BWXT THRIFT PLAN

SUMMARY PLAN DESCRIPTION

PLAN NUMBER 002

Introduction

The BWXT Thrift Plan (the "Thrift Plan" or "Plan") is designed to provide you with the opportunity to accumulate retirement savings. This Summary Plan Description ("SPD") describes the benefits, rights and obligations under the Thrift Plan in effect on April 1, 2016.

The Thrift Plan is offered to eligible employees of BWX Technologies, Inc., BWXT Nuclear Operating Group, Inc., BWXT Technical Services Group, Inc., BWXT Nuclear Energy, Inc., Nuclear Fuel Services, Inc. and their subsidiary and affiliated companies that have adopted the Plan (the "Company"). A complete list of all employers participating in the Thrift Plan may be obtained upon written request to the BWXT 401K Plans Committee (the "Committee") at the address provided in the **Other Plan Information** section, and is available for examination by Participants and beneficiaries at the Corporate Benefits Department in Lynchburg, Virginia.

To become a "Participant" in the Plan, you must meet the Plan's eligibility requirements. Once you become a Participant, the Plan will maintain "Individual Accounts" for you. All records of the Plan are based on the "Plan Year", which is January 1 through December 31. Your Individual Accounts are adjusted to reflect contributions, gains, and losses and you will not be taxed until these amounts are actually distributed to you. The Vanguard Group ("Vanguard") is the recordkeeper for this Plan. Vanguard also provides various administrative services to the Plan. All of these features are explained further in the following pages.

This SPD highlights the main provisions of the Plan, but is subject to the terms of the official Plan document. You and your family are urged to study this SPD together so that all of you will understand how the Plan operates. If you have any questions about the Plan or need more information than this SPD contains, please contact the Corporate Benefits Department in Lynchburg, Virginia.

In preparing these materials, the aim has been to present a clear, concise description of the Thrift Plan, while avoiding confusing language and technical terms wherever possible. The Thrift Plan, however, is explicitly defined in the official Plan document. This means that should any questions ever arise about the nature and extent of your benefits, the formal language of the Plan document and not the informal wording of this SPD will govern. The Plan is intended to meet the requirements of ERISA Section 404(c) for Individual Accounts, which allow and require your direction.

Joining the Plan

Eligibility

You are immediately eligible to become a Participant in the Thrift Plan if you are an employee of BWX Technologies, Inc. or any of its subsidiaries or affiliates that have adopted the Plan.

However, you will not be eligible to participate in the Thrift Plan if:

- you are covered by a collective bargaining agreement that does not provide for participation in this Plan;
- you are a non-resident alien with no U.S. source income (as defined in the Internal Revenue Code);
- you are a leased employee;
- you are employed by a subsidiary or affiliate of the Company that has not adopted the Plan; or
- you are classified by your employer as an independent contractor or consultant, even if you are subsequently reclassified as an employee by a court, taxing authority or other governmental agency.

Participation

If you are entitled to receive the Company Cash Contribution described beginning on Page 5, you will automatically become a Participant on your date of hire, whether or not you choose to make Pre-Tax, Roth or After-Tax Contributions to the Plan.

One Step Automatic Enrollment

The Thrift Plan's One Step automatic enrollment program applies to eligible Nuclear Fuel Services, Inc. employees hired on or after January 1, 2010, eligible NOG-Euclid employees hired on or after January 1, 2008 and all other eligible employees hired on or after January 1, 2007. Automatic enrollment does not apply to hourly paid employees of the NOG-Barberton facility.

One Step Automatic Enrollment

- Automatically enrolls eligible new employees in the Thrift Plan at a 6% Pre-Tax Contribution rate beginning 30 days after their hire date; and
- Automatically increases your Pre-Tax Contribution rate by 1% annually each January until it reaches 10%, unless you elect otherwise. The IRS limit on annual Pre-Tax Contributions described in the section entitled "Pre-Tax Contributions" on Page 4 will apply.

You will be furnished with automatic enrollment information from Vanguard soon after your hire date. You are not required to contribute to the Thrift Plan. Newly hired employees have 30 days from their date of hire to "opt out" of automatic Pre-Tax Contributions before the first contribution is made. You can elect to make After-Tax Contributions, Roth Contributions or you can make Pre-Tax Contributions at a higher or lower rate than 6% by logging on to www.vanguard.com, or by calling Vanguard Participant Services at 1-800-523-1188 Monday through Friday between 8:30 a.m. and 9:00 p.m., Eastern Time and following the voice prompts to a service representative.

Voluntary Automatic Savings
The automatic savings component of One Step is available as a voluntary service to all Thrift Plan participants other than hourly paid NOG-Barberton participants. Participants who wish to use this service can increase their savings rate gradually over time through the automatic savings feature of One Step, which automatically increases your Pre-Tax Contribution rate annually by the amount that you designate, from 1% - 3%. Annual increases will automatically occur in January until you reach a 10% Pre-Tax Contribution rate or opt out of the program. You can change or stop your voluntary One Step savings election at any time.

Enrollment for Hourly Employees of NOG-B
NOG-Barberton hourly-paid employees will be furnished with enrollment information on or soon after their hire date. These employees can enroll in the Thrift Plan by registering at www.vanguard.com or by calling Vanguard Participant Services at 1-800-523-1188 Monday through Friday between 8:30 a.m. and 9:00 p.m., Eastern Time and following the voice prompts to a service representative. The One Step automatic enrollment and automatic savings increase program is not available to hourly-paid NOG-B participants.

Regardless of how you enroll, Vanguard will send you a confirmation of your enrollment and a Personal Identification Number ("PIN"). You will need this PIN to conduct transactions with Vanguard relating to your Individual Accounts.

Contributions

Your Contributions to the Thrift Plan

When you enroll in the Plan, you decide how much you want to save - from 1% to 25% (in whole percentages) of your "Basic Pay" as defined below. Special IRS regulations assure that the Plan's benefits will be applied fairly among all employees, regardless of their pay levels. If you are considered a "highly compensated employee" ("HCE"), you may not be permitted to contribute the full 25% of your Basic Pay on either a Pre-Tax, Roth or After-Tax basis. You will be notified if you are affected by any of these limitations. (See Page 8 for details.)

Basic Pay means your regular salary (your straight time hourly rate if you are paid on an hourly basis) before pre-tax deductions for health and welfare benefits, Thrift Plan or Restoration Plan contributions, plus overtime pay at your premium rate, and expatriate pay and commissions, if applicable.

Basic Pay does not include bonuses, other special or supplemental pay, severance pay, reimbursement for expenses, elective deferrals under SERP or the Restoration Plan or other additional pay in any form.

The first 6% of Basic Pay you elect to save in the Plan are called your "Basic Contributions" and are eligible for the Company Matching Contribution. Any savings over that amount, up to an additional 19%, are called your "Supplemental Contributions". The Plan allows you to save with Pre-Tax Contributions, Roth Contributions, After-Tax Contributions or a combination of all three, at your election, as explained below.

Further, your Basic Pay taken into account for purposes of the Thrift Plan cannot exceed the IRS annual includible pay limit. For 2016, that limit is $265,000. This amount will be adjusted periodically in accordance with statutory rules to reflect increases in the cost-of-living and will be prorated for a Plan Year of less than 12 months and to the extent otherwise required by applicable law.

Pre-Tax Contributions

"Pre-Tax Contributions", also known as "401(k) Contributions", are subtracted from each paycheck before you are taxed. The amount that is contributed to the Plan does not count in your gross income when your federal and most state and local income taxes are determined. These taxes are deferred until you actually receive a payout from the Thrift Plan. In addition, all investment earnings on these contributions accumulate tax-free for as long as the money stays in the Plan. The IRS limits the amount of Pre-Tax Contributions you can make to a qualified Plan in a calendar year. For 2016, that limit is $18,000.

Catch-Up Pre-Tax Contributions

If you are age 50 or older at any time during the calendar year and you contribute the maximum dollar amount of Pre-Tax Contributions and/or Roth Contributions permitted by the IRS ($18,000 during the 2016 calendar year), or you reach the Plan's limit of 25% of your Basic Pay, or you are an HCE contributing the maximum allowed (see Page 8), you are eligible to make additional Pre-Tax and/or Roth Contributions called "Catch-Up Contributions" to the Plan for the calendar year. In 2016, the maximum Catch-Up Contribution is $6,000.

After-Tax Contributions

You may also choose to contribute Basic Contributions or Supplemental Contributions to the Plan on an After-Tax basis. "After-Tax Contributions" are deducted from your paycheck after applicable income taxes have been withheld. Although After-Tax Contributions will not reduce your current taxable income the way Pre-Tax Contributions will, they are more readily available for withdrawal during your years of employment with the Company, as explained in the **Withdrawals While Employed** section of this SPD. In addition, all investment earnings on your After-Tax Contributions accumulate tax-free for as long as the money remains in the Plan.

Roth Contributions

In addition to Pre-Tax Contributions and After-Tax Contributions, you can also make Roth Contributions to the Plan. Roth Contributions are similar to After-Tax Contributions in the sense that they are deducted from your paycheck after applicable income taxes have been withheld. However, you can make tax free withdrawals from your Roth Contributions and earnings on those contributions after age 59½ provided you made your first Roth Contribution at least 5 years before the withdrawal. The IRS limits the amount of Pre-Tax Contributions plus Roth Contributions you can make to any qualified plan in a calendar year. In 2016, that limit is $18,000. Roth Contributions are not available to hourly paid NOG-Barberton participants.

Rollover Contributions

The Plan permits any Participant to directly rollover to the Plan an eligible rollover distribution in cash from any qualified plan, qualified annuity plan, IRA, eligible 457(b) plan and 403(b) plan. Distributions of after-tax contributions are eligible for rollover treatment; however, after-tax (nondeductible) contributions made to an IRA, are not permitted to be rolled over into the Plan. Your Rollover Contributions will always be 100% vested.

In addition, if you receive a lump sum distribution from another qualified plan, qualified annuity plan, IRA, eligible 457(b) plan or 403(b) plan you may still rollover that money, provided the Trustee receives your rollover within 60 days after you receive it. Please contact Vanguard Participant Services at 1-800-523-1188 for forms and procedures.

Company Matching Contributions

A major advantage to participating in the Thrift Plan is the added value of "Company Matching Contributions". Whether you choose to save with After-Tax Contributions, Roth Contributions, Pre-Tax Contributions or a combination of the three, the Company will match 50% of every dollar of Basic Contributions (up to 6%) you elect to contribute to the Plan, unless you are covered by a collective bargaining agreement that does not provide for the Company Matching Contribution.

Supplemental Contributions and Catch-Up Contributions are not matched by the Company. Company Matching Contributions may be made in common stock of BWX Technologies, Inc. or cash, at the discretion of the Company. Currently, Company Matching Contributions are made in cash. Company Matching Contributions and their corresponding investment earnings (if any) are not taxable to you as long as they remain in the Plan.

Company Cash Contributions

Service-Based Contribution

If you are an eligible salaried employee you are entitled to receive a service-based company cash contribution to your Thrift Plan account based on the following schedule. You are entitled to receive this contribution whether or not you elect to make Pre-Tax, Roth or After-Tax Contributions to the Plan.

Years of Service	% of Base Pay
0 up to 5 years	3%
5 up to 10 years	4%
10 up to 15 years	5%
15 up to 20 years	6%
20 up to 25	7%
25 or more	8%

You are not entitled to receive the service-based contribution if:

- You are accruing a benefit under a company-sponsored defined benefit plan; or
- You are covered by a collective bargaining agreement that does not provide for this benefit.

Flat Contribution

If you are an hourly paid participant employed at the Bettis Idaho facility covered by a collective bargaining agreement with Laborers International Union of North America, Local 155, you are entitled to receive a flat company cash contribution to your Thrift Plan account equal to 3% of your Base Pay. You are entitled to receive this contribution whether or not you elect to make Pre-Tax, Roth or After-Tax Contributions to the Plan.

Changing the Amount You Save

The amount of your contributions and the company contributions will automatically change with any change in your Basic Pay.

Whether you participate in the Thrift Plan on a Pre-Tax, Roth or After-Tax basis, you may increase or reduce the rate of your Basic Contributions or Supplemental Contributions at any time.
To change your rate of contribution you should:

- Call the 24-hour Vanguard VOICE™ Network, using a touch-tone telephone and the Personal Identification Number (PIN) provided to you by dialing 1-800-523-1188; or

- Call Vanguard Participant Services, by dialing 1-800-523-1188 (8:30 a.m. to 9 p.m., Eastern Time, Monday through Friday); or

- Access Vanguard's website at www.vanguard.com.

Suspension of Contributions

You may suspend or stop your Basic Contributions, Supplemental Contributions or both, by contacting Vanguard as explained above under **Changing the Amount You Save**.

If you voluntarily suspend your contributions and you were contributing less than 6% of Basic Pay at the time of the suspension, you cannot resume making contributions at a higher rate for a period equal to your suspension period.

In addition to voluntary suspensions, your contributions may be suspended for a period of time if you take a withdrawal as explained in the **Withdrawals While Employed** section of the SPD.

Qualified Military Service Benefits

The Plan is operated in compliance with the Uniformed Services Employment and Re-employment Rights Act of 1994 ("USERRA"). Under the provisions of USERRA, if you return to work from a qualified military leave, you may be permitted to "make-up" Basic Contributions and Supplemental Contributions, which you could have otherwise made during the period of qualified military service. If you make-up your missed contributions, you will also be entitled to receive any Company Matching Contributions. If you are entitled to receive Company Cash Contributions, they will automatically be reinstated upon your return to work from a qualified military leave and deposited in your Thrift Plan Account as soon as administratively possible.

Upon returning from qualified military service within the specified time frame, as outlined under USERRA, your period of military service counts for all purposes under this Plan.

Employees covered under USERRA include: all members of the "uniformed services" who serve voluntarily or involuntarily, including those in the reserves, as well as any other individuals designated by the President. The uniformed services include the Army, Navy, Marine Corps, Air Force, Coast Guard, and Public Health commissioned corps.

Limits on Contributions

As explained above, you may make contributions to the Thrift Plan in an amount up to 25% of your Basic Pay (up to the IRS includible pay limit) during the Plan Year. However, the Internal Revenue Code of 1986, as amended (the "Code") includes several limits that may reduce the amount of contributions that may be made to the Plan by you or on your behalf.

- <u>Indexed Limit on Pre-Tax and/or Roth Contributions</u> - The Code imposes an indexed dollar limit on the total amount of Pre-Tax Contributions plus Roth Contributions that may be made to the Plan for any calendar year (this limit is $18,000 as indexed for 2016). It is important to recognize that this indexed dollar limit applies only to your Pre-Tax Contributions and Roth Contributions to the Plan. It does not apply to your After-Tax Contributions, Catch-Up Contributions or Company Contributions made to the Plan on your behalf.

  This limit applies to all Pre-Tax Contributions and/or Roth Contributions made to all employer plans during the year, even if the employers are not related. For example, if you worked until March for another employer and contributed $3,000 to that employer's plan, and were hired by the Company in April, you would only be able to make $15,000 in Pre-Tax and/or Roth Contributions to the Plan, even if you otherwise received enough Basic Pay from the Company to contribute $18,000. Some examples of other retirement plans to which you might have made contributions include: 401(k) plans, eligible 457(b) plans, 403(b) plans (sometimes called “tax-sheltered annuities”), SIMPLE IRA’s, and SARSEP’s.

- ♦ <u>Limits Based on Non-Discrimination Tests</u> – If you are an HCE as defined by the Code, there are other limitations that may reduce the total amount of contributions that may be made to the Plan. These limitations are based on mandatory non-discrimination tests designed to make sure that employees at all pay levels benefit from the Plan on a relatively equivalent basis.

- ♦ <u>Annual Contribution Limitations</u> - In spite of the contribution and allocation formulas described above, federal law limits the annual amount which may be allocated to your Individual Accounts (lesser of $53,000 or 100% of Basic Pay for 2016). These limits include Pre-Tax Contributions, Roth Contributions, After-Tax Contributions, and all Company Contributions. Rollover Contributions and Catch-Up Contributions are not included in the annual contribution limitations.

You will be notified if your contributions reach any of these limits. However, if you made contributions to another employer’s retirement plan during the year, it is your responsibility to contact Vanguard as soon as possible to ensure that your total contributions do not exceed the first limit described above. As a result of these limits, it is possible that you will not be permitted to make the full amount of Pre-Tax and or Roth Contributions to the Plan for any calendar year or that certain “excess contributions” previously made to the Plan on your behalf will be returned to you (adjusted for earnings and losses).

Investments

Your Investment Choices

All contributions are paid into a trust fund made up of separate investment funds. You have the option of investing your Basic Contributions, Supplemental Contributions and, if applicable, your additional Company Cash Contributions in one or more of the investment options available under the Plan as listed below. Your Company Matching Contributions made in stock for payroll periods ending before May 1, 2015 were automatically invested in the BWXT Stock Fund. However, any amounts invested in the BWXT Stock Fund may be transferred to one or more of the other investment funds at any time. Only Company Matching Contributions made in stock (and earnings thereon) can be invested in the BWXT Stock Fund.

Please note if you fail to direct the investment of your contributions or any Company Contributions to the Plan, these contributions will be invested in the default investment option selected by the Committee. At this time the default investment option for all participants is the Target Date Retirement Fund dated nearest to your age 65. Please note that the Committee may select a different investment option in the future.

In choosing your investment mix, you should consider your long-term investment goals and then decide how your Individual Accounts will be invested. Your choice will depend on your personal needs, the degree of risk you are willing to accept and your financial objectives.

The Thrift Plan is a participant-directed individual account Plan. That means that each Participant is solely responsible for selecting the mix of funds in which his Individual Accounts will be invested and for the results of these investment decisions. The Plan will provide you with sufficient information to make informed investment choices. However, it is up to you to use this information to understand the choices available under the Plan. Neither the Company, the Trustee, the Committee nor any other Plan fiduciary has any responsibility for the outcome of your investment directions. The available investment options are:

Passively Managed Equity Market Index Funds

These are investment options that track the performance of various equity markets.

- **Vanguard Institutional Index Fund** – U.S. Large-Cap Style Neutral
- **Vanguard Extended Market Index Fund** – U.S. Small/Mid-Cap Style Neutral
- **Vanguard Total International Stock Index Fund** – Developed and Emerging Markets (excluding U.S.). All Cap, Style Neutral

Actively Managed Equity Funds

These are investment options that employ active management techniques pursuing growth/value styles within the large, mid and small cap segments of the U.S. equity market.

- **Wells Fargo Discovery Fund** – U.S. Small/Mid-Cap Growth
- **T. Rowe Price Institutional Large Cap Core Growth Fund** – U.S. Large-Cap Growth
- **Diamond Hill Large Cap Fund** – U.S. Large-Cap Value
- **AMG SouthernSun U.S. Equity Fund**- U.S. Small/Mid-Cap Growth
- **Dodge & Cox International Stock Fund –** Developed and Emerging Markets (excluding U.S.) All Cap, Style Neutral

Bond Market Funds

These options invest in bonds and other fixed income securities.

- **Vanguard Total Bond Market Index Fund** – Passively managed U.S. Investment grade bonds of intermediate duration
- **Scout Core Plus Bond Fund** – Actively managed primarily U.S. investment grade and below investment grade bonds of intermediate duration

Stable Value Fund

This is an investment option that seeks to generate income while preserving capital and liquidity

- **Vanguard Retirement Savings Trust II** – Short term high quality fixed income

Balanced Target Maturity Funds

These investment options provide simple, well diversified funds allocated among equity, bond and money market portfolios that become more conservative over time for plan participants seeking a self-maintaining single fund solution. The date in the fund name refers to the target retirement date of the investor. The Target Retirement Income Fund is the most conservatively invested of these funds. These funds are not available to NOG-B hourly paid participants.

- **Vanguard Target Retirement Fund 2010**
- **Vanguard Target Retirement Fund 2015**
- **Vanguard Target Retirement Fund 2020**
- **Vanguard Target Retirement Fund 2025**
- **Vanguard Target Retirement Fund 2030**
- **Vanguard Target Retirement Fund 2035**
- **Vanguard Target Retirement Fund 2040**
- **Vanguard Target Retirement Fund 2045**
- **Vanguard Target Retirement Fund 2050**
- **Vanguard Target Retirement Fund 2055**
- **Vanguard Target Retirement Fund 2060**
- **Vanguard Target Retirement Income Fund**

Company Stock Fund

This is a single issue equity investment fund that is comprised of common stock of BWX Technologies, Inc. and a small amount of cash. Company Matching Contributions made in stock for payroll periods ending prior to May 1, 2015 were automatically invested in this fund when made. No other contributions can be invested in this fund. You can transfer money into and out of the Company Stock Fund at any time, subject to the **Limitations on Investment Directions** set forth on Page 11.

- **The BWXT Stock Fund**

Changing Your Investment Directions

You decide how you want your individual account invested among the Plan's investment fund options. How much accumulates in your account depends on the investment decisions that you make. You can change the investment of future contributions or transfer all or part of your balance in any investment fund to one or more of the other funds at anytime by logging onto your Vanguard account or by calling the Vanguard 24 hour automated VOICE Network at 1-800-523-1188. If you need personal assistance you can call Vanguard Participant Services at 1-800-523-1188 Monday through Friday from 8:30 a.m. to 9:00 p.m., Eastern Time and follow the voice prompts to a service representative.

Investment changes will be made the same day if the request is received on a business day before 4:00 p.m. Eastern Time. Requests received after 4:00 p.m. Eastern Time or on a weekend or holiday will be executed as of the next business day's closing price.

Limitations on Investment Directions

The following restrictions apply to your ability to direct the investment of your Plan account:

- If you move money out of an investment fund you cannot move money back into the same fund for 60 calendar days

- If you move money out of the Vanguard Total International Stock Index Fund that has not been in the fund for at least 60 days, the transaction will be subject to a 2% redemption fee.

- All transactions involving the BWXT Stock Fund are subject to the Company's policy regarding insider trading and trading on inside information.

- Only Company Matching Contributions that were made in Company Stock (and earnings thereon) can be invested in the BWXT Stock Fund.

The Plan is intended to constitute a participant-directed individual account plan as described in Section 404(c) of the Employee Retirement Income Security Act. The plan administrator provides you with information so that you can make informed decisions about the investment of your savings. Upon request, you will receive fund prospectuses, annual reports, fund operating fees and expenses, and fund asset information.

If you have any questions about the investment options available under the Plan or you would like more detailed information concerning any specific investment options, you should log on to www.vanguard.com or call Vanguard Participant Services or the 24-hour Vanguard VOICE™ Network by dialing 1-800-523-1188.

Voting Rights for the Company Stock Fund

As a Participant, you have the right to instruct the Trustee, as defined in the **Other Plan Information** section of the SPD, how to vote the shares of BWXT common stock invested in your Individual Accounts. If you fail to give the Trustee specific instructions, the Trustee will vote your share(s) in the same proportion that other Participants have voted their shares. With respect to tender or exchange offers, if the Trustee does not receive timely direction from you as to the manner in which to respond to a tender or exchange offer, the Trustee will not tender or exchange any BWXT common stock for which you have the right of direction.

A Word About Diversification of Investments

To help achieve a financially comfortable retirement you should give careful consideration to the benefits of a diversified portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return while minimizing your overall risk of losing money.

Investing in the BWXT Stock Fund enables you to share in BWXT's success when BWX Technologies, Inc. common stock does well. However, owning too much of any one investment may add more risk than you want for your retirement savings strategy. You should regularly evaluate how your current account balance and future contributions to the Thrift Plan are invested and make adjustments as appropriate.

How Accounts are Valued

When you join the Plan, all contributions will be credited to one or more separate accounts called your "Individual Accounts".

As of each "Valuation Date" your Individual Accounts will be valued to reflect contributions, distributions, income, expenses, gains and losses since the prior Valuation Date. A Valuation Date is each business day on which the New York Stock Exchange is open for trading.

Keeping Track of Your Individual Accounts Under the Plan

Quarterly participant statements will be delivered to you electronically, showing the total amounts credited to your Individual Accounts under the Plan as of the end of each calendar quarter. These statements will reflect all Plan activities including contributions, earnings, investment exchanges, loans and distributions occurring within your Individual Accounts during the most recent calendar quarter. You can track your account daily by logging on to www.vanguard.com or by calling the 24-hour Vanguard VOICE Network at 1-800-523-1188. You may also call Vanguard Participant Services or the 24-hour Vanguard VOICE™ Network to discuss Plan or investment-related questions or to request that paper statements be mailed to your home address.

Vanguard's website at www.vanguard.com allows you to tap into a variety of investment information from retirement plan guidance to specific fund information to tax-planning tips.

Fees Associated with the Plan

Investment Fund earnings are net of any applicable investment fees other than the Total International Stock Index Fund redemption fee. If that redemption fee applies, it is charged to your Individual Account. Recordkeeping fees are charged to your Individual Account quarterly. Most other expenses of administering the Plan are paid by the Company or from funds held in the Plan's forfeiture account.

Additionally, as discussed in the **Loans** section of the SPD, you will be charged a loan application fee of $40 if you initiate your loan online via www.vanguard.com or by using the 24-hour automated VOICE network. If you initiate your loan by calling Vanguard Participant Services and speak with a service representative, you will be charged a $90 application fee. You will also be charged a loan maintenance fee of $25 for each year your loan remains outstanding. If you submit a "qualified domestic relations order" to the Plan (described on Page 28), a QDRO processing fee will be charged pro-rata to your account and the account established in the "Alternate Payee's" name.

Vesting

Vesting refers to your permanent, non-forfeitable right to the funds in your Individual Accounts. You are always 100% vested in your Basic Contributions, Supplemental Contributions, Catch-Up Contributions and any Rollover Contributions you make to the Plan and any earnings that accrue from these contributions.

All Company Contributions become 100% vested 1) after you complete three (3) years of service with the Company, 2) when you reach your normal retirement age, 3) when you become Disabled, 4) upon your death or 5) if your employment is involuntarily terminated for reasons other than cause, whichever occurs first.

Normal Retirement Age means the later of attainment of age 65 or completion of 3 years of service.

Withdrawals While Employed

The Thrift Plan is intended for long-term retirement savings. You gain the maximum benefit from the Plan by leaving your money in until retirement. However, it is possible to make withdrawals while you are employed. Because of the tax consequences of a withdrawal, you may want to discuss your tax liability with a financial advisor before making any withdrawals.

After-Tax and Company Contributions

Once in any six-month period you may withdraw your own After-Tax Contributions, vested Company Contributions, Rollover Contributions and any investment earnings on those funds. Any withdrawal of Basic After-Tax Contributions will result in a three (3) month suspension of your right to make any Basic Contributions or Supplemental Contributions. A withdrawal of Company Contributions will result in a six (6) month suspension. In addition, you will not be permitted to make any withdrawal amounting to less than $300 unless your total vested Individual Account balance is less than $300. In that case, you must withdraw the entire amount.

You can request additional withdrawals only in the event of financial hardship. Additional withdrawals will only be granted if the Committee determines that you have an immediate and heavy financial need that cannot be met through other sources. The amount of your hardship withdrawal cannot exceed the amount necessary to meet the immediate financial need.

Pre-Tax and Roth Contributions

As flexible as the Thrift Plan may be, certain restrictions and penalties apply to in-service withdrawals from your Individual Accounts. You may withdraw your Pre-Tax Contributions and/or Roth Contributions only after age 59½ or if you have an extreme financial hardship. Investment earnings on your Pre-Tax Contributions and/or Roth Contributions are available for withdrawal after age 59½, but NOT for financial hardship withdrawal. Roth Contributions and earnings withdrawn after age 59½ are tax-free if you made your first Roth Contribution at least 5 years before the withdrawal. If you take a financial hardship withdrawal of your Pre-Tax and/or Roth Contributions, you will not be permitted to make any Basic Contributions or Supplemental Contributions to the Plan for a full six (6) calendar months.

For purposes of qualifying for a financial hardship withdrawal of Pre-Tax and/or Roth Contributions, extreme financial hardship means that the withdrawal is necessary to meet an immediate and heavy financial need that cannot be relieved from any other source.

Only the following expenses will be considered an "immediate and heavy financial need":

- uninsured medical expenses for you or your dependents;
- purchase of your principal residence;
- payment of tuition, related educational fees and room and board for the next 12 months of post-secondary education for you, your spouse or your dependents; and
- prevent eviction from or foreclosure on your principal residence.

A withdrawal will be considered necessary to meet a financial need only if the following conditions are satisfied:

- the amount of withdrawal requested is not greater than the amount of the immediate and heavy financial need, and
- you have requested all other withdrawals and loans available to you from all employer plans.

In addition, you may be required to provide proof that the financial need cannot be met through any other source.

If you incur a suspension as a result of your withdrawal and you were contributing less than 6% of Basic Pay at the time of the withdrawal, you cannot resume making contributions at a higher rate for a period equal to your suspension period.

To withdraw amounts from your Individual Accounts under the Plan while employed by the Company, you should call Vanguard Participant Services or the 24-hour Vanguard VOICE™ Network at 1-800-523-1188 to request forms along with the required certification and evidence of need in the case of a hardship withdrawal. The completed forms should be returned to Vanguard (at the address provided in the **Other Plan Information** section) for processing. The application expiration period is 20 business days from the application date. Checks will be mailed First Class US Mail within three to five business days.

Generally, withdrawals will be made from your Individual Accounts in the following sequence, as needed:

- Supplemental After-Tax Contributions, and their earnings;
- Basic After-Tax Contributions, and their earnings;
- Rollover Contributions (if any), and their earnings;
- Vested Company Cash Contributions (if any) and their earnings;
- Vested Company Matching Contributions, and their earnings;
- Pre-Tax Contributions, if you qualify, and their earnings if you are age 59½ or over; and
- Roth Contributions, if you qualify, and their earnings if you are age 59½ or over.

Alternatively, you may request a withdrawal of all or a portion of any Basic and Supplemental Contributions in your Individual Accounts that you contributed prior to January 1, 1987. After you attain age 59½, you may also request a withdrawal of all or a portion of your Roth Contributions.

When you make a withdrawal, the above sequence will be followed and each of the investment options in which you have elected to invest your Individual Accounts will be debited on a proportionate basis. All withdrawals will be paid in cash, except that withdrawals of Company Matching Contributions from the BWXT Stock Fund may be paid in common stock, or cash, at your election. Withdrawals affecting your investment in the BWXT Stock Fund are subject to the Company's Insider Trading Policy.

Loans

The Thrift Plan loan feature works like a loan from a bank or credit union, except you are the lender as well as the borrower. The money comes out of your Individual Accounts and must be paid back with interest according to an established schedule. The repayments, which include principal and interest, are returned to your Individual Accounts in the Plan. To apply for a loan, you must either log on to www.vanguard.com, call the 24-hour Vanguard VOICE Network or call Vanguard Participant Services and follow the voice prompts to a service representative. For more information about loans, please see the Thrift Plan Loan Policy in Appendix A.

The amount of your loan is deducted from your Individual Accounts in the following sequence, as needed:

- Before-Tax Contributions, plus earnings;
- Vested Company Cash Contributions, plus earnings;

- Vested Company Matching Contributions, plus earnings;
- Rollover Contributions, plus earnings;
- Basic After-Tax Contributions, plus earnings;
- Supplemental After-Tax Contributions, plus earnings; and
- Roth Contributions, plus earnings.

Loans affecting your investment in the BWXT Stock Fund are subject in the Company's Insider Trading Policy.

Loan Eligibility

As an actively employed Participant, you may request a loan from your Thrift Plan if:

- you are receiving regular paychecks from the Company;
- you have a vested Individual Account balance of at least $2,000; and
- you have no outstanding loan balance.

Thrift Plan loans are not available to terminated Participants.

Amount of Loan

The minimum you may borrow is $1,000 and the maximum is the lesser of:

- 50% of your vested Individual Account balance; or
- $50,000, minus any highest outstanding loan balance during the prior twelve (12) months.

Loan Term

There are two types of loans available. The type of loan determines the length of time in which the loan must be repaid. However, the minimum repayment period for any loan is one (1) year for a general purpose loan and six (6) years for a residential loan.

- A general purpose loan must be repaid within 5 years and may be requested for any reason.
- A residential loan may extend up to 20 years and must be used to acquire your principal residence.

You may have only one outstanding loan at any time.

Interest Rate

An interest rate will be established on the first business day of each calendar month for loans initiated within that month. Your rate will be equal to the Prime Rate on the first business day of the month of loan approval, as published in the "Money Rates" section of the Wall Street Journal, plus one percent (1%). The interest rate in effect when your loan is approved will remain in effect throughout the repayment period.

Loan Fees

You will be charged a $40 loan origination fee if you apply online via www.vanguard.com or by calling the 24-hour automated VOICE network. If you request a loan by calling Vanguard Participant Services and speaking with a service representative the loan origination fee will be $90. The loan origination fee will be taken from the process of your loan, so the check you receive will be net of this fee. Additionally, you will be charged a loan maintenance fee of $25 for each year the loan remains outstanding, which will be deducted annually from your Individual Accounts.

Repayment of Loans

Loans are repaid through regular payroll deductions based on a schedule established at the time the loan is approved. The repayment schedule is calculated based on a maximum of two deductions per month. Whether you are paid semi-monthly, bi-weekly or weekly, the schedule will show 24 payments per year. Should your pay frequency change while you have an outstanding loan balance, your total monthly loan repayment amount will remain the same. Once you authorize loan payroll deductions, they remain in effect until the loan is fully repaid.

You may prepay the outstanding loan balance at any time. If you choose to do so, the full amount of the outstanding loan balance must be satisfied. Currently, partial prepayments are not permitted. You will be notified if that changes in the future.

If you take a leave of absence with pay, monthly repayments of principal and interest will continue to be deducted from your paychecks.

If you take an approved leave of absence without pay, at the Committee's discretion, you may be permitted to:

- continue making regular repayments of principal and interest during the absence;
- extend the term of the loan, but not beyond four and one-half years from the original date of grant of a general purpose loan or twenty (20) years from the original date of grant of a principal residence loan; or
- suspend repayments for a period not to exceed six months and at the end of the six-month period have the monthly repayments adjusted so as to satisfy the borrower's obligation to repay the outstanding loan balance and interest thereon. See the Loan Policy in Appendix A for detailed Leave of Absence rules.

A Participant who takes a leave of absence without pay and fails to make arrangements for repayment of the loan within 90 days will be considered in default.

Termination of Employment

Should you leave the Company for any reason before the loan is fully repaid, the outstanding loan balance becomes due. At that time, the amount due must be satisfied by either a direct payment or by a deduction from a Plan distribution. Although the Plan may permit you to defer your distribution to a later date, in order to do so you must remit a single payment for the outstanding loan balance within 90 days from the date you leave the Company. If such payment is not made, a distribution will be processed on your behalf in the amount of the outstanding loan balance and will be taxable to you in the year the distribution is processed.

Loan Default

If you fail to make a loan repayment by its due date, you will be granted an extension to cure the delinquency. This extension is called the Plan's "cure period". The Plan's cure period is the end of the calendar quarter following the calendar quarter in which the scheduled payment was due.

If you do not make the missed repayment by the end of the cure period, your loan will be in default, and the outstanding balance of your loan, including interest, will be deemed distributed to you as of the end of the cure period. The amount of the deemed distribution will be taxable to you in the year of the deemed distribution and may be subject to an additional 10% penalty tax.

Initiating a Loan

If you wish to apply for a Plan loan, you should log on to www.vanguard.com, or call Vanguard Participant Services or the 24-hour Vanguard VOICE™ Network at 1-800-523-1188. Once your loan is confirmed, you will be mailed the loan check and/or application to your address of record within three to five business days. Your endorsement of the check indicates your acceptance of the loan provisions.

If you are requesting a residential loan, you should call Vanguard Participant Services to request an application. The application will be mailed to your address of record. The loan application should be forwarded to Vanguard (at the address provided in the **Other Plan Information** section) for processing and the loan proceeds will be mailed to you within three to five business days.

If You Leave the Company Before Retirement

If you leave the Company for reasons other than (1) death, (2) disability or (3) involuntary termination for reasons other than cause before your normal retirement age, you will forfeit any Company Cash Contributions and Company Matching Contributions that are not vested.

Re-employment

If you are re-employed before you have a five-year "Break in Service", as explained under **How Service Is Defined** below, you may be able to regain any non-vested amounts you forfeited. The Company will restore the forfeited amount to your Individual Accounts if you repay any amount distributed to you within five years of your date of rehire. The restored amount will not be adjusted for any gains or losses which occurred during your Break in Service or before you repaid your distribution.

Ask your local Human Resources Department or Corporate Benefits in Lynchburg, Virginia about making arrangements to pay back your distribution.

If You Leave the Company Due to Retirement, Disability or Involuntary Termination

Your Individual Accounts become 100% vested and you will be entitled to a distribution, as explained in the Methods of Payment section, if you terminate employment due to retirement, disability or involuntary termination for reasons other than cause, as explained in the **Vesting** section.

You will be considered disabled for purposes of the Thrift Plan if you suffer from an illness or injury which is continuous and permanent so that you are wholly prevented from engaging in any occupation for wage or profit.

If your disability results from any of the following causes you will not be treated as disabled for Thrift Plan purposes:

- injury or disease sustained while willfully and illegally participating in fights, riots, civil insurrections or while committing a felony;
- injury or disease sustained while serving in the armed forces;
- injury or disease diagnosed or discovered subsequent to the date your employment was terminated; or
- injury or disease arising out of employment other than with the Company.

Payments to Your Survivors

Married Employees

If you are married when you die, any balance in your Individual Accounts becomes 100% vested and payable to your spouse in one lump sum payment. If you have already started receiving payments under one of the installment methods, your spouse may elect to have payments continue under that method of payment.

If you have not yet begun receiving payments, or you have not made an election before your death, your spouse may elect to receive payments under any form of payment described below in the section entitled Methods of Payment After Termination.

If your spouse elects one of the installment options, the payout period cannot exceed the spouse's life expectancy. Payments must begin before December 31 of the calendar year in which you would have been 70½. If your spouse dies before payments begin or before all payments have been made, a lump sum payment will be made to your spouse's estate.

You may name someone other than your spouse as beneficiary provided that you have the written, notarized consent of your spouse. Death benefits payable to a beneficiary other than your spouse are explained below under Single Employees.

Single Employees

If you are single when you die, or if you are a married Participant who has properly designated someone other than your spouse as beneficiary, your Individual Accounts become 100% vested and payable to your beneficiary in a lump sum payment.

If you have already started receiving payments under one of the installment methods, your beneficiary may elect to have payments continue under that method of payment.

If you have not elected a payment method before your death or if payments have not started, your beneficiary can elect to receive payments under any of the methods of distribution described below in the Section entitled Method of Payment--provided payments start within one year of your death. Any installment period cannot be longer than your beneficiary's life expectancy. If your beneficiary dies before payments begin or before all payments have been made, a lump sum payment will be made to your beneficiary's estate.

If you are single and have not designated a beneficiary under the Plan, the entire value of your Individual Accounts will be distributed, within five years, to your estate in a single lump sum payment.

Methods of Payment After Termination

You may elect to have your Individual Accounts distributed under any of the forms of payment described below. Payments must begin by April 1 of the year after the year you attain age 70½ and cannot extend beyond the joint life expectancy of you and your beneficiary.

Option 1 - Lump Sum Payment

Your Individual Accounts will be distributed in one lump sum payment as soon as administratively practicable following your election.

Option 2 - Variable Annual Installments

Your Individual Accounts will be distributed in annual installments payable over a period not to exceed thirty years. You may designate the month and year that your payments will begin under this option. The amount of each payment will be determined by dividing the value of your Individual Account balance by the remaining number of unpaid installments.

Option 3 - Level Annual Installments

Under this option, the value of your Individual Accounts will be used to purchase an annuity from an insurance company, payable to you in equal annual installments beginning in the month and year you select and continuing for a period of up to fifteen years.

Option 4 - Installment Combination Option

You may have your Individual Accounts distributed in a combination of Option 1 and Option 2. A portion of your Individual Accounts will be paid to you in a lump sum payment, and the remaining portion will be distributed in Variable Annual Installments, as provided in Option 2 above.

Option 5 - Annuity Combination Option

You may have your Individual Accounts distributed in a combination of Option 1 and Option 3. The Plan will purchase an annuity with a portion of your Individual Accounts, payable to you in equal annual installments for up to fifteen years. The remaining portion of your Individual Accounts will be paid to you in a lump sum payment.

Option 6 – Periodic Installments

You may have your Individual Accounts distributed in monthly, quarterly or annual installments over a period not to exceed twenty (20) years, in a fixed amount of at least $500.00. You may change the amount of the installment payments once each calendar year.

Note: You can change your distribution election prior to the commencement of payments. However, payments cannot be changed once benefits have commenced except in the case of accelerated installment payments occurring through an approved financial hardship, as explained under the **Withdrawals While Employed** section of this SPD.

You may also withdraw funds from your Thrift Plan account once every six months without irrevocably electing a distribution option, by logging on to www.vanguard.com or by calling the 24-hour VOICE Network or Vanguard Participant Services at 1-800-523-1188.

Form of Payment

Distributions from your Individual Accounts will be made in cash. However, distributions from the BWXT Stock Fund may be made in shares of common stock or in cash, at your election.

How to Apply for Benefits

When you terminate employment, the Company instructs Vanguard to mail you a termination kit that sets forth your distribution options, including the option to leave your money in the Plan. If you have questions please contact Vanguard Participant Services at 1-800-523-1188.

Required Date for Distribution

Payments must begin no later than April 1 of the calendar year after the year you attain age 70½. If you make no election, your payments will be automatically distributed in a lump sum as soon as administratively possible following your Normal Retirement Date. If you elect any method of payment besides a Lump Sum Payment, your payout period cannot be longer than your life expectancy or the combined life expectancies of you and your beneficiary. You will be informed at the time of your election if you are affected by these rules.

How Service is Defined

This section explains the way "Service" is credited under the Thrift Plan.

Service

Service is used to determine your vested rights. Your Service starts on your employment date and ends on your termination date.

For vesting purposes, you will be credited with one (1) year of service for the twelve (12) month period beginning on the date you complete an hour of service with the Company.

If you are employed by a company that was acquired by the Company, your service with that company may be counted for vesting. Ask the Corporate Benefits Department if you have questions about this provision.

Termination Date

This is the earlier of:

- the date you quit, retire, are discharged or die; or
- the first anniversary of the first day you are absent for any other reason. If, however, you are absent beyond the first anniversary because of maternity; or
- paternity leave, the period of absence between the first and second anniversaries will not count as Service or as a Break In Service.

Break In Service

This is the period of time between your Termination Date and your date of rehire.

If you are rehired before the end of twelve months, your period of absence will count as Service for purposes of determining vesting.

Effect of a Break In Service

THE LENGTH OF YOUR BREAK IN SERVICE CAN AFFECT THE CREDIT YOU RECEIVE FOR VESTING.

If your Break In Service lasts for at least five consecutive years and you then return to work for the Company, you cannot regain any forfeited amounts and you cannot repay any distribution you received from the Plan.

Also, your Service before the Break In Service will not count for vesting if:

- you were not vested on your Termination Date, and
- your Break In Service was at least five years and was longer than your Service before the Break.

Your Service before the Break In Service will count for vesting if:

- you were vested on your Termination Date, or
- you were not vested on your Termination Date, but your Break In Service was shorter than five years.

Service-Based Contribution

If you are entitled to receive the Service-Based Company Cash Contribution described beginning on Page 5, the service that will be taken into account for purposes of determining the amount of that contribution is generally the same as the service used for vesting purposes. However, the following periods of service are excluded:

- service as a leased employee
- a break in service of less than 12 months
- a leave of absence of greater than 12 months, other than qualifying military service
- service with Boeing-Oak Ridge Company, DynMcDermott Petroleum Operations Company, Los Alamos National Security, LLC or Lawrence Livermore National Security, LLC
- service with Intech, Inc. or Ivey-Cooper Services, LLC prior to June 10, 2008

If you transferred to employment with a B&W company from a McDermott company on July 1, 2010 in connection with the spin-off by McDermott International, Inc. of The Babcock & Wilcox Company, your service with McDermott prior to July 1, 2010 will count as if it had been B&W service.

If your Thrift Plan account was transferred to the B&W Thrift Plan in connection with the spin-off of Babcock & Wilcox Enterprises, Inc. on June 30, 2015 and you subsequently become eligible to participate in this Plan, you will be treated as a new participant for all purposes under this Plan. Your pre-June 30, 2015 service will not be taken into account under this Plan for vesting purposes, nor will it be counted for purposes of determining the amount of your Service-Based Contributions.

Filing a Claim

How to File a Claim

You or your beneficiary may file a written claim for a benefit with the Committee (the "Committee") or its designee, who will decide whether you or your beneficiary is entitled to any benefit and, if so, the amount of the benefit.

If Your Claim is Denied

If your claim for a benefit is denied in part or in full, you will be notified in writing within 90 days of receiving your application. The denial notice will be mailed to you at your last known mailing address and will:

- State the reason(s) for the denial;
- State the plan provisions on which the denial is based;
- Describe any additional material or information necessary for you to have your denial reversed and an explanation of why this material or information is needed;
- Describe the procedures for having your claim reviewed; and
- State your right to bring a civil action in federal court under section 502(a) of the Employee Retirement Income Security Act of 1974 following an adverse benefit determination on appeal.

In some instances, the Committee may determine that special circumstances require an extension of time in order to properly respond to your claim. If so, you will be notified, before the end of the initial 90-day period, of the reasons requiring the extension and the day by which the plan expects to make a decision. The extension will not exceed a period of 90 days from the end of the initial 90-day period.

In the event an extension is necessary due to your failure to submit necessary information, the plan's time frame for making a benefit determination on review is stopped between the date the Committee sends you the extension notification and the date you respond to the request for additional information.

Review of a Denied Claim

Within 60 days of receiving the denial notice, you or your authorized representative may make a written request for a review. Your written request should include:

- The date you received notice of denial of your claim and the date your request for review is filed;

- The specific part of the claim you want reviewed;

-
- The reasons you believe your claim should not have been denied; and

- Any additional supporting documentation or comments relating to your claim that you want the Committee to examine.

The Committee has 60 days to notify you of the review decision, unless special circumstances require an extension of time. If an extension is needed, the Committee will notify you within the initial 60-day period that no more than an additional 60 days are needed to review your claim.

The review decision will be in writing and will give specific reasons for the decision, references to the plan provisions on which it is based and state your right to bring a civil action in federal court under section 502(a) of the Employee Retirement Income Security Act of 1974.

The decision of the Committee is final and conclusive.

Disability Related Benefit Claims

If your claim is for a disability related benefit, (see "If You Leave the Company Due to Retirement, Disability or Involuntary Termination" on Page 19), the same general procedures will be followed as described above, but different time frames apply:

- You must be notified within 45 days if your initial claim is denied;

- Two 30-day extension periods may be allowed for review of your intitial claim if the Committee determines that special circumstances exist or additional information is needed. You will be allowed at least 45 days to provide any additional information requested.

- If your claim is denied, you have 180 days to submit a written request for a review.

- The Committee has 45 days to notify you of the review decision. The 45-day period may be extended for up to an additional 45 days.

If you appeal a claim for a disability retirement benefit that has been denied, your appeal will be heard by someone other than the Committee or a subordinate of the Committee. If the outcome of your appeal is based on whole or in part upon a medical judgment, the Committee will consult with a health care professional who has the appropriate training, and who was neither consulted in connection with the original claim denial nor is the subordinate of the professional consulted in evaluating the initial claim.

Federal Income Tax

In general, when you receive a distribution from the plan it will be subject to federal income tax. It may also be subject to state and local taxes. This section presents a summary of the current federal income tax rules. Information about state and local tax withholding, if required, will be provided to you before any plan payments begin.

Periodic Payments

Federal law requires that all periodic payments you receive from the plan be subject to federal income tax withholding unless you elect not to have withholding apply. Withholding on annuity payments generally follows the same withholding rules for wages. Before payments are made, you or your beneficiary will be given a form on which you must indicate whether you want federal income tax withheld from your monthly benefit payment. If you do not complete and return this form, taxes will be withheld from each payment assuming you are married with three dependents unless you file a withholding certificate claiming a different number of exemptions.

Lump-Sum Payments

In the event you receive your Thrift Plan benefit in a lump-sum payment, the full amount of the previously untaxed payment (other than a qualified distribution of Roth Contribution earnings) is generally taxable for federal and state income tax purposes in the year you receive it. However, the tax treatment of your payment depends on how you elect to receive it.

Payment Directly to You

Federal law requires that 20% of the lump-sum payment be automatically withheld for federal income tax purposes. The amount withheld will be credited against any federal income tax you owe for the year. Your payment may also be subject to an additional 10% early distribution penalty tax (see "Early Distribution Penalty" on Page 27 for more information).

Rollover to an Eligible Retirement Plan or a Traditional IRA

You may defer your federal (and in most cases state and local) income tax obligation and avoid the 20% withholding by instructing the plan to directly roll over all or a portion of your lump-sum payment to a traditional (non-Roth) IRA or another employer's eligible retirement plan (for example, a 401(k) plan) that accepts rollovers. This type of rollover allows you to continue to defer federal (and in most cases, state and local) income taxes until you receive a future distribution from the IRA or eligible retirement plan.

If any portion of your lump-sum distribution is paid directly to you, you may still defer taxes on the payment, even though 20% federal tax will have been withheld. Taxes may be deferred if, within 60 days after you receive the payment, you roll over all or part of it to a traditional IRA or another employer's eligible retirement plan that accepts rollovers. If you wish to defer the full amount of tax, you would have to make up the 20% tax withholding out of your own funds to roll over the entire amount of the distribution. In that instance, when you file your income taxes you might qualify for a refund up to the amount withheld if you deposit the entire amount of the distribution (including the withheld amount).

Direct Rollover to a Roth IRA

You can elect to have the plan directly roll over all or part of your lump sum payment to a Roth IRA. The portion that is rolled over is taxable to you as if it had not been rolled over, but it is not subject to the mandatory 20% federal income tax withholding (you may request voluntary withholding) or the 10% early distribution tax. Future distributions from the Roth IRA may not be subject to federal income taxes or the 10% early distribution tax if they meet certain requirements. Please note that you cannot make a rollover to a Roth IRA before January 1, 2010, if your modified adjusted gross income for federal tax purposes is greater than $100,000 or you are married and file a separate return.

Lump-Sum Payment Tax Rules For Payments to Beneficiaries and Alternate Payees

The rollover and withholding rules described above apply to lump-sum payments made to your surviving spouse, and spouses or former spouses who are alternate payees under qualified domestic relations orders (see "Assignment of Benefits" on Page 28 below). Special rules apply to non-spouse beneficiaries. All rules regarding withholding and rollover options for distributions to beneficiaries are detailed in the special tax notice that will be provided to your beneficiary(ies). Please consult your tax advisor for additional details.

Early Distribution Penalty

The IRS generally imposes a 10% early distribution penalty tax on certain taxable payments distributed to you before you reach age 59½. The 10% penalty tax generally does not apply to:

- Payments that are rolled over to an IRA or another eligible retirement plan,
- Payments made after you leave the company, if you are at least age 55 or older in the year in which you leave,
- Payments used for unreimbursed medical expenses, as defined by the IRS, that are in excess of 7½% of your adjusted gross income,

- Distributions received as part of substantially equal payments over your lifetime,
- Payments made due to your death or total and permanent disability, or
- Payments made to an alternate payee under a qualified domestic relations order.

For More Tax Information

This information is intended only as a general guideline. Keep in mind, tax laws are complex and subject to change at any time. When you request your retirement package, you will receive a special tax notice summarizing the tax rules in effect at that time. You should consult a professional tax adviser who can help you make the most appropriate decisions based on your personal situation. Professional advice may help you avoid unexpected or unnecessary tax liability.

Other Important Information

Assignment of Benefits

Your benefits under this plan are solely for you or your beneficiary. Generally, they cannot be assigned to anyone else. However, the plan will honor qualified domestic relations orders relating to provisions for child support, alimony payments or marital property rights. If the company receives such an order, you will be notified of how it will be handled with respect to your benefit.

A qualified domestic relations order is a judgment or decree that:

- Provides child support, alimony or marital property rights for your spouse, former spouse, child or other dependent;
- Is made under a state domestic relations law (including community property laws);
- Creates or recognizes the right of an "alternate payee" (your spouse, former spouse, child or other dependent) to receive all or a portion of your benefits;
- Does not change the amount or form of plan benefits; and
- Does not require payment in excess of your vested accrued benefit, determined as of the date of the order.

Recovery of Overpayments

You will be required to repay the Plan if you receive an overpayment of benefits. The Plan may suspend or reduce future benefits otherwise payable to you until the overpayment is repaid.

Other Things You Should Know

Continuation of the Plan

The board of directors of BWXT Investment Company reserves the right to amend or terminate the Plan at any time. If the Plan is discontinued or terminated, all Individual Accounts will automatically become 100% vested. Benefits under the Plan are not insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates, since defined contribution plans are not covered by PBGC termination insurance. If the board of directors terminates the Thrift Plan for any reason, you will receive ample notice.

Employment Rights

The establishment and maintenance of the Plan will not be construed as conferring any legal rights upon any employee to the continuation of his employment with the Company, nor will the existence of the Plan interfere with the right of the Company to discipline, lay-off or discharge any employee. The adoption and maintenance of the Plan shall not be deemed to constitute a contract between the Company and any employee or to be a consideration for, inducement to, or condition of employment of any person.

Laws Governing the Plan

This Plan is intended to be a tax-qualified Plan under Section 401(a) of the Internal Revenue Code of 1986, and shall be construed and enforced, in accordance with the Code, the Employee Retirement Income Security Act of 1974 (ERISA), and, to the extent applicable, according to the laws of the State of Delaware.

Other Plan Information

Plan Name

The formal name of the Plan is the BWXT Thrift Plan. The Plan is commonly referred to as the Thrift Plan.

Participating Employers

BWXT Investment Company, 11525 N. Community House Road, Suite 600, Charlotte, NC 28277 is the principal Plan Sponsor. A complete list of other participating employers may be obtained upon written request to the Committee.

Identification Numbers

The Employer Identification Number (EIN) assigned to the Plan Sponsor by the Internal Revenue Service is: 72-1172705. The Plan Identification Number (PIN) is: 002.

Type of Plan

The Plan is a defined contribution, profit sharing plan with a cash or deferred arrangement under Section 401(k) of the Internal Revenue Code and is intended to meet the applicable requirements of Section 401(a) of the Code as well as ERISA Section 404(c).

Plan Administration

The Plan Administrator is the BWXT 401K Plans Committee appointed by the Board of Directors of BWXT Investment Company. The address and telephone number of the Plan Administrator are:

BWXT 401K Plans Committee
11525 N. Community House Rd., Suite 600
Charlotte, NC 28277
(980)365-4000

Agent for Service Process

The agent for service of legal process is:

CT Corporation Systems
150 Fayetteville Street
Box 1011
Raleigh, NC 27601

In addition, service of legal process with respect to the Plan may be made upon the Committee.

Trustee

The Trustee is:

Vanguard Fiduciary Trust Company, P.O. Box 2900, Valley Forge, Pennsylvania 19482 – 2900
Street Address: 100 Vanguard Boulevard
Malvern, PA 19355

Plan Recordkeeper

The Plan Sponsor has a contract with Vanguard to provide recordkeeping services and certain administrative services. Forms may be returned to:

The Vanguard Group P.O. Box 1101 Valley Forge, Pennsylvania 19482 – 2900
Street Address: 100 Vanguard Boulevard
Malvern, PA 19355

Plan Funding

Benefits under the Plan are funded by employee and employer contributions. All contributions are deposited and held in a trust fund of which Vanguard Fiduciary Trust Company is the Trustee. All benefits payable under the Plan will be paid by the Trustee upon written request to the Trust Fund.

Fiscal Year of the Plan

The fiscal year of the Plan is the calendar year.

Availability of Plan Documents

The Committee will make available for your inspection any or all of the documents under which this Plan was established and is operated. They may be obtained from the address listed above under Plan Administration.

Your Rights as a Participant

As a participant in the plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA), as outlined in the following statement adapted from regulations of the U.S. Department of Labor.
ERISA provides that all plan participants are entitled to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the plan, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the plan, including insurance contracts and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.

- Receive a copy of the plan's annual funding notice. The Plan Administrator is required by law to furnish each participant with a copy of this annual notice.

- Receive a personal statement describing the total pension benefit earned and whether that benefit is vested (or the earliest date the benefit will become vested). The plan must provide this statement to all active employees with a vested benefit at least once every three years or annually, upon written request. Alternatively, the plan may send a notice once a year explaining that a statement is available and how it can be obtained. All other participants and beneficiaries may obtain a statement once a year upon written request. The plan must provide the statement free of charge.

In addition to creating rights for plan participants, ERISA imposes duties on the people who are responsible for the operation of the plan. These people, called “fiduciaries,” have a duty to operate the plan prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer, may fire you or otherwise discriminate against you in any way to prevent you from obtaining plan benefits or exercising your rights under ERISA. (However, this rule neither guarantees continued employment nor affects the company’s right to terminate your employment for other reasons.) If your claim for benefits is denied in whole or in part, you must receive a written explanation for the denial. You have the right to have the plan reviewed and your claim reconsidered.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive them, unless they were not sent because of reasons beyond the Plan Administrator’s control.

If your claim for benefits is denied or ignored, in whole or in part, and you have been through the appropriate plan appeals procedure, you may sue in a state or federal court. In addition, if you disagree with the plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that plan fiduciaries misuse the plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court.

In addition to deciding what damages, if any, should be awarded, the court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs. If you lose, the court may order you to pay these costs if, for example, it finds your claim frivolous.

If you have any questions about the plan, you should contact the Committee. If you have any questions about this statement or about your rights under ERISA, you should contact the Employee Benefits Security Administration (EBSA) by calling the toll-free hotline at 1-866-444-EBSA (3272) (TTY for hearing impaired: 1-877-889-5627). You will be automatically transferred to the nearest EBSA office (based on the area code of the telephone used to place the call). Alternatively, you can write to:

Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

You may also obtain certain publications about your rights and responsibilities under ERISA by contacting the EBSA by telephone or mail (at the number and address state above) or online at **www.dol.gov/ebsa**.

Appendix A
Thrift Plan Loan Policy

BWXT Thrift Plan

PARTICIPANT LOAN POLICY & PROCEDURES

Effective as of June 18, 2010

This Participant Loan Policy & Procedures ("Policy") has been adopted by the BWXT 401K Plans Committee (the "Committee"), as Plan Administrator of the BWXT Thrift Plan ("Plan"). The Policy is incorporated into the Plan by reference and forms a part of the Plan.

1. ADMINISTRATION OF THE LOAN PROGRAM

The Committee appoints The Vanguard Group ("Vanguard") to administer loans made to participants under the Plan on behalf of the Committee.

2. LOAN ELIGIBILITY

A participant is eligible to take out a loan if he is an employee, has a vested account balance of at least $2,000, and has no outstanding loan balance. Loans are not available to individuals who have terminated employment.

3. APPLICATION PROCEDURE

The Plan offers two types of loans: general purpose loans and principal residence loans. A different application process applies for each type of loan. To apply for a loan, a participant must access the WEB (www.vanguard.com), the VOICE® Network or call Vanguard Participant Services to speak with a representative.

General Purpose Loans
A participant who has met the loan eligibility requirements under the Plan may apply for a general purpose loan. A general purpose loan may be requested electronically (*i.e.*, an "express loan") by contacting Vanguard Participant Services, accessing the WEB (www.vanguard.com), or utilizing the VOICE Network. If a request for an express loan is submitted and approved, the loan check, a disclosure notice under the Truth-in-Lending Act, and a confirmation statement will be mailed to the participant's most recent address on record with Vanguard, generally within seven to ten business days. The participant will also be provided a copy of this Policy. The endorsement of the loan check serves as acceptance of the terms of the loan and this Policy.

In the alternative, the participant may request a general purpose loan by submitting an application form to Vanguard. An application form is available by accessing the WEB (www.vanguard.com), accessing the VOICE Network or by contacting Vanguard Participant Services.

Principal Residence Loans
If the participant has met the loan eligibility requirements under the Plan, he may apply for a principal residence loan if the proceeds of the loan will be used solely for the purpose of purchasing a principal residence. Principal residence loans are only available by submitting an application form. An application is requested by accessing the WEB (www.vanguard.com), utilizing the VOICE Network or by contacting Vanguard Participant Services. The participant will also be provided with a disclosure notice under the Truth-in-Lending Act, a promissory note regarding the loan obligation, and a copy of this Policy. The completed and signed application, promissory note and any required supporting documentation (i.e. mortgage agreement or agreement of sale) is then returned to Vanguard at the address listed on the application for processing. Once the loan is approved, Vanguard will mail the loan check to the participant's most recent address on record with Vanguard, generally within seven to ten business days. The endorsement of the check serves as acceptance of the terms of the loan and this Policy and the participant's certification that the loan will be used to purchase a principal residence.

4. TERM OF LOAN

The participant may select the term over which the loan will be repaid. For general purpose loans, the participant may select any repayment period, in whole months, up to 5 years, with a minimum period of 1 year. For loans used to acquire a principal residence, the participant may select any repayment period, in whole months, up to 20 years, with a minimum period of 6 years.

5. NUMBER AND AMOUNT OF LOANS

No more than one loan may be outstanding at any time.

The minimum loan amount is $1,000. The maximum loan amount cannot exceed the lesser of:

- 50% of the participant's vested account balance in the Plan as of the date the loan is made; or
- $50,000, minus the highest outstanding loan balance in the Plan, if any, the participant had during the one-year period ending on the day before the date on which the new loan is made.

Up to 50% of the participant's vested account balance under the Plan will be considered as security for the loan.

6. SOURCE OF FUNDS

The proceeds for a loan will be funded from vested amounts in your sub-accounts under the Plan in the following order:

(A) Elective Deferral Contribution Account,

(B) Vested Service-Based Company Contribution Account,

(C) Vested Flat Company Contribution Account,

(D) Vested Employer Contribution Account,

(E) Transfer Contribution Account, and

(F) Employee Contribution Account.

The proceeds for the loan will be taken on a pro-rata basis from each of the investment funds in which the amounts in such sub-accounts are invested. The participant may not specify individual sub-accounts or funds from which loan proceeds will be withdrawn.

7. LOAN FEES

The participant will be charged a one-time-only Plan loan fee of $40 in the year of loan origination when the loan is requested via the VOICE Network or vanguard.com. A one-time-only loan origination fee of $90 is charged when a loan is requested by contacting Vanguard Participant Services and speaking with a representative. This fee will be deducted from the loan proceeds so that the amount of the check received will be net of the origination fee. The participant will also be charged a $25 annual maintenance fee beginning in year 2 of the loan, which will be automatically deducted from his account balance.

8. INTEREST RATE

The interest rate for loans is determined as of the first business day of each month. The interest rate on a loan will be the Prime Rate published by Reuters, plus 1%, and will remain constant for the life of the loan, subject to Military Leave of Absence exception described in Section 10 below. A Participant may contact Vanguard Participant Services to obtain the current interest rate being charged for a new Plan loan.

Refinancing of the loan is not permitted under the Plan.

9. LOAN REPAYMENTS

Repayment Schedule

Loan repayments must be made when due according to an established repayment schedule (subject to the exceptions during certain leaves of absence described in Section 10 and the Plan's cure period described in Section 11). When a loan is initiated, the loan repayments, including interest, will be deducted automatically from the participant's pay on an after-tax basis. If the participant is paid through a U.S. payroll, the loan deductions will be scheduled to occur as follows: (a) weekly-paid employees' loan deductions will occur on the 1st and 3rd payrolls of each month; (b) semi-monthly paid employees' loan deductions will occur each payroll; and (c) biweekly paid employees' loan deductions will occur each payroll. If the participant is paid through a non-U.S. payroll, the loan deductions will be scheduled to occur monthly. Payroll deductions for loan repayments will begin as soon as administratively practicable after the loan check is mailed, but generally within 30 days after the loan is issued.

In the event a payroll deduction for a loan repayment cannot be taken as scheduled because of insufficient pay or other reasons (except for approved leaves of absence), the missed deduction will be held in arrears in the payroll system until there is a paycheck which covers the missed amount.

Nevertheless, it is the participant's responsibility to ensure that loan repayments are being made when due. Delinquent repayments may lead to a default of the loan. In the event that loan deductions are not being processed timely for your loan, you should contact Corporate Benefits as soon as possible to resolve the delinquency.

Deposit and Investment of Repayments

Loan principal payments will be credited on a pro-rata basis to the participant's sub-accounts used to fund the loan. Loan interest will be credited to the sub-accounts in direct proportion to the principal payment. Loan repayments, which include interest, will be invested in accordance with the participant's then current investment elections for new contributions, other than the Company Stock Fund.

Prepayment
Loans may be prepaid in full at any time by certified check or money order made payable to Vanguard Fiduciary Trust Company and sent to Vanguard. The appropriate address and instructions for loan prepayment are available by contacting Vanguard Participant Services. The loan must be paid off in a lump sum; no partial payoffs or accelerated payments are allowed. The participant may call Vanguard Participant Services at any time to verify your outstanding loan balance.

10. LEAVE OF ABSENCE

Paid Non-Military Leave of Absence
If a participant takes an approved non-military leave of absence with pay, loan repayment deductions will continue through payroll as scheduled, or otherwise pursuant to administrative procedures established by the Committee and communicated to the participant, as applicable.

Unpaid Non-Military Leave of Absence
If a participant takes an approved leave of absence without pay, or at a pay level insufficient after applicable employment tax withholdings to make scheduled loan repayments (other than for military service as discussed below), he may (i) suspend repayments while on leave, subject to the restrictions below, (ii) make arrangements to repay the loan in monthly installments, or (iii) pay off the loan in full. If the participant fails to contact Vanguard to elect either option (ii) or option (iii), the loan repayments will automatically be suspended during your leave.

Suspension of Repayments
If loan repayments are suspended, the suspension may be in effect until the earliest of the following: (i) twelve months after the date the leave of absence begins, (ii) the end of the maximum loan term for the loan type at issue, or (iii) the date the participant returns to full pay status.

If the leave of absence lasts for one continuous year or less, but more than 30 consecutive days, when the participant returns to full pay status, the loan will automatically be reamortized to spread the payments missed during the leave of absence, plus accrued interest, over the remaining term of the loan, and the participant's loan repayments will resume through payroll based on the new reamortized amount. The original loan term will be extended by the length of time that payments were suspended during the leave, provided that (i) the extended loan term cannot exceed the maximum loan term allowed under the Plan for the loan type at issue, and (ii) the new reamortized amount cannot be less than the original repayment amount.

If the leave of absence lasts for 30 consecutive days or less, when the participant returns to full pay status his loan repayments will automatically resume through payroll in the same amount as he paid prior to the leave. The payments missed during the leave will be caught up by deduction from the participant's pay up front. If the amount of the participant's paycheck is insufficient to catch up the entire missed amount, the portion of the deduction that cannot be taken will be held in arrears until the participant has a paycheck which covers the missed amount.

If the leave of absence lasts for more than one continuous year, when the 1-year limit is reached the participant must resume repayments on the loan by establishing automatic payments from his personal bank account.

Continuation of Repayments
If the participant chooses to continue repaying the loan in installments while on leave, he must arrange with Vanguard to have a monthly loan payment deducted automatically from his personal bank account. This arrangement will continue for the life of the loan. The loan will be reamortized to determine a monthly payment amount. In addition, the reamortization will catch up the payments missed since the leave of absence began, plus accrued interest. Monthly loan repayments by personal check are not be permitted. Any missed payment will end the installment agreement, at which point the participant will be required to repay the loan balance in full or incur a taxable default event.

Loan Payoff in Full
To pay off a loan in full, the participant must contact Vanguard Participant Services for the appropriate address and instructions.

Military Leave of Absence
If a participant takes an approved military leave of absence (paid or unpaid) for service in the "uniformed services" (as defined in chapter 43 of title 38, United States Code), whether or not qualified military service, he may suspend his loan repayments for the full duration of the leave. If the military leave is unpaid, the participant also has the option of (i) continuing repayments in monthly installments during the leave or (ii) paying off the loan in full. These options are described under "Unpaid Non-Military Leave of Absence" above.

If the military leave is unpaid and the participant does not contact Vanguard to elect either option (i) or option (ii), the loan repayments will automatically be suspended. If the leave is paid and the participant does not contact Vanguard to suspend repayments, loan repayments will continue to be taken through payroll deduction.

If the loan interest rate is higher than 6%, the Plan will limit the applicable interest rate during the military leave of absence to 6% to the extent required by the Servicemembers Civil Relief Act.

Suspension of Repayments
A participant may suspend loan repayments during military leave for the full duration of the leave. When he returns to active work, if the leave lasted for more than 30 consecutive days, the loan will automatically be reamortized to spread the payments missed during the leave, plus accrued interest, over the remaining term of the loan. Loan repayments will resume through payroll deduction based on the new reamortized amount. The original loan term will be extended by the length of time that payments were suspended during the leave, even if the extension causes the loan term to exceed the Plan's stated maximum. However, the new reamortized amount cannot be less than the original repayment amount.

If the leave lasted for 30 consecutive days or less, loan repayments will automatically resume through payroll deduction in the same amount paid prior to the leave. The payments missed during the leave will be caught up by payroll deduction up front. If the amount of the participant's paycheck is insufficient to catch up the entire missed amount, the portion of the deduction that cannot be taken will be held in arrears until he has a paycheck which covers the missed amount.

11. LOAN DEFAULT WHILE ACTIVELY EMPLOYED

Cure Period
A participant who fails to make a loan repayment by its due date will be granted an extension to cure the delinquency. This extension is called the Plan's "cure period". The Plan's cure period expires at the end of the calendar quarter following the calendar quarter in which the scheduled payment was due.

Deemed Distribution

If the missed repayment is not made by the end of the cure period, the loan will be in default, and the outstanding balance of the loan, including interest, will be deemed distributed to the participant as of the last day of the cure period. The amount of the deemed distribution will be taxable to the participant in the year of the deemed distribution and may be subject to an additional 10% early distribution penalty.

If a loan is deemed distributed, it remains outstanding and interest will continue to accrue on the unpaid balance until the loan is repaid. In addition, the participant will not be able to take another loan from the Plan until you pay the outstanding balance of the loan, including accrued interest.

To repay the outstanding balance on a loan that has been deemed distributed, the participant must call Vanguard Participant Services and speak to a representative who will inform him of the total amount due. The amount due must be repaid in a single lump-sum payment.

12. TERMINATION OF EMPLOYMENT

If a participant terminates employment and he has an outstanding loan balance, the loan balance becomes due and payable in full. The amount due must be satisfied by either a direct payment or by an offset from a Plan distribution.

Although the Plan may permit the participant to defer benefit distribution to a later date, in order to do so and still meet the loan obligation, the participant must remit a single payment for the outstanding balance by the end of the calendar quarter following the calendar quarter in which the termination date occurs. If such a payment is not made, the Plan will offset the participant's Plan account by the amount of the outstanding loan balance as of the due date. The loan offset will constitute a taxable distribution to the participant in the year it occurs and may be subject to a 10% early distribution penalty.

When a terminated participant takes a distribution of his Plan account, any outstanding loan balance will be offset against the account balance to determine the amount that will be distributed to you. The loan offset will be included as part of his taxable distribution from the Plan and may be subject to a 10% early distribution penalty.

13. REHIRE FOLLOWING BREAK IN SERVICE

If a participant terminates employment with an outstanding loan and is rehired within the Plan's cure period, he will not be required to repay a loan as described in Section 12. Instead, if a loan is still outstanding upon rehire, the loan will automatically be reamortized based on the original loan term to reflect the break in service, and loan repayments will resume through payroll deduction at the new reamortized amount. The rehired participant will not be charged any interest on the loan during the break in service period.

14. DEATH

Upon the death of a participant with an outstanding loan balance, the balance becomes due and payable in full. The executor/administrator of his estate may repay the balance of the loan by the end of the calendar quarter following the calendar quarter in which the death occurs. If the executor/administrator does not repay the loan balance within that timeframe, the unpaid balance of the loan will be offset against the Plan account balance, and the participant's beneficiary will receive the net account balance as the death benefit. The deceased participant's estate will be liable for any taxes attributable to the offset. However, if the beneficiary is the decedent's spouse, he or she will be permitted to elect whether to assume the loan obligation or have it offset against the account balance.

15. AVAILABILITY OF LOANS

Loans shall be made available to all eligible Participants on an equal basis.

16. INSIDER TRADING POLICY

The Company's Insider Trading Policy applies to most transactions involving BWXT common stock held in the BWXT Stock Fund. To the extent a loan request involves drawing down funds from a participant's investment in the BWXT Stock Fund, the participant's ability to borrow will be affected by the Insider Trading Policy. A participant should not borrow from his or her Thrift Plan account unless:

- ♦ He or she is certain that at any time he or she is in possession of material nonpublic information;
- ♦ No part of the participant's investment in the BWXT Stock Fund would be liquidated as a result of the loan; and
- ♦ No purchase of units in the BWXT Stock Fund would occur as a result of the repayment of the loan.

Any questions on whether or not a Thrift Plan loan is permissible should be addressed to BWXT's General Counsel or Director, Corporate Benefits.