such meeting, ~~on the first Monday in February of each year if not a legal holiday or, if a legal holiday, on the next succeeding business day not a legal holiday, commencing with February 4, 1991; provided, however, the day fixed for such meeting in any year may be changed, by resolution of the Board of Directors, to such other day which is not a legal holiday, as the Board of Directors may deem to be desirable or appropriate~~such business day during the first two weeks in February of each year as the Board of Directors may approve; provided that the Board of Directors may change a meeting date previously set, in its discretion, subject to any applicable limitations of law. Every meeting of the shareholders shall be convened at the hour stated in the notice for the meeting and ~~shall~~ continue until declared adjourned by a vote of the shareholders present or ~~declared adjourned~~ by the presiding officer.

Section 2.2 Special Meetings. ~~Unless otherwise required by law or the Corporation's Articles of Incorporation, special~~ ~~Special~~ meetings of the shareholders or of the holders of any ~~special~~ class of stock of the Corporation, ~~unless otherwise prescribed by statute or by the Articles of Incorporation,~~ may be called only by (i) the Board of Directors by the affirmative vote of a majority of the entire Board of Directors or by (as defined in the Articles of Incorporation), (ii) the Chairman of the Board of Directors, or any Vice Chairman of the Board of Directors, or (iii) the President by request of such a meeting; in each case by delivering notice thereof in writing. Such request shall be delivered or by electronic transmission to the Secretary of the Corporation and shall state stating the time, place and purpose or purposes of the proposed meeting. Upon such direction or request, subject to ~~At~~ any requirements or limitations imposed by the Corporation's Articles of Incorporation, by these Bylaws or by law, it shall be the duty of the Secretary to call a special meeting of the shareholders ~~to be held at such time as is, only such business shall be conducted, and only such proposals shall be acted upon, as are specified in the request~~ notice calling the meeting.

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Section 2.3 Notice of Meetings.

~~(a) Notice~~ Written or printed notice of each meeting of shareholders, stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered or given not less than 10 nor more than 70 days before the date of the meeting, ~~either personally or by mail,~~ by or at the direction of the Secretary to each shareholder of record entitled to vote at such meeting.

~~(b) Notice may be given in any form or manner permitted by law. Any notice of a shareholders' meeting sent by mail shall be deemed to be delivered when deposited in the United States mail with first class postage thereon prepaid, addressed to the shareholder at such shareholder's address as it appears on the records of the Corporation. Any notice of a shareholders' meeting given by electronic transmission shall be deemed given (i) if by fax, when directed to a fax number at which the shareholder has consented to receive notice; (ii) if by email, when directed to an email address at which the shareholder has consented to receive notice; (iii) if by posting on an electronic network together with separate notice to the shareholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and (iv) if by any other form of electronic transmission, when appropriately directed to the shareholder. As used in these Bylaws, "electronic transmission" means any process of communication not directly involving the physical transfer of paper that is suitable for the retention, retrieval, and reproduction of information by the recipient.~~

~~(c) A shareholder may waive notice of a meeting before or after the meeting in writing, by electronic transmission, or in any other manner permitted by law. Attendance of a shareholder at any meeting shall constitute a waiver of notice of such meeting except where such shareholder attends the meeting for the sole and express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Any notice of a shareholders' meeting sent by mail shall be deemed to be delivered when deposited in the United States mail with first class postage thereon prepaid, addressed to the shareholder at such shareholder's address as it appears on the records of the Corporation.~~

Section 2.4 Quorum; Adjournment or Postponement.

~~(a) A majority of the outstanding shares entitled to vote at any meeting, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders; provided, that in no event shall a quorum consist of less than a majority of the outstanding shares entitled to vote, but less than such quorum shall have the right successively to adjourn the meeting to a specified date not longer than 90 days after such adjournment, and no notice need be given of such adjournment to shareholders not present at the meeting that less than such quorum shall have the right to adjourn the meeting as provided in paragraph 2.4(b). Shares represented by a proxy which directs that the shares abstain from voting or that a vote be withheld on a matter shall be deemed to be represented at the meeting for quorum purposes. Shares as to which voting instructions are given as to at least one of the matters to be voted on shall also be deemed to be represented at the meeting. If the proxy states how shares will be voted in the absence of instructions by the shareholder, such shares shall be deemed to be represented at the meeting.~~

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(b) A meeting may be successively adjourned to a specified date not longer than 90 days after such adjournment or to another place. Notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken, unless otherwise required by law. If the adjournment is for more than 90 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the date and place of the adjourned meeting shall be given to each shareholder of record entitled to vote at the meeting. At an adjourned meeting any business may be transacted which might have been transacted at the original meeting.

(c) Any meeting may be successively postponed by resolution of the Board of Directors to a specified date up to 90 days after such postponement or to another place, upon public disclosure given on or prior to the date previously scheduled for such meeting of shareholders.

(d) For purposes of this Section, "adjournment" means a delay in the date, which may also be combined with a change in the place, of a meeting after the meeting has been convened; "postponement" means a delay in the date, which may be combined with a change in the place, of the meeting before it has been convened, but after the time and place thereof have been set forth in a notice delivered or given to shareholders; and public disclosure shall be deemed to have been given if a public announcement is made by press release reported by a national news service or in a publicly available document filed with the Securities and Exchange Commission.

Section 2.5 Voting. Subject to the rights of any holders of preferred stock, each outstanding share entitled to vote under the provisions of the Articles of Incorporation shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders. If a quorum is present, the affirmative vote of a majority of the shares represented at the meeting and entitled to vote on the matter in question shall be the act of the shareholders unless the vote of a greater number of shares is required by law or the Corporation's Articles of Incorporation, by or these Bylaws or by law. No person shall be ~~admitted~~ entitled to vote ~~on~~ any shares belonging or hypothecated to the Corporation. A shareholder may vote either in person or by proxy, executed in writing by the shareholder or by his duly authorized attorney-in-fact, or by electronic ~~(internet and/or telephone) voting~~ transmission in any manner provided for such purpose by the Corporation.

Section 2.6 Action by Consent. ~~Unless otherwise prescribed by the Articles of Incorporation, any action required or permitted to be taken by the shareholders of the Corporation may, if otherwise allowed by law, be taken without a meeting of shareholders only if consents in writing, setting forth the action so taken, are signed by all shareholders entitled to vote with respect to the subject matter thereof.~~ Organization and Conduct of Meetings of Shareholders.

(a) Each meeting of shareholders shall be convened and presided over by one of the following persons (the "Presiding Officer"), in the following order of precedence: (i) the Chairman of the Board, (ii) the Vice Chairman of the Board, if any, (iii) the President, or (iv) another officer or director of the Corporation who has been designated as chairman of the meeting by the Board of Directors. The Secretary of the Corporation or, in his or her absence, a person whom the Presiding Officer shall appoint, shall act as secretary of each meeting of shareholders. Whenever the Secretary shall be absent or shall be acting as Presiding Officer, the Presiding Officer shall appoint a person present to act as secretary of the meeting.

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(b) The Board of Directors may adopt such rules, regulations and procedures for the conduct of the meeting as it shall deem appropriate. In addition, except to the extent inconsistent with such rules, regulations and procedures, the Presiding Officer shall have the right and authority to convene and (for any or no reason) to adjourn the meeting and to prescribe such rules, regulations and procedures and do all such acts as, in the judgment of the Presiding Officer, are necessary, appropriate or convenient for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the Presiding Officer, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present, including removing any shareholder who refuses to comply with the rules, regulations or procedures for the meeting; (iii) limitations on attendance at or participation in the meeting to shareholders of record of the Corporation, their duly authorized and constituted proxies and such other persons as the Presiding Officer shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; (v) limitations on the time allotted to questions or comments by participants; (vi) adjournment of the meeting either by the Presiding Officer or by the affirmative vote of a majority of the shares represented at the meeting; and (vii) regulation of the voting or balloting, as applicable, including matters, if any, which are to be voted on by ballot. Unless and except to the extent otherwise determined by the Board of Directors or the Presiding Officer, meetings of shareholders shall not be required to be held in accordance with the rules of parliamentary procedure.

(c) The Presiding Officer shall have absolute authority to decide questions of compliance with the foregoing procedures, and his or her ruling thereon shall be final and conclusive.

#### Section 2.7 Nominations and Other Proposals by Shareholders.

(a) Shareholders shall not be permitted to propose business to be brought before a special meeting of shareholders, other than the nomination of directors if the Board of Directors has first determined that directors are to be elected at such special meeting.

(b) A shareholder desiring to nominate one or more persons for election to the Board of Directors or to propose other business to be considered by the shareholders at a meeting at which such a nomination or proposal is permitted must comply with all of the requirements set forth in these Bylaws and in the Articles of Incorporation, including timely providing a notice of the shareholder's intent to make such nomination or propose such other business ("Shareholder's Notice"), in order for the nomination or proposal to be eligible to be considered at the meeting. In the case of a shareholder's nomination of one or more persons for election to the Board of Directors, only such persons who are nominated in accordance with the procedures set forth in this Section and Article Six of the Articles of Incorporation shall be eligible to serve as directors.

(c) The Shareholder's Notice must contain all of the information set forth in Article Six or Article Nine of the Articles of Incorporation, as applicable, and must also set forth, as to each Proposing Person (as defined below):

(i) The name and address of such Proposing Person;

(ii) The class or series and number of shares of the Corporation which are, directly or indirectly, owned beneficially and of record by such Proposing Person;

(iii) Any Derivative Instrument (as defined below) directly or indirectly owned beneficially by such Proposing Person and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation;

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(iv) Any proxy, contract, arrangement, understanding, or relationship pursuant to which such Proposing Person has a right to vote any class or series of shares of the Corporation;

(v) Any Short Interests (as defined below);

(vi) Any rights to dividends on the shares of the Corporation owned beneficially by such Proposing Person that are separated or separable from the underlying shares of the Corporation;

(vii) Any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such Proposing Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership;

(viii) Any performance-related fees (other than an asset-based fee) that any such Proposing Person is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments;

(ix) Any direct or indirect interest of such Proposing Person in the Corporation, in any affiliate of the Corporation, or in any principal competitor of the Corporation, not otherwise disclosed;

(x) Any direct or indirect interest of such Proposing Person in any contract with the Corporation, with any affiliate of the Corporation, or with any principal competitor of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement);

(xi) Any other information relating to such Proposing Person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies by such Proposing Person for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules and regulations promulgated thereunder;

(xii) In the case of the shareholder giving the Shareholder's Notice, a representation that the shareholder is a holder of record of stock of the Corporation entitled to vote at such meeting, intends to continuously hold such stock of the Corporation through such meeting, and intends to appear in person or by a qualified representative at the meeting to propose such business or nomination; and

(xiii) A representation as to whether such Proposing Person intends (A) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (B) otherwise to solicit proxies from shareholders in support of such proposal or nomination.

(d) If the Shareholder's Notice relates to any business or proposal other than the nomination of one or more persons for election or reelection to the Board of Directors, then the Shareholder's Notice must also set forth:

(i) Any material interest of each Proposing Person in the subject matter of such business;

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(ii) The text of the proposal, including the text of any related agreement or resolutions; and

(iii) A description of all agreements, arrangements and understandings among any of the Proposing Persons or between any Proposing Person and any other person or persons (including their names) in connection with the proposal.

(e) If the Shareholder's Notice relates to the proposed nomination of one or more persons for election or reelection to the Board of Directors (each, a "Prospective Nominee"), then the Shareholder's Notice must also set forth with respect to each Prospective Nominee:

(i) All information that would be required to be set forth in a Shareholder's Notice pursuant to paragraph (c) of this Section if the term "Prospective Nominee" were substituted for the term "Proposing Person" where it appears in such paragraph;

(ii) All information relating to the Prospective Nominee that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations thereunder;

(iii) A description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among any Proposing Person, on the one hand, and any of the Prospective Nominee, his or her respective affiliates and associates, or others acting in concert with the Prospective Nominee, on the other hand, including without limitation all information that would be required to be disclosed pursuant to Item 404 of Regulation S-K under the Exchange Act if the Proposing Person were the "registrant" for purposes of such rule and the Prospective Nominee were a director or executive officer of such registrant; and

(iv) The completed and signed questionnaire, written representation and agreement required by Section 2.8.

(f) For a Shareholder's Notice to be deemed timely given, all of the information required by paragraphs (b) through (e) of this Section must be received by the Secretary of the Corporation at the Corporation's principal executive offices within the time period prescribed for delivery of notice pursuant to Article Six or Article Nine of the Articles of Incorporation, as applicable.

(g) The Corporation may require any Prospective Nominee to furnish such other information as may reasonably be required by the Corporation to determine the Prospective Nominee's eligibility to serve as a director of the Corporation and to determine the Prospective Nominee's independence or lack thereof, or that could be material to a reasonable shareholder's understanding of the Prospective Nominee's independence or lack thereof. Any such additional information must be provided not later than the earlier of (i) ten (10) business days after the Corporation's request therefor or (ii) two (2) business days prior to the date of the meeting.

(h) The shareholder submitting a Shareholder's Notice shall update and supplement the Shareholder's Notice to the extent necessary so that the information provided or required to be provided therein pursuant to this Section and Articles Six and Nine of the Articles of Incorporation shall be true and correct as of (A) the record date for notice of the meeting, which update and supplement shall be due five (5) business days after the record date, (B) the date that is ten (10) business days prior to the meeting, which update and supplement shall be due eight (8) business days prior to the date for the meeting, and (C) the date that is ten (10) business days prior to any adjournment or postponement of the meeting, which update and supplement shall be due the later of (I) eight (8) business days prior to the date for the meeting as so adjourned or postponed or (II) the first practicable date after the announcement of the adjournment or postponement. Any such update and supplement must be received by the Secretary of the Corporation at the Corporation's principal executive offices not later than 4:30 p.m. Central Time on the date due.

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(i) In no event shall any adjournment or postponement of a meeting or the announcement thereof commence a new time period for the giving of a Shareholder's Notice pursuant to Articles Six and Nine of the Articles of Incorporation and this Section.

(j) Notwithstanding Articles Six and Nine of the Articles of Incorporation and the other provisions of this Section, if the shareholder (or a qualified representative of the shareholder) does not appear at the meeting of shareholders to present a nomination or proposal, the nomination or proposal shall be disregarded and shall not be considered by the shareholders, even though proxies in respect of such vote may have been received by the Corporation. In order to be considered a qualified representative of a shareholder for purposes of these Bylaws, a person must be a duly authorized officer, manager or partner of such shareholder or must be authorized by a writing executed by such shareholder or an electronic transmission delivered by such shareholder to act for such shareholder as proxy at the meeting of shareholders, and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of shareholders.

(k) The Board of Directors may reject any nomination or shareholder proposal submitted for consideration at any meeting of shareholders which is not made in accordance with the provisions of the Articles of Incorporation or this Section or which is not a proper subject for shareholder action under applicable law. If the Board of Directors does not determine the validity of any nomination or shareholder proposal, then except as otherwise provided by law, the Presiding Officer may, if the facts warrant, determine and declare at the meeting that the proposed nomination or proposal was not made or proposed in accordance with the procedures prescribed by the Articles of Incorporation and this Section or is not a proper subject for shareholder action under applicable law; and in such event the proposed nomination or proposal shall be disregarded and shall not be considered by the shareholders.

(l) Nothing in Articles Six and Nine of the Articles of Incorporation or in this Section shall be deemed to affect any rights (i) of shareholders to request inclusion of proposals in, or of the Corporation to omit proposals from, the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or any successor provision, if applicable, or (ii) of the holders of any series of preferred stock if and to the extent provided for under law, the Articles of Incorporation or these Bylaws. Subject to Rule 14a-8 under the Exchange Act, if applicable, nothing in these Bylaws shall be construed to permit any shareholder, or give any shareholder the right, to include or have disseminated or described in the Corporation's proxy statement any nomination of a director or directors or any other proposal; and in addition to complying with the requirements of Articles Six and Nine of the Articles of Incorporation and this Section, a shareholder must also comply with any applicable requirements of state law and of the Exchange Act and the rules and regulations thereunder. The provisions of Article Six or Article Nine of the Articles of Incorporation, as applicable, shall also govern what constitutes timely notice for purposes of Rule 14a-4(c) under the Exchange Act, or any successor provision. However, notwithstanding anything to the contrary in Article Nine of the Articles of Incorporation or this Section, solely with respect to a shareholder proposal, other than the nomination of one or more directors, that a shareholder proposes to bring before an annual meeting of shareholders, the notice requirements set forth in Article Nine of the Articles of Incorporation and this Section shall be deemed satisfied by a shareholder if such shareholder has submitted the proposal to the Corporation in compliance with Rule 14a-8 under the Exchange Act and the proposal has been included in a proxy statement that has been prepared and issued by the Corporation to solicit proxies for the meeting.

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(m) As used in these Bylaws:

(i) The terms “affiliate” and “associate” have the meanings ascribed to such terms in Rule 12b-2 under the Exchange Act.

(ii) “Derivative Instrument” means any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation; any derivative or synthetic arrangement having the characteristics of a long position in any class or series of shares of the Corporation; or any contract, derivative, swap or other transaction or series of transactions designed to produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of the Corporation, including due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class or series of shares of the Corporation, whether or not such instrument, contract or right shall be subject to settlement in the underlying class or series of shares of the Corporation through the delivery of cash or other property, or otherwise, and without regard to whether the Proposing Person may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right.

(iii) “Proposing Person” means each of (A) the shareholder giving a Shareholder’s Notice either of the intent to nominate one or more persons for election to the Board of Directors pursuant to Article Six of the Articles of Incorporation or proposing any other matter to be brought before an annual meeting of shareholders pursuant to Article Nine of the Articles of Incorporation, as the case may be, (B) the beneficial owner, if any, on whose behalf the nomination or proposal is made, (C) any affiliate or associate of such beneficial owner or shareholder, and (D) any other person with whom such shareholder or beneficial owner (or any of their respective affiliates or associates) is acting in concert with respect to the nomination or proposal.

(iv) “Short Interests” means any agreement, arrangement, understanding, relationship or otherwise, including any repurchase or similar so-called “stock borrowing” agreement or arrangement, engaged in, directly or indirectly, by a Proposing Person the purpose or effect of which is to hedge against or mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class or series of the shares of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of such Proposing Person with respect to any class or series of the shares of the Corporation, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any decrease in the price or value of any class or series of the shares of the Corporation.

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Section 2.8 Submission of Questionnaire, Representation and Agreement. To be eligible to be a nominee for election or reelection as a director of the Corporation, a person must deliver to the Secretary at the principal executive offices of the Corporation, in accordance with the time periods prescribed for delivery of a Shareholder's Notice pursuant to Article Six of the Articles of Incorporation, (i) a completed and executed questionnaire (the form for which shall be provided by the Secretary upon written request) with respect to the qualification of such person and the background of, and beneficial ownership of the Corporation's securities by, such person and any other person or entity on whose behalf, directly or indirectly, the nomination is being made, and (ii) an executed written representation and agreement (the form for which shall be provided by the Secretary upon written request) that (A) except as may be disclosed in such representation or agreement, such person is not, at the time of election will not be, and during his or her service as a Director will not become, a party to any agreement, arrangement or understanding with, and has not given and will not give any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question, or that could limit or interfere with such person's ability, if elected as a director of the Corporation, to comply with his or her fiduciary duties under applicable law, (B) except as may be disclosed in such representation or agreement, such person is not, at the time of election will not be, and during his or her service as a Director will not become, a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director, and (C) if elected as a director of the Corporation, such person would on the date of election be in compliance with, and at all times during his or her service as a Director will comply with, in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and stock trading policies and guidelines of the Corporation.

## ARTICLE THREE

### BOARD OF DIRECTORS

#### Section 3.1 Number, Election and Term.

(a) The Board of Directors shall consist of a minimum of three persons and a maximum of ten persons; provided, however, that ~~except as otherwise provided in the Articles of Incorporation~~ the number of Directors may be determined from time to time only by the affirmative vote of a majority of the Board of Directors.

(b) The Board of Directors shall be divided into three classes, as nearly equal in number as possible. Directors shall be elected to hold office for terms of three years, and at each annual meeting of shareholders, the successors to the class of Directors whose terms shall then expire shall be elected for terms expiring at the third succeeding annual meeting after that election. In the event of any increase in the number of Directors, any additional Directors shall be added to such classes as may be necessary so that all classes shall be as nearly equal in number as possible. In the event of any decrease in the number of Directors, all classes of Directors shall be decreased as nearly equally as may be possible. No reduction in the number of Directors shall affect the term of office of any incumbent Director. Subject to the foregoing, the Board of Directors shall determine the class or classes to which any additional Directors shall be added and the class or classes which shall be decreased in the event of any decrease in the number of Directors.

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~~(c) With respect to the initial Board of Directors of the Corporation, the first class of Directors shall hold office until the first annual meeting of shareholders, the second class of Directors shall hold office until the second annual meeting of shareholders and the third class of Directors shall hold office until the third annual meeting of shareholders. Thereafter, Directors shall be elected to hold office for a term of three years, and at each annual meeting of shareholders, the successors to the class of Directors whose terms shall then expire shall be elected for a term expiring at the third succeeding annual meeting after that election.~~

(c) Directors shall serve for the terms for which they are elected and until their successors have been duly elected and qualified.

Section 3.2 Powers. The property and business of the Corporation shall be managed and controlled by or under the direction of the Board of Directors, which shall exercise or direct the exercise of all of the powers of the Corporation and do or cause to be done all acts and things as are not, by the Corporation's Articles of Incorporation, by these Bylaws or by law, directed or required to be done or exercised by the shareholders.

Section 3.3 Meetings; Quorum. Regular meetings of the Board of Directors shall be held at such places, within or without the State of Missouri, and on such days and at such times as shall be fixed from time to time by the Board of Directors. Rules of procedure for the conduct of such meetings may be adopted by resolution of the Board of Directors. Notice of such regular meetings need not be given. A majority of members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but a lesser number may adjourn a meeting to another time or day if a quorum is not present. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by the Corporation's Articles of Incorporation, by these Bylaws or by law. Special meetings of the Board of Directors may be held at any time and place, within or without the State of Missouri, upon the call of the Chairman of the Board of Directors, the President or Secretary of the Corporation by ~~oral, written, telefax or telegraphic~~ notice duly given, ~~sent or mailed~~ to each Director, ~~at such Director's last known address~~ either in person or by telephone or electronic transmission to the number or address provided by such Director for the receipt of such information, not less than twenty-four hours before such meeting; provided, however, that any director may, ~~at any time, in writing or by telegram~~, waive notice of any meeting, ~~at which he may not be or may not have been present any time either before or after the meeting, in writing or by electronic transmission~~. Attendance of a Director at any meeting shall constitute a waiver of notice of the meeting except where a Director attends a meeting for the sole and express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Members of the Board of Directors or of any committee designated by the Board of Directors may participate in a meeting of the Board of Directors or committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting.

Section 3.4 Action by Consent. Any action which is required to be or may be taken at a meeting of the Directors or of a committee thereof may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all the Directors or committee members, as the case may be. ~~Any action which is required to be or may be taken at a meeting of a committee of Directors may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all the members of the committee. Signatures may be provided by electronic transmission, in which case the Secretary shall cause a copy thereof to be printed and inserted in the appropriate minute book.~~

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Section 3.5 Resignation of Directors. Any Director of the Corporation may resign at any time by giving written notice of such resignation to the Board of Directors, the Chairman of the Board of Directors, the President, or the Secretary of the Corporation. Any such resignation shall take effect at the time specified therein or, if no time be specified, upon receipt thereof by the Board of Directors or one of the above-named Officers; and, unless specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.6 Compensation of Directors. Directors, as such, may receive such compensation and be reimbursed for expenses of attendance at any meeting of the Board of Directors as shall be determined by resolution of the Board of Directors. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 3.7 Committees; General Rules. The Board of Directors, by resolution adopted by a majority of the whole Board of Directors, may designate two or more Directors to constitute a committee. Each committee, to the extent provided in such resolution, shall have and may exercise the authority of the Board of Directors, as so delegated in the resolution, in the management of the Corporation. Each committee of the Board of Directors shall keep regular minutes of its proceedings and report the same to the Board of Directors when required. ~~Vacancies in the membership of each committee shall be filled by the Board of Directors shall have the power at any regular time to fill vacancies in, to change the size or special meeting membership of, or to dissolve any one or more of the Board of Directors such committees.~~ At all meetings of a committee, a majority of the committee members then in office shall constitute a quorum for the purpose of transacting business, and the acts of a majority of the committee members present at any meeting at which there is a quorum shall be the acts of the committee. A Director who may be disqualified, by reason of personal interest, from voting on any particular matter before a meeting of a committee may nevertheless be counted for the purpose of constituting a quorum of the committee.

Section 3.8 Certain Qualifications. A person first elected to the Board of Directors effective on or after May 5, 2014 shall not be eligible for election as a Director under Section 3.1 of this Article Three if such person's 75th birthday shall fall on a date prior to the commencement of the term for which such person is to be elected or appointed. No person shall be qualified to be elected and to hold office as a Director if such person is determined by a majority of the Board of Directors to have acted in a manner contrary to the best interests of the Corporation, including, but not limited to, the violation of either Federal or State law, or breach of any agreement between that Director and the Corporation relating to his services as a Director, employee or agent of the Corporation. A Director need not be a shareholder.

Section 3.9 Directors Emeritus and Advisory Directors. The Board of Directors may from time to time create one or more positions of Director Emeritus and Advisory Director, and may fill such position or positions for such terms as the Board of Directors deems proper. Each Director Emeritus and Advisory Director shall, upon the invitation of the Board of Directors, have the privilege of attending meetings of the Board of Directors but shall do so solely as an observer. Notice of meetings of the Board of Directors to a Director Emeritus or Advisory Director shall not be required under any applicable law, the Articles of Incorporation or these Bylaws. Each Director Emeritus and Advisory Director shall be entitled to receive such compensation as may be fixed from time to time by the Board of Directors. No Director Emeritus or Advisory Director shall be entitled to vote on any business coming before the Board of Directors, nor shall they be counted as members of the Board of Directors for the purpose of determining the number of Directors necessary to constitute a quorum, for the purpose of determining whether a quorum is present, or for any other purpose whatsoever. In the case of a Director Emeritus or Advisory Director, the occurrence of any event which in the case of a Director would create a vacancy on the Board of Directors, shall be deemed to create a vacancy in such position; but the Board of Directors may declare the position terminated until such time as the Board of Directors shall again deem it proper to create and to fill the position.

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## ARTICLE FOUR

### OFFICERS

Section 4.1 Number, Election and Term. The officers of the Corporation shall be a Chairman of the Board, a President and a Secretary who shall be chosen by the Board of Directors at ~~its first meeting after each annual meeting of shareholders~~ least annually. The Board of Directors may also choose one or more Vice-Chairmen of the Board of Directors, one or more Vice Presidents, a Treasurer, a Controller, one or more Assistant Secretaries, Assistant Treasurers and Assistant ~~Treasurers~~ Controllers, and such other officers as the Board of Directors may deem appropriate. Any two or more offices may be held by the same person. Officers of the Corporation may be given distinctive designations such as Executive Vice President, Group Vice President, Senior Vice President, Chief Operating Officer, Chief Financial Officer and Chief Administrative Officer. All officers, ~~unless sooner removed~~, shall hold their respective offices until the first meeting at the pleasure of the Board of Directors after the next succeeding election of the Board of Directors and until their successors shall have been duly elected and qualified.

Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors with or without cause whenever, in its judgment, the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any vacancy occurring in any office of the Corporation ~~shall~~ may be filled by the Board of Directors.

Section 4.2 Chairman of the Board. The Chairman of the Board shall be the Chief Executive Officer of the Corporation. ~~In addition to his duties as Chairman and Chief Executive Officer, he~~, shall be responsible for the general and active management of the business and affairs of the Corporation, subject only to the control of the Board of Directors, shall have full authority ~~In respect to the signing~~ sign and ~~execution of~~ execute deeds, bonds, mortgages, contracts and other instruments of the Corporation. Unless otherwise determined by the Board of Directors, ~~he~~ the Chairman of the Board shall also be, ex officio, a member of all standing ~~Committees~~ committees of the Board of Directors, shall preside at all meetings of the shareholders and of the Board of Directors at which he is present, and shall perform any other duties prescribed by the Board of Directors or these Bylaws.

Section 4.3 President. The President shall, in the absence or disability of the Chairman and Vice Chairman, perform the duties and exercise the powers of the Chairman of the Board, ~~including presiding at all meetings of the shareholders and directors at which he is present~~. He shall perform any duties prescribed by the Chairman of the Board of Directors, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

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The President shall have equal authority with the Chairman and any Vice-Chairman of the Board to execute bonds, mortgages and other contracts requiring a seal, under the seal of the Corporation, except where permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation.

Section 4.4 Vice Chairmen of the Board. Vice Chairmen of the Board, if any, may but need not be executive officers of the Corporation. The Vice Chairman, or, if there shall be more than one, the Vice Chairmen in order of seniority, shall, in the absence or disability of the Chairman of the Board, perform the duties and exercise the powers of the Chairman, and shall perform such other duties; and have such other powers as the Chairman of the Board or the Board of Directors may, ~~from time to time~~, prescribe. Each Vice Chairman shall have equal authority with the Chairman and the President with respect to the signing and execution of deeds, bonds, mortgages, contracts and other instruments of the Corporation.

Section 4.5 Vice Presidents. The Vice Presidents, if any, in the order of their seniority shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform any other duties prescribed by the Chairman of the Board, the President or the Board of Directors.

Section 4.6 Secretary and Assistant Secretaries. The Secretary shall keep or cause to be kept a record of all meetings of the shareholders and the Board of Directors and record all votes and the minutes of all proceedings in a book to be kept for that purpose. ~~He~~, shall give, or cause to be given, notice of all meetings of the shareholders and special meetings of the Board of Directors, ~~and shall perform any other duties prescribed by the Board of Directors or the President, under whose supervision he shall be.~~ He shall keep in safe custody the seal of the Corporation and shall affix the same to any instrument requiring it, ~~and shall perform any other duties prescribed by the Chairman of the Board, the President or the Board of Directors.~~

The Assistant Secretaries, if any, in order of their seniority shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform any other duties prescribed by the Chairman of the Board, the President or the Board of Directors.

Section 4.7 Treasurer and Assistant Treasurers. The Treasurer, if any, shall have the custody of the corporate funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Chairman of the Board, the President or the Board of Directors and shall perform any other duties prescribed by the Chairman of the Board, the President or the Board of Directors.

The Treasurer shall disburse the funds of the Corporation as may be ordered by the Chairman of the Board, the President or the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board of Directors, or whenever they may require it, an account of all his or her transactions as Treasurer and of the financial condition of the Corporation.

If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his or her office and for the restoration to the Corporation, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his or her possession or under his or her control belonging to the Corporation.

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The Assistant Treasurers, if any, in the order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform any other duties prescribed by the Chairman of the Board, the President or the Board of Directors.

Section 4.8 Controller and Assistant Controllers. The Controller, if ~~one is elected by the Board of Directors~~any, shall have charge of the accounting records of the Corporation, shall maintain appropriate internal control and auditing of the Corporation, and shall perform such other duties ~~as directed~~prescribed by the Chairman of the Board, the President, the Board of Directors, the Chairman or other senior officers. The Assistant Controllers, if any, in order of their seniority shall, in the absence or disability of the Controller, perform the duties and exercise the powers of the Controller and shall have any other duties prescribed by the Chairman of the Board, the President or the Board of Directors.

Section 4.9 Appointed Officers. In addition to the corporate officers elected by the Board of Directors, the Chairman of the Board or the President may, from time to time, appoint one or more other persons as appointed officers who shall not be deemed to be corporate officers, ~~but~~. The person appointing such officers may, ~~respectively, be designated with~~ assign the officers such titles as the Chairman appointing person may deem appropriate. ~~The Chairman,~~ may prescribe the powers to be exercised and the duties to be performed by each such appointed officer, may designate the term for which each such appointment is made, and may, from time to time, terminate any or all of such appointments with or without cause. Such appointments and termination of appointments shall be reported periodically to the Board of Directors.

## ARTICLE FIVE

### CAPITAL STOCK

Section 5.1 Stock Certificates. Every holder of stock in the Corporation shall be entitled to have a certificate, in any form approved by the Board of Directors, certifying the number and class of shares owned by the shareholder in the Corporation, signed by the Chairman of the Board, the President or a Vice President and by the Secretary or Treasurer or an Assistant Secretary or Assistant Treasurer of the Corporation, and sealed with the seal of the Corporation. ~~If the certificate is countersigned by a transfer agent other than the Corporation or its employee, or by a registrar other than the Corporation or its employee, any other signature~~ Any or all of the signatures on the certificate may be facsimiles, and the seal may be facsimile, ~~signature, or may be~~ engraved or printed. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on the certificate shall have ceased to be an officer, transfer agent or registrar before the certificate is ~~issued~~issued, the certificate may nevertheless be issued by the Corporation with the same effect as if such person were an officer, transfer agent or registrar at the date of ~~issue~~issue.

Section 5.2 Transfer of Stock. The shares of stock of the Corporation shall be transferable only upon its books by the holders thereof in person or by their duly authorized attorneys or legal representatives. Upon transfer, the old certificates shall be surrendered to the Corporation by the delivery thereof to the person in charge of the stock and transfer books and ledgers, or to such other persons as the Board of Directors may designate, by whom they shall be cancelled and new certificates shall thereupon be issued. Except as otherwise expressly provided by the statutes of the State of Missouri, the Corporation shall be entitled to treat the holder of record of any share or shares of stock as the absolute owner thereof for all purposes and, accordingly, shall not be bound to recognize any legal, equitable or other claim to or interest in such share or shares on the part of any other person whether or not it or they shall have express or other notice thereof.

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Section 5.3 Closing of Transfer Books and Fixing of Record Date. The Board of Directors shall have the power to close the transfer books of the Corporation for a period not exceeding 70 days prior to the date of any meeting of shareholders, or the date for payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of shares shall go into effect. In lieu of so closing the transfer books, the Board of Directors may fix in advance a record date for the determination of the shareholders entitled to notice of and to vote at any meeting and any adjournment thereof, or entitled to receive payment of any dividend or any allotment of rights, or entitled to exercise the rights in respect of any change, conversion or exchange of shares, up to 70 days prior to the date of any meeting of shareholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of shares shall go into effect. In such case only the shareholders who are shareholders of record on the date of closing the transfer books or on the record date so fixed shall be entitled to receive notice of and to vote at such meeting and any adjournment or postponement thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights as the case may be, notwithstanding any transfer of any shares on the books of the Corporation after the date of closing of the transfer books or the record date fixed as aforesaid. If the Board of Directors does not close the transfer books or set a record date for the determination of the shareholders entitled to notice of and to vote at any meeting of shareholders, only the shareholders who are shareholders of record at the close of business on the 20th day preceding the date of the meeting shall be entitled to notice of and to vote at the meeting and upon any adjournment or postponement of the meeting, except that if prior to the meeting written waivers of notice of the meeting are signed and delivered to the Corporation by all of the shareholders of record at the time the meeting is convened, only the shareholders who are shareholders of record at the time the meeting is convened shall be entitled to vote at the meeting and any adjournment or postponement of the meeting.

Section 5.4 Lost or Destroyed Certificates. The holder of any shares of stock of the Corporation shall immediately notify the Corporation and its transfer agents and registrars, if any, of any loss or destruction of the certificates representing the same. The Corporation may issue a new certificate in place of any certificate theretofore ~~issued~~ issued by it which is alleged to have been lost or destroyed and the Chairman of the Board, the President or the Board of Directors may require the owner of the lost or destroyed certificate or the owner's legal representative to give the Corporation a bond in a sum and in a form approved by the Chairman of the Board, the President or the Board of Directors, and with a surety or sureties which the Chairman of the Board, the President or the Board of Directors finds satisfactory, to indemnify the Corporation and its transfer agents and registrars, if any, against any claim or liability that may be asserted against or incurred by it or any transfer agent or registrar on account of the alleged loss or destruction of any certificate or the issuance of a new certificate. A new certificate may be issued without requiring any bond when, in the judgment of the Board of Directors, it is proper ~~so~~ to do so. The Chairman of the Board, the President or the Board of Directors may delegate to any ~~Officer~~ officer or ~~Officers~~ officers of the Corporation any of the powers and authorities contained in this section.

Section 5.5 Transfer Agents and Registrars. The Chairman of the Board, the President or the Board of Directors may appoint one or more transfer agents or transfer clerks and one or more registrars of transfers which may be banks, trust companies or other financial institutions located within or without the State of Missouri; may define the authority of such transfer agents and registrars ~~of transfers~~; may require all stock certificates to bear the signature of a transfer agent and or a registrar ~~of transfers, or both;~~ (either of which may be facsimile); and may change or remove any such transfer agent or registrar ~~of transfers~~.

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Section 5.6 Book-Entry Ownership and Transfer of Stock. As an alternative to stock ownership and transfer by certificate, the stock of the Corporation may be included in a direct registration system operated by a securities depository and available for stocks traded on the New York Stock Exchange, under which the stock may be issued, recorded, owned and transferred electronically in book-entry form.

## ARTICLE SIX

### CORPORATE SEAL

The corporate seal shall be circular in form and shall bear the name of the Corporation, the year of ~~its~~ incorporation and the words “Corporate Seal” and “Missouri” and otherwise shall be in such form as shall be approved from time to time by the Chairman of the Board, the President or the Board of Directors.

## ARTICLE SEVEN

### FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of October of each year.

## ARTICLE EIGHT

### MISCELLANEOUS

Section 8.1 Amendments. These Bylaws may be amended, altered, changed or repealed, and any provision or provisions inconsistent with the provisions of the Bylaws as they exist from time to time may be adopted, only by a majority of the entire Board of Directors (as defined in the Articles of Incorporation).

Section 8.2 Construction; Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the General Business and Corporation Law of Missouri shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, the term “person” includes both a corporation and a natural person, and the masculine gender includes the feminine gender and vice versa. Whenever the words “include,” “includes” or “including” are used in these Bylaws they shall be deemed to be followed by the words “without limitation.”

Section 8.3 Inconsistent Provisions. Any portion of these Bylaws which, upon being construed in the manner provided in Section 8.2, shall be contrary to or inconsistent with any applicable provisions of law or the Articles of Incorporation, shall not apply so long as said provisions of law or the Articles of Incorporation remain in effect, but such result shall not affect the validity or applicability of any other portion of these Bylaws, it being hereby declared that these Bylaws and each portion thereof would have been adopted, irrespective of the fact that any other portion is illegal.

Section 8.4 Provisions Additional to Provisions of Law. All restrictions, limitations, requirements and other provisions of these Bylaws shall be construed, insofar as possible, as supplemental and additional to all provisions of law applicable to the subject matter thereof and shall be fully complied with in addition to the said provisions of law unless such compliance shall be illegal.

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# NEWS FROM



**For more information contact:**

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**ESCO Technologies Inc.**  
**(314) 213-7277**

## **ESCO ANNOUNCES THIRD QUARTER 2014 RESULTS**

ST. LOUIS, August 7, 2014 – ESCO Technologies Inc. (NYSE: ESE) (ESCO or the “Company”) today reported its operating results for the third quarter ended June 30, 2014.

The 2014 results and earnings guidance are presented on a Continuing Operations –As Adjusted basis, consistent with the 2013 presentation. The 2014 outlook excludes approximately \$2 million, or \$0.05 per share, of anticipated charges to complete the exit and relocation of Crissair’s Palmdale, California (Filtration segment) operation into the Canyon Engineering facility in Valencia, California. This move is expected to be completed by September 30, 2014. The move costs incurred through June 30, 2014 impacted third quarter results by (\$0.01) per share, and cumulatively, (\$0.03) per share for the nine months year-to-date.

Management believes EPS from Continuing Operations –As Adjusted is more representative of the Company’s 2014 ongoing performance and allows shareholders better visibility into the Company’s underlying operations.

All references to Continuing Operations exclude Aclara Technologies LLC, which was divested on March 28, 2014. Aclara’s results for all periods presented are included as Discontinued Operations as described below.

### **EPS Summary**

EPS from Continuing Operations –As Adjusted for the quarter ended June 30, 2014 was \$0.44 per share and reflects the add-back of \$0.01 per share of non-operating charges related to the Crissair consolidation. This compares to EPS from Continuing Operations –As Adjusted of \$0.33 per share in the third quarter of 2013, which reflects the add-back of \$0.09 per share related to prior year’s actions.

Management previously provided EPS guidance from Continuing Operations – As Adjusted in the range of \$0.36 to \$0.41 per share for the third quarter of 2014.

For the nine months ended June 30, 2014, EPS from Continuing Operations – As Adjusted was \$1.14 per share, which reflects a \$0.03 per share add-back of non-operating charges, compared to EPS from Continuing Operations – As Adjusted of \$0.88 per share in the comparable nine months of 2013, which reflects a \$0.23 per share add-back of non-operating charges.

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### **Continuing Operations Highlights**

- Q3 2014 sales increased \$14 million, or 12 percent to \$130 million compared to \$116 million in Q3 2013. During 2014, Q3 Filtration sales increased \$4 million (7 percent), Test sales increased \$9 million (23 percent), and Utility Solutions Group (USG, or Doble) sales increased \$1 million (4 percent) compared to prior year Q3;
- Q3 2014 gross margin was 39 percent compared to 40 percent in Q3 2013 resulting from the increased Test segment sales which carry a lower margin compared to Filtration and Doble;
- Q3 2014 SG&A increased \$1.9 million compared to Q3 2013. This is the result of the addition of Canyon Engineering and higher engineering (new product development), and sales and marketing (market expansion opportunities) costs incurred at Doble and Test;
- The effective tax rate in Q3 2014 was 24 percent compared to an expected rate of 32 percent. The lower rate is due to the favorable impact of additional research credits and foreign tax credits recognized;
- The effective tax rate in Q3 2013 used for calculating EPS from Continuing Operations – As Adjusted was 33 percent. The Q3 2013 GAAP effective tax rate of 39 percent included \$2.2 million of Doble-Lemke restructuring charges (German facility closure) with very little corresponding tax benefits;
- GAAP EPS from Continuing Operations was \$0.43 per share in Q3 2014, compared to \$0.24 per share in Q3 2013;
- Through June 30, 2014, net cash provided by operating activities (continuing operations) was \$23 million, resulting in \$40 million of cash on hand and \$48 million of debt outstanding for a net debt position of \$8 million;
- Orders received in Q3 2014 were \$150 million resulting in a book-to-bill ratio of 1.15x, and an order backlog of \$293 million (7 percent increase in Q3 2014) at June 30, 2014;
- Each operating segment posted a positive book-to-bill and increased its June 30, 2014 backlog during the current quarter and nine month year-to-date periods.

### **Chairman's Commentary – FY 2014**

Vic Richey, Chairman and Chief Executive Officer, commented, "With three quarters of the year behind us, I'm pleased with our operating performance as we've met, or exceeded nearly all of our financial goals set at the beginning of the year. When compared to prior year, our sales, EBIT, EPS, cash flow and orders have all shown meaningful increases, and each of our operating segments has contributed to this success.

"With our current mix of businesses, we have far less volatility and considerably better visibility, which allows us to focus our full attention on execution and growth. As our third quarter and year-to-date results validate, we continue to prove that the Company can be more profitable and more predictable than in the past.

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“We recently completed our July operational meetings at all our business units and I came away pleased with our outlook for the remainder of 2014 and our future growth opportunities. As we wrap up 2014, I believe our market leadership positions across the three segments, along with the breadth of our new product offerings, have allowed us to grow organically at a meaningful level.

“We intend to supplement our organic growth through disciplined acquisitions around our existing core, and we continue to prudently explore acquisition opportunities. Additionally, we continue to invest in new products and solutions which will allow us to retain and expand our leadership positions in all of our operations.

“I continue to maintain a favorable view of our future and our goal remains the same – to increase long-term shareholder value.”

### **Dividend Payment**

The next quarterly cash dividend of \$0.08 per share will be paid on October 16, 2014 to stockholders of record on October 2, 2014.

### **Business Outlook – Fiscal Year 2014**

Based on current expectations, Management believes 2014 EPS from Continuing Operations – As Adjusted will be at the high end of the previously communicated range of \$1.50 to \$1.60 per share.

Fourth quarter 2014 EPS from Continuing Operations – As Adjusted is expected to be in the range of \$0.44 to \$0.48 per share. The 2014 annual effective tax rate is expected to be approximately 33 percent as a result of the favorable impacts recognized in Q3 2014.

### **Discontinued Operations**

As previously announced the Company completed the Aclara divestiture on March 28, 2014 and used the proceeds to significantly pay-down its outstanding debt. The results of operations for Aclara prior to its divestiture, and the net loss on sale are reflected in the financial statements as Discontinued Operations and Assets Held for Sale. The Company and the buyer have not yet reached agreement on the final working capital adjustment.

### **Capital Allocation – Share Repurchase**

The Company has sufficient available liquidity under its existing credit facility to support its strategy of profitable organic growth, accretive acquisitions around its existing core businesses, and opportunistic repurchases of outstanding shares. The Company expects to accelerate the realization of shareholder value through these various means.

The Company’s Capital Allocation Strategy includes allocating approximately 40 percent of annual free cash flow to provide a cash return to shareholders through ongoing dividends and opportunistic share repurchases. The balance will be used to support growth initiatives such as research and development, capital spending, and merger and acquisition initiatives. The existing credit facility will also be used to support acquisition activities where the purchase price exceeds annual free cash flows.

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The goal of this strategy is to continue investing in growth, supplemented by prudently returning cash to shareholders, while maintaining reasonable levels of debt.

During the quarter ended June 30, 2014, the Company has spent \$3.6 million to repurchase 106,000 shares on the open market. Subsequent to quarter-end, in July 2014, the Company spent an additional \$5.0 million on share repurchases, bringing the total to \$8.6 million and 253,000 shares.

Additionally, the Board of Directors has extended the repurchase authorization through September 30, 2015.

### **Corporate Governance Update – New Board Member**

To further enhance Corporate Governance and to facilitate board refreshment and director succession, as well as seeking new and relevant experience to supplement existing director oversight, the Company has added one additional board member effective August 5, 2014, as described in a separate release dated August 7, 2014.

### **Analyst and Investor Day**

ESCO will host its first Analyst & Investor Day in New York City on September 9, 2014. The meeting will feature presentations by Executive and Operating management related to corporate strategy, segment operations and growth initiatives. Analysts and institutional investors are invited to attend the meeting, which will be held from 9:00 a.m. to 12:00 p.m. Eastern Time. The meeting will be webcast live and available for replay following the event on the company's website at [www.escotechnologies.com](http://www.escotechnologies.com). For more information or if you would like to register to attend the event, please contact Kate Lowrey at [Reservations@escotechnologies.com](mailto:Reservations@escotechnologies.com).

### **Conference Call**

The Company will host a conference call today, August 7, at 4:00 p.m. Central Time, to discuss the Company's third quarter 2014 results from Continuing Operations. A live audio webcast will be available on the Company's website at [www.escotechnologies.com](http://www.escotechnologies.com). Please access the website at least 15 minutes prior to the call to register, download and install any necessary audio software. A replay of the conference call will be available for seven days on the Company's website noted above or by phone (dial 1-888-843-7419 and enter the pass code 37618976).

### **Forward-Looking Statements**

Statements in this press release regarding the amount of the Company's expected 2014 growth, tax rates, and EPS from Continuing Operations – "As Adjusted", EPS, the costs and timing of the exit and relocation of Crissair's operations, the Company's ability to increase shareholder value, the success of acquisition efforts, the success of new products and solutions, the size, number and timing of growth opportunities in the future, the specific actions initiated as a result of the Capital Allocation Strategy including but not limited to the declaration of dividends and share repurchases, the long-term success of the Company, and any other statements which are not strictly historical are "forward-looking" statements within the meaning of the safe harbor provisions of the federal securities laws. Investors are cautioned that such statements are only predictions and speak only as of the date of this release, and the Company undertakes no duty to update them except as may be required by applicable laws or regulations. The Company's actual results in the future may differ materially from those projected in the forward-looking statements due to risks and uncertainties that exist in the Company's operations and business environment including, but not limited to: those described in Item 1A, "Risk Factors", of the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2013; and the following: the success of the Company's competitors; site readiness issues with Test segment customers; weakening of economic conditions in served markets; changes in customer demands or customer insolvencies; competition; intellectual property rights; technical difficulties; unforeseen charges impacting corporate operating expenses; delivery delays or defaults by customers; the performance of the Company's international operations; material changes in the costs and availability of certain raw materials; termination for convenience of customer contracts; timing and content of future contract awards and customer orders; containment of engineering and development costs; performance issues with key customers, suppliers and subcontractors; labor disputes; the impacts of natural disasters on the Company's operations and those of the Company's customers and suppliers; changes in laws and regulations, including but not limited to changes in accounting standards and taxation requirements; costs relating to environmental matters arising from current or former facilities; financial exposure in connection with Company guarantees of certain Aclara contracts; uncertainty regarding the ultimate resolution of current disputes, claims, litigation or arbitration; and the Company's successful execution of profit improvement initiatives and restructuring activities.

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## **Non-GAAP Financial Measures**

The financial measures EBIT, EBIT margin, EPS – “As Adjusted” and EPS – from Continuing Operations “As Adjusted” are presented in this press release. The Company defines EBIT as earnings before interest and taxes from continuing operations, EBIT margin as a percent of net sales, EPS – “As Adjusted” and EPS – from Continuing Operations “As Adjusted” as GAAP EPS less the Filtration segment restructuring charges (representing \$0.01 per share during the third quarter of 2014, and \$0.03 per share during the first nine months of 2014). EBIT, EBIT margin, EPS – “As Adjusted” and EPS – from Continuing Operations “As Adjusted” are not recognized in accordance with U.S. generally accepted accounting principles (GAAP). However, Management believes that EBIT and EBIT margin are useful in assessing the operational profitability of the Company’s business segments because they exclude interest and taxes, which are generally accounted for across the entire Company on a consolidated basis. EBIT is also one of the measures used by Management in determining resource allocations within the Company as well as incentive compensation. The Company believes that the presentation of EBIT, EBIT margin, EPS – “As Adjusted” and EPS – from Continuing Operations “As Adjusted” provides important supplemental information to investors by facilitating comparisons with other companies, many of which use similar non-GAAP financial measures to supplement their GAAP results. The use of non-GAAP financial measures is not intended to replace any measures of performance determined in accordance with GAAP.

ESCO, headquartered in St. Louis, provides engineered filtration products to the aviation, space and process markets worldwide and is the industry leader in RF shielding and EMC test products. In addition, the Company provides diagnostic instruments, services and the world’s premier library of statistically significant apparatus test results for the benefit of energy generation, transmission, and delivery companies and industrial power users worldwide. Further information regarding ESCO and its subsidiaries is available on the Company’s website at [www.escotechnologies.com](http://www.escotechnologies.com).

- tables attached -

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ESCO TECHNOLOGIES INC. AND SUBSIDIARIES  
Condensed Consolidated Statements of Operations (Unaudited)  
(Dollars in thousands, except per share amounts)

	Three Months Ended June 30, 2014	Three Months Ended June 30, 2013
Net Sales	130,495	116,922
Cost and Expenses:		
Cost of sales	79,608	69,556
Selling, general and administrative expenses	33,492	31,546
Amortization of intangible assets	1,682	1,506
Interest expense	147	778
Other (income) expenses, net	283	2,903
Total costs and expenses	<u>115,212</u>	<u>106,289</u>
Earnings before income taxes	15,283	10,633
Income taxes	<u>3,693</u>	<u>4,119</u>
Net earnings from continuing operations	11,590	6,514
Loss from discontinued operations, net of tax benefit of \$1,171 in 2013	<u>0</u>	<u>(1,617)</u>
Net loss from discontinued operations	<u>0</u>	<u>(1,617)</u>
Net earnings	<u>\$ 11,590</u>	<u>4,897</u>
Earnings (loss) per share:		
Diluted - GAAP		
Continuing operations	0.43	0.24
Discontinued operations	0.00	(0.06)
Net earnings	<u>\$ 0.43</u>	<u>0.18</u>
Diluted - As Adjusted Basis		
Continuing operations	<u>\$ 0.44(1)</u>	<u>0.33(2)</u>
Average common shares O/S:		
Diluted	<u>26,702</u>	<u>26,749</u>

(1) Adjusted basis includes \$0.2 million (or \$0.01 per share) of add back adjustments for restructuring charges incurred at Crissair during the third quarter of fiscal 2014.

(2) Adjusted basis includes \$2.7 million (or \$0.09 per share) of add back adjustments for restructuring charges incurred at ETS and Doble Lemke during the third quarter of fiscal 2013.



ESCO TECHNOLOGIES INC. AND SUBSIDIARIES  
Condensed Consolidated Statements of Operations (Unaudited)  
(Dollars in thousands, except per share amounts)

	Nine Months Ended June 30, 2014	Nine Months Ended June 30, 2013
Net Sales	379,707	345,478
Cost and Expenses:		
Cost of sales	231,325	209,204
Selling, general and administrative expenses	99,182	96,799
Amortization of intangible assets	5,047	4,541
Interest expense	1,493	1,997
Other (income) expenses, net	423	3,748
Total costs and expenses	<u>337,470</u>	<u>316,289</u>
Earnings before income taxes	42,237	29,189
Income taxes	<u>12,551</u>	<u>11,810</u>
Net earnings from continuing operations	29,686	17,379
Earnings (loss) from discontinued operations, net of tax expense (benefit) of \$5,713 and \$(6,825), respectively	9,858	(10,677)
Loss on sale of discontinued operations, net of tax benefit of \$9,499	(50,442)	0
Net loss from discontinued operations	<u>(40,584)</u>	<u>(10,677)</u>
Net (loss) earnings	<u>\$ (10,898)</u>	<u>6,702</u>
Earnings (loss) per share:		
Diluted - GAAP		
Continuing operations	1.11	0.65
Discontinued operations	(1.52)	(0.40)
Net (loss) earnings	<u>\$ (0.41)</u>	<u>0.25</u>
Diluted - As Adjusted Basis		
Continuing operations	<u>\$ 1.14(1)</u>	<u>0.88(2)</u>
Average common shares O/S:		
Diluted	<u>26,718</u>	<u>26,752</u>

- (1) Adjusted basis includes \$0.7 million (or \$0.03 per share) of add back adjustments for restructuring charges incurred at Crissair during the first nine months of fiscal 2014.
- (2) Adjusted basis includes \$5.6 million (or \$0.23 per share) of add back adjustments for restructuring charges incurred at ETS and Doble Lemke during the first nine months of fiscal 2013.

ESCO TECHNOLOGIES INC. AND SUBSIDIARIES  
Condensed Business Segment Information (Unaudited)  
(Dollars in thousands)

	Three Months Ended June 30, GAAP		Adjustments		Three Months Ended June 30, As Adjusted	
	2014	2013	2014	2013	2014	2013
<b>Net Sales</b>						
Filtration	\$ 57,733	53,763			57,733	53,763
Test	45,029	36,562			45,029	36,562
Utility Solutions Group	27,733	26,597			27,733	26,597
Totals	<u>\$ 130,495</u>	<u>116,922</u>	<u>0</u>	<u>0</u>	<u>130,495</u>	<u>116,922</u>
<b>EBIT</b>						
Filtration	\$ 10,294	10,689	216(1)		10,510	10,689
Test	5,775	3,844		506(2)	5,775	4,350
Utility Solutions Group	5,725	5,132		695(3)	5,725	5,827
Corporate	(6,364)	(8,254)		1,500(4)	(6,364)	(6,754)
Consolidated EBIT	<u>15,430</u>	<u>11,411</u>	<u>216</u>	<u>2,701</u>	<u>15,646</u>	<u>14,112</u>
Less: Interest expense	(147)	(778)			(147)	(778)
Earnings before income taxes from Cont Ops	<u>\$ 15,283</u>	<u>10,633</u>	<u>216</u>	<u>2,701</u>	<u>15,499</u>	<u>13,334</u>

Note: The above table is presented on a continuing operations basis.

Note: Depreciation and amortization expense was \$4.1 million and \$3.9 million for the quarters ended June 30, 2014 and 2013, respectively.

- (1) Includes \$0.2 million (or \$0.01) of restructuring charges at Crissair during the third quarter 2014.
- (2) Includes \$0.5 million (or \$0.01) of restructuring charges for ETS during the third quarter 2013.
- (3) Includes \$0.7 million (or \$0.03) of restructuring charges for Doble Lemke during the third quarter 2013.
- (4) Includes \$1.5 million (or \$0.05) of restructuring charges for Doble Lemke during the third quarter 2013.

ESCO TECHNOLOGIES INC. AND SUBSIDIARIES  
Condensed Business Segment Information (Unaudited)  
(Dollars in thousands)

	Nine Months Ended June 30, GAAP		Adjustments		Nine Months Ended June 30, As Adjusted	
	2014	2013	2014	2013	2014	2013
<b>Net Sales</b>						
Filtration	\$ 171,608	153,741			171,608	153,741
Test	125,531	112,678			125,531	112,678
Utility Solutions Group	82,568	79,059			82,568	79,059
Totals	<u>\$ 379,707</u>	<u>345,478</u>	<u>0</u>	<u>0</u>	<u>379,707</u>	<u>345,478</u>
<b>EBIT</b>						
Filtration	\$ 29,878	30,384	723(1)		30,601	30,384
Test	12,883	6,922		3,370(2)	12,883	10,292
Utility Solutions Group	18,891	14,735		695(3)	18,891	15,430
Corporate	(17,922)	(20,855)		1,500(4)	(17,922)	(19,355)
Consolidated EBIT	<u>43,730</u>	<u>31,186</u>	<u>723</u>	<u>5,565</u>	<u>44,453</u>	<u>36,751</u>
Less: Interest expense	(1,493)	(1,997)			(1,493)	(1,997)
Earnings before income taxes from Cont Ops	<u>\$ 42,237</u>	<u>29,189</u>	<u>723</u>	<u>5,565</u>	<u>42,960</u>	<u>34,754</u>

Note: The above table is presented on a continuing operations basis.

Note: Depreciation and amortization expense was \$12.2 million and \$11.6 million for the nine-month periods ended June 30, 2014 and 2013, respectively.

- (1) Includes \$0.7 million (or \$0.03) of restructuring charges at Crissair during the first nine months of 2014.
- (2) Includes \$3.4 million (or \$0.08) of restructuring charges for ETS during the first nine months of 2013.
- (3) Includes \$0.7 million (or \$0.03) of restructuring charges for Doble Lemke during the first nine months of 2013.
- (4) Includes \$1.5 million (or \$0.05) of restructuring charges for Doble Lemke during the first nine months of 2013.

ESCO TECHNOLOGIES INC. AND SUBSIDIARIES  
Condensed Consolidated Balance Sheets (Unaudited)  
(Dollars in thousands)

	June 30, 2014	September 30, 2013
<b>Assets</b>		
Cash and cash equivalents	\$ 40,215	42,850
Accounts receivable, net	92,165	91,980
Costs and estimated earnings on long-term contracts	22,643	20,717
Inventories	93,965	90,228
Current portion of deferred tax assets	19,473	23,349
Other current assets	18,544	15,930
Assets held for sale - current	0	108,867
Total current assets	<u>287,005</u>	<u>393,921</u>
Property, plant and equipment, net	74,585	75,536
Intangible assets, net	181,683	180,217
Goodwill	283,317	282,949
Other assets	8,949	9,469
Assets held for sale - other	0	150,236
	<u>\$ 835,539</u>	<u>1,092,328</u>
<b>Liabilities and Shareholders' Equity</b>		
Current maturities of long-term debt	\$ 20,000	50,000
Accounts payable	30,327	38,537
Current portion of deferred revenue	18,377	17,508
Other current liabilities	59,077	60,726
Liabilities held for sale - current	0	63,585
Total current liabilities	<u>127,781</u>	<u>230,356</u>
Deferred tax liabilities	78,202	99,795
Other liabilities	19,530	22,437
Long-term debt	28,000	122,000
Liabilities held for sale - other	0	16,026
Shareholders' equity	582,026	601,714
	<u>\$ 835,539</u>	<u>1,092,328</u>

ESCO TECHNOLOGIES INC. AND SUBSIDIARIES  
Consolidated Statements of Cash Flows (Unaudited)  
(Dollars in thousands)

	Nine Months Ended June 30, 2014
Cash flows from operating activities:	
Net loss	\$ (10,898)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Net loss from discontinued operations	40,584
Depreciation and amortization	12,234
Stock compensation expense	3,695
Changes in current assets and liabilities	(18,210)
Pension contributions	(2,080)
Change in uncertain tax position liability	(1,694)
Other	(995)
Net cash provided by operating activities - continuing operations	22,636
Net cash used by operating activities - discontinued operations	(1,629)
Net cash provided by operating activities	21,007
Cash flows from investing activities:	
Capital expenditures	(8,116)
Additions to capitalized software	(6,305)
Net cash used by investing activities - continuing operations	(14,421)
Net cash provided by investing activities - discontinued operations	123,512
Net cash provided by investing activities	109,091
Cash flows from financing activities:	
Proceeds from long-term debt	62,000
Principal payments on long-term debt	(186,000)
Dividends paid	(6,378)
Purchases of common stock into treasury	(3,607)
Other	14
Net cash used by financing activities	(133,971)
Effect of exchange rate changes on cash and cash equivalents	1,238
Net decrease in cash and cash equivalents	(2,635)
Cash and cash equivalents, beginning of period	42,850
Cash and cash equivalents, end of period	\$ 40,215

ESCO TECHNOLOGIES INC. AND SUBSIDIARIES  
Other Selected Financial Data (Unaudited)  
(Dollars in thousands)

<u>Backlog And Entered Orders - Q3 FY 2014</u>	USG	Test	Filtration	Total
Beginning Backlog - 4/1/14	\$ 23,375	93,338	156,125	272,838
Entered Orders	32,779	54,544	63,057	150,380
Sales	(27,733)	(45,029)	(57,733)	(130,495)
Ending Backlog - 6/30/14	<u>\$ 28,421</u>	<u>102,853</u>	<u>161,449</u>	<u>292,723</u>
<u>Backlog And Entered Orders - YTD Q3 FY 2014</u>	USG	Test	Filtration	Total
Beginning Backlog - 10/1/13	\$ 24,047	90,427	157,675	272,149
Entered Orders	86,942	137,957	175,382	400,281
Sales	(82,568)	(125,531)	(171,608)	(379,707)
Ending Backlog - 6/30/14	<u>\$ 28,421</u>	<u>102,853</u>	<u>161,449</u>	<u>292,723</u>

Note: The above table is presented on a continuing operations basis and excludes Aclara.

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ESCO TECHNOLOGIES INC. AND SUBSIDIARIES  
Reconciliation of Non-GAAP Financial Measures (Unaudited)

EPS – Adjusted Basis Reconciliation – Q3 FY 2014

EPS from Continuing Ops – GAAP Basis – Q3 2014	\$	0.43
Adjustments (defined below)		0.01
EPS from Continuing Ops – As Adjusted Basis – Q3 2014	\$	<u>0.44</u>

Adjustments exclude \$0.01 per share consisting of restructuring costs associated with the Filtration segment facility consolidation.

EPS – Adjusted Basis Reconciliation – YTD Q3 FY 2014

EPS from Continuing Ops – GAAP Basis – YTD Q3 2014	\$	1.11
Adjustments (defined below)		0.03
EPS from Continuing Ops – As Adjusted Basis – YTD Q3 2014	\$	<u>1.14</u>

Adjustments exclude \$0.03 per share consisting of restructuring costs associated with the Filtration segment facility consolidation.

EPS – Adjusted Basis Reconciliation – FY 2014

EPS from Continuing Ops – GAAP Basis – FY 2014	\$	1.45	1.55
Adjustments (defined below)		0.05	0.05
EPS from Continuing Ops – As Adjusted Basis – FY 2014	\$	<u>1.50</u>	<u>1.60</u>

Adjustments exclude \$0.05 per share consisting of restructuring costs associated with the Filtration segment facility consolidation.