CRANE CO /DE/
Form DEF 14A
March 09, 2007

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

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant
Filed by a Party other than Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

<u>CRANE CO.</u>
(Name of Registrant as Specified in Its Charter)

Not Applicable
(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required
Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

1. Title of each class of securities to which transaction applies:
2. Aggregate number of securities to which transaction applies:
3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
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1. Amount previously paid:
2. Form, Schedule or Registration Statement No.:
3. Filing Party:
4. Date Filed:

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CRANE CO. 100 FIRST STAMFORD PLACE STAMFORD, CONNECTICUT 06902

March 9, 2007

DEAR CRANE CO. SHAREHOLDER:

Crane Co. cordially invites you to attend the Annual Meeting of the Shareholders of Crane Co., at 10:00 a.m. Eastern Daylight Time on Monday, April 23, 2007 in the Elm Meeting Room in The Westin Stamford, One First Stamford Place, Stamford, Connecticut.

The Notice of Meeting and Proxy Statement on the following pages describe the matters to be presented at the meeting. Management will report on current operations, and there will be an opportunity for discussion of Crane Co. and its activities. Our 2006 Annual Report accompanies this Proxy Statement.

It is important that your shares be represented at the meeting regardless of the size of your holdings. If you are unable to attend in person, we urge you to participate by voting your shares by proxy. You may do so by filling out and returning the enclosed proxy card, or by using the internet address or the toll-free telephone number on the proxy card.

Sincerely,
R.S. EVANS
Chairman of the Board

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CRANE CO.
100 FIRST STAMFORD PLACE
STAMFORD, CONNECTICUT 06902

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
APRIL 23, 2007

March 9, 2007

To the Shareholders of Crane Co.:

THE ANNUAL MEETING OF THE SHAREHOLDERS OF CRANE CO. will be held in the Elm Meeting Room in The Westin Stamford, One First Stamford Place, Stamford, Connecticut on Monday, April 23, 2007 at 10:00 a.m., Eastern Daylight Time, for the following purposes:

1. To elect four directors to serve for three-year terms until the Annual Meeting of Shareholders in 2010, and one director to serve for a one-year term until the Annual Meeting in 2008;
2. To consider and vote on a proposal to approve the selection of Deloitte & Touche LLP as independent auditors for Crane Co. for 2007;
3. To consider and vote on a proposal to approve the 2007 Stock Incentive Plan;
4. To consider and vote on a proposal to approve the 2007 Non-Employee Director Compensation Plan;
5. To consider and vote on a proposal submitted by a shareholder concerning adoption of the MacBride Principles in reference to the operations of a Crane Co. subsidiary in Northern Ireland; and
6. To conduct any other business that properly comes before the meeting, in connection with the foregoing or otherwise.

The Board of Directors has fixed the close of business on February 28, 2007 as the record date for the meeting; shareholders at that date and time are entitled to notice of and to vote at the meeting or any adjournment. A complete list of shareholders as of the record date will be open to the examination of any shareholder during regular business hours at the offices of Crane Co., 100 First Stamford Place, Stamford, Connecticut, for ten days before the meeting.

In order to assure a quorum, it is important that shareholders who do not expect to attend the meeting in person fill in, sign, date and return the enclosed proxy in the accompanying envelope, or use the internet address or the toll-free telephone number on the enclosed proxy card.

By Order of the Board of Directors,
AUGUSTUS I. DUPONT
Secretary

IF YOU EXPECT TO ATTEND THE MEETING IN PERSON, PLEASE WRITE FOR YOUR ADMISSION CARD TO THE CORPORATE SECRETARY, CRANE CO., 100 FIRST STAMFORD PLACE, STAMFORD, CONNECTICUT 06902.

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CRANE CO.
100 FIRST STAMFORD PLACE STAMFORD, CONNECTICUT 06902

PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
APRIL 23, 2007

The Board of Directors of Crane Co. asks you to complete and return the enclosed proxy for use at the Annual Meeting of Shareholders to be held in the Elm Meeting Room in The Westin Stamford, One First Stamford Place, Stamford, Connecticut, on Monday, April 23, 2007, at 10:00 a.m., Eastern Daylight Time, or at any adjournment of the meeting.

This Proxy Statement and enclosed form of proxy are first being sent to shareholders on or about March 9, 2007.

The enclosed proxy, if properly executed, received by the Secretary prior to the meeting, and not revoked, will be voted in accordance with the directions indicated on the proxy. If no directions are indicated, the proxy will be voted for each nominee named in this Proxy Statement for election as a director, for the proposal to approve the selection of Deloitte & Touche LLP as our independent auditors for 2007, for the proposals to approve the 2007 Stock Incentive Plan and the 2007 Non-Employee Director Compensation Plan, and against the shareholder proposal concerning the MacBride Principles. If any other matter is presented at the Annual Meeting upon which a vote may properly be taken, the shares represented by the proxy will be voted in accordance with the discretion of the person or persons named in the proxy.

A shareholder may revoke a proxy at any time before the vote is taken, either by written notice to the Corporate Secretary, by submitting a new proxy, or by casting a vote in person at the meeting.

As an alternative to using the written form of proxy, shareholders of record may vote by using the toll-free number listed on the enclosed proxy card, proving their identity by using the Personal Identification Number shown on the card. Alternatively, shareholders of record may give voting instructions at the website www.eproxyvote.com/cr. Both procedures allow shareholders to appoint a proxy to vote their shares and to confirm that their instructions have been properly recorded. Counsel has advised us that these procedures are consistent with the requirements of applicable law. The enclosed proxy card includes specific instructions to be followed by any shareholder of record interested in voting by telephone or on the internet.

Outstanding Shares and Required Votes.   As of the close of business on February 28, 2007, the record date for determining shareholders entitled to vote at the Annual Meeting, Crane Co. had issued and outstanding 60,140,373 shares of common stock, par value $1.00 per share. Each share of Crane Co. common stock is entitled to one vote at the meeting. Four directors of one class, and one director of another class, will be elected by a plurality vote of the holders of shares present in person or represented by proxy and entitled to vote at the meeting. The approval of auditors, of the two compensation plans and of the shareholder proposal require the affirmative vote of a majority of the votes cast by the holders of shares of common stock present in person or represented by proxy and entitled to vote at the meeting. Shareholders may abstain from voting on all proposals expected to be brought before the meeting other than the election of directors.

Under the rules of the New York Stock Exchange, Inc. (the ‘‘NYSE’’), brokers holding shares for customers have authority to vote on certain matters even if they have not received instructions from the beneficial owners, but do not have such authority as to certain other matters (‘‘broker non-votes’’). The NYSE has advised us that member firms of the NYSE may vote without specific instructions from beneficial owners on the election of directors and the approval of auditors.

With regard to the election of directors, votes may be cast in favor or withheld, and the four persons receiving the highest number of votes for terms ending 2010, and the one person receiving the highest number of votes for a term ending 2008, will be elected as directors. As to the approval of auditors, approval of the compensation plans and the shareholder proposal, abstaining from voting will have the same effect as a negative vote. Broker non-votes do not count as votes cast for or against the proposal, and therefore will not affect the outcome of the voting at the meeting.

## ELECTION OF DIRECTORS

The Board of Directors currently consists of thirteen members divided into three classes. Mr. Jean Gaulin, a Crane Co. director from 1995 to 1999 and from 2001 to the present, has chosen to retire as of the date of the 2007 Annual Meeting. He is currently a member of the class of directors whose terms expire at the 2008 Annual Meeting.

At the Annual Meeting, Ms. Karen E. Dykstra, Mr. Richard S. Forté, Mr. William E. Lipner and Mr. James L. L. Tullis are nominated for election by shareholders to hold office for three-year terms until the Annual Meeting in 2010 and until their successors are elected and qualified, and Mr. Philip R. Lochner, Jr., who was elected as a director by the Board of Directors effective December 4, 2006, is nominated for election by shareholders for a term until the Annual Meeting in 2008 and until his successor is elected and qualified.

The Nominating and Governance Committee has proposed, and the Board of Directors recommends, that each of the five nominees named in the following table (all of whom are current members of the Board) be elected to the Board. The enclosed proxy will be voted for each nominee unless it is marked to show an intention to withhold the vote.

If, before the meeting, any nominee becomes unavailable for election as a director, the persons named in the enclosed form of proxy will vote for whichever nominee, if any, the Board of Directors recommends, or the Board of Directors may reduce the number of directors to eliminate the vacancy.

Shown below for each of the nominees for election and for each of those directors whose terms will continue are the individual's age, position with Crane Co. if any, period of service as a Crane Co. director, business experience during at least the past five years and directorships in other public companies. Holdings of Crane Co. stock as of February 28, 2007, are also shown, determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, which includes stock options exercisable within 60 days. No director except Mr. E. C. Fast beneficially owns more than 1% of the outstanding shares of Common Stock. For more information on shareholdings of directors and officers, please see Beneficial Ownership of Common Stock by Directors and Management, page 10.

| | Common Shares Beneficially Owned |
|---|---|
| Nominees to Be Elected For Terms to Expire in 2010 | |
| KAREN E. DYKSTRA | 11,290 |
| Age 48; Director since 2004. Partner, Plainfield Asset Management LLC, Greenwich, CT (a registered investment advisor) since January 2007, and Chief Operating Officer and Chief Financial Officer of Plainfield Direct LLC, Greenwich, CT (a direct lending and investment business of Plainfield Asset Management LLC) since May 2006. Chief Financial Officer of Automatic Data Processing, Inc. (''ADP''), Roseland, NJ (provider of computerized transaction processing, data communications and information services) from January 2003 to May 2006. Vice President-Finance of ADP from July 2001 to January 2003. Corporate Controller of ADP from October 1998 to July 2001. | |
| RICHARD S. FORTÉ | 47,034 |
| Age 62; Director since 1983. Retired. Chairman, Forté Cashmere Company, South Natick, MA (importer and manufacturer) from January 2002 to April 2004. President, Dawson Forté Cashmere Company (importer) from 1997 to 2001. Other directorships: | |

Huttig Building Products, Inc.

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| | Common Shares Beneficially Owned |
|---|---|
| WILLIAM E. LIPNER | 21,892 |
| Age 59; Director since 1999. Chairman and CEO, Insight Express, Inc., Stamford, CT (online marketing research services) since April 2005. Executive Vice Chairman, Taylor Nelson Sofres PLC, London, England (market research services) from July 2003 to March 2004. Chairman and Chief Executive Officer, NFO WorldGroup, Inc., Greenwich, CT (marketing information research services worldwide) from 1982 to March 2004. | |
| JAMES L. L. TULLIS | 20,609 |
| Age 59; Director since 1998. Chief Executive Officer, Tullis-Dickerson & Co., Inc., Greenwich, CT (venture capital investments in the health care industry) since 1986. Other directorships: Viacell, Inc.; Lord Abbett & Co. Mutual Funds (42 funds). | |
| Nominee to be Elected for a term to Expire in 2008 | |
| PHILIP R. LOCHNER, Jr. | 350 |
| Age 64; Director since December 2006. Director of public companies. Retired Senior Vice President and Chief Administrative Officer, Time Warner, Inc. (media and entertainment) from 1991 to 1998. A commissioner of the Securities and Exchange Commission from 1990 to 1991. Other directorships: Apria Healthcare Group, Inc.; CLARCOR Inc.; CMS Energy Corporation; Monster Worldwide Inc. | |
| Directors Whose Terms Expire in 2009 | |
| DONALD G. COOK | 3,428 |
| Age 60; Director since August 2005. General, United States Air Force (Retired). Commander, Air Education and Training Command, Randolph Air Force Base, San Antonio, TX from December 2001 to August 2005. Vice Commander, Air Combat Command, Langley Air Force Base, Hampton, VA from June 2000 to December 2001. Vice Commander, Air Force Space Command, Peterson Air Force Base, Colorado Springs, CO from July 1999 to June 2000. Other directorships: Burlington Northern Santa Fe Corporation; USAA Federal Savings Bank. | |
| R. S. EVANS | 516,515 |
| Age 62; Director since 1979. Chairman of the Board of Crane Co. since April 2001. Chairman and Chief Executive Officer of Crane Co. from 1984 to 2001. Other directorships: HBD Industries, Inc; Huttig Building Products, Inc. | |
| ERIC C. FAST | 1,629,709 |
| Age 57; Director since 1999. President and Chief Executive Officer of Crane Co. since April 2001. President and Chief Operating Officer of Crane Co. from September 1999 to April 2001. Other directorships: Convergys Corporation; National Integrity Life Insurance. | |
| DORSEY R. GARDNER | 46,908 |
| Age 64; Director from 1982 to 1986 and since 1989. President, Kelso Management Company, Inc., Boston, MA (investment management). Other directorships: Huttig Building Products, Inc.; Thomas Group, Inc. | |

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| Directors Whose Terms Expire in 2008 | Common Shares Beneficially Owned |
|---|---|
| E. THAYER BIGELOW | 65,126 |
| Age 65; Director since 1984. Managing Director, Bigelow Media, New York, NY (advisor to media and entertainment companies) since September 2000 and Senior Advisor, Time Warner Inc., New York, NY (media and entertainment) since October 1998. Other directorships: Huttig Building Products, Inc.; Lord Abbett & Co. Mutual Funds (42 funds). | |
| RONALD F. MCKENNA | 5,217 |
| Age 66; Director since January 2006. Retired December 2005 as Chairman, and December 2004 as President and Chief Executive Officer, of Hamilton Sundstrand Corporation, a subsidiary of United Technologies Corporation, Hartford, CT (high technology products and services for building and aerospace industries). President and Chief Executive Officer of Hamilton Sundstrand from 1999 through December 2004. Other directorships: Advanced Power Technology, Inc.; Environmental Systems Products Holdings, Inc. | |
| CHARLES J. QUEENAN, JR. | 25,636 |
| Age 76; Director since 1986. Senior Counsel (retired) since 1995, and prior thereto Partner, Kirkpatrick & Lockhart Preston Gates Ellis LLP, Pittsburgh, PA (attorneys at law). | |

## Corporate Governance Matters

The Board of Directors has adopted Corporate Governance Guidelines which reflect the Board’s commitment to monitor the effectiveness of policy and decision-making both at the Board and management level, with a view to enhancing long-term stockholder value. The Corporate Governance Guidelines are available on our website at www.craneco.com/investors/governance.cfm. Copies are also available in print upon request to the Corporate Secretary at 100 First Stamford Place, Stamford, CT 06902.

Conflicts of Interest; Transactions with Related Persons.    Crane Co. has established a Conflict of Interest Policy, CP-103, to which all directors, officers and salaried employees are subject. Those subject to the policy are required to disclose to the General Counsel in writing each outside relationship, activity and interest that creates a potential conflict of interest, including prior disclosure of transactions with third parties. All directors, executive officers and other key employees are required to certify in writing each year whether they are personally in compliance with CP-103 and whether they have knowledge of any other person’s failure to comply. In addition, each director and executive officer is required to complete an annual questionnaire which calls for disclosure of any transactions above a stated threshold in which Crane Co. or a Crane Co. affiliate is or is to be a participant on the one hand, and in which the director or officer or any member of his family has a direct or indirect material interest on the other. The Board of Directors is of the opinion that these procedures in the aggregate are sufficient to allow for the review, approval or ratification of any ‘‘Transactions with Related Persons’’ that would be required to be disclosed under applicable SEC rules.

Attendance.    The Board of Directors met eight times during 2006. Each director attended over 85% of the Board and Committee meetings held in the period during which he or she was a director and Committee member. In addition, it is Crane Co.'s policy that each of our directors attend the Annual Meeting; all directors were in attendance at the 2006 Annual Meeting.

Executive Sessions of Non-Management Directors.    Four of the meetings of the Board during 2006 included executive sessions without management present, presided over by R. S. Evans, Chairman of the Board. Crane's Corporate Governance Guidelines require our non-management directors to meet in



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executive session without management on a regularly scheduled basis, but not less than two times a year. The Chairman of the Board presides at executive sessions, unless he is a member of management, in which case the presiding person at executive sessions rotates on an annual basis among the chairmen of the Nominating and Governance Committee, the Audit Committee and the Management Organization and Compensation Committee. If the designated person is not available to chair an executive session, then the non-management directors select a person to preside.

Share Ownership Guidelines for Directors.    The Board of Directors has adopted share ownership guidelines which require each director to hold shares of Crane Co. stock having a fair market value not less than five times the director's annual retainer. A director must have attained this ownership level by the fifth anniversary of his or her first election as a director.

Shareholder Communications with Directors.    The Board has established a process to receive communications from shareholders and other interested parties. Shareholders and other interested parties may contact any member (or all members) of the Board, any Board committee or any chair of any such committee by mail or electronically. To communicate with the Board of Directors, any individual director or any group or committee of directors, correspondence should be addressed to the Board of Directors or any individual director or group or committee of directors by either name or title. All such correspondence should be sent to Crane Co., c/o Corporate Secretary, 100 First Stamford Place, Stamford, CT 06902. To communicate with any of our directors electronically, shareholders should use the following e-mail address: adupont@craneco.com.

All communications received as set forth in the preceding paragraph will be opened by the office of the Corporate Secretary for the sole purpose of determining whether the contents represent a message to our directors. Any contents will be forwarded promptly to the addressee unless they are in the nature of advertising or promotion of a product or service, or are patently offensive. In the case of communications to the Board or any group or committee of directors, the Corporate Secretary's office will make sufficient copies of the contents to send to each director who is a member of the group or committee to which the envelope or e-mail is addressed.

Independent Status of Directors

Standards for Director Independence.    The Board has adopted the standards set forth below in order to assist the Nominating and Governance Committee and the Board itself in making determinations of director independence. Any of the following relationships, except in special circumstances, would preclude a director from qualifying as an independent director:

- The director is or was an employee, or the director’s immediate family member is or was an executive officer, of Crane Co. other than as an interim Chairman or CEO, unless at least three years have passed since the end of such employment relationship.
- The director is or was within the past three years an executive officer or an employee, or the director’s immediate family member is or was within the past three years an executive officer, of an organization (other than a charitable organization) that in any of the last three completed fiscal years made payments to, or received payments from, Crane Co. for property or services, if the amount of such payments exceeded the greater of $1 million, or 2% of the other organization’s consolidated gross revenues.
- The director has received, or the director’s then living immediate family member has received, direct compensation from Crane Co., if the director is a member of the Audit Committee or the amount of such direct compensation received during any of the preceding three years has exceeded $100,000 per year, excluding (i) director and committee fees and pension and other forms of deferred compensation for prior services (so long as such compensation is not contingent in any way on continued service); (ii) compensation received as interim Chairman or CEO; or (iii) compensation received by an immediate family member for service as a non-executive employee of Crane Co.



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- The director is a current partner of or employed by, or the director’s immediate family member is a current partner of or an employee who participates in audit, assurance or tax compliance (but not tax planning) at, a firm that is the internal or external auditor of Crane Co., or the director was, or the director’s immediate family member was, within the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Crane Co. audit at that time.
- The director is or was employed, or the director’s immediate family member is or was employed, as an executive officer of another organization, and any of Crane Co.’s present executive officers serves on that other organization’s compensation committee, unless at least three years have passed since the end of such service or the employment relationship.
- The director is a member of a law firm, or a partner or executive officer of any investment banking firm, that has provided services to Crane Co., if the director is a member of the Audit Committee or the fees paid in any of the last three completed fiscal years or anticipated for the current fiscal year exceed the greater of $1 million or 2% of such firm’s consolidated gross revenues.

The existence of any relationship of the type referred to above, but at a level lower than the thresholds referred to, does not, if entered into in the ordinary course of business, preclude a director from being independent. The Nominating and Governance Committee and the Board review all relevant facts and circumstances before concluding that a relationship is not material or that a director is independent.

Crane Co.’s Standards for Director Independence, along with its Corporate Governance Guidelines and Code of Ethics, which applies to Crane Co.’s directors and to all officers and other employees, are available on our website at www.craneco.com/investors/governance.cfm.

Independence of Directors. The Nominating and Governance Committee has reviewed whether any of the directors or nominees for director, other than Mr. Fast and Mr. Evans, has any relationship that, in the opinion of the Committee, (i) is material (either directly or as a partner, shareholder or officer of an organization that has a relationship with Crane Co.) and, as such, reasonably likely to interfere with the exercise by such person of independent judgment in carrying out the responsibilities of a director or (ii) would otherwise cause such person not to qualify as an ''independent'' director under the rules of the New York Stock Exchange or, in the case of members of the Audit Committee, the additional requirements under Section 10A of the Securities Exchange Act of 1934 and the associated rules. The Nominating and Governance Committee determined that all of Crane Co.'s directors, other than Mr. Fast and Mr. Evans, are independent in accordance with the foregoing standards, and the Board of Directors has reviewed and approved the determinations of the Nominating and Governance Committee. Mr. Evans serves as non-executive Chairman of the Board pursuant to an employment agreement under which he received $400,000 in each of 2002 and 2003, and $100,000 in each of 2004, 2005 and 2006. Mr. Fast is President and Chief Executive Officer of Crane Co.

In reaching their determinations regarding the independence of the other directors, the Committee and the Board applied the Standards for Director Independence described above, noted among other things the matters described under the caption ''Other Transactions and Relationships'' on page 30, and determined that the amount and nature of such transactions were not likely to affect the independence of those directors' judgment.

Committees of the Board; Charters.    The Board of Directors has established an Audit Committee, a Nominating and Governance Committee and a Management Organization and Compensation Committee. Copies of the charters of all three committees are available on our website at www.craneco.com/investors/governance.cfm. Copies are also available in print upon request to Crane Co., addressed to the Corporate Secretary at 100 First Stamford Place, Stamford, CT 06902.

Audit Committee.    The Audit Committee is the Board's principal agent in fulfilling legal and fiduciary obligations with respect to matters involving Crane Co.'s accounting, auditing, financial reporting, internal control and legal compliance functions. The Audit Committee met eight times in 2006, including four meetings by conference telephone to review quarterly financial information, with Crane Co's management, internal auditors and independent accountants to review matters relating to the quality



of financial reporting and internal accounting controls and the nature, extent and results of audits. The Audit Committee's report appears on page 31.

Audit Committee—Qualifications.    All members of the Audit Committee meet the independence and expertise requirements of the New York Stock Exchange, and all qualify as ''independent'' under the provisions of Securities and Exchange Commission Rule 10A-3. In addition, the Board of Directors has determined that Ms. Dykstra is an ''audit committee financial expert'' as defined in regulations of the Securities and Exchange Commission.

Nominating and Governance Committee.    The duties of the Nominating and Governance Committee include developing criteria for selection of and identifying potential candidates for service as directors, policies regarding tenure of service and retirement for members of the Board of Directors and responsibility for and oversight of corporate governance matters. The Nominating and Governance Committee met three times in 2006.

Management Organization and Compensation Committee.    The duties of the Management Organization and Compensation Committee include:

- Coordinating the annual evaluation of the Chief Executive Officer;
- Recommending to the Board of Directors all actions regarding compensation of the Chief Executive Officer;
- Reviewing the compensation of other officers and business unit presidents;
- Reviewing director compensation;
- Administering the EVA Incentive Compensation Plan and Stock Incentive Plan;
- Reviewing and approving any significant changes in or additions to compensation policies and practices; and
- Reviewing management development and succession planning policies.

The Management Organization and Compensation Committee met six times in 2006. The Management Organization and Compensation Committee's report appears on page 19.

Composition of Committees.    The memberships of committees during 2006 were as follows:

Executive Committee:

- E. T. Bigelow
- R. S. Evans (Chairman)
- E. C. Fast
- C. J. Queenan, Jr.

Audit Committee:

- K. E. Dykstra
- R. S. Forté
- D. R. Gardner
- J. Gaulin
- C. J. Queenan, Jr. (Chairman)

Nominating and Governance Committee:

- E. T. Bigelow
- D. R. Gardner (as of April 24, 2006)
- J. Gaulin (Chairman)
- C. J. Queenan, Jr.

Management Organization and Compensation Committee:

- E. T. Bigelow (Chairman)
- D. G. Cook
- D. R. Gardner
- W. E. Lipner
- R. F. McKenna
- J. L. L. Tullis

Independence of Committee Members. As noted above, each of the members of the Audit Committee, the Nominating and Governance Committee and the Management Organization and Compensation Committee is independent under applicable rules of the New York Stock Exchange.

Executive Committee. The Board of Directors has also established an Executive Committee, which meets when a quorum of the full Board of Directors cannot be readily obtained. The Executive Committee may exercise any of the powers of the Board of Directors, except for (i) approving an amendment of the Certificate of Incorporation or By-Laws, (ii) adopting an agreement of merger or sale of substantially all of Crane Co.'s assets or dissolution of Crane Co., (iii) filling vacancies on the Board or any committee thereof or (iv) electing or removing officers. The Executive Committee met two times during 2006.

Director Nominating Procedures. Our Corporate Governance Guidelines provide that the Board should generally have from nine to twelve directors, a substantial majority of whom must qualify as independent directors under the listing standards of the New York Stock Exchange.

Criteria for Board Membership. Criteria for Board membership take into account skills, expertise, integrity, diversity and other qualities which are expected to enhance the Board's ability to manage and direct Crane Co.'s business and affairs. In general, nominees for director should have an understanding of the workings of large business organizations such as Crane Co., and senior level executive experience as well as the ability to make independent, analytical judgments, the ability to be an effective communicator and the ability and willingness to devote the time and effort to be an effective and contributing member of the Board. A director who serves as our Chief Executive Officer should not serve on more than two public company boards in addition to our Board, and other directors should not sit on more than four public company boards in addition to our Board. The members of the Audit Committee should not serve on more than two other audit committees of public companies.

The Nominating and Governance Committee will, from time to time, seek to identify potential candidates for director to sustain and enhance the composition of the Board with the appropriate balance of knowledge, experience, skills, expertise and diversity. In this process, the Committee will consider potential candidates proposed by other members of the Board, by management or by shareholders, and the Committee has the sole authority to retain a search firm to assist in this process, at Crane Co.'s expense.

Nominations by Shareholders. In considering candidates submitted by shareholders, the Nominating and Governance Committee will take into consideration the needs of the Board and the qualifications of the candidate. To have a candidate considered by the Committee, a shareholder must submit the recommendation in writing and must supply the following information:

- the name and business address of the proposed candidate;
- qualifications to be a director of Crane Co.;
- a description of what would make the proposed candidate a good addition to the Board;
- a description of any relationships that could affect the proposed candidate's qualifying as an independent director, including identifying all other public company board and committee memberships;
- a confirmation of the proposed candidate's willingness to serve as a director if selected by the Nominating and Governance Committee and nominated by the Board;
- the name of the shareholder submitting the name of the proposed candidate, together with information as to the number of shares owned and the length of time of ownership; and
- any information about the proposed candidate that would, under the SEC's proxy rules, be required to be included in our proxy statement if the person were a nominee, including, without limitation, the number of shares of Crane Co. stock beneficially owned by the proposed candidate.

Any shareholder recommendation for next year's Annual Meeting, together with the information described above, must be sent to the Corporate Secretary at 100 First Stamford Place, Stamford, CT 06902



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and, in order to allow for timely consideration, must be received by the Corporate Secretary no earlier than December 25, 2007, and no later than January 24, 2008.

Once a person has been identified by the Nominating and Governance Committee as a potential candidate, the Committee, as an initial matter, may collect and review publicly available information regarding the person to assess whether the person should be considered further. Generally, if the person expresses a willingness to be considered and to serve on the Board, and the Committee believes that the candidate has the potential to be a good candidate, the Committee would seek to gather information from or about the candidate, review the person's accomplishments and qualifications in light of any other candidates that the Committee might be considering, and, as appropriate, conduct one or more interviews with the candidate. In certain instances, Committee members may contact one or more references provided by the candidate or may contact other members of the business community or other persons that may have greater first-hand knowledge of the candidate's accomplishments. The Committee's evaluation process does not vary based on whether or not a candidate is recommended by a shareholder, although, as stated above, the Board may take into consideration the number of shares held by the recommending shareholder and the length of time that such shares have been held.



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BENEFICIAL OWNERSHIP OF COMMON STOCK
BY DIRECTORS AND MANAGEMENT

Crane Co. believes that officers and other key employees, in order to focus their attention on growth in shareholder value, should have a significant equity stake in the corporation. We therefore encourage our officers and key employees to increase their ownership of and to hold Crane Co. stock through the Stock Incentive Plan and the Savings and Investment Plan, as discussed in the Compensation Discussion and Analysis on page 12. Directors also receive 50% of their annual retainer in restricted stock issued under the Non-Employee Director Stock Compensation Plan. Beneficial ownership of stock by the non-executive directors, the executive officers named in the Summary Compensation Table, all other executive officers as a group and all directors and executive officers of Crane Co. as a group as of February 28, 2007 is as follows:

| Title of Class | Name of Beneficial Owner | Amount and Nature of Beneficial Ownership (1) | Percent of Class |
|---|---|---|---|

| | | Shares Owned Directly | Shares Under Restricted Stock Plans (2) | Stock Options Exercisable Within 60 Days | Shares in Company Savings Plan (401(k)) | Total Shares Beneficially Owned | |
|---|---|---|---|---|---|---|---|
| Common Stock | E. T. Bigelow | 29,936 | 790 | 34,400 | | 65,126 | * |
| | D. G. Cook | 888 | 790 | 1,750 | | 3,428 | * |
| | K. E. Dykstra | 6,000 | 790 | 4,500 | | 11,290 | * |
| | R. S. Evans | 505,301 | — | — | 11,214 | 516,515 | * |
| | E. C. Fast | 211,348 | 203,805 | 1,212,780 | 1,776 | 1,629,709 | 2.66% |
| | R. S. Forté | 15,544 | 790 | 30,700 | | 47,034 | * |
| | D. R. Gardner | 13,218 | 790 | 32,900 | | 46,908 | * |
| | J. Gaulin | 20,440 | 790 | 10,500 | | 31,730 | * |
| | W. E. Lipner | 7,102 | 790 | 14,000 | | 21,892 | * |
| | P. R. Lochner | — | 350 | — | — | 350 | * |
| | R. F. McKenna | 3,177 | 790 | 1,250 | | 5,217 | * |
| | C. J. Queenan | 24,846 | 790 | — | | 25,636 | * |
| | J. L. L. Tullis | 7,319 | 790 | 12,500 | | 20,609 | * |
| | A. I. duPont | 50,305 | 32,842 | 355,112 | 2,499 | 440,758 | * |
| | M. H. Mitchell | 13,252 | 19,668 | 55,000 | 597 | 88,517 | * |
| | J. R. Vipond | 2,284 | 6,668 | 92,500 | 358 | 101,810 | * |
| | G. A. Ward | 16,719 | 31,289 | 119,685 | 446 | 168,139 | * |
| | Other Executive Officers (10 persons) | 165,247 | 113,476 | 520,606 | 18,879 | 818,208 | 1.35% |
| | Total - Directors and Executive Officers as a Group (27 persons) | 1,092,926 | 415,998 | 2,498,183 | 35,769 | 4,042,876(3) | 6.45% |

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*Less than one percent.

(1) As determined in accordance with Rule 13d-3 under the Securities and Exchange Act of 1934.

(2) Subject to forfeiture if established performance and/or service conditions are not met.

(3) Does not include 7,778,416 shares of Common Stock owned by The Crane Fund (see Principal Shareholders of Crane Co., page 11); nor 510,471 shares of Common Stock owned by the Crane Fund for Widows and Children; nor an aggregate of 674,715 shares of Common Stock held in trusts for the pension plans of Crane Co. and certain subsidiaries, which shares may be voted and disposed of in the discretion of the trustees unless the sponsor of a particular plan directs otherwise. Mr. DuPont and Mr. Vipond, and two other executive officers, Ms. E. M. Kopczick and Mr. A. L. Krawitt, are trustees of The Crane Fund and the Crane Fund for Widows and Children. None of the directors or trustees has any beneficial interest in, and all disclaim beneficial ownership of, the shares held by the trusts. In addition, as of February 28, 2007, employees of Crane Co. held 1,849,843 shares of Common Stock in the Crane Co. Savings and Investment Plan and 800 shares of Common Stock in the Crane Co. Union Employees Savings and Investment Plan.

PRINCIPAL SHAREHOLDERS OF CRANE CO.

The following table sets forth the ownership by each person who owned of record or was known by Crane Co. to own beneficially more than 5% of our common stock on February 28, 2007.

| Title of Class | Name and Address of Beneficial Owner | Amount and Nature of Beneficial Ownership | Percent of Class |
|---|---|---|---|
| Common Stock | The Crane Fund (1)<br>100 First Stamford Place<br>Stamford, CT 06902 | 7,778,416 | 12.9% |
| Common Stock | GAMCO Investors, Inc.<br>One Corporate Center<br>Rye, NY 10580-1435 | 4,580,134(2) | 7.6% |
| Common Stock | J.P. Morgan Chase & Co.<br>270 Park Avenue<br>New York, NY 10017 | 3,726,931(3) | 6.2% |

(1) The Crane Fund is a charitable trust managed by trustees appointed by the Board of Directors of Crane Co. The incumbent trustees are A.I. duPont, E. M. Kopczick, A. L. Krawitt and J. R. Vipond, all of whom are executive officers of Crane Co. Pursuant to the trust instrument, the shares held by the trust are voted by the trustees as directed by the Board of Directors, the distribution of the income of the trust for its charitable purposes is subject to the control of the Board of Directors and the shares may be sold by the trustees only upon the direction of the Board of Directors. None of the directors or the trustees has any direct beneficial interest in, and all disclaim beneficial ownership of, shares held by The Crane Fund.

(2) As reported in an Amendment No. 4 to Schedule 13D filed February 8, 2007. According to such Schedule 13D: Mario J. Gabelli, an individual, is the sole shareholder, director and employee of MJG Associates, an entity which provides advisory services to private investment partnerships and offshore funds. Mario J. Gabelli is also the majority stockholder and chief executive officer of Gabelli Group Capital Partners, Inc., which is in turn the majority shareholder of GAMCO Investors, Inc. GAMCO Investors, Inc. is the majority shareholder of Gabelli Securities, Inc. and the sole shareholder of Gabelli Funds, LLC, an investment adviser registered under the Investment Advisers Act of 1940. Gabelli Funds, LLC owns and has sole voting authority with respect to 1,070,000 of such shares; GAMCO Investors, Inc. owns 3,457,034 of such shares and has sole voting authority with respect to all but 75,700 of such shares; MJG Associates owns and has sole voting authority with respect to 25,000 of such shares; Gabelli Securities, Inc. owns and has sole voting authority with respect to 18,100 of such shares; and Mario J. Gabelli owns 10,000 of such shares, and is deemed to have beneficial ownership of the securities owned beneficially by each of the foregoing.

(3) As reported in a Schedule 13G/A filed February 5, 2007. According to such Schedule 13G/A, J.P. Morgan Chase & Co. has sole voting authority with respect to 3,041,036 of such shares, shared voting authority and shared dispositive authority with respect to 583,885 of such shares, and sole dispositive

authority with respect to 3,138,611 of such shares.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The following discussion and analysis explains Crane Co.'s compensation program as it applies to the executive officers named in the Summary Compensation Table on page 20. This discussion and analysis should be read in conjunction with the Summary Compensation Table, its accompanying footnotes and the additional tabular and narrative disclosure that follows the Summary Compensation Table.

Objectives of the Executive Compensation Program

Crane Co.'s executive compensation program is designed and operated with the following objectives:

- To attract and retain highly-qualified executives;
- To provide those executives with incentives to continuously improve operating results and to increase shareholder value;
- To provide benefit programs that are competitive with those of relevant peer companies; and
- To ensure continuity in the event of a change-in-control transaction.

In pursuit of these objectives, Crane's executive compensation program includes the following elements, each of which is more thoroughly described in this Compensation Discussion and Analysis:

Short-Term: Crane Co. endeavors to pay its executives annual base salary at competitive levels, generally targeting the 50th percentile of pay scales for similar positions at companies of comparable size and structure. Certain perquisites that have been judged to be reasonable and competitive elements of compensation are provided to senior executives as well.

Short- to Medium-Term: The principal means of short- to medium-term compensation are the corporate and operating group economic value added (EVA) plans, which are described below. For senior executives who participate in the corporate or operating group EVA plans, including all the named executive officers, this amount is contingent on firmwide or group financial performance as well as on individual performance. These plans are designed to allow executives to share directly in the economic value added to the business during the year, but contain features for target bonuses and deferred payment to buffer individuals against year-to-year variations in the results of the business, as well as to encourage retention.

Long-Term: Long-term compensation, which consists primarily of grants of stock options and restricted stock, is granted in order to focus the attention and efforts of executives and other key employees on shareholder return; for retention purposes, these grants typically vest over a period of years. Prior to 2007, Crane Co. granted options to purchase Crane Co. stock which vest 50% after one year, 75% after two years and in full after three years; however, beginning with grants made in January 2007, stock options will vest 25% per year over four years. We changed the term of stock options from 10 years to six years in 2005. We also make annual grants of restricted stock, which generally vested one-third after one year, two-thirds after two years and fully after three years; beginning in 2007, restricted stock grants will vest 25% per year over four years.

Since 2000, annual grants of stock options and restricted stock to executive officers have been made at the Compensation Committee's January meeting, when all annual executive compensation decisions are made, except for 2004 when the stock grants were deferred until shareholders approved a new plan in April. The Committee also grants stock options and restricted stock at other dates in the case of new hires and promotions. The exercise price of stock options is equal to the fair market value at the date of grant, determined on the basis of the average of the high and low sales prices over the 10 trading days ending on the date of grant in order to avoid any abrupt, one-day fluctuations in the stock price.

Crane provides a 401(k) plan for substantially all its U.S. employees, and matches 50% of employee contributions up to six percent subject to Internal Revenue Code limitations; such matching contributions are paid in shares of Crane Co. stock and are fully vested when an employee has five years of service. Executive officers also participate in a defined benefit pension plan, and certain executive officers receive



additional grants of restricted stock to restore pension benefits limited by federal tax regulations, as described below under ''Retirement Shares.''

Role of Peer Group Analysis

In late 2005 and early 2006 the Compensation Committee developed a specific, limited group of companies to serve as a peer group for compensation purposes. The Committee developed this peer group in collaboration with management and with the assistance of its compensation consultant, Hewitt Associates. Although Crane Co. pays the fees and expenses of Hewitt Associates, the firm is retained by the Compensation Committee and does not perform any other services for Crane Co. The Committee reviewed two potential peer groups of industrial manufacturing companies with multiple business lines of comparable size to Crane Co. in terms of revenues, net income and market capitalization. One peer group was comprised of companies with larger capitalizations selected from the S&P 500, and the other peer group was comprised of companies with medium capitalizations selected from the S&P Mid-Cap 400. Crane Co. had been a member of the S&P 500 for many years until December 2004 and since then has been included in the S&P Mid-Cap 400. For comparative purposes, the Committee also considered a selected group of similarly diversified industrial businesses with substantially larger capitalization, and several such companies with substantially smaller capitalization. The Committee determined that the mid-cap group of companies was more comparable to Crane Co. in terms of size and overall scope of operations, and the selected mid-cap group of companies collectively offered a range of diversified businesses that cover the industries in which we operate. These peer companies are: Ametek, Inc., Carlisle Companies Inc., Diebold, Inc., Flowserve Corporation, Goodrich Corporation, Graco Inc., Harsco Corporation, IDEX Corporation, Pall Corporation, Pentair, Inc., Precision Castparts Corp., Roper Industries, Inc., SPX Corporation, Teleflex Inc., and Trinity Industries, Inc.

Hewitt Associates provided the Compensation Committee with comparative compensation data on the peer companies from publicly available sources. In addition, Hewitt Associates provided the Committee with comparative compensation data compiled from a broad group of industrial companies with revenues ranging from $1.0 billion to $2.5 billion, and another group of industrial companies with revenues ranging from $2.5 billion to $5.0 billion. This data included base salary, bonus compensation and stock-based equity compensation for the five named executive officers, as well as the 25$^{th}$, 50$^{th}$ and 75$^{th}$ percentiles for each category. Hewitt Associates also presented comparable salary, bonus and equity compensation data for Mr. Fast and the other named executive officers. For Messrs. Mitchell and Ward, the industry comparative data was compiled from a Hewitt Associates survey of compensation data for group presidents of comparably sized businesses. The Committee used this comparative data to calibrate the proposed salary increases, EVA bonus payments and aggregate stock option and restricted stock grant values for the named executive officers, with the view that base salary should generally be at approximately the 50$^{th}$ percentile of the peer group while bonus payouts and stock-based compensation should target the 75$^{th}$ percentile of the peer group subject to Committee review for overall performance results and extraordinary items. The Committee has reviewed updated peer group data compiled by Hewitt during 2006 in the course of reviewing the EVA bonus payments for 2006 and in connection with the Committee's consideration of the proposed 2007 Stock Incentive Plan being presented for shareholder approval at the 2007 Annual Meeting.

Design and Operation of Executive Compensation Program

Base Salary

Base salaries for executive officers are established at the date of hire based on competitive market data (see the discussion of ''Role of Peer Group Analysis'' below), current salary levels within Crane Co. and the bargaining process needed to attract the particular executive. Mr. Fast has an employment agreement, executed in January 2001 in connection with his promotion to Chief Executive Officer, which provides for an annual salary not less than $650,000. His salary was reviewed by the Compensation Committee in January 2006 by reference to peer group data and other relevant competitive market data compiled for the Committee by Hewitt Associates. On the recommendation of the Compensation Committee, targeting the 50$^{th}$ percentile of the peer group data, the Board of Directors approved a salary increase of 5.9% for Mr. Fast, from $850,000 to $900,000, effective January 1, 2006. Salaries for other



named executive officers are reviewed in a similar manner but are determined by the Chief Executive Officer and then reviewed with the Compensation Committee. Increases in base salary for 2006 for the named executive officers other than Mr. Fast ranged from 3.0% to 6.0%. For perquisites and other items of short-term compensation, please see below under ''Other Compensation.''

EVA

Executive officers and other senior corporate executives, as well as members of senior management of individual business units, participate in non-equity incentive compensation plans based on economic value added (EVA), which is generally defined as the amount by which net operating profit after tax exceeds the return on invested capital required to meet a pre-established cost of capital. These plans are designed to reward executives for sustained, continuous improvement in operating profit. The Board of Directors believes that, compared to such common performance measures as return on capital, return on equity, growth in earnings per share and growth in cash flow, EVA has the highest correlation with the creation of value for shareholders over the long term.

The EVA plans do not involve pre-established goals, as such. Rather, the aggregate EVA of Crane Co. or of the relevant unit for the year, together with the increase or decrease in EVA compared to the prior year, forms the basis for any incentive compensation award, thereby motivating executives to focus on continuous value improvement. Awards may be positive or negative, and so executives can incur penalties (in the form of reductions in awards previously earned but not yet paid out) when value is reduced.

Cash payments to eligible participants are based on the aggregate EVA for the relevant unit, the growth of EVA over the prior year, and a participation percentage for each individual. The participation percentage of the Chief Executive Officer is set by the Compensation Committee and approved by the Board, while the percentages of the other participants are set by the Chief Executive Officer and approved by the Committee. Messrs. Fast, Vipond and duPont participate in the Crane Co. Corporate EVA Incentive Compensation Plan (the ''Corporate EVA Plan''), which is based on the results of the corporation as a whole, while Messrs. Mitchell and Ward participate in EVA Plans for the Fluid Handling Group and Aerospace Group, respectively. The Corporate EVA Plan was approved by the shareholders at the Annual Meeting in April 2004.

Corporate EVA Plan.

Calculation of EVA; Establishment of EVA Bonus Pool. The cost of capital used in the Corporate EVA Plan is comprised of two components, a cost of equity fixed in advance by the Compensation Committee and a cost of debt which is Crane Co.'s actual interest cost. At the beginning of each year the Compensation Committee determines the cost of equity component of the cost of capital; in 2006, after reviewing the cost of equity used for the Corporate EVA Plan over the past 10 years and a calculation of the cost of equity for 2006 based upon a methodology originally provided by the consulting firm of Stern Stewart & Co., the Committee fixed the cost of equity for the Corporate EVA Plan at 11.10%. This cost of equity was then blended on a monthly weighted average basis with the actual cost of debt to determine the overall cost of capital for the Corporate EVA Plan, which was 9.30% for 2006.

The bonus pool, which may be positive or negative, is then determined using a formula set forth in the plan (if the prior year's EVA was positive, 6% of current year positive EVA plus 10% of the change from the prior year's EVA; if the prior year's EVA was negative, 15% of the change from the prior year's EVA). Under the terms of the Corporate EVA Plan, provisions relating to Crane Co.'s asbestos liability (which are regarded as being largely outside the control of management) are excluded from the calculation of EVA. Consistent with the requirements of section 162(m) of the Internal Revenue Code, the Compensation Committee may also exclude other significant non-budgeted or non-controllable gains or losses in order to properly measure executive performance. In January 2007, the Committee reviewed and approved the cost of capital calculation and the establishment of the aggregate Corporate EVA bonus pool, which was $4,968,000.

Participation Percentages and Payouts. At the beginning of each year, the Compensation Committee establishes a maximum participation percentage for executive officers; for 2006, the participation



percentages were fixed at 30% for Mr. Fast and a maximum of 15% for any other executive officer named in the Summary Compensation Table, subject to determination of the final participation percentage after the end of the year. In January 2007, the Compensation Committee ratified the participation percentages of the participants in the Corporate EVA Plan, including Messrs. Fast (30%), Vipond (7.5%) and duPont (10%). This amount, together with 6% interest on the portion of EVA awards earned but not paid out in previous years, appears in the Summary Compensation Table in the column headed ''Non-Equity Incentive Plan Compensation,'' and in the Grants of Plan-Based Awards Table in the column headed ''Estimated Future Payouts under Non-Equity Incentive Plan Awards—Target.''

Under the terms of the Corporate EVA Plan, each of such executives received a cash payout in February 2007 equal to the sum of (i) the executive's target bonus as a percentage of base salary (90% for Mr. Fast and 70% for Messrs. Vipond and duPont) and (ii) one-third of the executive's ''bank account,'' which is comprised of the unpaid portion of the current award and all previous awards plus interest.

If the EVA award in a particular year is negative, an executive may still receive a cash payment from his or her bank account up to the target bonus, before the negative EVA award is applied to the bank account. If the bank account balance is negative, the executive receives no incentive compensation payment the following year unless the EVA award is positive. Each year, Crane Co. adds interest to a positive balance at six percent. The EVA bank account is subject to forfeiture in the event an executive leaves Crane Co. by reason of termination or resignation, but is paid in full if the executive dies, becomes disabled or retires at age 65 (or earlier at the discretion of the Committee) or upon a change in control of Crane Co.

EVA—Operating Groups

Senior business unit management, including Mr. Mitchell and Mr. Ward, participate in EVA Plans based upon the performance of their own business units, which are similar in general structure to the Corporate EVA Plan but have certain significant differences.

Calculation of EVA; Establishment of EVA Bonus Pool. Because the capital structure of our business units is subject to many factors outside the control of management of the particular unit, the operating group EVA Plans use a fixed cost of capital of 9.5%. Aggregate EVA is calculated for each unit in the same manner as for the Corporate EVA Plan, but in certain cases the percentage of aggregate EVA and/or the percentage of the improvement from prior year are adjusted by the Chief Executive Officer and reviewed by the Committee to reflect the particular circumstances, goals and objectives of the units. The aggregate EVA bonus pools for the Fluid Handling Group and the Aerospace Group in 2006 were $3,454,000 and $3,781,367, respectively.

Participation Percentages and Payouts. Participation percentages for the business unit EVA pools are established by the Chief Executive Officer and reviewed by the Compensation Committee. For 2006, Mr. Ward’s participation percentage was 18% of Aerospace Group EVA. For the Fluid Handling Group in 2006, the Committee approved a proposal recommended by the Chief Executive Officer for a cumulative EVA pool based upon the aggregate operating profit of the Fluid Handling Group, with participation percentages for Mr. Mitchell and other Fluid Handling Group executives which vary depending on the size of the aggregate EVA pool. For Mr. Mitchell, these participation percentages range from 59% of an EVA pool of $436,000 to 19.8% of any EVA pool in excess of $3,023,000. The awards for 2006 to Mr. Mitchell and Mr. Ward, plus 6% interest on the portion of EVA awards earned but not paid out in previous years, are shown in the Summary Compensation Table in the column headed ‘‘Non-Equity Incentive Plan Compensation,’’ and in the Grants of Plan-Based Awards Table in the column headed ‘‘Estimated Future Payouts under Non-Equity Incentive Plan Awards—Target.’’

Under the terms of the operating group EVA Plans, participating executives receive a cash payment equal to one-third of the sum of (i) the award for the current year and (ii) the unpaid bank balance from the prior year plus interest at six percent, except that in the case of new participants the payment is 70% of such sum in the first year, 50% in the second year and one-third each year thereafter. For 2006, Mr. Mitchell received a 50% payout in his second year in the Fluid Handling Group EVA Plan, and Mr. Ward received a one-third payout in the Aerospace Group EVA Plan.



Activity for each of the named executive officers in the EVA plans for 2006 was as follows:

| Name | Beginning Balance | Interest at 6% on Balance | 2006 Award | Payout of Target Bonus (participants in Crane Co. EVA Plan only) | Payout in Addition to Target Bonus | Total Payout | Ending Balance |
|---|---|---|---|---|---|---|---|
| E.C. Fast | $291,805 | $17,508 | $1,490,400 | $810,000 | $329,871 | $1,139,871 | $659,842 |
| J. R. Vipond | $ 85,991 | $ 5,159 | $ 372,600 | $230,720 | $ 77,669 | $ 308,389 | $155,361 |
| M. H. Mitchell | $121,961 | $ 7,318 | $ 683,892 | — | $406,585 | $ 406,585 | $406,585 |
| A. I. duPont | $192,529 | $11,552 | $ 496,800 | $208,845 | $163,996 | $ 372,841 | $328,040 |
| G. A. Ward | $614,225 | $36,853 | $ 680,646 | — | $443,908 | $ 443,908 | $887,816 |

Stock-Based Compensation

The Stock Incentive Plan is used to provide long-term incentive compensation through stock options as well as retention of highly regarded executives through time-based restricted stock. We believe that executive officers approach their responsibilities more like owners as their holdings of and potential to own stock increase. Under the Stock Incentive Plan, stock options must be granted at no less than fair market value on the date of grant and generally vest and become exercisable 50% on the first anniversary of the date of grant, 75% on the second anniversary and 100% on the third anniversary (25% per year over four years beginning in 2007). Accordingly, executives can realize a gain only if the share price increases from the date of grant, directly linking this incentive compensation to increases in shareholder value. Although broad market dynamics can strongly influence our share price, the Board of Directors believes that with stock options executives are motivated to take actions that improve the share price, such as profitable sales growth through internal growth as well as acquisitions, improvement in operating margins to generate increased operating profit and drive higher multiple valuations and prudent use of free cash flow through capital expenditures, dividends, acquisitions and stock repurchases.

The Stock Incentive Plan also authorizes the Board of Directors, acting through the Compensation Committee, to grant restricted stock subject to such terms and conditions as the Committee may deem appropriate. In 2006, as in previous years since 1998, the Committee granted shares of restricted stock having time-based vesting conditions, for purposes of retaining highly regarded executives. The vesting conditions for the restricted stock granted to the named executive officers in 2006 were one-third on the first anniversary of the date of grant, one-third on the second anniversary and one-third on the third anniversary (2007 grants will vest 25% per year over four years).

In determining the size of the stock option and restricted stock grants in 2006, the Compensation Committee referred to the peer group data compiled by Hewitt Associates as well as our historical grant practices including the number of shares as well as fair market value of the stock and, for stock options, Black-Scholes values on the dates of grant. The Committee also reviewed tally sheets for Messrs. Fast, Vipond and duPont which set forth all annual compensation as well as retirement program balances, accumulated holdings of stock options, restricted stock and other Crane Co. stock owned by the executive. The Committee used these reference points in order to reach a judgment as to the appropriate proportions of stock options and restricted stock for the named executive officers as well as to size the aggregate grants for all employees. In January 2006, the Committee granted an aggregate of 880,750 stock options, of which 100,000 or 11.4% were granted to Mr. Fast and an aggregate of 110,000 or 12.5% were granted to the other named executive officers. In January 2006, the Committee also granted an aggregate of 212,750 shares of time-based restricted stock, of which 90,000 or 42.3% were granted to Mr. Fast and 24,000 or 11.3% were granted to the other named executive officers. In January 2005, the Committee granted 961,750 options, of which 130,000 (13.5%) were to Mr. Fast and 90,000 (9.4%) were to the other named executive officers; and 239,000 time-based restricted shares, of which 90,000 (37.7%) were to Mr. Fast and 43,000 (18.0%) were to the other named executive officers. Mr. Vipond joined Crane Co. in March 2005, and received 100,000 options and 5,000 shares of restricted stock. The grant date fair value of each such grant of options and time-based restricted stock is presented in the Grants of Plan-Based

Awards Table under the caption ''Grant Date Fair Value of Stock and Option Awards.'' For Messrs. Fast, duPont and Ward such table also sets forth the grant date fair value of certain additional shares of restricted stock granted as described below under ''Retirement Shares.''

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During the balance of 2006, the Committee granted an additional 54,000 stock options and 22,500 shares of restricted stock under the Stock Incentive Plan, none of which were granted to any named executive officer. As described above, grants to executive officers are only made once a year at the January meeting of the Committee, except for new hires and promotions.

Retirement Shares. Since 1995, the Committee has administered a program using grants of restricted stock to make up the shortfall in executive officer and key employee pension benefits imposed by certain federal tax policies which limit the amount of compensation that can be considered in determining benefits under tax-qualified pension plans. Under this program, the Committee grants from time to time, to certain executive officers and key employees who have been impacted by such tax limitations, amounts of restricted stock calculated by our actuaries to make up that portion of the retirement benefit at normal retirement (age 65) lost by reason of the tax limitations. The Committee is of the view that the grants provide the potential to offset the tax limitations on the executive's future pension benefits, but require the recipient to look to future increases in shareholder value through stock appreciation if that objective is to be actually achieved. For Mr. Fast, the retirement-based restricted shares vest upon early retirement (before age 65) provided he has at least 10 years of service. If Mr. Fast takes early retirement before he has 10 years of service, a pro-rated portion of such shares would vest on the tenth anniversary of his date of hire (i.e. September 27, 2009). A total of 9,700 shares of restricted stock were granted under this program in 2006, of which 5,600 shares or 57.7% were granted to Mr. Fast and 2,400 shares or 24.7% were granted to certain other named executive officers.

Stock Ownership Guidelines. Crane Co. has established stock ownership guidelines for executive officers and business unit presidents. The ownership guidelines for executive officers are expressed as a multiple of base salary:

| Salary Range | Minimum Ownership Level |
|---|---|
| $125,001 - $175,000 | 2 x Base Salary |
| $175,001 - $300,000 | 3 x Base Salary |
| $300,001 - $500,000 | 4 x Base Salary |
| Above $500,000 | 5 x Base Salary |

The policy permits executives to sell up to 50% of the net shares realized upon an option exercise or vesting of restricted stock, while retaining at least 50% of such net shares in order to meet the stock ownership guidelines. Shares which count toward the satisfaction of the guidelines are (i) shares owned by the executive, (ii) shares held in the executive's 401(k) account and (iii) restricted stock held by the executive. Once such guidelines are met, the policy permits executives to sell any shares held above the required ownership guidelines. Executives are expected to reach the applicable minimum ownership level by the fifth anniversary of their date of hire or first date in the relevant executive position.

Impact of Internal Revenue Code Section 162(m)

Section 162(m) of the Internal Revenue Code limits to $1 million per employee the deductibility of compensation paid to the executive officers required to be listed in the proxy statement unless the compensation meets certain specific requirements. The Corporate and operating group EVA incentive compensation plans are intended to constitute performance-based plans meeting the criteria for continued deductibility set out in the applicable regulations. In addition, we believe that all stock options granted to date under our stock incentive plans meet the requirements of Section 162(m) for deductibility. The shares of time-based restricted stock granted in 2006, as well as the retirement shares granted to offset the impact of the tax limitations on pension benefits as described above, would not satisfy the performance-based criteria of Section 162(m), and accordingly compensation expense in respect of income recognized by the executive officer upon lapse of the restrictions would not be deductible to the extent that such income, together with all other compensation in such year that did not satisfy the criteria of Section 162(m), exceeded $1 million. In 2006, approximately $3.1 million of compensation received by Mr. Fast and $10,000 received by Mr. duPont, principally due to the vesting of restricted stock granted in previous years, was not deductible under Section 162(m). As a matter of policy, the Committee intends to develop and administer compensation programs which will maintain deductibility under Section



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162(m) for all executive compensation, except in the limited circumstance when the materiality of the deduction is in the judgment of the Committee significantly outweighed by the incentive or retention value of the compensation.

Other Compensation.

The ‘‘All Other Compensation’’ column of the Summary Compensation Table and the accompanying footnote set forth the details of other compensation received by the named executive officers. In certain cases, such as the Crane Co. contributions to defined contribution plans and the increase in actuarial value of the defined benefit pension, such compensation is determined on the same basis as that used for all other employees. In other cases, such as automobile allowances, executive health exams and other personal benefits, the compensation is provided to certain key employees but not to all employees and we have determined it to be reasonable and competitive compensation for the named executive officers in relation to general industry practices.

In the case of personal use of the corporate aircraft, this benefit is restricted to the Chief Executive Officer and the Chairman of the Board (our former chief executive officer). Each of them has an agreement with Crane Co. (as described elsewhere in this Proxy Statement under the caption ‘‘Other Agreements and Information’’) pursuant to which they reimburse the corporation for a portion of the costs of such personal use based upon Treasury regulations establishing the fair market value of such personal use for tax purposes, and the net incremental cost to Crane Co. above the reimbursed amount is included in the ‘‘All Other Compensation’’ column of the Summary Compensation Table. Under applicable Treasury regulations, Crane also loses a portion of the federal income tax deduction for the costs of operating or leasing employer-provided aircraft to the extent the costs attributable for personal use exceed the amount reimbursed. For 2006, the disallowed deduction was approximately $1.5 million. The Board of Directors has approved this personal use of the aircraft for Mr. Fast because the Board believes that such personal use of the aircraft permits the most efficient use of time by Mr. Fast and thereby benefits Crane Co.; for R.S. Evans, our former chief executive officer, the Board of Directors has approved this use in recognition of his long service and substantial contributions to Crane Co. as well as his continued service as Chairman of the Board.

Change in Control Provisions.

Certain executive officers have an agreement which, in the event of a change in control of Crane Co., provides for continued employment for a period of years following the change in control (three for Messrs. Fast, Vipond, duPont and Mitchell). Upon termination within such employment period after a change in control, either by the employer without cause or by the executive with ''Good Reason'' (as defined in the agreement to include the executive's ability to terminate such employment for any reason within the 30-day period commencing on the first anniversary of the change in control), the executive is entitled to receive a multiple of base salary and average annual bonus payments based on the number of years in the employment period, and certain other benefits. The EVA plans, stock options and restricted stock grants contain similar features which accelerate vesting in the event of a change in control. The change in control agreements obligate Crane Co. to make additional payments to the employee such that after payment of all taxes including any excise tax under section 4999 of the Internal Revenue Code resulting from such payments and the accelerated vesting of EVA bank balances, stock options and restricted stock, the employee will retain an amount sufficient to pay the excise tax on all such payments. As set forth below under ''Potential Payments upon Termination or Change in Control,'' the aggregate payments to the named executive officers would range from $2,253,517 for Mr. Vipond to $6,718,261 for Mr. Fast. The corresponding additional payments in respect of excise taxes would range from $954,874 to $2,565,710. The Board of Directors has approved these agreements and other provisions to assure the continuity of management in the event of a change in control and considers these agreements and provisions to be competitive with terms offered by other companies with which we compete for executive talent.



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MANAGEMENT ORGANIZATION AND COMPENSATION COMMITTEE REPORT

The Management Organization and Compensation Committee of the Board of Directors has submitted the following report for inclusion in this Proxy Statement:

The Committee has reviewed and discussed with management the foregoing Compensation Discussion and Analysis. Based on our review and discussions with management, the Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement, and incorporated by reference in Crane Co.'s Annual Report on Form 10-K for the year ended December 31, 2006.

Submitted by:
The Management Organization and
Compensation Committee of the Board of
Directors of Crane Co.
E. Thayer Bigelow, Chairman
Donald G. Cook
Dorsey R. Gardner
William E. Lipner
Ronald F. McKenna
James L. L. Tullis



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Summary Compensation Table

The table below summarizes the compensation for 2006 earned by Crane's Chief Executive Officer, Chief Financial Officer, and each of the three other most highly paid executive officers who were serving as executive officers at December 31, 2006. These individuals are sometimes referred to in this Proxy Statement as the ''named executive officers.''

| Name and Principal Position | Year | Salary ($) | Stock Awards ($) (1) | Option Awards ($) (2) | Non-Equity Incentive Plan Compensation ($) (3) | Change in Pension Value and Nonqualified Deferred Compensation Earnings ($) (4) | All Other Compensation ($) (5) | Total ($) |
|---|---|---|---|---|---|---|---|---|
| Eric C. Fast President and Chief Executive Officer | 2006 | $900,000 | $3,096,218 | $1,022,304 | $1,490,400 | $23,648 | $222,808 | $6,755,378 |
| J. Robert Vipond Vice President — Finance and Chief Financial Officer | 2006 | $329,600 | $ 110,076 | $ 395,975 | $ 372,600 | $24,138 | $ 25,339 | $1,257,728 |
| Max H. Mitchell President, Fluid Handling Group | 2006 | $283,920 | $ 340,028 | $ 204,028 | $ 683,892 | $ 8,288 | $ 30,242 | $1,550,398 |
| Augustus I. duPont Vice President, General Counsel and Secretary | 2006 | $298,350 | $ 458,232 | $ 229,170 | $ 496,800 | $23,156 | $ 42,159 | $1,547,867 |
| Gregory A. Ward President, Aerospace Group | 2006 | $268,799 | $ 292,968 | $ 227,145 | $ 680,646 | $27,755 | $ 49,052 | $1,546,365 |

(1) Amounts in this column reflect the expense recognized for financial statement reporting purposes for the indicated fiscal year, in accordance with FAS 123R, with respect to awards of time-based and retirement-based restricted shares of Crane Co. stock, which may include awards made during the indicated year or earlier; however, the estimate of forfeitures related to service-based vesting conditions is disregarded for purposes of this valuation. For details of individual grants of restricted shares during 2006, please see the Grants of Plan-Based Awards table below. There were no forfeitures of restricted shares by any of the named executive officers during the fiscal year. The assumptions on which this valuation is based are set forth in Note 13 to the audited financial statements included in Crane Co.'s annual report on Form 10-K filed with the Securities and Exchange Commission on March 1, 2007.

(2) Amounts in this column reflect the expense recognized for financial statement reporting purposes for the indicated fiscal year, in accordance with FAS 123R, with respect to awards of options on Crane Co. stock, which may include option awards made during the indicated year or earlier; however, the estimate of forfeitures related to service-based vesting conditions is disregarded for purposes of this valuation.

For details of individual grants of stock options during 2006 please see the Grants of Plan-Based Awards table below. There were no forfeitures of Crane Co. stock options by any of the named executive officers during the fiscal year. The assumptions on which this valuation is based are set forth in Note 13 to the audited financial statements included in Crane Co.'s annual report on Form 10-K filed with the Securities and Exchange Commission on March 1, 2007.

(3)The amounts shown in this column are additions to the EVA account in which the named executive officer participates; to the extent not paid out in cash, they remain subject to being reduced in later years if EVA is not positive. For a full explanation of the operation of the EVA plans please refer to the narrative disclosure below and to the Compensation Discussion and Analysis on page 12.

(4)The amount shown in this column for each of the named executive officers is the increase in the actuarial present value of the accumulated benefit under all defined benefit plans from December 31, 2005 (the pension plan measurement date used for financial statement reporting purposes with respect to Crane's audited financial statements for 2005) to December 31, 2006 (the pension plan measurement date with respect to Crane's audited financial statements for 2006). For additional information regarding defined benefit plans please see the Pension Benefits table below.

(5)Amounts in this column include the following:

| | Dividends Paid on Restricted Stock | Personal Use of Company Aircraft | Personal Use of Company-Provided Car | Company Match of Employee 401(k) Contributions | Life Insurance Premiums |
|---|---|---|---|---|---|
| E. C. Fast | $127,624 | $62,656 | $20,664 | $7,500 | $4,364 |
| J. R. Vipond | $ 4,792 | $ 0 | $11,660 | $6,676 | $2,211 |
| M. H. Mitchell | $ 12,150 | $ 0 | $10,313 | $7,500 | $ 279 |
| A. I. duPont | $ 22,809 | $ 0 | $10,575 | $7,500 | $1,275 |
| G. A. Ward | $ 19,100 | $ 0 | $21,320 | $7,500 | $1,132 |

Dividends are paid on shares of restricted stock at the same rate as on all other shares of Common Stock.



Grants of Plan-Based Awards

| Name | Grant Date (1) | Estimated Future Payouts Under Non-Equity Incentive Plan Awards-Target ($) (2) | All Other Stock Awards: Number of Shares of Stock or Units (#) | All Other Option Awards: Number of Securities Underlying Options (#) | Exercise or Base Price of Option Awards ($/Sh) (3) | Grant Date Fair Value of Stock and Option Awards ($) (4) |
|---|---|---|---|---|---|---|
| E. C. Fast | January 29, 2007 | $1,490,400 | | | | |
| | January 23, 2006 | | 90,000 | | | $3,270,150 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | January 23, 2006 | | 5,600 | | | $ 203,476 |
| | January 23, 2006 | | | 100,000 | $36.58 | $ 909,000 |
| J. R. Vipond | January 29, 2007 | $ 372,600 | | | | |
| | January 23, 2006 | | 5,000 | | | $ 181,675 |
| | January 23, 2006 | | | 35,000 | $36.58 | $ 318,150 |
| M. H. Mitchell | January 29, 2007 | $ 683,892 | | | | |
| | January 23, 2006 | | 8,000 | | | $ 290,680 |
| | January 23, 2006 | | | 25,000 | $36.58 | $ 227,250 |
| A. I. duPont | January 29, 2007 | $ 496,800 | | | | |
| | January 23, 2006 | | 6,000 | | | $ 218,010 |
| | January 23, 2006 | | 800 | | | $ 29,068 |
| | January 23, 2006 | | | 25,000 | $36.58 | $ 227,250 |
| G. A. Ward | January 29, 2007 | $ 680,646 | | | | |
| | January 23, 2006 | | 5,000 | | | $ 181,675 |
| | January 23, 2006 | | 1,600 | | | $ 58,136 |
| | January 23, 2006 | | | 25,000 | $36.58 | $ 227,250 |

(1)All grants were effective as of the date on which the Compensation Committee met to approve them. Awards under the corporate and business unit EVA plans relating to the 2006 performance of the business and of the individual were finalized and approved at the January 29, 2007 meetings of the Compensation Committee and the Board of Directors.

(2)The amounts shown are additions to the EVA account in which the named executive officer participates, as described in Note 3 to the Summary Compensation Table and in the Compensation Discussion and Analysis which begins on page 12. Both the amount of the EVA pool and the participant's percentage of the pool are approved by the Compensation Committee, based on the performance of both the business and the individual, in January of the year following the year to which the award relates.

(3)The exercise price of options awarded under the Crane Co. Stock Incentive Plan (on January 23, 2006, $36.58) is the fair market value of Crane Co. stock on the date of grant, calculated in accordance with the terms of the Plan by taking the average of the high and low trading prices over each of the ten trading days ending on the date of grant. The closing price of Crane Co. stock on the date of grant was $36.42.

(4)The grant date fair value of each share of restricted stock, calculated by taking the average of the high and low trading prices on the date of grant, is $36.335. The grant date fair value of each stock option, calculated using the Black-Scholes option pricing model, is $9.09.

Annual Compensation of the Named Executive Officers

Base Salary—The base annual salary of the Chief Executive Officer is determined by the terms of his employment agreement, subject to annual increases as recommended by the Management Organization and Compensation Committee and approved by the Board of Directors. The base annual salary of each of the named executive officers other than the Chief Executive Officer is determined by the Chief Executive Officer and reviewed by the Committee. Based on the base salaries of the named executive officers, as well as the fair value of equity awards and non-equity incentive plan awards granted to them in 2006, base salary accounted for approximately 16% of the total compensation of the named executive officers.

EVA—Messrs. Fast, Vipond and duPont each received awards, which included cash compensation and grants of future benefits, under the Crane Co. Corporate EVA Incentive Compensation Plan, calculated with reference to Crane Co.'s financial results for 2006. Mr. Mitchell and Mr. Ward each received awards, also including both cash compensation and grants of potential future benefits, under the Fluid Handling Group and Aerospace Group EVA Plans, respectively. Grants relating to 2006 performance are not fixed until the first meeting of the Compensation Committee and the Board of Directors in 2007. The operation of the EVA plans is described in detail in the Compensation Discussion and Analysis beginning on page 12.

Stock Options and Restricted Stock—In 2006, consistent with previous practice, Crane Co. made annual grants of stock options and restricted stock to executives and other key employees, including the named executive officers, at the January 23 meeting of the Board of Directors.

Options become exercisable 50% one year, 75% two years and 100% three years after the grant date. Options expire, unless exercised, six years (ten years for options granted prior to 2004) after grant. The exercise price of the options granted on January 23, 2006 was $36.58, which was the fair market value of Crane Co. stock on the date of grant, calculated in accordance with the terms of the Plan by taking the average of the high and low market prices of the stock over last ten trading days including the date of grant. This method of calculating fair market value has been used by Crane Co. for all option grants since 1998. The exercise price may be paid by delivery of shares owned for more than six months, and income tax obligations related to the exercise may be satisfied by surrender of shares received upon exercise, subject to certain conditions.

The restricted shares vest as to one-third of the award on the first, second and third anniversaries of the date of grant, or upon the participant's earlier death, permanent disability or normal retirement at age 65, or upon a change in control of Crane Co.

Retirement Shares—Certain provisions of the Internal Revenue Code limit the amount of compensation that can be considered in determining benefits under a tax-qualified defined benefit plan. Since 1995, the Committee has administered a supplemental retirement plan for selected executive officers and other key employees using grants of restricted stock to make up the shortfall in pension benefits imposed by this tax limitation. Such grants vest on the earlier of the executive's normal retirement date at age 65 or the tenth anniversary of the date of grant, except in the case of Mr. Fast, whose shares will also vest in the event of his early retirement, subject to a prorated vesting if he retires before 2009. Grants under this program were made to Mr. Fast, Mr. duPont and Mr. Ward on January 23, 2006.

Other Compensation—The amounts appearing in the Summary Compensation Table under the caption ''All Other Compensation'' are disaggregated in footnote 5 to the table.

2006 Outstanding Equity Awards at Fiscal Year-End

The following table shows for each named executive officer the number of unexercised options and the number of shares of restricted stock that had not vested as of December 31, 2006. No such awards have been transferred by any of the named executive officers.

| | Option Awards | | | | Stock Awards | |
|---|---|---|---|---|---|---|
| Name (a) | Number of Securities Underlying Unexercised Options (#) Exercisable | Number of Securities Underlying Unexercised Options (#) Unexercisable | Option Exercise Price ($) | Option Expiration Date | Number of Shares or Units of Stock That Have Not Vested (#) (1) | Market Value of Shares or Units of Stock That Have Not Vested ($) (2) |
| E. C. Fast | | | | | 223,805 | $8,200,215 |
| | 125,280 | 0 | $21.37 | 9/27/2009 | | |
| | 100,000 | 0 | $26.95 | 1/22/2011 | | |
| | 200,000 | 0 | $26.95 | 4/23/2011 | | |
| | 300,000 | 0 | $23.23 | 1/28/2012 | | |
| | 180,000 | 0 | $19.11 | 1/27/2013 | | |
| | 120,000 | 40,000(3) | $33.31 | 4/26/2010 | | |
| | 65,000 | 65,000(4) | $26.86 | 1/24/2011 | | |
| | 0 | 100,000(5) | $36.58 | 1/23/2012 | | |
| J. R. | | | | | 8,334 | $ 305,358 |
| Vipond | 50,000 | 50,000(6) | $29.86 | 3/10/2011 | | |
| | 0 | 35,000(5) | $36.58 | 1/23/2012 | | |
| M. H. | | | | | 21,334 | $ 781,678 |
| Mitchell | 15,000 | 5,000(3) | $33.31 | 4/26/2010 | | |
| | 15,000 | 15,000(4) | $26.86 | 1/24/2011 | | |
| | 0 | 25,000(5) | $36.58 | 1/23/2012 | | |
| A. I. | | | | | 40,508 | $1,484,213 |
| duPont | 6,528 | | $20.71 | 4/21/2007 | | |
| | 65,056 | 0 | $33.54 | 4/20/2008 | | |
| | 65,056 | 0 | $21.96 | 4/5/2009 | | |
| | 40,000 | 0 | $19.86 | 1/24/2010 | | |
| | 40,000 | 0 | $26.95 | 1/22/2011 | | |
| | 40,000 | 0 | $23.23 | 1/28/2012 | | |
| | 40,000 | 0 | $19.11 | 1/27/2013 | | |
| | 22,500 | 7,500(3) | $33.31 | 4/26/2010 | | |
| | 15,000 | 15,000(4) | $26.86 | 1/24/2011 | | |
| | 0 | | | | | |